Board of Finance

Tuesday, February 18, 2025, 5:00 PM, Bushor Conference Room 1st Floor, City Hall

Join from PC, Mac, iPad, or Android:
https://zoom.us/j/97229982242
Phone one-tap:
+16469313860,,97229982242# US
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****CCTV link: https://www.youtube.com/playlist?list=PLljLFn4BZd2PwCge7lNoKug676jIf_iUA ****

1. Agenda

Subject	**1.1. Motion to adopt agenda**
Meeting	February 18, 2025 - Board of Finance Meeting - Tuesday, February 18, 2025, 5:00 PM, Bushor Conference Room 1st Floor, City Hall
Category	1. Agenda
Department	Council and Board
Type	Action Procedural
Recommended Action	Motion to adopt agenda

2. Public Forum

Subject	**2.1. Verbal Comments**
Meeting	February 18, 2025 - Board of Finance Meeting - Tuesday, February 18, 2025, 5:00 PM, Bushor Conference Room 1st Floor, City Hall

Category	2. Public Forum
Department	Council and Board
Type	Action Procedural
Recommended Action	open Public Forum close Public Forum

3. Consent Agenda

Subject	**3.1. Motion to adopt the consent agenda and take the actions indicated**
Meeting	February 18, 2025 - Board of Finance Meeting - Tuesday, February 18, 2025, 5:00 PM, Bushor Conference Room 1st Floor, City Hall
Category	3. Consent Agenda
Department	Council and Board
Type	Action (Consent) Procedural
Recommended Action	Motion to adopt the consent agenda and take the actions indicated

Subject	**3.2. Grant Agreement & Contract Authorization to Support Fencing Installation at 1 North Ave. - C/T**
Meeting	February 18, 2025 - Board of Finance Meeting - Tuesday, February 18, 2025, 5:00 PM, Bushor Conference Room 1st Floor, City Hall
Category	3. Consent Agenda
Department	Clerk/Treasurer's Office
Type	Action (Consent)
Recommended Action	1. To approve and recommend that the City Council authorize the Chief Administrative Officer to execute the Grant Agreement between the City and The Queen City Police Foundation in the amount of $80,000 (no local match required) in support of the fencing installation project at 1 North Avenue. 2. To approve and recommend that the City Council authorize the Chief Administrative Officer to take all such further actions, including by taking any necessary steps to ensure the creation of the project budget reflecting the acceptance of the grant award, and to execute such further instruments approved as to form by the City Attorney, as may be necessary or convenient to effectuate the transactions contemplated hereby.

4. Deliberative Agenda

Subject	**4.1. Budget Amendment for 130 Bank Street Sales Tax Reallocation Funds (2024 award) for the BTC Public Improvements Project - CEDO/DPW**
Meeting	February 18, 2025 - Board of Finance Meeting - Tuesday, February 18, 2025, 5:00 PM, Bushor Conference Room 1st Floor, City Hall
Category	4. Deliberative Agenda

Department	Community & Economic Development Office (CEDO)
Type	Action
Recommended Action	To approve and recommend that the City Council authorize: 1) The Director of Public Works or designee to request reimbursement in the amount of $1,250,000 in 130 Bank Street Sales Tax Reallocation funds towards the BTC Public Improvements Project Budget and to accept the same; 2) The Chief Administrative Officer or designee to effectuate all necessary budget amendments and transfers of funds in furtherance of securing this reimbursable state funding; and 3) The Director of Public Works and the Chief Administrative Officer or their designees to take such further actions and to execute such further instruments approved as to form by the City Attorney as may be necessary or convenient to effectuate the transactions contemplated hereby.
Subject	**4.2. Water Resources FY25 Personnel Reorganization - Creation of Meter to Cash Team - DPW - Water Resources**
Meeting	February 18, 2025 - Board of Finance Meeting - Tuesday, February 18, 2025, 5:00 PM, Bushor Conference Room 1st Floor, City Hall
Category	4. Deliberative Agenda
Department	Public Works Department - Water Resources
Type	Action
Recommended Action	to recommend that the City Council approve the: ☐ Reclassification of the Financial and Administrative Assistant - a Regular, Full-time, Non- Exempt, AFSCME, Grade 16 position, to the tiered Meter to Cash Analyst I/II position as follows: o Meter to Cash Analyst I, a Regular, Full-time, Non-Exempt, AFSCME, Grade 16, the first of two tiers for this position; and, o Meter to Cash Analyst II, a Regular, Full-time, Non-Exempt, AFSCME, Grade 17, the second of two tiers for this position. ☐ Creation of a tiered Meter to Cash Analyst I/II position as follows: o Meter to Cash Analyst I, a Regular, Full-time, Non-Exempt, AFSCME, Grade 16, the first of two tiers for this position; and, o Meter to Cash Analyst II, a Regular, Full-time, Non-Exempt, AFSCME, Grade 17, the second of two tiers for this position
Subject	**4.3. Acceptance And Approval Of The FY2024 Audit - C/T**
Meeting	February 18, 2025 - Board of Finance Meeting - Tuesday, February 18, 2025, 5:00 PM, Bushor Conference Room 1st Floor, City Hall
Category	4. Deliberative Agenda
Department	Clerk/Treasurer's Office
Type	Action Resolution
Recommended Action	move to recommend that the City Council adopt the attached resolution related to the FY’24 Audit
Subject	**4.4. FY25 Budget to Actuals Review through December 31, 2024 - C/T**

Meeting	February 18, 2025 - Board of Finance Meeting - Tuesday, February 18, 2025, 5:00 PM, Bushor Conference Room 1st Floor, City Hall
Category	4. Deliberative Agenda
Department	Clerk/Treasurer's Office
Type	Discussion Information Presentation

5. Adjournment

Subject	**5.1. Motion to adjourn**
Meeting	February 18, 2025 - Board of Finance Meeting - Tuesday, February 18, 2025, 5:00 PM, Bushor Conference Room 1st Floor, City Hall
Category	5. Adjournment
Department	Council and Board
Type	Action Procedural
Recommended Action	Motion to adjourn

City of Burlington Capital Program

CT Office | DPW | BPRW | I&T| BCA | CEDO | Public Safety

Date:	February 18, 2025
To:	Board of Finance / City Council
From:	Ashley Parker, Capital Program Director
Cc:	Kim Bleakley, Central Facilities Manager Jon Murad, Chief of Police Shannon Trammell, Executive Manager, BPD Erin Jacobsen, Chief of Staff, Office of the Mayor
Subject:	Grant Agreement & Contract Authorization to Support Fencing Installation at 1 North Ave.

Background:

On January 14, 2025, an off-duty sergeant with the Burlington Police Department arrived for work at 1 North Avenue and was attacked by an individual with two knives in the Uniform Services Bureau lobby. Similarly, in November 2023, another officer in civilian attire, attempting to leave work through the same parking lot was assaulted by another individual. These instances both took place in or around the same entrance, and as a result has led to multiple requests to increase safety and security around the uniformed services entrance to the building. There have also been multiple instances of vandalism and destruction of City property, including cruiser windshields, as well as to employee's personal property. To respond to this urgent safety need, City staff have been working to plan and fund the installation of a fence around the Uniform Service Bureau parking lot.

The City Council and the Administration are working together to implement health and safety projects at 1 North Avenue to support police officer recruitment and retention, while also creating a more engaging space for the community to interact with the City's Police Department. The following memo details one specific project that is moving forward, but also provides updates on ongoing efforts and summarizes future plans for projects aimed at improving our officer's work environment at 1 North Avenue.

Fencing Project:

City staff have been coordinating with the Pomerleau Family Foundation to conduct property surveys of both the police station and neighboring property. The Team has also identified a fence type that would provide security to the parking lot, while also maintaining an urban style that is visually appealing. The project team is estimating the current cost for installation to be a maximum limiting amount of $80,000. The proposed fencing plan has been reviewed by the City's Department of Permitting and Inspections and has received an administrative permit to move forward (received February 11, 2025). Once this Grant Agreement is authorized, the fencing will be ordered shortly after.

Project Funding:

The Queen City Police Foundation (QCPF) is a 501c (3) non-profit organization that was established to provide funding for innovative Burlington Police Department projects that serve the community, improve engagement and communications, and foster excellence in policing. The Foundation feels strongly that this fencing project will go a long way towards improving officer morale while also supporting the Department's recruitment efforts. As this project was not included in the FY25 Capital Budget, the QCPF is offering to make a grant to the City in the amount of $80,000 to ensure the completion of this project in a timely manner. There is no local match required as part of the grant agreement.

Per the City's Purchasing Policy (adopted October 2024), as the funding is coming solely from a granting entity, the City is able to procure a contractor via sole source (Article 1.m). QCPF has identified the contractor for this work as A.H. Fence Co. as competent to construct the fence at a reasonable price. Upon authorization of the grant agreement and finalization of the contract, the contractor will order the fencing. It will take 10-12 weeks for delivery, so installation will begin on or about June 1, 2025.

Other Capital Improvement Projects Planned at 1 North Ave:

City staff want to acknowledge that the fencing project is very important to creating a safe environment at the police station. Staff also wants to share all of the other ongoing and planned capital projects to improve conditions in the building:

- Front Entry Renovation: Construction has started on the front entryway. The goal is to replace the crumbling pillars with a new design that will improve the structural integrity of the building and freshen up the entrance and make the building more inviting.
- Flooring: In about a month, work will begin on replacing the interior flooring that has been a major concern for years. The FY25 funding allocation was reprioritized to support the flooring needs to improve safety, with the remainder being left available for HVAC needs. The flooring project will be completed this spring.
- HVAC: Remaining FY25 monies will go towards the replacement of the Admin HVAC unit. This project is also expected to be completed in the spring. Future funding will need to be secured to support continued replacement of HVAC in other parts of the building.
- Architectural Design for Lobby Receptionist: The planning work has started for the design of a space for the department receptionist to sit in the lobby area. The request for this position came from the Community Safety Working Group. There are no construction cost estimates yet.
- We are forecasting approximately an additional $2M over FY26-27 for projects that may include an expanded dispatch area, CARES team renovation, and/or a locker room renovation. All of these projects are high priorities for the BPD team and the Administration.

While funding for all of the projects identified in FY26 or FY27 has not been secured yet, staff will continue to work on them. We are always looking for opportunities to implement creative solutions that are cost effective but have an immediate impact on those that use the building the most. Our goal will continue to be health and safety for our officers and members of the public.

Recommendation:

City staff recommend that the Board of Finance approve and recommend the City Council authorize execution of the grant agreement with The Queen City Police Foundation in order to fund the installation of a fence around the Uniform Service Bureau parking lot at 1 North Ave. This would also allow for the City to contract with A.H. Fence Co. via sole source.

Motions –

Board of Finance:

1. To approve and recommend that the City Council authorize the Chief Administrative Officer to execute the Grant Agreement between the City and The Queen City Police Foundation in the amount of $80,000 (no local match required) in support of the fencing installation project at 1 North Avenue.

2. To approve and recommend that the City Council authorize the Chief Administrative Officer to take all such further actions, including by taking any necessary steps to ensure the creation of the project budget reflecting the acceptance of the grant award, and to execute such further instruments approved as to form by the City Attorney, as may be necessary or convenient to effectuate the transactions contemplated hereby.

City Council:

1. To authorize the Chief Administrative Officer to execute the Grant Agreement between the City and The Queen City Police Foundation in the amount of $80,000 (no local match required) in support of the fencing installation project at 1 North Avenue.

2. To authorize the Chief Administrative Officer to take all such further actions, including by taking any necessary steps to ensure the creation of the project budget reflecting the acceptance of the grant award, and to execute such further instruments approved as to form by the City Attorney, as may be necessary or convenient to effectuate the transactions contemplated hereby.

GRANT AGREEMENT

This Grant Agreement (this "Agreement") is entered as of February __, 2025 (the "Effective Date"), between the City of Burlington, a Vermont municipal corporation (the "City"), with a mailing address of 149 Church Street, Burlington, VT 05401, and Queen City Police Foundation, Inc., a Vermont nonprofit corporation ("Queen City"), with a mailing address of P.O. Box. 5804, Burlington, VT 05402, with respect to the following facts:

A. The City's police station, located at 1 North Avenue, needs certain capital improvements, including a fence (the "Fence") described in the February 18, 2025 staff report accompanying the City Council's approval of this Agreement. Plans for the Fence are on file with the City and were approved by the City on February 11, 2025.

B. Queen City was established to help build upon the operational funding that taxpayers provide annually for innovative policing initiatives, programs, and equipment, all of which enhance public safety and further support the men and women of the Burlington Police Department. Queen City desires to fund construction of the Fence.

C. Queen City has identified A.H. Fence Co. (the "Contractor") as competent to construct the Fence at a reasonable price and is willing to pay for construction conditioned on the City engaging the Contractor to expedite the project. The City's purchasing policy expressly authorizes sole source agreements for projects paid for entirely out of private funds.

D. The parties anticipate Fence construction to cost approximately $80,000. Queen City desires to make a grant in this amount (the "Grant"), and the City desires to accept the Grant, on terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. The foregoing recitals are true and correct and are incorporated herein by this reference.

2. As a condition precedent to the City's obligations hereunder, Queen City shall make the Grant to the City within a reasonable time following the Effective Date.

3. As soon as reasonably practicable after receiving the Grant, the City will negotiate a construction contract with the Contractor using the City's standard forms for construction contracts of this size, for a not to exceed amount up to the amount of the Grant. If requested by Queen City, the construction contract shall require the Contractor to name Queen City as an additional insured on all policies of insurance required under the construction contract on the same terms and conditions as for the City.

4. If the Contractor is unwilling to enter a construction contract for an amount not to exceed the Grant amount, then, after meeting and conferring in good faith with Queen City to explore options, the City may refund the Grant to Queen City and terminate this Agreement without any further obligations hereunder.

5. The Work shall be paid for out of the Grant. Any unused amount of the Grant shall be returned to Queen City within a reasonable time after the work is completed. Queen City shall indemnify the City for any increases in the cost of the work in excess of the Grant, excepting any increase caused by the acts or omissions of the City. It is understood that a donor to Queen City has agreed to fund the cost of the foregoing obligation to indemnify the City for unanticipated costs, and receipt of such funding from the donor shall be a condition precedent to said obligation.

6. Nothing in this Agreement shall affect in any manner whatsoever the City's building, land use, and other municipal authority over the Fence project, and nothing herein shall be deemed to waive any zoning or other City requirements applicable thereto.

7. The term of this Agreement shall continue until each party has satisfied its obligations hereunder.

8. The parties are independent contractors, and neither party is the agent or principal of the other. By entering this Agreement, neither party intends to form a partnership, joint venture, or similar enterprise.

9. There are no third-party intended beneficiaries of this Agreement.

10. Both parties shall be excused from performance hereunder that is not reasonably practicable due to facts or circumstances beyond that party's control; provided, however, that notice of any such circumstance shall be given to the other party in a timely manner.

11. This Agreement shall not be construed against either party, but instead any ambiguity shall be construed liberally in favor of the Agreement's objects and purposes.

12. This Agreement contains the entire understanding of the parties with respect to the subject matter hereof and supersedes all prior agreements or understandings relating to the same, whether written, oral, or implied.

13. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall continue in force to the extent necessary to effectuate the original intent of the parties as closely as possible.

14. Neither party shall assign this Agreement without the written consent of the other party. No waiver of this Agreement shall be valid unless in writing, notwithstanding the passage of time, and no waiver shall constitute a continuing waiver of the same or another provision. This Agreement may not be amended except in a writing signed by both parties.

15. This Agreement shall be construed according to Vermont law, notwithstanding conflicts of law principles. Venue for this Agreement shall be proper in Chittenden County, Vermont, notwithstanding any law to the contrary.

16. Neither party shall file any litigation arising from this Agreement without first attempting in good faith to resolve the parties' dispute through negotiated settlement or mediation; provided, however, that any applicable statute of limitations shall toll during any period in which the parties are actively and mutually engaged in dispute resolution; and provided further that nothing herein shall prevent either party from seeking emergency relief in appropriate circumstances from a court of competent jurisdiction. In case of any litigation arising from this Agreement, the prevailing party shall be entitled to recover attorneys' fees and costs.

17. Any notice required under this Agreement shall be given to the receiving party at the address in the opening paragraph, unless another address is given by notice. In case of personal delivery, notice shall be deemed given upon receipt. In case of notice by U.S. mail, notice shall be deemed given three (3) days after deposit in the mail. In case of notice by overnight courier, notice shall be deemed given the day after deposit with a reputable courier. In case of notice by electronic means, notice shall be deemed given upon written acknowledgment of receipt.

18. This Agreement may be executed in counterparts, each of which shall be deemed an original. This Agreement may be executed electronically, and an electronic copy or other facsimile shall be treated as an original. The signatories of this Agreement represent and warrant their authority to bind their respective parties hereto.

IN WITNESS WHEREOF, this Agreement has been executed as of the Effective Date.

City of Burlington

By: ______________________________
Chief Executive Officer

Queen City Police Foundation, Inc.

By: ______________________________
First Authorized Officer

By: ______________________________
Second Authorized Officer

GRANT AGREEMENT

This Grant Agreement (this "Agreement") is entered as of February __, 2025 (the "Effective Date"), between the City of Burlington, a Vermont municipal corporation (the "City"), with a mailing address of 149 Church Street, Burlington, VT 05401, and Queen City Police Foundation, Inc., a Vermont nonprofit corporation ("Queen City"), with a mailing address of P.O. Box. 5804, Burlington, VT 05402, with respect to the following facts:

A. The City's police station, located at 1 North Avenue, needs certain capital improvements, including a fence (the "Fence") described in the February 18, 2025 staff report accompanying the City Council's approval of this Agreement. Plans for the Fence are on file with the City and were approved by the City on February 11, 2025.

B. Queen City was established to help build upon the operational funding that taxpayers provide annually for innovative policing initiatives, programs, and equipment, all of which enhance public safety and further support the men and women of the Burlington Police Department. Queen City desires to fund construction of the Fence.

C. Queen City has identified A.H. Fence Co. (the "Contractor") as competent to construct the Fence at a reasonable price and is willing to pay for construction conditioned on the City engaging the Contractor to expedite the project. The City's purchasing policy expressly authorizes sole source agreements for projects paid for entirely out of private funds.

D. The parties anticipate Fence construction to cost approximately $80,000. Queen City desires to make a grant in this amount (the "Grant"), and the City desires to accept the Grant, on terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. The foregoing recitals are true and correct and are incorporated herein by this reference.

2. As a condition precedent to the City's obligations hereunder, Queen City shall make the Grant to the City within a reasonable time following the Effective Date.

3. As soon as reasonably practicable after receiving the Grant, the City will negotiate a construction contract with the Contractor using the City's standard forms for construction contracts of this size, for a not to exceed amount up to the amount of the Grant. If requested by Queen City, the construction contract shall require the Contractor to name Queen City as an additional insured on all policies of insurance required under the construction contract on the same terms and conditions as for the City.

4. If the Contractor is unwilling to enter a construction contract for an amount not to exceed the Grant amount, then, after meeting and conferring in good faith with Queen City to explore options, the City may refund the Grant to Queen City and terminate this Agreement without any further obligations hereunder.

5. The Work shall be paid for out of the Grant. Any unused amount of the Grant shall be returned to Queen City within a reasonable time after the work is completed. Queen City shall indemnify the City for any increases in the cost of the work in excess of the Grant, excepting any increase caused by the acts or omissions of the City.

6. Nothing in this Agreement shall affect in any manner whatsoever the City's building, land use, and other municipal authority over the Fence project, and nothing herein shall be deemed to waive any zoning or other City requirements applicable thereto.

7. The term of this Agreement shall continue until each party has satisfied its obligations hereunder.

8. The parties are independent contractors, and neither party is the agent or principal of the other. By entering this Agreement, neither party intends to form a partnership, joint venture, or similar enterprise.

9. There are no third-party intended beneficiaries of this Agreement.

10. Both parties shall be excused from performance hereunder that is not reasonably practicable due to facts or circumstances beyond that party's control; provided, however, that notice of any such circumstance shall be given to the other party in a timely manner.

11. This Agreement shall not be construed against either party, but instead any ambiguity shall be construed liberally in favor of the Agreement's objects and purposes.

12. This Agreement contains the entire understanding of the parties with respect to the subject matter hereof and supersedes all prior agreements or understandings relating to the same, whether written, oral, or implied.

13. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall continue in force to the extent necessary to effectuate the original intent of the parties as closely as possible.

14. Neither party shall assign this Agreement without the written consent of the other party. No waiver of this Agreement shall be valid unless in writing, notwithstanding the passage of time, and no waiver shall constitute a continuing waiver of the same or another provision. This Agreement may not be amended except in a writing signed by both parties.

15. This Agreement shall be construed according to Vermont law, notwithstanding conflicts of law principles. Venue for this Agreement shall be proper in Chittenden County, Vermont, notwithstanding any law to the contrary.

16. Neither party shall file any litigation arising from this Agreement without first attempting in good faith to resolve the parties' dispute through negotiated settlement or mediation; provided, however, that any applicable statute of limitations shall toll during any period in which the parties are actively and mutually engaged in dispute resolution; and provided further that nothing herein shall prevent either party from seeking emergency relief in appropriate circumstances from a court of competent jurisdiction. In case of any litigation arising from this Agreement, the prevailing party shall be entitled to recover attorneys' fees and costs.

17. Any notice required under this Agreement shall be given to the receiving party at the address in the opening paragraph, unless another address is given by notice. In case of personal delivery, notice shall be deemed given upon receipt. In case of notice by U.S. mail, notice shall be deemed given three (3) days after deposit in the mail. In case of notice by overnight courier, notice shall be deemed given the day after deposit with a reputable courier. In case of notice by electronic means, notice shall be deemed given upon written acknowledgment of receipt.

18. This Agreement may be executed in counterparts, each of which shall be deemed an original. This Agreement may be executed electronically, and an electronic copy or other facsimile shall be treated as an original. The

signatories of this Agreement represent and warrant their authority to bind their respective parties hereto.

IN WITNESS WHEREOF, this Agreement has been executed as of the Effective Date.

City of Burlington	Queen City Police Foundation, Inc.
By: ____________________	By: ____________________
Chief Executive Officer	First Authorized Officer
	By: ____________________
	Second Authorized Officer

Board of Finance and City Council Submission Checklist

Department: CT Office Submitter: Ashley Parker

Title/Subject: Grant Agreement & Contract Authorization to Support Fencing Installation a 1 North Ave.

	Approval:	Meeting Date:
☐	Board of Finance	Click or tap to enter a date.
☐	City Council	Click or tap to enter a date.
☒	Concurrent	2/18/2025

This form must be completed by the person submitting the materials, and sent with the final submission. Please do not indicate that a signoff was received until it has actually been obtained.

Signoffs Received

Signoff Needed	Received	Date Received	Note
Department Head	Yes	2/11/2025	Katherine Schad
Mayor's Office informed and approved memo	Yes	2/11/2025	Erin Jacobsen
Board/Commission, if required	Choose an item.	Click or tap to enter a date.	Click or tap here to enter text.
City Attorney's Office has approved contract and/or legal documents, -Identify attorney in note	Yes	2/11/2025	Erik Ramakrishnan
City Attorney's Office has approved memo and motion(s) or resolution(s) -Identify attorney in note	Yes	2/11/2025	Erik Ramakrishnan
CAO has reviewed budget, financing, and memo	Yes	2/11/2025	Katherine Schad
Human Resources, if personnel action -Identify HR Manager in note	Choose an item.	Click or tap to enter a date.	Click or tap here to enter text.
CIO, if an IT-related investment/purchase	Choose an item.	Click or tap to enter a date.	Click or tap here to enter text.

Materials Included

	Included?	Note
Final Memo Attached?	Yes	Click or tap here to enter text.
Contract Attached, if applicable?	Choose an item.	Click or tap here to enter text.
Additional Materials, if necessary	Yes	Grant Agreement
Draft Resolution or Motion?	N/A	Click or tap here to enter text.
If for submission to Council, are sponsors identified?	Choose an item.	Click or tap here to enter text.

645 Pine Street
Burlington, VT 05402

149 Church Street
Burlington, VT 05401

Chapin Spencer
DIRECTOR OF PUBLIC WORKS

Brian Pine
DIRECTOR OF CEDO

MEMORANDUM

TO: Board of Finance/City Council

FROM: Brian Pine, Director of the Community & Economic Development Office (CEDO)
Julia Ursaki, PE, Public Works Transportation Engineer

DATE: February 18, 2025

CC: Chapin Spencer, Director of Public Works
Peter Procaccio, PE, Senior Public Works Engineer
Laura Wheelock, PE, Division Director of Technical Services/City Engineer
Ashley Parker, Capital Program Director
Stephen Donahue, CPA, Senior Accountant

RE: Budget Amendment for 130 Bank Street Sales Tax Reallocation Funds (2024 award) for the BTC Public Improvements Project

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Request:
The Department of Public Works (DPW) and CEDO is requesting Board of Finance and City Council approval of a budget amendment to the Burlington Town Center (BTC) Public Improvements Project Budget - Great Streets Bank and Cherry Street Project Budget to add $1,250,000 in Sales Tax Reallocation (STR) funds from the State of Vermont in association with CityPlace Burlington (formerly called Burlington Town Center) redevelopment project at 130 Bank Street.

Background
With City Council approval on July 9, 2024, CEDO applied for the funding under the 2024 funding opportunity. The funds were sought as part of the public improvement project along Saint Paul Street and Cherry Street in the vicinity of the 130 Bank Street site for two related projects: the BTC Public Improvement Project that the City has collaborated with City Place Partners to construct, and the City's Great Streets Bank and Cherry Street Project – both within the City's public rights-of-way.

The City approved the construction costs for the BTC Public Improvement Project in June of 2023 and construction is currently underway. Significant progress has been made, with all underground utilities installed on Saint Paul Street and streetscape work beginning on the north side of Bank Street. We expect the Public Improvements work on the north side of Bank Street to be complete in the early summer of this year.

Under the STR program, the City can request the first 50% payment when the qualified municipal project is 50% complete, with the remaining 50% available once both the development project and qualified municipal project are complete.

Funding/Budget
The 130 Bank Street STR funds are one component of this transformational project that will reconnect the downtown street grid severed by 1960s Urban Renewal and reinvest in resilient, welcoming, multi-modal streets. The table below summarizes the various funding sources and uses for this overall public infrastructure project.

Table 1. Overall Project Funding Sources & Uses
The green cells in the table below are funds associated with the Senator Leahy Congressionally Directed Spending (CDS) federal grant including the grant's local match; the blue cells are local or state funds being used for the BTC Public Improvements; and the orange cells are funds associated with the Rebuilding American Infrastructure with Sustainability and Equity (RAISE) federal grant funds.

Funding Source	Funding Use/Portion of Project	Amount	Relevant BOF/CC Approvals
Leahy CDS	Cherry Street (west of Church St)	$12,000,000	CDS Grant Agreement (CA0811) & Local Match Approval 9/11/2023
City Capital	Local Match - Cherry Street (west of Church St)	$600,000	
Waterfront TIF	Local Match - Cherry Street (West of Church St)	$2,400,000	
Waterfront TIF	Public Improvements for 2A portion of the work	$16,000,000	City Place Public Improvements Construction Costs Approval 6/30/2023
Sales Tax Reallocation – 79 Pine Street	Public Improvements for 2A and 2B in the vicinity of 79 Pine St	$302,349.15*	Budget Amendment for 79 Pine Street Sales Tax Reallocation Funds for the BTC Public Improvements Project Approval 9/11/2023 (note, this amount was reduced by $177,702.85*)
Sales Tax Reallocation – 130 Bank Street (2023)	Public Improvements for 2A and 2B in the vicinity of 130 Bank Street	$987,059	Budget Amendment for 130 Bank Street Sales Tax Reallocation (2023 award) Funds for the BTC Public Improvements Project Approval 2/12/2023
Sales Tax Reallocation – 130 Bank Street (2024)	Public Improvements for 2A and 2B in the vicinity of 130 Bank Street	$1,250,000	Current request for Budget Amendment
RAISE: Reconnecting Downtown	Bank Street, Cherry Street (east of Church St),	$20,850,000	Seeking approval under separate agenda item
RAISE: Workforce Development	Business & Workforce Development	$1,534,000	Seeking approval under separate agenda item
	Total Project Budget	**$55,929,059**	

Table Notes:
** On October 21, 2024, City staff found out that only $302,349.15 of the expected $480,052 in STR funds from 79 Pine Street would be available for this project. The total amount of the award is based on the sales taxes paid for eligible construction materials purchased in VT for the private development project. The current requisition that the City is submitting to the State of VT is in the amount of $302,349.15 since this amount is what is available based on actual receipts provided by the developer.*

The final budget amendment will reflect the additional $1,250,000 in STR funds from the 130 Bank Street STR 2024 award, while also reducing the overall Sales Tax Reallocation budget by $177,702.85 related to 79 Pine Street award for the reasons described above.

A map of these project areas and corresponding funding sources is included in Attachment 1.

Attachments

1. Map of Overall Projects and Funding

Motions

Actions for Board of Finance:

To approve and recommend that the City Council authorize:

1) The Director of Public Works or designee to request reimbursement in the amount of $1,250,000 in 130 Bank Street Sales Tax Reallocation funds towards the BTC Public Improvements Project Budget and to accept the same;
2) The Chief Administrative Officer or designee to effectuate all necessary budget amendments and transfers of funds in furtherance of securing this reimbursable state funding; and
3) The Director of Public Works and the Chief Administrative Officer or their designees to take such further actions and to execute such further instruments approved as to form by the City Attorney as may be necessary or convenient to effectuate the transactions contemplated hereby.

Actions for City Council:

To authorize the Director of Public Works or designee to request reimbursement in the amount of $1,250,000 in 130 Bank Street Sales Tax Reallocation funds towards the BTC Public Improvements Project Budget and to accept the same, and to further authorize the Chief Administrative Officer or designee to effectuate all necessary budget amendments and transfers of funds in furtherance of securing this reimbursable state funding.

Purple outline are the limits of where the Congressional Directed Spending (LEAHY) can apply

Pink is the area that under our agreement with City Place they will construct this area completely with the exception of furnishings, plantings, and lighting. This is funded with TIF and State Sales Tax Reallocation for 79 Pine and 130 Bank

Blue is the area where the RAISE Grant can apply

Board of Finance and City Council Submission Checklist

Department: CEDO/DPW Submitter: Brian Pine

Title/Subject: Budget Amendment for 130 Bank Sales Tax Reallocation (2024 award)

	Approval:	Meeting Date:
☒	Board of Finance	2/18/2025
☒	City Council	2/18/2025
☐	Concurrent	Click or tap to enter a date.

This form must be completed by the person submitting the materials, and sent with the final submission. Please do not indicate that a signoff was received until it has actually been obtained.

Signoffs Received

Signoff Needed	Received	Date Received	Note
Department Head	Yes	2/11/2025	Chapin Spencer/Brian Pine
Mayor's Office informed and approved memo	Yes	2/12/2025	Erin Jacobsen
Board/Commission, if required	N/A		Click or tap here to enter text.
City Attorney's Office has approved contract and/or legal documents, -Identify attorney in note	Yes	2/12/2025	Emmett Wood
City Attorney's Office has approved memo and motion(s) or resolution(s) -Identify attorney in note	Yes	2/12/2025	Emmett Wood
CAO has reviewed budget, financing, and memo	Yes	2/12/2025	Katherine Schad
Human Resources, if personnel action -Identify HR Manager in note	N/A	Click or tap to enter a date.	Click or tap here to enter text.
CIO, if an IT-related investment/purchase	N/A	Click or tap to enter a date.	Click or tap here to enter text.

Materials Included

	Included?	Note
Final Memo Attached?	Yes	Action is in the memo
Contract Attached, if applicable?	N/A	Click or tap here to enter text.
Additional Materials, if necessary	Yes	Attachment 1 Map of projects
Draft Resolution or Motion?	Yes	Motion is in the memo
If for submission to Council, are sponsors identified?	Yes	Board of Finance

To:	Board of Finance City Council
From:	Megan Moir, Division Director - Water Resources Jessica Lavalette, Director of Finance and Administration
Cc:	Chapin Spencer, DPW Director Tony Berry, Human Resources Manager Lynn Reagan, Interim Director of Human Resources
Date:	February 18, 2025
Subject:	Water Resources FY25 Personnel Reorganization – Creation of Meter to Cash Team

EXECUTIVE SUMMARY

The Water Resources Division (WRD) of the Department of Public Works (DPW) requests Board of Finance and City Council approval for a variety of organizational changes related to the WRD Utility Billing/Customer Care workgroups. These include:

1. Reclassification of the vacant Financial and Administrative Assistant (AFSCME Grade 16) to Meter to Cash Analyst I/II (tiered) (AFSCME Grade 16/17);
2. Creation of a Meter to Cash Analyst I/II (tiered) (AFSCME Grade 16/17)

Additional details are provided below in the background.

Funds for these organizational changes were included in the approved FY25 Drinking Water and Wastewater budgets.

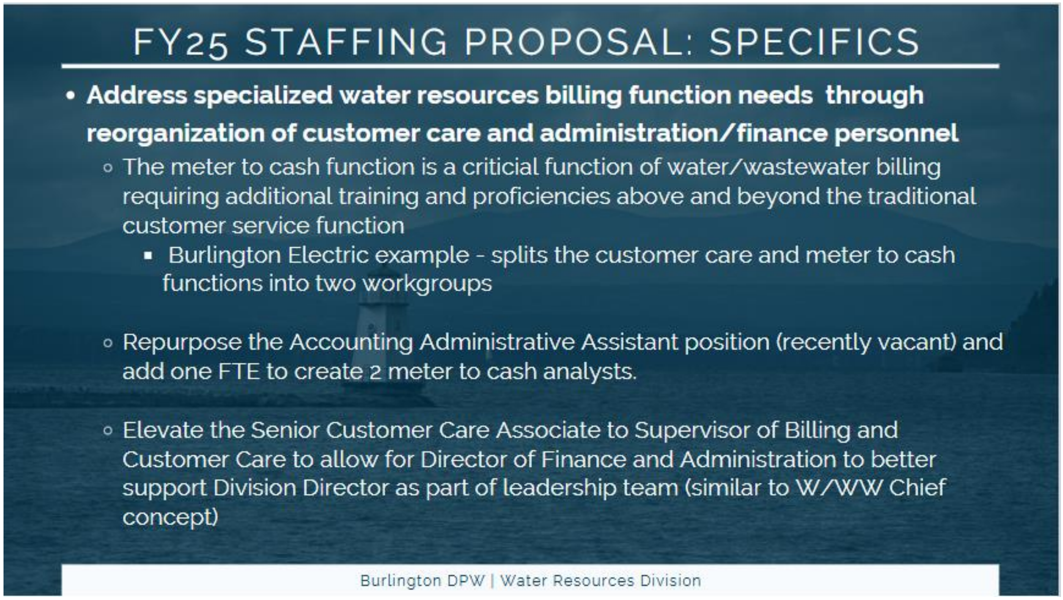
BACKGROUND

In our June 2024 personnel reorganization memo[1] we provided detailed background regarding the staff resourcing challenges faced by the Water Resources division. In the FY25 budget presentation[2] we summarized these challenges into 5 themes of action:

1. Incentivize staffing excellence
2. Pay commensurate with responsibility
3. Plan for organizational succession
4. Increase operational efficiencies
5. Increase/support division level leadership bandwidth

The changes described below and requested in this memo are directly related to items 1, 3 and 4 of the five challenges identified above. The requests in this memo were detailed in this FY25 budget presentation slide:

[1] https://burlingtonvt.portal.civicclerk.com/event/7005/files/attachment/4998
[2] https://bit.ly/WRFY25Budget



The current and proposed organizational chart (with legend to denote the type of change) for the changes is provided as Attachment A with the new job descriptions provided in Attachment B. All positions were graded by the Human Resources Department.

This request represents the final step in advancing the changes proposed within the FY25 budget.

SUMMARY OF ORGANIZATIONAL CHANGES

Create two (2) Meter to Cash Analyst positions

This is the final step in a redesign of the current Customer Care team (which currently handles billing) into a larger team with two functional sub-groups – Customer Care and Meter to Cash functions. The Senior Customer Care position was re-described and re-classified into the Utility Billing and Customer Care Manager with the approval of the Board of Finance and City Council in December 2024.

As described in previous memos, a series of serious and significant billing errors discovered in 2017 uncovered the need for much more robust meter to cash and revenue assurance processes and increased staff resources to meet the new level of process. This resulted in an initial addition of a Senior Customer Care position in 2019. While the Senior Customer Care position was a step in the right direction, due to lack of resources, the team has still struggled to meet all of its needed proficiencies, which as a result, necessitates a high level of input and guidance from the Director of Finance and Administration. This, in turn, prevents the Director of this work group from being able to address some of the higher level needs of the organization and this does not support the sustainability of the organization. The limitations have included:

- The Senior Customer Care being a team lead (Union) vs. a direct supervisor (non-Union) [addressed with a previous approval]

- o The difficulty of performing detailed QA/QC work when also trying to perform customer care duties (numerous interruptions); this has specifically been reported by both current and past Customer Care Associates.
- o The job duties and grading of the Customer Care positions (including the Senior) not attracting or retaining the right skill, education and experience for the more complex work related to the meter-to-cash cycle.

Additionally, Water Resources has recently deployed hardware that will support our shift to AMI technology (Advanced Metering Infrastructure/Smart Metering). This new hardware is an important piece of giving customers more control and knowledge over their water bills which is key for keeping their costs down with the proposed rate increases, however this will require more staff capacity and expertise to support.

WRD looked at the BED organizational structure to understand how that utility's organizational structure approached this particular utility function as they do it very well. The main takeaways:

- BED's Meter to Cash function is <u>separate</u> from their Customer Care function
- BED has employed <u>tiering</u> in the BED Meter to Cash roles

From these observations we identified the following near-term actions:

1) Create a Billing and Customer Care Manager from the vacated (November 2024) Senior Customer Care position. (approved in December 2024 and currently under recruitment)
2) Add two meter to cash analyst positions to the Water Resources Customer Care/Billing team (this request)
    a. The Accounting and Admin position has been vacant since May 2024. While it is possible that this support position may need to be brought back in the future as the Senior Financial and Administrative Analyst takes on more duties and project related finance management increases with the Water Resources bond proposal, currently this FTE would best be repurposed into one of the two meter to cash analyst roles. The other meter to cash analysis position is a new FTE.
    b. Shift billing activities to the meter to cash analyst positions
        i. Once those positions are filled and trained, the Customer Care Associates will focus on the revenue collection aspect of billing only and be better able to focus on customer care activities, including being able to better keep our customers informed about affordability initiatives and providing accurate and timely information to requests for information about our numerous infrastructure projects. The Customer Care Associate job descriptions will be updated at that time.
    c. Tier the Meter to Cash Analyst positions
        i. BED has 3 tiers, we are proposing the first two tiers so we can grow this new workgroup. However, there is room in the grading framework to add a tier III when employees are ready to move up further on the tiering ladder.

The Human Resources (HR) Grading Committee graded the Meter to Cash Analyst I as AFSCME Grade 16 and the Meter to Cash Analyst II as AFSCME Grade 17. The repurposing of the AFSCME Financial and Administrative Assistant into the Meter to Cash Analyst role and the addition of another AFSCME FTE with the other Meter to Cash Analyst role was discussed with AFSCME and they are supportive.

BUDGET IMPACT

The City's Human Resources Department has reviewed the position descriptions and determined the recommended pay scale for these positions. The salary and benefit impacts were calculated using the FY25 pay-scales. Funding for these proposed personnel changes was included in the 5000_910 Salaries and Wages Total Compensation Contingency expense lines of the FY25 Water Budget (the Financial and Administrative Assistant was already in the Wastewater budget and any step placement resulting in a change in salary expense can be absorbed by the vacancy savings from not filling this position for most of the FY). Authorization of a budget neutral amendment is requested in this memo to distribute those budgeted amounts to the appropriate personnel expense lines.

Position	Current Grade	New Grade	Salary Impact[1]
Reclassification of Financial and Administrative Assistant to Meter to Cash Analyst I/II	AFSCME Grade 16	AFSCME Grade 16/17	$0 - $4555
Creation of Meter to Cash Analyst I/II	N/A	AFSCME Grade 16/17	$61,555 - $73,162

Notes

1) For new positions or positions without an incumbent, range shown is Step 1 of the lower tier to Step 7 of the higher graded tier. That said it is highly unlikely that a new hire would be placed at Step 7 of the higher tier.

Motions

Board of Finance Motion:

1. To recommend that the City Council approve the:
   - Reclassification of the Financial and Administrative Assistant - a Regular, Full-time, Non- Exempt, AFSCME, Grade 16 position, to the tiered Meter to Cash Analyst I/II position as follows:
     - Meter to Cash Analyst I, a Regular, Full-time, Non-Exempt, AFSCME, Grade 16, the first of two tiers for this position; and,
     - Meter to Cash Analyst II, a Regular, Full-time, Non-Exempt, AFSCME, Grade 17, the second of two tiers for this position.
   - Creation of a tiered Meter to Cash Analyst I/II position as follows:
     - Meter to Cash Analyst I, a Regular, Full-time, Non-Exempt, AFSCME, Grade 16, the first of two tiers for this position; and,
     - Meter to Cash Analyst II, a Regular, Full-time, Non-Exempt, AFSCME, Grade 17, the second of two tiers for this position.

2. To approve and recommend that the City Council authorize the Chief Administrative Officer to approve budget neutral amendments to the FY25 Water budgets to move budgeted amounts from Salaries and Wages Total Compensation Contingency lines 460-19-400-000.5000_910 to the appropriate personnel and benefits expense lines as needed to implement the above actions.

City Council Motion:

1. To approve the:

   - Reclassification of the Financial and Administrative Assistant - a Regular, Full-time, Non- Exempt, AFSCME, Grade 16 position, to the tiered Meter to Cash Analyst I/II position as follows:

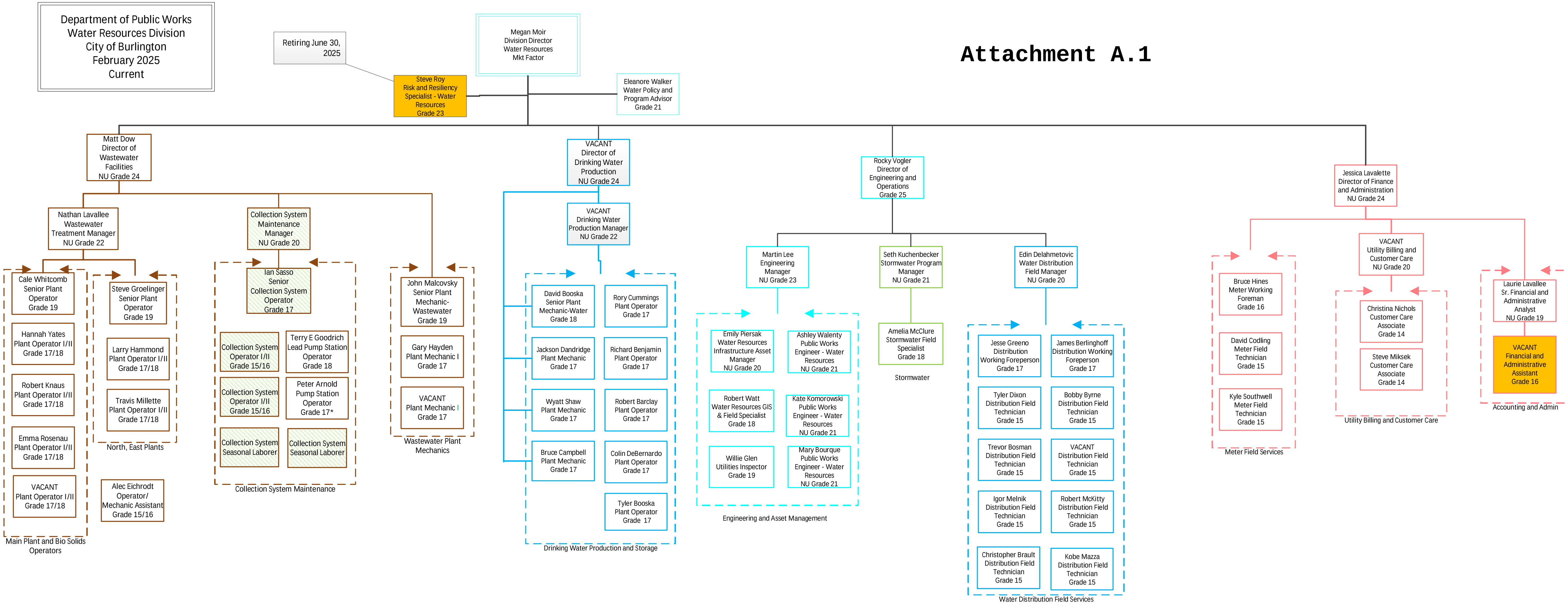
  - Meter to Cash Analyst I, a Regular, Full-time, Non-Exempt, AFSCME, Grade 16, the first of two tiers for this position; and
  - Meter to Cash Analyst II, a Regular, Full-time, Non-Exempt, AFSCME, Grade 17, the second of two tiers for this position.
- Creation of a tiered Meter to Cash Analyst I/II position as follows:
  - Meter to Cash Analyst I, a Regular, Full-time, Non-Exempt, AFSCME, Grade 16, the first of two tiers for this position; and
  - Meter to Cash Analyst II, a Regular, Full-time, Non-Exempt, AFSCME, Grade 17, the second of two tiers for this position.

Attachments:

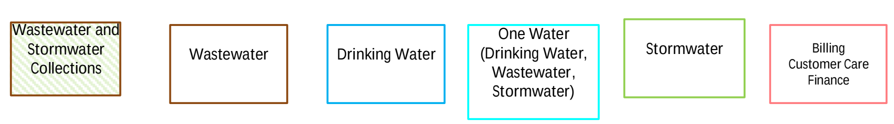
A. Current and Proposed Water Resources Division Organizational Chart
B. Job Descriptions

Department of Public Works
Water Resources Division
City of Burlington
February 2025
Current

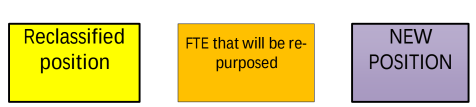
Attachment A.1



WORKGROUP FUNCTION KEY

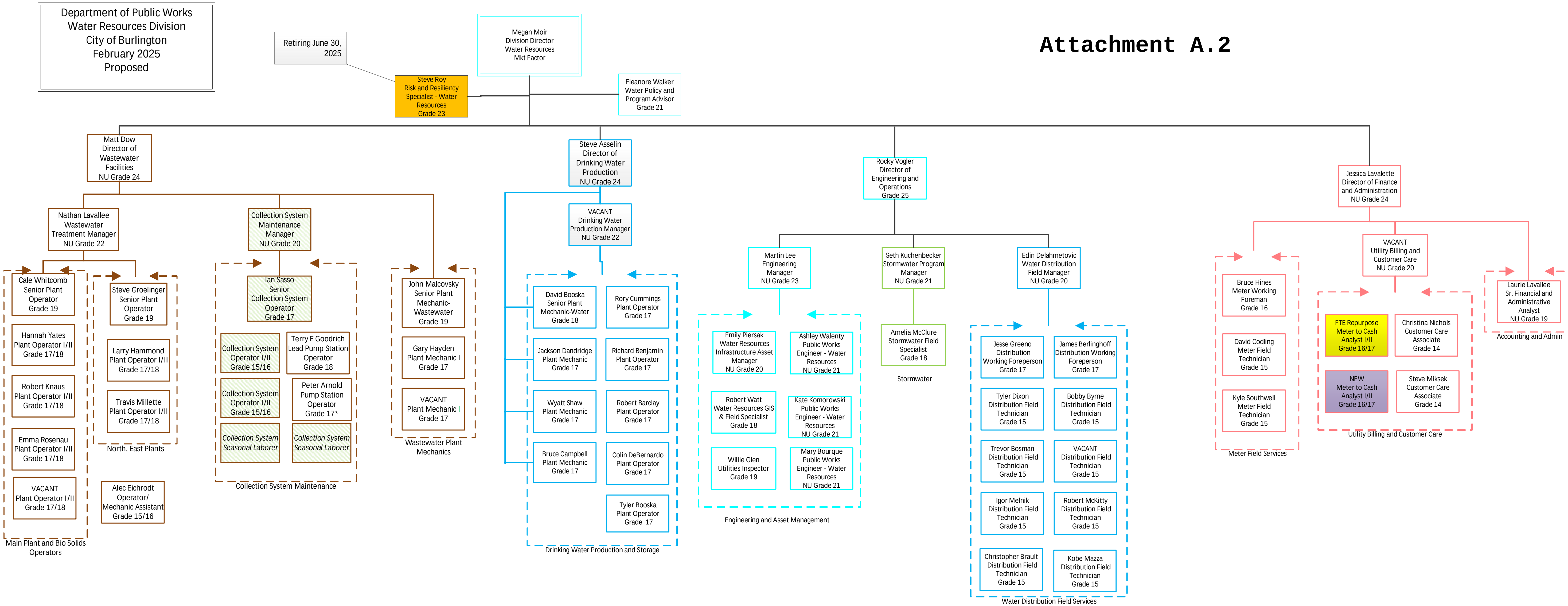


ORGANIZATONAL PERSONNEL ACTION KEY

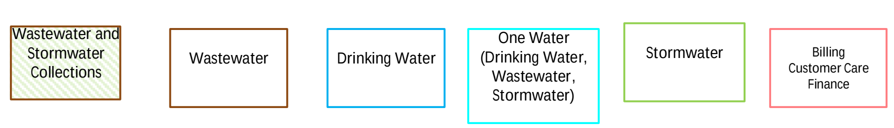


Department of Public Works
Water Resources Division
City of Burlington
February 2025
Proposed

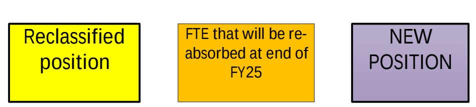
Attachment A.2



WORKGROUP FUNCTION KEY



ORGANIZATONAL PERSONNEL ACTION KEY



City of Burlington
Job Description

Position Title: Meter to Cash Analyst I

Department: DPW-Water Resources

Reports To: Utility Billing & Customer Care Manager

Pay Grade: 16 **Job Code:** TBD

Exempt/Non Exempt: Non-Exempt **Union:** AFSCME

General Purpose:

The Meter to Cash Analyst I is responsible for the accurate and timely billing of the Department's water, wastewater and stormwater accounts, which involves collecting, managing, and processing data for the meter-to-cash cycle for customer billing, including implementing and managing complex billing processes. This position conducts day-to-day business operations for the meter-to-cash process using multiple software systems including Meter Data Management System (MDMS), Customer Information System (CIS) and customer communication portal collectively known as the "meter-to-cash systems", using knowledge of the integration among all components of the meter-to-cash process.. This position is responsible for ensuring the integrity of these systems and processes, including maintaining accurate billing records; identifying and helping to troubleshoot problematic meters; managing service requests, and responding to standard data requests.

Essential Job Functions: (This section outlines the fundamental job functions that must be performed in this position. The "Qualifications/Basic Job Requirements" and the "Physical and Mental/Reasoning Requirements and Work Environment" state the underlying requirements that an employee must meet to perform these essential functions. In accordance with the Americans with Disabilities Act, reasonable accommodations may be made to qualified individuals with disabilities to perform the essential functions of the position.)

- Responsible for monitoring, troubleshooting, and resolving exceptions related to meter communications, billing reads, usage events, and exceptions in the MDMS and CIS.
- Creates and sends proper service orders for specific repairs or verifications needed in the field.
- Assists with the execution, validation, edits, and estimations of collected meter data prior to it being used for billing and takes action to investigate and reconcile any data gaps when necessary.
- Assists with reviewing electronic meter inspection and installation forms for accuracy and completeness.
- Assists with accurate and timely updates to meter and endpoint assets in the CIS, including new sets, removals and replacements.
- Uses knowledge of various meter configurations to set up billing accounts in the CIS and

performs reporting and analysis as needed.

- Creates service addresses and assigns accounts in the CIS for new service applications in accordance with departmental policy and guidelines.
- Assists in sending timely updates of meter asset data for inclusion in Water Resources asset management software.
- Accesses all meter to cash systems as necessary to support customer service and metering operations and ensure the accuracy of meter and billing data.
- Supports Customer Communication Portal administration as a meter data subject matter expert, including by validating and testing MDMS-Portal data integrations and answering inquiries about Portal meter data from internal staff or customers.
- Executes monthly customer billings by creating bill files, posting batches and sending to third party print to mail and e-billing vendors as appropriate.
- Assists with complex analysis in support of bill corrections regarding issues such as rate applicability and billing changes.
- Investigates, corrects, and resolves billing discrepancies for customers and communicates end result to customers.
- Administers individual rate changes to customer accounts.
- Audits customer billing statements for accuracy including rate calculations.
- Identifies and informs appropriate levels of management of billing and meter reading issues that affect and drive the department's daily operations.
- Assists with the development of detailed process documentation when needed for training and resource reference.
- Participates in projects supporting meter to cash activities such as technology upgrades/replacements and business process improvement initiatives within the organization.
- Supports application administration of all meter-to-cash systems, including production support as required, submitting vendor support tickets, and working with internal staff and external vendors to resolve issues, reviewing processes, analyzing, and fixing system data, and conducting user testing.

Non-Essential Job Functions:

- Performs other duties as required.

Qualifications/Basic Job Requirements:

- Associates Degree business, economics, math, or related field is required.
- Experience with an essential utility (e.g., water, sewer, electricity, gas) is strongly preferred.
- Familiarity with general utility operations and billing practices is preferred.
- Additional years of relevant experience may be substituted for a degree requirement on a two-for-one-year basis.
- Proficiency in a computer based environment including advanced skills in spreadsheet, database, word processing and typing accurately is required.
- Ability to learn, problem solve and adapt to changing technology is required.

- Ability to gather, correlate and analyze data with attention to detail required.
- Ability to learn, understand and explain intermediate technical/engineering concepts as related to meter technology and installation is required.
- Ability to communicate effectively both orally and in writing is required.
- Ability to organize, prioritize workflow and meet established deadlines required.
- Ability to operate standard office equipment.
- Regular attendance is necessary and is essential to meeting the expectations of the job functions.
- Ability to actively support City diversity, equity, and cultural competency efforts within stated job responsibilities and work effectively across diverse cultures and constituencies.
- Demonstrated commitment to diversity, equity and inclusion as evidenced by ongoing trainings and professional development.
- Ability to understand and comply with City standards, safety rules and personnel policies.

Physical & Mental/Reasoning Requirements; Work Environment:

These are the physical and mental/reasoning requirements of the position as it is typically performed. Inability to meet one or more of these physical or mental/reasoning requirements will not automatically disqualify a candidate or employee from the position.

x	seeing	x	ability to move distances within warehouses and offices
	color perception (red, green, amber)	x	lifting (specify 20 pounds)
x	hearing/listening	x	carrying (specify 20 pounds)
x	clear speech		climbing
x	touching		driving
x	dexterity x hand x finger		ability to mount and dismount forklift
	reading – basic		pushing/pulling
x	reading – complex		shift work
	math skills – basic		moving objects
x	math skills – complex		pressurized equipment
	writing – basic		extreme heat
x	writing – complex		extreme cold
x	analysis/comprehension		high places
x	judgment/decision making		noise
x	clerical		fumes/odors
x	inside		dirt/dust
	outside		hazardous materials
x	works alone	x	electrical equipment
x	works with others		mechanical equipment
x	face-to-face contact		
x	verbal contact w/others		

Supervision:

Directly Supervises: __0__ Indirectly Supervises: __0___

Disclaimer:

The above statements are intended to describe the general nature and level of work being performed by employees to this classification. They are not intended to be construed as an exhaustive list of all responsibilities, duties and/or skills required of all personnel so classified.

Approvals:

Department Head: ______________________________ Date: __________

Human Resources: ______________________________ Date: __________

City of Burlington

Job Description

Position Title: Meter to Cash Analyst II

Department: DPW-Water Resources

Reports To: Utility Billing & Customer Care Manager

Pay Grade: 17 **Job Code:** TBD

Exempt/Non Exempt: Non-Exempt **Union:** AFSCME

General Purpose:

The Meter to Cash Analyst II is responsible for the accurate and timely billing of the Department's water, wastewater and stormwater accounts, which involves collecting, managing, and processing data for the meter-to-cash cycle for customer billing, including implementing and managing complex billing processes. This position conducts day-to-day business operations for the meter-to-cash process using multiple software systems including Meter Data Management System (MDMS), Customer Information System (CIS) and customer communication portal collectively known as the "meter-to-cash systems," using knowledge of the integration among all components of the meter-to-cash process. This position is responsible for ensuring the integrity of these systems and processes, including maintaining accurate billing records; identifying and helping to troubleshoot problematic meters; managing service requests, and responding to standard data requests.

Essential Job Functions: (This section outlines the fundamental job functions that must be performed in this position. The "Qualifications/Basic Job Requirements" and the "Physical and Mental/Reasoning Requirements and Work Environment" state the underlying requirements that an employee must meet to perform these essential functions. In accordance with the Americans with Disabilities Act, reasonable accommodations may be made to qualified individuals with disabilities to perform the essential functions of the position.)

- Responsible for monitoring, troubleshooting, and resolving exceptions related to meter communications, billing reads, usage events, and exceptions in the MDMS and CIS.
- Creates and sends proper service orders for specific repairs or verifications needed in the field.
- Responsible for ensuring the execution, validation, edits, and estimations of collected meter data prior to it being used for billing and takes action to investigate and reconcile any data gaps when necessary.
- Reviews electronic meter inspection and installation forms for accuracy and completeness.
- Responsible for accurate and timely updates to meter and endpoint assets in the CIS, including new sets, removals and replacements.
- Uses knowledge of various meter configurations to set up billing accounts in the CIS and performs reporting and analysis as needed.

- Creates service addresses and assigns accounts in the CIS for new service applications in accordance with departmental policy and guidelines.
- Responsible for sending timely updates of meter asset data for inclusion in Water Resources asset management software.
- Accesses all meter to cash systems as necessary to support customer service and metering operations and ensure the accuracy of meter and billing data.
- Supports Customer Communication Portal administration as a meter data subject matter expert, including by validating and testing MDMS-Portal data integrations and answering inquiries about Portal meter data from internal staff or customers.
- Executes monthly customer billings by creating and approving bill files, posting batches and sending to third party print to mail and e-billing vendors as appropriate; reviews and resolves exceptions on vendor portal.
- Performs complex analysis in support of bill corrections regarding issues such as rate applicability and billing changes.
- Investigates, corrects, and resolves billing discrepancies for customers and communicates end result to customers.
- Administers individual rate changes to customer accounts.
- Assists with the implementing and configuring new rates and rate changes; works with meter to cash system vendors as necessary to test and implement.
- Audits customer billing statements for accuracy including rate calculations.
- Identifies and informs appropriate levels of management of billing and meter reading issues that affect and drive the department's daily operations.
- Creates detailed process documentation when needed for training and resource reference.
- Participates in industry working groups, conferences and other forums to maintain application expertise, knowledge of industry trends, and best practices.
- Participates in projects supporting meter to cash activities such as technology upgrades/replacements and business process improvement initiatives within the organization, and assists in the development and documentation of business requirements and objectives, deliverables, and specifications in collaboration with internal staff.
- Responsible for application administration of all meter-to-cash systems, including production support as required, submitting vendor support tickets, and working with internal staff and external vendors to resolve issues, reviewing processes, analyzing, and fixing system data, and conducting user testing.
- Guide and coordinate work of Meter to Cash Analyst I.
- Train Meter to Cash Analyst and Customer Care staff as assigned.

Non-Essential Job Functions:

- Performs other duties as required.

Qualifications/Basic Job Requirements:

- Bachelor's Degree business, economics, math, or related field.
- Minimum 2 years of relevant utility Meter to Cash experience is required.
- Knowledge of general utility operations and billing practices is required.
- Additional years of relevant experience may be substituted for a degree requirement on a two-for-one-year basis.
- Demonstrated ability to understand complex billing situations is required.
- Familiarity with AMI meter technology is required.
- Proficiency in a computer based environment including advanced skills in spreadsheet, database, word processing, and a basic understanding of SQL queries is required.
- Ability to learn, problem solve and adapt to changing technology is required.
- Ability to gather, correlate and analyze data with particular attention to detail required.
- Ability to learn, understand and explain advanced technical/engineering concepts as related to meter technology and installation is required.
- Ability to communicate effectively both orally and in writing is required.
- Ability to organize, prioritize workflow and meet established deadlines required.
- Ability to operate standard office equipment.
- Regular attendance is necessary and is essential to meeting the expectations of the job functions.
- Ability to actively support City diversity, equity, and cultural competency efforts within stated job responsibilities and work effectively across diverse cultures and constituencies.
- Demonstrated commitment to diversity, equity and inclusion as evidenced by ongoing trainings and professional development.
- Ability to understand and comply with City standards, safety rules and personnel policies.

Physical & Mental/Reasoning Requirements; Work Environment:

These are the physical and mental/reasoning requirements of the position as it is typically performed. Inability to meet one or more of these physical or mental/reasoning requirements will not automatically disqualify a candidate or employee from the position.

x	seeing	x	ability to move distances within warehouses and offices
	color perception (red, green, amber)	x	lifting (specify 20 pounds)
x	hearing/listening	x	carrying (specify 20 pounds)
x	clear speech		climbing
x	touching		driving
x	dexterity x hand x finger		ability to mount and dismount forklift
	reading – basic		pushing/pulling
x	reading – complex		shift work
	math skills – basic		moving objects
x	math skills – complex		pressurized equipment
	writing – basic		extreme heat

x	writing – complex		extreme cold
x	analysis/comprehension		high places
x	judgment/decision making		noise
x	clerical		fumes/odors
x	inside		dirt/dust
	outside		hazardous materials
x	works alone	x	electrical equipment
x	works with others		mechanical equipment
x	face-to-face contact		
x	verbal contact w/others		

Supervision:

Directly Supervises: __0__ Indirectly Supervises: __0___

Disclaimer:

The above statements are intended to describe the general nature and level of work being performed by employees to this classification. They are not intended to be construed as an exhaustive list of all responsibilities, duties and/or skills required of all personnel so classified.

Approvals:

Department Head: ________________________________ Date: ___________

Human Resources: ________________________________ Date: ___________

Board of Finance and City Council Submission Checklist

Department: DPW-Water Resources Submitter: Megan Moir/Jessica Lavalette

Title/Subject: FY25 Water Resources Personnel Reorganization – Meter to Cash Analyst positions

	Approval:	Meeting Date:
☐	Board of Finance	
☐	City Council	Click or tap to enter a date.
☒	Concurrent	2/18/2025

This form must be completed by the person submitting the materials, and sent with the final submission. Please do not indicate that a signoff was received until it has actually been obtained.

Signoffs Received

Signoff Needed	Received	Date Received	Note
Department Head	Yes	2/11/2025	Chapin Spencer
Mayor's Office informed and approved memo	Yes	2/12/2025	Erin Jacobsen
Board/Commission, if required			
City Attorney's Office has approved contract and/or legal documents, -Identify attorney in note	N/A		
City Attorney's Office has approved memo and motion(s) or resolution(s) -Identify attorney in note	Yes	2/11/2025	Erik Ramakrishnan
CAO has reviewed budget, financing, and memo	Yes	2/11/2025	Katherine Schad
Human Resources, if personnel action -Identify HR Manager in note	N/A	2/11/2025	Tony Berry
CIO, if an IT-related investment/purchase	N/A	Click or tap to enter a date.	Click or tap here to enter text.

Materials Included

	Included?	Note
Final Memo Attached?	Yes	Click or tap here to enter text.
Contract Attached, if applicable?	N/A	Click or tap here to enter text.
Additional Materials, if necessary	Yes	Org Charts and Job Description
Draft Resolution or Motion?	Yes	Motions reviewed by CA
If for submission to Council, are sponsors identified?	N/A	Click or tap here to enter text.

Resolution Relating to

ACCEPTANCE AND APPROVAL OF THE FY2024 AUDIT

RESOLUTION________

Sponsor(s): Bd. of Finance
Introduced: ____________________
Referred to: ____________________
____
Action: ________________________
Date: __________________________
Signed by Mayor: ________________

CITY OF BURLINGTON

In the year Two Thousand Twenty-Five..………………………………………………………………

Resolved by the City Council of the City of Burlington, as follows:

That WHEREAS, the City's auditors, Marcum LLP has completed the City audit for the fiscal year July 1, 2023 to June 30, 2024; and

WHEREAS, the auditor has prepared a management letter to accompany that audit; and

WHEREAS, during the audit the auditor did not identify any deficiencies in internal controls that were considered to be material weaknesses; and

WHEREAS, the City has responded to the items in the management letter; and

WHEREAS, on February 18, the Board of Finance has accepted the audit and recommended that the City Council approve and accept the audit, including the management letter;

NOW, THEREFORE, BE IT RESOLVED that the City Council approves and accepts the City's Fiscal Year 2024 audit, including the management letter.

BK/Resolutions 2025/*Acceptance and Approval of the FY2024 Audit*
2/18/25

City of Burlington, Vermont
Presentation of Audit Results

February 18, 2025

Objectives

- The What and Why of the Annual Audit
- Review Management Letter
- Discuss Summary of General Fund Results

The City's Annual Audit

- A municipal annual audit is a **review of a municipality's financial records**, accounting practices, and internal controls.
- Includes **all components of the City** including general fund, enterprise funds, and the school district.
- Conducted by a **third-party auditor** who provides an opinion on the municipality's financial statements.
- An audit is a **valuable management tool** for assessing community's fiscal performance. Can assist with improving financial controls and practices and may also identify internal control weaknesses and vulnerabilities to fraud.

Reasons Behind the Annual Audit

1. Burlingtonians put their **trust** in **elected public officials** and **municipal employees to be responsible custodians of their tax dollars.** The City validates this trust by employing strong financial controls and ensuring that the books of accounts accurately reflect the financial activities of the fiscal year.

2. **Vermont law requires that towns and cities (as well as school districts) account for the monies entrusted to them and that these records be audited** (see 24 V.S.A. §§ 1681-1686 and 16 V.S.A. § 323).

Reasons Behind the Annual Audit

3. Financial accounting provides information for those outside the City management team (elected representatives, citizens and taxpayers), usually after the end of the financial year, and so is essential for **public accountability.**

4. Auditing is the mechanism which provides assurance to the public about the veracity of the accounts, and hence is fundamental to **maintain trust.**

Management Letter Results

- Letter is intended to provide management and City Council with valuable information to assist those charged with governance in fulfilling their responsibilities.

- Provides advice based on best practices that the audit team has learned over the years from working with other clients.

- Can include:
  - material weakness in internal control
  - significant deficiency in internal control
  - recommendations

Management Letter Recommendations

- **No Material Weaknesses or Significant Deficiencies**
- **Three Recommendations Included**

- **Improve Controls Over Journal Entries and Adhere to a Formal Closing Schedule**
  City Response: The City will implement a formal year-end closing calendar with clear deadlines and assigned responsibilities to improve timeliness. Will include monthly and quarterly reviews and we will enforce firm 90-day cutoff for journal entries.

- **Review City Ordinance Language in Comparison to Collective Bargaining Agreements (CBAs) in Relation to Pension**
  City Response: While CBAs have been applied over the ordinance in practice, the City will consider amending the ordinance to explicitly state that CBA provisions take precedence.

- **Consider Improvements to Information Technology Policies**
  City Response: A full-time cybersecurity analyst has been hired to strengthen security policies, and Disaster Recovery and Business Continuity plans are in development.

General Fund Budget vs. Actual Results

Category	FY23 Actual	FY24 Budget	FY24 Actual	FY24 Variance
Revenues	$74.3M	$79.6M	$77.2M	($2.4M)
Expenditures	$81.1M	$80.7M	$76.6M	$4.0M
Other Sources	$7.1M	$11.4M	$5.1M	($6.3M)
Other Uses	($4.8M)	($10.4M)	($11.4M)	($1.0M)
Net	($4.5M)	$0.07M	($5.6M)	($5.6M)

Other Sources = Transfers In, Bond Premium, and Use of Fund Balance
Other Uses = Capital Outlay, Debt Service, and Transfers

FY24 Unassigned Fund Balance

Fund Balance Classification	Amount (June 30, 2024)	Amount (June 30, 2023)	Changes between FY23 and FY24
Subtotal of Non-Spendable, Restricted, Committed and Assigned Fund Balance	$5.7M	$11.0M	($7.6M)

FY23 Unassigned Fund Balance was $6.5M

Plus Changes to other Fund Balances $7.6M

Less Loss on the Income Statement ($7.9M)

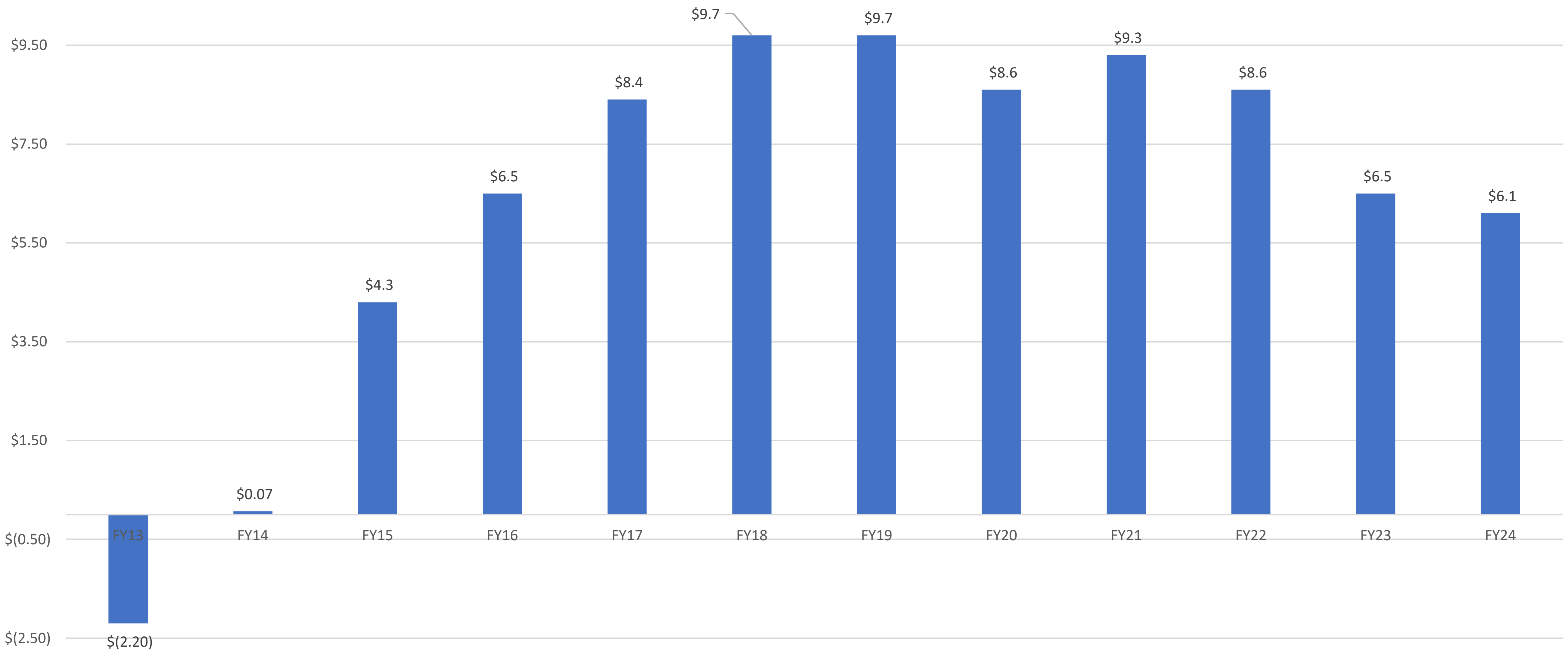
FY24 Unassigned Fund Balance is $6.15M

Fund Balance Policy

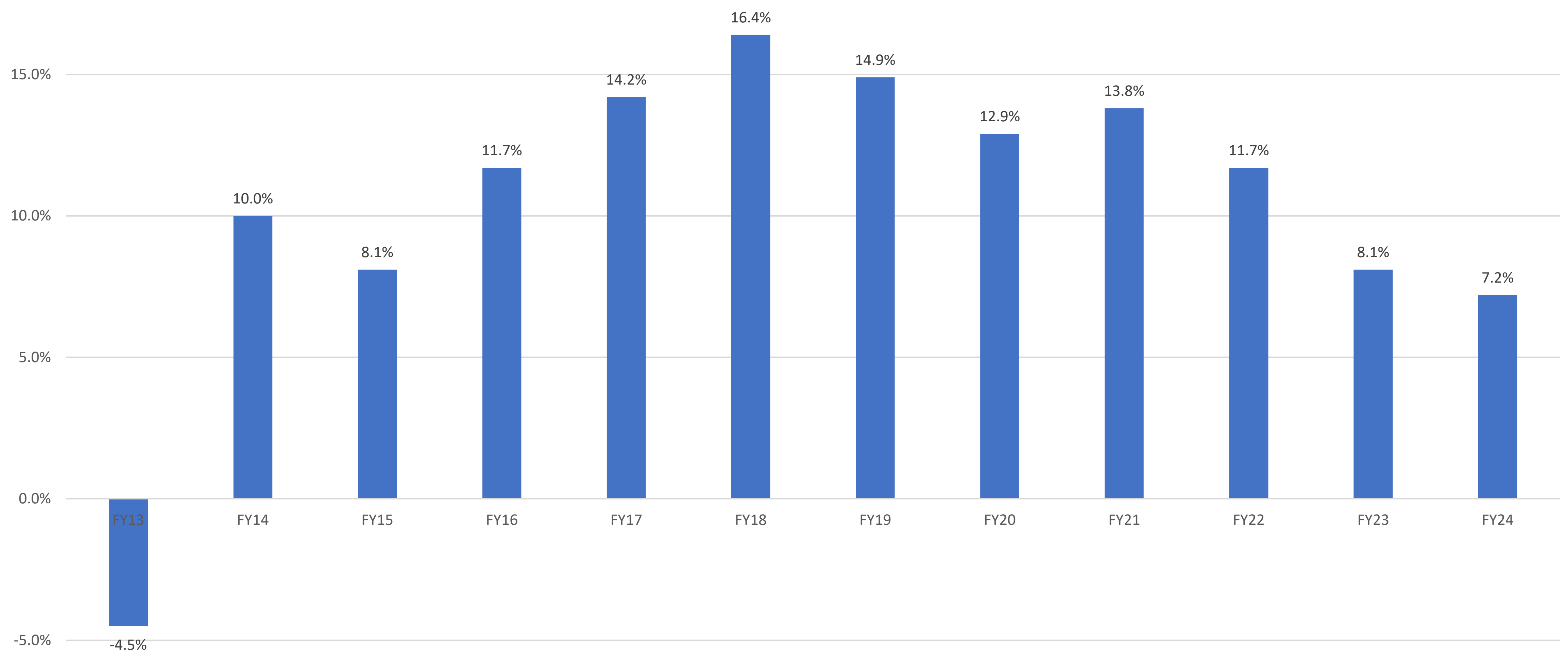
- Established in 2014

- General Fund Unassigned Fund Balance
  - Minimum of 5% of operational costs per previous year's audit
  - Maximum of 15%
  - Targeted balance is 10%

GF Unassigned Fund Balance since FY2013



GF Unassigned Fund Balance as % of Total Expenditures since FY2013



Fund Balance Definitions

Nonspendable – assets that don’t convert to cash such as prepaid items or inventories.

Unassigned – all other spendable amounts.

Committed – constrained by limitations imposed by City Council itself and remains binding unless Council removes. Not used in the normal course of business.

Assigned – reflects City’s intended use of resources and authority rests with Mayor delegated to staff.

Restricted - subject to externally enforceable legal restrictions.

General Fund Balance Classifications as of June 30, 2024 and 2023 – Part 1

Fund Balance Classification	Amount (June 30, 2024)	Amount (June 30, 2023)	Change between FY23 and FY24
Nonspendable	$1.4M	$0.5M	($0.9M)
Restricted	$2.3M	$1.0M	($1.3M)
Committed	$0.86M	$0.73M	($0.13M)
Assigned	$8.9M	$3.5M	($5.4M)
Subtotal	**$13.5M**	**$5.7M**	**($7.6M)**

General Fund Balance Classifications as of June 30, 2024 – Part 2

Fund Balance Classification	Amount (June 30, 2024)
Nonspendable	$0.5M
Restricted	$1.0M
Committed	$0.73M
Assigned	$3.5M
Unassigned	$6.15M
Subtotal	$11.9M

Questions?

February 10, 2025

To the City Council
City of Burlington, VT

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Burlington, Vermont (the City) for the year ended June 30, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards* and OMB Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated February 10, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during fiscal year 2024. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive management estimates affecting the various opinion units of the financial statements were:

> Net pension and total OPEB liabilities and related deferred outflows and inflows estimates are based on the reports of the actuary.
>
> Insurance reserve or the IBNR (incurred but not yet reported) claims estimates are based on the lag or run out reports of the third-party administrator.
>
> Fair value of investments estimates is based on the matrix and value/pricing techniques used by reporting entities.

> Various other management estimates (useful lives of assets/depreciation methods, allowances for doubtful accounts, calculations for unbilled revenues and payment in lieu of taxes calculations) were based on various methods established by management.

We evaluated the key factors and assumptions used to develop the management estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive disclosures affecting the City's financial statements.

The financial statement disclosures are neutral, consistent, and clear.

Independence

During the year ended June 30, 2024, we were engaged to provide financial statement preparation, Burlington Community Development Corporation tax return, and Data Collection Form preparation services. We reviewed the nature of the requested work, our role and management's role and determined that our independence would not be impaired, in fact or appearance.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated February 10, 2025.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention. Additionally, we have issued a separate management letter dated February 10, 2025.

Other Matters

We applied certain limited procedures to management discussion and analysis, general fund budget and actual, and pension and OPEB schedules, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on combining statements, (individual fund statements), which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory and statistical sections, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the information and use of the City Council and management of the City and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Marcum LLP

Marcum LLP
Merrimack, NH

CITY OF BURLINGTON, VERMONT

MANAGEMENT LETTER

FOR THE YEAR ENDED JUNE 30, 2024

CITY OF BURLINGTON, VERMONT

CONTENTS

MARCUM
ACCOUNTANTS ▲ ADVISORS

To the Honorable Mayor
and City Council
City of Burlington
149 Church Street
Burlington, VT 05401

In planning and performing our audit of the basic financial statements of the City of Burlington, Vermont as of and for the year ended June 30, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered the City's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore, significant deficiencies or material weaknesses may exist that have not been identified.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A reasonable possibility exists when the likelihood of an event occurring is either reasonable possible or probable as defined as follows:

- *Reasonably possible*. The chance of the future event or events occurring is more than remote but less than likely.
- *Probable*. The future event or events are likely to occur.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

During our audit, we became aware of other matters that we believe represent opportunities for strengthening internal controls and operating efficiency. The recommendations that accompany this letter summarize our comments and suggestions concerning those matters.

Marcum LLP / 9 Executive Park Drive / Suite 100 / Merrimack, NH 03054 / **Phone** 603.882.1111 / **marcumllp.com**

The City's written responses to our comments and suggestions have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

This communication is intended solely for the information and use of management, Mayor, and City Council, and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

Marcum LLP

Merrimack, NH
February 10, 2025

STATUS OF PRIOR YEAR RECOMMENDATIONS

1. Improve General Ledger Monitoring and Adhere to a Formal Closing Schedule

Prior Year Comment:
Our audit disclosed that the City continued to make a significant number of material journal entries five to seven months after year-end. Accurate and timely statements provide key data to support fiscal monitoring. Monthly review of all funds' balance sheets and budget vs actual schedules for unexpected deficits in fund balances and unexpected budget vs actual results is necessary to ensure accurate reporting.

We recommended that the City perform year end closing more timely. Monthly analytical review should result in earlier identification of the need for additional entries, improved internal reporting, and will streamline the year-end closing process.

Current Year Status:
Our audit disclosed again that the City continued to prepare material journal entries up to seven months past year-end.

Further Action Needed:
We continue to recommend that the City perform year-end closing sooner by prioritizing key reports to review earlier, which should include the annual General Fund budget vs. actual results and life-to-date Capital Project Funds budget vs. actual results. This process should allow City more time to research unexpected trends.

City's Response:
The City will implement a formal year-end closing calendar with clear deadlines and assigned responsibilities to improve timeliness. Monthly and quarterly reviews, including a pre-close process, will help identify adjustments earlier, reducing late journal entries. A firm 90-day cutoff for journal entries will be enforced, with limited exceptions requiring senior approval.

2. Review City Ordinance Language in Comparison to Collective Bargaining Agreements (CBAs) in Relation to Pension

Prior Year Comment:
In the past, we have noted inconsistent language in Collective Bargaining Agreements (CBAs) and the City Ordinance with respect to certain pension related accounts. The inconsistency between the pension benefits language in the CBAs and the City retirement ordinance may create legal risks or administrative challenges. By ensuring that the language in the CBAs is consistent with the City retirement ordinance, the City can reduce legal, financial, and operational risks while enhancing clarity.

We recommended that the Legal Department ensure the pension related language in CBAs are consistent with the retirement section of the City Ordinance to mitigate any risk that may occur.

Current Year Status:
We understand that the recommendation has not yet been implemented.

Further Action Needed:
We recommend that the legal department ensure there that retirement section of the City Ordinance is consistent with CBA language when all new CBAs are being negotiated.

City's Response:
While CBAs have traditionally been applied over the ordinance in practice, the City will consider amending the ordinance to explicitly state that CBA provisions take precedence where applicable, ensuring legal and administrative clarity.

3. Consider Improvements to Information Technology Policies

Prior Year Comment:
Maintaining secure, restricted access to the City's IT infrastructure is a critical element for safeguarding the City's personal and financial information. During our audit procedures, we identified instances where the provisioning process included mirroring users for access to New World Systems, but no evidence was attached to the request identifying the permissions that needed to be granted to the new users along with the appropriate approvals. Also, it does not appear that user access review control is currently in place. Additionally, there does not appear to be a formal cybersecurity incident response plan or business continuity and disaster recovery plan.

Current Year Status:
We understand that the recommendation has not yet been fully implemented.

Further Action Needed:
We recommend that the City consider improvements to IT policies related to provisioning, user access review and cybersecurity. This should result in additional safeguards to personal and financial information.

City's Response:
A full-time cybersecurity analyst has been hired to strengthen security policies, and Disaster Recovery and Business Continuity plans are in development, with completion expected in 60-90 days to enhance IT security and response preparedness.

CITY OF BURLINGTON, VERMONT
ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR FISCAL YEAR ENDED
JUNE 30, 2024

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CITY OF BURLINGTON, VERMONT
Annual Comprehensive Financial Report
For the Year Ended June 30, 2024

Prepared by:
The Clerk Treasurer Office

Katherine Schad
Chief Administrative Officer

Ann Barton
Comptroller

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CITY OF BURLINGTON, VERMONT

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INTRODUCTORY SECTION

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OFFICE OF THE CLERK/TREASURER
City of Burlington

City Hall, Room 20, 149 Church Street, Burlington, VT 05401

Voice (802) 865-7000
Fax (802) 865-7014
TTY (802) 865-7142

February 10, 2025

Mayor and City Council
City of Burlington
149 Church Street
Burlington, Vermont 05401

To the Citizens, Mayor, and City Council of the City of Burlington:

The Annual Comprehensive Financial Report of the City of Burlington for the Fiscal Year ended June 30, 2024, is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the following data, including financial statements, supporting schedules and statistical tables, is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the City. To provide a reasonable basis for making representations, management has established a comprehensive internal control framework that is designed to both protect the government's assets from loss, theft, or misuse and compile sufficient reliable information to the preparation of the financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Fiscal year 2024 represents the ninth year that the City of Burlington has compiled an Annual Comprehensive Financial Report (ACFR). The compilation of this report required a substantial time investment by the Clerk/Treasurer's Office, but we are proud to continue our commitment to expanded disclosures of our financial position and results of operations.

City Charter, as well as State statutes, requires an annual audit by independent certified public accounts. The City's audit firm is Marcum LLP. The independent auditors' report is located before the financial section of this report. In addition, the audit was designed to meet the requirements of Title 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards (the Uniform Guidance), as applicable. Information related to the Single Audit, including the Schedule of Expenditures of Federal Awards, findings and recommendations, and auditors' reports on the internal control structure and compliance with applicable laws and regulations, is not included in this year's ACFR, but is available in a separate report.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it for additional narrative overview and analysis of the City's activities.

THE CITY OF BURLINGTON

Description of the City

The City of Burlington, Vermont (the "City") is the largest city in Vermont and located in northwestern Vermont on the eastern shore of Lake Champlain directly across from northern New York State. The City is the commercial center of Chittenden County and encompasses 16 square miles. The City is 90 miles south of Montreal, Quebec, 220 miles northwest of Boston, Massachusetts, and 300 miles north of New York, New York.

Highways serving Burlington include State Highways 2 and 7 and Interstates U.S. 89 and 189. The Lake Champlain Transportation Company operates ferries on Lake Champlain between Vermont and New York.

The Patrick Leahy Burlington International Airport (the Airport) serves over 1.2 million passengers per year and accommodates non-stop air service to all three New York City metropolitan area airports, Philadelphia, both Washington D.C. airports, Chicago, Atlanta, Charlotte, NC, Denver, Dallas, Detroit, Minneapolis and Saint Paul. Passengers can reach nearly any destination world-wide with just one connection from Burlington.

Beginning in 2022, Amtrak train service came back to Burlington with daily bus service connecting the area to New York City with daily operations.

Bus service is provided by Greyhound Lines, Megabus, and Vermont Translines (operated by Vermont Agency of Transportation). Freight service is provided by the Vermont Railway Corporation and Rail America. Green Mountain Transit, which represents Burlington, Essex, South Burlington, Shelburne, Williston, Winooski, Milton, Hinesburg and a portion of Colchester provides local bus service. LINK Express routes serve Montpelier, Middlebury, and St. Albans commuters.

Form of Government

Burlington was incorporated as a City in 1865. On November 7, 2000, voters approved amendments to the City Charter, which provided for direct Mayoral appointment of department heads with City Council confirmation, clarified the Mayor's authority as the City's Chief Executive Officer, established the position of Chief Administrative Officer, and provided that City commissions would become advisory except when authority was re-delegated by the City Council.

About the Burlington Community

Located between the highest section of the Green Mountains and the widest part of Lake Champlain, the City of Burlington enjoys superb scenery and outstanding year-round recreational opportunities.

Cultural activities abound and are encouraged by the participation of businesses, educational institutions, and government. Several theaters for the performing arts, theater troupes, museums, fairs, and festivals fill the City's cultural calendar, while Burlington City Arts, a City Department, provides a well-known gallery for the display of contemporary art, as well as events including music, film, and performance.

The University of Vermont Medical Center is the state's academic medical center and serves approximately one million people in Vermont and New York. UVM Medical Center includes three founding organizations – Medical Center Hospital of Vermont, Fanny Allen Hospital, and University Health Center – and the UVM College of Medicine. The Vermont Regional Cancer Center and the Vermont-New Hampshire Regional Red Cross Blood Center are also located in Greater Burlington.

Burlington is also known throughout the state and the nation for its innovative and entrepreneurial spirit. The City of Burlington was the first city in the country to use 100% renewable energy for the electricity needs of its residents.

Burlington is regularly recognized in nationally published periodicals as one of the best places to live. The City's location, economic climate, and abundance of community resources contributed to its award as the most livable city in America for cities of less than 100,000 people by the U.S. Conference of Mayors in 1989. Since then, the City has enjoyed numerous awards from national publications recognizing the City for its beauty, sustainability, and livability.

Employee Relations

As of June 30, 2024, the City of Burlington employed approximately 682 full time employees, excluding school employees, and including 117 Burlington Electric Department employees. The City does not anticipate a significant change in staffing in the foreseeable future and believes its relations with its employees are generally good. All public employees except most supervisors, confidential employees, and certain school district employees in the State of Vermont have the right to organize and the right to bargain collectively with their public employers on matters of wages, terms and other conditions of employment other than managerial policy. The City has four separate labor associations: American Federation of State, County, & Municipal Employees, AFL-CIO, Council 93, Local 1343 (AFSCME), noting that the school district negotiates separately for the school AFSCME employees; the International Brotherhood of Electrical Workers, AFL-CIO Local 300 (IBEW); the Burlington Police Officers' Association (BPOA); and the Burlington Firefighters Association, International Association of Fire Fighters Local 3044 (BFA). All four contracts were renegotiated in 2022 and the AFSCME and IBEW contracts are in effect for the period of July 1, 2022 to June 30, 2026. The BPOA and BFFA contracts expire on June 30, 2025, and their terms continue until a successor contract is in place. The City's school system has additional labor associations and the City's schools are currently negotiating a teachers' contract.

City Services

The City provides municipal services including police and fire protection, emergency medical services, street construction and maintenance, solid waste management, traffic signalization, planning and zoning, community and economic development, parks and recreation, library services, youth services, arts programs, educational and general administrative services. The City also operates the following major enterprise funds: (1) electric, (2) airport facilities and (3) wastewater.

Budget Process and Other Financial Policies Affecting Current Year

The budget process in the City of Burlington normally commences with a request by the Mayor that all Departments submit, in writing, a detailed estimate of the appropriations required for the efficient and proper conduct of their respective Departments during the next fiscal year. On or before the fifteenth day of June, the Mayor must submit to the City Council a copy of the Budget for the ensuing fiscal year, which contains a clear general summary of its contents, and in detail, all estimated income, the proposed property tax levy and all proposed expenditures, including debt service.

The City Council shall adopt the budget by resolution no later than June 30 of each year. The Council may reduce the submitted appropriations by a majority vote, but may not increase the appropriations without an approving two-thirds vote of the Council. The City has never failed to adopt a budget. The legal level of control is at the department level.

The City has a comprehensive list of financial policies. For General Fund unassigned fund balance, the targeted balance is 10% percent of operating expenditures.

Economic Activity

The Greater Burlington area, which includes the City of Burlington and all of Chittenden County, is Vermont's major economic area. Most of the County's nonagricultural employment lies within the three-community region of Burlington, Essex and South Burlington. Manufacturing employment represents approximately 10% of the nonagricultural employment in the Burlington area labor market. Non-manufacturing employment accounts for approximately 90% of employment. Education and health services, government and trade are principal areas of non-manufacturing employment in the Greater Burlington area.

Chittenden County has provided the bulk of the State's economic growth over the past ten years, which is reflected in the area's employment statistics. The Burlington Labor Market Area had an annual unemployment rate of 1.89% in July 2024. The State's unemployment rate was 2.1% as of July 2023.

Employment Data

The Greater Burlington area possesses a growing, educated work force with skills in a variety of areas. To keep a supply of workers skilled to meet the needs of new and existing business and industry, the State of Vermont assists with tuition-free training of new Vermont employees.

Educational institutions, such as the University of Vermont, provide customized training programs and continuing education required by technicians and others in rapidly changing technological fields.

Housing Market

Over the past 10 years, through December 2023, the median sales price of single-family homes in Burlington has increased by 56% to $498,750 in 2023. Market appreciation in the past two years (10% in 2022 and 12% in 2023) continues to outpace the 10-year average of 4.5%. Burlington contains approximately 7,120 owner-occupied housing units, accounting for 17% of Chittenden County's 43,900 owner-occupied units. The number of single-family primary residences sold in Burlington ranged between 225 and 295 over the past 10 years, with an average of 260 annual sales. In 2023, the number of single-family home sales was 272.

The rental housing market in Burlington remains highly competitive due to persistently low vacancy rates. As of Q2 2024, only 2.1% of all rental units in Vermont are vacant, maintaining Vermont's position as one of the states with the lowest vacancy rates. This figure has decreased slightly from 2022, where the rate was 2.4%. The continued low vacancy rate sustains high demand for rental units, resulting in increased rental costs. Burlington Housing Authority, Champlain Housing Trust, and several nonprofit organizations remain critical in providing rental assistance to low- and moderate-income households.

In 2024, Vermont continues to lead as one of the states with the lowest foreclosure rates in the nation. Only 0.02% of homes in the state experienced a foreclosure filing during the first half of 2024, representing approximately 50 homes statewide. Burlington's housing market stability contributes significantly to this low rate.

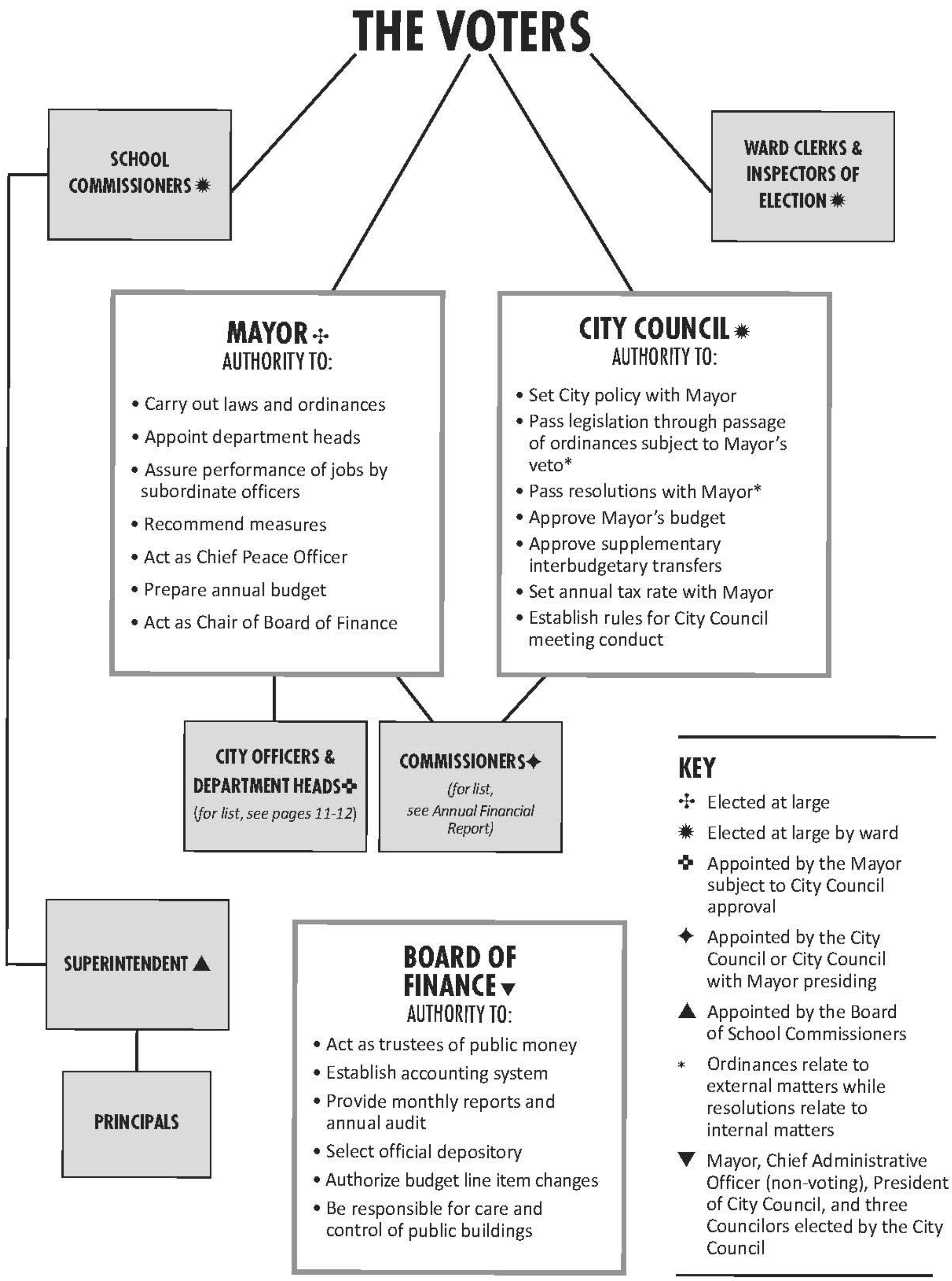
Acknowledgements

This report reflects the City’s commitment to improve and maintain financial statements in conformity with the highest standards of accountability. The strong financial position and excellent financial results reflected in this report would not have been possible without the leadership and fiscal policies established by the Mayor and City Council and the hard work and dedication of the Clerk/Treasurer’s team.

Respectfully submitted,

Katherine Schad
Chief Administrative Officer

Ann Barton
Comptroller


THE VOTERS
SCHOOL COMMISSIONERS ✹
WARD CLERKS & INSPECTORS OF ELECTION ✹
MAYOR ✣
AUTHORITY TO:
• Carry out laws and ordinances
• Appoint department heads
• Assure performance of jobs by subordinate officers
• Recommend measures
• Act as Chief Peace Officer
• Prepare annual budget
• Act as Chair of Board of Finance
CITY COUNCIL ✹
AUTHORITY TO:
• Set City policy with Mayor
• Pass legislation through passage of ordinances subject to Mayor's veto*
• Pass resolutions with Mayor*
• Approve Mayor's budget
• Approve supplementary interbudgetary transfers
• Set annual tax rate with Mayor
• Establish rules for City Council meeting conduct
CITY OFFICERS & DEPARTMENT HEADS ✚
(for list, see pages 11-12)
COMMISSIONERS ✦
(for list, see Annual Financial Report)
SUPERINTENDENT ▲
PRINCIPALS
BOARD OF FINANCE ▼
AUTHORITY TO:
• Act as trustees of public money
• Establish accounting system
• Provide monthly reports and annual audit
• Select official depository
• Authorize budget line item changes
• Be responsible for care and control of public buildings
KEY
✣ Elected at large
✹ Elected at large by ward
✚ Appointed by the Mayor subject to City Council approval
✦ Appointed by the City Council or City Council with Mayor presiding
▲ Appointed by the Board of School Commissioners
* Ordinances relate to external matters while resolutions relate to internal matters
▼ Mayor, Chief Administrative Officer (non-voting), President of City Council, and three Councilors elected by the City Council

CITY OF BURLINGTON, VERMONT
PRINCIPAL OFFICIALS
As of June 30, 2024

		Initial Term Commenced	Current Term Expires
Emma Mulvaney-Stanak	*Mayor*	*2024*	*2027*

City Council

Carter Neubieser	*Ward 1*	*2024*	*2026*
Gene Bergman	*Ward 2*	*2022*	*2026*
Joe Kane	*Ward 3*	*2024*	*2026*
Sarah Carpenter	*Ward 4*	*2020*	*2026*
Ben Traverse	*Ward 5*	*2022*	*2026*
Becca Brown McKnight	*Ward 6*	*2024*	*2026*
Evan Litwin	*Ward 7*	*2024*	*2026*
Marek Broderick	*Ward 8*	*2024*	*2026*
Tim Doherty	*East District*	*2023*	*2025*
Melo Grant	*Central District*	*2023*	*2025*
Mark Barlow	*North District*	*2021*	*2025*
Joan Shannon	*South District*	*2015*	*2025*

CITY OF BURLINGTON, VERMONT
CITY OFFICIALS APPOINTED BY THE MAYOR

As of June 30, 2024

Chief of Staff . . . . **Erin Jacobsen**

Communications Director . . . . **Joe Magee**

Director of Aviation, Patrick Leahy Burlington International Airport. . **Nic Longo**

Executive Director, Burlington City Arts . . . . **Doreen Kraft**

City Assessor . . . . **Joseph Turner**

City Attorney. . . . . **Jared Pellerin (Acting)**

Chief Administrative Officer . . . . **Katherine Schad**

Assistant City Attorney . . . . **Eric Ramakrishnan**

Assistant City Attorney. . . . . **Hayley McClenahan**

Director of Business Workforce & Development . . . . **Kara Alnasrawi**

Director, Community & Economic Development Office . . . . **Brian Pine**

General Manager, Electric Department . . . . **Darren Springer**

Fire Department Chief and Emergency Management/Civil Engineer . **Michael Lachance**

Director, Fletcher Free Library . . . . **Mary Danko**

Director, Human Resources . . . . **Kerin Durfee**

Chief Innovation Officer . . . . **Scot Barker**

Director, Parks, Recreation & Waterfront . . . . **Cindi Wight**

Director, Permitting & Inspections . . . . **Bill Ward**

Director, Office of City Planning . . . . **Meagan Tuttle**

Chief, Police Department . . . . **Jon Murad**

Director, Department of Public Works . . . . **Chapin Spencer**

Director, Racial Equity, Inclusion & Belonging . . . **Phethlongxay Keomanyvanh (Acting)**

City Engineer and Surveyor. **Laura Wheelock (Acting)**

Harbor Master . . . . **Erin Moreau**

Superintendent, Cemetery Department. . . . . **Cindi Wight**

City Grand Juror . . . . **Hayley McClanahan**

Assistant City Grand Juror . . . . **Kimberlee J. Sturtevant**

City Constable . . . . **Chapin Spencer**

Second Constable . . . . **William Ward**

Third Constable. . . . . **Kara Alnasrawi**

Fourth Constable . . . . **Scot Barker**

Pound Keeper . . . . **Wade Labrecque**

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FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and City Council
City of Burlington, Vermont

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Burlington, Vermont (the City), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion based on our audit and the report of other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Burlington, Vermont, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Burlington Electric Enterprise Fund, which represents 35 percent, 19 percent, and 59 percent, respectively, of the assets and deferred outflows of resources, net position and revenues of the business-type activities, respectively. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Burlington Electric Enterprise Fund, is based solely on the report of the other auditors. Also, we did not audit the financial statements of the Burlington School District, the discretely presented component unit. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Burlington School District, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance, but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, the budgetary comparison for the General Fund, and certain pension and OPEB schedules be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements are for additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report (ACFR). The other information comprises the introductory and statistical sections but does not include the financial statements and our auditors' report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 10, 2025 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Marcum LLP

Merrimack, NH
February 10, 2025

BASIC FINANCIAL STATEMENTS

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THECITY
OFBURLINGTON

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Burlington, Vermont (the City), we offer readers this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2024.

A. OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the basic financial statements. The basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to financial statements. This report also contains required and other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of our finances in a manner similar to a private-sector business.

The Statement of Net Position presents information on all assets, liabilities, and deferred outflows/inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes, earned but unused vacation leave, OPEB and net pension liability).

Both of the government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities include general government, public safety, public works, culture and recreation, and community development. The business-type activities include the operation of the Electric, Airport, Wastewater, Water and Stormwater utilities.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. All of the funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources measurable and available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

An annual appropriated budget is adopted for the general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Proprietary funds. Proprietary fund reporting focuses on the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. The proprietary fund category includes enterprise funds and internal service funds.

Enterprise funds are used to report activity for which a fee is charged to external users, and must be used when one of the following criteria are met: (1) activity is financed with debt that is secured solely by a pledge of the net revenues from fees and charges, (2) laws or regulations require the activity's cost of providing services be recovered with fees and charges, and (3) the pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs such as depreciation or debt service. The primary focus on these criteria is on fees charged to external users. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements, only in more detail. Specifically, enterprise funds are used to account for Electric, Airport, Wastewater, Water and Stormwater activities. The proprietary fund financial statements provide separate information for the Electric, Airport and Wastewater funds, which are considered to be major funds.

In addition to enterprise funds, the City maintains internal service funds, which account for activities that provide goods and services to other departments, agencies, or funds of the government on a cost-reimbursement basis. These funds enhance financial transparency and cost tracking by allocating expenses directly to the benefiting departments. The City maintains internal service funds for health insurance and workers' compensation. The health insurance internal service fund tracks revenues from premiums paid by departments and expenses related to claims and administrative costs for the City's self-insured health plan. The workers' compensation internal service fund accounts for claims, reserves, and funding for workers' compensation costs incurred by City departments. Since internal service funds primarily serve internal users, their financial activities are reported in the government-wide financial statements as part of governmental activities rather than business-type activities.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information, which is required to be disclosed by accounting principles generally accepted in the United States of America.

B. FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $457,274,962 (net position), an increase of $20,535,392 in comparison to the prior year.
- Total net position of the City's component unit, the Burlington School District, amounted to $44,371,387, an increase of $20,310,425 for the year.
- As of the close of the current fiscal year, governmental funds reported combined ending fund balances of $62,488,432, a decrease of $9,562,793 in comparison to the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was $6,158,621, a decrease of $371,874 in comparison to the prior year.
- At the end of the current fiscal year, unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) for the general fund was $10,409,977.

C. GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following is a summary of condensed government-wide statement of net position for the current and prior fiscal year:

NET POSITION (000s)

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	$ 115,312	$ 138,489	$ 170,962	$ 168,535	$ 286,274	$ 307,024
Capital assets	238,550	209,852	377,796	365,079	616,346	574,931
Total assets	353,862	348,341	548,758	533,614	902,620	881,955
Deferred outflows of resources	22,704	25,167	7,725	8,599	30,429	33,766
Total assets and deferred outflows of resources	$ 376,566	$ 373,508	$ 556,483	$ 542,213	$ 933,049	$ 915,721
Long-term liabilities outstanding	$ 217,999	$ 213,148	$ 164,964	$ 171,319	$ 382,963	$ 384,467
Other liabilities	38,493	48,080	28,562	20,195	67,055	68,275
Total liabilities	256,492	261,228	193,526	191,514	450,018	452,742
Deferred inflows of resources	2,061	1,982	23,695	24,257	25,756	26,239
Net position:						
Net investment in capital assets	145,242	123,312	255,612	253,158	400,854	376,470
Restricted	17,351	16,423	30,131	28,931	47,482	45,354
Unrestricted	(44,580)	(29,437)	53,519	44,353	8,939	14,916
Total net position	118,013	110,298	339,262	326,442	457,275	436,740
Total liabilities, deferred inflows of resources and net position	$ 376,566	$ 373,508	$ 556,483	$ 542,213	$ 933,049	$ 915,721

The largest portion of net position $400,854,199 reflects our investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of net position of $47,482,461 represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position is $8,938,702, which represents a combination of our governmental activities and business-type activities. Our governmental activities unrestricted net position is a deficit of $44,580,758. The negative balance primarily results from recognizing our net pension liability in accordance with Governmental Accounting Standards Board (GASB) Statement Number 68, *Accounting and Financial Reporting for Pensions*. See financial statement notes for additional information. Our business-type activities unrestricted net position is $53,519,460. About 38% of this balance is derived from our Airport Enterprise Fund and 37% of this balance is derived from our Electric Enterprise Fund.

The following is a summary of condensed government-wide statement of changes in net position for the current and prior fiscal year:

CHANGES IN NET POSITION (000s)

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues:						
Charges for services	$ 26,803	$ 26,097	$ 109,616	$ 107,194	$ 136,419	$ 133,291
Operating grants and contributions	13,140	13,158	140	161	13,280	13,319
Capital grants and contributions	20,894	17,495	14,435	9,666	35,329	27,161
General revenues:						
Property taxes	44,511	52,738	-	-	44,511	52,738
Gross receipts taxes	5,397	5,112	-	-	5,397	5,112
Local sales option tax	3,076	3,031	-	-	3,076	3,031
Payments in lieu of taxes	1,772	1,695	-	-	1,772	1,695
Franchise fees	2,485	2,505	-	-	2,485	2,505
Impact fees	218	146	-	-	218	146
Interest and penalties on delinquent taxes	726	575	-	-	726	575
Nonoperating grants	-	-	1,959	2,881	1,959	2,881
Investment income	3,353	1,657	1,968	934	5,321	2,591
Dividends from associated companies	-	-	4,533	4,400	4,533	4,400
Other revenues	2,136	2,264	1,369	194	3,505	2,458
Total revenues	124,511	126,473	134,020	125,430	258,531	251,903
Expenses:						
Governmental activities:						
General government	23,074	23,731	-	-	23,074	23,731
Public safety	42,105	37,657	-	-	42,105	37,657
Public works	21,601	28,548	-	-	21,601	28,548
Culture and recreation	18,566	16,762	-	-	18,566	16,762
Community development	9,388	9,186	-	-	9,388	9,186
Interest on long-term debt	5,249	4,837	-	-	5,249	4,837
Business-type activities:						
Electric	-	-	67,263	64,555	67,263	64,555
Airport	-	-	30,914	26,113	30,914	26,113
Wastewater	-	-	10,232	7,263	10,232	7,263
Water	-	-	8,131	7,454	8,131	7,454
Stormwater	-	-	1,473	1,413	1,473	1,413
Total expenses	119,983	120,721	118,013	106,798	237,996	227,519
Change in net position before transfers	4,528	5,752	16,007	18,632	20,535	24,384
Transfers in / (out)	3,187	3,055	(3,187)	(3,055)	-	-
Change in net position	7,715	8,807	12,820	15,577	20,535	24,384
Net position - beginning of year	110,298	101,491	326,442	310,865	436,740	412,356
Net position - end of year	$ 118,013	$ 110,298	$ 339,262	$ 326,442	$ 457,275	$ 436,740

Governmental activities. Governmental activities for the year resulted in an increase in net position of $7.7 million. Total revenues decreased $2.0 million. Property taxes decreased $8.2 million despite a relatively level municipal tax rate between FY2023 and FY2024. This difference was largely offset by increases to investment income and federal ARPA funding. Assessed value increased from $5.8 billion to $5.9 billion. Total expenses decreased by $0.8 million. Public Safety expenses increased $4.5 million, and Culture and

Recreation expenses increased nearly $2 million. This was offset by a decrease in Public Works expenses of $7.0 million, as the Champlain Parkway project was completed.

Business-type activities. Business-type activities for the year resulted in an increase in net position of $12.8 million. Key elements of this change are discussed in Section D of the Management's Discussion and Analysis.

D. FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental funds. The focus of governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing financing requirements. In particular, unassigned fund balance may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

General Fund

The General Fund is the chief operating fund. At the end of the current fiscal year, unassigned fund balance of the General Fund was $6.2 million, while total fund balance was $11.9 million.

The City has an established General Fund balance policy that outlines a process for reaching and maintaining the targeted level of unassigned fund balance, and the priority for the use of amounts in excess of the target. The policy provides a mechanism for monitoring the General Fund unassigned fund balance. A target of 10%, with a minimum of 5% to a maximum of 15% of operational costs has been established. Therefore, a comparison of both unassigned fund balance, as a measure of the General Fund's liquidity, and total fund balance of the General Fund to prior year and as a percentage of operational costs is presented below:

City General Fund	6/30/24	6/30/23	Change	% of Total General Fund Expenditures
Unassigned fund balance	$ 6,158,621	$ 6,530,495	$ (371,874)	7.2%
Total fund balance	$ 11,907,921	$ 17,556,415	$ (5,648,494)	14.0%

The total fund balance decreased due to $5.6 million expended from the designated fund which was funded by prior year restricted and assigned fund balances. Decrease to nonspendable, restricted, committed and assigned fund balances of $5.2 million mitigated the decrease to unassigned fund balance, for a net change of $0.37 million.

Capital Projects Fund

The Capital Projects Fund, a major fund, had a decrease in fund balance of $3.4 million during the current fiscal year, which put the overall fund balance position in the amount of $41.5 million. Restricted fund balance of $44.7 million represents projects that began during the current fiscal year but have not been completed yet. Unassigned fund balance deficit of $3.2 million represents Champlain Parkway project deficit that is expected to be funded within a year. The City issued $8.9 million general obligation public improvement bond and $18.9 million general obligation downtown tax increment bond in fiscal year 2024. These bonds mostly remain unspent at June 30, 2024.

Other Governmental Funds

The other governmental funds incurred a decrease in fund balances of $0.5 million.

Proprietary funds. Proprietary funds provide the same type of information found in the business-type activities reported in the government-wide financial statements, but in more detail.

A comparison of the unrestricted net position of each enterprise fund compared to the prior year is shown below:

	Unrestricted Net Position		
	6/30/24	6/30/23	Change
Electric	$ 19,689,521	$ 12,927,813	$ 6,761,708
Airport	20,156,215	18,350,081	1,806,134
Wastewater	4,178,739	4,343,269	(164,530)
Nonmajor funds:			
Water	6,128,721	6,191,875	(63,154)
Stormwater	3,366,264	2,540,224	826,040
Total	$ 53,519,460	$ 44,353,262	$ 9,166,198

Specific factors concerning the finances of each proprietary fund are discussed below:

- The Electric Enterprise Fund unrestricted net position at June 30, 2024 increased from the previous year partly due to decrease in net investment in capital assets. For additional information, please refer to the separate financial statements issued for the City of Burlington, Vermont Electric Department.
- The Airport's unrestricted net position increased from the previous year primarily due to the recognition of the capital contributions received from the Federal Aviation Administration (FAA) for capital improvements. For additional information, please refer to the separate financial statements issued for the Patrick Leahy Burlington International Airport.
- While Stormwater unrestricted net position increased, Wastewater and Water unrestricted net position (which are managed on a combined basis) decreased. For additional information, please refer to the separate financial statements issued for the Wastewater and Water Enterprise Funds.

E. GENERAL FUND BUDGETARY HIGHLIGHTS

The City approved a fiscal year 2024 budget including dedicated taxes, tax increment financing and interdepartmental charges that were netted against appropriations for the presentation on the budget and actual statement in the financial statements.

The City's General Fund budget for fiscal year 2024 (after amendments) resulted in a budgeted surplus of $0.1 million. The actual performance resulted in expenditures and other uses exceeding revenues and other sources by $5.6 million. Revenues (not including other financing sources) were short of budget by $8.6 million. Unspent expenditures were $3.0 million (not including transfers). The use of fund balance represents the use of restricted, committed, assigned and unassigned fund balance categories. Half of the use of fund balance was spent out of the designated fund primarily in the other uses or the transfers out category, which shows transfers primarily to Capital Projects Fund funded by either use of restricted fund balance (bond premiums) or assigned fund balance.

F. CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets. Total investment in capital assets for governmental activities at year-end amounted to $238.6 million (net of accumulated depreciation), an increase of $28.7 million from the prior year. Total investment in capital assets for business-type activities at year-end amounted to $377.8 million (net of accumulated depreciation/amortization), an increase of $12.7 million from the prior year. This investment in capital assets includes land and land improvements, construction in progress, buildings and improvements, infrastructure, distribution and collection systems, and vehicles, machinery, equipment, and furniture and right to use assets.

Major capital asset events during the current fiscal year for governmental activities included Champlain Parkway improvements of $18.8 million and TIF Main Street design project improvements of $10.4 million.

The increase in business-type activities is due to AIP projects at the Airport and other projects. Major capital asset events during the current fiscal year for business-type activities can be found in the various stand-alone enterprise fund financial statements.

Additional information on the City's capital assets can be found in Note 11 on pages 74 to 75 of this report.

Credit rating. Moody's Investor Service (Moody's) assigned an Aa3 rating to the City's general obligation debt. Moody's states that the Aa3 reflects the city's status as the regional economic center with institutional presence in the State of Vermont (Aa1 stable). The city's resident income of 81.1% is below-average for the rating category although the median age is young compared to the rest of the state. The city's financial position is expected to remain stable over the next few years as the city continues to reduce its reliance on one-time revenue sources and maintain healthy reserves and liquidity.

Long-term debt. The table below outlines our long-term debt (bonds payable and state revolving loans) at the current and prior year end. Bonds are backed by pledged revenues of the respective enterprise funds and other debt is backed by full faith and credit of the City.

	Bonds Payable and State Revolving Loans 6/30/24	6/30/23	Change
Governmental Activities:			
City	$ 123,414,944	$ 122,302,850	$ 1,112,094
Business-Type Activities:			
Electric	85,940,553	88,506,617	(2,566,064)
Airport	23,360,599	26,288,922	(2,928,323)
Wastewater	11,996,190	13,200,706	(1,204,516)
Water	6,593,029	6,927,232	(334,203)
Stormwater	230,065	253,187	(23,122)
Subtotal business-type	128,120,436	135,176,664	(7,056,228)
Component Unit:			
School District	190,951,796	43,209,262	147,742,534
Total	$ 442,487,176	$ 300,688,776	$ 141,798,400

Additional information on the City's long-term debt can be found in Note 15 on pages 77 to 83 of this report.

Net pension liability. The following is an analysis of the City's and our component unit's net pension liability at the end of the current and prior fiscal years. The majority of this increase will increase pension expense over the next four years, and therefore, reduce unrestricted net position.

	Net Pension Liability 6/30/24	6/30/23	Change
Governmental Activities:			
City	$ 83,015,278	$ 78,070,840	$ 4,944,438
Business-Type Activities:			
Electric	22,820,338	21,677,516	1,142,822
Airport	2,973,360	2,719,717	253,643
Wastewater	1,354,971	1,164,406	190,565
Water	1,649,820	1,686,558	(36,738)
Subtotal business-type	28,798,489	27,248,197	1,550,292
Component Unit:			
School District	11,781,873	11,074,177	707,696
Total	$ 123,595,640	$ 116,393,214	$ 7,202,426

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Burlington's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information can be found on the City's web page at https://www.burlingtonvt.gov/ or should be addressed to:

Clerk/Treasurer Office
City Hall
149 Church Street
Burlington, Vermont 05401

CITY OF BURLINGTON, VERMONT

STATEMENT OF NET POSITION

JUNE 30, 2024

	Primary Government			DPCU
	Governmental Activities	Business-Type Activities	Total	Burlington School District
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
ASSETS:				
Current:				
Cash and short-term investments	$ 83,084,427	$ 33,079,081	$ 116,163,508	$ 33,853,305
Investments	9,885,651	759,139	10,644,790	25,405
Escrows	1,851,110	638,493	2,489,603	-
Receivables, net of allowance for uncollectibles:				-
Property taxes	3,136,589	-	3,136,589	-
User fees	-	13,527,969	13,527,969	-
Departmental and other	4,071,551	-	4,071,551	91,452
Intergovernmental	6,184,570	15,866,238	22,050,808	9,594,958
Passenger facility charges	-	498,226	498,226	-
Loans	33,174	88,970	122,144	-
Leases	-	2,733,140	2,733,140	-
Inventory	697,308	8,321,595	9,018,903	63,325
Prepaid expenses	216,726	108,686	325,412	359,578
Other assets	352,202	1,622,232	1,974,434	-
Total current assets	109,513,308	77,243,769	186,757,077	43,988,023
Noncurrent:				
Restricted cash and short-term investments	-	23,722,406	23,722,406	106,048,104
Restricted investments	-	15,375,540	15,375,540	-
Receivables, net of current portion:				
Loans	4,310,840	91,675	4,402,515	-
Leases	-	11,746,769	11,746,769	-
Accrued interest	1,487,761	-	1,487,761	-
Equity interests in associated companies	-	35,301,336	35,301,336	-
Regulatory assets and other assets	-	7,480,541	7,480,541	-
Capital assets:				
Land and construction in progress	35,473,774	108,039,359	143,513,133	69,043,124
Other capital assets, net of accumulated depreciation	203,076,280	269,756,236	472,832,516	42,371,340
Total noncurrent assets	244,348,655	471,513,862	715,862,517	217,462,568
TOTAL ASSETS	353,861,963	548,757,631	902,619,594	261,450,591
DEFERRED OUTFLOWS OF RESOURCES:				
Related to pension	22,331,967	7,088,121	29,420,088	2,431,103
Related to OPEB	371,939	388,243	760,182	1,206,763
Loss on advanced refunding	-	248,155	248,155	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	22,703,906	7,724,519	30,428,425	3,637,866
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 376,565,869	$ 556,482,150	$ 933,048,019	$ 265,088,457

(continued)

CITY OF BURLINGTON, VERMONT

STATEMENT OF NET POSITION

JUNE 30, 2024

(continued)

	Primary Government			Discretely Presented Component Unit
	Governmental Activities	Business-Type Activities	Total	
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION				
LIABILITIES:				
Current:				
Accounts payable	$ 7,625,335	$ 12,731,957	$ 20,357,292	$ 7,685,798
Accrued liabilities	1,642,144	180,858	1,823,002	2,038,401
Accrued interest	918,433	504,411	1,422,844	-
Due to other governments	-	-	-	104
Unearned revenue	6,749,834	262,119	7,011,953	-
Note payable	21,340,000	11,966,054	33,306,054	-
Other liabilities	217,116	2,156,536	2,373,652	-
Payable from restricted assets	-	759,139	759,139	-
Current portion of long-term liabilities:				
Bonds and loans payable	12,925,019	10,679,485	23,604,504	6,915,528
Notes payable	1,122,163	1,002,172	2,124,335	-
Lease payable	-	195,711	195,711	381,637
Compensated absences liability	292,817	678,265	971,082	339,007
Insurance reserves	1,231,853	-	1,231,853	-
Total current liabilities	54,064,714	41,116,707	95,181,421	17,360,475
Noncurrent, net of current portion:				
Bonds and loans payable	110,489,925	117,440,951	227,930,876	184,036,268
Net pension liability	83,015,278	28,798,489	111,813,767	11,781,873
Total OPEB liability	3,597,477	1,348,276	4,945,753	3,821,771
Notes payable	2,689,111	2,522,461	5,211,572	-
Lease payable	-	1,115,546	1,115,546	338,536
Compensated absences liability	2,635,356	1,182,636	3,817,992	1,921,042
Total noncurrent liabilities	202,427,147	152,408,359	354,835,506	201,899,490
TOTAL LIABILITIES	256,491,861	193,525,066	450,016,927	219,259,965
DEFERRED INFLOWS OF RESOURCES:				
Regulatory deferral	-	7,893,740	7,893,740	-
Related to pensions	-	819,744	819,744	58,137
Related to OPEB	2,061,422	823,564	2,884,986	1,375,729
Related to leases	-	14,157,660	14,157,660	-
Other	-	-	-	23,239
TOTAL DEFERRED INFLOWS OF RESOURCES	2,061,422	23,694,708	25,756,130	1,457,105
NET POSITION:				
Net investment in capital assets	145,242,022	255,612,177	400,854,199	28,548,071
Restricted externally or constitutionally for:				
Community development	9,125,804	-	9,125,804	-
Debt service/renewal and replacements/capital projects	6,933,532	22,289,041	29,222,573	12,045,763
Contingency reserve	-	1,433,365	1,433,365	-
Deposits with bond trustees	-	6,408,333	6,408,333	-
Special revenue funds	-	-	-	1,060,517
Permanent funds:				
Nonexpendable	1,267,054	-	1,267,054	-
Expendable	24,932	-	24,932	25,880
Unrestricted	(44,580,758)	53,519,460	8,938,702	2,691,156
TOTAL NET POSITION	118,012,586	339,262,376	457,274,962	44,371,387
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	$ 376,565,869	$ 556,482,150	$ 933,048,019	$ 265,088,457

The accompanying notes are an integral part of these financial statements.

CITY OF BURLINGTON, VERMONT

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2024

		Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expenses) Revenues
Primary Government:					
Governmental Activities:					
General government	$ 23,073,628	$ 5,681,331	$ 3,385,024	$ -	$ (14,007,273)
Public safety	42,105,128	7,153,269	1,100,746	-	(33,851,113)
Public works	21,600,547	7,150,059	771,730	20,893,831	7,215,073
Culture and recreation	18,566,442	5,494,110	1,491,880	-	(11,580,452)
Community development	9,387,538	1,323,772	6,390,214	-	(1,673,552)
Interest and related costs	5,249,050	-	-	-	(5,249,050)
Total Governmental Activities	119,982,333	26,802,541	13,139,594	20,893,831	(59,146,367)
Business-Type Activities:					
Electric	67,262,610	63,783,197	-	633,230	(2,846,183)
Airport	30,913,977	25,396,680	140,008	13,163,060	7,785,771
Wastewater	10,232,375	9,467,114	-	638,493	(126,768)
Water	8,131,031	8,908,200	-	-	777,169
Stormwater	1,472,809	2,060,709	-	-	587,900
Total Business-Type Activities	118,012,802	109,615,900	140,008	14,434,783	6,177,889
Total Primary Government	$ 237,995,135	$ 136,418,441	$ 13,279,602	$ 35,328,614	$ (52,968,478)
Discretely Presented Component Unit:					
Burlington School District	$ 133,483,585	$ 3,078,736	$ 66,695,151	$ -	$ (63,709,698)

(continued)

CITY OF BURLINGTON, VERMONT

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2024

(continued)

	Primary Government			DPCU
	Governmental Activities	Business-Type Activities	Total	Burlington School District
Change in Net Position				
Net (expenses) revenues from previous page	$ (59,146,367)	$ 6,177,889	$ (52,968,478)	$ (63,709,698)
General Revenues:				
Property taxes	44,511,419	-	44,511,419	-
Gross receipts taxes	5,396,710	-	5,396,710	-
Local option sales tax	3,076,346	-	3,076,346	-
Payments in lieu of taxes	1,771,890	-	1,771,890	-
Franchise fees	2,484,593	-	2,484,593	-
Impact fees	218,459	-	218,459	-
Interest and penalties on delinquent taxes	725,941	-	725,941	-
Non-operating grants	-	1,959,207	1,959,207	-
General state support	-	-	-	78,190,176
Unrestricted investment earnings (loss)	3,352,615	1,967,927	5,320,542	4,847,072
Dividends from associated companies	-	4,532,992	4,532,992	-
Other revenues	2,136,121	1,369,650	3,505,771	982,875
Transfers in/(out)	3,187,348	(3,187,348)	-	-
Total general revenues and transfers	66,861,442	6,642,428	73,503,870	84,020,123
Change in Net Position	7,715,075	12,820,317	20,535,392	20,310,425
Net Position:				
Beginning of year	110,297,511	326,442,059	436,739,570	24,060,962
End of year	$ 118,012,586	$ 339,262,376	$ 457,274,962	$ 44,371,387

The accompanying notes are an integral part of these financial statements.

CITY OF BURLINGTON, VERMONT

GOVERNMENTAL FUNDS

BALANCE SHEET

JUNE 30, 2024

	General	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and short term investments	$ 612,340	$ 64,926,072	$ 16,862,429	$ 82,400,841
Investments	8,687,698	-	1,197,953	9,885,651
Escrows	1,275,044	576,066	-	1,851,110
Receivables, net of allowance for uncollectibles:				
Property taxes	3,136,589	-	-	3,136,589
Departmental and other	3,812,772	-	208,917	4,021,689
Intergovernmental	-	4,890,268	1,294,302	6,184,570
Loans	-	-	4,344,014	4,344,014
Accrued interest	-	-	1,487,761	1,487,761
Due from other funds	1,125,947	-	-	1,125,947
Advances to other funds	66,000	-	-	66,000
Inventory	236,354	-	460,954	697,308
Prepaid expenditures	214,763	-	1,962	216,725
Other assets	313,376	-	-	313,376
TOTAL ASSETS	$ 19,480,883	$ 70,392,406	$ 25,858,292	$ 115,731,581
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	$ 1,862,040	$ 4,833,943	$ 813,245	$ 7,509,228
Accrued liabilities	1,523,816	37,162	79,632	1,640,610
Unearned revenue	1,192,839	-	5,556,996	6,749,835
Notes payable	-	18,840,000	2,500,000	21,340,000
Due to other funds	-	-	1,125,947	1,125,947
Advances from other funds	-	66,000	-	66,000
Other liabilities	82,490	133,934	692	217,116
TOTAL LIABILITIES	4,661,185	23,911,039	10,076,512	38,648,736
Deferred Inflows of Resources:				
Unavailable revenues	2,911,777	4,994,651	6,687,985	14,594,413
Fund Balances:				
Nonspendable	517,117	-	1,729,970	2,247,087
Restricted	980,827	44,657,994	10,760,437	56,399,258
Committed	732,802	-	259,451	992,253
Assigned	3,518,554	-	-	3,518,554
Unassigned	6,158,621	(3,171,278)	(3,656,063)	(668,720)
TOTAL FUND BALANCES	11,907,921	41,486,716	9,093,795	62,488,432
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 19,480,883	$ 70,392,406	$ 25,858,292	$ 115,731,581

The accompanying notes are an integral part of these financial statements.

CITY OF BURLINGTON, VERMONT

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO NET POSITION OF GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION

JUNE 30, 2024

Total governmental fund balances	$ 62,488,432
• Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	238,550,054
• Revenues are reported on the accrual basis of accounting and are not deferred until collection.	14,594,413
• Deferred outflows and inflows of resources related to pension and OPEB are applicable to future periods and, therefore, are not reported in the funds.	
Deferred outflows of resources related to pension	22,331,967
Deferred outflows of resources related to OPEB	371,939
Deferred inflows of resources related to OPEB	(2,061,422)
• Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds payable, net of related unamortized premiums	(123,414,944)
Equipment notes payable	(3,811,274)
Compensated absences liability	(2,928,173)
Total other post-employment benefits payable	(3,597,477)
Net pension liability	(83,015,278)
Accrued interest on long-term obligations	(918,433)
• Internal Service Funds net position	(577,218)
Net position of governmental activities	$ 118,012,586

The accompanying notes are an integral part of these financial statements.

CITY OF BURLINGTON, VERMONT

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2024

	General	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	$ 46,744,327	$ 4,516,406	$ 6,005,039	$ 57,265,772
Payments in lieu of taxes	1,771,890	-	-	1,771,890
Licenses and permits	3,830,266	186,235	146,632	4,163,133
Intergovernmental	3,049,035	21,061,843	7,764,573	31,875,451
Charges for services	19,514,567	-	5,827,893	25,342,460
Contributions	916,202	538,999	509,848	1,965,049
Investment income	1,081,778	2,141,072	129,765	3,352,615
Loan repayments	30,652	-	162,273	192,925
Other	302,130	407,539	811,540	1,521,209
Total Revenues	77,240,847	28,852,094	21,357,563	127,450,504
Expenditures:				
Current:				
General government	18,813,205	-	2,422,224	21,235,429
Public safety	35,683,952	-	-	35,683,952
Public works	4,912,516	2,145,379	4,218,514	11,276,409
Culture and recreation	16,127,734	38,787	-	16,166,521
Community development	1,120,371	8,344	7,957,350	9,086,065
Capital outlay	107,422	41,287,885	439,956	41,835,263
Debt service:				
Principal	5,092,331	-	4,031,851	9,124,182
Interest and bond issue costs	3,304,134	55,645	2,708,625	6,068,404
Total Expenditures	85,161,665	43,536,040	21,778,520	150,476,225
Excess (deficiency) of revenues over (under) expenditures	(7,920,818)	(14,683,946)	(420,957)	(23,025,721)
Other Financing Sources (Uses):				
Sale of capital asset	-	614,915	-	614,915
Issuance of equipment notes	-	576,066	-	576,066
Issuance of bonds	-	8,860,000	-	8,860,000
Bond premium	974,599	-	-	974,599
Transfers in	4,199,887	1,259,148	290,162	5,749,197
Transfers out	(2,902,162)	-	(409,687)	(3,311,849)
Total Other Financing Sources (Uses)	2,272,324	11,310,129	(119,525)	13,462,928
Net change in fund balances	(5,648,494)	(3,373,817)	(540,482)	(9,562,793)
Fund Balances, at Beginning of Year	17,556,415	44,860,533	9,634,277	72,051,225
Fund Balances, at End of Year	$ 11,907,921	$ 41,486,716	$ 9,093,795	$ 62,488,432

CITY OF BURLINGTON, VERMONT

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2024

Net Changes in Fund Balances - Total Governmental Funds	$ (9,562,793)
• Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:	
Capital outlay purchases	37,432,593
Depreciation	(8,734,500)
• Revenues in the Statement of Activities that do not provide current financial resources are fully deferred in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable (i.e., real estate and personal property, etc.) differ between the two statements.	(3,555,357)
• The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net position:	
Issuance of bonds and equipment notes	(9,436,066)
Repayments of debt	9,160,277
Bond premium activity, net of amortization	(136,397)
• In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.	(54,943)
• Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in the governmental funds.	
Increase in pension expense from GASB 68	(6,873,694)
Increase in OPEB expense from GASB 75	36,529
Change in compensated absences liability	(237,213)
Change in insurance reserves	253,857
• Internal Service Funds change in net position	(577,218)
Change in Net Position of Governmental Activities	$ 7,715,075

The accompanying notes are an integral part of these financial statements.

CITY OF BURLINGTON, VERMONT

PROPRIETARY FUNDS

STATEMENT OF NET POSITION

JUNE 30, 2024

	Business-Type Activities Enterprise Funds					Governmental Activities
	Electric	Airport	Wastewater	Nonmajor Enterprise Funds	Total	Internal Service Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
ASSETS:						
Current:						
Cash and cash equivalents	$ 12,334,880	$ 9,500,497	$ 3,317,113	$ 7,926,591	$ 33,079,081	$ 683,586
Restricted investments	759,139	-	-	-	759,139	-
Escrows	-	-	638,493	-	638,493	-
Receivables, net of allowance for uncollectibles:						
User fees	7,711,851	1,544,625	1,983,073	2,288,420	13,527,969	-
Departmental and other	-	-	-	-	-	49,862
Intergovernmental	-	11,922,183	2,049,168	1,894,887	15,866,238	-
Passenger facility charges	-	498,226	-	-	498,226	-
Loans	-	88,970	-	-	88,970	-
Leases	-	2,733,140	-	-	2,733,140	-
Inventory	7,239,687	418,100	199,392	464,416	8,321,595	-
Prepaid expenses	-	103,386	1,588	3,712	108,686	-
Other current assets	1,622,232	-	-	-	1,622,232	38,826
Total current assets	29,667,789	26,809,127	8,188,827	12,578,026	77,243,769	772,274
Noncurrent:						
Restricted cash and short-term investments	-	21,293,388	1,433,365	995,653	23,722,406	-
Restricted investments	15,375,540	-	-	-	15,375,540	-
Loans receivable, net of current portion	-	91,675	-	-	91,675	-
Leases receivable, net of current portion	-	11,746,769	-	-	11,746,769	-
Equity interests in associated companies	35,301,336	-	-	-	35,301,336	-
Regulatory assets	5,172,924	-	-	-	5,172,924	-
Renewable Energy Standard inventory	2,307,617	-	-	-	2,307,617	-
Other noncurrent assets	-	-	-	-	-	-
Capital assets:			-			-
Land and construction in progress	7,191,292	89,722,366	6,063,802	5,061,899	108,039,359	-
Capital assets, net of accumulated depreciation	92,582,928	135,951,178	20,799,444	20,422,686	269,756,236	-
Total noncurrent assets	157,931,637	258,805,376	28,296,611	26,480,238	471,513,862	-
TOTAL ASSETS	187,599,426	285,614,503	36,485,438	39,058,264	548,757,631	772,274
DEFERRED OUTFLOWS OF RESOURCES						
Related to pension	5,379,034	829,103	383,064	496,920	7,088,121	-
Related to OPEB	118,463	148,021	53,398	68,361	388,243	-
Loss on advanced refunding	248,155	-	-	-	248,155	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	5,745,652	977,124	436,462	565,281	7,724,519	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 193,345,078	$ 286,591,627	$ 36,921,900	$ 39,623,545	$ 556,482,150	$ 772,274

(continued)

CITY OF BURLINGTON, VERMONT

PROPRIETARY FUNDS

STATEMENT OF NET POSITION

JUNE 30, 2024

(continued)

	Business-Type Activities Enterprise Funds					Governmental Activities
	Electric	Airport	Wastewater	Nonmajor Enterprise Funds	Total	Internal Service Funds
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION						
LIABILITIES:						
Current:						
Accounts payable	$ 3,140,439	$ 7,189,630	$ 1,019,478	$ 1,382,410	$ 12,731,957	$ 116,106
Accrued liabilities	-	81,192	32,300	67,366	180,858	1,533
Accrued interest	-	504,411	-	-	504,411	-
Unearned revenue	-	262,119		-	262,119	
Notes payable	-	1,005,305	6,433,261	4,527,488	11,966,054	-
Insurance reserve	-	-	-	-	-	1,231,853
Other current liabilities	2,082,265	2,597	-	71,674	2,156,536	-
Payable from restricted assets:						
Deposits with bond trustees	759,139	-	-	-	759,139	-
Current portion of long-term liabilities:						
Bonds and loans payable	6,180,000	3,000,004	1,131,449	368,032	10,679,485	-
Equipment notes payable	317,057	464,543	42,997	177,575	1,002,172	-
Lease payable	-	195,711	-	-	195,711	-
Compensated absences liability	-	350,751	134,126	193,388	678,265	-
Total current liabilities	12,478,900	13,056,263	8,793,611	6,787,933	41,116,707	1,349,492
Noncurrent, net of current portion:						
Bonds and loans payable	79,760,553	20,360,595	10,864,741	6,455,062	117,440,951	-
Equipment notes payable	1,081,440	897,732	87,806	455,483	2,522,461	-
Lease payable	-	1,115,546	-	-	1,115,546	-
Net pension liability	22,820,338	2,973,360	1,354,971	1,649,820	28,798,489	-
Total OPEB liability	815,159	276,606	115,473	141,038	1,348,276	-
Compensated absences liability	1,182,636	-	-	-	1,182,636	-
Total noncurrent liabilities	105,660,126	25,623,839	12,422,991	8,701,403	152,408,359	-
TOTAL LIABILITIES	118,139,026	38,680,102	21,216,602	15,489,336	193,525,066	1,349,492
DEFERRED INFLOWS OF RESOURCES						
Regulatory deferral	7,893,740	-	-	-	7,893,740	-
Related to pension	698,083	39,138	11,795	70,728	819,744	-
Related to OPEB	551,792	141,008	58,866	71,898	823,564	-
Related to leases	-	14,157,660	-	-	14,157,660	-
TOTAL DEFERRED INFLOWS OF RESOURCES	9,143,615	14,337,806	70,661	142,626	23,694,708	-
NET POSITION:						
Net investment in capital assets	39,964,583	192,124,116	10,022,533	13,500,945	255,612,177	-
Restricted:						
For debt service/renewal and replacements/capital projects	-	21,293,388	-	995,653	22,289,041	-
For contingency reserve	-	-	1,433,365	-	1,433,365	-
Deposits with bond trustees	6,408,333	-	-	-	6,408,333	-
Unrestricted	19,689,521	20,156,215	4,178,739	9,494,985	53,519,460	(577,218)
TOTAL NET POSITION	66,062,437	233,573,719	15,634,637	23,991,583	339,262,376	(577,218)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	$ 193,345,078	$ 286,591,627	$ 36,921,900	$ 39,623,545	$ 556,482,150	$ 772,274

The accompanying notes are an integral part of these financial statements.

CITY OF BURLINGTON, VERMONT

PROPRIETARY FUNDS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

FOR THE YEAR ENDED JUNE 30, 2024

	Business-Type Activities Enterprise Funds					Governmental Activities
	Electric	Airport	Wastewater	Nonmajor Enterprise Funds	Total	Internal Service Funds
Operating Revenues:						
Charges for services	$ 63,783,197	$ 22,819,105	$ 9,467,114	$ 10,090,842	$ 106,160,258	$ -
Intergovernmental	-	140,008	-	-	140,008	-
Contributions	-	-	-	-	-	19,616,152
Miscellaneous	-	-	-	878,067	878,067	-
Total Operating Revenues	63,783,197	22,959,113	9,467,114	10,968,909	107,178,333	19,616,152
Operating Expenses:						
Personnel	-	5,845,913	2,257,260	4,001,920	12,105,093	20,943,370
Nonpersonnel	-	15,544,983	6,080,509	4,171,681	25,797,173	-
Purchased power and other costs	57,520,044	-	-	-	57,520,044	-
Depreciation and amortization	6,397,556	8,149,621	1,468,094	1,117,416	17,132,687	-
Total Operating Expenses	63,917,600	29,540,517	9,805,863	9,291,017	112,554,997	20,943,370
Operating Income (Loss)	(134,403)	(6,581,404)	(338,749)	1,677,892	(5,376,664)	(1,327,218)
Nonoperating Revenues (Expenses):						
Dividends from associated companies	4,532,992	-	-	-	4,532,992	-
Passenger facility charges	-	2,577,575	-	-	2,577,575	-
Intergovernmental revenue	-	1,834,346	124,861	-	1,959,207	-
Investment income	1,215,158	579,593	121,420	51,756	1,967,927	-
Other income	743,994	475,869	115,893	59,062	1,394,818	-
Interest expense	(3,345,010)	(1,082,126)	(426,512)	(312,823)	(5,166,471)	-
Loss on lease termination	-	(291,334)	-	-	(291,334)	-
Gain (loss) on disposal of capital assets	(129,310)	103,926	-	216	(25,168)	-
Total Nonoperating Revenues (Expenses), net	3,017,824	4,197,849	(64,338)	(201,789)	6,949,546	-
Income Before Contributions and Other Items	2,883,421	(2,383,555)	(403,087)	1,476,103	1,572,882	(1,327,218)
Capital contributions	633,230	13,163,060	638,493	-	14,434,783	-
Transfers in	-	-	-	-	-	750,000
Transfers out	(2,265,941)	-	(464,770)	(456,637)	(3,187,348)	-
Change in Net Position	1,250,710	10,779,505	(229,364)	1,019,466	12,820,317	(577,218)
Net Position, at Beginning of Year	64,811,727	222,794,214	15,864,001	22,972,117	326,442,059	-
Net Position, at End of Year	$ 66,062,437	$ 233,573,719	$ 15,634,637	$ 23,991,583	$ 339,262,376	$ (577,218)

The accompanying notes are an integral part of these financial statements.

CITY OF BURLINGTON, VERMONT

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2024

	Business-Type Activities Enterprise Funds					Governmental Activities
	Electric	Airport	Wastewater	Nonmajor Enterprise Funds	Total	Internal Service Funds
Cash Flows From Operating Activities:						
Receipts from customers and users	$ 63,014,811	$ 22,184,226	$ 9,272,227	$ 10,798,878	$ 105,270,142	$ -
Receipts of operating grants	-	140,008	-	-	140,008	-
Payments for power and other costs	(55,368,636)	-	-	-	(55,368,636)	-
Payments to suppliers	-	(15,640,548)	(5,677,817)	(3,628,836)	(24,947,201)	-
Receipts from City and employees	-	-	-	-	-	19,616,152
Payments for wages and benefits and claims	-	(5,526,437)	(2,079,545)	(3,855,174)	(11,461,156)	(20,758,349)
Other receipts	93,934	202,546	115,893	13,204	425,577	-
Net Cash Provided (Used) by Operating Activities	7,740,109	1,359,795	1,630,758	3,328,072	14,058,734	(1,142,197)
Cash Flows From Noncapital Financing Activities:						
Transfers in	-	-	-	-	-	750,000
Payment in lieu of taxes	(2,265,941)	-	(464,770)	(456,637)	(3,187,348)	-
Intergovernmental revenues	650,061	1,834,346	124,861	-	2,609,268	-
Loan payments from BCDC	-	86,344	-	-	86,344	-
Net Cash Provided by (Used for) Noncapital Financing Activities	(1,615,880)	1,920,690	(339,909)	(456,637)	(491,736)	750,000
Cash Flows From Capital and Related Financing Activities:						
Acquisition and construction of capital assets	(8,331,422)	(11,233,975)	(2,252,000)	(3,193,810)	(25,011,207)	-
Proceeds from bonds and loans	2,785,000	-	-	-	2,785,000	-
Proceeds from bond premium	820,963	-	-	-	820,963	-
Capital grants/contributions	633,230	10,480,181	-	-	11,113,411	-
Passenger facility charges	-	2,575,553	-	-	2,575,553	-
Drawdowns on notes and loans	-	1,005,305	1,463,603	2,203,269	4,672,177	-
Repayment of notes and loans	-	(1,401,866)	-	-	(1,401,866)	-
Release of escrow	-	-	22,400	60,000	82,400	-
Principal paid on:						
Bonds and loans	(5,760,000)	(2,655,000)	(1,204,516)	(314,111)	(9,933,627)	-
Notes	-	(575,171)	(49,206)	(152,618)	(776,995)	-
Leases	-	(193,579)	-	-	(193,579)	-
Interest paid on outstanding debt, including issue costs	(3,537,347)	(1,139,011)	(426,512)	(312,823)	(5,415,693)	-
Net Cash Used for Capital and Related Financing Activities	(13,389,576)	(3,137,563)	(2,446,231)	(1,710,093)	(20,683,463)	-
Cash Flows From Investing Activities:						
Withdrawal of investments	1,538,227	-	-	21,268	1,559,495	-
Investment income	5,324,626	579,593	121,420	30,488	6,056,127	-
Proceeds from deposits with Bond Trustees	3,897,140	-	-	-	3,897,140	-
Net Cash Provided by Investing Activities	10,759,993	579,593	121,420	51,756	11,512,762	-
Net Increase (Decrease) in Cash and Short Term Investments	3,494,646	722,515	(1,033,962)	1,213,098	4,396,297	(392,197)
Cash and short term investments at beginning of year	8,840,234	30,071,370	5,784,440	7,709,146	52,405,190	1,075,783
Cash and short term investments at end of year	$ 12,334,880	$ 30,793,885	$ 4,750,478	$ 8,922,244	$ 56,801,487	$ 683,586

(continued)

CITY OF BURLINGTON, VERMONT

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2024

(continued)	Business-Type Activities Enterprise Funds					Governmental Activities
	Electric	Airport	Wastewater	Nonmajor Enterprise Funds	Total	Internal Service Funds
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided (Used) by Operating Activities:						
Operating income/(loss)	$ (134,403)	$ (6,581,404)	$ (338,749)	$ 1,677,892	$ (5,376,664)	$ (1,327,218)
Depreciation and amortization*	6,397,556	8,149,621	1,468,094	1,117,416	17,132,687	-
Other receipts	93,934	202,546	115,893	13,204	425,577	-
Changes in assets, liabilities, and deferred outflows/inflows:						
(Increase)/decrease in receivables	(1,015,685)	4,348,265	(194,887)	(146,653)	2,991,040	-
(Increase)/decrease in inventory	(310,720)	(16,254)	3,117	15,961	(307,896)	15,961
(Increase)/decrease in prepaids	-	11,656	(913)	1,540	12,283	1,540
(Increase)/decrease in deferred outflows	910,990	(113,790)	(56,051)	86,505	827,654	86,505
Increase/(decrease) in accounts payable	124,256	(90,967)	400,488	525,344	959,121	525,344
Increase/(decrease) in accrued liabilities	-	21,214	7,784	13,857	42,855	13,857
Increase/(decrease) in net pension liability	1,142,822	253,643	190,565	(36,738)	1,550,292	(36,738)
Increase/(decrease) in total OPEB liability	(129,690)	54,447	17,582	3,664	(53,997)	3,664
Increase/(decrease) in compensated absences	15,886	42,981	(4,069)	(9,572)	45,226	(9,572)
Increase/(decrease) in unearned revenue liability	-	(431,004)	-	-	(431,004)	-
Increase/(decrease) in other operating assets/liabilities	636,431	-	-	(23,134)	613,297	(23,134)
Increase/(decrease) in deferred inflows	8,732	(4,491,159)	21,904	88,786	(4,371,737)	88,786
Net Cash Provided (Used) by Operating Activities	$ 7,740,109	$ 1,359,795	$ 1,630,758	$ 3,328,072	$ 14,058,734	$ (661,005)

* Electric depreciation and amortization includes change in deferred depreciation reported in other noncurrent assets.

Schedule of Noncash Activities: Debt Forgiveness	$ -	$ -	$ 638,493	$ -	$ 638,493	$ -

The accompanying notes are an integral part of these financial statements.

CITY OF BURLINGTON, VERMONT

FIDUCIARY FUNDS

STATEMENT OF FIDUCIARY NET POSITION

JUNE 30, 2024

	Pension Trust Fund	Private Purpose Trust Fund	Custodial Fund
ASSETS			
Current:			
Cash and short term investments	$ 605,002	$ 38,885	$ 1,625,807
Investments:			
Mutual funds	235,067,059	-	-
Limited partnerships	9,203,207	-	-
Accounts receivable	-	-	334,458
Contributions receivable	154,916	-	-
TOTAL ASSETS	$ 245,030,184	$ 38,885	$ 1,960,265
LIABILITIES AND NET POSITION			
LIABILITIES			
Current:			
Accounts payable	$ 88,342	$ -	$ 190,703
Gross revenue taxes payable	-	-	5,692
Fuel taxes payable	-	-	950
Accrued liabilities	20,510	-	-
TOTAL LIABILITIES	108,852	-	197,345
NET POSITION			
Restricted for pension	244,921,332	-	-
Restricted for individuals and organizations	-	38,885	-
Restricted for energy efficiency utility programs	-	-	1,762,920
Total Net Position	244,921,332	38,885	1,762,920
TOTAL LIABILITIES AND NET POSITION	$ 245,030,184	$ 38,885	$ 1,960,265

The accompanying notes are an integral part of these financial statements.

CITY OF BURLINGTON, VERMONT

FIDUCIARY FUNDS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

FOR THE YEAR ENDED JUNE 30, 2024

	Pension Trust Fund	Private Purpose Trust Fund	Custodial Fund
Additions:			
Contributions:			
Employer - pension	$ 11,716,667	$ -	$ -
Plan members	3,992,236	-	-
Total Contributions	15,708,903	-	-
Investment earnings:			
Investment income	6,633,128	303	-
Net decrease in the fair value of investments	21,878,134	-	-
Total Investment Earnings	28,511,262	303	-
Less: Investment Expenses	(222,092)	-	-
Net Investment Earnings	28,289,170	303	-
EEC collections from customers	-	-	2,104,952
Forward Capacity Market	-	-	194,022
Regional Greenhouse Gas Initiative	-	-	468,968
Weatherization Repayment Assistance Program Admin Fees	-	-	12,000
Total Additions	43,998,073	303	2,779,942
Deductions:			
Benefits - pension	22,082,080	-	-
Administrative expenses	648,900	-	-
Payments for programs	-	-	2,581,219
Payments for administration	-	-	302,534
EEC uncollectible return	-	-	6,347
Gross revenue taxes	-	-	11,177
Fuel taxes	-	-	10,525
Total Deductions	22,730,980	-	2,911,802
Change in net position	21,267,093	303	(131,860)
Net position restricted for pension and other purposes:			
Beginning of year	223,654,239	38,582	1,894,780
End of year	$ 244,921,332	$ 38,885	$ 1,762,920

The accompanying notes are an integral part of these financial statements.

Notes to Financial Statements

Incorporated in 1865, the City of Burlington, Vermont (the City) operates under a tripartite system of government with the Mayor serving as Chief Executive, the City Council as the legislative body and the Commissioners as the primary policy makers within their respective departments. The City Charter authorizes the provision for the following services for the residents of the City: general administration, public safety, public works, community development, culture and recreation, utilities and education.

1. Summary of Significant Accounting Policies

The accounting policies adopted by the City conform to generally accepted accounting principles (GAAP) as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing accounting and financial reporting principles. The following is a summary of the more significant accounting policies employed in the preparation of these financial statements.

A. *The Financial Reporting Entity*

This report includes all of the funds of the City of Burlington, Vermont. The reporting entity consists of the primary government; organizations for which the primary government is financially accountable; and other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The following entity is reported as a discretely presented component unit, in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City because it is fiscally dependent on the City, but does not provide services almost entirely to the City and the City guarantees debt of the School District. The City Council can override the School District's decisions concerning the debt that the City issues on behalf of the School District.

Burlington School District (the School District) – the School District's primary purpose is to carry out the vision of education in the community. The Burlington School District is governed by a separately elected School Board, the legal entity for conducting a system of public education within the geographic area of a school district. The system was created by, and is governed by, state statutes. Members of a Board are, therefore, state officers chosen by citizens of a district to represent them, and the state, in the legislative management of public schools. The Board of

School Commissioners has the dual responsibility for implementing statutory requirements pertaining to public education and local citizens' desires for educating the community's youth. For detailed information on the Burlington School District accounts, refer to separately issued financial statements, which can be obtained by contacting the School District's Financial Management at 150 Colchester Avenue, Burlington, Vermont 05401.

B. *Basis of Presentation*

The accounts of the City are organized and operated on the basis of fund accounting. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts, which comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are spent and the means by which spending activities are controlled.

The basic financial statements of the City include both government-wide statements and fund financial statements. The focus of the government-wide statements is on reporting the operating results and financial position of the City as a whole and present a longer-term view of the City's finances. The focus of the fund financial statements is on reporting on the operating results and financial position of the most significant funds of the City and present a shorter-term view of how operations were financed and what remains available for future spending.

Government-wide Statements: The Statement of Net Position and the Statement of Activities display information about the primary government, the City, and its component unit, the Burlington School District. These statements include the financial activities of the overall City, except for fiduciary activities. The statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Eliminations have been made to minimize the double counting of activities between funds. However, interfund services provided and used are not eliminated in the consolidation. These statements distinguish between the governmental and business-type activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the City's governmental activities and for each segment of the City's business-type activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the City's funds, including fiduciary funds. Separate statements for each fund category–governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

The proprietary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Under this method, revenues are recognized when earned and expenses are recorded when liabilities are incurred.

Proprietary enterprise fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Operating revenues consists of sales of electricity, rents of electric property, fees to transmit electricity of others, sales of renewable energy credits, operation of other utilities to run generation facilities, rent of airport terminal space and buildings, concessions, commissions, parking receipts, sales of water, wastewater user charges, and other miscellaneous fees for service. Nonoperating revenues result from certain nonexchange transactions or ancillary activities. Nonoperating revenues consist of investment earnings, electric services rendered to customers upon their request, passenger facility charges, grant income, and building rents from buildings purchased for future expansion.

Enterprise fund operating expenses are defined as the ordinary costs and expenses for the operation, maintenance and repairs of the electric plant, airport, water facility, and wastewater facility. Operating expenses include the cost of production, purchased power, maintenance of transmission and distribution systems, administrative, and general expenses and depreciation and amortization. Operating expenses do not include the interest on bonds, notes or other evidence of indebtedness and related costs.

Internal service fund operating revenues include contributions from employer and employees. Internal service fund operating expenses include claims.

The City reports on the following major governmental funds:

General Fund - This is the City's main operating fund. It accounts for all financial resources of the City except those required to be accounted for in another fund.

Capital Projects Fund – This fund accounts for resources obtained and expended for the acquisition of major capital facilities or equipment.

The City reports on the following major enterprise funds:

Electric Fund - This fund accounts for the operations of the Burlington Electric Enterprise Fund. For more details on this fund, refer to its separately issued financial statements.

Airport Fund - This fund accounts for the operations of the Patrick Leahy Burlington International Airport. For more details on this fund, refer to its separately issued financial statements.

Wastewater Fund - The Division of Public Works provides 3 wastewater treatment plants, 25 pump stations, and 100 miles of collection system for year-round wastewater disposal. For more details on this fund, refer to its separately issued financial statements.

The City reports internal service funds for health insurance and risk management services (including claims for workers' compensation, general liability and property damage) provided to other departments on a cost-reimbursement basis.

The fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Under this method, revenues are recognized when earned and expenses are recorded when liabilities are incurred.

The City reports the following fiduciary funds:

Pension Trust Fund – This fund accounts for monies contributed by the City and its employees and the income on investments, less amounts expended for the pensions of retired City employees. This fund is partially funded by a dedicated tax rate, which is determined by the City's Retirement Board, and subject to annual appropriation by the City Council.

Private-Purpose Trust Fund – This fund is used to report trust arrangements under which resources are to be used for the benefit of firemen injured in the line of duty, Christmas gifts for servicemen overseas, and Christmas dinners for the destitute. All investment earnings, and in some cases the principal of these funds, may be used to support these activities.

Custodial Fund – Effective January 1, 2020, Electric Department began to function as a fiscal agent and fund administrator under 30 V.S.A Section 209(d)(3) for Vermont Energy Efficiency Utility (EEU) and Thermal Energy and Process Fuels (TEPF) activities.

C. *Measurement Focus*

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. This means that all assets and liabilities associated with the operation of these funds (whether current or noncurrent) are included on the balance sheet (or statement of net position). Equity (i.e., net total assets) is segregated into net investment in capital assets; restricted net position; and unrestricted net position. Operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total position.

Governmental fund financial statements are reported using the current financial resources measurement focus. This means that only current assets and current liabilities are generally reported on their balance sheets. Their reported fund balances (net current assets) are considered a measure of available spendable resources, and are segregated into nonspendable; restricted; committed; assigned and unassigned amounts. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of available spendable resources during a period.

D. *Basis of Accounting*

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred, regardless of when the related cash flow takes place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transaction can be determined, and "available" means the amount is collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers all revenues reported in governmental funds to be available if the revenues are collected within thirty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, certain compensated absences, self-insured health and dental benefits, reserves for property and casualty and workers' compensation claims, net pension obligation, post-employment benefits and other long-term liabilities, which are recognized when the obligations are expected to be liquidated or are funded with expendable available financial resources.

General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under leases are reported as other financing sources in governmental funds.

Under the terms of grant agreements, the City funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there is both restricted and unrestricted net position available to finance the program. It is the City's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenues. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and other grant requirements have been met.

Recognition of revenues on funds received in connection with loan programs are recognized when loans are awarded and expenses incurred in excess of current grants and program income. An offsetting deferred inflows is recognized for all loans receivable. Loan repayment revenue is recognized as the loans are repaid.

The City Council appoints the Commissioners of the Electric Department. The Electric Department is also subject as to rates, accounting, and other matters, to the regulatory authority of the State of Vermont Public Service Board (VPSB) and the Federal Energy Regulatory Commission (FERC). In accordance with FASB ASC Topic 980, *Regulated Operations* (and Codified in GASB Statement 62), the Electric Department records certain assets and liabilities in accordance with the economic effects of the rate making process.

E. *Cash and Short-Term Investments*

Cash balances from all funds, except those required to be segregated by law, are combined to form a consolidation of cash. Cash balances are invested to the extent available, and interest earnings are recognized in the general fund. Certain special revenue, proprietary, and fiduciary funds segregate cash, and investment earnings become a part of those funds.

Deposits with financial institutions consist primarily of demand deposits, certificates of deposits, and savings accounts. A cash and sweep account is maintained that is available for use by all funds. Each fund's portion of this pool is reflected on the financial statements under the caption "cash and short-term investments."

For purpose of the Statement of Cash Flows, the proprietary funds consider investments with maturities of one year or less to be short-term investments.

F. *Investments*

Investments, generally, are presented at fair value. Where applicable, fair values are based on quotations from national securities exchanges, except for certain investments that are required to be presented using net asset value (NAV). The NAV per share is the amount of net assets attributable to each share outstanding at the close of the period. Investments measured using NAV for fair value are not subject to level classification.

G. *Leases*

The City follows GASB Statement Number 87, *Leases*.

City as a Lessor: The City recognizes a lease receivable and a related deferred inflow of resources. At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term on a straight-line basis over its useful life. The following key assumptions are made:

> The City uses its estimated incremental borrowing rate as the discount rate for leases when the interest rate is not explicitly stated.
>
> The lease term includes the noncancellable period of the lease, including renewal terms reasonably certain to be exercised. Lease receipts included in the measurement of the lease receivable are comprised of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease receivable and will remeasure the lease receivable if certain changes occur that are expected to significantly affect the amount of the lease receivable.

City as a Lessee: At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life. The following assumptions are made:

> The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged is not provided, the City uses its estimated incremental borrowing rate as the discount rate for leases.
>
> The lease term includes the noncancellable period of the lease, including renewal terms reasonably certain to be exercised. Lease payments included in the measurement of the lease liability are comprised of fixed payments and purchase option price, if the City is reasonably certain that it will be exercised.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

H. *Interfund Receivables and Payables*

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due from/to other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans).

Advances between funds are offset by a fund balance reserve account in applicable governmental funds to indicate the portion not available for appropriation and not available as expendable financial resources.

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

I. *Jointly Owned Facilities*

The Electric Department has recorded its 50% ownership interest in the McNeil Generating Station as capital assets. The Department is responsible for its proportionate share of the operating expenses of the jointly owned facilities, which are billed to the Department on a monthly basis. The associated operating costs allocated to the Department are classified in their respective expense categories in the statement of operations. Separate financial statements are available from the Department.

J. *Equity Interests in Associated Companies*

The Electric Department follows the cost method of accounting for its 6.38% Class B common stock, 1.97% Class C common stock and 7.69% Class C preferred stock ownership interest in Vermont Electric Power Company, Inc. (VELCO), and its 5.70% ownership interest in Vermont Transco LLC (Transco). Transco is an affiliated entity of VELCO. VELCO owns and operates a transmission system in the State of Vermont over which bulk power is delivered to all electric utilities in the State of Vermont. Under a Power Transmission Contract with the State of Vermont, VELCO bills all costs, including amortization of its debt and a fixed return on equity, to the State of Vermont and others using the system.

During the year ended June 30, 2024, the Department purchased 27,918 Class A Units and 35,531 Class B Units in Transco for a cost of $634,490.

Schedule of ownership in associated companies at June 30, 2024:

Velco, Class B Common Stock	$ 1,403,800
Velco, Class C Common Stock	39,200
Velco, Class C Preferred Stock	11,196
VT Transco, LLC, A Units	14,892,751
VT Transco, LLC, B Units	18,954,389
	$ 35,301,336

K. *Inventory and Prepaid Items*

Inventory is valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when purchased rather than when consumed. No significant inventory balances were on hand in governmental funds.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

L. *Capital Assets*

City

Capital assets, which include property, plant, equipment, land improvements, buildings and improvements, infrastructure, and right to use assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements, as well as proprietary and fiduciary fund financial statements. Depreciable capital assets are defined by the City as assets with an estimated useful life of five years or greater, while non-depreciable do not consider estimated useful life. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment are depreciated/amortized using the straight-line method over the following estimated useful lives:

	Capitalization Threshold	Estimated Service Life
Land	$ -	N/A
Construction in Progress	-	N/A
Land Improvements	25,000	30 years
Buildings	-	25-150 years
Building Improvements	20,000	25-150 years
Vehicles, Machinery, Equipment and Furniture	10,000	5-15 years
Right to Use Vehicles, Machinery and Equipment	10,000	5-15 years
Book Collections	10,000	5 years
Infrastructure	50,000	10-40 years

Capital assets reported in the government-wide and proprietary fund financial statements are depreciated in order that the cost of these assets will be charged to expenses over their estimated service lives, generally using the straight-line method of calculating depreciation.

Electric Department

The Electric Department capital assets are stated at historical cost. Provisions for depreciation of general capital assets are reported using the straight-line method at rates based upon the estimated service lives and salvage values of the several classes of property. Depreciation of capital assets of the McNeil Station, the Highgate Converter Facility, and the Winooski One hydroelectric plant are calculated using the straight-line method. However, a portion of the current depreciation expense is only recoverable through future rates. The difference is included in deferred charges (calculated as the straight-line depreciation expense, less the depreciation expense on a sinking fund basis) and will be recovered in future years. See Note 12, Regulatory Assets and Regulatory Deferred Inflows of Resources.

Maintenance and repairs of capital assets are charged to maintenance expense. Replacements and betterments are capitalized to capital assets. When assets are retired or otherwise disposed of, the costs are removed from capital assets, and such costs, plus removal costs, net of salvage, are charged to accumulated depreciation.

The Department's capitalization policy considers four factors. Property will be capitalized when:

1) The combined cost to put a unit in service is more than $500.
2) The unit's estimated life is at least three years.
3) The unit is vital to the Department and must be controlled, and tracked, even if it falls under the dollar limit stated in (1) above. Watt-hour meters to record electric usage are the only unit in this category.
4) The Public Utilities Commission (PUC) rules in a rate making decision that the Department will capitalize a cost that normally would not be capitalized based on the first three factors above. The Department does not have any assets in this category.

The depreciable lives of utility plant are as follows:

	Estimated Service Life
Production plant	10-50 years
Transmission plant	33-50 years
Distribution plant	10-50 years
General plant	5-50 years
Other plant	5 years

Discretely Presented Component Unit – School District

Capital assets purchased or acquired with an original cost of $5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the estimated useful lives.

The assets are valued at historical cost when available and estimated historical cost where actual invoices or budgetary data was unavailable. Donated capital assets are valued at their acquisition value on the date received. All retirements have been recorded by eliminating the net carrying values.

Estimated useful lives are as follows:

	Capitalization Threshold	Estimated Service Life
Buildings and improvements	$ 5,000	20-50 years
Machinery and Equipment	5,000	3-50 years
Vehicles	5,000	3-25 years

M. *Renewable Energy Credit Sales*

The Electric Department received Renewable Energy Certificates (RECs) based on the amount of energy produced by its resources in a year. These RECs have value in terms of allowing the holder to demonstrate compliance with the Renewable Portfolio Standard (RPS) requirements of the various New England states. These RECs may be bought and sold, separate from the underlying energy production, and vary in value based on the amount of supply versus the demands created by the RPS, for that particular type of REC. The ability to claim energy renewability is transferred with the REC (either lost in the case of a REC sale or acquired in the case of a REC purchase).

The Electric Department's resource planning staff monitors output levels from the REC producing units, REC commitments made, the markets for these RECs, and the State statutes and rules that govern the creation and sale of these RECs. The Electric Department has and will continue to involve itself in discussions/proceedings as needed, either in Vermont or elsewhere in New England, where such rules and statutes are the subject at hand.

In 2008, the McNeil Generating Station (McNeil) installed a Regenerative Selective Catalytic Reduction (RSCR) unit. The RSCR unit significantly reduces McNeil's Nitrous Oxide (NOx) emission levels, which allows the station to qualify to sell Connecticut Class 1 Renewable Energy Certificates (RECs). The McNeil RECs are determined to be qualified for sale based on a review of emissions outputs submitted by McNeil. At the end of every quarter, an affidavit is signed stating whether or not McNeil's emissions output met the requirements needed to sell the RECs.

McNeil receives a certification from the State of Connecticut indicating that they met the standards for the quarter based on the statistics provided by McNeil. Sales are recorded as revenue upon delivery of the RECs to the customer.

Effective September 1, 2014, the Electric Department became the 100% owner of the Winooski One hydro facility. Currently operations at the facility are being managed through a contract with Northbrook Energy. Winooski One is a Low Impact Hydro Institute (LIHI) certified generator and is qualified to produce Massachusetts Class 2 RECs (non-waste-to-energy).

The Electric Department receives RECs from the Vermont Wind Project in Sheffield (the Electric Department is entitled to 40% of the output of the 40MW project), the Georgia Mountain Community Wind Farm (the Electric Department has entitlement to the full 100 MW of output from this project), along with RECs from its entitlement to 13.5 MW of the 52 MW Hancock Wind Project. The RECs from all of these wind facilities are qualified for participation in most of the high value New England REC markets.

In February 2015, the Electric Department commissioned a 500 KW AC solar array at the Airport (and leases space on the parking garage roof under a long-term agreement between the Department and the Airport). Following that, in October 2018, the Department commissioned a 107 KW AC solar array at the Electric Department's offices at 585 Pine Street. The Department owns 100% of these resources. Additionally, the City receives RECs from South Forty Solar, a 2.5 MW solar array, as well as several smaller solar arrays totaling 409 kW. These solar arrays are designed to help reduce the Electric Department's peak demand and energy needs during high priced periods.

The Electric Department no longer receives RECs from Vermont Standard Offer projects purchased by the Vermont Purchasing Agent. At the end of 2016, the Department's status as a distribution utility that sources 100% of the load it serves from renewable sources exempted it from purchasing energy from these projects in 2017. This exemption will continue through at least 2025.

The Department purchases Vermont Tier I RECs to replace the New England Class I RECs that are sold in the market to maintain its ability to claim 100% renewability.

For the fiscal year ended June 30, 2024, REC revenue for McNeil, wind resources, the Winooski One hydro facility, and the solar arrays were $3,157,978, $2,437,683, $1,007,220, and $175,383, respectively.

N. *Pollution Remediation Obligations*

The Electric Department faces possible liability as a potentially responsible party (PRP) with respect to the cleanup of certain hazardous waste sites. The City is currently a PRP as a landowner of a hazardous waste superfund site in Burlington, Vermont that is the subject of a remediation investigation by the Environmental Protection Agency (the EPA). The Department has agreed to share on an equal basis all past and future costs incurred in connection with any and all settlements or actions resulting from the designation of the City as a PRP at this site. In light of the agreement between the City and the EPA concerning the remediation plan at the site, the Department believes that the likelihood of any liability material to the financial position of the Department is remote and as such, no liability has been accrued as of June 30, 2024.

The Electric Department faces possible liability with respect to the J. Edward Moran Electric Generation Station ("Moran Station"). The Moran Station is a decommissioned coal-fired power plant that was controlled and operated by the Department from 1954 until 1990 when the Department entered into a memorandum of understanding ("MOU") with the City of Burlington transferring responsibility for the Moran Station to the City. The MOU transferred the Moran Station to the City in "as is" condition and held the Department harmless for any and all future liability and or responsibility for such Moran Station and property, excluding environmental remediation (if any) which shall be required in the future by a state or federal environmental regulatory agency, for conditions existing before the transfer. In 2009 the City conducted an assessment of activities at the Moran Station site and was engaged in a corrective action plan with the Vermont Department of Environmental Conservation. The City and the Department entered into a letter of agreement in December 2009 where it was agreed that the Department shall make a $100,000 payment to the City as settlement of the Department's liability for any and all environmental remediation costs associated with known environmental contamination at the Moran Station. In September 2019, the City began the efforts of creating a Site Resolution Plan and in February 2020, the City Council authorized the Mayor to execute a settlement agreement between the City and the Department to compensate the City for the costs of abating/remediating contaminants that had been identified at that time as requiring such abatement. In June 2022, the Department entered into a new MOU with the City of Burlington that calls for the Department to make a contribution of $950,715 in eight equal installments with an annual interest rate of 1%.

O. *Compensated Absences*

It is the City's policy to permit employees to accumulate earned, but unused vacation and sick pay benefits. All vested sick and vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

P. *Liabilities to be Paid from Restricted Assets*

The balance in these liabilities represents accrued interest payable on revenue bonds and construction invoices, which will be paid from restricted assets. The restricted assets will also be used for additional construction of certain assets, including certain costs in accounts and contracts payable.

Q. *Fund Equity*

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net position."

Fund Balance - Fund balance represents the difference between current assets/deferred outflows and current liabilities/deferred inflows. The City reserves those portions of fund balance that are legally segregated for a specific future use or which do not represent available, spendable resources, and therefore, are not available for appropriation or expenditure. Unassigned fund balance indicates that portion of fund balance that is available for appropriation in future periods.

The City's fund balance classification policies and procedures are as follows:

1) Nonspendable funds represents amounts that cannot be spent because they are either (a) not in spendable form (i.e., inventory or prepaid items) or (b) legally or contractually required to be maintained intact (i.e., perpetual care). This fund balance classification includes General Fund reserves for prepaid expenditures, inventory, long-term advances to other funds and nonmajor governmental fund reserves for the principal portion of permanent trust funds.

2) Restricted funds represent amounts that are restricted to specific purposes by constraints imposed by creditors, grantors, contributors, or laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation. In the case of capital projects fund, these funds are restricted for projects financed by bonds. In the case of permanent fund, it represents the income portion of trust funds.

3) Committed funds represent amounts that can only be used for specific purposes pursuant to constraints imposed by formal action, resolutions of the City's highest level of decision-making authority, the City Council. Subsequent City Council approval is necessary to modify or rescind a fund balance commitment.

4) Assigned funds represent amounts that are constrained by the City's intent to use these resources for a specific purpose. The City's fund balance policy gives authority to the Mayor to delegate assignments to staff. Approved resolutions after year-end are also classified as assigned funds.

5) Unassigned funds represent the residual classification for the General Fund and include all amounts not contained in other classifications. Unassigned amounts are available for any purpose. Temporary fund balance deficits are reported as negative amounts in the unassigned classification in other governmental funds. Positive unassigned amounts are reported only in the General Fund.

When an expenditure is incurred that would qualify for payment from multiple fund balance types, the City uses the following order to liquidate liabilities: restricted, committed, assigned, and unassigned.

Net Position - Net position represents the difference between assets/deferred outflows and liabilities/deferred inflows. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on use either through enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The remaining net position is reported as unrestricted.

R. *Use of Estimates*

The preparation of basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures for contingent assets and liabilities at the date of the basic financial statements, and the reported amounts of revenues and expenditures/expenses during the fiscal year. Actual results could vary from estimates that were used.

2. Stewardship, Compliance, and Accountability

A. *Budgetary Information*

The City follows these procedures in establishing the budgetary data reflected in the financial statements for the General Fund:

1) Departments, and departments with commission approval, prepare detailed recommendations to the Mayor on the budget. Prior to June 15, the Mayor, with the assistance of the other members of the Board of Finance, prepares and submits to the City Council a proposed budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and estimated revenues.
2) Prior to July l, the budget is legally enacted through passage of a resolution of the City Council.
3) The Mayor may propose, with the advice of the Board of Finance, amendments to the budget. Such proposed amendments require a majority approval of the City Council. The amount of such proposed amendments may be decreased by a simple majority vote of the City Council. Such proposed amendments may be increased above the level proposed by the Mayor only with a two-thirds vote of the City Council.
4) The Board of Finance is authorized to transfer budgeted amounts between line items within an appropriation account or within accounts of a depart-

ment. Any revisions which increase the total expenditures of any department function or fund above the original appropriation must be approved by resolution of the City Council.

5) That portion of the designated fund balance that consists of operating and capital improvement carry-overs, represents unexpended appropriations, which are allowed to be carried over to later years as provided for by the City Charter or by resolution of the City Council. All other unexpended appropriations lapse at the close of the fiscal year. The City Charter specifically prohibits expenditures in excess of appropriations, except on an emergency basis for health, police, fire and public welfare.

6) The City of Burlington tax rate can change each year by the cost of CCTA, retirement, county and debt service without voter approval. However, any rate change on the tax rate for other purposes, above the maximum approved tax rate previously approved by voters, must be approved by City voters.

7) Title III, Section 70(a) of the Burlington City Charter defines the legal level of budgeting control at the department level. Excerpts of Section 70(a) are as follows:

   No superintendent, Board or commission member or corresponding executive officer of any City department, with the exception of the health, police and fire departments, and then only in case of an emergency, shall expend any money or incur any obligation, unless there is an available appropriation from which the same may be paid and to which it may be charged, and shall not at any time expend any money or incur any obligation in excess of such appropriation. In case any such superintendent, Board or commission member or corresponding executive officer of any city department violates this provision, the city chief administrative officer shall report such occurrence to the mayor and to the city council. The mayor shall advise the city council as to whether there was appropriate justification for such violation and if the mayor and city council agree that such violation was unjustified, the mayor may recommend and the city council may determine that the office shall thereupon become vacant and shall be forthwith filled for the unexpired term of the officials authorized to make the original appointment in such case. Nothing in this section shall be construed to authorize the city council to remove a duly elected school commissioner or the superintendent of schools.

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed as an extension of formal budgetary integration in any fund in the City.

B. *Budgetary Basis*

The General Fund final appropriation appearing on the "Budget and Actual" page of the fund financial statements represents the final amended budget after all reserve fund transfers and supplemental appropriations.

C. *Budget Over Expenditures*

The mayor, clerk treasurer, fire, police departments and capital outlay overspent their budget by $18,516, $66,742, $158,326, $377,727 and $9,623, respectively. The fire department had offsetting revenues that exceeded budget to cover the expenditures.

D. *Deficit Fund Equity*

Certain individual funds reflected unassigned fund balance deficits as of June 30, 2024. It is anticipated that the deficits will be eliminated through future departmental revenues, bond proceeds, and transfers from other funds. See the combining statements for deficits, which are reflected as negative unassigned fund balance.

3. Deposits and Investments

Primary Government, Excluding Electric Department

A. *Custodial Credit Risk - Deposits*

The custodial credit risk for deposits or investments is the risk that, in the event of the failure of the bank or counterparty to a transaction, the City will not be able to recover the value of its deposits, investments, or collateral securities that are in the possession of another party. The City's deposits were insured or collateralized as of June 30, 2024.

B. *Investment Summary*

The following is a summary of the City's investments as of June 30, 2024:

Investment Type		Amount
Municipal bonds	$	783,527
Federal agencies		7,357,095
Market-linked certificates of deposits		1,630,085
Other investments		114,944
Total investments	$	9,885,651

C. *Credit Risk*

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The City's investments in municipal bonds were rated Aa3 and government agency securities were rated Aaa by Moody's at June 30, 2024. Market-linked certificates of deposits were unrated at June 30, 2024.

D. *Concentration of Credit Risk*

The City places no limit on the amount the City may invest in any one issuer. At June 30, 2024, the City's investments each represented under 5% of City's investments.

E. *Interest Rate Risk*

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City has a formal investment policy that limits investment maturities based on type of security as a means of managing its exposure to fair value losses arising from increasing interest rates. Per the policy, investments remain sufficiently liquid to enable the City to meet its cash flow requirements. The City categorizes investments with maturities of one year or less as short-term investments. As of June 30, 2024, the maturities of the City's long-term investments were as follows:

		Maturity in Years	
Investment Type	Fair Value	1-5	6-10
Municipal bonds	$ 783,527	$ 783,527	$ -
Federal agencies	7,357,095	7,357,095	-
Market-linked certificates of deposit	1,630,085	1,630,085	-
Total investments	$ 9,770,707	$ 9,770,707	$ -

F. *Foreign Currency Risk*

Foreign currency risk is the risk that changes in foreign exchange rates will adversely affect the fair value of an investment. The City does not have any such investments, or policies for foreign currency risk.

G. *Fair Value*

The City categorizes its fair value measurements within the fair value hierarchy established by Governmental Accounting Standards Board Statement No. 72, *Fair Value Measurement and Application* (GASB 72). The hierarchy is based on the valuation inputs used to measure the fair value of the asset and give the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

Level 1 - Unadjusted quoted prices for identical instruments in active markets.

Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable.

Level 3 – Valuations derived from valuation techniques in which significant inputs are unobservable.

The City categorizes its fair value measurements as follows:

		Fair Value Measurements Using:		
Investment Type	Fair Value	Quoted prices in active markets for identical assets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Investments by fair value level:				
Debt securities:				
Municipal bonds	$ 783,527	$ -	$ 783,527	$ -
Federal agencies	7,357,095	-	7,357,095	-
Market-linked certificates of deposit	1,630,085	-	1,630,085	-
Other investments	114,944	-	114,944	-
Total	$ 9,885,651	$ -	$ 9,885,651	$ -

Debt securities classified in Level 2 are valued using either a bid evaluation or a matrix pricing technique. Bid evaluations may include market quotations, yields, maturities, call features, and ratings. Matrix pricing is used to value securities based on the security's relationship to benchmark quote prices. Level 2 debt securities have non-proprietary information that is readily available to market participants, from multiple independent sources, which are known to be actively involved in the market.

Burlington Electric Department

A. *Custodial Credit Risk – Deposits*

Except for the custodial fund deposits of $1,798,023, the Department's deposits at June 30, 2024 are insured or collateralized.

B. *Investments*

The Department has a formal investment policy and is authorized per Article 1, Section 1.1 of the General Bond Resolution to invest in obligations as follows:

1) Direct obligations of the United States of America or obligations guaranteed by the United States of America.
2) Bonds, notes or other evidence of indebtedness issued or guaranteed by the CoBank, Federal Intermediate Credit Banks, FHLB, FNMA, GNMA, Export-Import Bank of the United States, Federal Land Banks, U.S. Postal Service, Federal Financing Bank, or any agency or instrumentality of or corporation wholly owned by the United States of America.

3) New Housing Authority Bonds issued by public agencies or municipalities and fully secured by a pledge of annual contributions under annual contribution contracts with the United States or America, or Project Notes issued by public agencies or municipalities and fully secured by a requisition or payment agreement with the United States of America.

4) Obligations of any state, commonwealth or territory of the United States of America, or the District of Columbia, or any political subdivision of the foregoing, with an investment grade rating not lower than the three highest categories by at least one nationally recognized debt rating service.

5) Certificates of deposit and bankers acceptances issued by banks which are members of the FDIC and each of which has a combined capital and surplus of not less than ten million dollars, provided that the time deposits in and acceptances of any bank under the Resolution (a) do not exceed at any time 25% of the combined capital and surplus of the bank or (b) are fully secured by obligations described in items 1, 2, 3, and 4 of this paragraph.

6) Repurchase contracts with banks, which are described in item 5 of this paragraph, or with recognized primary dealers in government bonds, fully secured by obligations described in items 1, 2, 3, and 4 of this paragraph.

C. *Concentration of Credit Risk*

Concentration of credit risk of investments is the risk of loss attributable to the magnitude of an investment in a single issuer. The Electric Department's invested balance was primarily in U.S. Treasuries at June 30, 2024.

D. *Interest Rate Risk*

Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. The Electric Department has minimized its risk exposure as its investments are limited to government securities and other conservative investments as outlined in the investment policy.

The Electric Department's investments as of June 30, 2024 (all of which are restricted by Bond resolution) only included money market funds and U.S. Treasury Bills.

The Department is required by its bond indenture to make monthly deposits into the renewal and replacement fund equal to 10% of the monthly revenue bond debt service funding requirements. Funds on deposit may be withdrawn from the renewal and replacement fund for expenses allowed by the bond covenant. Amounts in excess of $867,000 at June 30, 2024 may be returned to the revenue fund. A summary of deposits with bond trustees at June 30, 2024 is as follows:

Bond funds:		
Construction fund	$	8,967,207
Renewal and replacement fund	$	867,000
Debt service fund		2,759,139
Debt service reserve fund		3,507,937
Accrued interest receivable		33,396
Total	$	16,134,679

E. *Fair Value*

All of the Electric Department's investments as of June 30, 2024, are considered to be Level 1 under the fair value hierarchy.

Discretely Presented Component Unit – School District

A. *Credit Risk*

Statutes for the State of Vermont authorize the School District to invest in obligations of the U.S. Treasury, agencies and instrumentalities, other states and Canada, provided such securities are rated within the three highest grades by an approved rating service of the State of Vermont, corporate stocks and bonds within statutory limits, financial institutions, mutual funds and repurchase agreements. The School District does not have an investment policy on credit risk. Generally, the School District invests excess funds in savings accounts and various insured certificates of deposit.

B. *Custodial Credit Risk*

The custodial credit risk for investments is that in the event of failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Currently, the School District does not have a policy for custodial credit risk for investments.

At June 30, 2024, out of the School Districts deposits of $142,301,533, $130,118 were uninsured or uncollateralized.

C. Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The School District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from fluctuations in interest rates.

Burlington Employees Retirement System (the System)

A. Credit Risk

The System invests in private equities, which are exempt from the credit risk disclosure.

B. Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The System does not have a policy for custodial credit risk.

The System's investment in private equities has a custodial credit risk exposure because the related securities are either uninsured or uncollateralized.

C. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The System does not have a policy for interest rate risk.

D. Foreign Currency Risk

Foreign currency risk is the risk that changes in foreign exchange rates will adversely affect the fair value of an investment. The System does not have a policy to manage foreign currency risk.

E. Fair Value

GASB 72 established fair value hierarchy levels based on the valuation inputs used to measure the fair value of the asset. The System does not place their investments by these levels, as they are all measured using NAV (net asset value per share or its equivalent), such as share of index funds or partnership member units.

Investments that are measured at fair value using NAV as a practical expedient are not classified in the fair value hierarchy per GASB 72. Hamilton Lane, Sustainable Woodlands, and USB Realty Investors investment value is based on the System's share of fair value of partner's capital at year-end. The System's share of EB DV and DL Index Funds of the Bank of New York Mellon and Johnson Mutual Funds were valued based on net asset values of the funds derived from audited financial statements of the respective funds. The investment strategy of the System matches the investment strategy of the funds. The primary holdings of the BNY Mellon funds and Johnson Mutual Funds are as follows:

EB DV Non-SL Stock Index Fund – Level 1
EB DL Smid Cap Stock Index Fund – Level 2
EB DV Non-SL International Stock Index Fund – Level 1
EB DV Non-SL Emerging Markets Stock Index Fund – Level 1
Johnson Institutional Core Bond – Level 2

The following summarizes the investment strategies of the underlying BNY Mellon funds and Johnson Mutual funds:

Equities – Stocks traded on U.S. security exchanges are valued by the service approved by the Trustee at closing market prices on the valuation date. Stocks traded on a non-U.S. security exchange are valued at closing market prices on the applicable non-U.S. security exchange on the valuation date. These types of investments are generally categorized within Level 1 of the fair value hierarchy. If market quotations are not readily available for any stocks traded on U.S. or non-U.S. security exchanges, the assets may be valued by a method the Trustee of the fund has determined accurately reflects fair value. In these instances, stocks are generally categorized within Level 2 of the fair value hierarchy.

Bond funds – Fixed income securities are valued on the basis of valuations provided by the service, which determines valuations using methods based on market transactions for comparable securities and various relationships between securities, which are generally recognized by institutional traders. These valuations are based on methods, which include the consideration of: yields or prices of securities of comparable quality, coupon, maturity and type; indications as to values from dealers; and general market conditions. If market quotations are not readily available for valuations, assets may be valued by a method the Trustee of the fund has determined accurately reflects fair value. These types of investments are generally categorized within Level 2 of the fair value hierarchy.

The System categorizes its investments as follows:

Investments measured at the net asset value (NAV):	Value	Unfunded Commitments	Redemption Frequency (If currently eligible)		Redemption Notice Period
Hamilton Lane Secondary Fund II LP	$ 11,702	$ 417,305	N/A	(a)	N/A
Hamilton Lane Private Equity Offshore Fund VII Series A LP	457,161	195,175	N/A	(a)	N/A
Hamilton Lane Private Equity Offshore Fund VII Series B LP	178,691	174,774	N/A	(a)	N/A
Sustainable Woodlands Fund II LP	-	-	N/A	(a)	N/A
EB DV Non-SL Stock Index Fund	81,598,723	-	daily		1 day
Johnson Institutional Core Bond	66,015,507	-	daily		1 day
EB DL Smid Cap Stock Index Fund	22,918,547	-	daily		1 day
EB DV Non-SL International Stock Index Fund	46,652,902	-	daily		1 day
EB DV Non-SL Emerging Markets Stock Index Fund	17,881,380	-	weekly		2 days
USB Realty Investors LLC - Trumbull Prop	8,555,653	-	N/A	(a)	N/A
Total	$ 244,270,266				

(a) Units may be sold at any time on the secondaries market, with approval of the General Partner, although not ordinarily done, as this most likely will result in a loss. Partnership agreements are entered into with the intent of holding them to maturity when the partnerships sell all the remaining assets and declare distributions. Therefore, redemptions are not typically eligible until end of partnership terms.

4. Property Taxes Receivable

The City is responsible for assessing and collecting its own property taxes, as well as education property taxes for the State. Property taxes are assessed based on property valuations as of April 1, annually. Taxes are due four times per year on August 12, November 12, March 12, and June 12. Taxes unpaid after each due date are considered to be late and are subject to 1% interest added on the next day; an additional 4% interest is added after the tenth day late and an additional 1% per month thereafter. Taxes which remain unpaid ten days after the June 12 due date are delinquent and are subject to an 8% penalty and interest calculated at 12%. Unpaid taxes become an enforceable lien on the property and such properties are subject to tax sale.

Property taxes receivable at June 30, 2024 consisted of the following:

Property taxes:	
2024	$ 2,087,258
2023	403,584
2022	310,132
Prior years	1,219,292
Less: Allowance for doubtful taxes	(883,677)
Total	$ 3,136,589

5. User Fees Receivable

User fees receivable include amounts due from customers for electric service, rent and passenger facility charges at the airport, water, wastewater, and stormwater usage. User fees receivable are reported net of an allowance for doubtful accounts depending on the aging of the receivables. Water, wastewater, and stormwater delinquent receivables are liened in a similar manner as property taxes, described in Note 4.

User fees receivable and the related allowance for doubtful accounts at June 30, 2024 consist of the following:

	Billed Service Fees	Estimated Unbilled Fees	Allowance for Doubtful Fees	Total
Electric	$ 5,280,440	$ 2,648,674	$ (217,263)	$ 7,711,851
Airport	1,552,469	-	(7,844)	1,544,625
Wastewater	1,342,002	644,071	(3,000)	1,983,073
Nonmajor Enterprise Funds:				
Water	1,307,870	584,424	(3,000)	1,889,294
Stormwater	237,034	162,092	-	399,126
Total	$ 9,719,815	$ 4,039,261	$ (231,107)	$ 13,527,969

6. Departmental and Other Receivables

Departmental and other receivables represent the following receivables, net of allowance for doubtful accounts depending on the aging of the receivables:

	Gross	Allowance for Doubtful Accounts	Total
Police tickets	$ 2,483,794	$ (1,693,332)	$ 790,462
Local option sales tax	762,704	-	762,704
Ambulance	943,903	(417,264)	526,639
Church Street marketplace	208,917	-	208,917
Code enforcement	399,176	(67,388)	331,788
Equipment maintenance	94,495	-	94,495
Fire	98,106	(8,400)	89,706
Franchise fees	292,476	-	292,476
Gross receipts tax	604,038	-	604,038
Recycling	122,567	-	122,567
Other	266,866	(19,107)	247,759
Total	$ 6,277,042	$ (2,205,491)	$ 4,071,551

7. Intergovernmental Receivables

This balance represents reimbursements requested from Federal and State agencies for expenditures incurred in fiscal year 2024.

	Governmental Activities	Business-Type Activities	Total
Community and economic development	$ 1,294,302	$ -	$ 1,294,302
Capital project grants	4,890,268	-	4,890,268
Airport improvement program (AIP) grants	-	11,199,446	11,199,446
CARES grant		722,737	722,737
State Revolving Loan program	-	3,944,055	3,944,055
Total	$ 6,184,570	$ 15,866,238	$ 22,050,808

8. Loans Receivable

The City, through various state and federal grant programs, has extended loans for the development or rehabilitation of residential and commercial properties within the City and small business loans for new Burlington businesses. The repayment terms of these loans and interest rates all vary and are contingent on numerous factors outside of the control of the City, such as the financial viability of the projects. It is the City's policy to recognize the grant revenues when the loans are repaid. The following is a summary of the loans receivable related to Community and Economic Development Office (CEDO), Burlington Community Development Corporation (BCDC) and the Airport at June 30, 2024:

	Receivable	Less: Discount	Less: Allowance	Total
CEDO:				
HODAG loans	$ 7,415,942	$ -	$ (5,932,754)	$ 1,483,188
Housing and urban development programs:				
HOME loans	11,267,257	(5,346,121)	(4,543,172)	1,377,964
Lead paint loans	3,317,707	(162,967)	(2,367,531)	787,209
Other CEDO loans	208,423	(8,207)	(59,216)	141,000
BCDC:				
Westlake Parking - $72,000 annual payment at 7% interest with $448,000 due on July 26, 2026	554,653	-	-	554,653
Governmental funds subtotal	22,763,982	(5,517,295)	(12,902,673)	4,344,014
Airport:				
Aviation Support Hanger - annual payments of $93,172 with an interest rate of 3%, maturing in June 2026	180,645	-	-	180,645
Total loans receivable	$ 22,944,627	$ (5,517,295)	$ (12,902,673)	$ 4,524,659

9. Leases Receivable

The Airport leases office, building, and ground space to various businesses (BETA, Heritage Building 890), car rental companies (Budget Rent-A-Car, Hertz Dollar, food and gift concessions (ELRAC, Hudson News), governmental agencies (GSA - National Weather Service) and others. The lease rates vary and are computed based upon square footage, percentages of gross revenues, and combinations of the two.

As of June 30, 2024, there are twenty-two leases. These leases range in length from 2 to 30 years. As of June 30, 2024, the value of the individual lease receivables ranged from $26,636 to $2,213,435. The range value of the deferred inflow of resources as of June 30, 2024 was $26,420 to $2,172,501 and the Airport recognized lease revenues of $3,331,775 during the years ended June 30, 2024.

Regulated Leases

The Airport leases office, building and ground space to various airlines. These leases are excluded from lease receivables and related deferred inflows per GASB Statement Number 87, as these are regulated leases.

Lease revenue for the year ending June 30, 2024 was $1,170,288. Airline agreements are renewed annually. Guaranteed payments for fiscal year 2025 are approximately $1,023,123.

10. Interfund Accounts

Interfund receivable and payable accounts as of June 30, 2024 were as follows:

Fund	Due from Other Funds	Due to Other Funds
General Fund	$ 1,125,947	$ -
Nonmajor governmental funds:		
Community development corporation	-	1,125,947
Total	$ 1,125,947	$ 1,125,947

The composition of advances to/from other funds (amounts considered to be long-term) as of June 30, 2024 is as follows:

Fund	Advances to Other Funds	Advances from Other Funds
General Fund	$ 66,000	$ -
Capital Projects Fund (major fund)	-	66,000
Total	$ 66,000	$ 66,000

The City reports interfund transfers between many of its funds. The sum of all transfers presented in the table agrees with the sum of interfund transfers presented in the governmental and proprietary fund financial statements. The following is a summary of interfund transfers made in fiscal year 2024:

Governmental Funds:	Transfers In	Transfers Out
Major funds:		
General Fund	$ 4,199,887	$ 2,902,162
Capital Projects fund	1,259,148	-
Nonmajor governmental funds:		
Special revenue funds:		
Parking facilities	-	64,400
Community and economic development	165,126	-
Church street marketplace	78,579	-
Impact fees	-	265,259
TIF waterfront	46,457	15,949
TIF downtown	-	42,636
Permanent funds:		
Cemetery	-	21,443
Subtotal Nonmajor Governmental funds	290,162	409,687
Enterprise Funds:		
Major fund:		
Electric	-	2,265,941
Wastewater	-	464,770
Nonmajor funds:		
Water	-	423,060
Stormwater	-	33,577
Internal Service Fund	750,000	-
Subtotal Business-type Funds:	750,000	3,187,348
Grand Total	$ 6,499,197	$ 6,499,197

Significant transfers include Electric, Wastewater, Water and Stormwater primarily for payments in lieu of taxes to the General Fund. The General Fund transfer out to the Capital Projects Fund was primarily for the use of assigned fund balance for capital projects.

11. Capital Assets

Capital asset activity for the City's governmental and business-type activities for the year ended June 30, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated:				
Land	$ 16,011,499	$ -	-	$ 16,011,499
Construction in progress	40,335,321	30,971,703	(51,966,334)	19,340,690
Antiques and works of art	52,000	69,585	-	121,585
Total capital assets, not being depreciated	56,398,820	31,041,288	(51,966,334)	35,473,774
Capital assets, being depreciated:				
Land improvements	21,415,581	1,389,462	(844,388)	21,960,655
Buildings and building improvements	74,970,848	1,691,163	(344,000)	76,318,011
Vehicles, machinery, equipment and furniture	34,028,687	2,498,636	(2,710,843)	33,816,480
Book collections	3,054,594	-	(1,464,143)	1,590,451
Infrastructure	169,005,903	52,778,378	(12,532,740)	209,251,541
Total capital assets, being depreciated	302,475,613	58,357,639	(17,896,114)	342,937,138
Less accumulated depreciation for:				
Land improvements	(4,112,075)	(685,707)	844,388	(3,953,394)
Buildings and building improvements	(19,470,278)	(1,414,912)	344,000	(20,541,190)
Vehicles, machinery, equipment and furniture	(23,366,377)	(1,844,864)	2,710,843	(22,500,398)
Book collections	(2,721,322)	(87,313)	1,464,143	(1,344,492)
Infrastructure	(99,352,420)	(4,701,704)	12,532,740	(91,521,384)
Total accumulated depreciation	(149,022,472)	(8,734,500)	17,896,114	(139,860,858)
Total capital assets, being depreciated, net	153,453,141	49,623,139	-	203,076,280
Governmental activities capital assets, net	$ 209,851,961	$ 80,664,427	$ (51,966,334)	$ 238,550,054

Depreciation expense was charged to functions of the City as follows:

Governmental Activities:	
General government	$ 359,432
Public safety	936,862
Public works	5,390,274
Community development	151,777
Culture and recreation	1,896,155
Total depreciation expense - governmental activities	$ 8,734,500

Business-Type Activities:		
Electric	$	5,193,377
Airport		8,149,621
Wastewater		1,468,094
Water		928,130
Stormwater		189,286
Total depreciation expense - business-type activities	$	15,928,508

*Represents depreciation of Electric capital assets and not regulatory amortization expense as reported on the Proprietary Funds Statement of Revenues, Expenses, and Changes in Net Position.

A summary of the Burlington School District's capital assets activity was as follows for the year ended June 30, 2024:

	Beginning Balance	Increases	Decreases	Ending Balance
Burlington School District:				
Capital assets, not being depreciated:				
Land	$ 2,251,677	$ -	-	$ 2,251,677
Construction in progress	15,285,693	51,636,987	(131,233)	66,791,447
Total capital assets, not being depreciated	17,537,370	51,636,987	(131,233)	69,043,124
Capital assets, being depreciated:				
Buildings and building improvements	60,678,973	781,501	-	61,460,474
Vehicles, machinery, equipment and furniture	6,152,742	301,069	(466,485)	5,987,326
Right of use lease asset	6,904,619	-	-	6,904,619
Total capital assets, being depreciated	73,736,334	1,082,570	(466,485)	74,352,419
Less accumulated depreciation for:				
Buildings and building improvements	(19,269,490)	(1,782,747)	-	(21,052,237)
Vehicles, machinery, equipment and furniture	(4,830,769)	(371,571)	457,950	(4,744,390)
Right to use lease asset	(4,096,428)	(2,088,024)	-	(6,184,452)
Total accumulated depreciation	(28,196,687)	(4,242,342)	457,950	(31,981,079)
Total capital assets, being depreciated, net	45,539,647	(3,159,772)	(8,535)	42,371,340
Burlington School District capital assets, net	$ 63,077,017	$ 48,477,215	$ (139,768)	$ 111,414,464

12. Regulatory Assets and Regulatory Deferred Inflows of Resources

For the Electric Department, regulatory assets and regulatory deferred inflows of resources at June 30, 2024 comprise the following:

Deferred depreciation expense to be recovered in future years	$ 1,054,384
COVID-19 capitalized personnel costs	131,508
IBEW pension back-payment	152,321
Winter 2022-2023 excess energy revenue shortfall	3,121,675
Moran settlement payment	713,036
Total regulatory assets	$ 5,172,924
Deferred depreciation expense - McNeil Plant	$ 2,650,951
Deferred depreciation expense - operating	5,242,789
Total regulatory deferred inflows of resources	$ 7,893,740

Provisions for depreciation of capital assets are reported using the straight-line method at rates based upon the estimated service lives and salvage values of the several classes of property. However, a portion of the current depreciation expense is only recoverable through future rates. The difference is included in deferred charges (calculated as the straight-line depreciation expense less the depreciation expense on a sinking fund basis) and will be recovered in future years. The Department recorded straight-line depreciation of $4,683,965 for the year ended June 30, 2024. In 2024, $1,276,685 of deferred depreciation expense was realized. Unamortized deferred depreciation balance of $1,054,384 remained at June 30, 2024. The deferred inflows represent accumulated deferred depreciation balances that became negative due to the fact that the financed assets were close to being fully depreciated when compared to the future debt sinking fund requirements.

13. Deferred Outflows of Resources

Deferred outflows of resources represent the consumption of net assets by the City that is applicable to future reporting periods. Deferred outflows of resources have a positive effect on net position, similar to assets. Deferred outflows of resources related to pensions and OPEB will be recognized as expense in future years are described in the corresponding pension and OPEB notes. Deferred outflows of resources also represent unamortized balances of deferred amounts on refunded debt.

14. Short-Term Debt

A. Grant Anticipation Note (GAN)

In February 2023, the Airport renewed a $10,000,000 GAN with the interest rate of 3.065%. GAN was renewed again on June 28, 2024. The unused limit at June 30, 2024 was $10,000,000. There was no activity during the year.

B. Revenue Anticipation Note - Electric

On June 30, 2022, the City renewed on behalf of the Electric Department, a $5,000,000 General Obligation Revenue Anticipation Note (line of credit) with a local bank, placing the line of credit directly with the Electric Department. On June 25, 2024, the credit was extended to $10,000,000. The Electric Department had the entire line of credit balance of $10,000,000 available for use at June 30, 2024 and there was no activity during the year.

C. State Revolving Loan Interim Notes

The Wastewater, Water and Stormwater Funds had interim loans from the State of Vermont EPA Clean Water State Revolving Fund with a beginning balance of $6,963,900 at July 1, 2023, additional drawdowns of $3,996,849 during the fiscal year 2024. Available balance for use was $2,273,540 at June 30, 2024.

D. Bond and Revenue Anticipation Notes – Governmental Funds

The activity in bond and revenue anticipation notes in governmental funds for the fiscal year ended June 30, 2024 was as follows:

	Issue Date	Maturity Date	Interest Rate	Amount Outstanding as of 7/1/23	Additions	Reductions	Total Balance 6/30/2024
Waterfront TIF Note Series 2023	6/21/2023	5/31/2024	4.00%	$ 18,840,000	$ -	$ (18,840,000)	$ -
BAN Series 2022	9/15/2022	9/14/2023	2.79%	2,000,000	-	(2,000,000)	-
RAN Series 2022, Traffic Division	9/15/2022	9/14/2023	3.49%	2,500,000	-	(2,500,000)	-
Waterfront TIF Note Series 2023	5/31/2024	5/15/2025	4.82%	-	18,840,000	-	18,840,000
RAN Series 2022, Traffic Division	9/15/2023	9/14/2024	6.90%	-	2,500,000	-	2,500,000
				$ 23,340,000	$ 21,340,000	$ (23,340,000)	$ 21,340,000

15. Long-Term Obligations – Primary Government

A. Types of Long-Term Obligations

General Obligation (GO) Bonds. The City issues general obligation bonds to provide resources for the acquisition and construction of major capital facilities and to refund prior bond issues. General obligation bonds have been issued for both governmental and proprietary activities. Bonds are reported in governmental activities if the debt is expected to be repaid from governmental fund revenues and in business-type activities if the debt is expected to be repaid from proprietary fund revenues.

No-Interest Revolving Loans. – The State of Vermont offers a number of no-interest revolving loan programs to utilize for predetermined purposes. Two of the five no-interest loans do charge a 2% administration fee. The City has borrowed money from the Vermont Special Environmental Revolving Fund for sewer and stormwater projects. These bonds are both general obligation and revenue supported bonds.

Revenue Bonds – The City issues bonds where the City pledges income to pay the debt service. Revenue bonds are reported in business type activities only because the debt is expected to be repaid from proprietary fund revenues.

Unamortized Premiums and Discounts – Debt premiums and discounts incurred in connection with the sale of bonds are amortized over the terms of the related debt. Unamortized balances are included as a component of long-term debt.

Certificates of Participation (COPS) – The City enters into agreements for the purpose of financing the acquisition and/or renovation of land and buildings. These agreements qualify as long-term debt obligations for accounting purposes (even though they include clauses that allow for cancellation of the certificate of participation in the event the City does not appropriate funds in future years). The Certificates of Participation are reported in governmental activities because all of the debt is expected to be repaid from general governmental revenues.

Other Notes Payable – The City has other notes payable to finance various capital projects through local banks and U.S. government agencies.

Equipment Financing Notes Payable – The City enters into agreements for the purpose of financing the acquisition of major pieces of equipment. Notes are reported in governmental activities if the debt is expected to be repaid from general fund revenues and in business-type activities if the debt is expected to be repaid from proprietary fund revenues.

Leases Payable – The rent of snow equipment by the Airport qualified as GASB 87 lease liability and will be repaid by Airport proprietary fund revenues.

Compensated Absences – It is the policy of the City to permit certain employees to accumulate earned but unused benefits. The City allows employees to carryover up to 360 hours of vested vacation time to the next fiscal year. The City also allows all employees hired prior to July 1, 2000 to carry over the lesser of 25% of their sick leave balance or 120 hours. City employees hired after July 1, 2000 may carry over earned sick leave balances; however, it is not a vested benefit upon termination. Compensated absences are paid by the applicable fund where the employee is charged, specifically the General Fund, special revenue funds and enterprise funds.

Insurance Reserves – This liability represents an estimate of claims incurred but not reported and includes only an estimate for known loss events expected to later be presented as claims. The City is unable to estimate the amount of unknown loss events expected to become claims and expected future developments on claims already reported. Insurance reserves are liquidated by the Internal Service Funds.

Pension and Other Post-employment Benefits – The City has recorded a liability for governmental and business-type activities in the Statement of Net Position and in the individual enterprise funds which represent their actuarially determined liabilities for pension and other post-employment benefits. These costs relate to retirement and subsidized health care and life insurance for retirees during the period from retirement to the date of eligibility for social security benefits. Our proprietary fund pension and OPEB liabilities are liquidated by the Electric, Airport, and other enterprise funds. Remaining pension and OPEB liabilities are paid by the General Fund.

A detailed listing of the general obligation bonds and other debt payable is as follows:

Governmental Activities:	Serial Maturities Through	Interest Rate(s) %	Amount Issued	Amount Outstanding as of 6/30/24
Non-TIF Public offering general obligation and revenue bonds:				
General Improvements 2011 Series B	06/30/2030	2.00 - 4.75%	$ 1,000,000	$ 355,000
Taxable G.O. Bonds 2013 Series A - Fiscal Stability	11/01/2028	3.50 - 5.25%	9,000,000	3,750,000
Refunding Bond Series 2016A	06/30/2030	3.00 - 5.00%	2,195,000	450,000
Public Improvement Bonds 2016 Series B	11/01/2036	4.00 - 5.00%	2,000,000	1,505,000
Refunding Bond Series 2016C	11/01/2029	2.00 - 5.00%	2,545,000	1,520,000
Public Improvement Bonds 2017 Series A	11/01/2036	1.20 - 3.85%	5,267,000	3,202,000
Public Improvement Bonds 2017 Series B	11/01/2032	5.00%	2,730,000	2,730,000
Public Improvement Bonds 2017 Series C	11/01/2037	2.00 - 5.00%	2,000,000	1,580,000
Public Improvement Bonds 2018 Series A - UVM & Champlain College	11/01/2037	4.00 - 5.00%	5,650,000	4,485,000
Public Improvement Bonds 2018 Series A - Fire Truck	11/01/2030	4.00 - 5.00%	3,000,000	1,965,000
Public Improvement Bonds 2018 Series A - G.O. Capital	11/01/2038	4.00 - 5.00%	6,000,000	5,000,000
Public Improvement Bonds 2018 Series B - City Portion	11/01/2038	5.00%	2,000,000	1,675,000
Public Improvement Bonds 2019 Series A - City Portion	11/01/2039	3.00 - 5.00%	2,000,000	1,740,000
Public Improvement Bonds 2019 Series A - Sustainable Bonds	11/01/2039	3.00 - 5.00%	10,500,000	9,130,000
Taxable G.O. Bonds Refunding 2019 Series C	11/01/2035	1.844 - 3.031%	9,225,000	7,570,000
Public Improvement Bonds 2021 Series A	11/01/2041	3.00 - 5.00%	1,750,000	1,640,000
Public Improvement Bonds 2022 Series A	11/01/2042	5.00%	14,765,000	14,320,000
Public Improvement Bonds 2023 Series A	11/01/2043	5.00%	8,860,000	8,860,000
Total non-TIF public offering general obligation bonds				71,477,000
TIF public offering general obligation bonds:				
Refunding COP Series 2016A - Lakeview Garage Project	06/30/2025	3.00 - 5.00%	5,145,000	575,000
General Obligation Tax Increment Bonds, Series 2017D	11/01/2035	2.00 - 5.00%	3,400,000	2,545,000
General Obligation Tax Increment Bonds, Series 2018C	05/01/2025	5.00%	405,000	70,000
General Obligation Tax Increment Bonds, Series 2018D	11/01/2035	5.00%	1,570,000	1,235,000
General Obligation Waterfront Tax Increment Bonds Series 2018E	05/01/2025	4.30%	745,000	125,000
General Obligation Waterfront Tax Increment Bonds Series 2022B	11/01/2035	5.00%	30,120,000	28,435,000
Total TIF public offering general obligation bonds				32,985,000
Total public offering general obligation and revenue bonds				104,462,000
TIF direct borrowing debt:				
HUD Section 108 - US Guaranteed Notes 2014	06/15/2025	5.00%	2,091,000	372,000
Special Obligation Tax Increment Financing Bond	11/15/2024	0.51 - 4.28%	7,800,000	780,000
General Obligation Waterfront Tax Increment Bonds Series 2019	06/30/2025	2.61%	4,360,000	3,704,637
Non-TIF direct borrowing general obligation bond:				
Public Improvement Bonds 2014 Series A	11/15/2034	0.51 - 3.99%	2,000,000	1,100,000
Parking Revenue Note, Series 2023	05/01/2028	4.93%	750,000	750,000
BCDC direct borrowing loans:				
Aviation support hanger	06/01/2026	3.00%	1,400,000	180,626
Gilbane property	10/30/2025	6.25%	324,049	42,868
VEDA	12/19/2030	5.00%	560,000	246,521
Total direct borrowing debt:				7,176,652
Total Governmental Activities:				$ 111,638,652

A detailed listing of the general and revenue obligation bonds expected to be repaid by proprietary funds are as follows:

Business-Type Activities:	Serial Maturities Through	Interest Rate(s) %	Amount Issued	Amount Outstanding as of 6/30/24
Public offering general obligation bonds:				
Electric General Improvements 2011 Series B	11/01/2031	2.00 - 4.75%	$ 1,000,000	$ 495,000
Electric Taxable Public Improvement 2012 Series B	11/01/2032	6.00%	1,250,000	740,000
Electric G.O. Public Improvement Bonds 2014 Series 3	11/01/2034	2.78%	3,000,000	1,650,000
Electric G.O. Refunding Bond 2016 Series A	11/01/2029	2.00-5.00%	10,235,000	5,230,000
Electric G.O. Public Improvement Bonds 2016 Series B	11/01/2036	4.00 - 5.00%	3,000,000	2,260,000
Electric G.O. Refunding Bond 2016 Series C	11/01/2029	2.00 - 5.00%	7,785,000	4,695,000
Electric Taxable Refunding 2016 Series D	11/01/2029	1.15 - 3.25%	9,680,000	5,535,000
Electric G.O. Public Improvement Bonds 2017 Series C	11/01/2037	2.00 - 5.00%	3,000,000	2,365,000
Electric G.O. Public Improvement Bonds 2018 Series B	11/01/2038	5.00%	3,000,000	2,500,000
Electric G.O. Public Improvement Bonds 2019 Series A	11/01/2040	4.39%	3,000,000	2,610,000
Electric G.O Public Improvement Bonds 2019 Series C	11/01/2036	2.59%	8,130,000	7,055,000
Electric G.O Public Improvement Bonds 2021 Series A	11/01/2041	3.45%	2,625,000	2,455,000
Electric G.O. Public Improvement Bonds 2022 Series A	11/01/2042	5.00%	2,650,000	2,570,000
Electric G.O. Public Improvement Bonds 2023 Series A	11/01/2043	5.00%	2,650,000	3,000,000
Electric G.O. Public Improvement Bonds 2023 Series A Refunding	01/01/2042	5.00%	2,650,000	2,785,000
Total public offering general obligation bonds				45,945,000
Other public offering debt:				
Electric Revenue Bonds 2014 Series A	07/01/2035	3.78%	12,000,000	7,650,000
Electric Revenue Bonds 2014 Series B	07/01/2035	3.36%	5,820,000	665,000
Airport Revenue Refunding 2014 Series A	07/01/2030	0.67 - 3.59%	15,660,000	8,520,000
Water System Revenue Bonds 2017 Series A	11/01/2036	2.00 - 5.00%	3,250,000	2,490,000
Electric Revenue Bonds 2017 Series A	07/01/2031	4.00 - 5.00%	4,010,000	3,350,000
Taxable Electric Revenue Bonds 2017 Series B	07/01/2031	2.20 - 3.65%	5,410,000	3,725,000
Water System Revenue Bonds 2018 Series A	11/01/2038	4.00 - 5.00%	2,000,000	1,665,000
Water System Revenue Bonds 2018 Series B	11/01/2038	5.00%	2,000,000	1,675,000
Airport Revenue Refunding 2021 Series A	07/01/2030	1.20 - 3.00%	5,175,000	5,090,000
Airport Revenue Refunding 2022 Series A	06/30/2029	4.00 - 5.00%	10,635,000	9,060,000
Electric Revenue Bonds 2022 Series A	06/30/2043	5.00%	18,045,000	18,045,000
Total other public offering debt				61,935,000
Total public offering debt:				107,880,000
Direct borrowing debt:				
Stormwater/Wastewater State of VT-EPA 2009 Series I (Turbo)	10/01/2031	0.00%	1,204,000	258,498
Wastewater State of VT-EPA 2006 Series 1 (Siphon)	02/01/2027	0.00%	1,650,000	312,957
Wastewater State of VT-EPA 2001 Series 1 (Digester)	08/01/2027	0.00%	2,500,000	425,635
Water State Revolving Loan RF3-295	11/01/2034	1.00%	253,340	130,767
Wastewater VT Municipal Bond Bank 2014 Series 1	11/15/2033	0.643 - 4.723%	14,645,620	7,322,810
Wastewater State of VT-EPA Series 2020	06/01/2041	0.00%	390,063	339,622
Wastewater State of VT-EPA RF1-246-3.0 (disinfection Systems)	04/01/2041	0.00%	2,622,466	2,196,864
Wastewater State of VT-EPA '23 Series (Flynn PS and Fletcher PS)	04/01/2041	0.00%	2,622,466	1,369,869
Total direct borrowing debt				12,357,022
Total Business-Type Activities:				$ 120,237,022

B. *Future Debt Service*

The annual payments to retire all governmental long-term debt outstanding as of June 30, 2024 are as follows:

	Governmental Activities			
	Public Offering General Obligation Bonds		Direct Borrowing	
Year Ending June 30,	Principal	Interest	Principal	Interest
2025	$ 7,170,000	$ 4,749,764	$ 4,868,087	$ 208,684
2026	6,700,000	4,429,033	493,833	88,160
2027	6,992,000	4,110,098	415,015	67,653
2028	7,266,000	3,775,808	417,426	49,445
2029	7,534,000	3,427,781	169,854	31,134
2030 - 2034	34,905,000	12,136,286	712,437	74,901
2035 - 2039	25,335,000	4,446,657	100,000	1,997
2040 - 2044	8,560,000	868,275	-	-
Total	$ 104,462,000	$ 37,943,702	$ 7,176,652	$ 521,974

The annual payments to retire all business-type long-term debt outstanding as of June 30, 2024 are as follows:

	Business-Type Activities			
	Public Offering General Obligation and Revenue Bonds		Direct Borrowing	
Year Ending June 30,	Principal	Interest	Principal	Interest
2025	$ 9,240,000	$ 3,008,467	$ 1,163,407	$ 390,005
2026	8,970,000	2,696,339	1,172,113	355,736
2027	9,215,000	2,359,811	1,180,996	320,305
2028	9,550,000	2,013,999	1,081,540	283,932
2029	10,755,000	1,656,261	976,834	248,781
2030 - 2034	34,125,000	4,508,486	4,929,367	684,689
2035 - 2039	16,305,000	1,795,848	1,244,672	136,467
2040 - 2044	9,720,000	368,975	608,093	20,982
Total	$ 107,880,000	$ 18,408,186	$ 12,357,022	$ 2,440,897

C. Changes in General Long-Term Liabilities

During the year ended June 30, 2024, the following changes occurred in long-term liabilities for the City's governmental and business-type activities:

	Total Balance 7/1/2023	Additions	Reductions	Total Balance 6/30/2024	Less Current Portion	Equals Long Term Portion
Governmental Activities:						
Bonds payable:						
General obligation and other bonds	$ 102,087,000	$ 8,860,000	(6,485,000) $	104,462,000	$ (7,170,000) $	97,292,000
Direct borrowing bonds and loans	8,575,955	-	(1,399,303)	7,176,652	(4,868,087)	2,308,565
Add unamortized premium	11,639,895	974,599	(838,202)	11,776,292	(886,932)	10,889,360
Subtotal bonds payable	122,302,850	9,834,599	(8,722,505)	123,414,944	(12,925,019)	110,489,925
Net pension liability	78,070,840	4,944,438	-	83,015,278	-	83,015,278
Total OPEB liability	4,247,046	-	(649,569)	3,597,477	-	3,597,477
Direct borrowing equipment notes payable	4,511,182	576,066	(1,275,974)	3,811,274	(1,122,163)	2,689,111
Compensated absences liability	2,690,960	237,213	-	2,928,173	(292,817)	2,635,356
Insurance reserves	1,325,419	-	(93,566)	1,231,853	(1,231,853)	-
Total	$ 213,148,297	$ 15,592,316	$ (10,741,614) $	217,998,999	$ (15,571,852) $	202,427,147

Business-type Activities:	Total Balance 7/1/2023	Additions	Reductions	Total Balance 6/30/2024	Less Current Portion	Equals Long Term Portion
Bonds payable:						
General obligation bonds	$ 46,985,000	$ 5,785,000	(6,825,000) $	45,945,000	$ (4,180,000) $	41,765,000
Revenue bonds	66,805,000	-	(4,870,000)	61,935,000	(5,060,000)	56,875,000
Direct borrowing bonds and loans	13,592,788	-	(1,235,766)	12,357,022	(1,163,407)	11,193,615
Add unamortized premium	9,144,108	639,496	(683,899)	9,099,705	(276,078)	8,823,627
Less unamortized discount	(1,350,232)	-	133,941	(1,216,291)	-	(1,216,291)
Subtotal bonds and loans payable	135,176,664	6,424,496	(13,480,724)	128,120,436	(10,679,485)	117,440,951
Net pension liability	27,248,197	1,550,292	-	28,798,489	-	28,798,489
Total OPEB liability	1,402,273	-	(53,997)	1,348,276	-	1,348,276
Direct borrowing notes payable	4,171,589	431,642	(1,078,598)	3,524,633	(1,002,172)	2,522,461
Lease payable	1,504,836	-	(193,579)	1,311,257	(195,711)	1,115,546
Compensated absences liability	1,815,675	45,226	-	1,860,901	(678,265)	1,182,636
Total	$ 171,319,234	$ 8,451,656	$ (14,806,898) $	164,963,992	$ (12,555,633) $	152,408,359

D. Equipment Notes Payable, Excluding Electric Department

The City acquired certain equipment under direct purchase financing agreements repaid with General Fund, Airport Fund, Wastewater and the Water Funds. The notes are collateralized by the following equipment and include the following repayment terms.

	Governmental Activities	Business-Type Activities
Airport equipment - interest at 2.77%, maturing on August 10, 2025.	$ -	$ 143,266
General fund, traffic, and airport equipment - interest at 2.37%, maturing on September 2, 2024.	68,128	80,546
Airport equipment - interest at 2.99%, maturing on September 18, 2027.	-	1,138,461
Wastewater truck - interest at 3.76%, maturing on February 20, 2025.	-	14,299
Water truck - interest at 4.15%, maturing on March 15, 2026.	-	30,748
Water equipment and vehicles - interest at 1.64%, maturing on June 19, 2027.	351,203	170,106
General fund vehicles - interest at 1.10%, maturing on November 1, 2030.	1,388,090	-
General fund equipment - interest at 0.93%, maturing on May 1, 2026.	377,114	-
General fund, wastewater and water equipment - interest at 0.93%, maturing on May 1, 2028.	1,096,225	151,200
Recycling truck, stormwater distribution and water equipment - interest at 4.00%, maturing on December 1, 2030.	530,514	397,510
Total Equipment Financing Notes Payable	$ 3,811,274	$ 2,126,136

Future minimum payments under the equipment financing notes consisted of the following as of June 30, 2024:

Fiscal	Governmental Activities			Business-Type Activities		
Year	Principal	Interest	Total	Principal	Interest	Total
2025	$ 1,122,163	$ 52,857	$ 1,175,020	$ 685,115	$ 60,331	$ 745,446
2026	921,167	38,375	959,542	576,356	41,704	618,060
2027	573,603	27,636	601,239	429,650	26,740	456,390
2028	511,166	19,270	530,436	269,900	13,208	283,108
2029	238,115	10,597	248,712	64,089	2,822	66,911
2030	445,060	10,473	455,533	101,026	-	101,026
Total	$ 3,811,274	$ 159,208	$ 3,970,482	$ 2,126,136	$ 144,805	$ 2,270,941

16. Long-Term Liabilities – Burlington School District

A. Bonds Payable

All bonds payable and notes from direct borrowings payable are direct obligations of the School District, for which its full faith and credit are pledged. The School

District is not obligated for any special assessment debt. All debt is payable from taxes levied on all taxable property within the School District.

The School District has various bonds outstanding as follows:

School District:	Serial Maturities Through	Interest Rate(s) %	Amount Issued	Amount Outstanding as of 6/30/24
General obligation bonds, net of premiums:				
G.O. School 2010 Series A Qualified School Constr.	11/1/2026	6.50%	9,700,000	$ 9,700,000
G.O. School 2010 Series B Taxable GO Public Impr.	11/1/2026	6.50%	2,000,000	2,000,000
General Improvements 2011 Series B	11/1/2031	2.00 - 4.75%	2,000,000	985,000
G.O. Public Improvement Bonds 2014 Series A	11/15/2034	0.51 - 3.99%	2,000,000	1,100,000
G.O. Public Improvement Bonds 2016 Series A	3/15/2036	2.00 - 5.00%	4,005,000	1,115,000
G.O. Public Improvement Bonds 2016 Series B	11/1/2036	4.00 - 5.00%	2,000,000	1,505,000
G.O. Public Improvement Bonds 2016 Series C	11/1/2029	2.00 - 5.00%	1,650,000	995,000
G.O. Public Improvement Bonds 2017 Series C	11/1/2037	2.00 - 5.00%	2,300,000	1,805,000
G.O. Public Improvement Bonds 2018 Series B	11/1/2038	5.00%	8,000,000	6,675,000
G.O. Public Improvement Bonds 2019 Series A	11/1/2039	4.00%	6,000,000	5,220,000
G.O. Public Improvement Refunding Bonds 2019 Series C	11/1/2035	1.84 - 3.03%	5,495,000	4,835,000
G.O. Public Improvement Bonds 2021 Series A	11/1/2041	3.00-5.00%	1,750,000	1,640,000
G.O. Public Improvement Bonds 2022 Series A	11/1/2042	5.00%	1,765,000	1,715,000
G.O. Public Improvement Bonds 2023 Series A	11/1/2043	5.00%	130,000,000	130,000,000
G.O. Public Improvement Bonds 2023 Series B	11/1/2043	5.00%	1,860,000	1,860,000
G.O. Public Improvement Bonds 2023 Series C	11/1/2043	5.00%	4,000,000	4,000,000
Subtotal School District				175,150,000
Plus: unamortized premiums				15,801,796
Total School District				$ 190,951,796

B. *Future Debt Service*

The annual payments to retire the School District's bonds payable outstanding as of June 30, 2024 are as follows:

Fiscal Year	Principal	Interest	Total
2025	$ 6,045,000	$ 8,645,622	$ 14,690,622
2026	6,235,000	8,268,534	14,503,534
2027	18,185,000	7,579,547	25,764,547
2028	6,495,000	6,889,575	13,384,575
2029	6,735,000	6,549,448	13,284,448
2030 - 2034	37,565,000	27,424,888	64,989,888
2035 - 2039	44,825,000	18,183,572	63,008,572
2040 - 2044	49,065,000	6,254,575	55,319,575
Total	$ 175,150,000	$ 89,795,761	$ 264,945,761

17. Deferred Inflows of Resources

Deferred inflows of resources are the acquisition of net assets by the City that is applicable to future reporting periods. Deferred inflows of resources have a negative effect on net position, similar to liabilities. Deferred inflows of resources related to pension and OPEB will be recognized as expense in future years and are described in the corresponding pension and OPEB notes.

Governmental funds report *unavailable revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

The Electric Department's regulatory deferred inflows of resources are disclosed in Note 12.

Deferred inflows in relation to the Airport's leases receivable are disclosed in Note 9.

18. Governmental Funds – Fund Balances

Following is a summary of the City's fund balances at June 30, 2024:

	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable				
Advances to other funds	$ 66,000	$ -	$ -	$ 66,000
Inventory and prepaid expenditures	451,117	-	462,916	914,033
Nonexpendable permanent funds	-	-	1,267,054	1,267,054
Total Nonspendable	517,117	-	1,729,970	2,247,087
Restricted				
Future debt payments	684,134	-	-	684,134
Police equitable sharing funds	296,693	-	-	296,693
Community development	-	-	2,990,773	2,990,773
Church Street marketplace	-	-	811,197	811,197
TIF waterfront	-	-	2,630,380	2,630,380
TIF downtown	-	-	3,572,965	3,572,965
Impact fees	-	-	730,190	730,190
Capital improvement program	-	44,657,994	-	44,657,994
Expendable permanent funds	-	-	24,932	24,932
Total Restricted	980,827	44,657,994	10,760,437	56,399,258
Committed				
Public records restoration	297,540	-	-	297,540
Compressed natural gas	182,743	-	-	182,743
Fire alarm surcharge	215,904	-	-	215,904
Traffic	-	-	149,209	149,209
Library books and donations	12,278	-	-	12,278
Parking and other projects	24,337	-	-	24,337
Telecom sale proceeds	-	-	110,242	110,242
Total Committed	732,802	-	259,451	992,253
Assigned for				
Community safety	354,000	-	-	354,000
Fleet reserve	100,000	-	-	100,000
Early learning initiative grant	499,264	-	-	499,264
Reappraisal	616,021	-	-	616,021
Planning	312,159	-	-	312,159
BPRW investment	90,922	-	-	90,922
Public works	250,000	-	-	250,000
Police rebuilding fund	350,000	-	-	350,000
Racial equity, inclusion, and belonging	264,000	-	-	264,000
Opioid funding	200,328	-	-	200,328
Clerk Treasurer	100,000	-	-	100,000
Other purposes	381,860	-	-	381,860
Total Assigned	3,518,554	-	-	3,518,554
Unassigned	6,158,621	(3,171,278)	(3,656,063)	(668,720)
Total Unassigned	6,158,621	(3,171,278)	(3,656,063)	(668,720)
Total Fund Balance	$ 11,907,921	$ 41,486,716	$ 9,093,795	$ 62,488,432

19. Retirement System (GASB 68)

The City follows the provisions of *GASB Statement No. 68, Accounting and Financial Reporting for Pensions* with respect to the Burlington Employees' Retirement System (the System).

A. *Plan Description*

The System is a cost sharing, single employer, defined benefit pension plan covering substantially all of its employees except elective officials, other than the Mayor, and the majority of the public-school teachers, who are eligible for the Vermont State Teacher's Retirement System. The plan is broken down into Class A participants and Class B participants. Class A participants are composed of firemen and policemen. Class B participants include all other covered City employees. The System does not issue a stand-alone financial report.

The System is governed by an eight-member board. The eight members include three appointed by the City Council, two Class A members of the system selected by the Class A membership, two Class B members of the system elected by the Class B membership, and the City Treasurer as an ex officio member. Of the Class A and Class B board members, no two shall be employed at the same department.

The City Council has the authority to amend the benefit terms of the System by enacting ordinances and sending them to the Mayor for approval.

As of June 30, 2024, there are 923 active members and 875 retirees or beneficiaries currently receiving benefits. Additionally, there are 768 former employees with vested rights.

B. *Benefits Provided*

Class A participants vest 20% after three years of creditable service, and 20 percent for each year thereafter until they are 100% vested after 7 years of creditable service. The normal benefit is payable commencing at age 55 or with 25 years of service. Class A participants who retire at or after age 55 with 7 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 2.75% of their average final compensation (AFC) during the highest three non-overlapping twelve-month periods (five years for certain non-union police employees) times creditable service not in excess of 25 years plus .5% of the AFC times years of creditable service between 25 and 35 years, prior to age 60 and a yearly COLA based on CPI. Class A retirees could alternatively elect to choose an accrual rate of 3.25% and one-half the yearly COLA, or an accrual rate of 3.8% (3.6% for service from July 2006 forward) and no COLA. The half and no COLA options have been eliminated for new policemen hired after July 1, 2006 and new firemen hired after January 1, 2007. Also, these new hires have a 2.65% accrual rate only. Employees may retire prior to age 55 and receive reduced retirement benefits. Class A employees have unreduced benefits after 25 years of service, regardless of age.

All eligible City Class B employees vest 20% after three years of creditable service, and 20% for each year thereafter until they are 100% vested after 7 years of creditable service. Class B participants who retire at or after age 65 are entitled to a retirement benefit, payable monthly for life, equal to 1.60% of AFC (at age 65) during the highest three non-overlapping twelve-month periods times creditable service at age 65 not in excess of 25 years plus 0.5% of AFC times creditable service at age 65 in excess of 25 years and a yearly COLA based on the CPI. Class B retirees could alternatively elect to choose an accrual rate of 1.9% for service up to June 30, 2006 and 1.8% thereafter and one half the yearly COLA, or an accrual rate of 2.2% for service up to June 30, 2006 and 2.0% thereafter and no COLA. The half and no COLA options have been eliminated for new hires after January 1, 2006 and they are only entitled to a 1.4% accrual rate. Employees may retire prior to age 65 and receive reduced retirement benefits. Creditable service or an actuarial increase is used after age 65. For Class B IBEW participants hired after October 30, 2012, the number of years used in the calculation of AFC was changed from three years to five. Also, the disability retirement was revised from 75% of pay to 66⅔% of pay.

The System also provides accidental and line of duty death benefits for Class A participants, and disability and survivor income benefits for both Class A and Class B participants. The benefits are changed by negotiation and by the Retirement Board with budgetary approval by the City Council.

C. *Contributions*

Participants contribute a set percentage of their gross regular compensation annually. Class A participants contribute 11.00% of earnable compensation for the first 35 years of creditable service, and none thereafter. Class B participants, who elected to continue to be eligible for early retirement benefits at 2% per year deduction between ages 55 and 65 contribute 7.00%. All Class B participants not covered by a collective bargaining agreement contribute 4.87% and all Class A employees not covered by a collective bargaining agreement contribute 13.37%.

The Board establishes employer contributions based on an actuarially determined contribution recommended by an independent actuary. The actuarially determined contribution is the estimated amount necessary to finance the costs of benefits earned by the System members during the year, with an additional amount to finance a portion of any unfunded accrued liability. The calculation of the actuarially determined contribution is governed by the applicable provisions of the Retirement Code.

D. *Net Pension Liability*

The components of the net pension liability as of June 30, 2024, measured as of June 30, 2023, are shown below:

Total pension liability	$ 347,249,879
System fiduciary net position	(223,654,239)
Net pension liability	$ 123,595,640
Plan fiduciary net position as a percentage of the net pension liability	64.41%

Target Allocations – The long-term expected rate of return on pension plan investments was selected from a best estimate range determined using the building block approach. Under this method, an expected future real return range (expected returns, net of pension plan investment expense and inflation) is calculated separately for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return net of investment expenses by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major class are summarized in the following table:

Asset Class	Target Asset Allocation	Long-term Expected Real rate of Return
Core Fixed Income	17.50%	5.00%
US Bonds - Dynamic	7.50%	5.60%
U.S. Large Cap Equity	32.00%	6.70%
U.S. Small Cap Equity	9.00%	6.50%
International Developed Equity	20.50%	8.89%
International Emerging Markets Equity	7.00%	10.80%
Private Equity	0.50%	9.70%
Real Estate	6.00%	7.40%

Discount Rate – The discount rate used to measure the total pension liability was 7.10%. The projection of cash flows used to determine the discount rate assumed that contributions would continue to be made in accordance with the current funding policy. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments to current System members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

<u>Sensitivity of the Net Pension Liability to Changes in the Discount Rate</u> – The following presents the System's net pension liability calculated using the discount rate of 7.10%, as well as what the System's net pension liability would be if it was calculated using a discount rate that is one percentage-point lower (6.10%) or one percentage-point higher (8.10%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Primary government	$ 148,162,719	$ 111,813,767	$ 81,493,224
Discretely presented component unit	15,465,543	11,781,873	8,686,634
Net Pension Liability	$ 163,628,262	$ 123,595,640	$ 90,179,858

E. Deferred Outflows and (Inflows) of Resources

For the year ended June 30, 2024, the City recognized pension expense of $18,900,623. In addition, the City reported deferred outflows of resources and deferred (inflows) of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Primary Government:		
Fiscal year 2024 deferred pension contributions	$ 10,717,107	$ -
Changes in proportional share of contributions	817,059	(819,744)
Difference between expected and actual pension experience	7,162,639	-
Changes in assumptions	2,944,986	-
Difference between projected and actual investment earnings	7,778,297	-
Total Primary Government	29,420,088	(819,744)
Discretely Presented Component Unit:		
Fiscal year 2024 deferred pension contributions	485,632	-
Changes in proportional share of contributions	60,822	(58,137)
Difference between expected and actual pension experience	754,731	-
Changes in assumptions	310,315	-
Difference between projected and actual investment earnings	819,603	-
Total Discretely Presented Component Unit	2,431,103	(58,137)
Total	$ 31,851,191	$ (877,881)

Deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized in pension expense in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred (inflows) of resources related to pension will be recognized in pension expense as follows:

		Deferred Outflows/ (Inflows) of Resources
Year ended June 30:		
2025	$	7,475,063
2026		3,669,788
2027		7,926,056
2028		(1,187,670)
Total Primary Government		17,883,237
Year ended June 30:		
2025		773,482
2026		403,822
2027		835,172
2028		(125,142)
Total Discretely Presented Component Unit		1,887,334
Total	$	19,770,571

F. *Rate of Return*

For the year ended June 30, 2024, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expenses, was 12.8%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

20. Retirement System (GASB 67)

The System follows the provision of GASB Statement No. 67, *Financial Reporting for Pension Plans*.

A. Actuarial Assumptions

The total actuarially determined contribution to the system for 2024 was $11,716,667. A summary of the actuarial assumptions as of the latest actuarial valuation is shown below:

Valuation Date	June 30, 2023
Actuarial cost method	Entry Age Normal Actuarial Cost Method (level percentage of salary)
Actuarial assumptions:	
Investment rate of return	7.10%
Inflation rate	2.70% (Prior: 2.60%)
Post-employment cost-of-living adjustment	3.10% per year (Prior: 3.00%)
Assumed annual rates of salary increases	3.60% - 11.00% (includes

Ongoing actuarial valuation of the System involves estimates of the reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The actuarial assumptions used in the June 30, 2023 valuation were based on the results of the most recent actuarial experience study covering the period July 1, 2018 to July 1, 2023.

Mortality rates were based on the RP-2014 Mortality Tables. This mortality assumption was selected based on the most recently published mortality study released by the Society of Actuaries.

Discount Rate – The discount rate used to measure the total pension liability was 7.1%. The projection of cash flows used to determine the discount rate assumed that contributions would continue to be made in accordance with the current funding policy. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments to current System members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Net Pension Liability – The components of the net pension liability, measured as of June 30, 2024, were as follows:

Total pension liability	$ 356,980,534
Plan fiduciary net position	(244,921,332)
Net pension liability	$ 112,059,202
Plan fiduciary net position as a percentage of the total pension liability	68.61%

21. Vermont State Teachers' Retirement System

A. Plan Description

All of the teachers employed by the Burlington School District, a component unit of the City, participate in the Vermont State Teachers' Retirement System (VSTRS), a cost-sharing multiple-employer defined benefit pension plan with a special funding situation, covering nearly all public day school and nonsectarian private Union teachers and administrators as well as teachers in schools and teacher training institutions within and supported by the State of Vermont that are controlled by the State Board of Education. Membership in the VSTRS for those covered classes is a condition of employment. During the year ended June 30, 2022 (the most recent period available), the retirement system consisted of 24,552 participating members.

The plan was established effective July 1, 1947, and is governed by *Title 16, V.S.A. Chapter 55*. Subsequent Vermont state legislation, *Act 74,* which became effective on July 1, 2010 and updated to reflect Act 114 and Act 173, effective on July 1, 2022 and contained numerous changes to the plan benefits available to current and future members, as well as a change in access to health care coverage after retirement, resulting from a multi-party agreement to provide sustainability of quality pension and retiree health benefits for Vermont teachers.

The general administration and responsibility for formulating administrative policy and procedures of the VSTRS for its members and their beneficiaries is vested in the Board of Trustees consisting of six members. They are the Secretary of Education (ex-officio), the State Treasurer (ex-officio), the Commissioner of Financial Regulation (ex-officio), two members and one alternate elected by active members of the System under rules adopted by the Board and one retired member and one alternate elected by the Board of Directors of Association of Retired Teachers of Vermont. The Chair is elected by the Board and acts as executive officer of the Board.

All assets are held in a single trust and are available to pay retirement benefits to all members. Benefits available to each group are based on average final compensation (AFC) and years of creditable service. The Vermont State Agency of Administration issues a publicly available Annual Comprehensive Financial Report (ACFR) that includes financial statements and required supplementary information for the

VSTRS. That report may be viewed on the State's Department of Finance & Management website at: http://finance.vermont.gov/reports_and_publications/ACFR.

B. *Benefits Provided*

The VSTRS provides retirement, and disability benefits, annual cost-of-living adjustments, health care and death benefits to plan members and beneficiaries. There are two levels of contributions and benefits in the System: Group A - for public school teachers employed within the State of Vermont prior to July 1, 1981 and elected to remain in Group A; and Group C - for public school teachers employed within the State of Vermont on or after July 1, 1990. Group C also includes those teachers hired prior to July 1, 1990 and were in Group B on July 1, 1990. When *Act 74* became effective on June 30, 2010, Group C was further bifurcated into Groups 1 and 2. Group 1 contains members who were at least 57 years of age or had at least 25 years of service, and Group 2 contains members who were less than 57 years of age and had less than 25 years of service.

Benefits available to each group are based on average final compensation (AFC) and years of creditable service, and the full chart is disclosed in the stand-alone BSD financial statements.

C. *Contributions*

VSTRS is a cost-sharing, public employee retirement system with one exception: all risks and costs are not shared by the School District but are the liability of the State of Vermont. VSTRS is funded through State and employee contributions and trust fund investment earnings; and the School District has no legal obligation for paying benefits. Required contributions to the System are made by the State of Vermont based on a valuation report prepared by the System's actuary, which varies by plan group. The Vermont State Teachers Retirement System estimates the contributions on behalf of the School District's employees included in the teacher's retirement plan, which approximates $10,163,059 or 25.54% of total payroll for employees covered under the plan.

Employee contribution rates by plan group follow:

VSTRS	Group A	Group C - Group 1	Group C - Group 2
Employee Contributions	5.5% of gross salary; contributions stop after 25 years of creditable service	5.0% of gross salary	Percentages are based on earnable compensation and range between 6.10% and 7.25%

Employee contributions totaled $2,730,645 during the year and were paid by the School District to the State of Vermont. The School District has no other liability under the plan. The School District's total payroll for all employees covered under this plan was $39,637,514 for the year ended June 30, 2024. Beginning in 2016, school districts that pay for teachers with federal dollars are required to include costs of pensions in the federal grant, lowering the liability for the State. Federally funded pension costs reimbursed to the State by the Supervisory Union for the fiscal year ending June 30, 2024 were $593,577. The Supervisory Union's total payroll for all federally funded employees covered under this plan was $2,315,046 for the year ended June 30, 2024.

D. *Pension Liabilities*

The State is a nonemployer contributor and is required by statute to make all actuarially determined employer contributions on behalf of member employers. Therefore, these employers are considered to be in a special funding situation as defined in GASB No. 68 and the State is treated as a nonemployer to VSTRS. Since the School District does not contribute directly to VSTRS, no net pension liability was recorded at June 30, 2024. The State's portion of the collective net pension liability that was associated with the School District was $88,909,736 as of June 30, 2024.

The State of Vermont's proportionate share of the net pension liability associated with the School District is equal to the collective net pension liability, actuarially measured as of June 30, 2023, multiplied by the School District's proportionate share percentage. The School District's proportionate share percentage was based on its reported salaries to the total reported salaries for all participating employers. At June 30, 2023, the School District's proportion was 4.754% which was a decrease of 0.057% from its proportion measured as of June 30, 2022.

E. *Pension Expense*

For the year ended June 30, 2024, the School District recognized total pension expense and revenue of $10,174,566 for support provided by the State of Vermont for the VSTRS plan.

F. *Significant Actuarial Assumptions and Methods*

The total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023 using the actuarial assumptions outlined below.

<u>Investment Rate of Return</u> – 7.00% net of pension plan investment expenses, including inflation.

<u>Inflation</u> – 2.30%.

<u>Salary Increases</u> – ranging from 3.19% to 8.50%.

<u>Deaths After Retirement</u> – PubT-2010 Teacher Employee Amount-Weighted Table with generational projection using scale MP-2021 for pre-retirement, PubT-2010 Teacher Healthy Retiree Amount-Weighted Table with generational projection using scale MP-2021 for healthy retirees, and the PubNS-2010 Non-Safety Disabled Retiree Amount-Weighted Table with generational projection using scale MP-2021 for disabled retirees.

Inactive Members - Valuation liability for the VSTRS plan equals 100% of accumulated contributions.

Unknown Data for Participants - For the VSTRS plan, it is the same as those exhibited by participants with similar known characteristics. If not specified, participants are assumed to be male.

Percent Married - 85% of male members and 35% of female members are assumed to be married.

Cost-of-Living Adjustments – Adjustments for the VSTRS plan are assumed to occur on January 1 following one year of retirement. For the VSTRS plan this occurs at the rate of 2.30% per annum for Group A members and 1.20% per annum for Group C members (beginning at age 62 for Group C members who elect reduced early retirement). The January 1, 2023 COLA is assumed to be 5.00% for Group A and 2.00% for Group C.

Actuarial Cost Method – Uses the Entry Age Actuarial Cost Method. Entry age is the age at date of employment, or, if date is unknown, current age minus years of service. Normal Cost and Accrued Actuarial Liability are calculated on an individual basis and are allocated by salary, with Normal Cost determined using the plan of benefits applicable to each participant.

For the VSTRS plan, the *asset valuation method* used equals the preliminary asset value plus 20% of the difference between the market and preliminary asset values. The preliminary asset value is equal to the previous year's asset value (for valuation purposes) adjusted for contributions less benefit payments and expenses and expected investment income. If necessary, a further adjustment is made to ensure that the valuation assets are within 20% of the market value.

The *long-term expected rate of return* on the VSTRS plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) developed for each major asset class. These best estimate ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic rates of return for each major asset class included in the target asset allocation as of June 30, 2023 are summarized in the following table:

Asset Class	Target Asset Allocation	Long-term Expected Real rate of Return
Global Equities	44.00%	5.35%
Private Equity	10.00%	7.50%
Emerging Markets Debt	2.00%	5.00%
Private and Alternative Credit	10.00%	5.50%
Non-Core Real Estate	4.00%	5.50%
Core Fixed Income	19.00%	1.50%
Core Real Estate	4.00%	3.25%
US TIPS	2.00%	1.50%
Infrastructure/Farmland	5.00%	4.25%

G. Discount Rate

The discount rate used to measure the total pension liability was 7.00% for the VSTRS plan. The projection of cash flows used to determine the discount rate assumed that contributions would continue to be made in accordance with the current funding policy which exceeds the actuarially determined contribution rate. Based on these assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments to current VSTRS members. The assumed discount rate has been determined in accordance with the method prescribed by GASB 68.

22. Other Post-Employment Benefits (OPEB)

GASB Statement No. 75*, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, replaces the requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. This statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. This statement identifies the methods and assumptions that are required to be used to project benefit payments, discounted projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. The City's post-employment benefit plan is a single-employer plan.

A. City OPEB Plan

All the following OPEB disclosures are based on a measurement date of June 30, 2024.

General Information about the OPEB Plan

Plan Description

The City provides post-employment healthcare benefits for retired employees through the City's plan. The OPEB plan is not administered through a trust that meets the criteria in paragraph 4 of GASB 75.

The City indirectly provides post-employment healthcare for retired employees through an implicit rate covered by current employees. Retirees of the City who participate in this single-employer plan pay 100% of the healthcare premiums to participate in the City's healthcare program. Since they are included in the same pool as active employees, the insurance rates are implicitly higher for current employees due to the age consideration. This increased rate is an implicit subsidy the City pays for the retirees.

In addition, the City allows certain retired employees to purchase health insurance through the City at the City's group rate. GASB 75 recognizes this as an implied subsidy and requires accrual of this liability.

Benefits Provided

The City provides medical, prescription drug, mental health/substance abuse, and life insurance to retirees and their covered dependents. All active employees who retire from the City and meet the eligibility criteria may receive these benefits.

Contributions

The employees contribute 6.24% of their compensation for fiscal year 2024.

Plan Membership

At July 1, 2023 (the last full valuation date), the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	484
Active plan members	666
Total	1,150

Actuarial Assumptions and Other Inputs

The total OPEB liability was determined by an actuarial valuation as of July 1, 2023, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.7% (prior 2.6%)
Rate of annual aggregate payroll growth	3.6% to 11.0%
Discount rate	3.93% (prior 3.65%)
Healthcare cost trend rates	7.0% in 2023, reducing by 0.2% each year to an ultimate rate of 4.7% per year rate for 2035 and later

Since the OPEB plan is not funded, the selection of the discount rate is consistent with the GASB 75 standard linking the discount rate to the 20- year AA municipal bond index for unfunded OPEB plans. The discount rate was based on the published Bond Buyer GO 20-Bond Municipal Index effective as of June 30, 2024.

Mortality rates were as follows:

- Class A: Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables for Public Safety Employees and Survivors, projected to the valuation date with Scale MP-2021, set forward two years.
- Class B: Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables for General Employees and Survivors, projected to the valuation date with Scale MP-2021, set forward two years.
- Disabled: Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables for Public Safety and General Disabled Employees, projected to the valuation date with Scale MP-2021.

The actuarial assumptions used in the valuation were based on the results of the experience study that was performed for the five-year period ending June 30, 2022.

Discount Rate

The discount rate used to measure the total OPEB liability was 3.65%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate.

Total OPEB Liability

The City's total OPEB liability was measured as of June 30, 2024 and was determined by an actuarial valuation as of July 1, 2021.

Changes in the Total OPEB Liability

The following summarizes the changes in the total OPEB liability for the past year.

	Total OPEB Liability
Balance as of June 30, 2023	$ 5,649,319
Changes for the year:	
Service cost	324,278
Interest	216,341
Differences between expected and actual experience	(1,010,975)
Changes in assumptions	(139,504)
Benefit payments	(93,706)
Net Changes	(703,566)
Balance as of June 30, 2024	$ 4,945,753

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability calculated using the discount rate of 3.93%, as well as what the total OPEB liability would be if it was calculated using a discount rate that is one percentage-point lower (2.93%) or one percentage-point higher (4.93%) than the current rate:

1% Decrease	Current Discount Rate	1% Increase
$ 5,604,786	$ 4,945,753	$ 4,392,898

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability, as well as what the total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the current healthcare cost trend rates:

1% Decrease	Healthcare Cost Trend Rates	1% Increase
$ 4,512,244	$ 4,945,753	$ 5,469,616

OPEB Expense and Deferred Outflows of Resources and Deferred (Inflows) of Resources Related to OPEB

For the year ended June 30, 2024, the City recognized an OPEB expense of $224,311. At June 30, 2024, the City reported deferred outflows and (inflows) of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Difference between expected and actual experience	$	$ (1,897,338)
Change in assumptions	396,439	(623,905)
Changes in proportional share of contributions	363,743	(363,743)
Total	$ 760,182	$ (2,884,986)

Amounts reported as deferred inflows and outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30:	
2025	$ (481,349)
2026	(560,403)
2027	(620,583)
2028	(239,795)
2029	(185,561)
Thereafter	(37,113)
Total	$ (2,124,804)

B. *Burlington School District OPEB Plan*

Plan Description

In addition to providing pension benefits, the City provides post-employment health-care insurance benefits for retired employees from the Burlington School District. The OPEB Plan is a single-employer defined benefit plan.

Benefits Provided

The City provides medical benefits in various options for both active employees and retirees. Each class of employees are eligible for explicit subsidies based on dates of enrollment and years of service. Spouses of retirees are able to remain on the applicable plan as long as the retiree is covered. Surviving spouses are allowed to continue coverage only as permitted by COBRA.

The City provides life insurance benefits to certain classes of employees. Office personnel retired on/before June 30, 2018 and AFSCME (bus, food, technology services, and maintenance) employees are eligible to obtain $10,000 in life insurance at normal, disability, or termination retirement with the premiums being paid by the School District.

Eligibility

All employees are eligible for disability retirement with 10 years of service. All employees are eligible to retire after termination with the District if at termination the employee is age 50 with 15 years of service. Retiree health benefits will commence at age 55 for these terminated employees. Retiree health benefits are only available to Teachers, Administrative Staff, and Paraeducators.

Teachers/Administrative Staff

Certified teachers and staff are eligible for retiree health care benefits until age 65 once they meet the District's retirement eligibility requirements:

1. Age 55 and 15 years of service
2. 30 years of service

Paraeducators

Paraeducators are eligible for retiree health care benefits until age 65 once they meet the District's retirement eligibility requirements, which is age 55 with 20 years of service.

Food, Maintenance, Bus, Technology Services

Food, maintenance, technology services, and bus personnel are eligible for subsidized life insurance once they meet the School District's retirement eligibility requirements, which are as follows:

1. Age 55
2. 25 years of service

These groups are only eligible for subsidized life insurance and are ineligible to continue health coverage with the District at retirement.

Employees Covered by Benefit Terms

At June 30, 2024, the following employees were covered by the benefit terms:

Retirees and spouses	43
Active plan members	493
Total	536

The active participants' number above may include active employees who currently have no health care coverage.

Total OPEB Liability, OPEB Expense and Deferred Outflows of Resources and Deferred (Inflows) of Resources Related to OPEB

The total OPEB liability was measured as of June 30, 2024 and was determined by an actuarial valuation as of that date.

For the year ended June 30, 2024, the District recognized OPEB expense of $472,611. At June 30, 2024, the District reported deferred outflows of resources and deferred (inflows) of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 926,773	$ 927,039
Change in assumptions	279,990	448,690
Total	$ 1,206,763	$ 1,375,729

Amounts reported as deferred outflows of resources and deferred (inflows) of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30:	
2025	$ (118,920)
2026	(14,672)
2027	(14,672)
2028	(14,669)
2029	(52,710)
Thereafter	46,677
Total	$ (168,966)

Discount Rate

The discount rate is the assumed interest rate used for converting projected dollar related values to a present value as of June 30, 2024. The discount rate determination is based on the yield for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). The rate of 4.21% per annum for June 30, 2024 was based upon a measurement date of June 30, 2024. The sensitivity of the total and net OPEB liability to changes in discount rate are as follows:

1% Decrease	Current Discount Rate	1% Increase
$ 4,008,626	$ 3,821,771	$ 3,636,595

Healthcare Trend

The healthcare trend is the assumed dollar increase in dollar-related values in the future due to the increase in the cost of health care. The healthcare cost trend rate is the rate of change in per capita health claim costs over time as a result of factors such as medical inflation, utilization of healthcare services, plan design and technological developments. The sensitivity of the total and net OPEB liability to changes in healthcare cost trend rates are as follows:

1% Decrease	Healthcare Cost Trend Rates	1% Increase
$ 3,485,224	$ 3,821,771	$ 4,208,431

Actuarial Methods, Inputs and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples included assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial liabilities for benefits.

The total OPEB liability for the Plan was determined as of June 30, 2024 based on an actuarial valuation date of June 30, 2024.

Inflation	2.30%
Rate of annual aggregate payroll growth	2.30%
Discount rate	4.21% (prior 4.13%)
Healthcare cost trend rates	8.00% in 2025, reducing by 0.5% each year to an ultimate rate of 4.5% per year rate for 2032 and later

Mortality:

Teachers and Admin employees and retirees: SOA Pub-2010 Teacher Headcount Weighted Mortality Table fully generational using Scale MP-2022

Non-Teacher Employees and retirees: SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2022

Disabled Retirees: SOA Pub-2010 Non-Safety Disabled Retiree Headcount Weighted Mortality Table fully generational using Scale MP-2022

Surviving Spouses: SOA Pub-2010 Continuing Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2022.

Salary Increase Rate

General wage inflation of 2.3% plus merit/productivity increases based on the assumptions used in the City of Burlington actuarial valuation as of June 30, 2023 for non-teachers and Vermont State Teachers Retirement System (VSTRS) OPEB actuarial valuation as of June 30, 2024 for teachers and administration.

The actuarial assumptions used in the valuation were based on the results of the periodic experience study.

23. Other Post Employment Benefit (OPEB) Plans – Burlington School District

Vermont State Teachers' Retirement System

A. Plan Description

The Vermont State Teachers' Retirement System provides postemployment benefits to eligible VSTRS employees who retire from VSTRS through a cost-sharing, multiple-employer postemployment benefit (OPEB) plan (the Plan).

The plan covers nearly all public day school and nonsectarian private high school teachers and administrators as well as teachers in schools and teacher training institutions within and supported by the State that are controlled by the State Board of Education. Membership in the system for those covered classes is a condition of employment. During the year ended June 30, 2022, the Plan consisted of 7,313 retired members or beneficiaries currently receiving benefits and 10,387 active members.

Vermont Statute Title 16 Chapter 55 assigns the authority to VSTRS to establish and amend the benefits provisions of the Plan and to establish maximum obligations of the Plan members to contribute to the Plan. Management of the Plan is vested in the Vermont State Teachers' Retirement System Board of Trustees, which consists of the Secretary of Education (ex-officio), the State Treasurer (ex-officio), the Commissioner of Financial Regulation (ex-officio), two trustees and one alternate who are members of the system (each elected by the system under rules adopted by the Board) and one trustee and one alternate who are retired members of the system receiving retirement benefits (who are elected by the Association of Retired Teachers of Vermont).

All assets of the Plan are held in a single trust and are available to pay OPEB benefits to all members. The Vermont State Agency of Administration issues a publicly available Annual Comprehensive Financial Report (ACFR) that includes financial statements and required supplementary information for the VSTRS. That report may be viewed on the State's Department of Finance & Management website at: http://finance.vermont.gov/reports_and_publications/ACFR.

B. *Benefits Provided*

VSTRS retirees and their spouses are eligible for medical, prescription drug, and dental benefits on a lifetime basis if the retiree is eligible for pension benefits.

C. *Contributions*

The contributions chart is disclosed in the stand-alone Burlington School District financial statements.

Premium Reduction Option: Participants retiring on or after January 1, 2007 with a VSTRS premium subsidy have a one-time option to reduce the VSTRS subsidy percentage during the retiree's life so that a surviving spouse may continue to receive the same VSTRS subsidy for the spouse's lifetime. If the retiree elects the joint and survivor pension option but not the Premium Reduction Option, spouses are covered for the spouse's lifetime but pay 100% of the plan premium after the retiree's death.

D. *OPEB Liabilities*

The State is a nonemployer contributor and is required by statute to make all actuarially determined employer contributions on behalf of member employers. Therefore, these employers are considered to be in a special funding situation as defined in GASB 75 and the State is treated as a nonemployer to VSTRS. Since the District does not contribute directly to VSTRS, no net OPEB liability was recorded at June 30, 2024. The State's portion of the collective net OPEB liability that was associated with the District was $31,721,505.

The State of Vermont's proportionate share of the net OPEB liability associated with the District is equal to the collective net OPEB liability, actuarially measured as of June 30, 2023, multiplied by the District's proportionate share percentage. The District's proportionate share percentage was based on its reported salaries to the total reported salaries for all participating employers. At June 30, 2023, the District's proportion was 4.069% which was a decrease of 0.046% from its proportion measured as of June 30, 2022.

E. OPEB Expense

For the year ended June 30, 2024, the District recognized total OPEB expense and revenue of $1,793,628 for support provided by the State of Vermont for the Plan.

F. Discount Rate

The discount rate is the single rate of return, that when applied to all projected benefit payments, results in an actuarial present value that is the sum of the actuarial present value of projected benefit payments projected to be funded by plan assets using a long-term rate of return, and the actuarial present value of projected benefit payments using a yield or index rate for 20-year tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

G. Healthcare Trend Rate

Health care trend measures the anticipated overall rate at which health plan costs are expected to increase in future years. The trend rate assumptions were developed using Segal's internal guidelines, which are established each year using data sources such as the 2023 Segal Health Trend Survey, internal client results, trends from other published surveys prepared by the S&P Dow Jones Indices, consulting firms and brokers, and CPI statistics published by the Bureau of Labor Statistics.

H. Actuarial Methods and Assumptions

The total OPEB liability for the Plan was determined by an actuarial valuation as of June 30, 2023, using the following methods and assumptions applied to all periods included in the measurement:

Actuarial Cost Method

The Entry Age Normal Actuarial Cost Method is used to determine costs. Under this funding method, a normal cost rate is determined as a level percent of pay for each active Plan member and then summed to produce the total normal cost for this Plan. The unfunded actuarial liability is the difference between the actuarial liability and the actuarial value of assets.

Amortization

The total OPEB liability of this Plan is amortized on an open 30-year period. The amortization method is a level dollar amortization method.

Asset Valuation Method

The Asset Valuation Method used equals the preliminary asset value plus 20% of the difference between the market and preliminary asset values. The preliminary asset value is equal to the previous year's asset value (for valuation purposes) adjusted for contributions less benefit payments and expenses and expected investment income. If necessary, a further adjustment is made to ensure that the valuation assets are within 20% of the market value.

The long-term expected rate of return on both plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) developed for each major asset class. These best estimate ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic rates of return for each major asset class included in the target asset allocation as of June 30, 2023 are summarized in the following table:

Asset Class	Target Asset Allocation	Long-term Expected Real rate of Return
Global Equities	43.00%	5.35%
US Aggregate Fixed Income	19.00%	1.50%
Emerging Markets Debt (Hard)	4.00%	5.00%
TIPS	3.00%	1.50%
Private Credit	10.00%	5.50%
Real Estate	11.00%	3.25%
Private Equity	10.00%	7.50%

Assumptions

The actuarial assumptions used to calculate the actuarially determined contribution rates can be found in the Report on the Actuarial Valuation of Post- Retirement Benefits of the Vermont State Teachers' Retirement System Prepared as of June 30, 2016 completed by Buck Consulting. As of June 30, 2023, they are as follows:

Discount Rate	7.00%
Salary Increase Rate	Varies by age

Non-Medicare	7.39% graded to 4.50% over 12 years
Medicare	6.90% graded to 4.50% over 12 years
Retiree Contributions	Equal to health trend
Pre-retirement Mortality	PubT-2010 Teacher Employee Headcount-Weighted Table with generational projection using Scale MP-2021.
Post-retirement Mortality	Retirees: PubT-2010 Teacher Healthy Headcount-Weighted Table Spouses: 109 % of the Pub-2010 Contingent Survivor Headcount-Weighted Table, both Retiree RP- Retirees and Spouses with generational projection using Scale MP-2021.

I. Changes in Net OPEB Liability

Changes in net OPEB liability are recognized in OPEB expense for the year ended June 30, 2023 with the following exceptions:

Changes in Assumptions

Differences due to changes in assumptions about future economic, demographic or claim and expense factors or other inputs are recognized in OPEB expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. The amortization period was twenty-five years as of July 1, 2023.

24. Defined Contribution Plans

The City offers its employees a Defined Contribution Plan (DCP) in accordance with Internal Revenue Code Section 457(b) through the International City/County Management Association's (ICMA) Retirement Corporation and Nationwide Retirement Solutions, which is also supplemented with the Post Employment Health Plan (PEHP) for its police and fire employees. The DCP permits full-time employees to defer a portion of their salary until future years. Deferred compensation is not available to employees until termination, retirement, or death. The PEHP permits contributions to offset medical expenses upon separation from service or retirement. The City has no liability for losses under these plans, but does have the duty of due care that would be required of an ordinary prudent investor for safeguarding purposes only. The investments are self-directed by employees.

25. Commitments and Contingencies

A. Airport

Grants

Amounts received or receivable from grantor agencies, including possible grant assurance violations, are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Fund expects such amounts, if any, to be immaterial.

Construction Commitments

The Airport has a number of ongoing Airport Improvement Program (AIP) projects for construction and land acquisition as well as several Passenger Facility Charges (PFC) projects for terminal improvements that are funded from restricted assets. AIP projects include taxiway reconstruction, storm-water treatment projects, building demolition related to previously acquired property and land acquisition. The PFC projects include energy projects, cargo apron reconstruction, escalator and baggage carousel projects and related work.

B. Electric Department Commitments and Contingencies

The Electric Department receives output from generation of the McNeil Generating Station, the Burlington Gas Turbine, the Winooski One hydro facility, the Airport Solar array, and the Pine Street Solar array. Except for the McNeil Generating Station (for which the Electric Department is the operator and 50% owner), the Electric Department owns 100% of the remaining resources and is also responsible for their operation.

In addition to energy provided by its owned generation, the Electric Department purchases a portion of its electricity requirements pursuant to long-term (greater than one year in duration) contracts. During the fiscal year ended June 30, 2024, long-term sources of purchased power included:

- New York Power Authority (NYPA) power from hydro stations on the Niagara and St. Lawrence rivers under contracts through September 1, 2025 (Niagara) and through April 30, 2032 (St. Lawrence).
- Under the Vermont Wind contract, BED receives 16 MW (40%) of Vermont Wind's wind farm in northeast Vermont (Sheffield) through October 18, 2026. BED's 16 MW entitlement is expected to provide approximately 9% of BED's annual energy requirements.
- BED purchases energy from the Georgia Mountain Community Wind (GMCW) project with commercial operation on December 31, 2012. Pursuant to a 25-year contract, BED receives 10MW (100%) entitlement from Georgia

Mountain's wind farm in Milton/Georgia, Vermont. GMCW is expected to produce energy sufficient to meet approximately 8% of BED's annual energy needs.

- Deliveries pursuant to a ten-year contract with Hancock began in December 2016. Under the contract, BED will receive 13.5 MW (26.5%) of Hancock's wind farm. It is expected to produce energy sufficient to meet approximately 11% of BED's annual energy needs.
- Prior to 2017, BED has received energy from long-term purchases from a number of small in-state resources under a state mandated feed-in tariff program (called Standard Offer Resources). Effective January 1, 2017, BED was exempted from purchasing energy from these high-priced resources (in recognition of its 100% renewable energy purchases). BED expects this exemption to continue through at least December 31, 2025.
- The Burlington City Council, the Vermont Public Service Board, and the voters of Burlington have approved a 23-year energy-only contract with Hydro-Quebec. The contract was executed and deliveries began (for BED) in November 2015. Under the contract, BED will receive 5 MW of contract energy for the period November 1, 2015 to October 31, 2020 and a second (additional) 4 MW of contract energy for the period November 1, 2020 to October 31, 2038. BED's entitlement is expected to provide approximately 16% of BED's annual energy requirements at the 9 MW level.
- In 2013, BED entered a long-term power agreement to purchase the output of a proposed 2.5 MW solar generating facility to be located in Burlington (South Forty Solar). This facility came online in January of 2018 and provides the Department with VT Class 2 RECs as well as energy and reduced capacity and transmission requirements.
- In addition to South Forty Solar, BED purchased the output from 7 small in-city solar projects under long-term agreements that amount to 414kW.
- In 2017, BED signed a two-year contract with Great River Hydro with deliveries beginning January 1, 2019. In 2019, this contract was extended for five additional years from 2021 through 2024. The Department receives 7.5 MW during 16 peak hours of each day, along with the attributed RECs (that qualify as VT Class I). This contract is sources from one or more hydro facilities in the State of Vermont.
- In 2024, BED signed an 18-month contract with FirstLight for 25% of the output of the Shepaug Dam.

Energy and Capacity Payments under these long-term power supply contracts were $14,482,063 for the year ended June 30, 2024. Budgeted commitments under these long-term contracts and long-term contracts approved and executed for future delivery periods total approximately $55,893,245 for the 5-year period from July 1, 2024 to June 30, 2028.

Fiscal Year	Budgeted Commitment
2025	$ 14,671,356
2026	13,831,582
2027	10,117,550
2028	8,572,660
2029	8,700,097
Total	$ 55,893,245

The remainder of BED's energy requirement (if any) is satisfied through short-term purchases including:

- Short-term purchases from a number of market counterparties, if necessary.
- Net exchange of energy through the Independent System Operator New England power markets.

The costs of power purchased under these contracts are accounted for as purchase power expenses in the statements of revenues, expenses, and changes in net position. The percentages of the Department's total energy requirements were provided as follows:

	2024
McNeil Generating Station and Gas Turbine	28%
Winooski One	12%
New York Power Authority	5%
Wind Production	25%
Hydro-Quebec	16%
Great River Hydro	13%
In-City Solar	1%
Total	100%

Note the percentages are relative to the Department's total sources rather than a percentage of requirements, and the Department sells RECs associated with much of the above generation and the above table should not be considered a representation of BED's renewability. In fiscal year 2024, the sources of energy shown above exceed BED's annual energy requirement.

C. Other Funds' Commitments and Contingencies

Grant Programs

The City participates in a number of federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The audits of these programs for, or including, the year ended June 30, 2024 have not yet been conducted. Accordingly, the City's compliance with grant application requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

D. General Commitments and Contingencies

The City has several claims for which the insurance carriers have issued a reservation of rights. The City is not able to assess the likelihood or the amount, if any, of an unfavorable outcome on these cases at this time.

Insurance Reserves

Starting fiscal year 2016, the City has a large-deductible workers' compensation plan with Travelers Indemnity Company and maintains a fund in its budget to cover claims as they occur up to the insurance limit. Prior to fiscal year 2016, the City was self-insured for workers' compensation. Hickok & Boardman, the City's insurance agent, provides the City with data estimating reserve development of prior year claims. The City's claim reserve estimates are not created by an external actuary but are heavily based in actuarial concepts. Travelers Indemnity Company acts as the third-party administrator to process, pay, and administer the claims after which they bill the City for reimbursement. The City has an irrevocable standby letter of credit with the Travelers Indemnity Company as beneficiary in the amount of $1,800,000 to secure the payment of claims.

The City is self-insured for health insurance. This plan is administered by a third-party administrator that is responsible for approval, processing and payment of claims, after which they bill the City for reimbursement. The City has reinsurance for individual claims in excess of $130,000 and for aggregate stop loss of 125% of projected claims.

The City also self-insures for dental insurance. This plan is administered by a third-party administrator that is responsible for approval, processing and payment of claims, after which they bill the City for reimbursement. Each covered employee is guaranteed $1,500 of paid claims per year after which the employee must pick up any excess costs.

The costs associated with these self-insurance plans are budgeted in the General Fund and allocated to other funds based on the following:

Type	Allocation Method
Workers' Compensation	50% Experience and 50% Exposure
Health	Number of Employees and Levels of Coverage
Dental	Actual Claims and Administration Fees Paid

At June 30, 2024, the City has recorded an estimated liability of $1,215,871 and $15,982 in the Internal Service Funds, which represents the short-term payable for health and dental claims, respectively, as of June 30, 2024.

Settled claims resulting from insured risks have not exceeded coverage in the past three fiscal years.

The City has elected to pay actual unemployment claims instead of enrolling in an unemployment insurance program. No liabilities have been accrued as the City is not able to make an estimate as to any future costs.

26. Subsequent Events

Management has evaluated subsequent events through February 10, 2025, which is the date the Annual Comprehensive Financial Report was available to be issued.

On November 1, 2024, the City issued $35,500,000 General Obligation Bond Public Improvement Bonds, Series 2024A maturing November 1, 2044 with an interest rate of 5%.

27. New Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) has issued GASB Statement No. 101, *Compensated Absences*, and No. 102, *Certain Risk Disclosures,* effective for the City beginning with its fiscal year ending June 30, 2025. Management is currently evaluating the impact of implementing these statements.

The GASB has issued GASB Statement No. 103, *Financial Reporting Model Improvements*, and No. 104, *Disclosure of Certain Capital Assets*, effective for the City beginning with its fiscal year ending June 30, 2026. Management is currently evaluating the impact of implementing these statements.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF BURLINGTON, VERMONT

GENERAL FUND
STATEMENT OF REVENUES AND OTHER SOURCES,
AND EXPENDITURES AND OTHER USES - BUDGET AND ACTUAL
REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited)
FOR THE YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Adjusted	
	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget
Revenues and other sources:				
Taxes and special assessments	$ 44,044,417	$ 44,044,417	$ 43,667,981	$ (376,436)
Local option sales tax	3,200,000	3,210,000	3,076,346	(133,654)
Payments in lieu of taxes	1,699,319	1,724,319	1,771,890	47,571
Licenses and permits	4,281,000	4,281,000	3,830,266	(450,734)
Intergovernmental	3,131,775	4,215,546	3,049,035	(1,166,511)
Charges for services	19,356,613	19,519,233	19,514,567	(4,666)
Investment income (loss)	975,000	975,000	1,081,778	106,778
Contributions and donations	905,750	1,053,081	916,202	(136,879)
Loan repayments	4,000	4,000	30,652	26,652
Other revenues	1,394,761	599,078	302,132	(296,946)
Transfers in	4,396,126	4,744,246	4,199,887	(544,359)
Bond premium	300,000	300,000	974,599	674,599
Use of fund balance	4,809,424	6,389,772	-	(6,389,772)
Total Revenues and Other Sources	88,498,185	91,059,692	82,415,335	(8,644,357)
Expenditures and other uses:				
Nondepartmental	3,687,252	3,759,191	3,849,317	(90,126)
City council	273,443	303,443	190,891	112,552
Regional services and programs	2,866,822	2,893,072	2,861,068	32,004
Mayor	548,097	548,097	612,639	(64,542)
Clerk treasurer	3,438,282	3,425,756	3,197,583	228,173
City attorney	1,473,816	1,123,816	1,127,431	(3,615)
Planning and zoning	805,277	1,039,835	886,480	153,355
City assessor	542,342	492,342	419,760	72,582
Human resources	1,529,268	1,529,268	1,495,648	33,620
REIB	1,699,318	1,499,318	1,086,407	412,911
Department of business and workforce development	1,623,628	1,698,628	1,148,055	550,573
Information technology	1,986,566	1,986,406	1,937,928	48,478
Fire	15,568,120	15,745,091	15,820,404	(75,313)
Police	18,698,378	18,698,378	17,702,930	995,448
Code enforcement	2,272,996	2,272,264	2,160,618	111,646
Public works	5,604,144	5,603,844	4,912,516	691,328
Library	2,721,499	2,794,156	2,729,962	64,194
Parks and recreation	10,077,940	10,374,176	9,980,456	393,720
Burlington city arts	3,199,382	3,508,352	3,417,316	91,036
Community and economic development	1,360,196	1,360,196	1,120,371	239,825
Capital outlay	209,657	209,657	107,422	102,235
Debt service	8,306,155	8,305,331	8,396,465	(91,134)
Transfers	142,542	1,881,168	2,902,162	(1,020,994)
Total Expenditures and Other Uses	88,635,120	91,051,785	88,063,829	2,987,956
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	$ (136,935)	$ 7,907	$ (5,648,494)	$ (5,656,401)

See Independent Auditors' Report.

CITY OF BURLINGTON, VERMONT
PENSION LIABILITY

SCHEDULE OF PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY (GASB 68)

REQUIRED SUPPLEMENTARY INFORMATION

(Unaudited)

Burlington Employees' Retirement System (BERS)

Measurement Date	Proportion of the Net Pension Liability	Proportionate Share of the Net Pension Liability	Covered Payroll	Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position Percentage of the Total Pension Liability
June 30, 2023	100.00%	$123,595,640	$58,652,458	210.73%	64.41%
June 30, 2022	100.00%	$116,393,214	$51,361,810	226.61%	64.28%
June 30, 2021	100.00%	$61,843,988	$51,634,214	119.77%	80.10%
June 30, 2020	100.00%	$98,583,037	$50,694,990	194.46%	66.37%
June 30, 2019	100.00%	$83,437,732	$50,482,389	165.28%	70.00%
June 30, 2018	100.00%	$75,685,982	$49,012,028	154.42%	71.41%
June 30, 2017	100.00%	$87,310,528	$54,282,231	160.85%	66.77%
June 30, 2016	100.00%	$89,153,906	$48,107,717	185.32%	63.75%
June 30, 2015	100.00%	$68,164,434	$44,765,172	152.27%	70.35%
June 30, 2014	100.00%	$53,829,773	$45,788,172	117.56%	75.31%

Vermont State Teachers' Retirement System (VSTRS)

Measurement Date	Proportion of the Net Pension Liability	Proportionate Share of the Net Pension Liability	State of Vermont's Total Proportionate Share of the Net Pension Liability Associated with School District	Covered Payroll	Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position Percentage of the Total Pension Liability
June 30, 2023	4.75%	-	$88,909,736	$37,487,467	-	57,48%
June 30, 2022	4.70%	-	$90,587,205	$35,307,041	-	54.81%
June 30, 2021	4.71%	-	$79,841,269	$37,335,924	-	58.83%
June 30, 2020	4.61%	-	$89,906,447	$32,780,844	-	50.00%
June 30, 2019	4.59%	-	$71,563,284	$31,498,868	-	54.96%
June 30, 2018	4.49%	-	$67,882,065	$30,377,299	-	51.84%
June 30, 2017	4.55%	-	$67,400,147	$30,079,258	-	53.98%
June 30, 2016	4.66%	-	$60,991,444	$30,171,373	-	55.31%
June 30, 2015	4.80%	-	$56,961,562	$26,774,383	-	58.22%
June 30, 2014	4.94%	-	$47,328,006	$27,991,613	-	64.02%

See notes to financial statements for summary of actuarial methods and assumptions.

See Independent Auditors' Report.

CITY OF BURLINGTON, VERMONT
EMPLOYEES' RETIREMENT SYSTEM

SCHEDULE OF PENSION CONTRIBUTIONS (GASB 68)

REQUIRED SUPPLEMENTARY INFORMATION

(Unaudited)

Fiscal Year	Actuarially Determined Employer Contribution	Contributions in Relation to the Actuarially Determined Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
June 30, 2024	$ 11,716,667	$ 11,716,667	$ -	$ 60,470,653	19.38%
June 30, 2023	$ 11,254,693	$ 11,254,693	$ -	$ 52,902,664	21.27%
June 30, 2022	$ 10,821,716	$ 10,821,716	$ -	$ 53,183,240	20.35%
June 30, 2021	$ 10,236,862	$ 10,236,862	$ -	$ 52,121,603	19.64%
June 30, 2020	$ 9,715,893	$ 9,715,893	$ -	$ 50,694,990	19.17%
June 30, 2019	$ 9,516,913	$ 9,516,913	$ -	$ 50,482,389	18.85%
June 30, 2018	$ 9,172,822	$ 9,172,822	$ -	$ 49,012,028	18.72%
June 30, 2017	$ 9,219,098	$ 9,219,098	$ -	$ 45,650,372	20.20%
June 30, 2016	$ 9,149,159	$ 9,149,159	$ -	$ 48,107,717	19.02%
June 30, 2015	$ 8,840,768	$ 8,840,768	$ -	$ 44,765,172	19.75%

See notes to financial statements for summary of significant actuarial methods and assumptions.

See Independent Auditors' Report.

CITY OF BURLINGTON, VERMONT
PENSION LIABILITY

SCHEDULE OF CHANGES IN THE
EMPLOYERS' NET PENSION LIABILITY (GASB 67)

REQUIRED SUPPLEMENTARY INFORMATION

(Unaudited)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service cost	$ 6,748,529	$ 6,979,586	$ 6,876,288	$ 6,708,721	$ 6,513,321	$ 6,374,840	$ 6,670,325	$ 5,939,730	$ 5,327,448	$ 5,915,439
Interest	23,410,682	22,719,464	22,138,395	21,120,066	20,412,921	19,718,409	19,961,295	19,571,180	18,268,523	17,419,148
Changes of benefit terms	-	71,175	-	3,851,405	-	-	(138,534)	-	(414,295)	(3,167,853)
Differences between expected and actual experience	11,886,458	2,923,768	427,899	3,263,952	1,826,152	-	(1,453,843)	(4,272,574)	6,852,487	4,312,195
Changes of assumptions	3,184,849	3,446,511	3,731,943	2,243,904	2,153,694	-	(7,508,856)	10,370,856	-	-
Benefit payments, including refunds of member contributions	(22,082,080)	(21,384,228)	(20,614,115)	(18,411,850)	(17,338,220)	(16,617,928)	(15,616,191)	(14,770,644)	(13,971,175)	(12,602,652)
Net change in total pension liability	23,148,438	14,756,276	12,560,410	18,776,198	13,567,868	9,475,321	1,914,196	16,838,548	16,062,988	11,876,277
Total pension liability - beginning	333,832,096	319,075,820	306,515,410	287,739,212	274,171,344	264,696,023	262,781,827	245,943,279	229,880,291	218,004,014
Total pension liability - ending (a)	356,980,534	333,832,096	319,075,820	306,515,410	287,739,212	274,171,344	264,696,023	262,781,827	245,943,279	229,880,291
Plan Fiduciary Net Position										
Contributions - employer	11,716,667	11,254,693	10,821,716	10,236,862	9,715,892	9,543,529	9,172,822	9,219,098	9,149,159	8,840,768
Contributions - member	3,992,236	4,075,840	3,957,281	3,522,346	3,458,775	3,604,228	3,624,939	2,712,823	2,304,971	2,167,652
Net investment income (loss)	28,289,170	21,190,350	(32,688,208)	59,811,879	4,500,108	9,561,727	16,762,760	21,882,460	(2,088,531)	(557,357)
Benefit payments, including refunds of member contributions	(22,082,080)	(21,384,228)	(20,615,115)	(18,411,850)	(17,338,220)	(16,617,928)	(15,616,191)	(14,770,644)	(13,971,175)	(12,602,652)
Administrative expense	(648,900)	(722,335)	(935,694)	(762,205)	(411,925)	(338,039)	(385,309)	(361,811)	(320,908)	(306,795)
Other	-	(184,882)	(50,100)	(50,100)	(50,100)	(50,100)	(20,278)	-	-	-
Net change in plan fiduciary net position	21,267,093	14,229,438	(39,510,120)	54,346,932	(125,470)	5,703,417	13,538,743	18,681,926	(4,926,484)	(2,458,384)
Plan fiduciary net position - beginning	223,654,239	209,424,801	248,934,921	194,587,989	194,713,459	189,010,042	175,471,299	156,789,373	161,715,857	164,174,241
Plan fiduciary net position - ending (b)	244,921,332	223,654,239	209,424,801	248,934,921	194,587,989	194,713,459	189,010,042	175,471,299	156,789,373	161,715,857
Net pension liability - ending (a-b)	$ 112,059,202	$ 110,177,857	$ 109,651,019	$ 57,580,489	$ 93,151,223	$ 79,457,885	$ 75,685,981	$ 87,310,528	$ 89,153,906	$ 68,164,434

Schedule of Investment Returns										
Annual money weighted rate of return, net of investment expense	12.80%	10.30%	-13.20%	31.10%	5.25%	5.20%	9.80%	10.25%	-1.30%	-0.15%

See notes to financial statements for summary of significant actuarial methods and assumptions.

See Independent Auditors' Report.

CITY OF BURLINGTON, VERMONT
REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Schedules of Changes in the Total OPEB Liability and Contributions (GASB 75)

(Unaudited)

Changes in Total OPEB Liability

	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability							
Service cost	$ 324,278	$ 316,282	$ 446,755	$ 422,580	$ 239,652	$ 213,616	$ 216,056
Interest	216,341	204,025	160,062	155,461	191,430	200,377	179,050
Differences between expected and actual experience	(1,010,975)	(249,066)	(1,243,743)	(324,780)	(463,076)	(227,919)	163,021
Changes of assumptions	(139,504)	(76,338)	(912,019)	45,326	1,524,927	207,752	(162,358)
Benefit payments, including refunds of member contributions	(93,716)	14,450	50,602	55,496	(243,673)	(45,401)	(385,708)
Net change in total OPEB liability	(703,576)	209,353	(1,498,343)	354,083	1,249,260	348,425	10,061
Total OPEB liability - beginning	5,649,329	5,439,976	6,938,319	6,584,236	5,334,976	4,986,551	4,976,490
Total OPEB liability - ending	$ 4,945,753	$ 5,649,329	$ 5,439,976	$ 6,938,319	$ 6,584,236	$ 5,334,976	$ 4,986,551
Covered employee payroll	$ 47,768,573	$ 41,430,355	$ 41,430,355	$ 42,461,912	$ 41,385,879	$ 40,224,487	$ 39,205,153
Total OPEB liability as a percentage of covered employee payroll	10.35%	13.64%	13.13%	16.34%	15.91%	13.26%	12.72%

There are no assets accumulated in a trust that meets the criteria of GASB codification P52.101 to pay related benefits for the OPEB plan.

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See notes to the City's financial statements for summary of significant actuarial methods and assumptions.

See Independent Auditors' Report.

CITY OF BURLINGTON, VERMONT
BURLINGTON SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Schedules of Changes in the Total OPEB Liability and Contributions (GASB 75)

(Unaudited)

Changes in Total OPEB Liability

	2024	2023	2022	2021	2020	2019
Total OPEB liability						
Service cost	$ 561,228	$ 480,686	$ 627,827	$ 564,340	$ 352,070	$ 315,649
Interest	345,586	275,954	156,245	165,143	217,893	213,029
Changes of benefit terms	(4,002,323)	-	-	-	-	-
Differences between expected and actual experience	(887,665)	1,152,040	(245,161)	125,483	(77,737)	112,870
Changes of assumptions	222,360	(18,248)	(549,939)	178,792	(547,751)	164,085
Benefit payments	(443,277)	(259,271)	(200,786)	(141,645)	(170,085)	(108,152)
Net change in total OPEB liability	(4,204,091)	1,631,161	(211,814)	892,113	(225,610)	697,481
Total OPEB liability - beginning	8,025,862	6,394,701	6,606,515	5,714,402	5,940,012	5,242,531
Total OPEB liability - ending	$ 3,821,771	$ 8,025,862	$ 6,394,701	$ 6,606,515	$ 5,714,402	$ 5,940,012
Covered employee payroll	$ 39,176,740	$ 39,759,711	$ 37,376,385	$ 37,609,262	$ 38,782,212	$ 33,983,834
Total OPEB liability as a percentage of covered employee payroll	9.8%	20.2%	17.1%	17.6%	14.7%	17.5%

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 to pay related benefits for the OPEB plan.

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See notes to the City's financial statements for summary of significant actuarial methods and assumptions.

See Independent Auditors' Report.

SUPPLEMENTARY STATEMENTS
AND SCHEDULES

Combining Financial Statements

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are established to account for resources obtained and expended for specific purposes and restricted by law or local action.

- Traffic: The Traffic Division provides planning, engineering, operations, and maintenance of the traffic signs, markings, and signals that allow the transportation system to operate safely and efficiently for all modes of travel.

- Parking Facilities: The Parking Facilities fund is used to account for the Marketplace parking garage, College Street garage, and various public parking spaces.

- Community and Economic Development: The Community and Economic Development Office (CEDO) works with the community to foster economic vitality, preserve and enhance neighborhoods, improve the quality of life and the environment, and promote equity and opportunity for all residents of Burlington.

- Church Street Marketplace: Church Street Marketplace manages the public right of way for a four-block pedestrian mall and business improvement district. This includes maintenance, marketing and administrative services.

- ARPA: The ARPA fund is used to account for activities reimbursed through federal grants under the ARPA program.

- Impact Fees: Impact fees are assessed against new development to help offset the costs of new infrastructure required by the City's growth. These funds are restricted for the use of capital improvement projects.

- Community Development Corporation (BCDC): The organization's primary purpose is to carry out the industrial and economic development within the City. As such, the purposes of the Corporation include fostering, encouraging and assisting the physical location of business enterprises in the Greater Burlington area and otherwise fulfilling the purposes of a "local development corporation."

- Telecom Sales Proceeds: The fund is used for holding proceeds of the sale for future City programs.

PERMANENT FUNDS

Permanent funds are established to account for certain assets held by the City in a fiduciary capacity as trustee.

- Cemetery: This fund is used to account for the sale of endowments and interest for maintenance of cemetery.

- Gift fund: This fund is used to account for a bequest by Horatio G. Loomis in 1902 and interest to be used by the Fletcher Free Library; a bequest from L. Deming in 1972 for use by the parks department for the removal and planting of trees; a bequest of M. Waddell in 1988 to be used for planting flowers in public flower beds; and contributions by the Norman Knight Charitable Foundation to assist the police department with DARE Program.

DEBT SERVICE FUNDS

Debt service funds are established to account for tax increment revenues covering debt service expenditures for districts established under 24 V.S.A.

- Tax Increment Financing - Waterfront: The Waterfront TIF Fund is utilized for enhancing public infrastructure and making the waterfront area more accessible and vibrant.

- Tax Increment Financing - Downtown: The Downtown TIF Fund is utilized for enhancing public infrastructure in the Downtown District, including structured parking, utility upgrades and renovations, and streetscape improvements.

CITY OF BURLINGTON, VERMONT

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2024

	Special Revenue Funds				
	Traffic	Parking Facilities	Community and Economic Development	Church Street Marketplace	ARPA
ASSETS					
Cash and short-term investments	$ 277,545	$ 24,756	$ 2,857,778	$ 777,315	$ 5,774,718
Investments	-	-	-	-	-
Receivables, net of allowance:					
Departmental and other	-	-	-	208,917	-
Intergovernmental	-	-	1,294,302	-	-
Loans	-	-	3,789,361	-	-
Accrued interest	-	-	1,487,761	-	-
Prepaid expenditures	78	78	1,806	-	-
Inventory	460,954	-	-	-	-
Total Assets	$ 738,577	$ 24,834	$ 9,431,008	$ 986,232	$ 5,774,718
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	$ 115,580	$ 42,015	$ 247,556	$ 23,142	$ 373,135
Accrued liabilities	12,646	12,730	42,869	9,027	2,360
Unearned revenue	-	-	14,781	142,866	5,399,349
Notes payable	-	2,500,000	-	-	-
Due to other funds	-	-	-	-	-
Other liabilities	-	-	-	-	-
Total Liabilities	128,226	2,554,745	305,206	175,035	5,774,844
Deferred Inflows of Resources:					
Unavailable revenues	110	-	6,133,223	-	-
Fund Balances:					
Nonspendable	461,032	78	1,806	-	-
Restricted	-	-	2,990,773	811,197	-
Committed	149,209	-	-	-	-
Unassigned	-	(2,529,989)	-	-	(126)
Total Fund Balances	610,241	(2,529,911)	2,992,579	811,197	(126)
Total Liabilities. Deferred Inflows of Resources and Fund Balances	$ 738,577	$ 24,834	$ 9,431,008	$ 986,232	$ 5,774,718

(continued)

CITY OF BURLINGTON, VERMONT

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2024

(continued)

	Special Revenue Funds			
	Impact Fees	Community Development Corporation	Telecom Sales Proceeds	Subtotals
ASSETS				
Cash and short-term investments	$ 730,882	$ (2)	$ 110,242	$ 10,553,234
Investments	-	-	-	-
Receivables, net of allowance:				
Departmental and other	-	-	-	208,917
Intergovernmental	-	-	-	1,294,302
Loans	-	554,653	-	4,344,014
Accrued interest	-	-	-	1,487,761
Prepaid expenditures	-	-	-	1,962
Inventory	-	-	-	460,954
Total Assets	$ 730,882	$ 554,651	$ 110,242	$ 18,351,144
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	$ -	$ -	$ -	$ 801,428
Accrued liabilities	-	-	-	79,632
Unearned revenue	-	-	-	5,556,996
Notes payable	-	-	-	2,500,000
Due to other funds	-	1,125,947	-	1,125,947
Other liabilities	692	-	-	692
Total Liabilities	692	1,125,947	-	10,064,695
Deferred Inflows of Resources:				
Unavailable revenues	-	554,652	-	6,687,985
Fund Balances:				
Nonspendable	-	-	-	462,916
Restricted	730,190	-	-	4,532,160
Committed	-	-	110,242	259,451
Unassigned	-	(1,125,948)	-	(3,656,063)
Total Fund Balances	730,190	(1,125,948)	110,242	1,598,464
Total Liabilities. Deferred Inflows of Resources and Fund Balances	$ 730,882	$ 554,651	$ 110,242	$ 18,351,144

(continued)

CITY OF BURLINGTON, VERMONT

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2024

(continued)

	Permanent Funds			Debt Service Funds			
	Cemetery	Gift Fund	Subtotals	TIF Waterfront	TIF Downtown	Subtotals	Nonmajor Governmental Funds
ASSETS							
Cash and short-term investments	$ 55,393	$ 38,640	$ 94,033	$ 2,634,595	$ 3,580,567	$ 6,215,162	$ 16,862,429
Investments	1,197,953	-	1,197,953	-	-	-	1,197,953
Receivables, net of allowance:							
Departmental and other	-	-	-	-	-	-	208,917
Intergovernmental	-	-	-	-	-	-	1,294,302
Loans	-	-	-	-	-	-	4,344,014
Accrued interest	-	-	-	-	-	-	1,487,761
Prepaid expenditures	-	-	-	-	-	-	1,962
Inventory	-	-	-	-	-	-	460,954
Total Assets	$ 1,253,346	$ 38,640	$ 1,291,986	$ 2,634,595	$ 3,580,567	$ 6,215,162	$ 25,858,292
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
Liabilities:							
Accounts payable	$ -	$ -	$ -	$ 4,215	$ 7,602	$ 11,817	$ 813,245
Accrued liabilities	-	-	-	-	-	-	79,632
Unearned revenue	-	-	-	-	-	-	5,556,996
Notes payable	-	-	-	-	-	-	2,500,000
Due to other funds	-	-	-	-	-	-	1,125,947
Other liabilities	-	-	-	-	-	-	692
Total Liabilities	-	-	-	4,215	7,602	11,817	10,076,512
Deferred Inflows of Resources:							
Unavailable revenues	-	-	-	-	-	-	6,687,985
Fund Balances:							
Nonspendable	1,253,346	13,708	1,267,054	-	-	-	1,729,970
Restricted	-	24,932	24,932	2,630,380	3,572,965	6,203,345	10,760,437
Committed	-	-	-	-	-	-	259,451
Unassigned	-	-	-	-	-	-	(3,656,063)
Total Fund Balances	1,253,346	38,640	1,291,986	2,630,380	3,572,965	6,203,345	9,093,795
Total Liabilities. Deferred Inflows of Resources and Fund Balances	$ 1,253,346	$ 38,640	$ 1,291,986	$ 2,634,595	$ 3,580,567	$ 6,215,162	$ 25,858,292

See Independent Auditors' Report.

CITY OF BURLINGTON, VERMONT

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

For the Year Ended June 30, 2024

	Special Revenue Funds				
	Traffic	Parking Facilities	Community and Economic Development	Church Street Marketplace	ARPA
Revenues:					
Taxes	$ -	$ 102,992	$ 1,195,084	$ -	$ -
Licenses and permits	-	-	-	146,632	-
Intergovernmental	-	-	5,947,441	-	1,817,132
Charges for services	2,083,170	2,401,384	46,011	714,869	-
Contributions	-	-	97,800	152,048	-
Investment income (loss)	(9,747)	-	72,828	2,638	-
Loan repayments	-	-	162,273	-	-
Other	861	2,883	685,401	1,260	-
Total Revenues	2,074,284	2,507,259	8,206,838	1,017,447	1,817,132
Expenditures:					
Current:					
General government	-	-	-	-	1,412,841
Public works	1,978,164	2,240,350	-	-	-
Community development	-	-	6,557,867	1,340,193	-
Capital outlay	41,296	-	-	4,500	394,160
Debt service:					
Principal	-	66,917	15,631	-	-
Interest and bond issue costs	1,323	95,947	-	-	-
Total Expenditures	2,020,783	2,403,214	6,573,498	1,344,693	1,807,001
Excess (deficiency) of revenues over (under) expenditures	53,501	104,045	1,633,340	(327,246)	10,131
Other Financing Sources (Uses):					
Issuance of bonds	-	-	-	-	-
Transfers in	-	-	165,126	78,579	-
Transfers out	-	(64,400)	-	-	-
Total Other Financing Sources (Uses)	-	(64,400)	165,126	78,579	-
Net change in fund balances	53,501	39,645	1,798,466	(248,667)	10,131
Fund Balances, beginning of year	556,740	(2,569,556)	1,194,113	1,059,864	(10,257)
Fund Balances, end of year	$ 610,241	$ (2,529,911)	$ 2,992,579	$ 811,197	$ (126)

(continued)

CITY OF BURLINGTON, VERMONT

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

Nonmajor Governmental Funds

For the Year Ended June 30, 2024

(continued)

	Special Revenue Funds			
	Impact Fees	Community Development Corporation	Telecom Sale Proceeds	Subtotals
Revenues:				
Taxes	$ -	$ -	$ -	$ 1,298,076
Licenses and permits	-	-	-	146,632
Intergovernmental	-	-	-	7,764,573
Charges for services	218,459	364,000	-	5,827,893
Contributions	-	-	-	249,848
Investment income (loss)	2,074	-	-	67,793
Loan repayments	-	-	-	162,273
Other	-	115,989	-	806,394
Total Revenues	220,533	479,989	-	16,323,482
Expenditures:				
Current:				
General government	-	-	568,139	1,980,980
Public works	-	-	-	4,218,514
Community development	-	59,290	-	7,957,350
Capital outlay	-	-	-	439,956
Debt service:				
Principal	-	182,667	-	265,215
Interest and bond issue costs	-	34,340	-	131,610
Total Expenditures	-	276,297	568,139	14,993,625
Excess (deficiency) of revenues over (under) expenditures	220,533	203,692	(568,139)	1,329,857
Other Financing Sources (Uses):				
Issuance of bonds	-	-	-	-
Transfers in	-	-	-	243,705
Transfers out	(265,259)	-	-	(329,659)
Total Other Financing Sources (Uses)	(265,259)	-	-	(85,954)
Net change in fund balances	(44,726)	203,692	(568,139)	1,243,903
Fund Balances, beginning of year	774,916	(1,329,640)	678,381	354,561
Fund Balances, end of year	$ 730,190	$ (1,125,948)	$ 110,242	$ 1,598,464

(continued)

CITY OF BURLINGTON, VERMONT

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

Nonmajor Governmental Funds

For the Year Ended June 30, 2024

(continued)

	Permanent Funds			Debt Service Funds			
	Cemetery	Gift Fund	Subtotals	TIF Waterfront	TIF Downtown	Subtotals	Nonmajor Governmental Funds
Revenues:							
Taxes	$ -	$ -	$ -	$ 2,467,277	$ 2,239,686	$ 4,706,963	$ 6,005,039
Licenses and permits	-	-	-	-	-	-	146,632
Intergovernmental	-	-	-	-	-	-	7,764,573
Charges for services	-	-	-	-	-	-	5,827,893
Contributions	-	-	-	-	260,000	260,000	509,848
Investment income (loss)	61,874	98	61,972	-	-	-	129,765
Loan repayments	-	-	-	-	-	-	162,273
Other	5,146	-	5,146	-	-	-	811,540
Total Revenues	67,020	98	67,118	2,467,277	2,499,686	4,966,963	21,357,563
Expenditures:							
Current:							
General government	-	-	-	160,027	281,217	441,244	2,422,224
Public works	-	-	-	-	-	-	4,218,514
Community development	-	-	-	-	-	-	7,957,350
Capital outlay	-	-	-	-	-	-	439,956
Debt service:						-	
Principal	-	-	-	1,851,636	1,915,000	3,766,636	4,031,851
Interest and bond issue costs	-	-	-	920,765	1,656,250	2,577,015	2,708,625
Total Expenditures	-	-	-	2,932,428	3,852,467	6,784,895	21,778,520
Excess (deficiency) of revenues over (under) expenditures	67,020	98	67,118	(465,151)	(1,352,781)	(1,817,932)	(420,957)
Other Financing Sources (Uses):							
Issuance of bonds	-	-	-	-	-	-	-
Transfers in	-	-	-	46,457	-	46,457	290,162
Transfers out	(21,443)	-	(21,443)	(15,949)	(42,636)	(58,585)	(409,687)
Total Other Financing Sources (Uses)	(21,443)	-	(21,443)	30,508	(42,636)	(12,128)	(119,525)
Net change in fund balances	45,577	98	45,675	(434,643)	(1,395,417)	(1,830,060)	(540,482)
Fund Balances, beginning of year	1,207,769	38,542	1,246,311	3,065,023	4,968,382	8,033,405	9,634,277
Fund Balances, end of year	$ 1,253,346	$ 38,640	$ 1,291,986	$ 2,630,380	$ 3,572,965	$ 6,203,345	$ 9,093,795

See Independent Auditors' Report.

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NONMAJOR PROPRIETARY (ENTERPRISE) FUNDS

Enterprise funds are established to account for activities that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the activity be self-supporting based on user charges.

- Water: Delivery of potable water to residents of Burlington and wholesale to the Colchester Fire District.

- Stormwater: Stormwater addresses state and federal stormwater requirements to improve the water quality of Lake Champlain and the Winooski Rivers, as well as the streams that flow into them.

CITY OF BURLINGTON, VERMONT

Nonmajor Proprietary Funds

Combining Statement of Net Position

June 30, 2024

	Water	Stormwater	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Assets:			
Current:			
Cash and cash equivalents	$ 5,562,627	$ 2,363,964	$ 7,926,591
Escrows	-	-	-
Receivables, net of allowance for uncollectibles:			
User fees	1,889,294	399,126	2,288,420
Intergovernmental	824,886	1,070,001	1,894,887
Inventory	464,416	-	464,416
Prepaid expenses	3,712	-	3,712
Total current assets	8,744,935	3,833,091	12,578,026
Noncurrent:			
Restricted cash	995,653	-	995,653
Capital assets:			
Land and construction in progress	2,768,710	2,293,189	5,061,899
Capital assets, net of accumulated depreciation	16,434,195	3,988,491	20,422,686
Total noncurrent assets	20,198,558	6,281,680	26,480,238
TOTAL ASSETS	28,943,493	10,114,771	39,058,264
Deferred Outflows of Resources:			
Pension related	496,920	-	496,920
OPEB related	68,361	-	68,361
TOTAL DEFERRED OUTFLOWS OF RESOURCES	565,281	-	565,281
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 29,508,774	$ 10,114,771	$ 39,623,545

(continued)

CITY OF BURLINGTON, VERMONT

Nonmajor Proprietary Funds

Combining Statement of Net Position

June 30, 2024

(continued)

	Water	Stormwater	Total
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION			
Liabilities:			
Current:			
Accounts payable	$ 922,830	$ 459,580	$ 1,382,410
Accrued liabilities	60,119	7,247	67,366
Note payable	1,729,769	2,797,719	4,527,488
Other liabilities	71,674	-	71,674
Current portion of long-term liabilities:			
Bonds and loans payable	344,447	23,585	368,032
Equipment notes payable	174,214	3,361	177,575
Compensated absences liability	193,388	-	193,388
Total current liabilities	3,496,441	3,291,492	6,787,933
Noncurrent:			
Bonds and loans payable	6,248,582	206,480	6,455,062
Equipment notes payable	434,418	21,065	455,483
Net pension liability	1,649,820	-	1,649,820
Total OPEB liability	141,038	-	141,038
Total noncurrent liabilities	8,473,858	227,545	8,701,403
TOTAL LIABILITIES	11,970,299	3,519,037	15,489,336
Deferred Inflows of Resources:			
Pension related	70,728	-	70,728
OPEB related	71,898	-	71,898
TOTAL DEFERRED INFLOWS OF RESOURCES	142,626	-	142,626
NET POSITION			
Net investment in capital assets	10,271,475	3,229,470	13,500,945
Restricted for:			
Debt service/renewal and replacements	995,653	-	995,653
Unrestricted	6,128,721	3,366,264	9,494,985
TOTAL NET POSITION	17,395,849	6,595,734	23,991,583
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	$ 29,508,774	$ 10,114,771	$ 39,623,545

See Independent Auditors' Report.

CITY OF BURLINGTON, VERMONT

Nonmajor Proprietary Funds

Combining Statement of Revenues, Expenses and Changes in Net Position

For the Year Ended June 30, 2024

	Water	Stormwater	Total
Operating Revenues:			
Charges for services	$ 8,030,133	$ 2,060,709	$ 10,090,842
Miscellaneous	878,067	-	878,067
Total Operating Revenues	8,908,200	2,060,709	10,968,909
Operating Expenses:			
Personnel	3,895,457	106,463	4,001,920
Nonpersonnel	2,999,740	1,171,941	4,171,681
Depreciation	928,130	189,286	1,117,416
Total Operating Expenses	7,823,327	1,467,690	9,291,017
Operating Income	1,084,873	593,019	1,677,892
Nonoperating Revenues (Expenses):			
Investment income	51,756	-	51,756
Interest expense	(307,704)	(5,119)	(312,823)
Other income	48,022	11,040	59,062
Gain on disposal of capital assets	216	-	216
Total Nonoperating Revenues (Expenses), net	(207,710)	5,921	(201,789)
Income Before Transfers	877,163	598,940	1,476,103
Transfers out	(423,060)	(33,577)	(456,637)
Change in Net Position	454,103	565,363	1,019,466
Net Position at Beginning of Year, as restated	16,941,746	6,030,371	22,972,117
Net Position at End of Year	$ 17,395,849	$ 6,595,734	$ 23,991,583

See Independent Auditor's Report.

CITY OF BURLINGTON, VERMONT

Nonmajor Proprietary Funds

Combining Statement of Cash Flows

For the Year Ended June 30, 2024

	Water	Stormwater	Total
Cash Flows From Operating Activities:			
Receipts from customers and users	$ 8,786,294	$ 2,012,584	$ 10,798,878
Payments to suppliers	(2,735,516)	(893,320)	(3,628,836)
Payments for wages and benefits	(3,748,711)	(106,463)	(3,855,174)
Other receipts	2,164	11,040	13,204
Net Cash Provided by Operating Activities	2,304,231	1,023,841	3,328,072
Cash Flows From Noncapital Financing Activities:			
Payment in lieu of taxes	(423,060)	(33,577)	(456,637)
Net Cash Proved by (Used for) Noncapital Financing Activities	(423,060)	(33,577)	(456,637)
Cash Flows From Capital and Related Financing Activities:			
Acquisition and construction of capital assets	(2,194,398)	(999,412)	(3,193,810)
Intergovernmental revenues	-	-	-
Drawdown on notes and loans	1,098,097	1,105,172	2,203,269
Release of escrow	60,000	-	60,000
Principal paid on:			
Bonds and loans	(288,129)	(25,982)	(314,111)
Notes	(152,618)	-	(152,618)
Interest paid on outstanding debt, including issue costs	(307,704)	(5,119)	(312,823)
Net Cash Used for Capital and Related Financing Activities	(1,784,752)	74,659	(1,710,093)
Cash Flows From Investing Activities:			
Sale of investments	21,268	-	21,268
Investment income	30,488	-	30,488
Net Cash Provided by Investing Activities	51,756	-	51,756
Net Decrease in Cash	148,175	1,064,923	1,213,098
Cash and short term investments at beginning of year	6,410,105	1,299,041	7,709,146
Cash and short term investments at end of year	$ 6,558,280	$ 2,363,964	$ 8,922,244

(continued)

Nonmajor Proprietary Funds

Combining Statement of Cash Flows

For the Year Ended June 30, 2024

(continued)

	Water	Stormwater	Total
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:			
Operating income	$ 1,084,873	$ 593,019	$ 1,677,892
Depreciation and amortization	928,130	189,286	1,117,416
Other receipts	2,164	11,040	13,204
Changes in assets, liabilities, and deferred outflows/inflows:			
(Increase)/decrease in receivables	(98,772)	(47,881)	(146,653)
(Increase)/decrease in inventory	15,961	-	15,961
(Increase)/decrease in prepaids	1,540	-	1,540
(Increase)/decrease in deferred outflows	86,505	-	86,505
Increase/(decrease) in accounts payable	246,723	278,621	525,344
Increase/(decrease) in accrued liabilities	14,101	(244)	13,857
Increase/(decrease) in net pension liability	(36,738)	-	(36,738)
Increase/(decrease) in total OPEB liability	3,664	-	3,664
Increase/(decrease) in compensated absences	(9,572)	-	(9,572)
Increase/(decrease) in other operating assets/liabilities	(23,134)	-	(23,134)
Increase/(decrease) in deferred inflows	88,786	-	88,786
Net Cash Provided by Operating Activities	$ 2,304,231	$ 1,023,841	$ 3,328,072

See Independent Auditors' Report.

INTERNAL SERVICE FUNDS

Internal service funds are established to account for activities that provide goods and services to other departments, agencies, or funds of the government on a cost-reimbursement basis. These funds enhance financial transparency and cost tracking by allocating expenses directly to the benefiting departments.

- Health Self Insurance Fund: The fund tracks revenues from premiums paid by departments and expenses related to claims and administrative costs for the City's self-insured health plan.

- Liability Insurance & Workers Compensation Fund: The liability insurance fund is the City's self-insurance fund for property, casualty and liability insurance. The workers' compensation fund accounts for claims, reserves, and funding for workers' compensation costs incurred by City departments. From fiscal year 2016, the City was no longer self-insured for workers' compensation, but the fund carries run out liabilities from old claims.

CITY OF BURLINGTON, VERMONT

Internal Service Funds

Combining Statement of Net Position

June 30, 2024

	Health Self Insurance Fund	Liability Insurance & Workers Comp Fund	Total
ASSETS			
Current:			
Cash and cash equivalents	$ 48,533	$ 635,053	$ 683,586
Receivables, net of allowance for uncollectibles:			
Departmental and other	-	49,862	49,862
Other current assets	-	38,826	38,826
TOTAL ASSETS	$ 48,533	$ 723,741	$ 772,274
LIABILITIES AND NET POSITION			
Liabilities:			
Current:			
Accounts payable	$ 7,299	$ 108,807	$ 116,106
Accrued liabilities	-	1,533	1,533
Insurance reserve	1,231,853	-	1,231,853
TOTAL LIABILITIES	1,239,152	110,340	1,349,492
NET POSITION			
Unrestricted (Deficit)	(1,190,619)	613,401	(577,218)
TOTAL NET POSITION	(1,190,619)	613,401	(577,218)
TOTAL LIABILITIES AND NET POSITION	$ 48,533	$ 723,741	$ 772,274

See Independent Auditors' Report.

CITY OF BURLINGTON, VERMONT

Internal Service Funds

Combining Statement of Revenues, Expenses and Changes in Net Position

For the Year Ended June 30, 2024

	Health Self Insurance Fund	Liability Insurance & Workers Comp Fund	Total
Operating Revenues:			
Contributions	$ 15,021,507	$ 4,594,645	$ 19,616,152
Total Operating Revenues	15,021,507	4,594,645	19,616,152
Operating Expenses:			
Personnel	16,212,126	4,731,244	20,943,370
Total Operating Expenses	16,212,126	4,731,244	20,943,370
Operating Income	(1,190,619)	(136,599)	(1,327,218)
Transfers in	-	750,000	750,000
Change in Net Position	(1,190,619)	613,401	(577,218)
Net Position at Beginning of Year	-	-	-
Net Position at End of Year	$ (1,190,619)	$ 613,401	$ (577,218)

See Independent Auditors' Report.

CITY OF BURLINGTON, VERMONT

Internal Service Funds

Combining Statement of Cash Flows

For the Year Ended June 30, 2024

	Health Self Insurance Fund	Liability Insurance & Workers Comp Fund	Total
Cash Flows From Operating Activities:			
Receipts from City and employees	$ 15,021,507	$ 4,594,645	$ 19,616,152
Payments for claims and benefits	(16,048,757)	(4,709,592)	(20,758,349)
Net Cash Used by Operating Activities	(1,027,250)	(114,947)	(1,142,197)
Cash Flows From Noncapital Financing Activities:			
Transfers in	-	750,000	750,000
Net Cash Proved by Noncapital Financing Activities	-	750,000	750,000
Cash and short term investments at beginning of year	1,075,783	-	1,075,783
Cash and short term investments at end of year	$ 48,533	$ 635,053	$ 683,586
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:			
Operating loss	$ (1,190,619)	$ (136,599)	$ (1,327,218)
Changes in assets and liabilities:			
Increase/(decrease) in accounts payable	3,078	20,119	23,197
Increase/(decrease) in accrued liabilities	-	1,533	1,533
Increase/(decrease) in insurance reserve	160,291	-	160,291
Net Cash Used by Operating Activities	$ (1,027,250)	$ (114,947)	$ (1,142,197)

See Independent Auditors' Report.

STATISTICAL SECTION

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CITY OF BURLINGTON, VERMONT

STATISTICAL SECTION

The City of Burlington's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

CITY OF BURLINGTON, VERMONT
NET POSITION BY COMPONENT
LAST TEN YEARS
(accrual basis of accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Governmental Activities										
Net Investment in Capital Assets	$ 145,242,022	$ 123,312,160	$ 115,249,799	$ 109,918,281	$ 96,007,615	$ 97,957,996	$ 93,012,142	$ 98,441,690	$ 92,236,468	$ 82,986,888
Restricted	17,351,322	16,423,030	16,414,291	17,617,345	16,942,282	15,219,592	14,323,497	13,086,695	17,725,332	16,799,937
Unrestricted	(44,580,758)	(29,437,679)	(30,173,312)	(39,224,471)	(20,057,332)	(17,670,970)	(21,948,854)	(22,193,434)	(21,734,316)	(25,449,498)
Total Governmental Activities Net Position	118,012,586	110,297,511	101,490,778	88,311,155	92,892,565	95,506,618	85,386,785	89,334,951	88,227,484	74,337,327
Business-type Activities										
Net Investment in Capital Assets	255,612,177	253,158,235	246,059,659	228,051,299	211,158,128	206,504,803	203,832,616	188,464,010	179,096,254	172,629,734
Restricted	30,130,739	28,930,562	23,802,616	23,609,161	26,048,179	25,574,212	25,304,795	22,670,943	20,812,890	19,319,510
Unrestricted	53,519,460	44,353,262	41,002,710	28,656,273	25,842,140	25,272,176	27,453,407	29,639,505	27,982,661	22,266,988
Total Business-type Activities Net Position	339,262,376	326,442,059	310,864,985	280,316,733	263,048,447	257,351,191	256,590,818	240,774,458	227,891,805	214,216,232
Primary Government										
Net Investment in Capital Assets	400,854,199	376,470,395	361,309,458	337,969,580	307,165,743	304,462,799	296,844,758	286,905,700	271,332,722	255,616,622
Restricted	47,482,061	45,353,592	40,216,907	41,226,506	42,990,461	40,793,804	39,628,292	35,757,638	38,538,222	36,119,447
Unrestricted	8,938,702	14,915,583	10,829,398	(10,568,198)	5,784,808	7,601,206	5,504,553	7,446,071	6,248,345	(3,182,510)
Total Primary Government Net Position	$ 457,274,962	$ 436,739,570	$ 412,355,763	$ 368,627,888	$ 355,941,012	$ 352,857,809	$ 341,977,603	$ 330,109,409	$ 316,119,289	$ 288,553,559

CITY OF BURLINGTON, VERMONT
CHANGES IN NET POSITION
LAST TEN YEARS
(accrual basis of accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Expenses										
Governmental Activities:										
General Government	$ 23,073,628	$ 23,731,535	$ 19,066,613	$ 15,818,581	$ 13,761,909	$ 14,432,574	$ 11,768,830	$ 12,334,976	$ 11,353,565	$ 12,393,196
Public Safety	42,105,128	37,656,972	30,400,813	34,671,835	34,539,638	30,902,537	31,141,584	29,094,586	23,500,758	24,915,179
Public Works	21,600,547	28,548,328	16,544,970	16,422,312	15,614,059	18,170,065	20,307,873	16,128,749	15,484,410	17,038,012
Culture and Recreation	18,566,442	16,761,796	14,225,917	12,626,487	13,222,555	13,288,900	12,469,970	14,185,639	10,066,735	10,736,031
Community Development	9,387,538	9,185,772	6,791,401	6,052,053	5,790,513	4,841,160	4,138,818	4,942,418	4,895,091	4,931,161
Interest and related costs	5,249,050	4,837,555	3,060,076	3,369,155	3,186,711	3,452,278	3,031,328	2,147,709	1,782,295	1,581,846
Total Governmental Activities	119,982,333	120,721,958	90,089,790	88,960,423	86,115,385	85,087,514	82,858,403	78,834,077	67,082,854	71,595,425
Business-type Activities:										
Electric	67,262,610	64,555,032	59,858,694	58,937,546	61,751,695	65,188,585	63,111,205	63,449,764	63,912,747	62,408,788
Airport	30,913,977	26,113,474	25,084,353	22,106,092	23,077,643	23,490,832	21,861,382	20,368,534	19,753,724	20,288,983
Wastewater	10,232,376	7,262,698	6,893,650	6,403,096	-	-	-	-	-	-
Water	8,131,031	7,453,905	7,261,932	6,507,175	-	-	-	-	-	-
Stormwater	1,472,809	1,412,923	1,292,727	1,180,141	-	-	-	-	-	-
Nonmajor	-	-	-	-	16,145,046	22,087,293	22,752,348	22,126,474	20,803,532	19,931,149
Total Business-Type Activities	118,012,803	106,798,032	100,391,356	95,134,050	100,974,384	110,766,710	107,724,935	105,944,772	104,470,003	102,628,920
Total Expenses	237,995,136	227,519,990	190,481,146	184,094,473	187,089,769	195,854,224	190,583,338	184,778,849	171,552,857	174,224,345
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	5,681,331	5,344,012	5,248,259	5,374,748	5,413,493	5,783,844	4,470,554	5,204,079	5,043,853	5,289,088
Public Safety	7,153,269	7,406,852	6,495,660	6,034,683	7,875,882	6,364,052	5,899,089	5,737,200	6,997,158	5,587,200
Public Works	7,150,059	6,918,325	6,037,290	4,939,896	5,062,264	8,373,019	8,830,665	8,448,998	8,898,625	7,475,742
Culture and Recreation	5,494,110	16,761,796	4,309,440	2,824,720	3,745,290	4,650,473	4,485,817	4,068,846	4,277,482	4,074,232
Community Development	1,323,772	1,393,603	1,250,517	995,855	491,935	313,478	393,178	315,042	221,533	714,715
Operating Grants and Contributions	13,139,594	13,157,710	17,738,576	7,251,577	3,840,247	4,989,785	4,305,455	4,110,352	4,515,575	5,922,165
Capital Grants and Contributions	20,893,831	17,494,823	4,485,286	2,323,823	2,850,272	2,792,967	2,191,005	3,232,947	4,688,216	3,112,726
Total Governmental Activities	60,835,966	68,477,121	45,565,028	29,745,302	29,279,383	33,267,618	30,575,763	31,117,464	34,642,442	32,175,868
Business-type Activities:										
Charges for Services										
Electric	63,783,197	62,816,612	59,470,618	56,027,448	55,586,746	57,562,557	58,240,571	60,223,551	62,505,682	62,622,315
Airport	25,396,680	25,003,141	21,202,306	10,956,151	18,031,121	21,906,295	21,122,992	18,589,325	18,470,124	19,030,728
Wastewater	9,467,114	9,102,060	8,458,113	7,997,538	-	-	-	-	-	-
Water	8,908,200	8,464,522	7,817,029	7,460,606	-	-	-	-	-	-
Stormwater	2,060,709	1,808,078	1,736,917	1,654,802	-	-	-	-	-	-
Nonmajor	-	-	-	-	16,829,429	23,553,092	25,199,526	24,582,213	24,151,054	21,464,113
Operating Grants and Contributions	140,008	160,600	160,600	7,829,276	2,422,651	325,454	172,648	218,384	205,387	-
Capital Grants and Contributions	14,434,783	9,665,648	25,505,966	19,532,185	8,747,918	10,483,527	15,034,601	11,025,482	9,118,954	7,431,502
Total Business-type Activities	124,190,691	117,020,661	124,351,549	111,458,006	101,617,865	113,830,925	119,770,338	114,638,955	114,451,201	110,548,658
Total Program Revenues	185,026,657	185,497,782	169,916,577	141,203,308	130,897,248	147,098,543	150,346,101	145,756,419	149,093,643	142,724,526
Net (Expense)/Revenue										
Governmental Activities	(59,146,367)	(52,244,837)	(44,524,762)	(59,215,121)	(56,836,002)	(51,819,896)	(52,282,640)	(47,716,613)	(32,440,412)	(39,419,557)
Business-type Activities	6,177,888	10,222,629	23,960,193	16,323,956	643,481	3,064,215	12,045,403	8,694,183	9,981,198	7,919,738
Total Net Expense	$ (52,968,479)	$ (42,022,208)	$ (20,564,569)	$ (42,891,165)	$ (56,192,521)	$ (48,755,681)	$ (40,237,237)	$ (39,022,430)	$ (22,459,214)	$ (31,499,819)

CITY OF BURLINGTON, VERMONT
CHANGES IN NET POSITION (continued)
LAST TEN YEARS
(accrual basis of accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015 [1]
General Revenues										
Governmental Activities:										
Property Taxes	$ 44,511,419	$ 52,738,186	$ 42,719,251	$ 39,532,493	$ 37,873,006	$ 35,648,435	$ 33,898,685	$ 33,253,448	$ 31,409,270	$ 33,054,429
Gross Receipts Taxes	5,396,710	5,111,609	4,205,988	2,232,616	3,127,599	4,295,784	4,256,325	4,034,408	3,906,652	3,665,158
Local Option Sales Tax	3,076,346	3,031,484	2,878,650	2,472,926	2,500,822	2,519,691	2,537,181	2,329,007	2,239,937	2,179,587
Payments in Lieu of Taxes	1,771,890	1,695,326	1,517,590	1,356,734	5,749,014	5,726,314	5,466,512	5,248,985	5,079,036	2,395,762
Franchise Fees	2,484,593	2,505,165	2,076,281	2,076,347	2,075,759	2,137,957	2,142,580	2,161,617	2,376,990	2,128,227
Impact Fees	218,459	145,935	13,993	122,294	604,445	507,907	456,837	346,411	138,723	349,714
Interest and Penalties on Delinquent Taxes	725,941	575,384	497,304	611,103	431,415	498,980	400,071	303,370	339,034	356,550
Unrestricted Investment Earnings	3,352,615	1,657,351	(607,119)	391,205	911,468	723,079	334,817	249,012	193,991	100,725
Other Revenues	2,136,121	2,263,797	631,995	1,337,814	924,174	1,934,224	1,138,937	1,698,196	642,968	1,175,521
Additions to permanent funds	-	-	-	-	2,072	16,822	153	3,846	3,968	67,115
Special items	-	-	-	-	-	-	-	(2,154,349)	-	-
Transfers	3,187,348	3,055,346	3,770,452	4,500,179	22,175	7,930,536	-	-	-	28,921
Total Governmental Activities	66,861,442	72,779,583	57,704,385	54,633,711	54,221,949	61,939,729	50,632,098	47,473,951	46,330,569	45,501,709
Business-type Activities:										
Nonoperating grants	1,959,207	2,881,288	5,179,514	125,331	989,780	1,095,955	-	-	-	-
Unrestricted investment earnings (loss)	1,967,927	934,346	(133,927)	118,861	444,119	536,989	233,657	158,415	184,630	127,214
Dividends from associated companies	4,532,992	4,399,511	4,335,722	4,326,608	4,268,944	4,282,667	4,147,819	3,516,718	3,236,147	3,128,753
Other revenues	1,369,651	194,646	492,649	1,053,709	168,958	1,444,855	109,565	513,337	273,598	429,794
Special items	-	-	-	-	(795,851)	(606,888)	-	-	-	-
Transfers	(3,187,348)	(3,055,346)	(3,770,452)	(4,500,179)	(22,175)	(7,930,536)	-	-	-	(28,921)
Total Business-type Activities	6,642,429	5,354,445	6,103,506	1,124,330	5,053,775	(1,176,958)	4,491,041	4,188,470	3,694,375	3,656,840
Total Primary Government	73,503,871	78,134,028	63,807,891	55,758,041	59,275,724	60,762,771	55,123,139	51,662,421	50,024,944	49,158,549
Change in Net Position										
Governmental Activities	7,715,075	20,534,746	13,179,623	(4,581,410)	(2,614,053)	10,119,833	(1,650,542)	(242,662)	13,890,157	6,082,152
Business-type Activities	12,820,317	15,577,074	30,063,699	17,448,286	5,697,256	1,887,257	16,536,444	12,882,653	13,675,573	11,576,578
Total Change in Net Position	$ 20,535,392	$ 36,111,820	$ 43,243,322	$ 12,866,876	$ 3,083,203	$ 12,007,090	$ 14,885,902	$ 12,639,991	$ 27,565,730	$ 17,658,730

[1] School District was reclassified to Discretely Presented Component Unit due to change in legal entity structure.

CITY OF BURLINGTON, VERMONT
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN YEARS
(modified accrual basis of accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
All Governmental Funds										
Nonspendable	$ 2,247,087	$ 2,290,633	$ 2,926,219	$ 3,180,888	$ 2,759,993	$ 3,024,595	$ 2,387,669	$ 3,037,839	$ 3,856,421	$ 3,486,412
Restricted	53,227,980	66,362,405	21,271,175	25,293,971	36,941,442	33,756,452	29,439,449	18,528,173	10,330,002	9,525,627
Committed	992,253	1,603,795	2,026,118	2,120,363	5,070,945	4,370,914	5,796,567	5,559,637	5,915,503	4,133,553
Assigned	3,518,554	7,799,673	8,914,744	7,268,980	11,000,463	10,182,818	6,564,153	3,619,252	-	-
Unassigned	2,502,558	(6,005,281)	3,935,630	1,903,410	5,120,057	7,866,652	8,318,152	4,358,533	4,046,532	2,385,971
Total All Other Governmental Funds	$ 62,488,432	$ 72,051,225	$ 39,073,886	$ 39,767,612	$ 60,892,900	$ 59,201,431	$ 52,505,990	$ 35,103,434	$ 24,148,458	$ 19,531,563
General Fund										
Nonspendable	$ 517,117	$ 699,385	$ 1,370,793	$ 1,559,708	$ 1,119,120	$ 1,708,447	$ 1,114,361	$ 1,825,280	$ 2,661,874	$ 2,321,904
Restricted	980,827	1,788,355	2,342,852	2,097,488	4,929,072	207,221	568,007	560,372	38,500	17,265
Committed	732,802	738,507	861,380	892,949	576,734	467,314	577,407	1,209,754	2,779,209	1,624,950
Assigned	3,518,554	7,799,673	8,914,744	7,268,980	11,000,463	10,182,818	6,564,153	3,619,252	-	-
Unassigned	6,158,621	6,530,495	8,637,873	9,272,827	8,618,219	9,497,207	9,713,896	8,409,087	6,520,495	4,287,378
Total General Fund	$ 11,907,921	$ 17,556,415	$ 22,127,642	$ 21,091,952	$ 26,243,608	$ 22,063,007	$ 18,537,824	$ 15,623,745	$ 12,000,078	$ 8,251,497
All Other Governmental Funds										
Nonspendable	$ 1,729,970	$ 1,591,248	$ 1,555,426	$ 1,621,180	$ 1,640,873	$ 1,316,148	$ 1,273,308	$ 1,212,559	$ 1,194,547	$ 1,164,508
Restricted	55,418,431	64,574,050	17,924,106	23,196,483	32,012,370	33,549,231	28,871,442	17,967,801	10,291,502	9,508,362
Committed	259,451	865,288	1,164,738	1,227,414	4,494,211	3,903,600	5,219,160	4,349,883	3,136,294	2,508,603
Unassigned	(6,827,341)	(12,535,776)	(3,698,026)	(7,369,417)	(3,498,162)	(1,630,555)	(1,395,744)	(4,050,554)	(2,473,963)	(1,901,407)
Total All Other Governmental Funds	$ 50,580,511	$ 54,494,810	$ 16,946,244	$ 18,675,660	$ 34,649,292	$ 37,138,424	$ 33,968,166	$ 19,479,689	$ 12,148,380	$ 11,280,066

CITY OF BURLINGTON, VERMONT
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN YEARS
(modified accrual basis of accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Revenues										
Taxes	$ 57,265,772	$ 54,309,132	$ 50,678,266	$ 44,557,992	$ 43,387,460	$ 43,233,045	$ 40,923,397	$ 39,781,518	$ 39,097,706	$ 38,770,459
Payments in lieu of taxes	1,771,890	1,695,326	1,517,590	1,356,734	5,749,014	5,726,314	5,466,512	5,248,985	5,079,036	2,395,762
Licenses and permits	4,163,133	4,713,220	3,844,029	3,303,733	4,011,578	4,505,473	4,749,082	5,570,707	5,082,269	3,866,933
Intergovernmental	31,875,451	28,673,585	20,687,620	7,884,093	4,444,005	6,069,799	7,155,317	6,857,683	8,569,938	8,717,811
Charges for services	25,342,460	24,034,455	21,587,412	19,064,811	20,863,873	23,667,671	21,987,715	21,090,765	21,499,084	21,781,930
Contributions	1,965,049	1,950,989	1,364,390	1,605,268	684,238	884,119	815,074	1,373,500	538,878	-
Investment income (loss)	3,352,615	1,657,351	(607,119)	391,204	911,468	723,081	340,281	249,013	193,993	100,725
Loan repayments	192,925	27,959	171,851	86,038	89,536	884,262	87,177	57,357	104,033	122,544
Other revenue	1,521,209	2,030,993	631,992	929,764	926,249	1,623,512	883,075	585,799	601,849	1,230,412
Total Revenues	127,450,504	119,093,010	99,876,031	79,179,637	81,067,421	87,317,276	82,407,630	80,815,327	80,766,786	76,986,576
Expenditures										
Current:										
General government	21,235,429	21,686,955	18,961,152	14,652,152	13,359,906	13,387,383	11,467,656	12,202,374	11,400,333	11,158,205
Public safety	35,683,952	33,389,941	31,253,528	30,618,604	30,917,348	28,614,540	27,882,465	26,493,268	25,561,099	24,668,195
Public works	11,276,409	9,927,739	8,905,220	8,095,161	11,354,670	10,670,815	10,249,398	11,991,808	9,788,601	9,455,450
Culture and Recreation	16,166,521	14,309,409	12,836,743	10,746,269	11,996,243	13,319,453	12,175,770	11,241,909	12,100,903	11,624,098
Community development	9,086,065	8,040,473	6,608,656	5,771,944	4,461,396	4,465,263	3,839,541	4,636,189	4,125,042	4,081,123
Capital Outlay [1]	41,835,263	42,237,128	20,441,729	23,328,941	16,750,497	14,710,892	20,194,752	11,062,639	13,179,734	9,483,616
Debt Service:										
Principal	9,124,182	7,210,416	6,861,070	11,551,630	6,293,729	7,026,187	4,996,847	4,545,560	4,117,610	3,373,102
Interest and bond issue costs	6,068,404	4,728,177	3,342,603	3,507,889	4,204,442	3,354,995	2,642,648	2,094,364	1,805,722	1,568,269
Total Expenditures	150,476,225	141,530,238	109,210,701	108,272,590	99,338,231	95,549,528	93,449,077	84,268,111	82,079,044	75,412,058
Excess (Deficiency) of Revenues over (under) Expenditures	(23,025,721)	(22,437,228)	(9,334,670)	(29,092,953)	(18,270,810)	(8,232,252)	(11,041,447)	(3,452,784)	(1,312,258)	1,574,518
Other Financing Sources (Uses)										
Issuance of bonds and loans	8,860,000	45,635,000	1,750,000	-	9,225,000	6,113,659	24,739,547	10,966,360	5,062,083	5,934,807
Issuance of refunding debt	-	-	-	-	20,639,850	-	-	2,545,000	8,785,000	-
Bond premium	974,599	6,491,513	289,792	-	2,214,241	404,347	2,689,456	1,067,582	1,138,975	-
Payment to refunding escrow	-	-	-	-	(12,138,987)	-	-	(2,837,850)	(10,044,139)	-
Sale of capital assets	614,915	232,798	-	-	-	-	-	949,986	-	-
Issuance of leases	-	-	-	3,467,485	-	479,151	1,015,000	1,699,383	987,234	683,718
Issuance of equipment notes	576,066	-	2,830,700	-	-	-	-	-	-	-
Transfers in	5,749,197	10,337,440	10,903,471	10,273,734	7,704,985	13,140,055	3,993,825	2,804,088	4,532,340	4,363,550
Transfers out	(3,311,849)	(7,282,094)	(7,133,019)	(5,773,554)	(7,682,810)	(5,209,519)	(3,993,825)	(2,804,088)	(4,532,340)	(4,334,629)
Total Other Financing Sources (Uses)	13,462,928	55,414,657	8,640,944	7,967,665	19,962,279	14,927,693	28,444,003	14,390,461	5,929,153	6,647,446
Net Change in Fund Balances	$ (9,562,793)	$ 32,977,429	$ (693,726)	$ (21,125,288)	$ 1,691,469	$ 6,695,441	$ 17,402,556	$ 10,937,677	$ 4,616,895	$ 8,221,964
Debt Service as a Percentage of Noncapital Expenditures [2]	13.44%	10.33%	11.08%	17.02%	12.90%	13.11%	10.00%	9.00%	8.70%	7.40%

(2) Certain capital expenditures from various functions have been capitalized on the Statement of Net Position.

(3) Capital outlay purchases from the reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of the Governmental Funds to the Statement of Activities are used to calculate this ratio.

CITY OF BURLINGTON, VERMONT
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year	Assessed Value	Estimated Actual Value	Total Direct Tax Rate
2024	$ 5,855,225,293	$ 5,855,225,293	0.7523
2023	5,811,000,016	5,811,000,016	0.7082
2022	5,770,209,118	5,770,209,118	0.6701
2021	3,915,820,752	5,378,760,856	0.8995
2020	3,866,923,799	5,171,758,458	0.8714
2019	3,837,641,750	4,770,128,090	0.8303
2018	3,821,048,690	4,607,608,267	0.7971
2017	3,787,167,109	4,474,474,608	0.7826
2016	3,736,048,309	4,267,608,304	0.7926
2015	3,646,921,910	4,137,177,436	0.7958

Source: Most recent Official Statement
As of April 1, 2021 a general reappraisal updated all assessments to 100% of actual value.

CITY OF BURLINGTON, VERMONT
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

		After Act 68			
		State-wide Education Taxes		Total Taxes	
Fiscal Year	City of Burlington	Residential	Nonresidential	Residential	Nonresidential
2024	0.7523	1.4485	1.4591	2.2008	2.2114
2023	0.7082	1.3891	1.4041	2.0973	2.1123
2022	0.6701	1.4553	1.5306	2.1254	2.2007
2021	0.8995	2.0576	2.1773	2.9571	3.0768
2020	0.8714	1.9368	2.0528	2.8082	2.9242
2019	0.8303	1.8498	1.9765	2.6801	2.8068
2018	0.7971	1.7903	1.8624	2.5874	2.6595
2017	0.7826	1.7237	1.8161	2.5063	2.5987
2016	0.7926	1.6544	1.7535	2.4470	2.5461
2015	0.7958	1.6358	1.7187	2.4316	2.5145

Notes:

Tax rates are per $100 of assessed value.

Source: Most recent Official Statement

CITY OF BURLINGTON, VERMONT
PRINCIPAL PROPERTY OWNERS
CURRENT YEAR AND NINE YEARS AGO

	2024			**2015***		
Rank	Taxpayer	Taxable Assessed Value	Percentage of Total Assessed Value	Taxpayer	Taxable Assessed Value	Percentage of Total Assessed value
1	UNIVERSITY OF VERMONT STATE AG. COLLEGE	$35,810,400	0.61%			
2	DIAMONDROCK BURLINGTON OWNER L	33,201,000	0.57%			
3	FORTIETH BURLINGTON LLC	32,400,000	0.55%			
4	BAYBERRY, LLC	30,953,400	0.53%			
5	NEW NORTHGATE HOUSING LLC	27,508,500	0.47%			
6	LAKESIDE OVENS LLC	26,600,760	0.45%			
7	ANTONIO B POMERLEAU LLC	25,492,680	0.44%			
8	CITYPLACE PARTNERS, LLC	25,321,200	0.43%			
9	BURLINGTON ELECTRIC DEPARTMENT	23,136,200	0.40%			
10	BURLINGTON HARBOR HOTEL GP LLC	18,907,320	0.32%			
11	VERMONT GAS SYSTEMS INC	18,273,155	0.31%			
12	HOWARD OPERA HOUSE ASSOC LLC	17,581,680	0.30%			
13	41 CHERRY STREET LLC	17,449,920	0.30%			
14	CATAMOUNT/VAN NESS, LLC	16,653,840	0.28%			
15	98 STARR FARM ROAD LLC	16,022,160	0.27%			
16	VERMONT ELECTRIC POWER CO	15,544,223	0.27%			
17	UNIVERSITY OF VERMONT CAMPUS PLANNING SERVICES	14,130,100	0.24%			
18	375 NORTH AVENUE LLC	28,018,940	0.48%			
19	NEDDE/BANK LLC	11,983,250	0.20%			
20	INVESTORS CORPORATION OF VT	11,922,480	0.20%			
		$ 446,911,208	**7.63%**			

Source: City Assessor's Office

*Information from 2015 was not available

CITY OF BURLINGTON, VERMONT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

	Governmental Activities		Business-type Activities							
Fiscal Year	Bonds and Loans Payable, Unamortized Premiums, and Unamortized Discounts	Equipment Notes Payable	Bonds and Loans Payable, Unamortized Premiums, and Unamortized Discounts	Equipment Notes Payable	Lease Payable	Total Debt Outstanding	Estimated Population [1]	Debt per Capita	Percentage of Personal Income [2]	
2024	$ 123,415,108	$ 3,811,277	$ 128,120,436	$ 3,524,628	$ 1,311,257	$ 260,182,706	44,528	$ 5,843	14.97%	1,737,794,256
2023	122,302,850	4,511,182	135,176,664	4,171,589	1,504,836	267,667,121	44,595	6,002	15.88%	1,685,200,455
2022	76,206,371	5,963,839	137,972,742	5,111,198	1,696,308	226,950,458	44,781	5,068	14.88%	1,524,972,174
2021	80,030,613	4,580,268	117,812,996	3,777,316	-	206,201,193	44,743	4,609	16.18%	1,274,280,640
2020	91,370,787	1,790,582	123,531,506	4,508,623	-	221,201,498	42,819	5,166	19.06%	1,160,608,995
2019	77,932,346	2,465,159	128,394,863	4,650,126	-	213,442,494	42,899	4,975	19.72%	1,082,384,669
2018	60,657,254	2,738,077	129,068,211	10,890,570	-	203,354,112	42,239	4,814	19.08%	1,065,858,926
2017	52,906,348	2,301,048	127,683,406	7,319,392	-	190,210,194	44,020	4,321	17.12%	1,110,800,680
2016	45,636,800	1,206,228	132,072,254	6,553,118	-	185,468,400	42,452	4,369	17.31%	1,071,233,768
2015	46,423,144	1,086,318	131,660,511	6,834,297	-	186,004,270	42,452	4,382	17.40%	1,069,280,976

[1] United States Census Bureau

[2] Personal income is disclosed in Demographic and Economic Indicators Table

CITY OF BURLINGTON, VERMONT
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year	Total Debt*	Less: Debt Payable from Enterprise Fund Revenues	Net Governmental Debt	Population[1]	Debt per Capita	Assessed Value	Ratio of Net Debt to Assessed Value
2024	$ 251,535,544	$ 128,120,436	$ 123,415,108	44,528	$ 2,772	$ 5,855,225,293	2.11%
2023	257,479,514	135,176,664	122,302,850	44,595	2,743	5,811,000,016	2.10%
2022	214,179,113	137,972,742	76,206,371	44,781	1,702	5,770,209,118	1.32%
2021	201,620,925	121,590,312	80,030,613	44,743	1,789	3,915,820,752	2.04%
2020	219,410,916	128,040,129	91,370,787	42,819	2,134	3,866,923,799	2.36%
2019	210,977,335	133,044,989	77,932,346	42,899	1,817	3,837,641,750	2.03%
2018	200,616,035	139,958,781	60,657,254	42,239	1,436	3,821,048,690	1.59%
2017	187,909,146	135,002,798	52,906,348	44,020	1,202	3,787,167,109	1.40%
2016	184,262,172	138,625,372	45,636,800	42,452	1,075	3,736,048,309	1.22%
2015	184,917,952	138,494,808	46,423,144	42,452	1,094	3,646,921,910	1.27%

* Does not include equipment notes and leases

Sources: Each respective *Annual Comprehensive Financial Report* and the United States Census Bureau (as indicated below).

[1] United States Census Bureau

CITY OF BURLINGTON, VERMONT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2024

Jurisdiction	Net General Obligation Debt Outstanding	Percentage Applicable to the City	Amount Applicable to the City of Burlington
Direct:			
City of Burlington - Bonds and Loans	$ 123,415,108	100.0%	$ 123,415,108
City of Burlington - Equipment Notes Payable	3,811,277	100.0%	3,811,277
Subtotal - Direct Debt			127,226,385
Overlapping:			
Burlington School District		100.0%	175,150,000
Subtotal - Overlapping Debt			175,150,000
Grand Total Direct and Overlapping Debt			$ 302,376,385

Source: Outstanding debt for the Burlington School District is from the financial statements of the School District reported a discretely presented component unit for the City of Burlington.

Note: The Burlington School District is within geographic boundaries of the City. The debt of this overlapping government is borne by the property taxpayers of the City. When considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account.

Enterprise funds debt is excluded from the City's direct debt above as that is being repaid with user fees.

CITY OF BURLINGTON, VERMONT
LEGAL DEBT MARGIN INFORMATION - GOVERNMENTAL ACTIVITIES
JUNE 30, 2024

Grand List Valuation	$ 5,855,225,293
Legal Debt Margin:	
Debt Limitation - Ten Percent of Last Grand List	585,522,529
Debt Applicable to Limitation	123,415,108
Legal Debt Margin	$ 462,107,421
Debt as Percentage of Debt Limit	21.08%

LEGAL DEBT MARGIN
PRECEDING NINE YEARS

Fiscal Year	Debt Limit	Applicable Debt	Legal Debt Margin	Debt as Percentage of Debt Limit
2024	$ 585,522,529	$ 123,415,108	$ 462,107,421	21.08%
2023	581,100,002	122,302,850	458,797,152	21.05%
2022	577,020,912	76,206,371	500,814,541	13.21%
2021	533,352,710	80,030,613	453,322,097	15.01%
2020	387,308,720	91,370,787	295,937,933	23.59%
2019	382,748,400	77,932,346	304,816,054	20.36%
2018	382,104,869	60,657,254	321,447,615	15.87%
2017	378,715,711	52,906,348	325,809,363	13.97%
2016	377,855,052	45,636,800	332,218,252	12.08%
2015	373,604,831	46,423,144	327,181,687	12.43%

Source: Most recent Official Statement

CITY OF BURLINGTON, VERMONT
AIRPORT ENTERPRISE FUND BOND COVERAGE
LAST TEN FISCAL YEARS
(In Thousands)

Fiscal Year	Gross Revenues*	Operating Expenses*	Net Revenues (as defined)	PFC Revenues Available for DS	Funds Available for DS	25% PFC Revenue For DS coverage	Adjusted funds Available for DS	Debt Service	Debt Service Coverage	Adjusted Debt Service Coverage
2024	$ 23,779	$ 18,088	$ 5,691	1,005	6,696	251	6,947	3,721	1.80	1.87
2023	22,655	16,559	6,096	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2022	21,371	14,625	6,746	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2021	16,763	12,943	3,820	1,128	4,948	282	5,230	3,605	1.37	1.45
2020	18,377	14,462	3,915	832	4,747	208	4,955	3,610	1.31	1.37
2019	18,347	13,838	4,509	981	5,490	245	5,735	3,660	1.50	1.57
2018	17,716	13,404	4,312	1,180	5,492	295	5,787	3,662	1.50	1.58
2017	16,625	12,327	4,298	1,176	5,474	294	5,768	3,650	1.50	1.58
2016	16,677	12,376	4,301	1,087	5,388	272	5,660	3,386	1.59	1.67
2015	16,933	12,347	4,586	1,284	5,870	321	6,191	3,956	1.48	1.56

*Using Operating Revenue / Expenses only, as calculated in the Airport audit.

Note: Debt service coverage is not applicable for fiscal years 2022-2023 due to refinancing that eliminated debt service payments in fiscal years 2022-2023

Source: Data from each respective Annual Financial Report.

CITY OF BURLINGTON, VERMONT
DEMOGRAPHIC AND ECONOMIC INDICATORS
LAST TEN YEARS

Calendar Year	Population [1, 2]	Per Capita Income [1, 2]*	Personal Income	State-wide Per Capita Income [3]	State-wide Median Family Income [1]	Unemployment Rate Burlington City [3]	Unemployment Rate State-wide [3]	Enrollment Grades 9-12 [2]	High School Graduation Rate [2]
2024	44,528	$ 39,027	$ 1,737,794,256	$ 44,365	$ 68,854	1.70%	2.10%	1,023	84%
2023	44,595	37,789	1,685,200,455	41,680	64,931	1.80%	1.90%	946	76%
2022	44,781	34,054	1,524,972,174	37,903	67,674	2.00%	2.60%	979	73%
2021	44,743	28,480	1,274,280,640	58,650	61,973	2.80%	5.60%	988	70%
2020	42,819	27,105	1,160,608,995	53,805	60,076	8.70%	9.50%	990	74%
2019	42,899	25,231	1,082,384,669	53,523	58,214	1.90%	2.10%	1,005	84%
2018	42,239	25,234	1,065,858,926	54,173	50,324	1.30%	2.70%	1,029	89%
2017	44,020	25,234	1,110,800,680	52,225	57,513	2.10%	2.70%	1,048	91%
2016	42,452	25,234	1,071,233,768	49,984	56,154	3.10%	3.60%	1,067	88%
2015	42,452	25,188	1,069,280,976	47,214	54,447	3.20%	4.10%	1,070	96%

Sources:

(1) United States Census Bureau

(2) Vermont Economic-Demographic Profile
*Using MFRA Data

(3) Vermont Department of Labor, Economic & Labor Market Information

CITY OF BURLINGTON, VERMONT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

	Calendar Year 2024			Calendar Year 2015		
Employer	Employees [1, 2]	Rank	Percentage of Total City Employment [3]	Employees [4]	Rank	Percentage of Total City Employment [3]
The University of Vermont Health Network	7,500	1	29.67%	7,574	1	17.30%
University of Vermont	5,566	2	22.02%			
Champlain College	1,514	3	5.99%			
Price Chopper Operating Co. of Vermont Inc.	1,251	4	4.95%			
Burton Snowboards	600	5	2.37%			
Independent Brewers United	573	6	2.27%			
City of Burlington	543	7	2.15%			
Blodgett Oven Company	350	8	1.38%			
The Skinny Pancake	350	9	1.38%			
Citizen Cider	300	10	1.19%			
Global Foundries				3,000	2	6.85%
City of Burlington and Burlington School District				1,457	3	3.33%
Howard Center				1,015	4	2.32%
People's United Bank				917	5	2.09%
Dealer.com				838	6	1.91%
Adecco				775	7	1.77%
Ben & Jerry's Homemade, Inc.				735	8	1.68%
GE Healthcare				700	9	1.60%
Green Mountain Power Corp				549	10	1.25%
	18,547		73.36%	17,560		40.10%

(1) Zippia
(2) Vermont Business Magazine, Vermont Business Directory
(3) Vermont Department of Labor
(4) Burlington Area Businesses

CITY OF BURLINGTON, VERMONT
FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN YEARS

	Full-time Equivalent Employees									
Function/Program	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Government:										
Mayor's Office	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Clerk/Treasurer's Office	25.00	25.00	24.85	20.15	18.78	18.80	20.00	20.00	26.51	21.00
Payroll	4.00	4.00	3.25	3.25	3.85	3.85	4.00	4.00	4.00	4.00
Information Technology	8.00	8.00	7.00	7.00	7.00	6.00	6.00	6.00	4.00	6.00
City Attorney's Office	9.00	9.00	9.50	8.50	8.60	9.00	8.50	8.00	8.00	8.00
Human Resources	9.00	9.00	8.00	6.00	8.00	7.00	7.00	6.00	6.00	5.50
Racial Equity Inclusion & Belonging	10.00	11.00	11.00	12.00	-	-	-	-	-	-
City Assessor	5.00	5.00	5.00	5.00	4.00	3.00	3.00	3.00	3.00	3.00
Planning and Zoning	5.00	5.00	6.00	6.00	7.00	8.00	8.00	8.00	8.00	8.00
GF-CEDO	10.71	11.06	13.77	5.97	6.97	6.03	5.34	4.68	1.70	-
Business & Workflow Development	7.30	4.50	-	-	-	-	-	-	-	-
Public Safety:										
Fire	100.00	93.00	92.80	93.80	83.80	85.80	84.80	81.80	80.80	79.80
Police	141.00	134.00	121.70	121.70	146.70	147.70	144.70	141.20	139.20	136.20
DPW Inspection	-	-	-	-	-	4.00	5.00	5.00	5.00	4.00
Permitting and Inspections	20.00	20.00	21.00	21.00	21.00	12.00	12.00	12.00	12.00	12.00
Public Works:										
Highways	50.50	48.15	51.35	52.35	44.35	41.35	42.55	43.45	43.45	42.90
Public Works Administration	5.00	5.00	5.00	5.00	6.00	6.00	5.00	4.00	4.00	4.00
Culture and Recreation	104.83	100.90	103.00	100.00	87.88	90.00	90.50	88.00	85.00	81.80
General Fund Total	**518.34**	**496.61**	**487.22**	**471.72**	**457.93**	**452.53**	**450.39**	**439.13**	**434.66**	**420.20**
Burlington Electric	122.60	117.60	117.60	117.60	118.00	118.00	129.00	129.00	131.90	125.00
Burlington Telecom	-	-	-	-	-	-	30.00	24.00	26.00	25.00
Burlington International Airport	59.00	49.00	49.00	54.00	51.80	51.40	51.00	39.50	39.00	42.00
Water*	35.35	33.00	33.00	32.25	30.25	24.50	24.50	-	-	-
Stormwater*	1.30	1.00	1.00	1.65	1.65	2.90	2.50	-	-	-
Wastewater*	17.35	18.00	18.00	16.25	15.25	16.25	15.65	-	-	-
Total Employees	**753.94**	**715.21**	**705.82**	**693.47**	**674.88**	**665.58**	**703.04**	**631.63**	**631.56**	**612.20**

* Note: The table above excludes Special Revenue Departments

CITY OF BURLINGTON, VERMONT
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN YEARS

Function/Program	Fiscal Year 2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Government:										
Full-time equivalent positions filled	518.34	496.61	487.22	471.72	457.93	452.53	450.39	439.13	434.66	420.20
Tax bills mailed	10,654	10,687	10,686	10,629	10,700	10,682	10,686	10,670	10,714	10,737
Active recreation programs	362	377	266	254	311	286	290	283	285	-
Recreation participants	5,629	5,840	5,014	5,075	4,979	5,381	2,148	4,863	4,762	-
Birth certificates recorded	2,264	2,216	2,310	2,144	2,135	2,328	2,145	2,283	2,177	2,252
Marriage licenses recorded	438	395	387	265	320	377	360	375	229	401
Death certificates recorded	947	1,032	1,141	983	934	943	992	947	489	1,045
Dog licenses issued	846	935	915	855	828	946	1,082	1,153	1,175	1,256
Public Safety:										
Total cases	31,154	27,969	22,723	21,310	26,953	28,848	29,684	30,517	28,608	28,243
Number of traffic tickets	365	200	301	259	423	467	632	803	1,990	1,938
Number of traffic warnings	864	301	293	738	1,461	1,703	2,095	2,289	3,507	4,822
Fire incident responses	10,995	10,349	9,261	7,539	8,137	8,229	7,895	7,598	7,305	7,338
Water System:										
Average daily consumption (gallons)	3,625,000	3,816,000	3,955,000	3,849,000	3,716,000	3,640,000	3,638,333	3,703,666	3,753,328	3,976,008
Wastewater System:										
Average daily treatment (gallons)	6,180,000	5,350,000	5,484,000	4,182,000	4,938,000	6,153,000	5,288,000	4,722,000	4,917,000	5,132,000
Sludge disposed (tons)	9,508	9,490	9,535	9,086	9,093	9,928	9,467	8,651	8,633	8,583
Burlington International Airport										
Enplanements	644,693	649,309	545,853	186,799	519,874	693,208	623,489	597,799	595,244	600,402
Burlington Electric Department										
Sales to Customers - KwH (MM)	322	317	320	317	315	331	330	336.2	338.2	336.2

CITY OF BURLINGTON, VERMONT
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN YEARS

	Fiscal Year									
Function/Program	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Government:										
Number of general government buildings	3	3	3	3	3	3	3	3	3	3
Public Safety:										
Number of police stations	1	1	1	1	1	1	1	1	1	1
Number of police vehicles	46	49	44	44	44	45	45	45	45	45
Number of fire stations	5	5	5	5	5	5	5	5	5	5
Number of fire vehicles	22	22	22	22	23	20	20	20	28	27
Public Works:										
Number of public works buildings	2	2	2	2	2	2	2	2	2	2
Miles of streets	95	95	95	95	95	95	95	95	95	95
Miles of sidewalks	130	130	130	130	130	130	130	130	130	127
Culture and Recreation:										
Number of culture and recreation facilities	4	4	4	4	4	6	6	6	6	5
Acres of parks	520	520	520	520	520	540	540	540	540	540
Water:										
Number of water treatment facilities	3	3	3	3	3	3	3	3	3	3
Miles of water mains	110	110	110	110	110	110	110	110	110	110
Wastewater:										
Number of wastewater facilities	3	3	3	3	3	3	3	3	3	3
Miles of sanitary sewers	89	89	89	89	89	89	89	89	89	89
Burlington International Airport:										
Number of facilities	24	24	23	23	23	23	23	23	23	23
Burlington Electric Department:										
Number of facilities	10	10	10	10	10	10	10	10	12	12

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Mayor and City Council
City of Burlington, Vermont

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Burlington, Vermont (the City), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated February 10, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Marcum LLP

Merrimack, NH
February 10, 2025

FY25 Budget to Actuals Review through December 31, 2024

February 18, 2025

FY25 Budget to Actuals Overview

Revenue Category	Amended Budget	YTD Transactions	% Used/Rec'd	Projected Revenue	Prior Year Total
Tax & Tax Equivalents	**$ 75,336,165**	**$ 38,265,239**	**51%**	**$ 73,165,467**	**$ 66,273,900**
Property Taxes	$ 53,799,864	$ 27,643,773	51%	$ 53,638,464	$ 48,056,783
Sales Tax Equivalents	$ 13,400,165	$ 4,831,446	36%	$ 11,523,157	$ 10,433,509
PILOT, Dev Fees, FFS	$ 8,136,136	$ 5,790,020	71%	$ 8,003,846	$ 7,783,607
Direct	**$ 14,205,369**	**$ 6,469,117**	**46%**	**$ 13,495,101**	**$ 12,584,407**
FFS & Sales	$ 14,205,369	$ 6,469,117	46%	$ 13,495,101	$ 12,584,407
Non-Receipts	**$ 11,082,907**	**$ 3,092,459**	**28%**	**$ 9,982,521**	**$ 7,361,382**
Budget Balancing	$ 1,100,386	$ -	0%	$ -	$ -
Intra-City Xfers	$ 9,943,121	$ 3,054,507	31%	$ 9,943,121	$ 7,327,913
Pass-Through	$ 39,400	$ 37,951	96%	$ 39,400	$ 33,469
Ancillary	**$ 5,339,272**	**$ 3,108,719**	**58%**	**$ 5,718,617**	**$ 5,729,457**
Leases & Rent	$ 1,177,661	$ 587,027	50%	$ 1,174,054	$ 1,174,227
Miscellaneous	$ 460,323	$ 65,568	14%	$ 411,149	$ 95,945
Investments & Savings	$ 1,455,437	$ 1,557,669	107%	$ 2,336,504	$ 2,294,729
Fines & Penalties	$ 2,245,851	$ 898,455	40%	$ 1,796,911	$ 2,164,556
Charity	**$ 2,441,836**	**$ 1,617,168**	**66%**	**$ 2,437,983**	**$ 4,072,152**
Foundations & Grants	$ 1,409,336	$ 1,102,844	78%	$ 1,409,336	$ 3,165,964
Contributions, Donations, Gifts	$ 1,032,500	$ 514,324	50%	$ 1,028,647	$ 906,187
Revenue Total	**$ 108,405,549**	**$ 52,552,702**	**48%**	**$ 104,799,689**	**$ 96,021,298**

Expense Category	Amended Budget	YTD Transactions	% Used/Rec'd	Projected Expenses	Prior Year Total
Personnel Services	$ 67,079,637	$ 31,344,459	47%	$ 63,942,696	$ 60,834,385
Capital Equipment	$ 1,151,275	$ 435,506	38%	$ 1,151,275	$ 429,701
General Operating	$ 15,194,250	$ 6,594,253	43%	$ 14,507,356	$ 13,337,331
Regional Programs	$ 3,480,004	$ 1,724,981	50%	$ 3,480,004	$ 3,598,974
Debt Service	$ 7,970,125	$ 6,020,715	76%	$ 7,970,125	$ 7,194,896
Interfund	$ 13,530,258	$ 6,187,552	46%	$ 13,530,258	$ 12,601,480
Expense Total	**$ 108,405,549**	**$ 52,307,465**	**48%**	**$ 104,581,714**	**$ 97,996,766**
				$ 217,976	**Projected Surplus/(Deficit)**

Big Picture:

- Both revenues and expenses are trending about $4M below budget
- Projections currently show a break even with little ability to grow unassigned fund balance

FY25 – Review of Big 5 Revenues

Big 5 Revenues	Budget	YTD Actuals	Projected Revenue	Proj. Surplus/(Deficit)
Property Taxes	$ 53,799,864	$ 38,265,239	$ 53,638,464	$ (161,400)
PILOT, FFS, & Development Fees	$ 8,136,136	$ 5,790,020	$ 8,003,846	$ (132,290)
Gross Receipts	$ 7,270,000	$ 2,979,094	$ 6,248,316	$ (1,021,684)
Local Option Tax	$ 3,400,000	$ 803,398	$ 3,213,591	$ (186,409)
Franchise Fees	$ 2,605,165	$ 725,311	$ 2,269,632	$ (335,533)
Total	**$ 75,211,165**	**$ 48,563,063**	**$ 73,373,849**	**$ (1,837,316)**

Overall:

- Big 5 Revenues Comprise 70% of all General Fund Revenues
- This Analysis shows we will come in at 98% of expected Big 5 Revenues

Changes in projections since last report (10/24):

- **Gross Receipts** is projecting to increase by $248,316 off the previous projection (more detail on next slide).
- **Franchise Fees** collection is tracking to end the year with $93k more than after the October projections.

FY25 – Gross Receipts Year to Year Comparison through 12/24 – preliminary report

	Sales Type	2025	2024	Change	
# of submissions	Admissions	42	59	(17)	-28.8%
	Alcohol	471	578	(107)	-18.5%
	Amusements	22	17	5	29.4%
	Meals	852	1,097	(245)	-22.3%
	Rooms	47	58	(11)	-19.0%
	Short-term Rentals	17	15	2	13.3%
# of submissions	**Total**	**1,451**	**1,824**	**(373)**	**-20.4%**
Gross Sales (pre-GR tax)	Admissions	2,450,687	3,132,394	(681,707)	-21.8%
	Alcohol	17,610,506	21,457,348	(3,846,843)	-17.9%
	Amusements	177,611	241,380	(63,769)	-26.4%
	Meals	59,259,755	66,074,250	(6,814,495)	-10.3%
	Rooms	29,530,318	30,452,225	(921,908)	-3.0%
	Short-term Rentals	3,897,147	4,230,775	(333,627)	-7.9%
Gross Sales (pre-GR tax)	**Total**	**112,926,023**	**125,588,372**	**(12,662,348)**	**-10.1%**
Gross Receipts Tax	Admissions	55,975	62,648	(6,673)	-10.7%
	Alcohol	421,804	429,147	(7,343)	-1.7%
	Amusements	4,406	4,828	(422)	-8.7%
	Meals	1,425,618	1,321,485	104,133	7.9%
	Rooms	1,067,883	609,045	458,838	75.3%
	Short-term Rentals	350,743	380,770	(30,026)	-7.9%
Gross Receipts Tax	**Total**	**3,326,429**	**2,807,922**	**518,507**	**18.5%**

The overall number of Gross Receipts Tax submissions to CT are down -20.4% in FY25 (note many businesses submit more than one).

Comparing July-December in both FY25 and FY24, Gross Sales across all businesses are down \$12.7M or (-10.1%).

However, due to the tax increases on Rooms (2% increase) and Meals (0.5% increase), the Gross Receipts Tax figures in FY25 are ahead of FY24 by \$518,507 or (+18.5%).

FY25 Expenditures

Department	Amended Budget	YTD Expenditures	% to Date	Projected Expenditures	Over/(Under) Budget
Police	$ 17,257,121	$ 8,175,784	47%	$ 16,351,568.74	$ (905,552.26)
Fire	$ 21,069,855	$ 9,625,698	46%	$ 20,851,396.00	$ (218,459.00)
DPW	$ 10,458,493	$ 3,973,385	38%	$ 9,302,419.40	$ (1,156,073.60)
BPRW	$ 10,961,193	$ 5,412,356	49%	$ 10,824,711.10	$ (136,481.90)
Grand Total	**$ 59,746,662**	**$ 27,187,223**	**46%**	**$ 57,330,095.24**	**$ (2,416,566.76)**

- These four departments represent 55% of General Funds budgeted in FY25.
- Expenditures are tracking predictably through December 31st (50% through the fiscal year).
- Spending in Police and Fire, by far the largest departments, are spending predictably, and generally on target, at 47% and 46% expended.
- Public Works had a number of vacancies to begin the fiscal year, which results in their below-target figure to date. While many of those positions have been filled, we expect some portion of savings to be realized in DPW by the end of FY25.
- BPRW is fully staffed and has been since the end of FY24 – to date this year, they are tracking right on target for expenditures.
- City-wide projections for Personnel costs continue to track below budget by about $4M. A majority of this projected savings stems from the 14% vacancy rate of sworn officers in BPD.

FY25 Budget to Actuals Conclusion

- After 50% of the fiscal year, both Revenues and Expenditures are both projecting to come in at about $4M below the FY25 budget.
  - Recent audits show us that is typical for the City in most fiscal years.
  - Importantly, revenues and expenditures are tracking to break even in FY25.
- **Impact**
  - While FY25 revenues and expenditures are mirroring FY24, and projecting close to break-even (+/- 1%)**, the Unassigned Fund Balance cannot afford to even break even any longer.**
  - As expenditures for the City grow each year, the unassigned fund balance must grow as well to keep pace. To account for this and being conservative, we recommend making some initial FY25 budget reductions with potential for more to follow in proceeding months.
- **Recommendation:**
  - **The CT office is exploring multiple scenarios to reduce FY25 expenditures to bolster the General Fund's net position. We will report on specific proposals in the coming weeks.**