

Audited Financial Statements
and Other Financial Information

**Bennington County Regional
Commission**

June 30, 2023



Proven Expertise & Integrity

BENNINGTON COUNTY REGIONAL COMMISSION

CONTENTS

JUNE 30, 2023

	PAGE
INDEPENDENT AUDITOR'S REPORT	1 - 4
MANAGEMENT'S DISCUSSION AND ANALYSIS	5 - 12
<u>BASIC FINANCIAL STATEMENTS</u>	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT A - STATEMENT OF NET POSITION	13
STATEMENT B - STATEMENT OF ACTIVITIES	14 - 15
FUND FINANCIAL STATEMENTS	
STATEMENT C - BALANCE SHEET - GOVERNMENTAL FUNDS	16
STATEMENT D - RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION	17
STATEMENT E - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS	18
STATEMENT F - RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	19
NOTES TO FINANCIAL STATEMENTS	20 - 35
<u>REQUIRED SUPPLEMENTARY INFORMATION</u>	
REQUIRED SUPPLEMENTARY INFORMATION DESCRIPTION	36
SCHEDULE 1 - BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS - BUDGET AND ACTUAL - GENERAL FUND	37
<u>OTHER SUPPLEMENTARY INFORMATION</u>	
OTHER SUPPLEMENTARY INFORMATION DESCRIPTION	38

SCHEDULE A - SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND	39
SCHEDULE B - SCHEDULE OF REVENUES AND EXPENDITURES BY PROGRAM	40 - 47
SCHEDULE C - SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS VERMONT AGENCY OF TRANSPORTATION GRANTS	48
SCHEDULE D - SCHEDULE OF INDIRECT COST RATE CALCULATIONS	49
SCHEDULE E - SCHEDULE OF INDIRECT BILLINGS/REVENUE	50
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	51 - 52



Proven Expertise & Integrity

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Bennington County Regional Commission
Bennington, Vermont

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of the Bennington County Regional Commission, as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the Bennington County Regional Commission's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Bennington County Regional Commission as of June 30, 2023 and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Bennington County Regional Commission 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 the 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 Bennington County Regional Commission'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.

Auditor's Responsibilities for the Audit of 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 auditor's 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 misstatements 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 controls 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 Bennington County Regional Commission'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 doubt about the Bennington County Regional Commission'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 the management's discussion and analysis, budgetary comparison information and pension information on pages 5 through 12 and 37 be presented to supplement the basic financial statements. Such information, 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 Bennington County Regional Commission's basic financial statements. The Schedule of Departmental Operations - General Fund, Summary Schedule of Revenues and Expenditures by Program, Schedule of Expenditures of Federal Awards - Vermont Agency of Transportation Grants, Schedule of Indirect Cost Rate Calculations and Schedule of Indirect Billings/Revenue are presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 Schedule of Departmental Operations - General

Fund, Summary Schedule of Revenues and Expenditures by Program, Schedule of Expenditures of Federal Awards - Vermont Agency of Transportation Grants, Schedule of Indirect Cost Rate Calculations and Schedule of Indirect Billings/Revenue are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 19, 2023, on our consideration of the Bennington County Regional Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants 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 the Bennington County Regional Commission's 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 Bennington County Regional Commission's internal control over financial reporting and compliance.

RHR Smith & Company

Buxton, Maine
Vermont Registration No. 092.0000697
October 19, 2023

**REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

(UNAUDITED)

The following management's discussion and analysis of the Bennington County Regional Commission's financial performance provides an overview of the Commission's financial activities for the fiscal year ended June 30, 2023. Please read it in conjunction with the Commission's financial statements.

Financial Statement Overview

The Bennington County Regional Commission's basic financial statements include the following components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also includes required supplementary information which consists of the general fund budgetary comparison schedule and pension schedules.

Basic Financial Statements

The basic financial statements include financial information in two differing views: the government-wide financial statements and the fund financial statements. These basic financial statements also include the notes to financial statements that explain in more detail certain information in the financial statements and also provide the user with the accounting policies used in the preparation of the financial statements.

Government-Wide Financial Statements

The government-wide financial statements provide a broad view of the Commission's operations in a manner that is similar to private businesses. These statements provide both short-term as well as long-term information in regards to the Commission's financial position. These financial statements are prepared using the accrual basis of accounting. This measurement focus takes into account all revenues and expenses associated with the fiscal year regardless of when cash is received or paid. The government-wide financial statements include the following two statements:

The Statement of Net Position - this statement presents *all* of the government's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference being reported as net position.

The Statement of Activities - this statement presents information that shows how the government's net position changed during the period. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows.

Both of the above-mentioned financial statements have one column for the Commission's activities. The type of activity presented for the Bennington County Regional Commission is:

- *Governmental activities* - The activities in this section are mostly supported by intergovernmental revenues (federal and state grants and contracts) and charges for services. All of the Commission's basic services are reported in governmental activities, which include regional planning, Environmental/Brownfields, water quality and public buildings.

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. The Bennington County Regional Commission, like other local governments uses fund accounting to ensure and demonstrate compliance with financial related legal requirements. All of the funds of the Bennington County Regional Commission can be classified as one category: governmental funds.

Governmental funds: All of the basic services provided by the Commission are financed through governmental funds. Governmental funds are used to account for essentially the same functions reported in governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental fund financial statements focus on near-term inflows and outflows of spendable resources. They also focus on the balance of spendable resources available at the end of the fiscal year. Such information will be useful in evaluating the government's near-term financing requirements. This approach is known as the current financial resources measurement focus and the modified accrual basis of accounting. Under this approach, revenues are recorded when cash is received or when susceptible to accrual. Expenditures are recorded when liabilities are incurred and due. These statements provide a detailed short-term view of the Commission's finances to assist in determining whether there will be adequate financial resources available to meet the current needs of the Commission.

Because the focus of governmental funds is narrower than that of 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 government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. These reconciliations are presented on the page immediately following each governmental fund financial statement.

Bennington County Regional Commission presents one column in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances. The Commission's major governmental fund is the general fund.

The general fund is the only fund for which the Commission legally adopted a budget. The Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund provides a comparison of the original and final budget and the actual expenditures for the current year.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and the Fund Financial Statements. The Notes to Financial Statements can be found following the Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.

Required Supplementary Information

The basic financial statements are followed by a section of required supplementary information, which includes a Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund.

Other Supplementary Information

Other supplementary information follows the required supplementary information. The Schedule of Departmental Operations - General Fund, Summary Schedule of Revenues and Expenditures by Program, Schedule of Expenditures of Federal Awards - Vermont Agency of Transportation Grants, Schedule of Indirect Cost Rate Calculations and Schedule of Indirect Billings/Revenue are presented for purposes of additional analysis.

Government-Wide Financial Analysis

Our analysis below focuses on the net position and changes in net position of the Commission's governmental activities. The Commission's total net position increased by \$105,714 from \$792,613 to \$898,327.

Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements - increased by \$106,726 from \$780,753 to a balance of \$887,479 at the end of this year.

Table 1
Bennington County Regional Commission
Net Position
June 30,

	Governmental Activities	
	2023	2022 (Restated)
Assets		
Current Assets	\$ 1,451,007	\$ 1,177,238
Noncurrent Assets:		
Capital Assets	10,848	11,860
Total Assets	<u>1,461,855</u>	<u>1,189,098</u>
Liabilities		
Current Liabilities	314,303	169,709
Noncurrent Liabilities	33,955	54,976
Total Liabilities	<u>348,258</u>	<u>224,685</u>
Deferred Inflows of Resources		
Deferred revenue	215,270	171,800
Total Deferred Inflows of Resources	<u>215,270</u>	<u>171,800</u>
Net Position		
Net Investment in Capital Assets	10,848	11,860
Unrestricted	887,479	780,753
Total Net Position	<u>\$ 898,327</u>	<u>\$ 792,613</u>

Revenues and Expenses

Revenues for the Commission's governmental activities increased by 20.16%, while total planning expenses increased by 23.27%. The revenue category with the largest increase was miscellaneous.

Table 2
Bennington County Regional Commission
Changes in Net Position
For the Years Ended June 30,

	Governmental Activities	
	2023	2022
Revenues		
Program revenues:		
Operating grants and contributions	\$ 1,269,134	\$ 1,397,182
Charges for services	89,360	81,992
General revenues:		
Investment earnings (losses)	26,521	(39,069)
Miscellaneous	345,390	-
Total revenues	1,730,405	1,440,105
Expenses		
Planning	1,624,691	1,318,007
Total expenses	1,624,691	1,318,007
Change in Net Position	105,714	122,098
Net Position - July 1, Restated	792,613	670,515
Net Position - June 30	\$ 898,327	\$ 792,613

Financial Analysis of the Commission's Fund Statements

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

Table 3
Bennington County Regional Commission
Fund Balances - Governmental Funds
June 30,

	2023	2022 (Restated)	Increase/ (Decrease)
Major Funds:			
General Fund:			
Nonspendable	\$ 16,881	\$ 18,198	\$ (1,317)
Unassigned	915,872	817,531	98,341
Total Major Funds	\$ 932,753	\$ 835,729	\$ 97,024

The changes to total fund balances for the general fund occurred due to the regular activity of operations.

Budgetary Highlights

There was no difference between the original and final budget for the general fund.

The general fund actual receipts were under budgeted amounts by \$214,795. All revenue categories were received under budgeted amounts with the exception of investment earnings.

The general fund actual expenditures were under budgeted amounts by \$289,274. All expenditure categories were within or under budgeted amounts with the exception of personnel.

Capital Asset and Debt Administration

Capital Assets

As of June 30, 2023, the net book value of capital assets recorded by the Commission decreased by \$1,012 when compared to the prior year. This decrease was due to current year additions of \$4,130, less depreciation expense of \$5,142.

Table 4
Bennington County Regional Commission
Capital Assets (Net of Depreciation)
June 30,

	2023	2022
Furniture and fixtures	\$ 10,848	\$ 11,860
Total	\$ 10,848	\$ 11,860

Debt

At June 30, 2023, the Commission had no debt.

Currently Known Facts, Decisions or Conditions

Economic Factors and Next Year's Budget and Rates

The BCRC relies on a wide variety of grants and contracts for services to meet its operating expenses. Major sources of funding include grants and agreements with state agencies: Agency of Commerce and Community Development (comprehensive planning, community and economic development and support for programs generally), Agency of Transportation (regional transportation planning), Department of Public Safety (hazard mitigation and related planning) and the Department of Environmental Conservation (water quality planning).

Principal sources of funding from local governments include annual dues paid by member municipalities to the BCRC, contracts for special projects (often funded through municipal planning grants) and project management agreements for local transportation projects. The BCRC also receives funding through its agreement with the Agency of Commerce and Community Development to conduct a wide variety of economic development activities. Additional sources of funding for economic development programs include state grants (primarily from the Department of Economic Development and the Department of Labor), municipal agreements, membership dues and the US Economic Development Administration.

The BCRC also receives funding from the Bennington County Solid Waste Alliance to provide regional solid waste planning and management services and has received funding from the recently formed Southern Vermont Communication Union District to support its efforts to expand broadband service in the region.

A targeted area of economic development work for the Commission over the past several years has involved redevelopment planning (most prominently, the "Putnam Block Redevelopment"). The BCRC has worked closely with and received funding for project management from, the Bennington Redevelopment Group (BRG) to ensure the success of the Putnam project. Building on this momentum, the BCRC is pursuing other special economic development projects with the Town of Bennington and the Town of Shaftsbury for FY24.

It is expected that most of the BCRC's program areas will operate at comparable funding levels through FY 2024. Legislative decisions regarding programming of state ARPA funds, a large influx of federal funding to support investments in infrastructure (transportation, public water and sewer systems and broadband) and state priorities to facilitate development of housing are likely to impact BCRC programs and will require some modification of existing work plans and allocations of staff resources.

The BCRC's staff has migrated back to in office work at various levels by employee. This hybrid office/remote work system, which while motivated by the pandemic, will likely continue and become the "new normal." With more in-person meetings and staff needing to participate in meetings (via remote meeting technologies) from their offices, however, a need for additional meeting and "quiet room" space became apparent. Fortunately, additional space was available in the office suite adjacent to the BCRC offices - at reasonable additional cost to the BCRC - and that space should meet office needs for the foreseeable future.

Contacting the Commission's Financial Management

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Commission's finances and to show the Commission's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Commission's Office at 210 South Street, Suite 6, Bennington, Vermont 05201.

STATEMENT A

BENNINGTON COUNTY REGIONAL COMMISSION

STATEMENT OF NET POSITION
JUNE 30, 2023

	Governmental Activities
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 750,527
Investments	287,258
Accounts receivable (net of allowance for uncollectibles)	325,373
Due from other governments	70,968
Prepaid items	16,881
Total current assets	1,451,007
Noncurrent assets:	
Capital assets:	
Depreciable assets, net of accumulated depreciation	10,848
Total noncurrent assets	10,848
TOTAL ASSETS	\$ 1,461,855
LIABILITIES	
Current liabilities:	
Accounts payable	\$ 89,340
Accrued expenses	213,644
Current portion of noncurrent liabilities	11,319
Total current liabilities	314,303
Noncurrent liabilities:	
Noncurrent portion of long-term obligations:	
Accrued compensated absences	33,955
Total noncurrent liabilities	33,955
TOTAL LIABILITIES	348,258
DEFERRED INFLOWS OF RESOURCES	
Deferred revenue	215,270
TOTAL DEFERRED INFLOWS OF RESOURCES	215,270
NET POSITION	
Net investment in capital assets	10,848
Unrestricted	887,479
TOTAL NET POSITION	898,327
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 1,461,855

See accompanying independent auditor's report and notes to financial statements.

BENNINGTON COUNTY REGIONAL COMMISSION

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

Functions/Programs	Expenses	Program Revenues		Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions		Total Governmental Activities
Governmental activities:					
Planning	\$ 1,624,691	\$ 89,360	\$ 1,269,134	\$ -	\$ (266,197)
Total governmental activities	<u>\$ 1,624,691</u>	<u>\$ 89,360</u>	<u>\$ 1,269,134</u>	<u>\$ -</u>	<u>\$ (266,197)</u>

STATEMENT B (CONTINUED)
 BENNINGTON COUNTY REGIONAL COMMISSION

STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2023

	Governmental Activities
Changes in net position:	
Net (expense) revenue	(266,197)
General revenue:	
Investment earnings, net of losses	26,521
Miscellaneous	345,390
Total general revenue	371,911
Change in net position	105,714
NET POSITION - JULY 1, RESTATED	792,613
NET POSITION - JUNE 30	\$ 898,327

See accompanying independent auditor's report and notes to financial statements.

BENNINGTON COUNTY REGIONAL COMMISSION

BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2023

	<u>General Fund</u>
ASSETS	
Cash and cash equivalents	\$ 750,527
Investments	287,258
Accounts receivable (net of allowance for uncollectibles)	325,373
Due from other governments	70,968
Prepaid items	16,881
TOTAL ASSETS	<u>\$ 1,451,007</u>
LIABILITIES	
Accounts payable	\$ 89,340
Accrued expenses	213,644
TOTAL LIABILITIES	<u>302,984</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred grant revenue	215,270
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>215,270</u>
FUND BALANCES	
Nonspendable	16,881
Restricted	-
Committed	-
Assigned	-
Unassigned	915,872
TOTAL FUND BALANCES	<u>932,753</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 1,451,007</u>

See accompanying independent auditor's report and notes to financial statements.

BENNINGTON COUNTY REGIONAL COMMISSION

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
 TO THE STATEMENT OF NET POSITION
 JUNE 30, 2023

	Total Governmental Funds
	<u> </u>
Total Fund Balances	\$ 932,753
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation	10,848
Long-term obligations are not due and payable in the current period and therefore are not reported in the funds:	
Accrued compensated absences	<u>(45,274)</u>
Net position of governmental activities	<u>\$ 898,327</u>

See accompanying independent auditor’s report and notes to financial statements.

BENNINGTON COUNTY REGIONAL COMMISSION

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	<u>General Fund</u>
REVENUES	
Program revenue	\$ 1,269,134
Town appropriations	89,360
Investment earnings (losses)	26,521
Other revenue	345,390
TOTAL REVENUES	<u>1,730,405</u>
 EXPENDITURES	
Planning	
Personnel	1,098,718
Administrative	96,103
Other	438,560
TOTAL EXPENDITURES	<u>1,633,381</u>
 NET CHANGE IN FUND BALANCE	 97,024
 FUND BALANCE - JULY 1, RESTATED	 <u>835,729</u>
 FUND BALANCE - JUNE 30	 <u>\$ 932,753</u>

See accompanying independent auditor's report and notes to financial statements.

BENNINGTON COUNTY REGIONAL COMMISSION

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, 2023

Net change in fund balances - total governmental funds (Statement E)	<u>\$ 97,024</u>
<p>Amounts reported for governmental activities in the Statement of Activities (Statement B) are different because:</p>	
<p>Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense allocated to those expenditures over the life of the assets:</p>	
Capital asset acquisitions	4,130
Depreciation expense	<u>(5,142)</u>
	<u>(1,012)</u>
<p>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 governmental funds:</p>	
Accrued compensated absences	<u>9,702</u>
Change in net position of governmental activities (Statement B)	<u>\$ 105,714</u>

See accompanying independent auditor's report and notes to financial statements.

BENNINGTON COUNTY REGIONAL COMMISSION

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Bennington County Regional Commission is a non-profit organization exempt from income taxes under Section 115 of the Internal Revenue Code of 1986. The Bennington County Regional Commission (BCRC) was created, pursuant to 24 V.S.A. Section 4341, by the seventeen towns and villages it serves and will work with and on behalf of those municipalities to build strong, resilient and sustainable communities, to foster economic prosperity and to promote a high quality of life for residents of the region.

All municipalities including the towns and villages of the Bennington Region shall be considered members of the BCRC. These municipalities are: Arlington, Bennington, Dorset, Glastenbury, Landgrove, Manchester, Manchester Village, North Bennington Village, Old Bennington Village, Peru, Pownal, Rupert, Sandgate, Shaftsbury, Stamford, Sunderland and Woodford. Additional municipalities may be admitted to membership by an affirmative majority vote of the Commissioners voting. The legislative body of each member municipality shall appoint one Commissioners for a term specified by the legislative body. Each town and village also may appoint a Co-Commissioner. If a municipality fails to appoint a Commissioner to serve on the BCRC, the chairperson of that municipality's planning commission shall be considered to be the Commissioner until such time that an official appointment is made by the municipality.

Each town and village is entitled to one vote on any matter before the BCRC, which shall be cast by the Commissioner or, if the Commissioner is not present or able to vote, by the Co-Commissioner. In the event that both the Commissioner and Co-Commissioner from the same municipality cast votes on a matter, only the Commissioner's vote shall be accepted. Except as stated below, any issue brought before the BCRC may be decided only by an affirmative majority of the Commissioners voting. Approval of the Regional Plan and confirmation or approval of municipal plans and processes must receive the requisite number of Commissioner votes required by 24 VSA Chapter 117.

The Commission's combined financial statements include all accounts and all operations of the Commission. We have determined that the Commission has no component units as described in GASB Statement No. 14 and amended by GASB Statements No. 39 and No. 61.

BENNINGTON COUNTY REGIONAL COMMISSION

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Implementation of New Accounting Standards

During the year ended June 30, 2023, the following statements of financial accounting standards issued by the Governmental Accounting Standards Board became effective:

Statement No. 94 "Public-Private and Public-Public Partnerships and Availability Payment Arrangements". The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 96 "Subscription-Based Information Technology Arrangements". This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset - an intangible asset - and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 99 "Omnibus 2022". The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The practice issues addressed by this Statement are to provide clarification of provisions in Statement No. 87, Leases, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a

BENNINGTON COUNTY REGIONAL COMMISSION

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

lease asset and identification of lease incentives, clarification of provisions in Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, related to (a) the determination of the public-private and public-public partnership (PPP) term and (b) recognition and measurement of installment payments and the transfer of the underlying PPP asset, clarification of provisions in Statement No. 96, Subscription-Based Information Technology Arrangements, related to the subscription-based information technology arrangement (SBITA) term, classification of a SBITA as a short-term SBITA and recognition and measurement of a subscription liability, extension of the period during which the London Interbank Offered Rate (LIBOR) is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt, accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program (SNAP), disclosures related to nonmonetary transactions, pledges of future revenues when resources are not received by the pledging government, clarification of provisions in Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, as amended, related to the focus of the government-wide financial statements, terminology updates related to certain provisions of Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position and terminology used in Statement 53 to refer to resource flows statements. Management has determined the impact of this Statement is not material to the financial statements.

Government-Wide and Fund Financial Statements

The Commission's basic financial statements include both government-wide (reporting the Commission as a whole) and fund financial statements (reporting the Commission's major funds).

Both the government-wide and fund financial statements categorize primary activities as governmental. The Commission categorizes all activities of the Commission as governmental.

In the government-wide Statement of Net Position, the governmental and business-type activities columns are (a) presented on a consolidated basis by column and (b) are reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Commission's net position is reported in three parts - net investment in capital assets, restricted net position and unrestricted net position. The Commission first utilizes restricted resources to finance qualifying activities.

BENNINGTON COUNTY REGIONAL COMMISSION

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The government-wide Statement of Activities reports both the gross and net cost of each of the Commission's functions (regional planning and other programs, transportation and regional development, etc.) except for fiduciary activities. The functions are also supported by general government revenues (certain intergovernmental revenues, charges for services, miscellaneous revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. For the most part, the interfund activity has been eliminated from these government-wide financial statements.

The net costs (by function) are normally covered by general revenue (certain intergovernmental revenues and charges for services, etc.).

The Commission allocates indirect costs. Certain administrative costs are charged indirectly to the corresponding project using the established and approved annual indirect cost rate.

The government-wide focus is more on the sustainability of the Commission as an entity and the change in the Commission's net assets resulting from the current year's activities.

Measurement Focus - Basic Financial Statements and Fund Financial Statements

The financial transactions of the Commission are reported in the individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues and expenditures/ expenses. The various funds are reported by generic classification within the financial statements. The following fund types are used by the Commission:

1. Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position (sources, uses and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Commission:

Major Fund:

- a. The General Fund is the general operating fund of the Commission. It is used to account for all financial resources except those required to be accounted for in another fund.

BENNINGTON COUNTY REGIONAL COMMISSION

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues or expenses of either the fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements.

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.

1. Accrual

Governmental activities in the government-wide financial statements and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

Budget

The Commission's policy is to adopt an annual budget for operations. The budget is presented on the modified accrual basis of accounting which is consistent with generally accepted accounting principles.

BENNINGTON COUNTY REGIONAL COMMISSION

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The following procedures are followed in establishing budgetary data reflected in the financial statements:

1. Early in the second half of the year the Commission prepares a budget for the fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them.
2. A meeting of the Commission was called for the purpose of adopting the proposed budget after public notice of the meeting was given.
3. The budget was adopted subsequent to passage by the Commission.

Deposits and Investments

The Commission's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

It is the Commission's policy to value investments at fair value. None of the Commission's investments are reported at amortized cost. For purposes of the statement of cash flows, all highly liquid investments with a maturity of three months or less when purchased are considered to be a cash equivalent. The Commission is authorized by State Statutes to invest all excess funds in the following:

- Obligations of the U.S. Government, its agencies and instrumentalities
- Certificates of deposit and other evidence of deposits at banks, savings and loan associations and credit unions
- Repurchase agreements
- Money market mutual funds

The Bennington County Regional Commission has no formal investment policy but instead follows the State of Vermont Statutes.

Receivables

Receivables include amounts due from governmental agencies and local businesses. All receivables are current and therefore due within one year. Receivables are reported net of an allowance for uncollectible accounts and revenues net of uncollectibles. Allowances are reported when accounts are proven to be uncollectible. The allowance for uncollectible accounts is estimated to be \$0 as of June 30, 2023. Accounts receivable netted with allowances for uncollectible accounts were \$396,341 for the year ended June 30, 2023.

BENNINGTON COUNTY REGIONAL COMMISSION

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Capital Assets

Capital assets purchased or acquired with an original cost of \$1,000 or more depending on the asset type are reported at historical cost or estimated historical cost. 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.

A right of use lease asset is required to be reported at the present value of payments expected to be made during the lease term including and any/all other required financial lease obligations in accordance with the terms of the lease and excluding interest. A lease asset will be amortized on a straight-line basis over the lease term or the useful life of the underlying asset (whichever is shorter).

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 reported at their estimated fair market value on the date received. All retirements have been recorded by eliminating the net carrying values.

Estimated useful lives are as follows:

Furniture and fixtures	3-10 years
------------------------	------------

Long-term Obligations

The accounting treatment of long-term obligations depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term obligations to be repaid from governmental resources are reported as liabilities in government-wide statements. The long-term obligation consists of accrued compensated absences.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures.

BENNINGTON COUNTY REGIONAL COMMISSION

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consist of capital assets net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for those assets and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the Commission or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in the determination of net investment in capital assets or restricted net position.

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position and/or balance sheet will at times report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Commission currently has no deferred outflows of resources.

In addition to liabilities, the statement of financial position and or balance sheet will at times report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Commission has one types of this item, deferred revenue, which arise only under a modified accrual basis of accounting that qualify for reporting in this category. Accordingly, these items are reported in the governmental funds balance sheet. All items in this category are deferred and recognized as an inflow of resources in the period that the amounts become available.

Program Revenues

Program revenues include all directly related income items applicable to a particular program (charges to customers or applicants for goods, services or privileges provided, operating or capital grants and contributions, including special assessments).

BENNINGTON COUNTY REGIONAL COMMISSION

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balances

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the Commission is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components - nonspendable, restricted, committed, assigned and unassigned.

Nonspendable - This includes amounts that cannot be spent either because they are not in spendable form or because they are legally or contractually required to be maintained intact.

Restricted - This includes amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors or the laws or regulations of other governments.

Committed - This includes amounts that can be used only for specific purposes determined by a formal action of the Commission. The Commissioners through Commission meetings are the highest level of decision-making authority of the Commission. Commitments may be established, modified or rescinded only through a Commission meeting vote.

Assigned - This includes amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes by the Commission's highest level of decision-making authority or a body or official that has been given the authority to assign funds. Assigned funds cannot cause a deficit in unassigned fund balance.

Unassigned - This includes all other spendable amounts. The general fund is the only fund that reports a positive unassigned fund balance amount. Other governmental funds besides the general fund can only report a negative unassigned fund balance amount.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the Commission considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the Commission considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the Commission meeting vote has provided otherwise in its commitment or assignment actions.

BENNINGTON COUNTY REGIONAL COMMISSION

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Encumbrance Accounting

Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, appropriations lapse at fiscal year-end. The Commission does not utilize encumbrance accounting for its general fund.

Use of Estimates

During the preparation of the Commission's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent items as of the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results may differ from these estimates.

NOTE 2 - DEPOSITS AND INVESTMENTS

The Commission's investment policies, which follow state statutes, authorize the Commission 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. These investment policies apply to all Commission funds.

Deposits:

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the Commission will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party.

At June 30, 2023, the Commission's cash balances of \$750,527 were comprised of bank deposits amounting to \$754,757. Bank deposits are adjusted primarily by outstanding checks and deposits in transit to reconcile to the Commission's cash balance. Of these bank deposits, \$269,195 were insured by federal depository insurance and consequently were not exposed to custodial credit risk. \$15 were insured by the National Credit Union Share Insurance Fund and the remaining deposits of \$485,547 were uninsured and uncollateralized.

BENNINGTON COUNTY REGIONAL COMMISSION

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

<u>Account Type</u>	<u>Bank Balance</u>
Checking accounts	\$ 78,335
Savings	15
Money market accounts	666,180
Cash equivalents	10,227
	<u>\$ 754,757</u>

Investments:

Custodial credit risk for investments is that, in the event of failure of the counterparty, the Commission will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Currently, the Commission does not have a policy for custodial credit risk for investments. The Commission seeks to minimize custodial credit risk by doing business with authorized institutions, depositories and brokers/dealers.

Interest rate risk - is the risk that changes in interest rates will adversely affect the fair value of an investment. The Commission does have a formal investment policy that mitigates interest rate risk by limiting investment maturities as a means of managing its exposure to fair value losses arising from fluctuations in interest rates.

The Commission's investments of \$287,258, was fully covered by the Securities Investor Protection Corporation (SIPC).

At June 30, 2023, the Commission had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Not Applicable</u>	<u>Less than 1 Year</u>	<u>1 - 5 Years</u>
Equity securities:				
Mutual funds	\$ 227,953	\$ 227,953	\$ -	\$ -
Equity exchange traded funds	59,305	59,305	-	-
	<u>\$ 287,258</u>	<u>\$ 287,258</u>	<u>\$ -</u>	<u>\$ -</u>

Fair Value Hierarchy

The Commission categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Commission has the following recurring fair value measurements as of June 30, 2023:

BENNINGTON COUNTY REGIONAL COMMISSION

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

	June 30, 2023 Total	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level I)	Significant Other Observable Inputs (Level II)	Significant Unobservable Inputs (Level III)
<u>Investments by fair value level</u>				
Equity securities:				
Mutual funds	\$ 227,953	\$ 227,953	\$ -	\$ -
Equity exchange traded funds	59,305	59,305	-	-
Total equity securities	287,258	287,258	-	-
Total investments by fair value level	\$ 287,258	\$ 287,258	\$ -	\$ -
<u>Cash equivalents measured at the net asset value (NAV)</u>				
Money market mutual funds	10,227			
Total cash equivalents measured at the NAV	10,227			
Total investments and cash equivalents measured at fair value	\$ 297,485			

Equity securities classified in Level I of the fair value hierarchy are valued using prices quoted in active markets for those securities. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The Commission has no Level II or Level III investments. The fair value of money market mutual funds that are measured at NAV per share (or its equivalent) is calculated as of June 30, 2023 in a manner consistent with the Financial Accounting Standards Board's measurement principles for investment companies.

Credit risk - Statutes for the State of Vermont authorize the Commission 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 Commission does have an investment policy on credit risk. The Commission mitigates this risk by limiting investments to authorized types of securities, using qualified financial institutions authorized by the finance committee and diversifying the investment portfolio to meet the Commission's current and future cash flow needs. Generally, the Commission invests excess funds in cash management accounts and various insured certificates of deposit. Certain long-term trust funds are invested through a financial institution, with trust powers, in a mix of securities that comply with state and federal regulations to provide long-term growth and income.

BENNINGTON COUNTY REGIONAL COMMISSION

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 - CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended June 30, 2023:

	Balance 7/1/22	Additions	Disposals/ Adjustments	Balance 6/30/23
<u>Governmental activities</u>				
Depreciated assets:				
Furniture and fixtures	\$ 85,696	\$ 4,130	\$ -	\$ 89,826
	<u>85,696</u>	<u>4,130</u>	<u>-</u>	<u>89,826</u>
Less: accumulated depreciation:				
Furniture and fixtures	(73,836)	(5,142)	-	(78,978)
	<u>(73,836)</u>	<u>(5,142)</u>	<u>-</u>	<u>(78,978)</u>
Net capital assets	<u>\$ 11,860</u>	<u>\$ (1,012)</u>	<u>\$ -</u>	<u>\$ 10,848</u>
Depreciation expense:				
Regional planning			<u>\$ 5,142</u>	

NOTE 4 - OTHER LONG-TERM OBLIGATIONS

The following is a summary of changes in other long-term obligations for the year ended June 30, 2023:

	Balance 7/1/22	Additions	Deductions	Balance 6/30/23	Current Portion
Accrued compensated absences	\$ 54,976	\$ -	\$ (9,702)	\$ 45,274	\$ 11,319
	<u>54,976</u>	<u>-</u>	<u>(9,702)</u>	<u>45,274</u>	<u>11,319</u>

Please see Note 5 for detailed information on the other long-term obligations.

NOTE 5 - ACCRUED COMPENSATED ABSENCES

The Commission's policies regarding vacation and sick time do permit employees to accumulate earned but unused vacation leave but not sick time. The liability for these compensated absences is recorded as a long-term obligation in the government-wide financial statements. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources, while the proprietary funds report the liability as it is incurred. As of June 30, 2023, the Commission's liability for compensated absences is \$45,274.

BENNINGTON COUNTY REGIONAL COMMISSION

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 6 - NET INVESTMENT IN CAPITAL ASSETS

The following is the calculation of the net investment in capital assets for the Commission at June 30, 2023:

Invested in capital assets	\$ 89,826
Accumulated depreciation	<u>(78,978)</u>
	<u>\$ 10,848</u>

NOTE 7 - NONSPENDABLE FUND BALANCES

At June 30, 2023, the nonspendable fund balances were made up of the following:

General fund:	
Prepaid items	<u>\$ 16,881</u>

NOTE 8 - OPERATING LEASE

On November 25, 2020 the Commission entered into a three-year lease for office space commencing December 1, 2020. The lease requires a minimum monthly payment of \$1,898 inclusive of building and grounds costs and provides for an automatic two-year renewal with a 2% increase in the minimum rent. The Commission is responsible for all direct utility costs as well as a pro rata share of common area utilities.

Rent expense amounted to \$22,527 for the year ended June 30, 2023.

NOTE 9 - PENSION PLAN

The Commission provides pension benefits for all of its full-time employees through a defined contribution plan (simplified employee pension) in accordance with section 408(k) of the Internal Revenue Code. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings.

Employees must meet certain eligibility requirements before participating in the plan. Discretionary contributions are made by the Commission based upon a percentage of salary to an Individual Retirement Account (IRA) for each eligible employee. Such contributions are held by the Commission and distributed to IRA accounts quarterly. In the current year, all of the Commission's full-time employees and one part-time employee were eligible for participation in the plan.

BENNINGTON COUNTY REGIONAL COMMISSION

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 9 - PENSION PLAN (CONTINUED)

The Commission's current year covered and total payroll for all employees amounted to \$642,080 and \$742,926 respectively. Total contributions made for the year ended June 30, 2023 were \$64,208, representing 10% of the current year covered payroll.

NOTE 10 - RISK MANAGEMENT

The Commission is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters for which the Commission carries commercial insurance covering each of these risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Commission.

Based on the coverage provided by the insurance purchased, the Commission feels it is not aware of any material actual or potential claim liabilities which should be recorded at June 30, 2023. There were no significant reductions in insurance coverage from that of the prior year and amounts of settlements have not exceeded insurance coverage in the past three years.

NOTE 11 - CONTINGENCIES AND COMMITMENTS

With regard to pending legal claims or any unasserted claims, it is not feasible at this time to predict or determine their outcome. Management believes, however, that settlement amounts, if any, will not have a material adverse effect on the Commission's financial position.

The Commission participates in various intergovernmental grant programs which may be subject to future program compliance audits by the grantors or their representatives. Accordingly, the Commission's compliance with applicable grant requirement may be established at some future date. The amount, if any, of any liabilities arising from the disallowance of expenditures or ineligibility of grant revenues cannot be determined at this time.

NOTE 12 - COMPARATIVE DATA/RECLASSIFICATIONS

Comparative total data for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the Commission's financial position and operations. Also, certain amounts presented in the prior year's data have been reclassified to be consistent with the current year's presentation.

BENNINGTON COUNTY REGIONAL COMMISSION

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 13 - RESTATEMENTS

In 2023, the Commission determined that restatements to the 2022 financial statements were required. The beginning fund balance for the General fund was restated by \$16,813 from \$852,542 to \$835,729. The recording of accrued compensated absences lowered the net position by \$54,976. These restatements decreased the beginning net position from \$864,402 to \$792,613.

Required Supplementary Information

Required supplementary information includes financial information and disclosures that are required by the Governmental Accounting Standards Board but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund

BENNINGTON COUNTY REGIONAL COMMISSION

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
 BUDGET AND ACTUAL - GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
Resources (Inflows):				
Program revenue	\$ 1,473,217	\$ 1,473,217	\$ 1,269,134	\$ (204,083)
Local revenue:				
Town appropriations	104,383	104,383	89,360	(15,023)
Investment earnings (losses)	-	-	26,521	26,521
Other revenue	367,600	367,600	345,390	(22,210)
Amounts Available for Appropriation	1,945,200	1,945,200	1,730,405	(214,795)
Charges to Appropriations (Outflows):				
Current:				
Personnel	1,096,945	1,096,945	1,098,718	(1,773)
Administrative	112,610	112,610	96,103	16,507
Other	713,100	713,100	438,560	274,540
Total Charges to Appropriations	1,922,655	1,922,655	1,633,381	289,274
Excess of Revenues Over (Under)				
Appropriations	\$ 22,545	\$ 22,545	\$ 97,024	\$ 74,479

See accompanying independent auditor's report and notes to financial statements.

Other Supplementary Information

Other supplementary information includes financial statements not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

- Schedule of Departmental Operations - General Fund
- Schedule of Revenues and Expenditures by Program
- Schedule of Expenditures of Federal Awards - Vermont Agency of Transportation Grants
- Schedule of Indirect Cost Rate Calculation
- Schedule of Indirect Billings/Revenues

SCHEDULE A

BENNINGTON COUNTY REGIONAL COMMISSION

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance Positive (Negative)
Expenditures				
Personnel:				
Salaries and wages	\$ 813,000	\$ 813,000	\$ 742,928	\$ 70,072
Payroll taxes and fringe benefits	283,945	283,945	355,790	(71,845)
Total salaries and benefits	<u>1,096,945</u>	<u>1,096,945</u>	<u>1,098,718</u>	<u>(1,773)</u>
Administrative:				
Office rent, heat and maintenance	37,000	37,000	26,828	10,172
Utilities	10,400	10,400	7,213	3,187
Office supplies and books	6,850	6,850	4,105	2,745
Dues	17,360	17,360	13,780	3,580
Software licenses and support	27,750	27,750	26,805	945
Travel and leased vehicle	7,000	7,000	7,790	(790)
Meetings and conferences	6,250	6,250	9,582	(3,332)
Total administrative	<u>112,610</u>	<u>112,610</u>	<u>96,103</u>	<u>16,507</u>
Other:				
Professional services	211,000	211,000	214,362	(3,362)
Consultants and contractors	458,250	458,250	186,069	272,181
Equipment purchase and lease	8,350	8,350	12,073	(3,723)
Advertising and legal notices	22,000	22,000	16,672	5,328
Audit and legal fees	13,500	13,500	14,548	(1,048)
Insurance	-	-	2,450	(2,450)
Expense reimbursement	-	-	(7,719)	7,719
Miscellaneous	-	-	105	(105)
Total other	<u>713,100</u>	<u>713,100</u>	<u>438,560</u>	<u>274,540</u>
Total Departmental Operations	<u>\$ 1,922,655</u>	<u>\$ 1,922,655</u>	<u>\$ 1,633,381</u>	<u>\$ 289,274</u>

See accompanying independent auditor's report and notes to financial statements.

BENNINGTON COUNTY REGIONAL COMMISSION

SUMMARY SCHEDULES OF REVENUES AND EXPENDITURES BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 2023

	Grant Programs		ISWAP	Community Navigator	Dorset Housing	Manchester	Recycling Towns	Collaborative	BCIC	Local	Local
	VAOT	Other		Pilot Program		Village MPG		Contract		Liaison	Liaison MOA
Revenues:											
Program revenue	\$ 205,415	\$ 1,063,718	\$ 640	\$ 38	\$ 13,276	\$ -	\$ -	\$ 2,903	\$ 118,508	\$ 2,117	\$ -
Local revenue:											
Town appropriations	-	169,421	4,913	-	-	-	84,831	-	-	-	-
Other	-	255,753	-	-	-	-	-	-	-	-	-
Investment income	-	26,521	-	-	-	-	-	-	-	-	-
Interest	-	7,110	-	-	-	-	-	-	-	-	-
Total revenues	205,415	1,522,523	5,553	38	13,276	-	84,831	2,903	118,508	2,117	-
Expenditures:											
Personnel:											
Salaries and wages	94,295	648,627	2,306	532	7,716	433	-	1,200	70,261	841	419
Payroll taxes and fringe benefits	36,181	319,615	968	117	3,621	206	-	533	27,560	424	91
	130,476	968,242	3,274	649	11,337	639	-	1,733	97,821	1,265	510
Administrative:											
Office rent, heat and maintenance	-	34,041	-	-	-	-	-	-	-	-	-
Postage	-	141	2	-	-	-	-	-	12	-	-
Office supplies, dues and books	-	15,105	-	-	-	-	-	-	195	-	-
Software licenses/support	-	26,805	-	-	-	-	-	-	-	-	-
Travel	957	2,481	-	-	-	-	-	-	110	-	-
Leased vehicle expense	677	3,674	-	-	-	-	-	-	332	-	-
Meetings and conferences	121	9,461	-	-	-	-	-	-	-	-	-
Photocopier expenses	77	2,557	70	-	1	-	-	2	169	-	-
	1,832	94,265	72	-	1	-	-	2	818	-	-
Other:											
Professional services	-	214,361	-	-	-	-	78,679	-	43	-	-
Consultants	-	186,069	-	-	-	-	-	-	-	-	-
Equipment purchases and leases	-	12,073	-	-	-	-	-	-	-	-	-
Advertising and legal notices	-	1,165	-	-	-	-	-	-	-	-	-
Audit and legal fees	-	12,600	-	-	-	-	-	-	-	-	-
Insurance	-	10,820	-	-	-	-	-	-	-	-	-
Interest and fees	-	1,949	-	-	-	-	-	-	-	-	-
Capital expenditures	-	10,000	-	-	-	-	-	-	-	-	-
Other project costs	-	(13,044)	-	-	-	-	-	-	-	-	-
Core support for program	(14,847)	14,953	-	(1,049)	(5,705)	(1,070)	6,152	-	(46,115)	-	(854)
	(14,847)	450,946	-	(1,049)	(5,705)	(1,070)	84,831	-	(46,072)	-	(854)
Indirect cost allocation	87,954	(87,954)	2,207	438	7,643	431	-	1,168	65,941	852	344
Total expenditures	205,415	1,425,499	5,553	38	13,276	-	84,831	2,903	118,508	2,117	-
Excess (deficit) of revenues over expenditures	\$ -	\$ 97,024	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

BENNINGTON COUNTY REGIONAL COMMISSION

SUMMARY SCHEDULES OF REVENUES AND EXPENDITURES BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 2023

	PDM N. Bennington	USDA CUD	Putnam Phase 2	Municipal ARPA Assistance	Putnam CPM (BRG)	Workforce and Education VCF McClure Fnd.	Welcoming Communities	Workforce Partnership	ACRPC Water Quality	Act 172 BGS
Revenues:										
Program revenue	\$ (3,167)	\$ 25,411	\$ 6,198	\$ 7,594	\$ -	\$ 2,500	\$ (5,305)	\$ 1,047	\$ 4,130	\$ 19,236
Local revenue:										
Town appropriations	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Total revenues	<u>(3,167)</u>	<u>25,411</u>	<u>6,198</u>	<u>7,594</u>	<u>-</u>	<u>2,500</u>	<u>(5,305)</u>	<u>1,047</u>	<u>4,130</u>	<u>19,236</u>
Expenditures:										
Personnel:										
Salaries and wages	973	10,194	4,716	3,420	1,311	-	397	-	1,606	8,402
Payroll taxes and fringe benefits	178	4,985	1,110	1,221	326	-	141	-	861	3,033
	<u>1,151</u>	<u>15,179</u>	<u>5,826</u>	<u>4,641</u>	<u>1,637</u>	<u>-</u>	<u>538</u>	<u>-</u>	<u>2,467</u>	<u>11,435</u>
Administrative:										
Office rent, heat and maintenance	-	-	-	-	-	-	-	-	-	-
Postage	-	-	-	-	-	-	-	-	-	-
Office supplies, dues and books	-	-	-	-	-	-	-	-	-	-
Software licenses/support	-	-	-	-	10	-	-	-	-	-
Travel	-	-	-	-	-	-	-	-	-	-
Leased vehicle expense	-	-	-	-	-	-	-	-	-	93
Meetings and conferences	-	-	-	-	-	500	-	-	-	-
Photocopier expenses	-	-	-	-	1	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11</u>	<u>500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>93</u>
Other:										
Professional services	-	-	-	-	-	-	-	-	-	-
Consultants	-	-	-	-	-	-	-	-	-	-
Equipment purchases and leases	-	-	-	-	-	-	-	-	-	-
Advertising and legal notices	-	-	-	-	-	-	-	-	-	-
Audit and legal fees	-	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-	-
Interest and fees	-	-	-	-	-	-	-	-	-	-
Capital expenditures	-	-	-	-	-	-	-	-	-	-
Other project costs	-	-	-	-	-	318	-	-	-	-
Core support for program	(5,093)	-	(3,555)	(175)	(2,752)	1,682	(6,205)	1,047	-	-
	<u>(5,093)</u>	<u>-</u>	<u>(3,555)</u>	<u>(175)</u>	<u>(2,752)</u>	<u>2,000</u>	<u>(6,205)</u>	<u>1,047</u>	<u>-</u>	<u>-</u>
Indirect cost allocation	<u>775</u>	<u>10,232</u>	<u>3,927</u>	<u>3,128</u>	<u>1,104</u>	<u>-</u>	<u>362</u>	<u>-</u>	<u>1,663</u>	<u>7,708</u>
Total expenditures	<u>(3,167)</u>	<u>25,411</u>	<u>6,198</u>	<u>7,594</u>	<u>-</u>	<u>2,500</u>	<u>(5,305)</u>	<u>1,047</u>	<u>4,130</u>	<u>19,236</u>
Excess (deficit) of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

BENNINGTON COUNTY REGIONAL COMMISSION

SUMMARY SCHEDULES OF REVENUES AND EXPENDITURES BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 2023

	AOT #30	AOT #31	Benmont Avenue MPM	Dorset Path MPM	Shaftsbury Sidewalk MPM	Ninja Path	Core Planning Grant	ARPA Plan Implement.	ANR FEMA Mapping	BGS Capital Projects
Revenues:										
Program revenue	\$ 47,640	\$ 157,775	\$ 2,167	\$ 3,689	\$ 2,244	\$ 4,245	\$ 348,503	\$ 37,500	\$ 5,500	\$ 10,000
Local revenue:										
Town appropriations	-	-	-	-	-	-	79,477	-	-	-
Other	-	-	-	-	-	-	314	-	-	-
Investment income	-	-	-	-	-	-	26,521	-	-	-
Interest	-	-	-	-	-	-	7,110	-	-	-
Total revenues	47,640	157,775	2,167	3,689	2,244	4,245	461,925	37,500	5,500	10,000
Expenditures:										
Personnel:										
Salaries and wages	26,718	67,577	978	1,639	988	1,894	314,435	13,581	4,419	-
Payroll taxes and fringe benefits	10,175	26,006	316	546	325	641	184,540	5,802	2,124	-
	<u>36,893</u>	<u>93,583</u>	<u>1,294</u>	<u>2,185</u>	<u>1,313</u>	<u>2,535</u>	<u>498,975</u>	<u>19,383</u>	<u>6,543</u>	<u>-</u>
Administrative:										
Office rent, heat and maintenance	-	-	-	-	-	-	34,040	-	-	-
Postage	-	-	-	-	-	-	91	-	-	-
Office supplies, dues and books	-	-	-	-	-	-	9,818	-	-	-
Software licenses/support	-	-	-	-	-	-	25,658	-	-	-
Travel	460	497	-	-	4	-	2,062	-	-	-
Leased vehicle expense	243	434	-	31	-	-	2,267	-	-	-
Meetings and conferences	-	121	-	-	-	-	8,380	-	-	-
Photocopier expenses	21	56	1	1	42	2	1,551	-	-	-
	<u>724</u>	<u>1,108</u>	<u>1</u>	<u>32</u>	<u>46</u>	<u>2</u>	<u>83,867</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other:										
Professional services	-	-	-	-	-	-	5,283	-	-	-
Consultants	-	-	-	-	-	-	2,500	3,000	-	-
Equipment purchases and leases	-	-	-	-	-	-	4,895	-	-	-
Advertising and legal notices	-	-	-	-	-	-	991	-	-	-
Audit and legal fees	-	-	-	-	-	-	12,600	-	-	-
Insurance	-	-	-	-	-	-	8,349	-	-	-
Interest and fees	-	-	-	-	-	-	1,949	-	-	-
Capital expenditures	-	-	-	-	-	-	-	-	-	10,000
Other project costs	-	-	-	-	-	-	(2,533)	-	-	-
Core support for program	(14,847)	-	-	-	-	-	145,989	2,050	(5,454)	-
	<u>(14,847)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>180,023</u>	<u>5,050</u>	<u>(5,454)</u>	<u>10,000</u>
Indirect cost allocation	24,870	63,084	872	1,472	885	1,708	(397,964)	13,067	4,411	-
Total expenditures	47,640	157,775	2,167	3,689	2,244	4,245	364,901	37,500	5,500	10,000
Excess (deficit) of revenues over expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 97,024	\$ -	\$ -	\$ -

BENNINGTON COUNTY REGIONAL COMMISSION

SUMMARY SCHEDULES OF REVENUES AND EXPENDITURES BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 2023

	Solid Waste Alliance	604(B)	Arlington Rec Park MPM	Arlington MPG	Grant in Aid Various	General	Brownfields Hazardous Substance	Petroleum	MARC Brownfields
Revenues:									
Program revenue	\$ 84,738	\$ 3,665	\$ 2,221	\$ 8,181	\$ (5,177)	\$ 2,856	\$ 13,489	\$ 21,527	\$ 82,671
Local revenue:									
Town appropriations	-	-	-	-	-	-	-	-	-
Other	147,604	-	-	-	15,000	-	-	-	1,250
Investment income	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Total revenues	<u>232,342</u>	<u>3,665</u>	<u>2,221</u>	<u>8,181</u>	<u>9,823</u>	<u>2,856</u>	<u>13,489</u>	<u>21,527</u>	<u>83,921</u>
Expenditures:									
Personnel:									
Salaries and wages	45,464	1,921	1,025	5,172	5,012	2,719	1,532	170	3,010
Payroll taxes and fringe benefits	21,196	936	302	2,381	2,552	1,378	770	86	1,523
	<u>66,660</u>	<u>2,857</u>	<u>1,327</u>	<u>7,553</u>	<u>7,564</u>	<u>4,097</u>	<u>2,302</u>	<u>256</u>	<u>4,533</u>
Administrative:									
Office rent, heat and maintenance	-	-	-	-	-	-	-	-	-
Postage	30	-	-	-	-	4	-	-	-
Office supplies, dues and books	5,092	-	-	-	-	-	-	-	-
Software licenses/support	1,132	-	-	-	-	-	-	-	-
Travel	87	-	-	-	169	-	17	7	-
Leased vehicle expense	223	-	-	44	-	-	-	-	-
Meetings and conferences	260	-	-	-	-	-	-	-	-
Photocopier expenses	252	-	-	271	2	-	-	-	-
	<u>7,076</u>	<u>-</u>	<u>-</u>	<u>315</u>	<u>171</u>	<u>4</u>	<u>17</u>	<u>7</u>	<u>-</u>
Other:									
Professional services	52,205	-	-	-	-	-	-	-	-
Consultants	53,940	-	-	-	-	(3,255)	10,854	21,509	76,332
Equipment purchases and leases	291	-	-	-	-	-	-	-	-
Advertising and legal notices	-	-	-	-	-	-	-	-	-
Audit and legal fees	-	-	-	-	-	-	-	-	-
Insurance	2,471	-	-	-	-	-	-	-	-
Interest and fees	-	-	-	-	-	-	-	-	-
Capital expenditures	-	-	-	-	-	-	-	-	-
Other project costs	4,763	-	-	-	-	-	-	-	-
Core support for program	-	172	-	(4,778)	(3,011)	2,010	316	(245)	-
	<u>113,670</u>	<u>172</u>	<u>-</u>	<u>(4,778)</u>	<u>(3,011)</u>	<u>(1,245)</u>	<u>11,170</u>	<u>21,264</u>	<u>76,332</u>
Indirect cost allocation	44,936	636	894	5,091	5,099	-	-	-	3,056
Total expenditures	<u>232,342</u>	<u>3,665</u>	<u>2,221</u>	<u>8,181</u>	<u>9,823</u>	<u>2,856</u>	<u>13,489</u>	<u>21,527</u>	<u>83,921</u>
Excess (deficit) of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

BENNINGTON COUNTY REGIONAL COMMISSION

SUMMARY SCHEDULES OF REVENUES AND EXPENDITURES BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 2023

	EMPG	GBICS Homeless HE	DPS CUD Capacity	Glastenbury ZA	RPC HE Toolkit	DEC TBP	MPG Armory Reuse	Energy Plans	Refugee Resettlement
Revenues:									
Program revenue	\$ 31,654	\$ 38,177	\$ 17,051	\$ -	\$ 11,408	\$ 17,000	\$ 10,080	\$ -	\$ 4,015
Local revenue:									
Town appropriations	-	-	-	200	-	-	-	-	-
Other	-	306	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Total revenues	<u>31,654</u>	<u>38,483</u>	<u>17,051</u>	<u>200</u>	<u>11,408</u>	<u>17,000</u>	<u>10,080</u>	<u>-</u>	<u>4,015</u>
Expenditures:									
Personnel:									
Salaries and wages	25,190	10,088	6,915	171	5,081	6,777	5,975	220	1,948
Payroll taxes and fringe benefits	6,043	3,754	3,270	85	1,534	3,472	2,954	116	761
	<u>31,233</u>	<u>13,842</u>	<u>10,185</u>	<u>256</u>	<u>6,615</u>	<u>10,249</u>	<u>8,929</u>	<u>336</u>	<u>2,709</u>
Administrative:									
Office rent, heat and maintenance	-	-	-	-	-	-	-	-	-
Postage	-	-	-	-	-	-	-	-	-
Office supplies, dues and books	-	-	-	-	-	-	-	-	-
Software licenses/support	-	-	-	-	-	-	-	-	-
Travel	5	-	-	-	-	20	-	-	-
Leased vehicle expense	201	-	-	-	-	-	-	-	-
Meetings and conferences	-	-	-	-	-	-	-	-	-
Photocopier expenses	40	4	-	-	-	2	-	-	-
	<u>246</u>	<u>4</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other:									
Professional services	-	-	-	-	-	-	-	-	-
Consultants	-	15,000	-	-	-	-	-	-	-
Equipment purchases and leases	-	-	-	-	-	-	-	-	-
Advertising and legal notices	-	-	-	-	-	-	-	-	-
Audit and legal fees	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-
Interest and fees	-	-	-	-	-	-	-	-	-
Capital expenditures	-	-	-	-	-	-	-	-	-
Other project costs	-	306	-	-	-	-	-	-	-
Core support for program	(20,879)	-	-	(229)	334	(180)	(4,868)	(562)	(519)
	<u>(20,879)</u>	<u>15,306</u>	<u>-</u>	<u>(229)</u>	<u>334</u>	<u>(180)</u>	<u>(4,868)</u>	<u>(562)</u>	<u>(519)</u>
Indirect cost allocation	21,054	9,331	6,866	173	4,459	6,909	6,019	226	1,825
Total expenditures	<u>31,654</u>	<u>38,483</u>	<u>17,051</u>	<u>200</u>	<u>11,408</u>	<u>17,000</u>	<u>10,080</u>	<u>-</u>	<u>4,015</u>
Excess (deficit) of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

BENNINGTON COUNTY REGIONAL COMMISSION

SUMMARY SCHEDULES OF REVENUES AND EXPENDITURES BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 2023

	Shaftsbury BMG	Vermont Afterschool	VT Public Health Institute	SVEDZ	VT DOL Relocation	BCIC EPA Cleanup	BCIC NBRC	FRCF Bourn Brook	FRCF Lye Brook
Revenues:									
Program revenue	\$ 22,040	\$ (15,248)	\$ 56,759	\$ -	\$ -	\$ (9,591)	\$ -	\$ 2,613	\$ 1,900
Local revenue:									
Town appropriations	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Total revenues	<u>22,040</u>	<u>(15,248)</u>	<u>56,759</u>	<u>-</u>	<u>-</u>	<u>(9,591)</u>	<u>-</u>	<u>2,613</u>	<u>1,900</u>
Expenditures:									
Personnel:									
Salaries and wages	18,081	1,255	20,475	677	-	222	511	1,411	842
Payroll taxes and fringe benefits	8,479	411	6,885	132	-	74	107	689	411
	<u>26,560</u>	<u>1,666</u>	<u>27,360</u>	<u>809</u>	<u>-</u>	<u>296</u>	<u>618</u>	<u>2,100</u>	<u>1,253</u>
Administrative:									
Office rent, heat and maintenance	-	-	-	-	-	-	-	-	-
Postage	-	-	-	2	-	-	-	-	-
Office supplies, dues and books	-	-	-	-	-	-	-	-	-
Software licenses/support	-	-	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-	-	-
Leased vehicle expense	144	-	243	-	-	-	-	-	-
Meetings and conferences	-	-	101	-	-	-	-	-	-
Photocopier expenses	144	-	-	2	-	-	-	-	-
	<u>288</u>	<u>-</u>	<u>344</u>	<u>4</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other:									
Professional services	-	-	-	54	-	-	-	-	-
Consultants	-	-	-	-	-	-	-	-	-
Equipment purchases and leases	-	-	-	-	-	-	-	-	-
Advertising and legal notices	74	-	-	-	-	-	-	-	-
Audit and legal fees	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-
Interest and fees	-	-	-	-	-	-	-	-	-
Capital expenditures	-	-	-	-	-	-	-	-	-
Other project costs	-	(18,037)	2,139	-	-	-	-	-	-
Core support for program	(22,786)	-	8,472	(867)	-	(10,087)	(1,034)	(903)	(197)
	<u>(22,712)</u>	<u>(18,037)</u>	<u>10,611</u>	<u>(813)</u>	<u>-</u>	<u>(10,087)</u>	<u>(1,034)</u>	<u>(903)</u>	<u>(197)</u>
Indirect cost allocation	<u>17,904</u>	<u>1,123</u>	<u>18,444</u>	<u>-</u>	<u>-</u>	<u>200</u>	<u>416</u>	<u>1,416</u>	<u>844</u>
Total expenditures	<u>22,040</u>	<u>(15,248)</u>	<u>56,759</u>	<u>-</u>	<u>-</u>	<u>(9,591)</u>	<u>-</u>	<u>2,613</u>	<u>1,900</u>
Excess (deficit) of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

BENNINGTON COUNTY REGIONAL COMMISSION

SUMMARY SCHEDULES OF REVENUES AND EXPENDITURES BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 2023

	HHW Facility	Hot Weather Planning	Manchester DRB	Manchester PSA	Manchester REI	Pownal MPG	RPC Implementation	Rural Technical Assistance	Shaftsbury Energy
Revenues:									
Program revenue	\$ -	\$ 7,000	\$ (39)	\$ 1,100	\$ 4,000	\$ 5,714	\$ 19,672	\$ 1,557	\$ 5,000
Local revenue:									
Town appropriations	-	-	-	-	-	-	-	-	-
Other	91,279	-	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Total revenues	<u>91,279</u>	<u>7,000</u>	<u>(39)</u>	<u>1,100</u>	<u>4,000</u>	<u>5,714</u>	<u>19,672</u>	<u>1,557</u>	<u>5,000</u>
Expenditures:									
Personnel:									
Salaries and wages	-	603	72	574	-	2,248	8,592	834	5,556
Payroll taxes and fringe benefits	-	128	26	279	-	1,158	3,028	307	2,281
	-	731	98	853	-	3,406	11,620	1,141	7,837
Administrative:									
Office rent, heat and maintenance	1	-	-	-	-	-	-	-	-
Postage	-	-	-	-	-	-	-	-	-
Office supplies, dues and books	-	-	-	-	-	-	-	-	-
Software licenses/support	5	-	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-	-	-
Leased vehicle expense	-	-	-	-	-	12	84	-	-
Meetings and conferences	-	-	-	-	-	-	220	-	-
Photocopier expenses	-	-	-	-	-	-	-	-	-
	<u>6</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12</u>	<u>304</u>	<u>-</u>	<u>-</u>
Other:									
Professional services	78,097	-	-	-	-	-	-	-	-
Consultants	6,189	-	-	-	-	-	-	-	-
Equipment purchases and leases	6,887	-	-	-	-	-	-	-	-
Advertising and legal notices	100	-	-	-	-	-	-	-	-
Audit and legal fees	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-
Interest and fees	-	-	-	-	-	-	-	-	-
Capital expenditures	-	-	-	-	-	-	-	-	-
Other project costs	-	-	-	-	-	-	-	-	-
Core support for program	-	5,776	(203)	(329)	4,000	-	(85)	(354)	(8,120)
	<u>91,273</u>	<u>5,776</u>	<u>(203)</u>	<u>(329)</u>	<u>4,000</u>	<u>-</u>	<u>(85)</u>	<u>(354)</u>	<u>(8,120)</u>
Indirect cost allocation	-	493	66	576	-	2,296	7,833	770	5,283
Total expenditures	<u>91,279</u>	<u>7,000</u>	<u>(39)</u>	<u>1,100</u>	<u>4,000</u>	<u>5,714</u>	<u>19,672</u>	<u>1,557</u>	<u>5,000</u>
Excess (deficit) of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

BENNINGTON COUNTY REGIONAL COMMISSION

SUMMARY SCHEDULES OF REVENUES AND EXPENDITURES BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 2023

	Stamford HMP	Walloomsac Inn Reuse	Woodford Town Plan	Total
Revenues:				
Program revenue	\$ 2,960	\$ 4,000	\$ 1,751	\$ 1,269,133
Local revenue:				
Town appropriations	-	-	-	169,421
Other	-	-	-	255,753
Investment income	-	-	-	26,521
Interest	-	-	-	7,110
Total revenues	2,960	4,000	1,751	1,727,938
Expenditures:				
Personnel:				
Salaries and wages	1,483	3,381	759	742,922
Payroll taxes and fringe benefits	285	1,866	287	355,796
	1,768	5,247	1,046	1,098,718
Administrative:				
Office rent, heat and maintenance	-	-	-	34,041
Postage	-	-	-	141
Office supplies, dues and books	-	-	-	15,105
Software licenses/support	-	-	-	26,805
Travel	-	-	-	3,438
Leased vehicle expense	-	-	-	4,351
Meetings and conferences	-	-	-	9,582
Photocopier expenses	-	-	-	2,634
	-	-	-	96,097
Other:				
Professional services	-	-	-	214,361
Consultants	-	-	-	186,069
Equipment purchases and leases	-	-	-	12,073
Advertising and legal notices	-	-	-	1,165
Audit and legal fees	-	-	-	12,600
Insurance	-	-	-	10,820
Interest and fees	-	-	-	1,949
Capital expenditures	-	-	-	10,000
Other project costs	-	-	-	(13,044)
Core support for program	-	(4,784)	-	106
	-	(4,784)	-	436,099
Indirect cost allocation	1,192	3,537	705	-
Total expenditures	2,960	4,000	1,751	1,630,914
Excess (deficit) of revenues over expenditures	\$ -	\$ -	\$ -	\$ 97,024

See accompanying independent auditor's report and notes to financial statements.

BENNINGTON COUNTY REGIONAL COMMISSION

SCHEDULE OF EXPENDITURES – FEDERAL AWARDS
 VERMONT AGENCY OF TRANSPORTATION GRANTS
 FOR THE YEAR ENDED JUNE 30, 2023

Federal Grantor/ Pass-through Grantor/ Program Title	Federal AL Number	Grant Number	Award Amount	Unexpended Balance June 30, 2022	Receipts or Revenue Recognized	Expenditures	Unexpended Balance June 30, 2023
US Department of Transportation: Passed through State of Vermont, Agency of Transportation							
Highway Planning and Construction	20.205	Phase STP SPR PL-1 (56) AOT #31 (GR#1659)	\$ 166,875	\$ 47,640	\$ 47,640	\$ 47,640	\$ -
Highway Planning and Construction Grant	20.205	Phase STP SPR SPWP23/ Phase STP BP23(1) AOT #32 (GR#1751)	<u>\$ 208,150</u>	<u>\$ -</u>	<u>\$ 157,775</u>	<u>\$ 157,775</u>	<u>\$ 50,375</u>
Total US Department of Transportation			<u>\$ 375,025</u>	<u>\$ 47,640</u>	<u>\$ 205,415</u>	<u>\$ 205,415</u>	<u>\$ 50,375</u>

See accompanying independent auditor's report and notes to financial statements.

BENNINGTON COUNTY REGIONAL COMMISSION

SCHEDULE OF INDIRECT COST RATE CALCULATIONS
FOR THE YEAR ENDED JUNE 30,

	FY 2023 Calculation		FY 2022 Calculation
	<u> </u>		<u> </u>
Overhead costs:			
Indirect labor costs	\$ 210,983		\$ 216,942
Other indirect costs	191,107		106,133
Carryforward adjustment	8,197		50,000
Total indirect costs	<u>\$ 410,287</u>	A	<u>\$ 373,075</u>
			A
Direct costs:			
Gross salaries	\$ 644,721		\$ 627,016
Less: Indirect salaries	<u>(198,086)</u>		<u>(175,471)</u>
Direct salaries	446,635		451,545
Direct fringe benefits	<u>162,027</u>		<u>166,097</u>
Total direct labor and benefits costs	<u>\$ 608,662</u>	B	<u>\$ 617,642</u>
			B
Indirect cost rate (A / B)	<u>67.41%</u>	**	<u>60.40%</u>
			*

** Costs derived from audited financial statements for the year ended June 30, 2021.
Rate applicable to expenditures for the period July 1, 2022 to June 30, 2023.

* Costs derived from audited financial statements for the year ended June 30, 2020.
Rate applicable to expenditures for the period July 1, 2021 to June 30, 2022.

See accompanying independent auditor's report and notes to financial statements.

BENNINGTON COUNTY REGIONAL COMMISSION

SCHEDULE OF INDIRECT BILLINGS/REVENUE
FOR THE YEAR ENDED JUNE 30, 2023

Program/Grant	Total Revenue (Including Core support for programs)	Revenue (only other direct costs)	Revenue (personnel and indirect costs excluding other direct costs)	Total Revenues of Grants with Indirect Rate Driven Agreements	Direct Personnel Costs (salaries and fringes only)	Indirect Costs	Actual Indirect Rate Captured
ISWAP	\$ 5,553	72	\$ 5,481	\$ 5,553	\$ 3,274	\$ 2,207	67.41%
Community Navigator Pilot Program	1,087	-	1,087	1,087	649	438	67.49%
Dorset Housing	18,981	1	18,980	18,981	11,337	7,643	67.42%
Manchester Village MPQ	1,070	-	1,070	1,070	639	431	67.45%
Recycling Towns	78,679	78,679	-	78,679	-	-	N/A
Collaborative Contract	2,903	2	2,901	2,903	1,733	1,168	67.40%
BCIC	164,623	861	163,762	164,623	97,821	65,941	67.41%
Local Liaison	2,117	-	2,117	2,117	1,265	852	67.35%
Local Liaison MOA	854	-	854	854	510	344	67.45%
PDM N. Bennington	1,926	-	1,926	1,926	1,151	775	67.33%
USDA CUD	25,411	-	25,411	25,411	15,179	10,232	67.41%
Putnam Phase 2	9,753	-	9,753	9,753	5,826	3,927	67.40%
Municipal ARPA Assistance	7,769	-	7,769	7,769	4,641	3,128	67.40%
Putnam CPM (BRG)	2,752	11	2,741	2,752	1,637	1,104	67.44%
Workforce and Education VCF McClure Frnd.	818	818	-	818	-	-	N/A
Welcoming Communities	900	-	900	900	538	362	67.29%
Workforce Partnership	-	-	-	-	-	-	N/A
ACRPC Water Quality	4,130	-	4,130	4,130	2,467	1,663	67.41%
Act 172 BGS	19,236	93	19,143	19,236	11,435	7,708	67.41%
AOT #30	62,487	724	61,763	62,487	36,893	24,870	67.41%
AOT #31	157,775	1,108	156,667	157,775	93,583	63,084	67.41%
Benmont Avenue MPM	2,167	1	2,166	2,167	1,294	872	67.39%
Dorset Path MPM	3,689	32	3,657	3,689	2,185	1,472	67.37%
Shaftsbury Sidewalk MPM	2,244	46	2,198	2,244	1,313	885	67.40%
Ninja Path	4,245	2	4,243	4,245	2,535	1,708	67.38%
Appropriations	282,305	-	-	-	-	-	N/A
Investment income and Interest	33,631	-	33,631	-	-	-	N/A
ARPA Plan Implementation	35,450	3,000	32,450	35,450	19,383	13,067	67.41%
ANR FEMA Mapping	10,954	-	10,954	10,954	6,543	4,411	67.42%
BGS Capital Projects	10,000	10,000	-	10,000	-	-	N/A
Solid Waste Alliance	232,342	120,746	111,596	232,342	66,660	44,936	67.41%
604 (B) Prior year adj. and varied indirect cost rates (10.00%, 60.40% and 67.41%)	3,493	-	3,493	3,493	2,857	636	22.26%
Arlington Rec Park MPM	2,221	-	2,221	2,221	1,327	894	67.37%
Arlington MPG	12,959	315	12,644	12,959	7,553	5,091	67.40%
Grant in Aid (various)	12,834	171	12,663	12,834	7,564	5,099	67.41%
Brownfields General	846	(3,251)	4,097	846	4,097	-	N/A
Brownfields Hazardous Substance	13,173	10,871	2,302	13,173	2,302	-	N/A
Brownfields Petroleum	21,772	21,516	256	21,772	256	-	N/A
MARC Brownfields	83,921	76,332	7,589	83,921	4,533	3,056	67.42%
EMPG	52,533	246	52,287	52,533	31,233	21,054	67.41%
GBICS Homeless HE	38,483	15,310	23,173	38,483	13,842	9,331	67.41%
DPS CUD Capacity	17,051	-	17,051	17,051	10,185	6,866	67.41%
Glastenbury ZA	429	-	429	429	256	173	67.58%
RPC HE Toolkit	11,074	-	11,074	11,074	6,615	4,459	67.41%
DEC TBP	17,180	22	17,158	17,180	10,249	6,909	67.41%
MPQ Armory Reuse	14,948	-	14,948	14,948	8,929	6,019	67.41%
Energy Plans	562	-	562	562	336	226	67.26%
Refugee Resettlement	4,534	-	4,534	4,534	2,709	1,825	67.37%
Shaftsbury BMG	44,826	362	44,464	44,826	26,560	17,904	67.41%
Vermont Afterschool	(15,248)	(18,037)	2,789	(15,248)	1,666	1,123	67.41%
VT Public Health Institute	48,287	2,483	45,804	48,287	27,360	18,444	67.41%
SVEDZ	867	58	809	867	809	-	N/A
VT DOL Relocation	-	-	-	-	-	-	N/A
BCIC EPA Cleanup	496	-	496	496	296	200	67.57%
BCIC NBRC	1,034	-	1,034	1,034	618	416	67.31%
FRCF Bourn Brook	3,516	-	3,516	3,516	2,100	1,416	67.43%
FRCF Lye Brook	2,097	-	2,097	2,097	1,253	844	67.36%
HHW Facility	91,279	91,279	-	91,279	-	-	N/A
Hot Weather Planning	1,224	-	1,224	1,224	731	493	67.44%
Manchester DRB	164	-	164	164	98	66	67.35%
Manchester PSA	1,429	-	1,429	1,429	853	576	67.53%
Manchester REI	-	-	-	-	-	-	N/A
Pownal MPQ	5,714	12	5,702	5,714	3,406	2,296	67.41%
RPC Implementation	19,757	304	19,453	19,757	11,620	7,833	67.41%
Rural Technical Assistance	1,911	-	1,911	1,911	1,141	770	67.48%
Shaftsbury Energy	13,120	-	13,120	13,120	7,837	5,283	67.41%
Stamford HMP	2,960	-	2,960	2,960	1,768	1,192	67.42%
Waloomsac Inn Reuse	8,784	-	8,784	8,784	5,247	3,537	67.41%
Woodford Town Plan	1,751	-	1,751	1,751	1,046	705	67.40%
	\$ 1,727,832	\$ 414,189	\$ 1,031,338	\$ 1,411,896	\$ 599,743	\$ 397,964	66.36%

See accompanying independent auditor's report and notes to financial statements.



Proven Expertise & Integrity

INDEPENDENT AUDITOR'S 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

Board of Commissioners
Bennington County Regional Commission
Bennington, 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 and each major fund of Bennington County Regional Commission as of and for the year ended June 30, 2023 and the related notes to the financial statements which collectively comprise Bennington County Regional Commission's basic financial statements and have issued our report thereon dated October 19, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Bennington County Regional Commission's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Bennington County Regional Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission'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 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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Bennington County Regional Commission's financial statements are free of 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 determination of financial statement amounts. 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*. We noted certain other matters that we reported to management of the Bennington County Regional Commission in a separate letter dated September 1, 2023.

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 organization's internal control or compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

RHR Smith & Company

Buxton, Maine
Vermont Registration No. 092.0000697
October 19, 2023