



**CENTRAL VERMONT REGIONAL
PLANNING COMMISSION**

FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED JUNE 30, 2025



CENTRAL VERMONT REGIONAL PLANNING COMMISSION

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Independent Auditors' Report

To The Board of Commissioners
Central Vermont Regional Planning Commission

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Central Vermont Regional Planning Commission ("Commission"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the 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 financial position of the Commission, as of June 30, 2025, and its respective changes in financial position, and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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 ("*Government Auditing Standards*"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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 opinion.

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 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.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 substantial doubt about the 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 management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of

management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Commission's basic financial statements. The accompanying supplementary information as listed in the table of contents, is 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 supplementary information is 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 June 26, 2026, on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 Commission's internal control over financial reporting and compliance.

CBIZ CPAs P.C.

Providence, Rhode Island
June 26, 2026

CENTRAL VERMONT REGIONAL PLANNING COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2025

Overview of the Entity:

Within this section of the Commission's annual financial report, management provides discussion and analysis of the financial activities of the Commission for the year ended June 30, 2025, as compared to the previous fiscal year ended June 30, 2024. The Commission's performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

Central Vermont Regional Planning Commission

The mission of the Central Vermont Regional Planning Commission is to assist member municipalities in providing effective local government and to work cooperatively with them to address regional issues.

The legal basis and powers for the Commission serving as the region's regional planning commission stem from and are as stipulated in 24 V.S.A. Chapter 117 § 4301 et seq., as amended, 24 V.S.A. § 4345 et seq. and such other laws as may be enacted by the General assembly of the State of Vermont. The Commission was chartered by the municipalities of Washington County and the municipalities of Orange, Washington, and Williamstown of Orange County in 1967 and is funded in part through the State of Vermont property transfer tax as outlined in 24 V.S.A. § 4306 (a). Along with other regional planning commissions in Vermont, Central Vermont Regional Planning Commission is a nontaxing political subdivision of the State of Vermont established under state statute (24 V.S.A. §4341). To the extent a conflict exists with a provision in Vermont statutes governing regional planning commissions, the Vermont statutes will control.

Overview of the Financial Statements:

The financial statements include (1) the statement of net position, (2) the statement of revenues, expenses and changes in net position, (3) the statement of cash flows, and (4) notes to the financial statements. The statement of net position is designed to indicate our financial position as of a specific point in time.

The statement of revenues, expenses and changes in net position summarizes our operating results and reveals how much, if any, income was earned for the period. As discussed in more detail below, our operating income for the year was \$246,298 and increase in net position was \$270,040.

The statement of cash flows provides information about the cash receipts and cash payments during the accounting period. It also provides information about the investing and financing activities for the same period. A review of our cash flows indicates that the cash receipts from operating activities adequately covered operating expenses, capital additions and debt service.

CENTRAL VERMONT REGIONAL PLANNING COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2025

Financial Highlights:

Budget

The Commission builds its annual budget on diverse sources of funding. Transportation funding is primarily federal (80%), from Federal Highways Administration funds, so it is dependent on the Federal Transportation Bill for appropriations of planning funds. The Commission receives 10% of matching funds for the majority of the federal transportation funds from the state, making it dependent on the actions of the Vermont legislature. The Commission receives dues from its member municipalities that in year ended June 30, 2025 totaled \$86,985 as unrestricted revenue used to locally match projects and support basic operations. Locally specific projects are matched by the community (typically 20% matches); local match is generated by the local property tax.

The State of Vermont provides regional planning funding through an annual performance-based contract through the Agency of Commerce and Community Development (ACCD). These funds were \$670,742 for the year ending June 30, 2025. With these funds, the Commission carries out statutory duties as specified in an annual work program approved by the Commission and ACCD. These funds are used as a match for local and regional projects.

The Commission also funds its operations through special purpose grants and service contracts for technical assistance. These funds tend to vary from year to year, but include funding through the Agency of Natural Resources, Emergency Management Performance Grants funded by the federal U.S. Department of Homeland Security through Vermont Emergency Management, and other granting agencies.

Operating Results

The Commission finished the fiscal year ending June 30, 2025 with a surplus of revenue over expenses of \$270,040. These results are shown on the statement of revenues, expenses, and changes in net position for the years ended June 30, 2025. The operating income was \$246,298 before the GAAP required adjustments for interest expense related to our office lease were applied.

Summary of Net Position

Presented below is the Commission's condensed summary of net position at June 30, 2025, compared to June 30, 2024. The statement of net position presents the assets and deferred outflows of resources, liabilities, deferred inflows of resources, and net position of the Commission's at the end of the fiscal year. The purpose of the statement of net position is to give the financial statement readers a snapshot of the fiscal condition of the Commission as of a certain point in time. It presents end of year data for assets, deferred outflows of resources, liabilities, and net position (assets and deferred outflows of resources, minus liabilities and deferred inflows of resources). The statement of net position is driven by the activities within the Statement of Revenues, Expenses and Changes in Net Position.

CENTRAL VERMONT REGIONAL PLANNING COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2025

	<u>2025</u>	<u>2024</u>	<u>\$ Change</u>	<u>% Change</u>
Current assets	\$ 2,054,477	\$ 1,678,565	\$ 375,912	22.4%
Noncurrent assets	<u>217,363</u>	<u>252,224</u>	<u>(34,861)</u>	-13.8%
Total assets	<u>\$ 2,271,840</u>	<u>\$ 1,930,789</u>	<u>\$ 341,051</u>	17.7%
Current liabilities	\$ 949,888	\$ 847,876	\$ 102,012	12.0%
Long-term liabilities, net of current portion	<u>199,853</u>	<u>230,854</u>	<u>(31,001)</u>	-13.4%
Total liabilities	<u>1,149,741</u>	<u>1,078,730</u>	<u>71,011</u>	6.6%
Net investment in capital assets	(17,906)	(12,464)	(5,442)	43.7%
Unrestricted net position	<u>1,140,005</u>	<u>864,523</u>	<u>275,482</u>	31.9%
Total net position	<u>1,122,099</u>	<u>852,059</u>	<u>270,040</u>	31.7%
Total liabilities and net position	<u>\$ 2,271,840</u>	<u>\$ 1,930,789</u>	<u>\$ 341,051</u>	17.7%

Total assets of the Commission at June 30, 2025 and 2024 were \$2,271,840 and \$1,930,789, respectively, a change of 17.7%. The significant components of current assets are cash, investments, accounts receivable and prepaid expenses. The significant components of noncurrent assets are capital assets. Capital assets include equipment and furniture, leasehold improvements as well as right of use lease assets. All capital assets are shown net of accumulated depreciation and amortization.

Total liabilities of the Commission at June 30, 2025 and 2024 were \$1,149,741 and \$1,078,730, respectively, a change of 6.6%. Current liabilities include accounts payable, accrued liabilities, unearned grant revenue and current portion of lease payable. Noncurrent liabilities are made up of the long-term portion of lease payable liability.

Net position represents the Commission's equity, which is accounted for in three major categories. The first category, net investment in capital assets, represents the Commission's equity in property and equipment. The next net position category is restricted net position; this shows the amounts subject to external restriction. The last category is unrestricted net position; these funds are available to use for any lawful and prudent purpose of the Commission. Unrestricted net position increased by \$275,482, or 31.9%, for the fiscal year.

CENTRAL VERMONT REGIONAL PLANNING COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2025

Summary of Revenues, Expenses and Changes in Net Position

Presented below is the condensed summary of revenues, expenses and changes in net position information for year ended June 30, 2025, compared to the year ended June 30, 2024. The information reflects the results of operations for the Commission. All revenues and expenses are accounted for on an accrual basis.

Operating revenues increased by \$367,553, or 20.5% due primarily to an increase in grants and project activity. Operating expenses increased \$416,225, or 27.8% due to as a correlation to the increase in grant revenue and projects undertaken by the Commission. Non-operating revenue increased by \$20,316, or 593.0% primarily attributable to higher interest income earned on investments

	<u>2025</u>	<u>2024</u>	<u>\$ Change</u>	<u>% Change</u>
Operating revenues	\$ 2,159,895	\$ 1,792,342	\$ 367,553	20.5%
Operating expenses	<u>1,913,597</u>	<u>1,497,372</u>	<u>416,225</u>	27.8%
Operating income	246,298	294,970	(48,672)	-16.5%
Nonoperating revenues net of nonoperating expenses	<u>23,742</u>	<u>3,426</u>	<u>20,316</u>	593.0%
Increase (Decrease) in Net Position	<u>\$ 270,040</u>	<u>\$ 298,396</u>	<u>\$ (28,356)</u>	-9.5%

Capital Assets

At June 30, 2025, capital assets, net of accumulated depreciation and amortization was \$212,948 which includes office furniture and equipment, leasehold improvements, and right of use assets. The schedule below reflects the changes in capital assets, net of depreciation and amortization, from June 30, 2025 to June 30, 2024:

	<u>2025</u>	<u>2024</u>	<u>\$ Change</u>	<u>% Change</u>
Office furniture and equipment	\$ 47,030	\$ 47,030	\$ --	0.0%
Leasehold improvements	2,597	2,597	--	0.0%
Right of use assets	335,122	335,122	--	0.0%
Accumulated depreciation / amortization	<u>(171,801)</u>	<u>(136,940)</u>	<u>(34,861)</u>	25.5%
Total	<u>\$ 212,948</u>	<u>\$ 247,809</u>	<u>\$ (34,861)</u>	-14.1%

Additional information on the Commission's capital assets can be found in Note 5 to the financial statements, which accompany this report.

CENTRAL VERMONT REGIONAL PLANNING COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2025

Debt Administration

At June 30, 2025, the Commission had total long-term debt relating to the office of \$230,854, a decrease of \$29,419 compared to the prior year. Additional information on the Commission's lease liability can be found in Note 8 to financial statements.

	<u>2025</u>	<u>2024</u>	<u>\$ Change</u>	<u>% Change</u>
Leases payable	\$ 230,854	\$ 260,273	\$ (29,419)	-11.3%

Budgeting Highlights

The Commission's budget is prepared according to the requirements of the Commission's bylaws and policies. The operating budget included proposed expenditures and estimated revenues. Final revenues and other financing sources, in the amount of \$2,197,576 were less than originally budgeted revenues by the amount of \$2,830,661.

Operating expenditures were budgeted at \$2,570,800 while actual operating expenditures were only \$1,894,023, a decrease of \$676,777. While the difference between budgeted expenditures and actual expenditures is primarily a result of underspending on consultant services, CVRPC was only fully staffed very late in the fiscal year.

Current Issues

1. Central Vermont Regional Planning Commission works with local officials to keep the annual per capita dues at a fair, but equitable level. The dues received in fiscal year 2025 totaled \$86,985.
2. Regional commissions are also affected by grant funding that is either non-existent in some years or very minimal in others. Some grant sources will not pay their fair share of administrative costs and as a result, the Commission has to use its local dues, State appropriations and/or its fund balance to meet this need. It should be recognized that there is limited money available to be used as "local" match for grants.
3. Increasingly, state, and federal grants have moved to performance-based contracting. For these types of agreements, payments are made when deliverables are produced, not in regular installments based on reimbursement of actual costs. These types of grants mean the Commission has to advance larger amounts of funds for longer periods of time, typically 3-6 months. This has resulted in a greater need to build and maintain an adequate reserve fund to facilitate cash flow, especially when consultant expenses are involved.

CENTRAL VERMONT REGIONAL PLANNING COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2025

Request for Information

This financial report is designed to provide our citizens and creditors with a general overview of the Commission's finances, and to reflect the Commission's accountability for the monies it receives. Questions about this report or requests for additional financial information should be directed to Christian Meyer, Executive Director, Central Vermont Regional Planning Commission, 29 Main Street, Suite 4, Montpelier, Vermont 05602.

CENTRAL VERMONT REGIONAL PLANNING COMMISSION

STATEMENT OF NET POSITION

JUNE 30, 2025

Assets

Current Assets

Cash and cash equivalents	\$ 926,924
Investments	405,169
Accounts receivable	696,671
Prepaid expenses	<u>25,713</u>

Total Current Assets 2,054,477

Noncurrent assets

Property and equipment, net	3,497
Right of use asset, net	209,451
Security Deposit	<u>4,415</u>

Total Noncurrent Assets 217,363

Total Assets \$ 2,271,840

Liabilities

Current Liabilities

Accounts payable and accrued expenses	\$ 317,891
Accrued interest payable	3,296
Compensated absences	26,690
Unearned grant revenue	531,818
Due to other organizations	39,192
Lease payable, current portion	<u>31,001</u>

Total Current Liabilities 949,888

Noncurrent Liabilities

Lease payable, net of current portion	<u>199,853</u>
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Total Noncurrent Liabilities 199,853

Total Liabilities 1,149,741

Net Position

Net investment in capital assets	(17,906)
Unrestricted net position	<u>1,140,005</u>

Total Net Position 1,122,099

Total Liabilities and Net Position \$ 2,271,840

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

CENTRAL VERMONT REGIONAL PLANNING COMMISSION
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2025

Operating Revenues	
Grants	\$ 2,042,906
Local communities - annual assessments	86,985
Other income	<u>30,004</u>
Total Operating Revenues	<u>2,159,895</u>
Operating Expenses	
Salaries and wages	702,394
Payroll taxes and employee benefits	302,060
Consultants and contract services	792,955
Other operations expenses	81,327
Depreciation and amortization	<u>34,861</u>
Total Operating Expenses	<u>1,913,597</u>
Operating Income	<u>246,298</u>
Non-Operating Revenue (Expense)	
Interest income	37,681
Interest expense	<u>(13,939)</u>
Net Non-Operating Revenue	<u>23,742</u>
Change in Net Position	270,040
Net Position - Beginning of Year	<u>852,059</u>
Net Position - End of Year	<u><u>\$ 1,122,099</u></u>

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

CENTRAL VERMONT REGIONAL PLANNING COMMISSION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2025

Cash Flows from Operating Activities	
Cash received from grants, contracts and services	\$ 1,469,456
Cash received from local communities	86,985
Cash received from local match contributions and other	30,004
Cash payments to employees	(1,001,703)
Cash payments to suppliers	<u>(625,261)</u>
Net Cash Used in Operating Activities	<u>(40,519)</u>
Cash Flows from Capital and Related Financing Activities	
Lease interest paid	(12,963)
Lease principal payments	<u>(29,419)</u>
Net Cash Used in Capital and Related Financing Activities	<u>(42,382)</u>
Cash Flows from Investing Activities	
Interest received	37,681
Net increase in certificates of deposit	<u>(201,063)</u>
Net Cash Used in Investing Activities	<u>(163,382)</u>
Net Change in Cash and Cash Equivalents	(246,283)
Cash and Cash Equivalents - Beginning of Year	<u>1,173,207</u>
Cash and Cash Equivalents - End of Year	<u>\$ 926,924</u>

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

CENTRAL VERMONT REGIONAL PLANNING COMMISSION

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2025

Reconciliation of Operating Income to Net Cash Used in

Operating Activities:

Cash Flows from Operating Activities:

Operating Income	\$ 246,298
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation and amortization	34,861
Changes in assets and liabilities:	
(Increase) Decrease in accounts receivable	(421,866)
(Increase) Decrease in prepaid items	734
Increase (Decrease) in unearned grant revenue	(151,584)
Increase (Decrease) in accounts payable and accrued liabilities	250,431
Increase (Decrease) in compensated absences	<u>607</u>
Total Adjustments	<u>(286,817)</u>
Net Cash Used in Operating Activities	<u>\$ (40,519)</u>

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

CENTRAL VERMONT REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF OPERATIONS

The Central Vermont Regional Planning Commission (CVRPC) is one of 11 regional planning commissions in Vermont. CVRPC was organized under Title 24 Vermont Statutes Annotated (V.S.A.), Chapter 117 in 1967 to promote the mutual cooperation of its member municipalities and to facilitate the appropriate development and preservation of the physical and human resources in these municipalities.

The mission of the Central Vermont Regional Planning Commission is to act as the principal forum for planning, policy and community development in the region. CVRPC will do this by providing planning and technical assistance that meets the needs of the member municipalities and the public, while remaining consistent with federal and state requirements. CVRPC work will result in the development and implementation of plans that support sustainable development and improve the region's quality of life and environment.

REPORTING ENTITY

In evaluating how to define the Commission, for financial reporting purposes, management has applied the entity definition criteria of GASB in considering all potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth in GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*. Under GASB Statement No. 61, a legally separate entity is required to be included as a component unit if it is fiscally dependent upon the primary government and there is a financial benefit or burden relationship present. The primary government is financially accountable if it appoints the voting majority of the organization's governing board and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government. A potential component unit has a financial benefit or burden relationship with the primary government if any one of the following conditions exists:

- a) The primary government is legally entitled to or can otherwise access the organization's resources.
- b) The primary government is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization.
- c) The primary government is obligated in some manner for the debt of the organization.

Based upon the application of the criteria, it was determined that there were no component units to be reported.

CENTRAL VERMONT REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BASIS OF ACCOUNTING

The Commission presents its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP) promulgated by the GASB. Under the accrual basis revenues are recognized when earned and expenses when the related liability for goods and services is incurred, regardless of the timing of cash flows. The Commission is reported as an enterprise fund. Enterprise funds function similar to private businesses where the intent is that costs are financed primarily through billings to those who benefit from the services provided.

CASH AND CASH EQUIVALENTS

The Commission considers cash equivalents to be all highly liquid investments with a maturity of three months or less when purchased.

INVESTMENTS

The Commission invests in investments as allowed by State Statute. Investments with readily determinable fair value are reported at their fair values on the balance sheet. Unrealized gains and losses are included in revenue.

RECEIVABLES

Accounts receivable is comprised of grant and contract receivables as well as municipal services / other receivables. The Commission did not record an allowance at year end as receivables have historically been fully collectible.

LEASES (AS LESSEE)

The Commission recognizes a lease liability and an intangible right-to-use lease asset (lease asset) for a noncancellable lease in the financial statements. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease in service. The right to use assets are amortized over the life of the related lease. The Commission records the right to use leased assets and the related liability for any noncancellable leases with terms exceeding 12 months which management deems material.

CENTRAL VERMONT REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

OPERATING REVENUES AND EXPENSES

Operating revenue includes operating grants, local community assessments and all other revenue relating to the principal forum for planning, policy and community development in the region. Operating expenses include wages and related benefits, consultants and contract services, depreciation and amortization of capital assets, and all other expenses relating to the principal forum for planning, policy and community development in the region.

NON-OPERATING REVENUES AND EXPENSES

Nonoperating expenses consist primarily of interest expenses paid on the Commission's lease payable.

DONATED SERVICES

Central Vermont Regional Planning Commission receives noncash contributions in the form of member communities and other organizations performing various planning tasks to assist the Organization. These in-kind contributions are used as match for grants at an estimated hourly rate or the actual billing rate, if available. There were no donated services in 2025.

CAPITAL ASSETS

Capital assets are reported at actual cost. Major outlays for capital assets and improvements are capitalized as purchased. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not capitalized. The Commission does not own major general infrastructure assets.

Capital assets are depreciated in order that the cost of these assets will be charged to expenses over their estimated services lives of three to ten years, using the straight-line method of calculating depreciation.

The Commission capitalizes any item with an original cost of \$5,000 or more and with a useful life of greater than one year.

CENTRAL VERMONT REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

LONG-LIVED ASSETS IMPAIRMENT

The Commission reviews the carrying value of its long-lived assets to ensure that any impairment issues are identified and appropriately reflected in the financial statements. Factors involved in this review include the market value of the assets, business conditions, future plans for asset use, and the expected future cash flows generated from the assets. Should the expected cash flows be less than the carrying value, an impairment loss would be recognized to reduce the carrying value. No impairment losses were recognized in the 2025 financial statements.

USE OF ESTIMATES

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

RESTRICTED VERSUS UNRESTRICTED RESOURCES

When both restricted and unrestricted amounts are available for use, it is the Commission's practice to use restricted resources first.

RECENTLY ISSUED ACCOUNTING STANDARDS

During the year ended June 30, 2025 the Commission adopted GASB Statement No. 101, *Compensated Absences* and GASB Statement No. 102, *Certain Risk Disclosures*, which did not have a material impact on the Commission's financial statements.

SUBSEQUENT EVENTS

The Commission has evaluated subsequent events through June 26, 2026, the date the financial statements were available to be issued. There were no events identified which require recognition or disclosure in the financial statements.

NOTE 2 – NET POSITION

Net position is reported in three categories:

Net Investment in Capital Assets consists of all capital assets and right of use assets, reduced by accumulated depreciation, and the outstanding balances of any bonds, mortgages, notes or other borrowing or right of use lease liabilities that are attributable to the acquisition, construction, or improvement of those assets. At June 30, 2025, the net investment in capital assets was (\$17,906).

CENTRAL VERMONT REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 2 – NET POSITION (CONTINUED)

Restricted Net Position consists of restricted assets, when constraints are placed on the assets by creditors, grantors, contributors, laws, regulations, etc. At June 30, 2025, the Commission had no restricted net position.

Unrestricted Net Position is designed to represent the net available assets, for the entire Commission. At June 30, 2025, the unrestricted net position was \$1,140,005.

NOTE 3 – CASH AND CASH EQUIVALENTS AND INVESTMENTS

At times, the Commission's balances may exceed the Federal insurance limits; however, the Commission has not experienced any losses with respect to its bank balance in excess of Federal Deposit Insurance Corporation (FDIC) coverage of \$250,000 per depositor per financial institution. In addition, balances are fully collateralized through agreements with the financial institutions. Management believes that no significant risk exists with respect to cash balances as of June 30, 2025. The Commission has suffered no losses in connection with its banking activity.

Cash:		
Deposits with Financial Institutions	\$	926,924
Investments:		
Certificate of Deposit		<u>405,169</u>
Total Cash and Investments	\$	<u>1,332,093</u>

CUSTODIAL CREDIT RISK

The Commission's deposits are insured by the National Credit Union Administration (NCUA) up to \$250,000.

INTEREST RATE RISK

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Commission does not have any policy to limit its exposure to interest rate risk. The Commission does not have any investments subject to interest rate risk.

CENTRAL VERMONT REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 3 – CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

CREDIT RISK

Generally, credit risk that is the risk an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Commission does not have any investments subject to credit risk.

CONCENTRATION OF CREDIT RISK

The Commission does not have any limitations on the amount that can be invested in any one issuer.

NOTE 4 – RECEIVABLES

Receivables consist of amounts due from grants, contracts and other items. The Commission uses the allowance method for uncollectible receivables. Management has reviewed the accounts and determined that no allowance for doubtful accounts is appropriate at June 30, 2025.

Receivables are comprised of the following:

Grants and Contracts	\$ 38,710
Municipal services and other	<u>657,961</u>
Total	<u><u>\$ 696,671</u></u>

CENTRAL VERMONT REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 5 – CAPITAL ASSETS

A summary of capital assets is presented below:

	Balances 7/1/2024	Additions	Retirements & Adjustments	Balances 6/30/2025
Depreciable Assets				
Office furniture and equipment	\$ 47,030	\$ --	\$ --	\$ 47,030
Leasehold improvements	2,597	--	--	2,597
Right of use asset	<u>335,122</u>	<u>--</u>	<u>--</u>	<u>335,122</u>
Total Capital assets being depreciated / amortized	384,749	--	--	384,749
Accumulated Depreciation / Amortization	<u>(136,940)</u>	<u>(34,861)</u>	<u>--</u>	<u>(171,801)</u>
Net Capital Assets	<u>\$ 247,809</u>	<u>\$ (34,861)</u>	<u>\$ --</u>	<u>\$ 212,948</u>

NOTE 6 – UNEARNED GRANT REVENUE

For the year ended June 30, 2025, The Commission had received grant funds that have not yet been spent for the intended purpose. These funds will be spent in the subsequent fiscal year and be recognized as revenue:

Vermont Department of Building and General Services	\$ 125,165
Vermont Clean Water Service Provider	331,578
Vermont Agency of Commerce and Community Development	19,974
Other	<u>55,101</u>
Total	<u>\$ 531,818</u>

CENTRAL VERMONT REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 7 – GRANTS

Grant revenue consist of the following:

Federal Grants Passed Through State and State Grants:	
Public Safety	\$ 81,551
Natural Resources	579,913
Agency of Transportation - Transportation	307,104
Vermont Agency of Commerce and Community Development	812,439
Community Development	168,201
Municipal Contracts	91,510
Other	<u>2,188</u>
Total	<u>\$ 2,042,906</u>

NOTE 8 – LEASE LIABILITY

The Commission has entered into an agreement to lease office. The office lease was executed October 1, 2021 and is for ten years. Monthly payments are \$3,532 through September, 2026 and then increase to \$3,642 for the remainder of the lease. The lease liability is measured at a discount rate of 5.3%, which is the Commission's incremental borrowing rate. The lease liability results in a right-to-use asset with a net book value of \$209,451 as of June 30, 2025 (see Note 5). The lease liability is \$230,854 at June 30, 2025, of which \$31,001 is current and \$199,853 due after June 30, 2026.

Lease payable through October 2032	\$ 230,854
Less: current portion	<u>31,001</u>
Long term liability	<u>\$ 199,853</u>

CENTRAL VERMONT REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 8 – LEASE LIABILITY (CONTINUED)

The future minimum lease obligation and net present value of these minimum lease payments as of June 30, 2025, were as follows:

Year Ending June 30	Principal Payments	Interest Payments	Total
2026	\$ 31,001	\$ 11,381	\$ 42,382
2027	33,681	9,696	43,377
2028	35,839	7,870	43,709
2029	37,766	5,942	43,708
2030	39,797	3,911	43,708
2031	41,938	1,771	43,709
2032	<u>10,832</u>	<u>95</u>	<u>10,927</u>
Total	<u>\$ 230,854</u>	<u>\$ 40,666</u>	<u>\$ 271,520</u>

NOTE 9 – RETIREMENT PLAN

DEFINED CONTRIBUTION PLAN

The Commission established a Simplified Employee Pension (SEP) plan under which up to 5% of salary or wages is contributed quarterly to individual retirement accounts for each employee. The Plan was established on July 13, 1993 and covers all full-time employees with one (1) year of employment with the Commission. The plan was funded at 5% for the fiscal year ending June 30, 2025 and contributions totaled \$28,127. The Commission's total payroll for the year ending June 30, 2025 was \$702,394 of which \$545,315 was covered by the plan.

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; injuries to employees; and natural disasters. The Commission maintains insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Commission. Settled claims have not exceeded this coverage in any of the past three fiscal years.

CENTRAL VERMONT REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

NOTE 11 – COMMITMENTS AND CONTINGENCIES

Grants and contracts require the fulfillment of certain conditions set forth in the grant or contract. Failure to fulfill the conditions could result in the return of funds to the grantors. Although that is a possibility, management deems the contingency remote.

CENTRAL VERMONT REGIONAL PLANNING COMMISSION

SCHEDULE OF OPERATIONS BUDGET AND ACTUAL – BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2025

	Original & Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)
Operating Revenues:			
State of Vermont - Agency of Commerce and Community			
Development (ACCD) - State Formula Allocation	\$ 733,468	\$ 812,439	\$ 78,971
Community development grants	135,479	168,201	32,722
Fees for services	8,900	2,188	(6,712)
Natural Resources Grants	1,185,609	579,913	(605,696)
Public Safety Grants	109,331	81,551	(27,780)
Transportation Grants	515,411	307,104	(208,307)
Municipal Contracts	45,106	91,510	46,404
Town dues	86,985	86,985	--
Other Income	<u>10,372</u>	<u>67,685</u>	<u>57,313</u>
Total revenues	<u>2,830,661</u>	<u>2,197,576</u>	<u>(633,085)</u>
Operating Expenses:			
Personnel	757,734	702,394	55,340
Fringe benefits	311,075	302,060	9,015
Professional services	71,332	118,683	(47,351)
Consultants	1,262,284	675,072	587,212
Office occupancy	46,123	3,055	43,068
Copy	2,800	2,688	112
Depreciation	17,340	1,348	15,992
Dues / memberships / sponsorships	8,645	12,290	(3,645)
Insurance	5,257	5,227	30
Other	5,030	15,664	(10,634)
Meetings / programs	13,070	12,298	772
Software and licenses	7,858	8,988	(1,130)
Supplies	31,748	19,991	11,757
Telephone and internet	7,720	6,217	1,503
Travel	<u>22,784</u>	<u>8,048</u>	<u>14,736</u>
Total expenditures	<u>2,570,800</u>	<u>1,894,023</u>	<u>676,777</u>
Excess of revenues and other financing sources over expenditures and other financing uses - Budgetary Basis	<u>\$ 259,861</u>	303,553	<u>\$ 43,692</u>
		<u>(33,513)</u>	
			<u>\$ 270,040</u>
			<u>\$ 270,040</u>

CENTRAL VERMONT REGIONAL PLANNING COMMISSION

SCHEDULE OF DIRECT AND INDIRECT COSTS

FOR THE YEAR ENDED JUNE 30, 2025

	Total	Direct Costs	Unallowable Costs	Allowable Indirect Costs
Salaries and Wages	\$ 702,394	\$ 505,446	\$ 1,105	\$ 195,843
Payroll Taxes and Employee Benefits	302,060	184,280	352	117,428
Advertising	1,396	169	--	1,227
Consultants and contract services	675,072	675,072	--	--
Office expenses	19,991	14,366	4	5,621
Copy and Printing	2,687	--	--	2,687
Depreciation	1,349	--	--	1,349
Amortization	33,512	--	--	33,512
Dues and subscriptions	12,290	3,750	2,182	6,358
Insurance	5,227	--	--	5,227
Program workshops and meetings	11,713	7,563	507	3,643
Postage	473	--	--	473
Professional services	96,555	4,800	--	91,755
Audit and legal services	22,128	--	--	22,128
Rent and utilities	3,056	--	--	3,056
Interest expense	13,939	--	--	13,939
Telephone and internet	6,579	--	--	6,579
Travel	8,048	7,808	--	240
Other	9,067	--	200	8,867
Total Expenses	<u>\$ 1,927,536</u>	<u>\$ 1,403,254</u>	<u>\$ 4,350</u>	<u>\$ 519,932</u>

**Independent Auditors' Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Prepared in Accordance
With Government Auditing Standards**

To The Board of Commissioners
Central Vermont Regional Planning Commission

We have audited, in accordance with 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 (“*Government Auditing Standards*”), the financial statements of the Central Vermont Regional Planning Commission (“Commission”) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Commission’s basic financial statements, as listed in the table of contents, and have issued our report thereon dated June 26, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Commission’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CBIZ CPAs P.C.

Providence, Rhode Island
June 26, 2026