

# *City of Montpelier, Vermont Annual Report*

*A review of fiscal year 2007-2008 including proposed budgets and articles to be voted on at Montpelier City Meeting March 3, 2009.*



## ***IN MEMORIAM***

2008 was marked at its beginning and at its end by the passing of two very active and caring citizens – Margot George and Paul Guare. Both gave countless hours to the community in many capacities. Both were dedicated to Montpelier's history and its preservation. The city is a better place because of their lives.

## ***ABOUT THE COVER***

Hubbard Park's Tower has been a community treasure for over 80 years. Construction started on the tower in 1915 and was finished in 1930. The Parks Commission is launching a capital campaign to raise money for preservation and restoration work. To keep the tower in good shape the mortar needs "pointing" (replacing mortar that has eroded over time) and the stairs need to be sandblasted and repainted, both expensive projects. The commission is looking to hold several events over the course of the year, including a music festival as well as what is coming to be an annual favorite the Enchanted Forest, as fund raisers. Any and all assistance is always appreciated! *Cover photo courtesy of Susan Ritz.*

# Table of Contents

Warning for City Meeting, March 3, 2009 .....	2
Mayor's Message.....	4
City Manager's Message .....	5-10
Budget and Finance	
General Fund Revenues .....	11-12
General Fund Expenditures .....	13-17
Summary of Annual and Debt Funding for Capital Projects .....	18-19
Projected Tax Rates, Distribution of Proposed Tax Rate, Effective Property Tax Rates .....	20-21
Estimated Municipal Property Taxes, Scheduled Debt Payments & Annual Project Funding .....	22-23
Department Reports	
Police Department.....	24-25
Fire/Ambulance Department, Building Department .....	25-26
Public Works Department, Water & Sewer Fund .....	27-28
Parking Fund .....	29
Planning & Community Development .....	29-32
Montpelier Downtown Community Association .....	32-33
Finance Department, Information Systems Division .....	33-34
Assistant City Manager/Delinquent Tax Collector .....	34
City Clerk & Treasurer's Office, Assessor's Office .....	35-36
Green Mount Cemetery .....	36-37
Montpelier Housing Authority .....	37-38
Parks, Conservation & Recreation Programs .....	38-44
Area Agency Reports	
Social Services .....	44-53
Community Services .....	53-55
Community Development.....	55-57
Culture & Recreation.....	58-66
Montpelier Community Justice Center.....	67-68
Committee Appointments .....	69
Tax Exempt Parcels .....	70
Financial Reports	
Management's Discussion & Analysis for the Year Ended June 30, 2008.....	73-80
Statement of Taxes Raised 2007-08, 2008-09 .....	80
2008 City Meeting Results.....	81-83
School Report & Budget	
Superintendent's Report .....	85-86
Budget Overview, Summary & Projections .....	87-93
Audit Report for the Year Ended June 30, 2008 .....	97-130
Directory of City Departments & Officials .....	Inside Back Cover

## City Meeting Warning For March 3, 2009

The legal voters of the City of Montpelier, in City Meeting in Montpelier, in the County of Washington and the State of Vermont, are hereby warned to meet in the City Hall Auditorium, in said Montpelier, on the first Tuesday in March, March 3, 2009, at seven o'clock in the forenoon, and there and then to cast their ballot for the election of officers, matters that by law must be determined by ballot, and other matters as directed by the Council. The polls will be opened at 7:00 A.M. and shall be closed and the voting machine sealed at 7:00 P.M.

**ARTICLE 1.** To elect a city clerk for a term of three years; a city treasurer for a term of three years; three auditors for a term of three years; one commissioner for the Green Mount Cemetery for a term of five years; one commissioner for the Green Mount Cemetery for an unexpired term of three years; one park commissioner for a term of five years; two school commissioners, each for a term of three years; one council member from each district, for a term of two years.



**ARTICLE 2.** Shall the voters appropriate the sum of \$6,668,424 for the payment of debts and current expenses of the City for carrying out any of the purposes of the Charter, plus payment of all state and county taxes and obligations imposed upon the City by law to finance the fiscal year July 1, 2009 to June 30, 2010? (Requested by the City Council)

**ARTICLE 3.** Shall the voters appropriate the sum of \$15,320,916 necessary for the support of the public school system for the fiscal year July 1, 2009 to June 30, 2010? (Local budget of \$14,784,682 plus grant budget of \$536,234, for a total school budget of \$15,320,916.) (Requested by the School Board)

**ARTICLE 4.** Shall the voters appropriate the sum of \$619,274 for the support of the Recreation Department for the fiscal year July 1, 2009 to June 30, 2010? (Requested by the School Board)

**ARTICLE 5.** Shall the voters appropriate the sum of \$135,707 for the support of the Senior Citizens Activity Center for the fiscal year July 1, 2009 to June 30, 2010? (Requested by the City Council)

**ARTICLE 6.** Shall the voters appropriate the sum of \$2,700 as compensation to the Mayor for services for the fiscal year July 1, 2009 to June 30, 2010? (Requested by the City Council)

**ARTICLE 7.** Shall the voters appropriate the sum of \$6,000 (\$1,000 each) as compensation to the Council Members for their services for the fiscal year July 1, 2009 to June 30, 2010? (Requested by the City Council)

**ARTICLE 8.** Shall the voters appropriate the sum of \$7,300 (Chair \$1,300; others \$1,000 each) as compensation to the School Commissioners for their services for the fiscal year July 1, 2009 to June 30, 2010? (Requested by the School Board)

**ARTICLE 9.** Shall the voters authorize the Board of School Commissioners to hold any audited fund balances as of June 30, 2009 in a reserve fund to be expended under the control and direction of the Board of School Commissioners for the purpose of operating the school? (Requested by the School Board)

**ARTICLE 10.** Shall the voters authorize the City Council to borrow a sum not to exceed \$715,000 for repairs to the Vine Street, Rialto and Spring Street bridges which are estimated to be \$300,000 and for repairs to retaining walls on the Nelson, Hill and North Streets which are estimated to be \$415,000? If approved, bonds for these repairs would be issued for a term of 20 years. With a 20 year bond, approximately \$27,833 would be required for the first year interest payment and approximately \$71,343 for the second year principal and interest payment and future payments declining each year as the principal is repaid. (Requested by the City Council)

**ARTICLE 11.** Shall the voters authorize the City Council to borrow a sum not to exceed \$585,000 for improvements to the City's combined sewer overflow and storm water drainage systems which are estimated to be \$435,000 and for the installation of solar panels at the Wastewater Treatment Plant which is estimated to be \$150,000? If approved, the bonds for the CSO and storm water drainage would be issued for a term of 20 years and the bonds for the solar panels would be for 10 years. \$21,964 would be required for the first year payment on these bonds and approximately \$64,649 for the second year principal and interest payment and future payments declining each year as the principal is repaid. (Requested by the City Council)

**ARTICLE 12.** Shall the voters authorize the expenditure of up to \$250,000 out of the indebtedness approved at the 2003 annual City meeting to finance the cost of developing a biomass energy plant, instead of sharing in the cost of developing the State of Vermont central heating plant? (Requested by the City Council)

**ARTICLE 13.** Shall the voters appropriate the sum of \$70,615 to be used by the Kellogg-Hubbard Library for the fiscal year July 1, 2009 to June 30, 2010? (This amount is requested by the library board and is in addition to the \$223,360 for library operations and the \$48,459 for library bond payment included in the City General Fund Budget, Article 2.)

**ARTICLE 14.** Shall the voters appropriate the sum of \$400 to be used by the Good Beginnings of Central Vermont for the fiscal year July 1, 2009 to June 30, 2010?

**ARTICLE 15.** Shall the voters appropriate the sum of \$5,000 to be used by the Central Vermont Community Land Trust for the fiscal year July 1, 2009 to June 30, 2010?

**ARTICLE 16.** Shall the voters appropriate the sum of \$6,000 to be used by the Central Vermont Adult Basic Education for the fiscal year July 1, 2009 to June 30, 2010?

**ARTICLE 17.** Shall the voters appropriate the sum of \$2,000 to be used by the Sexual Assault Crisis Team of Washington County for the fiscal year July 1, 2009 to June 30, 2010?

**ARTICLE 18.** Shall the voters appropriate the sum of \$1,250 to be used by the People's Health & Wellness Clinic for the fiscal year July 1, 2009 to June 30, 2010?

**ARTICLE 19.** Shall the voters appropriate the sum of \$1,950 to be used by the Washington County Court Diversion Program for the fiscal year July 1, 2009 to June 30, 2010?

**ARTICLE 20.** Shall the voters appropriate the sum of \$1,000 to be used by the Central Vermont Crime Stoppers for the fiscal year July 1, 2009 to June 30, 2010?

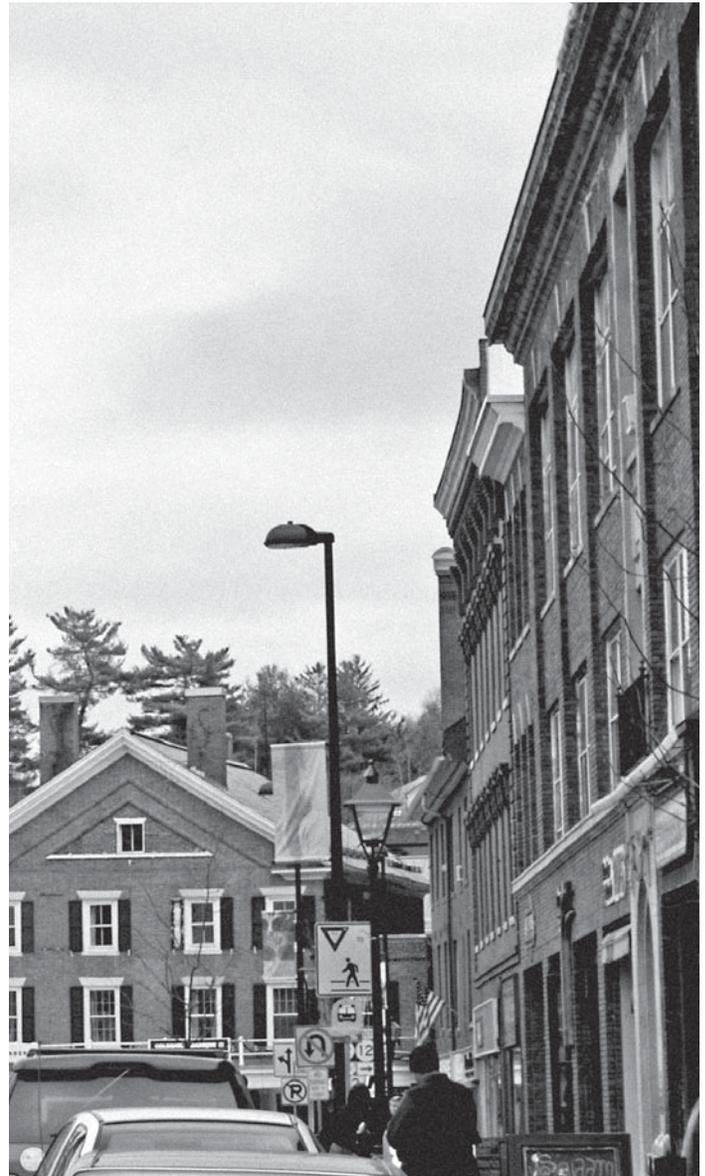
**ARTICLE 21.** Shall the voters appropriate the sum of \$5,000 to be used by the Montpelier Home Delivery Program (Meals on Wheels) for the fiscal year July 1, 2009 to June 30, 2010?

**ARTICLE 22.** Shall the voters appropriate the sum of \$1,000 to be used by the Vermont Center for Independent Living for the fiscal year July 1, 2009 to June 30, 2010?

**ARTICLE 23.** To see if the voters will vote the sum of \$3,000 to be used by the Green Mountain Youth Symphony for the fiscal year July 1, 2009 to June 30, 2010. (By Petition)

**ARTICLE 24.** To see if the voters will vote the sum of \$6,000 to be used by Community Connections for programs at Union Elementary, Main Street Middle School and Montpelier High School for the fiscal year July 1, 2009 to June 30, 2010. (By Petition)

**ARTICLE 25.** Shall the voters of the city of Montpelier request the Vermont Legislature to deny the relicensing of Vermont Yankee? Given the viable alternatives and the risks posed by continued operation, ensure that Vermont Yankee will cease operation in March 2012, after having completed its 40 year design life by not granting approval for operation of the plant after that date. (By Petition)



## Message from the Mayor

Dear Friends,

The end of January represents the end of the municipal year for me, a rather illogical notion. It is not the end of the calendar year, or the fiscal year or even the school year—but state statute says that we must present the people of Montpelier a budget for their consideration on Town Meeting Day and we must finalize it for your consideration 45 days in advance. That means the city council finished its budget work on the 22nd of January when we conducted our last public hearing on the budget. The nuts and bolts of the budget are presented elsewhere in this town report.

The City Council is proud to present its budget to you. It is fair and responsible. Knowing what troubling times we are in, the City staff and council worked very hard to hold down costs and continue providing services the people of Montpelier expect. This budget reduces hours and eliminates the work of some employees—people who have families and obligations and we all regret the burden this has created for them in hard times.

For several years now, the City has sought to be more efficient and effective, we've looked everywhere for savings in operations and have come down to eliminating staff. This budget represents a 4% reduction in staff. The City Manager and the City Council considered deeper reductions but did not feel we could reduce spending more, responsibly. The School Board considered the same, for example freezing per pupil spending at FY08 levels meant the School Board would have had to cut \$700,000 from its budget 10 days before it was required by law to finalize it. An impossible task to do responsibly in such a short period of time.

We know that we must begin immediately to consider how to hold down costs for the next year. We have heard the School Board Chair say that he will ask the Board and the community to consider again the consolidation of our schools. The municipal government will continue looking at how recreational services are provided to seniors—and all citizens. The City Council will re-engage with the Kellogg Hubbard Library Board on what Montpelier's fair share of the Library budget is. Because the rising cost of health insurance is unsustainable, the City will begin discussions with her employees about salaries and benefits. The Council will continue looking for ways to ensure that the people who use the services of the city pay for them.

My calendar for this past year is filled with events (and lots of planning for events). To the usual list of important community events—the Savoy Film Festival, Green Up Day, Memorial Day, Independence Day and Veteran's Day—the community added some different ones this year: the BioBlitz, a city wide event for more than 200 naturalists and nature lovers who counted more than 1,500 species of life in the city; Boy Scout Salute to Veterans when more than 1,000 Boy Scouts from all over the state and their supporters met in Montpelier to honor veterans; and, a joyous celebration of the 44th presidential



Mayor Mary Hooper

inaugural events and the life of this community. These celebrations of community life are made possible by our great volunteers. Thank you all for contributing to our community.

Every year we individually or as a community say goodbye to important people. This year Montpelier lost two people who were deeply ingrained in the fabric of the community—and who were important keepers of our history. Paul Guare was an active member and champion of our community. In addition to a long, distinguished life of public services he also served as a volunteer for many Montpelier institutions. Deeply knowledgeable about Montpelier history Paul helped us remember and celebrate what has made this community wonderful.

Sometimes it seems that Margot George single-handedly made Montpelier embrace its built environment. A life-long love of architecture and the historic qualities of this community led Margot to her efforts to restore the historic fabric of the downtown through work on the creation of the design review district, the design review committee and the Heritage Group. We are indebted to Paul and Margot for their deep work on our behalf. I hope we honor their memories by continuing their work.

This year saw the re-creation of one institution and the beginning of our goodbyes to another. Despite the turmoil of the financial markets, a remarkable group of people were able to purchase the Vermont College campus and three graduate programs and create the Vermont College of the Fine Arts this year. This feat secures the future of the College which has been so much a part of this community for 150 years and creates a wonderful opportunity to grow our commitment to the fine arts.

Woodbury College has been in Montpelier for just 23 years, but in this short time has shaped how this community and state thinks about dispute resolution. Founded to provide paralegal training it grew to offer training in mediation and in 1994 became the country's first college-level program to help prevent problems such as violence and substance abuse. Woodbury and its graduates helped us understand different ways to resolve disputes and strengthen our communities. We will miss them when they move to Champlain College in Burlington.

We may remember this winter as the time the fuel crises didn't happen. During the summer of 2008 we were looking at catastrophic fuel prices and the certainty that many people could be deeply hurt by the winter. We should remember this winter as the time when we did not wait and wonder what others would do for us—but when we organized ourselves and our neighborhoods to take care of each other. Not only did we participate in food drives and give generously to local charities, but a network of neighborhood associations were created through our envision Montpelier process. Many of our neighborhoods now have monthly potlucks, lists of volunteers to help each other and new friendships. If you would like more information on this effort, please contact our Planning Department.

I am honored to work for this community. Thank you for your support and as always, please be in touch.

Mary  
223-2892—home  
793-9512—cell  
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## Message from the City Manager:

It's a great honor to present my 14th budget and annual report to you, the citizens of Montpelier.

If anything marked 2008 in municipal government it was the weather. The winter had a nearly unprecedented amount of snow fall in both volume and frequency which led to major efforts and expense to keep streets and sidewalks clear. These additional expenses were also realized in our police and fire/ambulance agencies as they dealt with more accidents and incidents. We dealt with the unanticipated costs by delaying some necessary work and projects until the summer when a new fiscal year's budget and better weather would help out.

Unfortunately, the better weather didn't really come. Summer of 2008 was very wet which interfered with work, saturated the ground and created some serious drainage issues. This all culminated on August 7th when we were hit with an extraordinary record setting rain deluge which washed out many areas of the city. We spent the rest of the fall in clean up and repair mode, further delaying scheduled work and incurring additional expenses.

City expenses, like those of residents, were also greatly impacted by the huge increase in gas and fuel prices that occurred over the summer. These also led to emergency planning efforts due to concern that people would be without heat this winter. Fortunately we have all, for now at least, benefitted from the sharp reduction in fuel costs but the roller coaster ride has made us a bit wary for the future.

### Goals and Priorities

On April 30th of 2008, the City Council adopted a series of priorities for the year. This statement strongly influenced decisions, staff work, policy recommendations and budget proposals throughout the past year. Most of these items were completed, considered or moved forward in some way during the year. This year's council also listed some key action items pulled from the overall goals statement. For the first time, the goals and priorities were organized into similar categories used by the enVision Montpelier community planning process. The 2008-2009 priorities were:

**HUMAN AND SOCIAL WELL-BEING:** *Maintain and enhance the quality of life in Montpelier for the present and future generations by improving Montpelier's downtown, neighborhoods, and public services for businesses, residents, and visitors.*

1. Work with the Senior Center and recreation programs to resolve questions about their facilities and program management.
2. Support the Kellogg-Hubbard Library by providing guidance and oversight for their financial planning.



City Manager  
Bill Fraser

3. Maintain cost-effective and high quality public services by answering fire and police calls, maintaining roads and sidewalks, providing housing and other community facilities, and supporting local businesses.
4. Support the creative initiatives in the community that provide cultural and artistic opportunities for residents and visitors.
5. Expand the availability of locally grown food and food products for area residents by supporting the downtown Farmer's Market and other local food producers.

**EFFICIENT INFRASTRUCTURE, SERVICES AND BUILT ENVIRONMENT:** *Maintain and enhance the City's Infrastructure and Services.*

1. Prepare a mobility plan that includes an intercity shuttle, transit, pedestrian, and bicycle improvements.
2. Build our telecommunications infrastructure through the Montpelier Telecom initiative.
3. Overhaul the web site and use the improved technology to inform and benefit the citizens.
4. Maintain a capital plan funding level at \$1,000,000 if possible.
5. Continue efforts to improve pedestrian access, create bike paths, and maintain bridges.
6. Continue to support the city workforce and provide excellent services

**GOOD GOVERNANCE:** *Engage citizens in decision-making to insure that the city continues to provide quality infrastructure and services that are cost-effective, fiscally prudent, and sustainable.*

1. Investigate Shared Services, Planning and Regionalization with Barre and Berlin.
2. Educate, study, and engage the community on feasibility of alternative revenue sources.
3. Support and participate in the enVision Montpelier process to establish long-term goals, targets, and strategies to make Montpelier an economically successful and sustainable state capital.
4. Create a long-term budget model that uses sustainable and equitable revenue sources and controls costs.
5. Develop meaningful performance measures and financial incentives to support and accomplish policy goals.

**ECONOMIC SECURITY AND WEALTH CREATION:** *Support and encourage responsible and safe economic growth and development for the city.*

1. Prepare an economic development plan that inventories the city's assets and identifies areas where council action is needed to create wealth and provide economic security for our residents.

2. Work with the Planning Commission to designate a Growth Center in Montpelier so the city can take advantage of regulatory incentives and tax increment financing to pursue economic development and housing projects.
3. Pursue and support a District Energy initiative to provide stable and renewable heat to institutions, businesses, and residents and to take advantage of emerging technologies for power production.
4. Recognize, support, and maintain the city's historic character.

**HEALTHY NATURAL ENVIRONMENT: *Conserve and enhance the city's natural resources.***

1. Take action to prevent ice jam flood risks and continue with flood mitigation efforts.
2. Work with the Trust for Public Land to develop Sabin's Pasture to enhance the natural and recreational amenities for residents while encouraging family housing.
3. Pursue all opportunities for energy conservation, reduced consumption of fossil fuels, reduced greenhouse gas emissions, and waste reduction.
4. Continue with water conservation efforts and improvements in the water system to account for lost water.
5. Complete the open space and natural resources inventory.

**KEY QUESTIONS TO RESOLVE DURING 2008-2009:**

- Are we going to build a parking garage?
- Do we want to designate part of the city as a Growth Center?
- Should we move forward with the Multi-Modal Transit Center?
- Do we want to implement a Public Building inspection program?
- Do we want to revise the housing code?
- Is the Justice Center going to be part of the city budget as a department?
- What percentage of our city resources are available for new initiatives?
- Who is responsible for oversight of the Recreation Department and Senior Center?

**PRIORITY ACTION ITEMS FOR 2008-2009:**

Work with the Senior Center and Recreation programs to resolve questions about their facilities and program management.

Prepare a mobility plan that includes an intercity shuttle, transit, pedestrian, and bicycle improvements.

Build our telecommunications infrastructure through the Montpelier Telecom initiative.

Overhaul the web site and use the improved technology to inform and benefit the citizens.

Investigate Shared Services, Planning and Regionalization with Barre and Berlin

Educate, study, and engage the community on feasibility of alternative revenue sources.

Support and participate in the enVision Montpelier process to establish long-term goals, targets, and strategies to make Montpelier an economically successful and sustainable state capital.

Prepare an economic development plan that inventories the city's assets and identifies areas where council action is needed to create wealth and provide economic security for our residents.

Work with the Planning Commission to designate a Growth Center in Montpelier so the city can take advantage of regulatory incentives and tax increment financing to pursue economic development and housing projects.

Pursue and support a District Energy initiative to provide stable and renewable heat to institutions, businesses, and residents and to take advantage of emerging technologies for power production.

Take action to prevent ice jam flood risks and continue with flood mitigation efforts.

Work with the Trust for Public Lands to develop Sabin's Pasture to enhance the natural and recreational amenities for residents while encouraging family housing.

**BALLOT QUESTIONS:**

**ARTICLE 9** – Vote to authorize the School Board to manage any unused fund balance.

**ARTICLE 10** – Bond vote for \$715,000. Funds to be used to repair Vine Street, Rialto (State Street) and Spring Street Bridges for \$300,000 and repair Nelson Street and North Street retaining walls for \$415,000.

**ARTICLE 11** – Bond vote for \$585,000. Funds to be used for Combined Sewer Overflow (CSO) and storm water drainage system improvements for \$435,000 and installation of solar panels at the Wastewater Treatment Plant for \$150,000.

**ARTICLE 12** – Amends the authorization of a bond previously approved in 2003 for developing an alternate heating source. Does not authorize additional money beyond the 2003 approval.

**ARTICLE 13** – Request for an additional \$70,615 in funding for the Kellogg-Hubbard Library. This amount was part of the Kellogg-Hubbard Library's total funding request. The city council chose to only include the amount in the budget that they felt represented an equitable share of the regional funding for the Library. The amount in this article would be in addition to \$223,360 for Library operations and \$48,459 for the Library bond payment already contained within the city budget. This represents 1.35 cents on the tax rate and is NOT included in the tax rate and budget projections contained in this report.

**ARTICLES 14-22** – The City Council asked that outside agencies submit funding requests at the FY08 level. Those that did were placed inside the city's budget. Those that requested the same funding as last year (FY09) were placed on the ballot. New or increased requests were required to petition. Articles 14 through 22 represent the same amount of funding approved for these agencies last year and, together, totals \$23,600 or 0.45 cents on the tax rate. This funding IS included in the tax rate and budget projections contained in this report.

**ARTICLES 23-25** – The articles have been submitted by citizen petition and were not previously reviewed by the City Council.

*A chart is included which shows the estimated tax impact of each article on the ballot.*

**BUDGET:**

This year's budget challenges are built on similar issues as prior years but with the added backdrop of a major national economic downturn. Given the economic realities facing our citizens, city officials felt that we could not propose a budget which exceeded the inflation rate of other goods and services in our region

The city has held municipal tax increases to an average of 2.5% over the last five years as compared to an average inflation rate of 3.0% over the same time period, tax delinquencies remain at an all time low meaning that people are making tax payments in a timely fashion, and the city's budget continues to receive very high approval votes (71% average over the last ten years including last year.)

Key problems in meeting this budget were an 18.5% rise in health insurance premiums and an extremely unpredictable and volatile fuel market. In addition, we are seeing no real revenue growth and a very minor expansion of the grand list. We are warily watching deliberations at the state level with regard to funding provided to municipal governments and am also watching the local sales tax revenues which make up the state's PILOT fund.

I am grateful to the Department Heads for their conservative approach to this budget and their initial requests. They have been willing and open to consider new ideas and have been understanding and helpful when cutbacks have been necessary.

**OVERVIEW:**

This Budget recommendation contains the following:

- ◆ The General Fund budget totals \$9,868,351, which is an increase of \$532,002 (5.7%) from the FY08 spending plan. About 2.0 % of this is due to a change in the way we've accounted for the Community Justice Center and the inclusion of expenses for 58 Barre Street which was formerly in the school budget. Including last year's budget (and all voter approved items) along with this year's proposal, the city's general fund budget has only grown by an average of 3.7% over the last five years. Considering health insurance, fuel, pension and many other cost increases there are not many Vermont municipalities that can make a similar claim.
- ◆ Requires a 2.7% increase (3.3 cents) in the property tax rate. This falls below the 3.8% average inflation rate over the course of the year.
- ◆ Does not use any general fund balance to support ongoing expenses. The Council supported a tough decision three years ago which eliminated the practice of subsidizing ongoing expenses with one-time reserves.
- ◆ Reduces the overall number of Full Time Equivalent (FTE) positions from 108.71 in FY09 to 104.43 in FY10. This is a reduction of 4.28 FTE (4%) and its financial impact is distributed with 2.88 in the general fund, 1.2 in the sewer fund and 0.2 in the water fund. No new positions are proposed

although in one case two part time positions are being consolidated into one full time position for a net reduction of 0.5 FTE.

- ◆ Reduces one full time position in the Clerk/Treasurers office to a three day per week (0.6 FTE) position, a reduction of 0.4 FTE. This reduction will effect on the quality of meeting minutes produced for the city council and other boards. It will also create some flexibility limitations in the Clerk's office.
- ◆ The budget includes a second \$70,000 (as with last year's budget) which represents about one-third of the contract cost for the reappraisal. We are, however, allocating an additional \$23,025 from the state appraisal money to cover additional local costs associated with the reappraisal. This will provide additional time for our Assessor to oversee the project and also provides for some technical improvements to our mapping and data systems.
- ◆ Includes the School Resource Officer in the City's budget with the School Department sharing 50% of the cost.
- ◆ Reduces one full time Patrol Officer to the police department, a net reduction of 1.0 FTE. This position was added during the FY09 budget. It is presently vacant. This will not reduce the current level of service in the department but will prevent additional coverage that had been anticipated from occurring.
- ◆ The Dispatch operation remains the same. The budget includes an increase in funding from Capital Fire Mutual Aid for regional dispatching. Our price has increased from \$50,000 in FY08 to \$130,000 in FY10. This is the first year that this full revenue is included. The combination of this funding and the elimination of the E-911 service locally has stabilized our dispatching operation considerably.
- ◆ The Fire/Ambulance Department contains a reduction of two .75 part time EMT positions (1.5 FTE) and replaces them with one full time Firefighter/EMT (1.0 FTE) for a net reduction of 0.5 FTE. The FY08 Budget eliminated a third .75 EMT position. The direct impact of this change is that for 28 hours per week each week there will be reduced staff coverage. It also means that there will be one less person available for response and for filling vacant shifts. On the plus side, it will provide an additional firefighter instead of EMT only positions. This change means that there will be no regularly scheduled part time positions. The consolidation reduces two sets of benefit plans to one.
- ◆ Continues the Building Inspection/Health Inspection program at present levels. The program has continued to operate within the initial funding resources that it was provided. We are watching building permit revenue closely with an expected downturn in construction activity.
- ◆ Continues the reorganized Department of Public Works supervisory structure. The position of Engineering Assistant has proven extremely valuable for providing technical expertise in emerging areas such as storm water management, project management, design, inspection and supervision. The city has saved considerable money on outside consultants by utilizing our in-house capacity.

- A long term goal of implementing cross training across the department, provide increased compensation to employees who gain additional skills, enable more independent work by employee teams and eventually erase or lighten the organizational lines between the Street division and the Water/Sewer division was initiated this year with the new union contract.
  - The budget reduces 1.0 FTE in DPW. 0.6 of this comes from the general fund, 0.2 from the sewer fund and .2 from the water fund. This includes reducing the full time stock clerk position to part time (0.5), reassigning a water/sewer employee to the street department during the winter months (0.25) and eliminating the seasonal winter street employee position (0.25). The impact of this is that we will lose some inventory management and billing capacity and will have one less person available for winter plowing and may also impact cemetery operations. It also reduces the number of people potentially available for water/sewer emergencies during the winter months.
  - The salt budget has been increased by another \$20,000. DPW has made some significant changes in salt use and we hope to contain this cost within this budget however the price for salt keeps rising dramatically.
  - The Water and Wastewater budgets have been extremely closely scrutinized. To eliminate deficits, they both followed the multi year plan recommended by the rate committee and approved by the council. The Water budget remains balanced if the second 5% increase is implemented this year. The Sewer budget, however, did not balance due to the decision not to implement the reappraisal. One full position (1.0 FTE) at the wastewater treatment plant is being eliminated based on a review of work needs and the large deficit in the sewer fund. The wastewater plant will reassign work among the remaining employees. We do not anticipate a reduction in essential services but have concern about some maintenance and upkeep falling behind.
  - The Kellogg-Hubbard Library funding has been reduced to \$223,360 which is the amount that the Council feels represents a fair apportionment of costs with the neighboring towns. The Library is requesting an additional \$70,000 above this amount.
  - The Affordable Housing Fund has been included in the budget for \$26,000 which is reduced from the \$52,000 level of recent years.
  - The Community Justice Center has been fully incorporated into the city budget and fully funded. Therefore, instead of a simple \$20,000 contribution to its operation, we are showing the full cost of the CJC with all lines itemized. This shows a budget of \$131,913 however we are also showing the full \$82,500 state grant in our revenues. When factoring for the way we allocate certain expenses, the net impact is an increase of \$11,000 – from \$20,000 to \$31,000 of tax dollars needed to run this program.
  - The Capital Projects and Debt Service Program has been increased. The funding goal of \$1,000,000 in the General Fund was set back in FY97, reached in FY04, reduced in both FY06 and FY07 and restored in FY08. This year's budget increases the plan to \$1,070,000. It still does not fully address the current capital needs given the backlog of projects and the increases in project prices. This plan includes \$100,000 for the city's share of a flood mitigation feasibility study, the other funding partners are the State of Vermont and the United States Army Corps of Engineers.
  - In order to accommodate pressing needs into the Capital plan, two bond votes are proposed: 1) a \$715,000 bond for bridge repairs (Rialto, Vine St. pedestrian, Spring Street) and for retaining walls (Nelson St, North St, Hill St). 2) a \$600,000 bond for storm water and drainage improvements.
  - Continues to restore funding to the equipment plan to address the ongoing backlog of equipment needs. In recent years, we have deferred many equipment purchases in order to hold costs down. The FY09 Budget increased the equipment fund by \$32,144. This FY10 budget increases the equipment fund by another \$17,112. Even with this new money, additional equipment requests of over \$65,000 were deferred.
  - Payments in Lieu of Taxes from the State of Vermont are budgeted in the amount of \$725,370 an increase of \$79,825 (12.3%) from the FY09 Budget. The figure was based on the actual amount received this year with no projected increase. This is a key revenue source, which is always subject to the state's budget process and which is increasingly dependent on local options taxes in other communities, the state's evaluations of property in Montpelier and growth of state property in other communities. This needs to be watched extremely closely during this next legislative session and for the impact on the economy on local sales.
  - Overall, non-tax revenues are budgeted at a \$265,245 (9.1%) increase. While this seems to indicate some healthy revenue growth, the number can be tracked to some very specific sources. \$79,825 is in PILOT, \$82,500 is the CJC grant, \$56,210 is from the increase in dispatch fees and \$23,025 is from the reappraisal reserve. Those four items total \$241,560 which means that the remainder of our non-tax revenue sources are only up by \$23,685.
  - Grand list value is estimated to only grow by about 0.5 percent for next year which is generating about \$26,000 of new tax growth.
- Despite the severe challenges, the Council has managed to assemble a budget which holds taxes under inflation, incorporates the 58 Barre Street expenses, increases the capital and equipment funds, funds the reappraisal and flood mitigation efforts, allows for purchase of a major piece of equipment (a grader), includes money for affordable housing and does not use fund reserves for operating costs. It does, however, reduce services in some areas and cuts back on employees.

**CONCLUSION:**

It is my honor to recommend my fourteenth budget to you. I am concerned, as I have been the last few years, that the city government will not be able to meet the accumulated expectations of high services by the public and policy making boards. We are working with very slim margins and have some departments/divisions/services that are a position or an equipment breakdown away from being unable to perform their duties.

Initial budget proposals represented the toughest challenge we've had in many years if at all during my tenure. I am surprised and pleased that, together, we were able to present you with a reasonable budget and a tax increase under inflation. This proposed increase would mean the average annual increase over the last 8 years has been only 1.7 cents. It's my professional opinion that this property tax proposal can only be significantly reduced by re-visiting policy choices in areas like the capital plan, the equipment plan, use of fund balance and direct service levels to the community or even more aggressively pursuing fee increases or alternate tax/revenue sources. As part of this budget process, I have personally reviewed the functions of each and every municipal position.

I sincerely thank the department heads and city staff. This budget is, more so than any other year, a true team effort.

**APPRECIATION:**

I would like to thank the dedicated individuals who deliver local government services to Montpelier residents 24 hours per day, seven days per week, 365 days per year. In recent years it has become fashionable to denigrate "government" employees and public servants. I'll remind people that City employees work under difficult circumstances and dangerous situations so that residents may have clean water, effective sewage disposal, safe and clear roads, quick and effective fire and ambulance response, responsive and preventive police work, comprehensive planning and review of local development, wonderful parks/facilities and proper administration of citizen's needs. They are highly trained and certified in specialized fields. I thank all of them for their excellent work. These people perform these tasks to earn a living, yes, but more importantly to provide a service and to help others in the community. I am proud of all of Montpelier's employees and know that they are hard working, dedicated and incredibly capable.

Montpelier has assembled a strong new team of Department Heads over the last two to three years. These individuals bring experience, education, talent and skill which have kept our operations among the very best in the state. Parks Director Geoff Beyer, Police Chief Anthony Facos, Finance Director Sandra Gallup, Planning & Development Director Gwendolyn Hallsmith, Cemetery Superintendent Patrick Healy, City Clerk/Treasurer Charlotte Hoyt, Public Works Director Todd Law and Fire Chief Gesualdo Schneider work as a highly efficient team while also managing their respective areas of responsibility.

Assistant City Manager Beverlee Pembroke Hill holds everything together with a smile. Bev is most often seen out in the community, at the legislature and in the middle of any number of meetings. This year she has taken on oversight of the Senior Center and 58 Barre

Street without a grumble. The City has benefited enormously from her many talents, dedicated service and enthusiastic attitude.

In 2007, 11 long time employees retired which was a major shock to our system. In 2008 we only had one retirement which was a lot more manageable. Deputy Fire Chief Christopher Reed served the city for 34 years and was an important part of the Fire/EMS Department.

In addition, some other individuals left City employment to pursue different opportunities. These people include Dispatchers Wanda Jackson, Scott Bagg and Lisa Aldsworth; and Public Works employees Rick Dutil and Gerald Stauff. We thank these people for their service to the city and wish them the best of luck in their new endeavors.

We have enjoyed welcoming the new employees who joined us in 2008. Custodian Stephan "Sam" McGrath, Police Officers Ronald Dion and William Jennings, Police Dispatcher Kenneth Christman, Firefighter/EMTs Andrew Marineau and Samuel Welcker Taylor, Public Works Truck Driver Timothy Pond and Assessor Stephen Twombly.

In addition to new employees, some people are now in new positions. Firefighter/EMT Jeffrey Bousquet transferred to the Public Works Department, Police Officer Andrew Apgar transferred to Dispatcher, Firefighter/EMT James Quinn was promoted to Lieutenant and Fire Lieutenant Robert Gowans was promoted to Deputy Chief.

Montpelier is extremely fortunate to have many employees that have spent distinguished careers with the city. As we have experienced in the last couple of years, we will be seeing more retirements in the near future which will literally change the face of city government as many have come to know it. I'd like to recognize individuals with 25 or more years of experience with the City of Montpelier.

Gerald Smith, Public Works Department	39 years
Charlotte Hoyt, City Clerk/Treasurer	37 years
Sandra Pitonyak, City Manager's Office	35 years
Douglas Hull, Public Works Department	32 years
Sheila Pembroke, Fire Department	31 years
Sharon Blatchford, Finance Department	31 years
Dean Utton, Public Works Department	30 years
Mark Moody, Police Department	29 years
George Richardson, Public Works Department	29 years
Jane Aldrighetti, Assessor/City Manager's Office	29 years
Michael Papineau, Public Works Department	29 years
Gesualdo Schneider, Fire/EMS Department	29 years
Robert Gowans, Fire/EMS Department	29 years
LuAnn Brownell, Police Department	29 years
Cheryl Goslant, Police Department	28 years
Ronald Mercier, Public Works Department	27 years
Glenn Moore, Fire/Building Department	27 years
Thomas McArdle, Public Works Department	26 years

I thank the Mayor and City Council Members for their consistent support of the city staff and for the huge amount of time they commit to the community. Most people don't realize the considerable amount of time and work their elected officials devote on behalf of

the city. This past year saw Council Member Harold Garabedian leave City government after six years of dedicated service. We welcomed Council Member Alan Weiss to the council chambers.

I also thank all the many citizen volunteers on our boards, commissions and committees for the long hours they give for the honorable purpose of serving their fellow residents. They face controversy, tough decisions, pressure and public criticism yet continue to offer their time, energy and expertise. Our democratic form of government relies on citizen participation for success and these individuals deserve the utmost in respect and appreciation for their dedication. I encourage more citizens to run for office, apply for appointments and volunteer for committees.

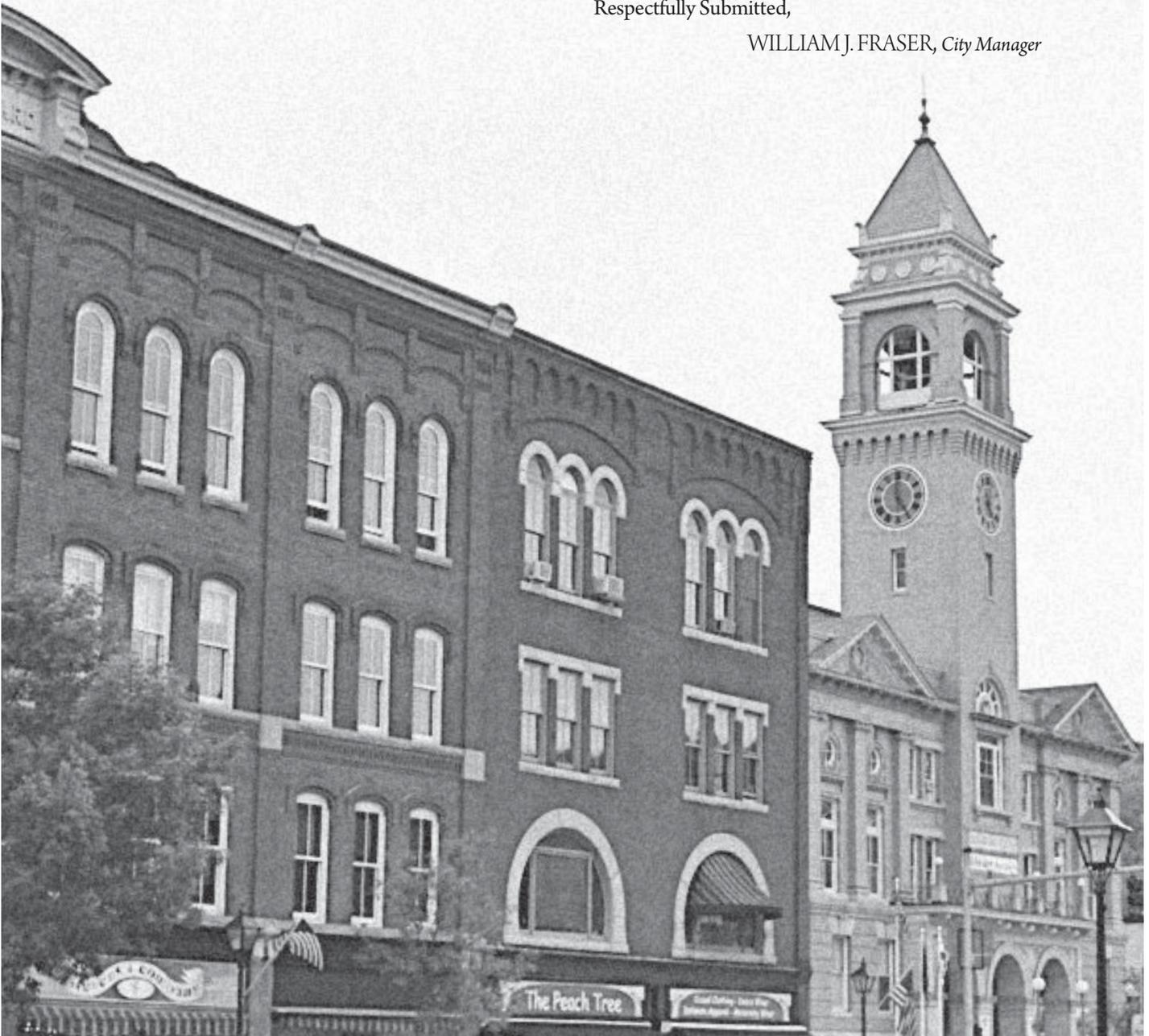
After fourteen years, I've run out of words to express my appreciation for Sandy Pitonyak and Jane Aldrighetti in the City Manager's office. They are positive, friendly and highly efficient people who

make working here every day a delight for me, other city employees and members of the public.

Finally, I couldn't do my job without the love and support of my family. My wife Anne and our children Olivia, Patrick, Claire and Angus provide humor, balance, a sense of priority and humility when needed. Montpelier is and has been a fabulous place to live and raise our children. Being grounded in this community gives me a full sense of commitment and mission to my work. Somehow, Anne gracefully and successfully balances the demands of four school aged children, her own extensive community involvement, a full time job and a husband with an unpredictable job. She frequently gets unfairly saddled with the unenviable task of being asked to answer for my decisions. She offers great advice, honest feedback and clear thinking. I wish I could give her back as much as she gives me.

Respectfully Submitted,

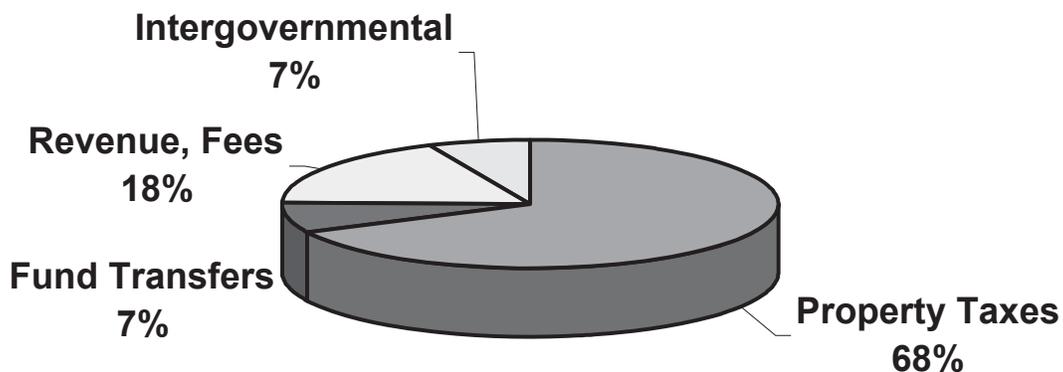
WILLIAM J. FRASER, *City Manager*



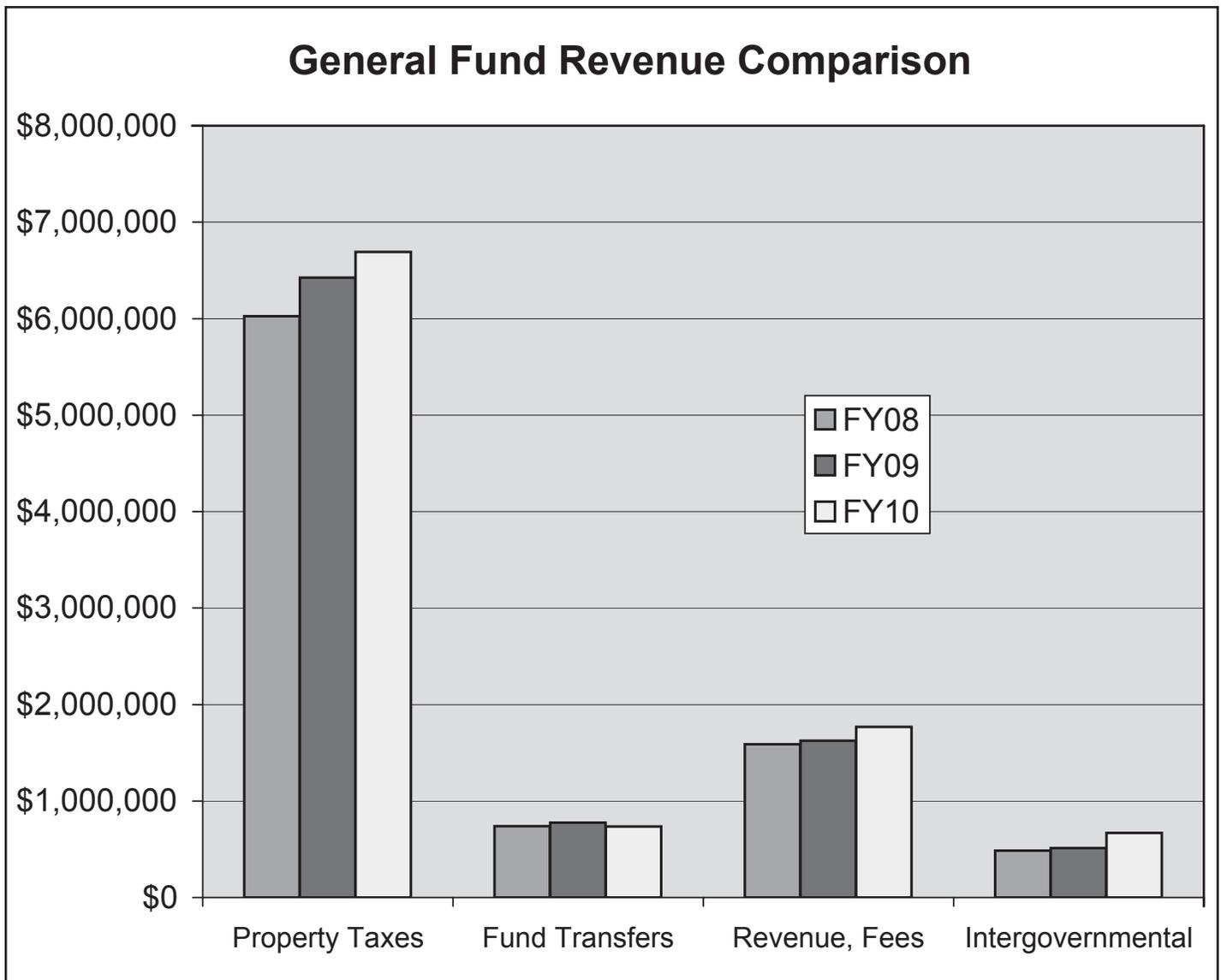
BUDGET COMPARISON - General Fund Revenue

Item	FY08	FY09	FY10	\$ Change	% Change
General Fund Taxes	\$5,935,969	\$6,164,724	\$6,668,424	\$503,700	8.2%
- Ballot Items	\$89,322	\$260,543	\$23,600	-\$236,943	-90.9%
<b>Total Property Taxes</b>	<b>\$6,025,291</b>	<b>\$6,425,267</b>	<b>\$6,692,024</b>	<b>\$266,757</b>	<b>4.2%</b>
Other Tax Related Income	\$536,639	\$562,710	\$648,811	\$86,101	15.3%
Permits & Licenses	\$82,620	\$83,720	\$83,100	-\$620	-0.7%
Intergovernmental	\$485,781	\$512,663	\$669,640	\$156,977	30.6%
Fees & Charges for Service	\$473,038	\$489,337	\$504,346	\$15,009	3.1%
Rents & Commissions	\$500	\$500	\$30,500	\$30,000	6000.0%
Fines & Forfeitures	\$35,000	\$35,000	\$36,000	\$1,000	2.9%
Equipment Revenues	\$388,830	\$351,223	\$365,064	\$13,841	3.9%
Interest Income	\$32,000	\$60,000	\$60,000	\$0	0.0%
Miscellaneous Revenue	\$41,166	\$41,166	\$41,167	\$1	0.0%
Fund Balance	\$0	\$27,000	\$0	-\$27,000	0.0%
Operating Transfers	\$739,362	\$747,763	\$737,699	-\$10,064	-1.3%
<b>TOTAL - Non Tax Revenues</b>	<b>\$2,814,936</b>	<b>\$2,911,082</b>	<b>\$3,176,327</b>	<b>\$265,245</b>	<b>9.1%</b>
<b>TOTAL REVENUES</b>	<b>\$8,840,227</b>	<b>\$9,336,349</b>	<b>\$9,868,351</b>	<b>\$532,002</b>	<b>5.7%</b>

FY10  
GENERAL FUND REVENUES



CATEGORIES	FY08	FY09	FY10	\$ Change	% Change
Property Taxes	\$6,025,291	\$6,425,267	\$6,692,024	\$266,757	4.2%
Fund Transfers	\$739,362	\$774,763	\$737,699	-\$37,064	-4.8%
Revenue, Fees	\$1,589,793	\$1,623,656	\$1,768,988	\$145,332	9.0%
Intergovernmental	\$485,781	\$512,663	\$669,640	\$156,977	30.6%
<b>Total</b>	<b>\$8,840,227</b>	<b>\$9,336,349</b>	<b>\$9,868,351</b>	<b>\$532,002</b>	<b>5.7%</b>
<i>Grand List</i>	<i>528,665,718</i>	<i>531,606,035</i>	<i>534,264,000</i>	<i>2,657,965</i>	<i>0.5%</i>
<b>Property Tax Rate</b>	<b>\$1.14</b>	<b>\$1.22</b>	<b>\$1.25</b>	<b>\$0.033</b>	<b>2.7%</b>
City General Fund	\$1.12	\$1.16	\$1.25	\$0.089	7.6%
Ballot Items	\$0.02	\$0.05	\$0.00	-\$0.045	-91.0%

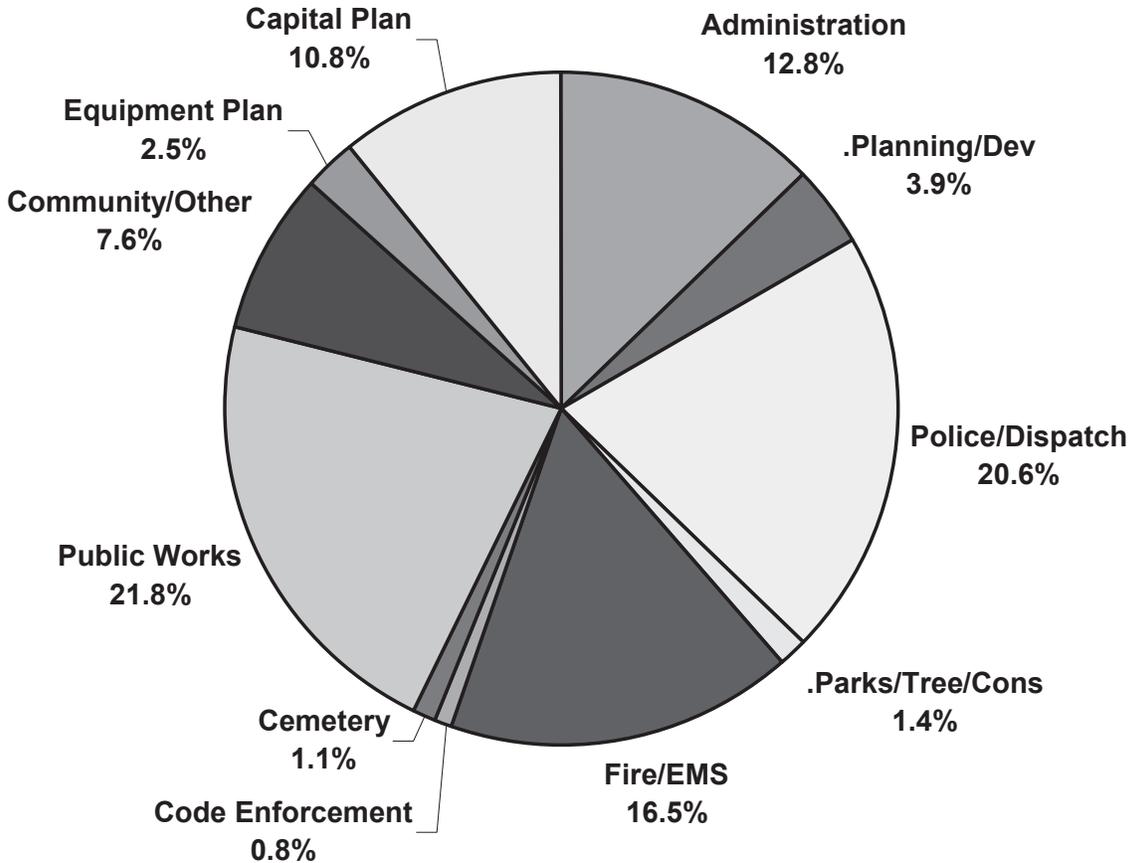


BUDGET COMPARISON - General Fund Expenditures

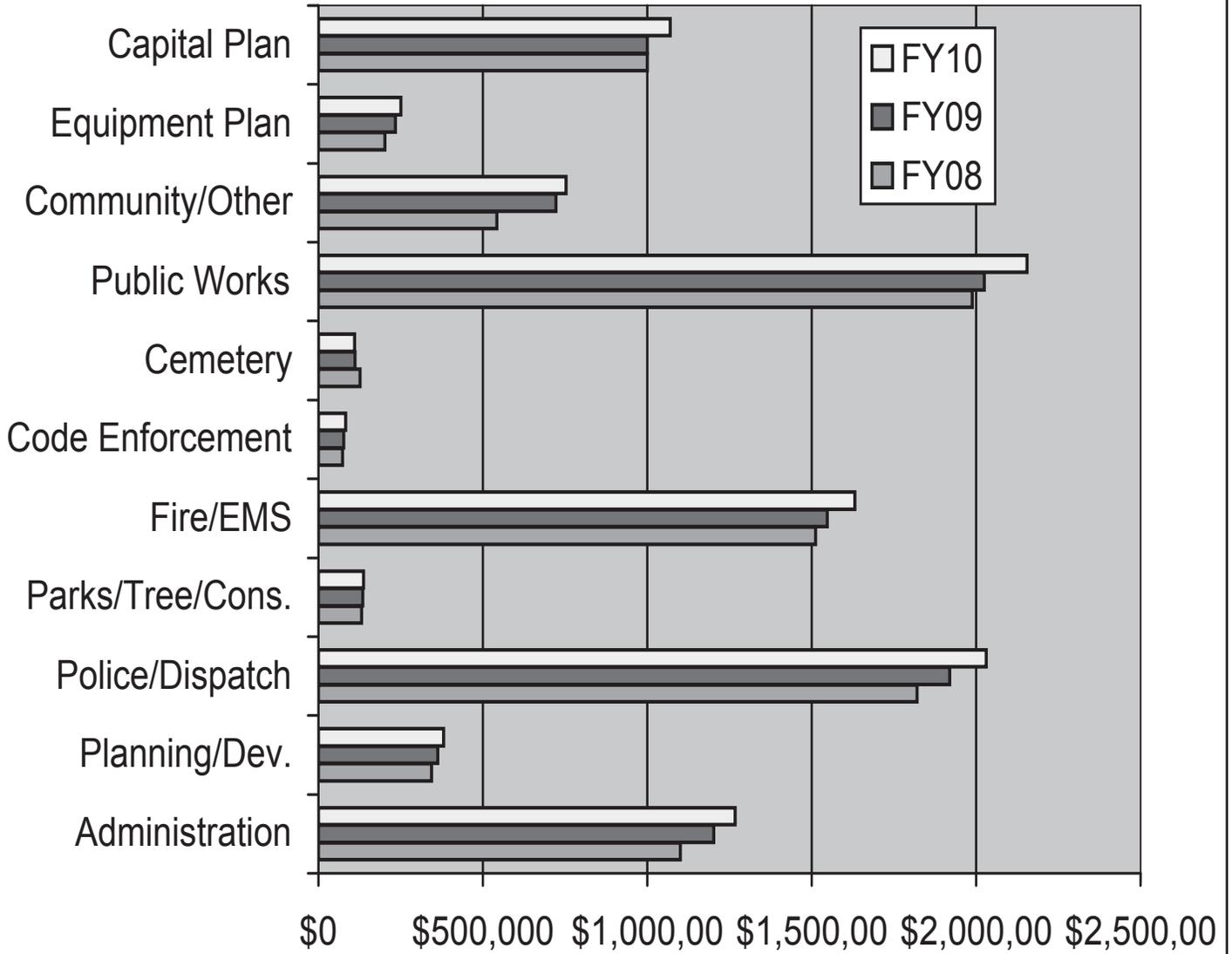
Item	FY08	FY09	FY10	\$ Change	% Change
<b>City Council Operations</b>	\$25,799	\$26,724	\$29,080	\$2,356	8.8%
<b>City Manager's Office</b>	\$277,015	\$293,311	\$298,447	\$5,136	1.8%
<b>Clerk/Treasurer/Elections</b>	\$270,906	\$237,866	\$224,657	-\$13,209	-5.6%
<b>Finance Department</b>	\$272,540	\$284,810	\$297,201	\$12,391	4.4%
<b>Technology Services</b>	\$151,380	\$184,870	\$198,184	\$13,314	7.2%
<b>Property Assessment</b>	\$102,964	\$175,002	\$219,896	\$44,894	25.7%
<b>Planning &amp; Development</b>	\$343,626	\$362,619	\$380,463	\$17,844	4.9%
<b>City Hall &amp; 58 Barre St</b>	\$183,519	\$174,503	\$250,125	\$75,622	43.3%
<b>Police:</b>					
Headquarters	\$1,319,511	\$1,386,287	\$1,478,618	\$92,331	6.7%
Communications	\$418,177	\$428,944	\$444,805	\$15,861	3.7%
School Resource Officer	\$76,880	\$79,891	\$81,830	\$1,939	2.4%
<b>Community Justice Center</b>		\$20,000	\$131,913	\$111,913	559.6%
<b>Fire &amp; Ambulance</b>	\$1,512,064	\$1,546,929	\$1,631,202	\$84,273	5.4%
<b>Code/Health Enforcement</b>	\$73,448	\$77,185	\$82,668	\$5,483	7.1%
<b>Emergency Management</b>	\$6,000	\$24,750	\$25,368	\$618	2.5%
<b>Public Works:</b>					
Streets	\$1,241,829	\$1,303,028	\$1,379,018	\$75,990	5.8%
Fleet Operations	\$496,742	\$486,638	\$458,077	-\$28,561	-5.9%
Building Operations	\$66,670	\$60,774	\$67,670	\$6,896	11.3%
<b>Wrightsville Beach</b>	\$3,616	\$4,007	\$4,007	\$0	0.0%
<b>Kellogg-Hubbard Library</b>	\$230,482	\$282,668	\$223,360	-\$59,308	-21.0%
<b>Outside Agencies in Budget</b>	\$86,175	\$83,875	\$62,575	-\$21,300	-25.4%
<b>Ballot Items</b>	\$52,000	\$52,000	\$23,600	-\$28,400	-54.6%
<b>Community Enhancements</b>	\$49,000	\$49,300	\$48,800	-\$500	-1.0%
<b>Tree Management &amp; Board</b>	\$21,723	\$20,276	\$22,125	\$1,849	9.1%
<b>Conservation Commission</b>	\$4,000	\$6,250	\$6,250	\$0	0.0%
<b>Debt Service</b>	\$645,490	\$600,749	\$600,390	-\$359	-0.1%
<b>Other Governmental Services</b>	\$124,347	\$151,497	\$144,448	-\$7,049	-4.7%
<b>Equipment Plan</b>	\$201,581	\$233,735	\$250,847	\$17,112	7.3%
<b>Sprinkler Tax Credit</b>	\$0	\$0	\$50,000	\$50,000	
<b>Transfers to Other Funds:</b>					
Capital Projects	\$354,510	\$399,251	\$469,810	\$70,559	17.7%
Cemetery	\$126,802	\$110,917	\$110,159	-\$758	-0.7%
Parks	\$101,431	\$104,603	\$104,852	\$249	0.2%
Energy Improvements Lease	\$0	\$31,090	\$41,906	\$10,816	34.8%
Affordable Housing Fund	\$0	\$52,000	\$26,000	-\$26,000	-50.0%
<b>TOTAL GENERAL FUND</b>	<b>\$8,840,227</b>	<b>\$9,336,349</b>	<b>\$9,868,351</b>	<b>\$532,002</b>	<b>5.7%</b>

Category	FY08	FY09	FY10	\$ Change	% Change
Administration	\$1,100,604	\$1,202,583	\$1,267,465	\$64,882	5.4%
Planning/Dev.	\$343,626	\$362,619	\$380,463	\$17,844	4.9%
Police/Dispatch	\$1,820,568	\$1,919,872	\$2,030,621	\$110,749	5.8%
Parks/Tree/Cons.	\$130,770	\$135,136	\$137,234	\$2,098	1.6%
Fire/EMS	\$1,512,064	\$1,546,929	\$1,631,202	\$84,273	5.4%
Code Enforcement	\$73,448	\$77,185	\$82,668	\$5,483	7.1%
Cemetery	\$126,802	\$110,917	\$110,159	-\$758	-0.7%
Public Works	\$1,988,760	\$2,024,943	\$2,154,890	\$129,947	6.4%
Community/Other	\$542,004	\$722,430	\$752,602	\$30,172	4.2%
Equipment Plan	\$201,581	\$233,735	\$250,847	\$17,112	7.3%
Capital Plan	\$1,000,000	\$1,000,000	\$1,070,200	\$70,200	7.0%
<b>Totals</b>	<b>\$8,840,227</b>	<b>\$9,336,349</b>	<b>\$9,868,351</b>	<b>\$532,002</b>	<b>5.7%</b>

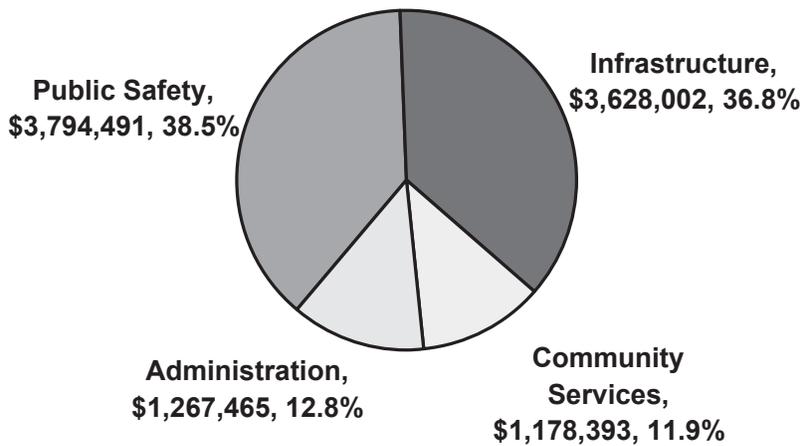
### FY10 General Fund Expenses



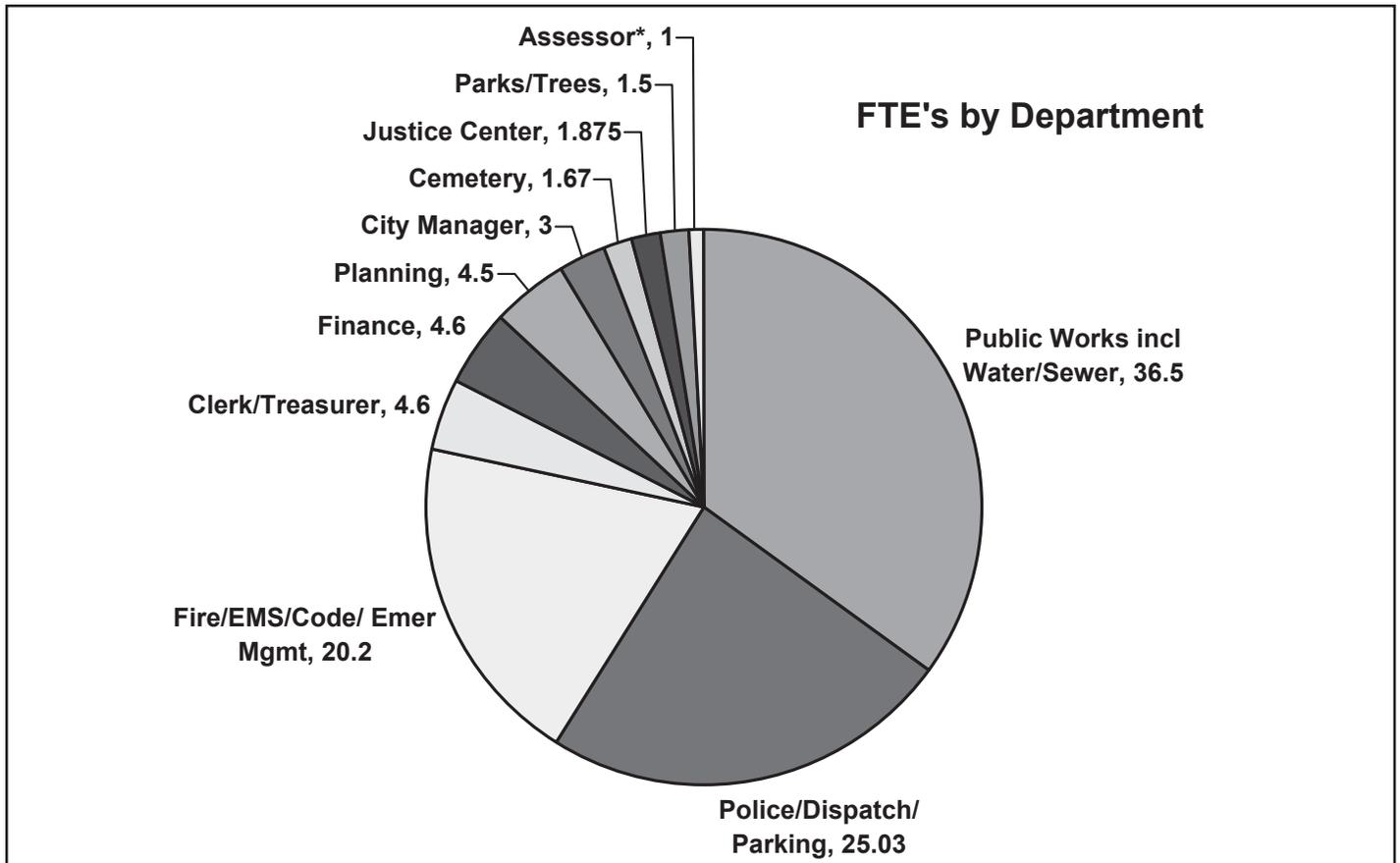
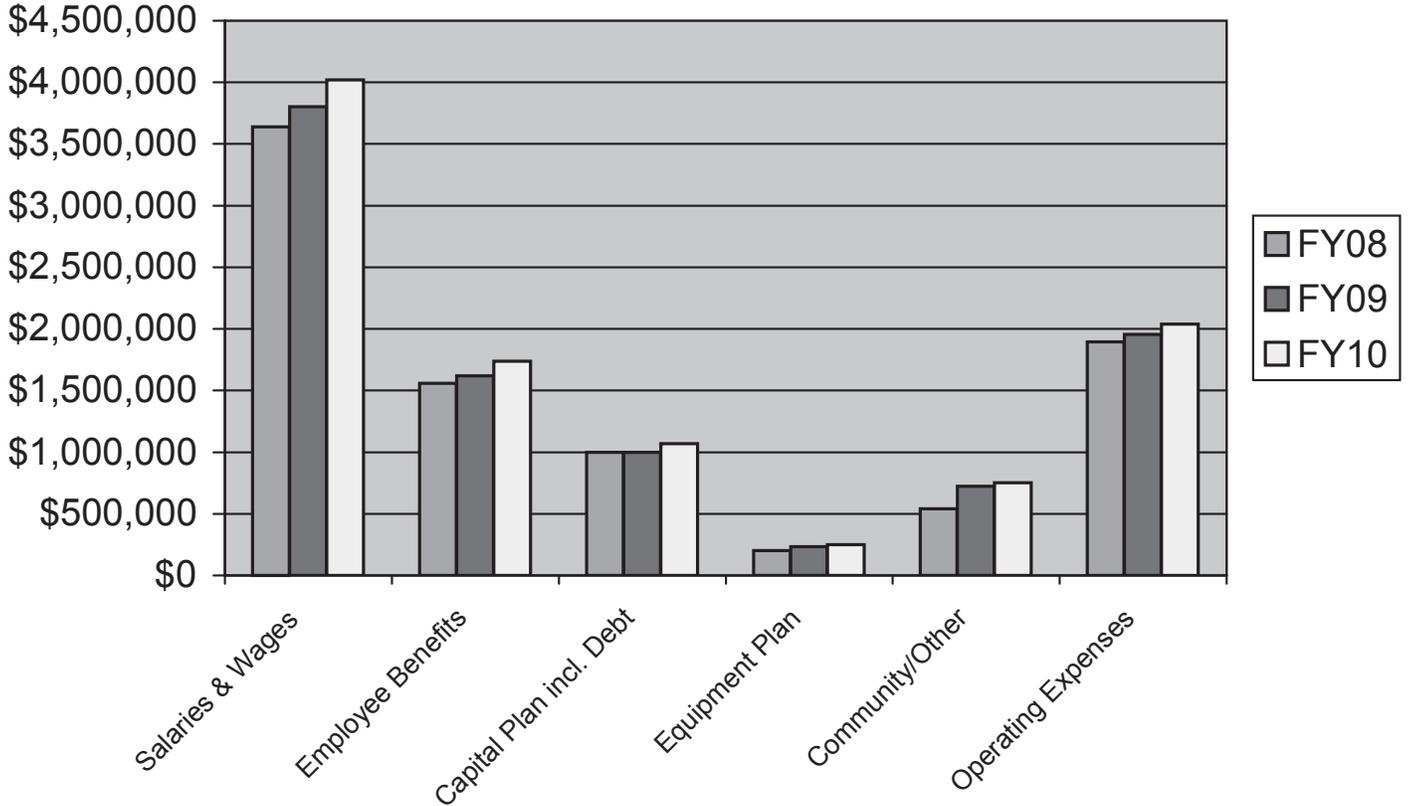
General Fund Comparison by Department FY 08, 09, 10



FY10 General Fund Expenses

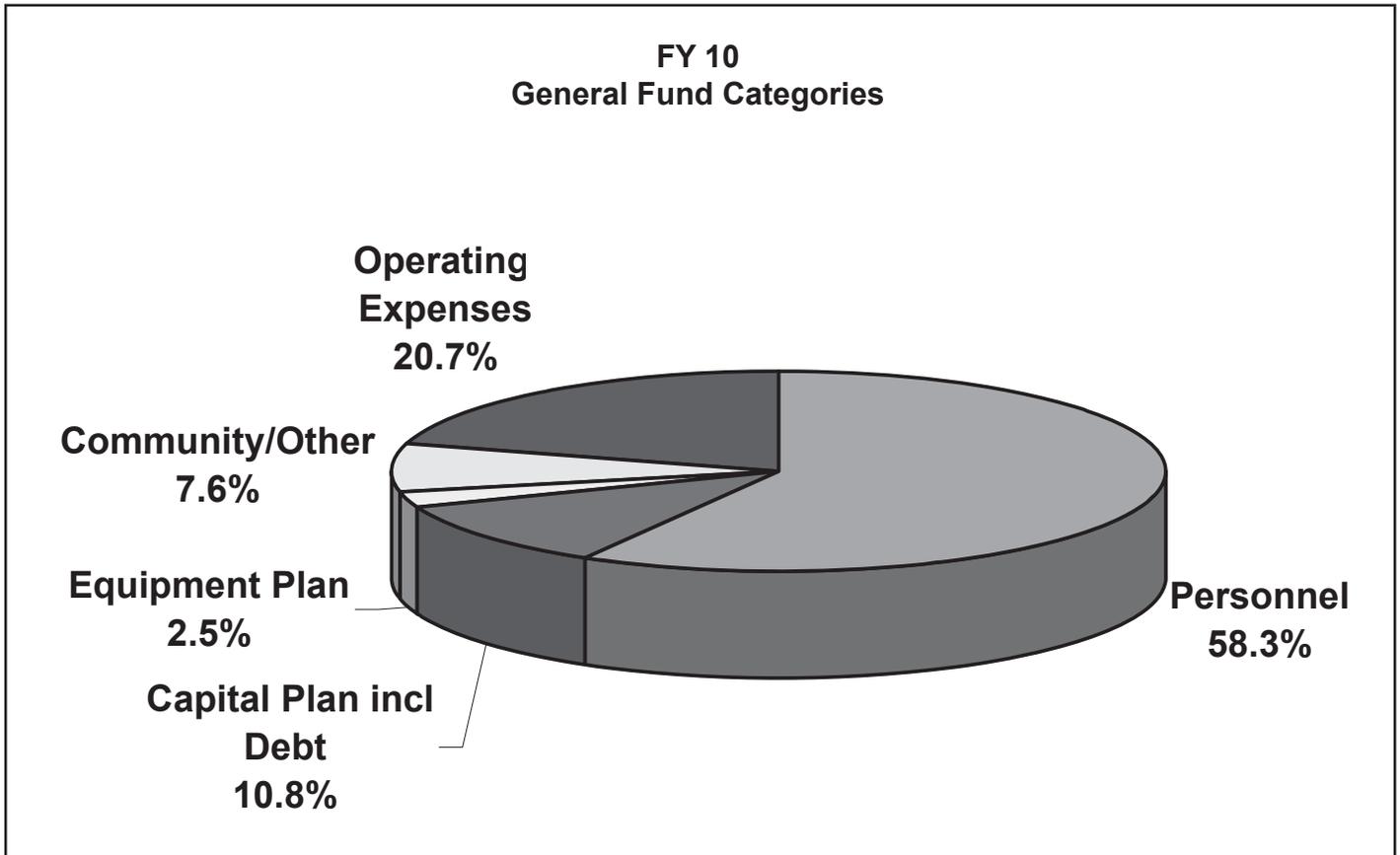


## Comparison of Budget Categories FY 08, 09, 10



GENERAL FUND - Allocation by Category

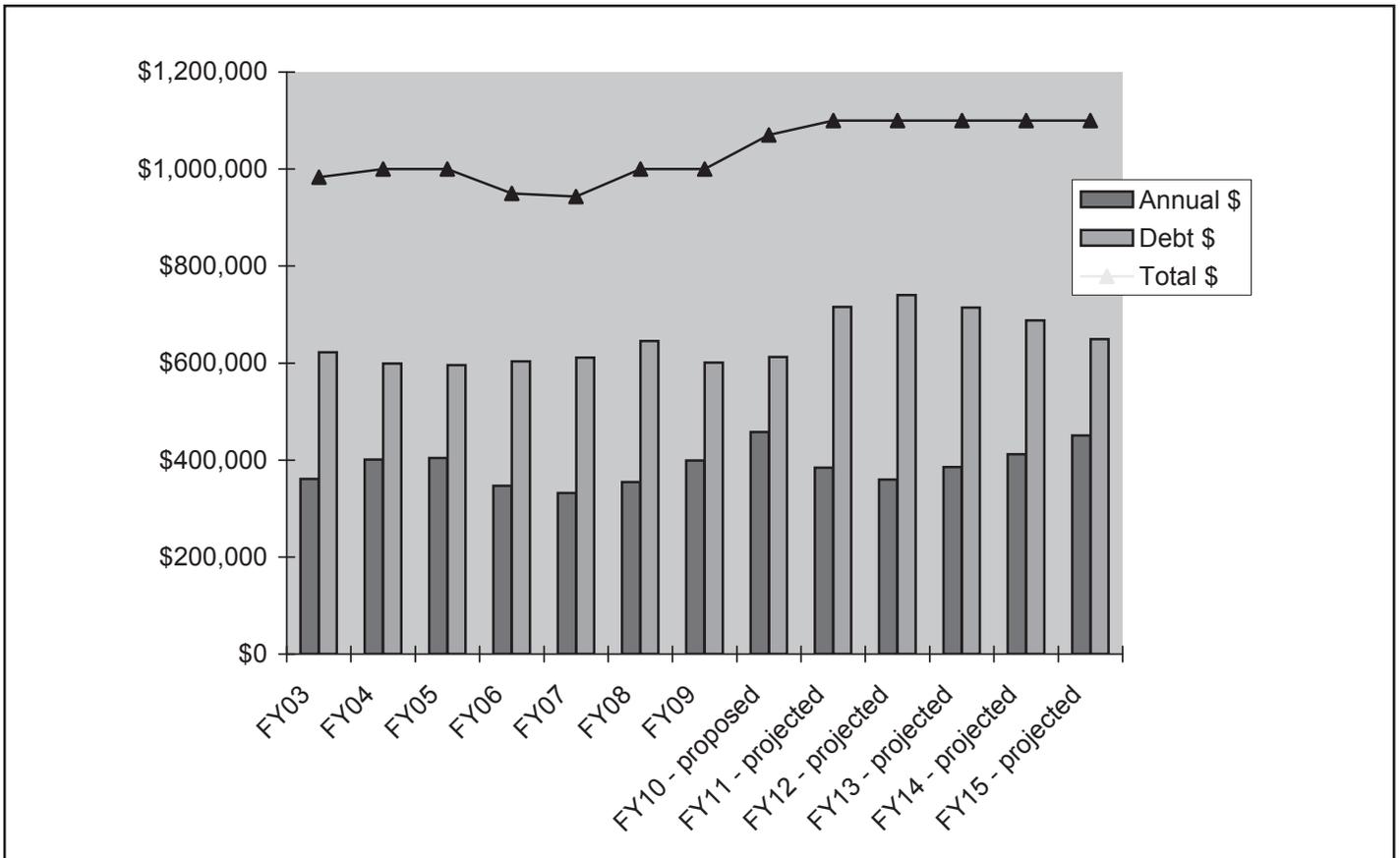
Category	FY08	FY09	FY10	\$ Change	% Change
<i>Salaries &amp; Wages incl. OT</i>	\$3,640,379	\$3,802,492	\$4,018,789	\$216,297	5.7%
<i>Employee Benefits incl. FICA</i>	\$1,560,187	\$1,620,918	\$1,736,862	\$115,944	7.2%
<b>Personnel</b>	<b>\$5,200,566</b>	<b>\$5,423,410</b>	<b>\$5,755,651</b>	<b>\$332,241</b>	<b>6.1%</b>
<b>Capital Plan incl. Debt</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$1,070,200</b>	<b>\$70,200</b>	<b>7.0%</b>
<b>Equipment Plan</b>	<b>\$201,581</b>	<b>\$233,735</b>	<b>\$250,847</b>	<b>\$17,112</b>	<b>7.3%</b>
<b>Community/Other</b>	<b>\$542,004</b>	<b>\$722,430</b>	<b>\$752,602</b>	<b>\$30,172</b>	<b>4.2%</b>
<b>Operating Expenses</b>	<b>\$1,896,076</b>	<b>\$1,956,774</b>	<b>\$2,039,051</b>	<b>\$82,277</b>	<b>4.2%</b>
<b>General Fund Budget</b>	<b>\$8,840,227</b>	<b>\$9,336,349</b>	<b>\$9,868,351</b>	<b>\$532,002</b>	<b>5.7%</b>



**SUMMARY of ANNUAL and DEBT FUNDING for CAPITAL PROJECTS**

**General Fund**

Fiscal Year	Annual \$	Debt \$	Total \$	\$ Change	% Change
FY97	\$248,800	\$149,817	\$398,617		
FY98	\$275,321	\$255,554	\$530,875	\$132,258	33.2%
FY99	\$279,460	\$341,915	\$621,375	\$90,500	17.0%
FY00	\$274,558	\$437,317	\$711,875	\$90,500	14.6%
FY01	\$351,299	\$451,078	\$802,377	\$90,502	12.7%
FY02	\$309,768	\$583,107	\$892,875	\$90,498	11.3%
FY03	\$360,867	\$622,508	\$983,375	\$90,500	10.1%
FY04	\$401,100	\$598,900	\$1,000,000	\$16,625	1.7%
FY05	\$404,183	\$595,817	\$1,000,000	\$0	0.0%
FY06	\$346,699	\$603,301	\$950,000	-\$50,000	-5.0%
FY07	\$332,196	\$611,304	\$943,500	-\$6,500	-0.7%
FY08	\$354,510	\$645,490	\$1,000,000	\$56,500	6.0%
FY09	\$399,251	\$600,749	\$1,000,000	\$0	0.0%
<b>FY10 - proposed</b>	<b>\$457,811</b>	<b>\$612,389</b>	<b>\$1,070,200</b>	<b>\$70,200</b>	<b>7.0%</b>
FY11 - projected	\$384,224	\$715,776	\$1,100,000	\$29,800	2.8%
FY12 - projected	\$359,910	\$740,090	\$1,100,000	\$0	0.0%
FY13 - projected	\$385,715	\$714,285	\$1,100,000	\$0	0.0%
FY14 - projected	\$411,939	\$688,061	\$1,100,000	\$0	0.0%
FY15 - projected	\$450,629	\$649,371	\$1,100,000	\$0	0.0%

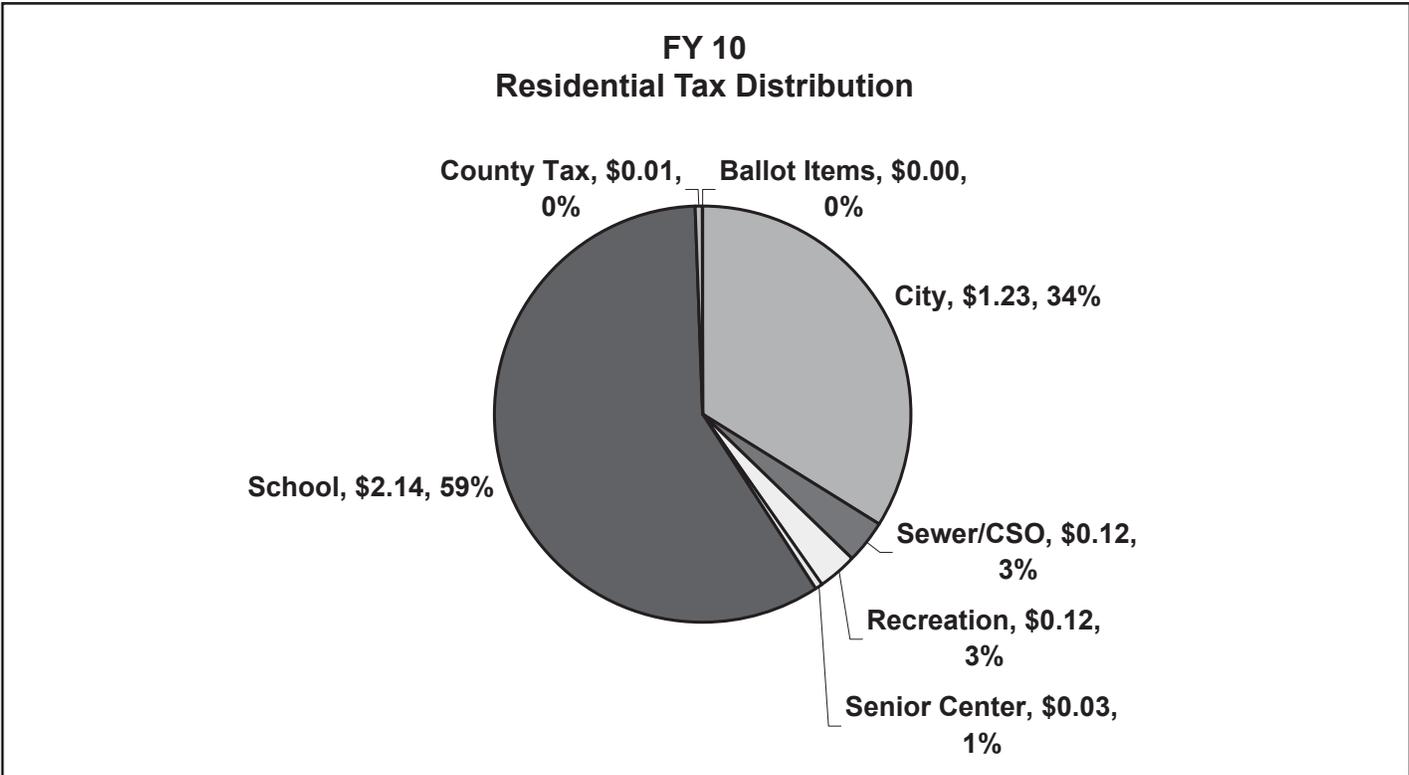


<b>Annual Projects</b>	<b>FY09</b>	<b>FY10</b>
Street Paving	\$63,539	\$82,252
Street Rehabilitation	\$65,000	\$0
US 2/302 Intersection	\$0	\$76,901
Retaining Walls	\$20,000	\$10,000
Sidewalks	\$60,000	\$80,000
Storm Drains	\$20,000	\$58,000
Buildings & Grounds	\$20,000	\$0
Master Plan update	\$11,700	\$20,000
Downtown Projects	\$10,000	\$10,000
Cross Vermont Trail		\$0
Web site upgrade	\$10,000	\$0
Street Lighting	\$0	\$14,000
Flood Mitigation Study	\$100,000	\$100,000
Project Management (5%)	\$19,012	\$18,458
<b>Total Annual Funding</b>	<b>\$399,251</b>	<b>\$469,611</b>

<b>Scheduled Debt</b>	<b>FY09</b>	<b>FY10</b>
Berlin St Reconstruction	\$6,225	\$5,875
Bridges	\$51,399	\$49,649
Fire Station	\$52,474	\$50,724
Gould Hill Bridges	\$47,691	\$25,708
Kellogg-Hubbard Library	\$49,934	\$48,459
Police Station	\$123,169	\$119,484
Retaining Walls '96	\$7,526	\$7,239
Retaining Walls '98	\$68,453	\$66,374
Main St Lighting	\$15,818	\$15,415
Central Vt Bike Path	\$17,136	\$16,699
Capital District Master Plan - Carr Lot	\$0	\$0
City Hall/DPW Building Bond	\$75,318	\$73,831
Bridges/City Hall/DPW facilities	\$79,576	\$77,814
Sabins Pasture	\$6,030	\$6,031 issued
District Heating		\$9,455 issued
Retaining Walls		\$16,043 new
Bridges		\$11,789 new
<b>Total Debt Payments</b>	<b>\$600,749</b>	<b>\$600,589</b>
<b>Total Capital Plan</b>	<b>\$1,000,000</b>	<b>\$1,070,200</b>

**PROJECTED TAX RATES** common level of appraisal = 58.94%

	FY09 Taxes	FY09 Rate	FY10 Taxes	FY10 Rate	Tax \$ Change	Rate Change	Pct. Change
<b>MUNICIPAL</b>							
General Fund	\$6,106,051	\$1.16	\$6,592,392	\$1.23	\$486,341	\$0.074	6.4%
Ballot Items	\$260,543	\$0.05	\$23,600	\$0.00	-\$236,943	-\$0.045	-91.0%
Recreation	\$619,274	\$0.12	\$619,274	\$0.12	\$0	-\$0.001	-0.5%
Senior Citizens	\$87,072	\$0.02	\$135,707	\$0.03	\$48,635	\$0.009	55.1%
<b>TOTAL MUNICIPAL</b>	<b>\$7,072,940</b>	<b>\$1.34</b>	<b>\$7,370,973</b>	<b>\$1.38</b>	<b>\$298,033</b>	<b>\$0.038</b>	<b>2.8%</b>
<b>SCHOOL</b>							
Residential	\$5,216,515	\$1.97	\$5,658,727	\$2.14	\$442,212	\$0.17	8.5%
Non-residential	\$5,183,162	\$2.14	\$5,546,468	\$2.29	\$363,306	\$0.15	7.0%
<b>TOTAL SCHOOL</b>	<b>\$10,399,677</b>		<b>\$11,205,195</b>		<b>\$805,518</b>		<b>7.7%</b>
<b>COUNTY</b>	<b>\$58,673</b>	<b>\$0.01</b>	<b>\$76,032</b>	<b>\$0.01</b>	<b>\$17,359</b>	<b>\$0.003</b>	<b>28.9%</b>
<b>SUB-TOTAL</b>	<b>\$17,531,290</b>	<b>\$3.32</b>	<b>\$18,652,200</b>	<b>\$3.53</b>	<b>\$1,120,910</b>	<b>\$0.21</b>	<b>6.3%</b>
Sewer Benefit	\$106,321	\$0.02	\$106,853	\$0.02	\$532	\$0.00	0.0%
CSO Benefit	\$531,606	\$0.10	\$534,264	\$0.10	\$2,658	\$0.00	0.0%
<b>GRAND TOTAL</b>	<b>\$18,169,217</b>	<b>\$3.44</b>	<b>\$19,293,317</b>	<b>\$3.65</b>	<b>\$1,124,099</b>	<b>\$0.21</b>	<b>6.0%</b>
- non -residential rate		<b>\$3.60</b>		<b>\$3.79</b>		<b>\$0.19</b>	<b>5.2%</b>



**2008 Effective Property Tax Rates**

source - 2009 Annual Report - Division of Property Valuation and Review

Vermont Department of Taxes

Municipality	School Residential	School Non-Residential	Municipal	Total Residential
Barre City	\$0.95	\$1.30	\$1.28	\$2.23
Barre Town	\$0.95	\$1.29	\$0.69	\$1.64
Berlin	\$1.20	\$1.26	\$0.41	\$1.61
Calais	\$1.23	\$1.27	\$0.46	\$1.69
East Montpelier	\$1.25	\$1.33	\$0.41	\$1.66
Middlesex	\$1.23	\$1.27	\$0.35	\$1.58
Moretown	\$1.16	\$1.22	\$0.20	\$1.36
Northfield	\$1.24	\$1.32	\$0.63	\$1.87
Plainfield	\$1.09	\$1.32	\$0.65	\$1.74
Waterbury	\$1.11	\$1.25	\$0.30	\$1.41
Worcester	\$1.27	\$1.30	\$0.53	\$1.80
<b>CENTRAL VERMONT AVG.</b>	<b>\$1.15</b>	<b>\$1.28</b>	<b>\$0.54</b>	<b>\$1.69</b>
Montpelier	\$1.16	\$1.26	\$0.88	\$2.04
Montpelier vs. Average	\$0.01 0.63%	-\$0.02 -1.91%	\$0.34 63.79%	\$0.35 20.71%
Barre City	\$0.95	\$1.30	\$1.28	\$2.23
Brattleboro	\$1.36	\$1.25	\$0.92	\$2.28
Hartford	\$1.21	\$1.33	\$0.65	\$1.86
Middlebury	\$1.35	\$1.27	\$0.70	\$2.05
Newport	\$1.10	\$1.28	\$0.95	\$2.05
Rockingham	\$1.26	\$1.30	\$0.68	\$1.94
Rutland City	\$1.08	\$1.28	\$1.11	\$2.19
Springfield	\$1.22	\$1.29	\$1.17	\$2.39
St. Albans	\$1.10	\$1.30	\$0.71	\$1.81
St. Johnsbury	\$1.13	\$1.27	\$0.72	\$1.85
Windsor	\$1.20	\$1.29	\$0.98	\$2.18
<b>AVG. OF SIMILAR TOWNS</b>	<b>\$1.18</b>	<b>\$1.29</b>	<b>\$0.90</b>	<b>\$2.08</b>
Montpelier	\$1.16	\$1.26	\$0.88	\$2.04
Montpelier vs. Average	-\$0.02 -1.52%	-\$0.03 -2.11%	-\$0.02 -1.76%	-\$0.04 -1.63%

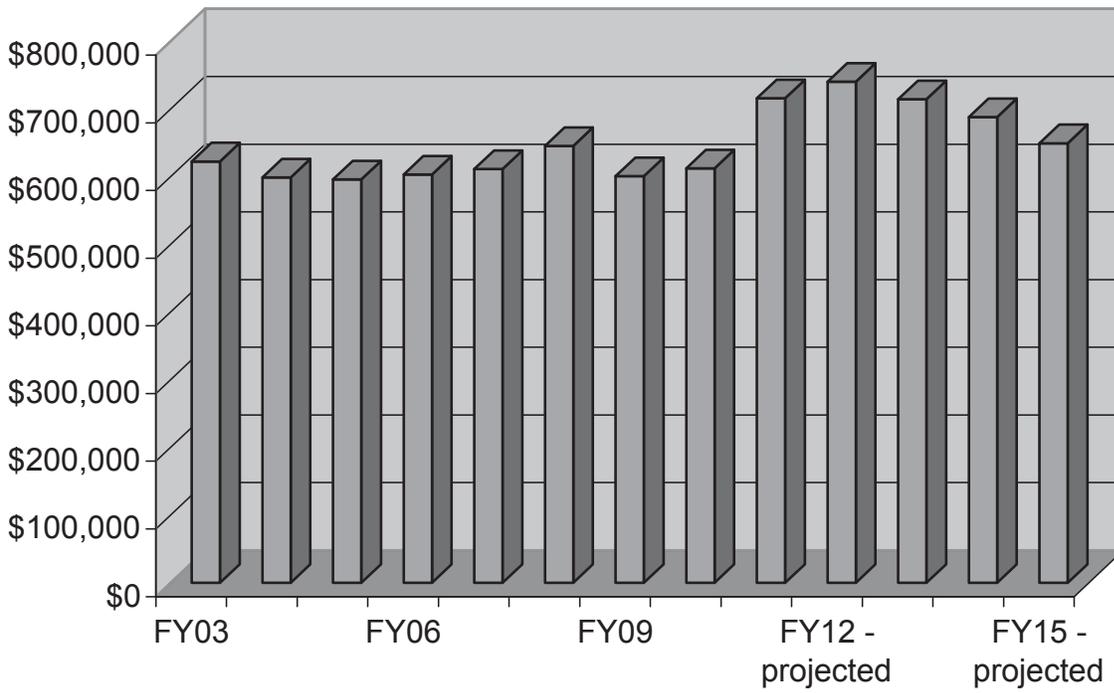
**Montpelier 2009 / Annual Report / 22.**

**Estimated Municipal Property Taxes**

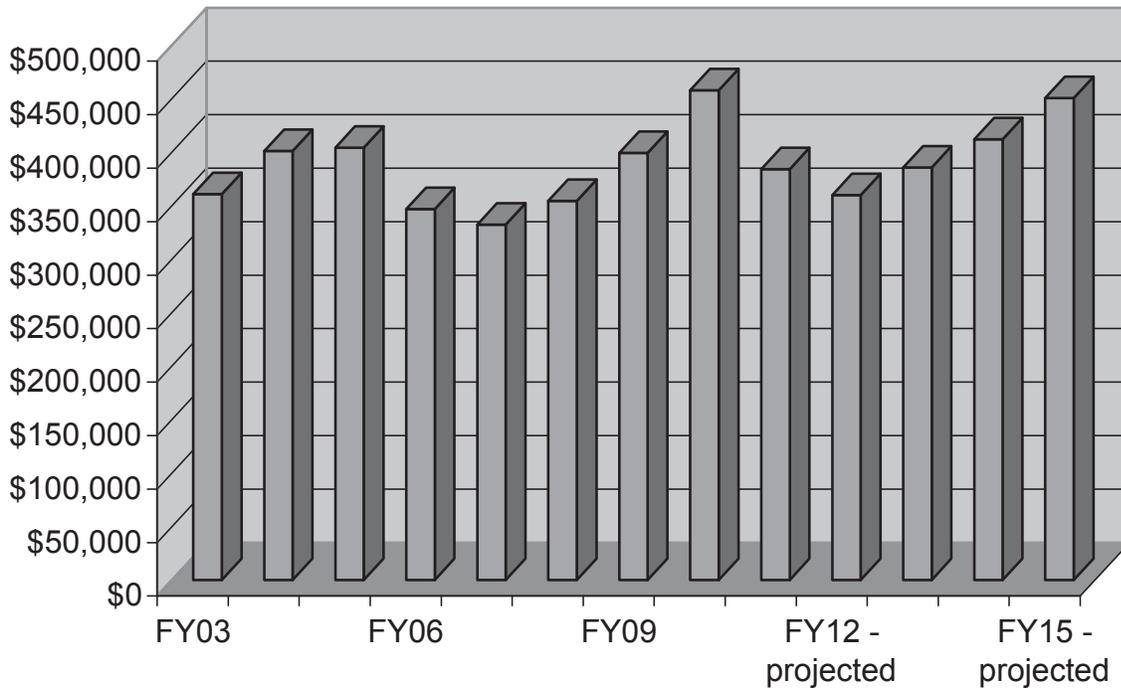
Ballot Article	Item	Funds	Tax Rate	Estimated Property taxes for various residential values			
				\$ 100,000	\$ 150,000	\$ 200,000	\$ 250,000
2	City Budget	\$ 6,668,424	\$ 1.2482	\$ 1,248.15	\$ 1,872.23	\$ 2,496.30	\$ 3,120
3	*School Budget - Residential Tax Rate ESTIMATE 1/22	\$ 14,784,682	\$ 2.1370	\$ 2,137.00	\$ 3,205.50	\$ 4,274.00	\$ 5,343
4	Recreation Department - last years number	\$ 619,274	\$ 0.1159	\$ 115.91	\$ 173.87	\$ 231.82	\$ 290
5	Senior Citizens Activity Center	\$ 135,707	\$ 0.0254	\$ 25.40	\$ 38.10	\$ 50.80	\$ 64
6	Mayor compensation (included in Article 2)	\$ 2,700	\$ -	\$ -	\$ -	\$ -	\$ -
7	Council compensation (included in Article 2)	\$ 6,000	\$ -	\$ -	\$ -	\$ -	\$ -
8	School Commissioners compensation (included in Article 3)	\$ 7,300	\$ -	\$ -	\$ -	\$ -	\$ -
10	Bridges and Retaining Walls Improvements CSO/Storm Water Drainage Improvements& Solar Panels - Included in Sewer Usage and CSO Benefit Charge fees- no tax impact	\$ 27,833	\$ 0.0052	\$ 5.21	\$ 7.81	\$ 10.42	\$ 13
11	Energy Plant Project - Change of use - no tax impact	\$ 21,964	\$ -	\$ -	\$ -	\$ -	\$ -
12	Kellogg-Hubbard Library - additional request	\$ 70,615	\$ 0.0132	\$ 13.22	\$ 19.83	\$ 26.43	\$ 33
13	Good Beginnings of Central Vermont	\$ 400	\$ 0.0001	\$ 0.07	\$ 0.11	\$ 0.15	\$ 0
14	Central Vermont Community Land Trust	\$ 5,000	\$ 0.0009	\$ 0.94	\$ 1.40	\$ 1.87	\$ 2
15	Central Vermont Adult Basic Education	\$ 6,000	\$ 0.0011	\$ 1.12	\$ 1.68	\$ 2.25	\$ 3
16	Sexual Assault Crisis Team of Washington County	\$ 2,000	\$ 0.0004	\$ 0.37	\$ 0.56	\$ 0.75	\$ 1
17	People's Health & Wellness Clinic	\$ 1,250	\$ 0.0002	\$ 0.23	\$ 0.35	\$ 0.47	\$ 1
18	Washington County Court Diversion Program	\$ 1,950	\$ 0.0004	\$ 0.36	\$ 0.55	\$ 0.73	\$ 1
19	Central Vermont Crime Stoppers	\$ 1,000	\$ 0.0002	\$ 0.19	\$ 0.28	\$ 0.37	\$ 0
20	Montpelier Home Delivery Program (Meals on Wheels)	\$ 5,000	\$ 0.0009	\$ 0.94	\$ 1.40	\$ 1.87	\$ 2
21	Vermont Center for Independent Living	\$ 1,000	\$ 0.0002	\$ 0.19	\$ 0.28	\$ 0.37	\$ 0
22	Green Mountain Youth Symphony	\$ 3,000	\$ 0.0006	\$ 0.56	\$ 0.84	\$ 1.12	\$ 1
23	Community Connections	\$ 6,000	\$ 0.0011	\$ 1.12	\$ 1.68	\$ 2.25	\$ 3
<b>TOTAL of Articles</b>		<b>\$ 22,377,099</b>	<b>\$ 3.53</b>	<b>\$ 3,530</b>	<b>\$ 5,295</b>	<b>\$ 7,060</b>	<b>\$ 8,825</b>
CSO Benefit Charge			0.02	\$ 20.00	\$ 30.00	\$ 40.00	\$ 50
			0.10	\$ 100.00	\$ 150.00	\$ 200.00	\$ 250
<b>Estimated Total Taxes</b>			<b>\$ 3.65</b>	<b>\$ 3,650</b>	<b>\$ 5,475</b>	<b>\$ 7,300</b>	<b>\$ 9,125</b>

\*School Taxes for residents that qualify for income sensitivity adjustments will be lower than these amounts

**Scheduled Debt Payments FY03-FY15**



**Annual Project Funding FY03-FY15**



# City Department Reports

## Public Safety & Protection Program

### Police Department

***MPD Bike Unit back to full strength ❖ Burglary is down, but Financial Crime/Embezzlement is up ❖ Substance Abuse Issues remain***

July 1, 2008 marked the return of a seventeenth officer to the Montpelier Police Department. The full staffing was a great success, but it only lasted approximately six weeks, before another vacancy came up. During that period, the department saw a reduction in overtime, experienced greater flexibility with scheduling which enabled the department to put more officers on the street during peak times, enhanced its special investigations capability, and continued to provide a strong, visible presence downtown and in the neighborhoods.

Last year there was a spike in property crime that was largely driven by illegal drug activity. That trend continued this year as well, but there was a 40% drop in reported burglaries in 2008. The department also noted that assaults on police officers were down as well.

Vandalism continued to decline for another year (159 reports for 2008, 188 for 2007, 215 for 2006, and 232 for 2005). General disturbance calls were significantly down as well from 355 calls for service in 2007 down to 251 calls in 2008. Having sufficient staffing levels in order to maintain a strong presence on the street and working closely with the members of the community were important factors in the improvement of quality of life and public safety in Montpelier.

The police department continues to see an increase in more complex crimes such as embezzlement, fraud, Internet crime, and other financial crimes. Investigating these types of crimes as well as illegal drug distribution cases are time consuming, labor intensive, and in many cases require coordination with other law enforcement agencies. These investigations are conducted by patrol officers and shift supervisors and are not just the sole responsibility of the department's one detective.

2008 also marked a vigorous approach to proactive drug investigations which has resulted in the arrest of over 40 individuals for illegal drug offences and the execution of numerous search warrants. The Vermont Drug Task Force has also played a critical role in our overall drug enforcement strategy in Montpelier and we look forward to even more participation with the VDTF in 2009. It is also important to note that the Montpelier Police Department executed several "high risk" warrant services this year due to the prevalence of firearms associated with many of these drug investigations.

Reducing domestic violence has always been a priority of the Montpelier Police Department and this year, the number of individuals arrested for domestic assault was the same as 2007. Arrests for violation of Abuse Prevention Orders were down from 2007. We will continue to work with our law enforcement and

community partners in a joint effort to reduce the occurrence of domestic violence in our region.

Public intoxication is a serious problem in Montpelier and when individuals are incapacitated, or are a danger to themselves or others, we are required to take them into protective custody. Once in protective custody, we arrange for them to be screened by a properly trained mental health professional. Many of these individuals also require medical screening at the Central Vermont Medical Center before we transport them either to the Barre City Police Department holding facility or to the Northeast Community Correctional Facility in St. Johnsbury, VT. Due to recently passed legislation, effective July 2011, the Vermont Department of Corrections will no longer accept intoxicated individuals unless they are being lodged for a crime. Therefore, mental health, law enforcement, and health care providers are scrambling to find secure lodging alternatives for intoxicated individuals who have not committed a crime, but are a danger to themselves or others due to their state of intoxication.

Mental health crisis intervention calls are another time consuming responsibility of the Montpelier Police Department. Like the public intoxication complaints, many of these calls require mental health screening while the officer or officers are present in order to provide safety for those involved in the emergency intervention. Due to the variety of disorders, often compounded by substance abuse, the nature of these calls can occasionally be quite dangerous for the officers. The department has focused considerable training time both for the officers and dispatchers on crisis intervention and assisting the mentally ill.

All of department's crime data reporting is submitted to the Vermont Crime Information Center (VCIC), which then submits the state data to the FBI. The reporting system used is called NIBRS (National Information Based Reporting System). This is a standardized reporting system that breaks down types of crime into A and B offenses. NIBRS data is available to the public by logging onto the following Web address: [http://www.dps.state.vt.us/cjs/crime\\_07/](http://www.dps.state.vt.us/cjs/crime_07/)). There is a six month delay in the update of NIBRS data.

Year	A Offense	B Offense
2005	730	464
2006	695	752
2007	699	577
2008	796	405

Traffic safety is another major responsibility of the Montpelier Police Department. By the end of 2008, Montpelier Police will have investigated 175 of 353 reported accidents, which was a significantly lower number from last year. Of the 175 accidents investigated by MPD, only 15 of those involved injury which appears to be an all time low. Equally good news was the decrease in the number of accidents involving pedestrians. In 2006 there were 10 accidents involving pedestrians, 2 in 2007, and there were no accidents involving pedestrians in 2008. There were over 2,793 motor vehicle stops for traffic violations, and many of those stops were made by MPD bike officers. The department also made 60 arrests for DUI in 2008, slightly more than in 2007. It is the department's goal that Montpelier's roads and streets can be made safer through

enforcement, education, and a close partnership with the Public Works Department.

Improved training has been another focus area for the department. With the alarming frequency of extreme acts of violence occurring around the country and here in Vermont, the department has taken critical steps to prepare staff as best as reasonably and fiscally possible to prevent and/or to react to such threats. Training with an emphasis on high risk-low frequency incidents has honed our ability to respond to dangerous crimes in progress. Improved specialized equipment and better tools for the officers play a key role in officer and community safety and enhance the department's overall level of preparedness. All Montpelier Police personnel have received training in the National Incident Command System, which is an all hazards/events management system.

The Montpelier Police Department Dispatch Center has undergone a host of significant changes in 2008. As of late May 2008, our dispatch center was decommissioned as a 911 PSAP (primary service answering point) and that responsibility was transferred over by the Vermont E911 Board to Vermont Department of Public Safety PSAP(s) which for our region is VSP Williston. There was also a substantial turnover of dispatch personnel in 2008 which presented many challenges as well as opportunities. In the end, the change in personnel resulted in an exceptionally strong and experienced team of emergency service professionals. The changes enabled the MPD Dispatch Center to improve emergency dispatch service delivery to Montpelier and to the other seventeen communities for which we provide contractual dispatching service. MPD dispatchers also receive advanced critical incident dispatch training, crisis intervention training, and other core training topics, such as NCIC (National Crime Information Center) operator certification, and CPR/first aid. MPD dispatchers are the critical link between the City's police, fire, and EMS resources, and the general public.

With the current national, state and local economic downturn, it is anticipated that the Montpelier Police Department will see more calls for service on a variety of levels. This challenge will be made even more difficult with one less police officer, a position that was recently eliminated from the police department's FY 2010 budget. As always, we will do our best to meet the public safety needs of Montpelier, and we will work together with our citizens to make sure we get through these hard times and maintain the health and security of the City of Montpelier.

ANTHONY J. FACOS, *Chief of Police*

#### Mission Statement

The ultimate responsibility for peace, good order, and law enforcement rests with the community of citizens in a democratic society. The complexity of modern society dictates that police efforts must be coordinated and directed by the services of law enforcement professionals.

Therefore, the Montpelier Police Department will be devoted to providing professional and quality police services, and will strive to remain effective, efficient, and responsive to the changing needs of our community while providing a safe environment that enhances the quality of life in Montpelier.

## Fire/Ambulance Department

The mission of the Montpelier Fire Ambulance Department is to save lives, protect property, and preserve the tax base in Montpelier at a reasonable and acceptable cost to the taxpayer. The department works toward achieving that mission by managing Fire/EMS operations, Building/Health inspection functions, and coordinating Emergency Management functions.

The primary focus is to achieve a safe city through a joint effort of residents and the department. Residents can help protect the city from fire loss by continuing to carry out good fire safety practices in their homes and work places. Injuries and other property loss can be limited by driving automobiles in a safe, defensive manner and through the safe use of power equipment. The department provides emergency response and proactive measures such as inspections and education.

Our fire safety message is simple. We need to avoid catastrophic structure fires. Fires can occur at any time through human error or mechanical breakdown. Alarm systems and good building code compliance can help give occupants time to get out of a building. However, it is properly installed and maintained sprinkler systems which provide the most effective protection. The Fire Department and Building Inspector functions work together to help provide a safer city.

The department also provides ambulance service to the community. While there are always some acute emergencies, emergency medical care largely involves dealing with the ongoing health issues. This service allows people to live a better quality of life. The Health Officer also assists in this effort.

The Fire Chief has responsibility for coordinating the citywide Emergency Management functions. This function helps the City of Montpelier prepare for major incidents. This involves mitigation efforts to reduce potential risks as well as coordinating the response efforts when an incident occurs.

### FIRE / EMS OPERATIONS

The department provides the city with both Fire and Ambulance service. Personnel are dual-trained as Fire Fighters and as Emergency Medical Technicians. These highly trained professionals maintain the department equipment, ensure personal capability through ongoing training, perform inspections, provide services to the public, present public education programs, and respond to emergency incidents. They also provide ambulance service under contract to three surrounding towns. Ambulance service revenues and contracts provide over 20% of the department budget.

The department operates from the Fire Station on Main Street. It also maintains a Training Area which allows for more effective training and promotes firefighter preparedness.

The department operates with two pumpers, one tower truck, two ambulances, and two utility vehicles. One of the ambulances is scheduled to be replaced in the coming year. Maintenance of vehicles is a top priority of the department.

The department is active in the mutual aid systems in our

region. All major fire or rescue incidents require assistance from our neighbors. Mutual aid ambulances are available to us when needed. In 2008 we received fire or ambulance mutual aid 48 times and provided it 56 times.

**SUMMARY OF RESPONSES IN 2008**

**EMERGENCY RESPONSES**

<u>Type Of Alarm Responded To</u>	<u>Montpelier</u>	<u>Other Towns</u>
-Structure Fires/Alarms	158	12
-Vehicle Fires	10	2
-Other Fires	29	1
-Power Lines	16	0
-Vehicle Accidents (Initial Fire Response)	60	24
-Other Rescues	18	1
-Flooding, Water Problem	15	0
-Collapse, Structural Problem	3	1
-CO Alarm Activation	33	0
-Electrical Problems	4	0
-Odor/Smoke Investigation	31	1
-Leak/Hazmat	45	0
-Other Emergency	87	2
-EMS Emergency	<u>816</u>	<u>145</u>
Total	1325	189

**NON EMERGENCY RESPONSES FOR SERVICE**

<u>Type Of Service Requested</u>	<u>Montpelier</u>	<u>Other Towns</u>
-Burn Permits	131	0
-Service Calls/Other Non Emergency	<u>45</u>	<u>0</u>
Total	176	0

**AMBULANCE TRANSFER BUSINESS**

-From Montpelier	39
-From CVH	235
-From Other Locations	<u>52</u>
Total	326

**BUILDING INSPECTOR / HEALTH OFFICER**

The Montpelier Fire Department is responsible for the Building Inspector and Health Officer functions. This allows for a coordinated effort to ensure that city residents and visitors have safe and healthy conditions where they live, work, and visit. One full time employee with training and qualifications in both areas performs this work.

The Building Inspector has two primary tasks: 1) reviewing and providing support for construction jobs in the City and 2) inspecting current buildings. Reviewing and inspecting construction done in the City ensures that work is done according to code. In June, 2007 the department took over the plans review for public buildings from the State and is now responsible for virtually all construction in the City. Significant fees which used to go to the State are now retained in Montpelier. The Building Permit system allows us to deliver this service. Most construction, except for minor repairs or routine maintenance, requires a building permit. In 2008, 281 building permits were processed and inspections were done as needed to support those efforts. Building permits are good

for a year and, if construction is ongoing, can be renewed. If renewed before the expiration date there is no fee.

Existing buildings, especially residential rental units, are inspected to ensure proper maintenance and operation. Buildings are inspected on receipt of a complaint or on a scheduled basis. Complaints are given a high priority while scheduled inspections are done as resources are available. The emphasis here is to ensure safe and healthy conditions. In 2008, there were 167 inspections done.

Notable events during 2008 included the following. The heavy snow loads caused 16 partial collapses of structures. These buildings ranged from utility sheds to major commercial structures.

As Health Officer, there is the need to respond to complaints and proactively act to protect the community from public health threats. Areas of regular activities are rental housing, rabies and animal bites, garbage control and rats, mold complaints, lead abatement issues, carbon monoxide and smoke complaints, water supplies, septic tanks, and restaurant inspections. Special situations also involve the Health Officer when they occur. The Health Officer works under the authority of the Vermont Department of Health.

**EMERGENCY MANAGEMENT COORDINATOR**

There is an Emergency Management Team composed of the major department heads. The City Manager provides direction to the Team while the Fire Chief coordinates the emergency management functions in the City. The Emergency Management Team is responsible to ensure that the City is prepared for serious incidents.

The primary areas of concern are:

- 1 – Evaluating the risks to the City and ensuring that City plans are kept updated;
- 2 – Maintaining the Emergency Operations Center (EOC);
- 3 – Verifying that personnel have necessary training and certifications;
- 4 – Monitoring conditions in the City as needed;
- 5 – Drills to practice plans; and
- 6 – Reviewing mitigation efforts in the City.

There is one part-time employee tasked with on going clerical and support efforts needed to coordinate the efforts between different departments and outside agencies.

In 2008, flooding issues remained a high priority. The installation and monitoring of river gauges has provided much needed information, especially concerning possible ice jam flooding situations. There was also serious summer flooding caused by unusual rain patterns. Other areas of concern were possible problems caused by high fuel prices and propane transport through the city.

**CONTACT INFORMATION**

Emergencies	Dial 9-1-1
Building Permit	223-9504
Health Officer	229-4913
Building Inspector	229-4913
Other Fire/Ambulance Business	229-4913

GESUALDO C SCHNEIDER, *Fire Chief*

# Transportation & Public Utilities

## Public Works Department

The Department of Public Works consists of six divisions: Streets, Water & Sewer, Water Treatment, Wastewater Treatment, Equipment, and Administration. Our on-going responsibilities are to repair and maintain all City streets and sidewalks, bridges, guardrails, retaining walls, storm drains, water and sewer mains, pump stations, storage tanks, and water and sewer services. DPW crews perform snow plowing, snow removal, street sweeping, maintenance of street benches and trash barrels, autumn leaf pickup, traffic signing and pavement markings. Our personnel maintain the Public Works buildings, grounds and equipment to the highest standards.

The Montpelier Public Works Department is responsible for maintaining the physical improvements and infrastructure which provide necessary streets, bridges, pedestrian facilities, and utility service to the citizens of Montpelier and the general public. Paving and construction prices were again on the increase in 2008, reducing the number of streets rehabilitated this year, and increasing the workload on our own crews to prepare the streets, including subsurface drainage, sidewalk removal, and catch basin repair. We were able to complete paving projects on Loomis and Marvin Streets, and sidewalks were replaced on Barre Street and segments of Loomis Street.

Public Works staff continues to work with the City Manager's Office and others to advance the Montpelier /Berlin Bike Path to construction in the near future, as well as the Route 2/302 roundabout project, which will begin construction in the spring of 2009.

Our Administrative division at City Hall provides technical assistance to property owners, consultants and local boards, issues permits for homeowner projects, manages street lighting and traffic control operations, and manages all street, water, storm and sewer projects identified in the annual Capital Projects Maintenance Plan.

The Streets Division showed ongoing dedication to the City by providing a high level of service to pedestrians and the driving public in performing winter operations and snow removal during a winter that saw one of the largest snowfall amounts since record-keeping began. This continued with the efforts and hard work to clean up the August flood damage, assisted by the Administration and Water & Sewer Divisions.

The Water & Sewer Division continued with their numerous routine and on-going maintenance tasks, such as sanitary and storm sewer cleaning, inspecting and maintaining sewer pump stations, maintenance and repair of water meters, and annual water system flushing. The crew is also tasked with repair of water leaks and sewer breaks, thawing and repairing hydrants, and removing snow to keep them accessible, and providing assistance to the Streets Division as needed during winter operations. The Water & Sewer Division, working closely with the City Engineer, also played a major role in the completion of the River/Berlin Street water main project and the River Street sewer project.

The Equipment Division continues to achieve excellence in repair and maintenance of the City's fleet, including vehicles owned by the Public Works, Police, Fire, Green Mount Cemetery, Parks, Recreation and School Departments. The condition, reliability and age of the fleet are a testament to these employees and their ability to keep our fleet operational. The Division is also responsible for the buildings and grounds at the DPW facility on Dog River Road, and provides fuel to both City and other local government customers.

The Wastewater Treatment Facility heralded the replacement of the Archimedes screw pumps in 2008. Daily operations include septage and leachate receiving, laboratory work, sludge pressing, dewatering, State reporting, and facilities and grounds maintenance, all of which are accomplished with six employees.

The Water Treatment Facility continues to provide high-quality drinking water to its numerous customers. The employees continuously monitor water quality through laboratory analysis, use trends, and source protection inspections. This Division of three employees also fulfills State reporting requirements, prepares the Consumer Confidence Report every spring, and performs equipment, facility and grounds maintenance to keep the plant in excellent running condition.

This year has been very challenging, dealing with the rainstorm flooding in many areas of the City. Public Works staff worked on these projects for months, along with other slope stability problems that needed addressing. Thanks to Ginny and Tom for their organizational skills and institutional memories. And thanks to Bill, for wisdom, guidance and support throughout the year.

If you have any questions or comments, please feel free to call the Public Works Office at 223-9508.

TODD C. LAW, PE, *Director*

## Water Fund

It is the responsibility of the Department of Public Works – Water Division to maintain a consistent and adequate flow of water to the City from the City's water source at Berlin Pond. A new state of the art Water Treatment Plant was completed in fiscal year 2001.

User fees fund the Water Division. Water staff maintain hydrants for fire protection, construct water lines, maintain control valves and gates, flush hydrants annually, keep daily records on water quality and consumption, repair leaks and mains, operate the water treatment facility, oversee land management of the City's property in Berlin and support all systems associated with providing potable water to our customers. There are more than 3,000 water meters in the City of Montpelier and each meter is read quarterly.

The Montpelier City Council, sitting as the Water & Sewer Commissioners, determines water rates. Water rates are reviewed annually in the spring. We welcome your input in establishing these rates. The City Council has established a Water Rate Study Committee to make recommendations about the rate structure. Water rates increased substantially in the fiscal year 2006. Rates increased another 5% on July 1, 2007

and 5% on July 1, 2008. It is expected that utility rates will be adjusted annually due to increases in maintenance, chemical, fuel, electricity costs and debt payments. The current quarterly rates are as follows: \$7.25 per 1,000 for the first 50,000 gallons, \$7.74 per 1,000 for the next 200,000 gallons, \$12.55 per 1,000 for over 250,000 gallons and a fixed charge for all accounts for meter reading, billing and other administrative service costs of \$20.50. The City Council's Water and Sewer Rate Committee will be meeting in April, 2009, to consider future rate increases that may be necessary to cover operating and debt service costs.

In March, 2007, the voters authorized the City Council to borrow \$1,950,000 for water system transmission improvements in and around Berlin Street. The project, which provides valuable connections between the Water Treatment Facility and the Terrace Street reservoir, was completed in the fall of 2008 and has improved water quality throughout the City. The project included additional storm drainage work that increased the cost, which will be funded by the General Fund.

Information about the proposed Water Department Budget can be found online at: <http://www.montpelier-vt.org/budget>. For budget questions, please contact the Finance Department at 223-9514. If you have a concern or question about your quarterly water bill, please contact the City Clerk's Office at 223-9500.

SANDRA J. GALLUP, *Finance Director*

## Sewer Fund

The primary responsibility of the Department of Public Works – Sewer Division is to collect and treat sanitary sewage from the City of Montpelier and part of the Town of Berlin. User fees fund the Sewer Division.

The Sewer Division maintains sanitary sewer collection mains and pumping stations, installs new service connections and repairs clogged or broken sewer lines in Montpelier. This division is also responsible for the maintenance and operation of the Waste Water Treatment Plant, which has undergone major upgrades to become a regional treatment facility for septage and leachate treatment. The upgrades are in response to the required state and federal environmental standards which improve the quality of life in Montpelier and the state of Vermont.

The Montpelier City Council, sitting as the Water & Sewer Commissioners, determines sewer rates. Sewer rates are reviewed annually in the spring. We welcome citizen comments in the rate review process. Sewer rates increased substantially in the fiscal year 2006. Rates increased another 5% on July 1, 2007 and 5% on July 1, 2008. It is expected that utility rates will be adjusted annually due to increases in maintenance, chemical, fuel, electricity costs and debt payment. New storm water management requirements also will add operating costs in the Sewer Fund. Quarterly sewer rates are as follows: \$8.22 per 1,000 gallons of water used and a fixed charge for all accounts for meter reading, billing and other administrative service costs of \$26.00. The City Council's Water and Sewer Rate Committee will be meeting in 2009 to consider future rate increases that may be necessary to cover operating and debt service costs.

In March, 2007, the voters authorized the City Council to borrow a sum not to exceed \$760,000 for sewer line improvements in and around River Street, around the intersection of Wheelock Street and for screw pumps replacement. The River Street sewer line project was completed in the fall of 2008. The project went very well and eliminates a stretch of inadequate piping causing issues with odors and capacity up stream of the previous restoration. The project came in under budget.

The sewer pump replacement was completed in the summer of 2008 and was under budget by a small amount. The project removed the 20 year old Archimedes screws in desperate need of replacement and installed new screw pumps, motors and channel coatings which reduced losses in efficiencies.

This year, the voters will be asked to authorize the City Council to borrow a sum not to exceed \$585,000 for improvements to the City's CSO and storm water drainage system which are estimated to be \$435,000 and for the installation of solar panels at the Wastewater Treatment Plant which is estimated to be \$150,000. The CSO and storm water drainage bonds would be issued for a term of 20 years and the bonds for the solar panels would be for 10 years. This proposed debt increases annual expenditures in the Sewer Fund by an estimated \$65,000 in its highest year. The cost of the solar panels debt should be recovered by energy savings over a seven year period.

As an ongoing requirement of the City's CSO Elimination Order, the City must continue to monitor and improve the situation regarding sanitary sewer overflow frequency. Our investigations have found several locations of concern and areas with substantial inflow. Richardson Street and Arsenal and McKinley Streets have been identified as two areas that are in need of separation of the storm flows.

Also included in the storm drain base is the installation of a new storm drain pipe from School Street to an outfall at 140 Main Street and to install a cured in place pipe liner in the existing squash pipe from School Street to the outfall adjacent to the School Street Bridge. The project is necessary to help remedy the capacity issues of the School Street storm pipe and the subsequent flooding issues on Loomis Street. The debt payment for this CSO and storm water drainage project will be funded by the City's sewer separation benefit charge.

A sewer benefit charge of \$.02 per \$100 of property value is dedicated to the repayment of bonded indebtedness. A sewer separation benefit charge which is currently \$.10 per \$100 of property value, is used to help pay off debt associated with the Combined Sewer Overflow (CSO) separation project. The objective of this project is to divert storm water from going into sanitary sewer lines reducing a major source of potential pollution for our City's waterways. No rate increases are anticipated for the upcoming year.

Information about the proposed Sewer Department Budget can be found online at: <http://www.montpelier-vt.org/budget>. For budget questions, please contact the Finance Department as 223-9514. If you have a concern or question about your quarterly sewer bill, please contact the City Clerk's Office at 223-9500.

SANDRA J. GALLUP, *Finance Director*

## Parking Fund

### *Parking Fine Increase ❖ Parking Fund Balance was positive for 2008*

In an effort to improve upon Montpelier's parking system, the City Council adopted an increase in parking violation fines. The goal of the fine increase is to reduce the number of motorists who violate the City's parking ordinances which have a direct impact on traffic flow, pedestrian safety, efficient snow plowing/removal, disabled person accessibility, business activity, and fire hydrant access.

The Montpelier Parking Division will continue to manage the parking needs of the City in a professional, efficient, and financially responsible manner.

ANTHONY J. FACOS, *Chief of Police*

## Municipal Development Program

### Department of Planning & Community Development

*Mission: To serve the community by facilitating the creation and preservation of a healthy, safe, sustainable, and high quality living environment through the management of an effective, on-going planning and implementation process.*

This broad mission is carried out through several areas of responsibility:

- To protect and enhance Montpelier's natural and built environment;
- To strengthen the local economy and tax base;
- To meet housing needs of low and moderate income residents;
- To engage the community in planning for growth and change;
- To provide information and service to the public; and
- To be accountable to our citizens.

These goals are addressed by Montpelier's planning, zoning, and community development programs. Most of our housing, loan, and economic development activities are carried out through what is known as the Community Development Agency (CDA), which is staffed by the planning department.

In 2008, the new team in the Planning Department had a chance to work together and improve the way our services are delivered. Toward the end of the year, we added two new VISTA volunteers on the enVision Montpelier project, as Jacqueline LeBlanc and Ashley Pelletier moved on to new opportunities. Jackie got a job at University of Vermont, and Ashley was admitted to graduate school at the Conway School of Design. The new faces in the office are Kristin Feierabend and Cynthia Wasser working on the enVision Montpelier project, and a new VISTA volunteer – Monica Kimball, working on the Onion River Exchange. The Onion River

Exchange pays Monica's stipend and all costs associated with the program, even though the city sponsors her position.

Even with an excellent staff, this department could not do all the work without the thoughtful and hard work by the individuals who volunteer on commissions and committees, the support from local officials, and the participation of citizens and other people and departments within and outside of City Hall. Montpelier is especially fortunate to have so many highly motivated, skilled, and interested citizens willing to give of themselves, their time, and their energies to make so many things happen.

This year, special mention needs to be made of all the hard work and community service contributed to the city by Margo George. Margo served for over 20 years on the Design Review Committee, founded the Heritage Group, served on the Historical Commission, and took every opportunity to speak up for the preservation and restoration of the architectural and historic treasures we have in Montpelier. She was an advocate for the rich history of the city, a walking encyclopedia of the stories behind each building and public space, and she will be deeply missed by everyone in the Planning Department and City Hall.

#### PLANNING

**Planning Commission:** We welcomed three new members to the Planning Commission in 2007: Matthew DeLorey, Karen Vogan, and Jesse Moorman were appointed to fill the seats vacated by Mark Kaufmann, Christopher Paterson, and Ken Jones. The Planning Commission has been very busy in 2008 leading the enVision Montpelier project (which is described in more detail below), and conducting an informal survey of citizens about their transit needs. The Planning Commission was also instrumental in convening an All Board Meeting for the city's development review boards and city council this year.

**Municipal Master Plan:** The Planning Commission worked with the City Council to continue the enVision Montpelier project, a long-term sustainability plan for the city that is looking out over the next 30-100 years. We have convened a multi-stakeholder group to lead the process, and to date over 200 people have signed up and attended the monthly stakeholder meetings. The stakeholder group is now divided up into five committees – social systems and human development, governance, economics and livelihoods, built environment and infrastructure, and natural environment. In 2008, we held over 40 enVision meetings and provided grants to implement the recommendations of the different enVision committees. All citizens are welcome to participate; more information about it can be found on the web site:

[www.montpelier-vt.org/planning/envision/index.cfm](http://www.montpelier-vt.org/planning/envision/index.cfm).

On August 22, 2008, the City Council adopted the vision and goals that the citizens had developed; work continues to identify specific objectives and to design strategies and an action plan to achieve the goals of the plan.

**Parking and Transit:** In March, the enVision stakeholders organized a Town Meeting on the different possibilities

for improved mobility in the city. Several alternatives were presented at the meeting, including long-standing issues like the construction of a parking garage, expansion of transit alternatives, and improvement to bicycle and pedestrian facilities. People at the meeting made it clear that the top priority for city residents and taxpayers is to develop more transit alternatives that link additional surface parking lots in town. Coming in at a close second were improvements to the bicycle and pedestrian paths and sidewalks. After the meeting, the city followed up with some additional survey work which confirmed these results. Later in the summer, we also conducted a survey on the transit needs of both residents and employees in the city; the results of this survey are available on a web site called Survey Monkey. Over 600 people participated in the transit survey.

**Major Projects:** The Planning Department has been responsible for initiating or supporting several major projects in 2008. We have completed a feasibility study for a district energy plant that would serve the downtown with expansion possibilities to other areas. We are completing an application to the State of Vermont for Growth Center designation, which would allow the city to streamline permitting for some types of development in our downtown area and access tax increment financing for infrastructure improvements. We worked with The Pyralisk to develop plans for an Arts Park on Stonecutter's Way. We continue to work on the Multi-modal transportation center planned for Taylor Street, although much of 2008 was spent waiting for the Environmental Protection Agency and the owner's consultants to complete a characterization of the site for brownfields remediation purposes. We have also been working with the Trust for Public Lands on the mixed use development they are proposing for Sabin's Pasture.

**Geographical Information Systems:** During 2007, Eric worked with The Public Works Department to create up-to-date GIS line, polygon and point data representing the City's Water & Sewer infrastructure, coordinated the licensing, acquisition, and installation of 3 new copies of ESRI Arcmap software for the City's Planning & Public Works Departments, trained various City staff members in the use of the new ESRI Arcmap software, and continues to be available on an as-need basis to help with technical issues and questions, updated nearly all of the lot line information for the City's tax maps, and managed to join nearly all of the existing grand list data to the digital tax maps, with the exception of condominiums and some non-taxed properties which have yet to be entered into the grand list.

To update and maintain our GIS library, Eric established a new repository of all of the City's most current and relevant GIS data on the City's common drive, continues to coordinate with VT Agency of Transportation, FEMA, and other agencies to obtain the most current GIS data layers and orthophotos for the City's data library.

Eric worked with the City Parks Department's Americorps interns to map invasive species and tree plantings along the Winooski & North Branch Rivers, as well as to refine trails data in the City Parks.

The city also provides landowners with data they need to pursue their projects, including geographic information on floodplain analysis, zoning boundary determinations, and road frontage. Eric provided local schools and colleges with city shapefile data to conduct classes using the City of Montpelier as a planning model, and local land trusts and non-profits with data for conservation purposes.

**Floodplain Management/Community Rating System (CRS):** The Planning & Zoning Administrator is the CRS Coordinator, which requires that we carry out a number of activities each year and then submission to FEMA by the end of the year. Activities include: maintaining records of development in the floodplain and other information necessary to preserve our CRS flood hazard mitigation certification; a mailing to each property owner in the floodplain, to lenders, and to realtors.

In concert with the Planning Commission and the City Council, the Zoning & Subdivision Regulations were amended to meeting the minimum requirements of the National Flood Insurance Program (NFIP). The Planning Department continues to work with the River Management Program and expects further amendment to the Regulations with regard to floodplain development.

FEMA is currently working on the map adoption process, but had not indicated a specific time frame for adoption.

Montpelier is one 3 communities in Vermont that participates in the CRS. Our CRS rating is currently a Class 9. Class 9 gives Montpelier a premium discount of 5%. It is likely that we will maintain our rating of Class 9. If we increase our ability to educate, provide outreach, and mitigate flood hazards we may be able to increase our rating to Class 8, which would give us a discount of 10%. Planning & Community Development carried out a wide range of on-going flood hazard mitigation activities to reduce or eliminate losses to life and property due to flooding. In addition, the Planning & Zoning Administrator attending two trainings at FEMA's Emergency Management Institute, which may also contribute to our increased rating.

**Certified Local Government (CLG)/Montpelier Historic Preservation Commission (MHPC):** Since certification, the City of Montpelier has received \$22,792 in CLG funds to protect and promote our historic resources.

The City of Montpelier completed Phase 1.5 of the National Register update – examining 26 properties, revising Phase 1, grant award of \$3,225 (\$5,359 with match). The City was awarded \$11,585 (\$19,445 with match) to complete Phase 2 – completion of the Montpelier Historic District nomination, updating statement of significance, printing archival photographs, and archival and digital documentation. We are in the process of selecting a historic preservation consultant to complete Phase 2. We have also been awarded \$3,308 for the Montpelier Historic Brochure and Website – this project is meant to incorporate the information we obtained through the nomination process to provide education and outreach to the public so that we can further promote our historic resources.

Margot George, Anthony Otis, Eric Gilbertson, and James Duggan were all appointed to the MHPC on 9/10/08. Margot George's sudden passing has left us with a vacancy on the MHPC. We will have a three-year term vacancy to fill this next cycle.

#### DEVELOPMENT REVIEW

During 2008 155 zoning permits were issued. Of these 155, 47 required Development Review Board (DRB) approval and 108 were administratively approved. Of the 41 approved by the DRB, 31 required Design Review approvals. 13 sign permits were issued. 7 violations and 3 warnings were issued. Three subdivisions were approved in 2008 and one administrative decision was appealed to the DRB.

**Development Review Board (DRB):** Phil Zalinger (term expires 7/24/09) continues to serve as chair. Kevin O'Connell serves as vice chair and was reappointed to another term (expires 7/23/11). Alan Blakeman and John Lindley were also reappointed (their terms expires 7/23/11). We have one vacancy for an alternate on the DRB.

**Design Review Committee (DRC):** In December 2008, Margot George – DRC Chair – died suddenly after many years of service to the City of Montpelier – DRC, MHPC, and other civic-minded organizations. Steve Everett – Vice Chair – has been the chair in the interim, and was reappointed this past summer (term expires 9/10/11); Eric Gilbertson was also reappointed (expires 9/10/11). Soren Pfeffer was not reappointed and Vicki Lane resigned. James Duggan was reappointed from an alternate to a full member serving out Vicki Lane's term (term expires 10/25/09); Nancy Mears was also appointed (term expires 9/10/11). There are two vacancies (one alternate and one full member).

**Staff Support:** The Technical Review Committee (TRC) is an advisory staff committee comprised of representatives from the Planning & Community Development, Public Works, Police, Fire, Buildings, and Parks departments, and a representative from the Conservation Commission. They have continued to meet, although periodically, to jointly review applications, evaluate site plans, and provide comments and recommendations to the applicants and the DRB. Staff reports are prepared for the DRB, applicants, and others before hearings to correlate the relevant details and issues of an application with the appropriate review criteria.

**Public Outreach:** DRB hearings and Planning Commission meetings continue to be broadcast on channel 17. The DRC is now pre-recorded and broadcast on the same night as the DRB is on the air, just before the meeting.

To help inform neighbors and the public of development activities that might affect or interest them, we continue to:

- ◆ Publish full DRB agendas at least 2 weeks prior to the hearings in the Times Argus;
- ◆ Require that the big red Z-poster card be posted on-site prior to the DRB hearing;
- ◆ Require that the blue Zoning Permit placard be posted on-site during the 15-day appeal period;

- ◆ Provide notice to abutters by mail of applications requiring DRB review; and
- ◆ Post meeting and hearing information on the Web site, and on one bulletin board in City Hall (See <http://www.montpelier-vt.org/planning/index.cfm>)

#### ECONOMIC AND COMMUNITY DEVELOPMENT

**Downtown Revitalization:** We continue to work closely with the Montpelier Downtown Community Association on a number of downtown initiatives, including its Design and Economic Restructuring committees, parking issues, implementation of the Capital District Master Plan, and other initiatives.

**Turntable Park/Brownfield Remediation:** As reported last year, the department secured a \$194,336 grant from through the Vermont Community Development Program to clean up contaminants found on the Turntable Park and Pyralisk sites for redevelopment into a park and community center, respectively. This year, we moved forward with these plans and worked with Pyralisk to permit an Arts Park next to the Turntable Park, which was also permitted for development by the city's Development Review Board. We applied for and were awarded a Transportation Grant from the State of Vermont to help pay for the city's cost of developing the Turntable Park.

**Multi-Modal Transit and Welcome Center:** Progress was stalled on the transit center as the city and the landowner waited to receive approval from the U.S. Environmental Protection Agency for the characterization plan that is needed to determine what the cleanup requirements will be. In the meantime, we applied to the U.S. Environmental Protection Agency for a Brownfields cleanup grant for \$200,000, with the help of our Project Manager at Dubois and King. We have not received word as this goes to print about whether the grant will be awarded. More information about this project can be found on the Works in Progress page at: <http://www.montpelier-vt.org/wip/carrlot>.

#### HOUSING DEVELOPMENT & REVOLVING LOAN FUND ACTIVITY

**One More Home Program:** This program completed at the close of 2008, provided technical and financial assistance to homeowners interested in the possibility of building an accessory apartment on their property. Grants of up to \$4,000 and zero interest deferred loans of up to \$5,000 were available to help homeowners assess the feasibility and to build accessory apartments. This program was made possible through a Vermont Community Development Program Grant awarded in 2006.

A total of 5 apartments were built through this program over the last two years. Approximately \$13,500 was granted and a total of \$16,000 was loaned directly to homeowners. Eleven low and moderate income persons were served directly through this program.

Regrettably the One More Home program was closed before all grant funds were able to be liquidated. It was a valuable program and we are pleased that we were able to build 5 new units in the city that serve low and moderate income community members.

We believe if the program was able to loan more money per unit and if we had more time to accommodate the economic ups and downs of housing supply and demand, then it could have been a great program. It is the intention of the planning department to find other ways to fund an accessory apartment program in Montpelier in the near future.

**Housing Preservation Grant Program (HPG):** The HPG loan program provides renovations loans to low and moderate income homeowners to help address: code, health and safety issues; accessibility needs; weatherization needs; and overcrowding. Loans are typically without interest with repayment deferred until the property is sold. There is \$50,000 for very low income single-family homeowners to be supported in qualifying home renovation projects. Additionally, the city has matched those funds with \$125,000 actual and in-kind dollars.

To date the program has assisted 110 homeowners and loaned over \$966,000. During this past year we supported important renovations in 7 homes, for a total loan amount of \$56,000. There are still funds available for qualified homeowners. For more information, see <http://www.montpelier-vt.org/cda/hpg.cfm>)

**Bianchi and Stonewall Farms Apartments:** In 2006, we successfully obtained a \$409,000 grant from the Vermont Community Development Program to assist the Central Vermont Community Land Trust in the purchase and renovation of the Bianchi Building at 208 Barre Street and Stonewall Farms Apartments at 21 Hebert Road. In the fall of 2008 the Bianchi Building was officially opened and now features 8 beautiful new apartment units, 7 of which will be affordable to households at 60% of the median income for Washington County. Ten affordable housing units were preserved at Stonewall Farms. The City loaned an additional \$75,000 to the project from the Community Development Revolving Loan Fund and provide \$52,000 from the Housing Trust Fund to support construction of the project.

**Riverside Center:** This project involved the demolition of the salt shed on Stonecutter's Way, the remediation of the contamination that is on site, and the construction of a multi-purpose complex that was to include senior housing, market rate condominiums, office space, and performance space. The Central Vermont Community Land Trust pulled out of this project in the spring because of the difficulty they had securing financing in time to use the funding Pylisk had received from the U.S. Department of Housing and Urban Development (HUD). The city then worked with Pylisk to develop an Arts Park, but this project was stopped when all the required project bids came in almost \$250,000 higher than the budget. Over the course of the year the city was able to secure a \$21,600 CDBG grant on behalf of CVCLT to help offset expenses incurred during the planning phase of the project.

**Housing Trust Fund:** In March of 2005, voters approved an additional one cent on the property tax to be placed in a special revenue account called the "Montpelier Housing Trust Fund," (HTF) the purpose of which is to create homeownership

opportunities affordable to low and moderate income households. There were no applicants for FY 2008 funds but \$75,000 from a combination of FY 2008 and 2009 dollars has now been awarded to CVCLT to help make, at minimum, 5 units affordable in Montpelier to households earning less than 80 percent of the county median income. An RFP for the fund balance will be issued in 2009.

**Revolving Loan Fund:** The loan fund balance is approximately \$242,000. During 2008 the fund received a number of loan inquiries and was able to fund one business loan by the close of 2008. Other businesses are being support through the application process at this time. Additionally, a special one time ear-mark for multi-family building owners paid out two loans for a total of \$1,400.

GWENDOLYN HALLSMITH,  
*Planning & Development Director*

## Montpelier Downtown Community Association

2008 was the year of the bicycle in Montpelier. For the past few years MDCA had sponsored Art Walks and the Way to Go! alternative commuter initiative. We took it a step further in 2008 by creating SculptCycle, a public art partnership that brought 20 sculptures incorporating bike parts to the downtown. The project was designed to highlight Montpelier as a bike-friendly city, an arts destination, and a community committed to the environment. A free bike-themed film festival sponsored by the Savoy Theater complemented the art.

An overarching goal of the project was to bring people to downtown Montpelier. Throughout the summer, residents and visitors to the capital city were seen viewing the sculptures. On October 4th, the sculptures were auctioned off. Two of the pieces were purchased by the City of Newburyport, MA for their soon-to-be-completed bike path. Lochlin Smith's and Ward Joyce's pieces, "Whirling Dervishes" and "Squashed Bikes," were purchased by MDCA to remain permanent public art in Montpelier.

Another major project that drew to a close this year was the renovation of City Hall plaza. For a few years, the City has known that both of the crabapples in the plaza were suffering from rot. Anticipating that the trees were near the end of their life expectancy, the MDCA Design Committee with the help of landscape architect Jean Vissering began planning for the next generation of the plaza. The popular planters full of annuals which are maintained by Vicki Lane will remain a fixture in the plaza.

Over the summer, the downtown was again beautified by the addition of over fifty flower barrels and two dozen benches. The Design Committee tested street recycling by putting out two barrels this fall. The committee hopes to unveil eight new recycling bins in the summer of 2009.

Of course no talk about summer in Montpelier would be complete without mentioning the Independence Day festivities organized by MDCA and the City of Montpelier. Great parade acts and a spectacular fireworks show brought people from all over central

Vermont. This year, the July 3rd festivities also kicked-off the Brown Bag series and the MDCA annual meeting. Over the course of the summer, MDCA brought nine Thursday noon lunch concerts to downtown Montpelier.

Throughout the year, MDCA looked for new ways to support downtown businesses. Monthly informational workshops now enhance the meetings of Montpelier Business Association, a committee of the MDCA. MDCA organizes cooperative advertising campaigns for downtown businesses for summer sidewalk sales, Moonlight Madness, and the December holidays. Capitol City Cash, the universal gift certificate for downtown Montpelier, has grown in popularity. Over 600 certificates were sold between Thanksgiving and the end of the year. Events such as the quarterly art walks, holiday wagon rides, and the tree lighting ceremony draw people downtown to local shops.

First Night Montpelier ended the year with a celebratory bang as thousands came out to enjoy over 25 performances, activities, fireworks, the parade, and the dropping of the disco ball at midnight. Like everything else MDCA does, none of this would be possible without community support. If you would like to be involved in keeping Montpelier "a great place to live, work and play," contact Suzanne Hechmer for volunteer, membership, and sponsorship information at [director@mdca.org](mailto:director@mdca.org) or 223-9604.

SUZANNE HECHMER, MDCA Executive Director

## Management & Support Program

### Finance Department

#### *Financial Management & Administrative Services*

The mission of the Finance Department is to ensure that all resources of the City of Montpelier are managed and accounted for in an effective and efficient manner, that all financial records are presented in a timely, accurate and meaningful format and that all staff members work toward continuous improvement and professional service.

The Montpelier Finance Department is responsible for maintaining the accounting, payroll, payables, insurance and billing programs for the City of Montpelier. The Finance Department provides regular financial information to Department Heads, the City Manager, the Council and residents. Our department also prepares the annual City budget, manages human resources and coordinates the annual audit.

**Budget information can be found online at:**  
<http://www.montpelier-vt.org/budget>

**The City of Montpelier Annual Audit can be found online at:**  
<http://www.montpelier-vt.org/finance>

The City of Montpelier has 30 active funds, 10 departments and 4 labor contracts/employee plans. There is \$49 million dollars invested in fixed assets financed by 31 loans that total \$22 million dollars. The annual operating budgets for the City's governmental and business-type activities total \$16 million dollars. The City Council receives monthly budget reports and monitors actual results compared to budget.

The department relies on Sharon Blatchford, Human Resources & Accounting Specialist, Donna Collette, Accounting Clerk and a contract with Fothergill Segale & Valley CPA firm to perform the responsibilities of the department. Sharon, a thirty-year veteran, provides in-depth employee benefits administration, payroll and accounts payable administration. We are also fortunate to have the support services of Donna Collette, who provides accounts payable, backup assistance for payroll and clerical support. Penny Bullard, representative for Fothergill Segale & Valley CPA firm maintains the general ledger and oversees the subsidiary ledgers. We also work closely with Charlotte Hoyt, City Clerk - Treasurer and her staff to make the City of Montpelier's financial management system as efficient and effective as possible. Fred Skeels, Information Technology & Communication Manager works with Nick Daniels, Technology Technician, to maintain the citywide computer, network and telephone technology services.

During my three years as the City's Finance Director, the City faced many financial challenges as we strive to minimize the effects of ever increasing operating and infrastructure costs, unfunded state and federal regulations, and the extremes of Vermont's weather. The difficulty only increases with the recent economic downturn. Employee benefit costs are reaching unacceptable levels. Our aging roads, drainage systems, buildings, sewer and water facilities all present immediate needs for improvements. In each of the last few years, the City faced unexpected costs caused by natural events including the Elm Street landslide, the river's dangerous flood conditions, and unusual winter snow conditions. This year, a summer storm caused \$300,000 in damage to our streets and drainage systems. Our efforts to maximize non-property tax revenue and carefully manage expenditures become increasingly important as the City faces the financial challenges ahead.

I appreciate the support that the Finance Department receives from the City Council and Bill Fraser, City Manager. Our office is located in City Hall and is open Monday-Friday from 8:00 AM to 4:30 PM. We welcome city residents' questions, comments and concerns. If I can be of service, do not hesitate to call me at the office (223-9514) or e-mail: [sgallup@montpelier-vt.org](mailto:sgallup@montpelier-vt.org)

SANDRA J. GALLUP, Finance Director

## Information System Division

This division is a part of the Finance Department and provides support for all municipal departments with information systems and technology. This support starts with the service and maintenance of our existing technology and continues with forecasting and implementation of upgrades to our existing technical systems and new applications.

This fiscal year, July 2007 through June of 2008, provided several upgrades to existing technology over several departments. The most significant was the conversion of the electronic mail system from Novell GroupWise to Microsoft Exchange.

The City's Wide Area Network is possible through a T1 (provided by SoVerNet through FairPoint) and a point to point wireless system provided by Montpelier Net. This communication network between City Hall and the outlying facilities of the Public Works Garage, Waste Water Treatment Plant and Water Filtration Facility in Berlin is configured to enhance the secure management of the water and waste water systems and radio communications between the garage and various mobile units.

The City continues to maintain its communication link with the local and world wide community via the internet. This powerful communication and research tool also provides increasing levels of risk for the City's hardware, software and data. Our goal is to provide the City an adequate level of security. The City continues to maintain a sophisticated firewall, virus protection standards and redundant daily full system backups will insure the integrity and continued performance of the network and its applications.

FRED SKEELS, *Technology Services Manager*

## Assistant City Manager/ Delinquent Tax Collector's Report

If you own a home and aren't required to file an income tax because your income is so low – all the more reason why you should be sure you file Vermont Tax forms HS 122 and HI 144 which enables the State of Vermont to qualify you for help in paying your real estate taxes to the City of Montpelier. Even if your household income is in the \$100,000 range, you should file HS 122.

Why? Because the amount the State pays on your real estate taxes is done through a formula by which the State of Vermont establishes a percentage of your income and based on that percentage determines how much real estate taxes on your home you need assistance with. So, if you have high income, but also have very high taxes, you may qualify for some help. Some people receive as little as \$5, other receive the maximum allowed of \$8,000.

**In addition, you need to file your paperwork by April 15th.** After that date you will receive a penalty against the amount you would have received. In addition, if you wait and file your taxes late, it creates extra work for the Town Offices. If you file after the tax bill are generated, the State makes us assess your tax burden as if you didn't own your home and you are charged the non residential tax rate which is higher than the residential tax rate. When you finally file, the State notifies us and a new tax bill has to be generated at the residential tax rate. You can imagine the extra time and paperwork this creates when numerous people file late.

If you wait until after September 1st you will not qualify for the credit at all. It is important to file your income tax and/or forms HS 122 and HI 144 by April 15th. If you have any questions on this please call me at 223-9512.

While the economic times have certainly impacted most of us, property owners are still making the paying of their taxes timely a priority. We are not yet seeing any major difference in our delinquent taxes, which are low by State standards. However, the amount of water and sewer payments that go delinquent continues to increase. We have started tax sales on a few properties because of this and will be doing more in the coming months. This can be avoided by contacting me and setting up a payment plan that will work for you and the City.

We have approximately \$800 in taxes owed for the year '06-'07. This property is in foreclosure and the delinquency will be paid by the mortgage company once the court has finalized the foreclosure. We have approximately \$35,000 in delinquent taxes for the '07-'08 tax year. A few of these properties are in foreclosure, but most are on a payment plan. A couple are facing tax sales because they have not responded to our offer to work out a payment plan or have had serious continuous delinquencies.

In my other role as Assistant City Manager I enjoy my work doing miscellaneous assignments throughout the City. My most current one, as you may have read in the local papers, will be to oversee the operation of the Montpelier Senior Center and work with the seniors in developing a plan for the future.

Please feel free to call me about anything in which you think I might be able to help you with.

BEVERLEE PEMBROKE HILL,  
*Asst. City Manager, Tax Collector*

## Montpelier City Clerk & Treasurer's Office

The City Clerk & Treasurer's Office staff enjoyed serving you in the past and look forward to serving you in the coming year. Our office collects all city fees for services, along with tax payments, utility payments, parking tickets, and processes the coins from the parking machines located at the lots maintained by the City. Marriage Licenses, Dog Licenses, Fish & Game Sporting Licenses, Green Mountain Passports and Cash Keys are also sold in this office. We offer electronic payment service for your property tax and utility payments. Ask for an application form to set up your account at any time. We continue to look at options for offering online payments via the internet for some of the municipal services. We are now using Digital Express which allows the city to make its check deposits electronically without traveling to the bank.

In an effort to make the Land Records a more efficient process we have updated our indexing system to ACS 20/20 Perfect Vision. This allows us to scan documents and print books right from our office. It also allows scanned documents to be viewed and printed from the public computer search engine.

We continue to work on the statewide checklist in an effort to keep our checklist current. Please be sure you are registered to vote. The deadline for new voters is Wednesday, February 25, 2009 by 5:00 P.M. If you will be out of town or wish to vote early you can do this at any election. We will be glad to assist you with this process at our next election which is the Annual City Meeting on March 3, 2009.

CHARLOTTE L. HOYT, *City Clerk-Treasurer*

## Assessor's Office

The Assessor's Office is responsible for tracking ownership, listing and valuing all taxable real and personal property in the City. The Grand List is prepared annually and filed in late June. Building and zoning permits, property transfer tax returns, surveys and field inspections are used to update assessments.

Since the rescinded reappraisal of 2007, assessed property values have returned to 2003 levels. According to the latest equalization study conducted by the Property Valuation and Review Division of the Vermont Department of Taxes, the CLA (common level of appraisal), effective 1/1/2009, is 58.94. This means that, on average, Montpelier properties are assessed at about 59% of current market value.

The City continues to be under orders from the State of Vermont to conduct a complete reappraisal. In response, the Assessor's Office assisted the Citizen's Committee and Manager's Office in drafting a Request for Proposals for a City-wide reappraisal, interviewing and screening firms that submitted proposals, selecting a contractor and negotiating a reappraisal contract. The City Council approved the contract on November 6, 2008.

The selected firm, New England Municipal Consultants, will begin work soon and property inspections will start this spring. All properties will be inspected. New values will be estimated using 'AssessPro' software. Completion is scheduled for June, 2010.

I encourage your cooperation with the inspection process so that the new values for all properties are based on accurate, up-to-date information.

In conjunction with the reappraisal, the City has hired a mapping consultant to update and improve the Parcel (Tax) Maps. This effort includes plotting all survey maps and other data to more accurately determine parcel acreages. This will hopefully contribute to more accurate assessments in the future.

The Grand List currently includes 2,929 taxable real properties as well as 498 personal property accounts, cable and exempt properties. The final figures in the 2008 Grand List for taxable properties are as follows:

Property type	Number of parcels	% of Grand List Value
Residential	2,051	55.4%
Commercial	249	24.7%
Commercial Apts	137	6.3%
Industrial	10	0.4%
Utilities- Electric	3	1.0%
Condominiums	382	7.2%
Misc- Land	97	1.0%
Cable	1	0.1%
Personal Property	498	3.9%

### Total taxable property value by category:

Residential	\$294,318,800
Commercial	131,364,850
Commercial Apartments	33,484,100
Condominiums	38,291,100
Industrial	2,632,500
Utilities	5,297,400
Miscellaneous	<u>4,955,100</u>
TOTAL Real Property	\$531,606,035
Cable	528,233
Personal Property	<u>20,733,952</u>
TOTAL TAXABLE PROPERTY	\$531,606,035

Despite declining property values in many parts of the country, values in Montpelier appear to be holding quite steady after leveling off in late 2006. Many experts are predicting modest declines in 2009. We will continue to monitor value trends as we approach the 2010 reappraisal.

Jane Aldrighetti, my able Administrative Assistant, is in the office Monday through Friday. I started as your Assessor last February and my position is a half-time contracted service at this time. I am normally in the office on Tuesdays and Thursdays. If you have questions or concerns regarding the valuation of real property in the City, please feel free to contact my office. The Assessor's Office is in City Hall. Our telephone number is 223-9504.

Thank you to the many who have welcomed me to Montpelier. I will continue to make my best effort to bring accuracy and fairness to property assessment in the City.

STEPHEN TWOMBLY, *City Assessor*

## East Central Vermont Community Fiber Network

East Central Vermont Community Fiber Network (ECFiber) is a public entity made up of 22 towns in East-Central Vermont committed to making state-of-the-art high-speed communications services available to all institutions, homes and businesses in participating towns. Last March, your town voted to join with other towns to create ECFiber. During the course of the year, your Selectboard completed the final steps to organize ECFiber, including the appointment of representatives to the ECFiber Governing Board. The network will be owned by participating towns and will use fiber-optic cable exclusively to each end user, thereby providing extremely fast and reliable Internet, telephone and television service. ValleyNet, a WRJ-based non-profit, will manage and operate the system under contract with ECFiber.

Private capital lease financing will be used to build this system. The revenue generated from system users will pay the costs of building, financing and operating the system. No cash outlay from member towns will be required. (In fact, under Vermont law, towns are not permitted to use tax revenue for such a project.) ECFiber had expected to complete the lease financing in December, 2008. Due to the turmoil in the credit markets at that time, it was unknown at the date of this report whether ECFiber would be able to complete its financing prior to annual town meeting. The latest status is available at [www.ecfiber.net](http://www.ecfiber.net).

Once ECFiber completes the lease financing, the terms of the capital lease will require that each town appropriate its share of the payments annually. This is effectively a direction to release funds held on behalf and for the benefit of the town by an institutional trustee (Chittenden Trust), even though the town cannot use this money for any other purpose. Therefore the town must vote every year on an article similar to this:

*"Shall the Town's share of the annual Capital Lease Payment under the East Central Vermont Community Fiber Master Lease Agreement dated as of December 1, 2008 be appropriated and paid out of revenues and other funds allocated to the Town from the operation of the ECFiber telecommunications system?"*

Again, when you vote on this article, please be aware that no town funds are used to pay the annual rental payment. This Article only authorizes the release of the town's share of system revenues and other funds held by the trustee for the purpose of paying the town's allocated share of the costs of constructing, financing and operating the system. If a town fails to make this appropriation, the town would cease to be a member of ECFiber and an owner of the system. Its ownership interest and benefits would be re-allocated among the remaining member towns.

## Green Mount Cemetery

Green Mount Cemetery's original mission (1855) was "to furnish a retreat for the dead which will remain sacredly devoted to that object forever – one which will be constantly watched over by affection, and protected by law, from molestation or encroachment" After 22 years of working at Green Mount, my personal mission for Green Mount is "to provide a personal, natural location for the burial and the memorialization of each and every individual."

### Highlights of 2008

**Personnel** – This summer our main work force of 10 workers with a Supervisor came from the Caledonia County Work Camp. This or a similar type of correctional program of male and female offenders has been working at Green Mount since 1981. We are extremely satisfied with the overall work production of this past year's work crew.

**Compost** – This fall a compost area has been developed. We have mixed over 25 loads of leaves with donated horse manure from the Tally HO farm. Once the compost is ready, it will be available to lot owners for their plantings here at Green Mount.

**Drainage** – As stated in last years' report one current situation that needs addressing is that the drainage infrastructure for the whole cemetery is 60 to 100 years old. Many of the drain pipes are starting to show signs of failure and we must begin to fix this problem. Due to the amount of rain during July and August, we have decided to have the City's Engineer design an overall drainage renovation plan. As soon as this plan has been finalized, we will begin to use some of the \$52,000 that the Montpelier voters have earmarked for Capital Improvements at Green Mount. We will continue to replace the drainage system as much as the budget allows us to.

**Lots Available** – There is a wide selection of lots available including cremation lots nestled within a woodland section. Let us know your needs and we will strive toward developing your personalized burial lot.

**Road Reconstruction** – As in the past year, we will continue to widen our main roads and install drainage culverts according to our newly produced 5 year Road Reconstruction work plan. Let us know if there is a particular portion of the cemetery that you feel needs attention. There are almost 5 miles of roads – some grass but mostly gravel, thus making this a perpetual and complex project.

**Signage** - A new sign at the Chapel entrance is being planned in conjunction with other signage for our buildings, roads and sections. Donations toward this project will gladly be accepted.

**Rules and Regulations** – No updating of our Rules and Regulations has occurred since 1954. Hopefully, by the end of the year a new published booklet will be available with updated rules and regulations.

**Gift Giving** – Giving to Green Mount is truly a community gift. Gifts can be specified toward a certain project or for general use. Present project needs include: Endowment Care funding, Plant Materials (trees, shrubs, perennials), a new Entrance Sign, a new Flag Pole, Entrance Enhancements, Visitor Benches and Monument Repair. Please contact us to discuss your preferred method of presenting a financial gift to Green Mount. Our Commissioners have retained a professional advisor for this private consultation. For a confidential discussion, please contact us at 802 - 223 - 5352 or email at [cemetery@montpelier-vt.org](mailto:cemetery@montpelier-vt.org).

**Tours** – Walking tours can be given for individuals or for groups of up to 50 participants. These tours may be scheduled for any time with enough notice. Please call the office at 223- 5352 or email your request to [cemetery@montpelier-vt.org](mailto:cemetery@montpelier-vt.org).

**Town Meeting Day 2009** – At the time of the writing of this report, we have presented a decreased budget to the City Manager with cuts made to labor, delayed equipment purchases and an expectation of decreased revenues from the Cemetery's Endowment Care Fund.

**Thank you** – I wish to thank the following Commissioners; Meri Nielsen, Darragh Ellerson, Kathy Segar, Daniel Richardson and Jake Brown for volunteering many hours toward the administration of this Cemetery. Thank you to everybody that comment about the cemetery. I appreciate and desire your input. If you have a cemetery question even if it does not directly pertain to Green Mount you can always feel free to call me at work at 223 – 5352 or at home in the evening at 426-3754. At last, I thank the Montpelier Citizens for their continued support for over 150 years of this unique Cemetery.

PATRICK HEALY, *Director*

New England Cemetery Association Certified Cemeterian

#### Statistics 2008

Burials – 36, 22 were Cremations, 4 were winter burials,

2 were infants

Lots Sold – 15 full burial graves, 7 Large family cremation lots,

New Monuments installed - 10

Markers installed - 8

Monuments washed - 10

Monuments repaired – 4

Flower/wreath Placement - 12

## Montpelier Housing Authority

### *A Valuable Community Resource*

The Montpelier Housing Authority is a local, independent government agency that has served our community for thirty nine years. Our five member Board of Commissioners is appointed by the City Council with Commissioners serving staggered five-year terms. The Board employs an Executive Director and staff to oversee its operations. As a local independent agency, we are not a City department and receive no local or state funds to operate our programs.

The Authority operates a wide variety of programs in its continuing effort to meet the need for affordable housing. We own and manage Pioneer and Gould Apartments. We also serve as managing agent for Lane Shops Apartments, Cummings Street Apartments, Prospect Place and two projects for Washington County Mental Health: a group home on St. Paul Street and a small apartment house on Prospect Street in Montpelier. In addition, we administer the Section 8 Existing Program which totals 122 vouchers. We also administer a home ownership option to our Section 8 participants. Working with the Central Vermont Homeownership Center, this option allows Section 8 tenants to use their vouchers to help pay their mortgage and other pertinent housing expenses. To date, we have had four closings under this option. A total of 310 units of affordable housing are provided through these programs.

This summer we completed a \$500,000 rehabilitation of the Cummings Street Apartments. We installed new parking lots and sidewalks, heating systems, countertops and cupboards, replaced two roofs, painted the exterior and built a new tot lot.

Our nonprofit, Capital City Housing Foundation (CCHF) renovated Heaton Woods, an affordable residential care facility. Heaton Woods is a tremendous asset to the community. Two years ago, a generous gift from the Roselli family enabled us to add five more rooms when we renovated the third floor bringing the total number of rooms to 46. The public is welcome any time to tour the facility or visit with the residents. Please call 223-1157 if you have questions.

CCHF continues sponsorship of the meals site at Pioneer Apartments. The Senior Meals Program serves weekday noon meals to the elderly and disabled, along with weekend frozen meals on Fridays for those who need them. They also provide home deliveries in the Montpelier vicinity. Please call 223-6357 for more information.

The Montpelier Housing Authority and our non-profit Capital City Housing Foundation are committed to paying our fair share toward City expenses. All projects owned or managed by MHA and CCHF pay full water and sewer charges, including the sewer benefit. Cummings Street, Prospect Place, Lane Shops, 7 St. Paul Street group home and the Washington County Mental Health Prospect Street property paid a total of \$98,725.39 in property taxes for the 2007-08 tax year.

Our three exempt properties, Pioneer Apartments, Gould Apartments and Heaton Woods made payments in lieu of taxes (PILOT) totaling \$19,813.27.

The authority works cooperatively with City Departments and other non profits, especially the Planning and Development Office and the Central Vermont Community Land Trust.. The Executive Director also serves on the Montpelier Housing Task Force and the Washington County Continuum of Care.

The authority strives to maintain a high level of service to our tenants and the Montpelier community. Please feel free to call our office at 229-9232 if we can be of service to you.

JO ANN TROIANO, *Executive Director*

## Parks, Conservation & Recreation Programs Park Commission

### 2008 Overview

Parks Director, Geoff Beyer, aided by AmeriCorps member Jake Feldman and AmeriCorps VISTA members Scott Courcelle and Katie McKinstry, completed a record amount of trail work and park improvements this year. Working with eleven Department of Labor trainees and numerous volunteers and community groups, the Parks Department was able to:

- ✂ Undertake extensive invasive species management efforts;
- ✂ Present the Enchanted Forest, our largest community event and fundraiser;
- ✂ Repair North Branch Park trails after torrential summer rains;
- ✂ Leverage over 2,400 hours of volunteer service in the parks;
- ✂ Supervise 11 Department of Labor trainees working in the parks;
- ✂ Publish the first ever Hubbard Park Calendar benefiting the Tower Restoration Fund.

### Invasive Species Management

In an ongoing effort to control invasive plant species along the banks of Winooski River and particularly in North Branch Park, Parks staff along with University of Vermont intern, Greg Turner, organized volunteers who removed between 800 and 1000 invasive honeysuckle plants, as well as countless Japanese Knotweed, Chervil, and goutweed plants. In the removal process, the workers took care not to disturb the landscape and were able to beautify and protect the biodiversity of our river banks. In addition, hundreds of native plants and trees were planted to displace the invasive species. We would like to thank the International Volunteers for Peace, Vermont Youth

Conservation Corps, and Norwich University volunteers who helped with this work.

### Storm Trail Damage

This summer, we experienced the worst trail damage in Montpelier Parks' history. Long periods of rain followed by flash flooding led to over 30 culverts being overwhelmed, numerous trails being washed out, and trees being blown over. The Parks crew devoted several weeks of work to repairing the damage. In addition, the staff hosted FEMA representatives who surveyed the damage in anticipation of receiving some funding to help with the cost of the current cleanup and future control.

### Enchanted Forest

In late October, the Parks Department presented the Enchanted Forest, a magical evening and special community event featuring pumpkin lined trails, trolls, fairies, dancing, and storytelling. The event provided a wonderful opportunity for families to enjoy the beauty of Hubbard Park at night, and provided an alternative to the standard Halloween fare of scary entertainment. Janice Walrafen and Ellen Leonard recruited and managed over 20 artists who shared their talents and hosted stages in the Enchanted Forest tours. Area farms generously donated pumpkins, and a community pumpkin carving held at the Montpelier Farmers Market enticed over 60 volunteers to carve pumpkins for the evening event. Approximately 900 people came out to enjoy the Enchanted Forest, and the Parks raised over \$3,000 towards the Tower Restoration Fund. Thank you to all who volunteered and participated to make the night a success!

### VAST Trail Update

The Parks Director, Commissioners, and community members met several times with VAST representatives to discuss rerouting the VAST trail that had been temporarily routed through the North Branch River Park. An agreement was reached that allowed VAST to direct a short portion of their trail network through the upper corner of North Branch Park and connect to existing East Montpelier trails. Work on the new trail began this fall. Unfortunately, the work was not carried out in compliance with the Parks Department guidelines and resulted in adverse impacts to the North Branch Park environment. The Parks Department is continuing to work with VAST to remediate this damage and avoid future occurrence of such incidents.

### Sabin's Pasture

The Sabin's Pasture Working Group, convened by the Trust for Public Lands, has been developing a conservation and affordable housing plan for Sabin's Pasture since October 2007. In June, the Working Group released its Recommended Conservation and Development Plan. This plan calls for the conservation of approximately 80 acres, including the upper pasture, sledding hill, Blanchard Brook and associated wetlands, to be set aside as a public park and for the creation of a residential neighborhood, consisting of between 175 and

225 housing units, on the remaining acres. The Trust for Public Lands is currently engaged in an Act 250 Master Plan process to get approval for this conservation and development plan. In December, the City Council approved \$56,000 to support this effort, with funds drawn from the \$188,000 approved by voters in 2005 for conservation of Sabin's Pasture. More information, reports, and maps can be found on the City's website under "Works in Progress".

### **Hubbard Park Tower Preservation**

The Park Commission has officially launched its campaign for the restoration of the Hubbard Park tower. The tower is a historic Montpelier landmark enjoyed by visitors and residents alike. The tower, completed in 1930, is in need of significant maintenance to both protect the inside metal stair case and to maintain the mortar joints that are now 80 years old. Given the importance of the Hubbard Park tower, the Park Commission established a Tower Preservation Fund in 2006 with the goal of building up a permanent maintenance fund using local and state funds, as well as private grants.

In addition to the money raised by the Enchanted Forest event, the Parks Department has published a Hubbard Park Calendar to raise money and awareness of the Hubbard Park Tower Restoration Fund. Calendars are available at City Hall and local stores. Tax deductible contributions to the restoration fund may be made to the City of Montpelier. To assist in this fundraising effort, or for further information, please contact Geoff Beyer at the Park office 223-7335 or speak with a Park Commissioner.

### **Parks Commission**

In November, the Montpelier Parks Commission appointed Aaron Brondyke to fill the remaining term of former Commissioner Don Grabowski. The Commission would like to thank Don for his service to Montpelier Parks.

The Commission would also like to thank the many volunteers that helped us accomplish so much this year, giving an impressive 2,400 hours of community volunteer time. These included Norwich University students, a crew from Vermont Youth Conservation Corps that worked for two weeks, our annual group from the International Volunteers for Peace, all the Enchanted Forest volunteers, and numerous individual citizens who contributed their time in many valuable ways.

For information on Montpelier's parks, maps, and natural history information, please visit the City's web site at <http://www.montpelier-vt.org/parks/index.cfm>. The Park Commission would also appreciate comments or suggestions from residents as we continue our work of protecting and improving Montpelier's park and trail system.

LEIGH SEDDON, *Chair*  
STEPHEN BOSSERMAN, *Commissioner*  
AARON BRONDYKE, *Commissioner*  
ETHAN PARKE, *Commissioner*  
CARA ROBECHEK, *Commissioner*

## **Conservation Commission**

The Montpelier Conservation Commission (MCC) is charged with advising the City Council, the Planning Commission and other city officials on issues concerning Montpelier's natural resources and engaging residents to protect and enhance the City's natural environment. This year's highlights are described below:

### **Montpelier BioBlitz**

The Conservation Commission was one of the major sponsors of the Montpelier BioBlitz, an inventory of all living organisms in the City that was conducted over a 24-hour period on July 11-12, 2008 from a base of operations at the North Branch Nature Center. Nearly 200 scientists and another 200 citizen volunteers from around the region, including participants from seven states, the Smithsonian, the American Museum of Natural History in New York, and Baker University in Kansas, inventoried over 1500 species from all kingdoms of life. The inventory included 86 species of birds, 4 species of fresh-water sponges, 41 species of bees, 271 species of moths, 488 plant species, four or five species of tardigrades (water bears), a lichen species previously undocumented in Vermont, and several species of damselflies and dragonflies previously undocumented in Washington County. A complete list of the results and a photo slideshow can be viewed at <http://www.northbranchnaturecenter.org/bioblitz/results.html>. The event was co-sponsored by many local businesses and hundreds of Montpelier residents took part in the event.

### **EnvisionMontpelier**

The Conservation Commission is an active participant in envisionMontpelier, a long-term, visionary planning project designed to lay the groundwork for strategies and activities that will contribute to Montpelier becoming the country's first sustainable state capital. Several Commission members participated on Natural Environment Committee to establish goals relating to air & climate, land and soils, biodiversity, food, water, energy, waste management and education. The Commission continues as an active participant at envision stakeholders meetings to establish strategies and activities to accomplish these goals.

### **High School Students to join the Conservation Commission**

The City Council approved the Conservation Commission's request to allow two high school students to join as members of the Commission. The Commission responded to a request by Matt McClane from Montpelier High School's Community Based Learning Program to place students on a number of community boards (including the Planning Commission, the School Board, and the Reparative Justice Advisory Board). The Commission is excited to begin working on issues important to our high school students, and is pleased that four students have already expressed an interest in serving on the Commission.

### **Main Street Middle School Natural Community Curriculum**

The Commission supported a grant application to the Mazer Foundation (part of envisionMontpelier) by North Branch Nature Center to support development of 7th and 8th grade science teacher Eli Rosenberg's biannual "Blue Marble" (natural communities) curriculum at MSMS. With support from AmeriCorps/VISTA staff, 70 7th and 8th grade students spent one day each week during the month of May visiting different natural communities

around Montpelier to collect baseline data in preparation for the July Bioblitz. The curriculum will include students collecting data every other year to establish a useful historical record and provide an effective hands-on approach to learning about natural communities.

### **Water Quality Monitoring**

The Conservation Commission supported the mid-Winooski Partnership by providing an AmeriCorps/VISTA member to process all of the water samples generated by the newly established community water monitoring program. Water samples were taken from 12 known swimming areas in and around Montpelier and its watersheds over a 4 month period. The water was tested for total coliform, E. coli, and phosphate levels. The water quality monitoring documented elevated bacteria levels following severe rainstorms that resulted in the closure of a number of swimming areas during the summer months.

### **Montpelier Conservation Fund**

The first application to the Montpelier Conservation Fund was received from the Cross Vermont Trail Association (CVTA) to support acquisition of trail easements for the portion of the trail that passes through Montpelier. The Cross Vermont Trail will eventually run across the state from Burlington to Wells River and utilizes an abandoned railroad bed for much of the distance. The Conservation Fund Advisory Board recommended that \$3100 of the Fund be committed to this project for use by the CVTA, which was subsequently approved by the City Council. The Conservation Fund was created after a petition effort coordinated by the Conservation Commission which created a \$40,000 fund for conserving lands and waters within the City for agricultural, forest, wildlife, recreational or natural area use.

### **Riverbank Enhancement**

A huge amount of work along Montpelier's rivers was completed thanks to the leadership of AmeriCorps/VISTA members Katie McKinstry and Scott Courcelle and work crews provided by the Vermont Youth Conservation Corps (VYCC) and the International Volunteers for Peace. Highlights of the work include planting riparian buffers and re-grading the riverbank abutting the Peace Park, pruning and weeding Mill Pond Park, installing beaver protection screens along the Winooski under the I-89 overpass, removing invasive species, including Japanese knotweed, bush honeysuckle, goutweed and wild chervil along numerous stretches of the riverbank, refreshing the tree nursery, transplanting some young hardwood trees from Hubbard Park to banks of the North Branch and Winooski rivers and conducting important trail work in the North Branch Park.

### **Berlin Pond Watershed Conservation Project**

The Berlin and Montpelier Conservation Commissions continued the partnership with the Vermont Land Trust to conserve priority parcels in the Berlin Pond Watershed, using information from the recent natural community mapping project and geographic information systems (GIS) analysis of parcel and stream data which identified priority parcels in the watershed for conservation. A 48 acre parcel that adjoined two previously protected parcels was conserved and added to the Berlin Town Forest to bring the total of conserved land in the 6660 acre watershed to over 1400 acres. Berlin Pond is the primary drinking water supply for the City of Montpelier and portions of the Town of Berlin.

### **Celebrate the Winooski**

The Conservation Commission, along with Friends of the Winooski River, co-sponsored the eleventh annual "Celebrate the Winooski" festival in September. The aim of the festival is to boost stewardship of the Winooski River and its tributaries through river clean-up, education, and celebration. Although the annual cleanups are resulting in cleaner rivers, trash continues to be an ongoing concern. Citizens are encouraged to contact their legislators to support a bill requiring a deposit on tires (similar to the bottle bill) that was initially proposed by the Montpelier High School Earth Group.

Commission members, alternates and liaisons during all or part of the year included Geoff Beyer, Ken Jones, Ken Matzner, Roy Schiff, Kris Hammer, Emma Lynn Melvin, Karen Freeman, Anthony Iarrapino, Bill Finnegan, Devon Brownlee, Katie McInstry, Scott Courcelle, and Linda Henzel. The Conservation Commission is an active group of enthusiastic Montpelier residents who are eager to assist the City in protecting its valuable natural resources. The Commission meets at 7:00 pm at City Hall on the second Thursday of every month. All meetings are open to the public. For more information contact Kris Hammer at 223-0577 or kris.hammer@verizon.net. We welcome the participation of each and every resident.

KRIS HAMMER, *Chair*  
*Montpelier Conservation Commission*

## **Montpelier Tree Board**



The Montpelier Tree Board was formed in 1994 by the City Council to plan for the health of, and work to maintain, the city's urban forest. Composed of up to nine appointed volunteers, who presently include co-chairs (as of 11/08) Clare Rock and Wendy Blakeman, as well as Carole Naquin, John Snell, Abby Colihan, John Van Deren and Jean Jolly. Carole Naquin and John Snell stepped down as co-chairs of the Board after two able members, Clare Rock and Wendy Blakeman, agreed to step into those roles. The Board looks forward to their new energy and vision. We are grateful to Geoff Beyer, who serves as Tree Warden as well as the many regular volunteers who assist the Board in various capacities.

The Board once again achieved Tree City USA status this year for the seventh time, an important recognition that will also allow us to more easily access Federal and State matching grant funds. The Board continues to maintain an active role throughout the city with a number of projects, including the following, which are funded, in part, by appropriations from the taxpayers of the city:

### **🌳 The "Urban Forest"**

More and more people have grown to appreciate the value of the City's "urban forest," even if at times it seems a small thing in the midst of the larger Green Mountain forest. It is gratifying to see people sitting in the shade of trees we have planted, to see birds nesting in others, and to know that, in our own small way, together we are making the City a nicer place to work and live. At the same time, our urban forest is doing something—even if small—at reducing the impact of carbon dioxide on the planet.

Not all is "green," however, and we continue to see problems with our City trees, mainly caused by humans. During 2007 we lost a newly

planted, and supposedly disease resistant, American Elm in front of City Hall. We also lost one of the two Crab Apples in front of City Hall to a wind storm. Other important trees in the city were lost to decline, age, and development. We urge citizens to take time to learn how to care for the trees in their yards as they add immense value to your property and to the overall “greenscape” of the City.

We invite you to join us in whatever ways interest you as we continue to create and maintain this important resource, our Urban Forest.

#### **Downtown Trees**

We have continued to work with the Downtown Association and Public Works to ensure the health of street trees in the downtown area. Member Abby Colihan continues to lead efforts to provide for continued watering throughout the summer months. We anticipate continuing to replace older, poorly planted trees in the upcoming year. With the assistance of Public Works and several volunteers, we replaced several declining trees on East State Street, State Street, and Stone Cutters Way this year with trees grown in the City nursery. We also worked closely with several concerned parties to reconstruct the City Hall plaza and replace the declining Crab Apples there with Little Leaf Lindens; these should quickly grow to moderate size and scent the city with their blooms in June and July.

#### **Tree Nursery**

In 2000, the Board established a tree nursery at North Branch Nature Center (NBNC) on Elm Street where we have raised a variety of trees that have been planted throughout the city. The nursery has been supported by City Funds, private donations, and matching donations from the Montpelier Foundation as well as the hard work of the Tree Board volunteers. A number of trees were again planted out into the community from the nursery this year. Unfortunately, the remaining stock has grown too large for transplanting and will be removed. The nursery will be revitalized in 2009 and planted with new stock.

#### **Right-of-way maintenance**

Working in cooperation with the Tree Warden and Public Works, the Board helped to again plan for continued maintenance of trees in the city right-of-way. Tree Warden Geoff Beyer worked with his Park crew to remove several large trees in the city right-of-way that had declined in health. Unfortunately more work is necessary than present budgets allow to be accomplished. Geoff is working creatively with the City to leverage resources as much as possible, including part time use of the new City “bucket” truck. If any citizens see public trees in need of pruning and/or removal, please notify the Board.

#### **Vermont Urban and Community Forestry Program**

Kate Forrer, Community Involvement Coordinator for the Vermont Urban and Community Forestry Program, continues to assist us with implementation of our strategic plan and provide invaluable technical assistance. We appreciate her role and look forward to continuing to work closely with her and the Program in 2009. The Tree Warden will apply for a “TLC” Grant from VUCFP to conduct a street tree inventory using a Global Positioning System (GPS).

#### **Projects**

The bus stop area on Main Street in front of Shaws Supermarket continues to thrive and has dramatically improved the streetscape in that part of town. If you have not yet seen it, we encourage you to take a look, any time of year, but especially in Fall when the Freeman Maples are in full color!

We planted a number of trees from the nursery on Arbor Day at several locations around the city. These handsome trees will continue to add color and life to the urban landscape for years to come. We are again planning an Arbor Day celebration in May 2009 (watch for details in the paper).

The Board sponsored a Pruning Workshop at City Hall and along Stone Cutters Way in the spring led by Geoff Beyer. Additional workshops are being planned for 2009.

#### **Advice to citizens about trees**

The Board continued to provide advice, as requested, to many homeowners throughout the city. If you have any questions about your trees or their care, please do not hesitate to call us. We stand ready to assist in whatever ways we are able.

#### **Volunteers welcome!**

The Board currently has vacancies which we would very much like to fill Contact the City Manager’s office for more information. Volunteers are also always welcome for short or long-term projects. Regular meetings are scheduled the first Thursday of each month at 6:00 in the Memorial Room and all community members are welcome to attend.

We were saddened to learn of the passing of Norm Hudson in November, 2008. Norm was a key member of the Board for many years and he was the driving force behind starting our nursery. Many a tree in our urban forest was touched by Norm and he appreciated them all.

The Tree Board appreciates the tremendous support and cooperation we’ve enjoyed over the past year. In particular, Todd Law, Tom McArdle and the great staff of Public Works Department continue to anticipate our needs and assist us in immeasurable ways. We also appreciate the continued support given to our efforts by the City Council, the City Manager and by the many citizens who stop to talk as we are out working on various tree projects. Together we can maintain a healthy, beautiful urban forest in the city! Come join us anytime you feel so inclined.

JOHN SNELL, *Montpelier Tree Board*

## Mid Winooski Partnership

A wide range of organizations have come together to form the Mid Winooski Partnership. Local partners include three high schools—Montpelier, U32 and Spaulding—the City of Montpelier, the Town of Worcester and the City of Barre. Other partners include the Friends of the Winooski River, North Branch Nature Center, FoodWorks, the Central Vermont Regional Planning Commission, the UVM Watershed Alliance, the Department of Environmental Conservation, the UVM Sea Grant, the Vermont Natural Resources Council and the Winooski Natural Resources Conservation District. The geographic focus is the Winooski River mainstem between its confluence with the Kingsbury Branch downstream to its confluence with the Dog River. It also included portions of the North Branch and the Stevens Branch, which enter the Winooski River between Kingsbury and the Dog. The political entities included in this watershed area are all or part of Montpelier, Berlin, Barre, East Montpelier, Worcester and Middlesex.

The group first met in the fall of 2007. The first two meetings were mostly devoted to each organization describing their goals, mission and current projects with respect to the river and watershed. Most of the partners were somewhat familiar with each other but had not, for the most part, pooled resources on projects of common interest. The resulting partnership has met every 2-3 months for the past 18 months or so. Together, they have developed specific projects together. They are also much more aware of each others resources, needs and programs. The partners lend support to each other beyond projects that are jointly developed.

As it turned out, each of the high schools have, to some extent, incorporated water quality testing into their curriculum. However, the efforts were restricted to the school year and the testing served academic purposes only. The test results were not used to understand trends about the river, communicate water quality or develop projects to improve water quality. The partners quickly reached consensus that an integrated school and community water quality monitoring project should be their first objective.

The partners worked together to identify a set of 12 sites, mostly swimming holes, that community volunteers would monitor for phosphorus and e. coli during the summer of 2008. Students would also monitor these sites during the school year. The partners were able to 'pool' resources for the test collection and analysis. U32 High School lent their Quanti-Tray testing equipment and other equipment to the effort. The Friends used the VCF funds to purchase the disposables such as sterile bottles and reagent for the tests. The North Branch Nature Center lent the space used to house the equipment during the summer months. The City of Montpelier VISTA volunteer analyzed the test results. Community volunteers from throughout the partnership area collected the samples.

The partners shared the test results with the community at an event hosted by the City of Montpelier. The partners are committed to refining and continuing the monitoring program in 2009 and beyond. The partners hope to add more timely reporting of results through local newspapers and web posting.

#### **Other Completed Projects**

The water quality monitoring was the major project undertaken by the partnership. Additional projects that were coordinated by the partners but included funds from other sources are listed below.

**North Branch clean up**—The Friends organized a river clean up of the North Branch in the fall of 2008.

**Rain Garden Installations**—Several rain gardens were installed in Montpelier and Barre. Rain gardens capture and cleanse stormwater. The UVM Sea Grant provided technical expertise. High schools and garden clubs supplied most of the volunteers.

**Rain Barrel Distribution**—Several partners led by the Conservation District and Montpelier High School built, decorated and sold (at a discounted price) rain barrels to urban residents.

#### **2009 Ongoing Projects**

The partners will continue and expand the water quality monitoring program in 2009. Other 2009 project include a riparian restoration project and landowner outreach in the North Branch, a stream dynamics education program and continued emphasis on urban water quality projects such as additional rain gardens and rain barrels.

For more information on the Mid Winooski Partnership, please contact the Friends of the Winooski River at [fwr@sover.net](mailto:fwr@sover.net) or 802-655-4878.

## **Montpelier Green Up Committee**

Vermont's official Green Up Day was Saturday, May 3, but National Life Group employees got an early start on this longstanding Vermont tradition on Friday, May 2. The following day, about 90 people picked up Green Up Day bags at City Hall. In addition to handing out neon trash bags for Green Up Day, MDCA also handed out clear plastic recycling bags. Trash was collected from the downtown, in neighborhoods, and all the way out to the Berlin and East Montpelier city limits. The event was so successful this year that we doubled the number of bags given out and ran out of recycling bags by 10am on Saturday. Almost 300 trash and recycling bags were distributed in total.

Four AmeriCorps and VISTA volunteers helped the MDCA team in organizing this year's efforts. With their help, MDCA was able to add a stronger environmental focus. Volunteers separated the trash they collected from the recyclables. Casella gave us a recycling dumpster in addition to the trash dumpster for disposal. The Computer Barn picked up a truck and trailer full of computer systems that people brought to City Hall Plaza Saturday morning, waiving the normal \$5-10 disposal fee. With help from Aubuchon Hardware, we were also able to provide people with a safe and convenient way to dispose of CFL light bulbs. Computers, monitors, printers, and CFLs all contain hazardous materials which should not be put into a landfill.

National Life Group organized an employee Green Up Day on Friday. The employee volunteers hauled lime green trash bags, climbed river banks, walked along downtown roads and had fun while performing a time-honored community service. Nearly 50 volunteers donned green tee shirts and gloves and set out to collect trash throughout downtown Montpelier. Green Up Day isn't just about picking up trash; one National Life Green Up Day team cleaned graffiti from a window at the State Street visitor information booth. After two hours of filling bags with debris, employees returned to the National Life cafeteria for a well-deserved treat of ice cream sundaes and animated conversation about the day's garbage collecting experiences.

In addition to the many citizen volunteers who picked up trash in a cold rain on May 3rd, the Montpelier Tree Board continued their annual tradition of planting trees and beautifying.

The Department of Public Works lent expert support by providing tools and collecting the clear recycling bags and the bright green trash bags. Many merchants gave their own thanks to Green Up Day participants with coupons for free or reduced price items. Carrie

Stahler from Onion River Sports generously organized and printed the coupons. And, of course, each and every person who participated by donating their time deserves a huge thank you!

Green Up Day is organized by the MDCA. For more information on the MDCA, go to [www.mdca.org](http://www.mdca.org) or see Montpelier Downtown Community Association in this report.

SUZANNE HECHMER,  
MDCA Executive Director

## Montpelier Recreation Department



The Montpelier Recreation Department is proud of its service to the City of Montpelier and its citizens. With free time so important to everyone's lives, the citizens of Montpelier have recognized the need for a strong recreation program. These programs are not only for children, but also for all ages and ability levels.

In 2008, the Recreation Department ran its yearly programs; Youth Soccer, Youth Basketball, Youth Baseball, Capital Kids Summer Day Camp and Capital Kids Vacation Day Camps, Swimming and Tennis Lessons, Baby Sitting Classes, Hunter Safety, Yoga, Sugarbush Sunday Ski Program, Scottish Country Dancing and more. We also ran our Special Events including the Bicycle Rodeo, Rotten Sneaker Contest, Family Fun Day at the pool, during the July 3rd celebration, Father / Daughter Valentines Dance, Ski & Skate Sale, Halloween Party, Easter Egg Hunt and, of course, the ever popular Touch-A-Truck.

The Montpelier Swimming Pool once again had a successful summer. Special events at the Pool were well attended we had two Bar-b-que nights, a Pizza Night, our Ice Cream Social and Moonlight Swim. Other activities at the pool were swimming lessons, tiny tot lessons, life saving classes and swim team. Thanks to all of our very qualified pool staff for a terrific and accident free summer. Once again our lifeguards came through with flying colors with each of our surprise audits by Ellis and Associates.

Our outdoor facilities saw constant use. The Tennis Courts, Outdoor Basketball Courts and Skate Park were very popular. Ice skating at the pool was also well attended. When conditions cooperate, there is free skating from 9:00 AM to 9:00 PM.

The sixth season for the Vermont Mountaineers was again very successful. The team represented themselves and the area well. Attendance was very high and provided many hours of entertainment for our community. The Montpelier Recreation Department is very proud to be able to play a role in providing the field and maintenance support and facility that is needed to make this program successful. This truly is a wonderful addition to summer time activity in our great city.

Many of our programs rely on volunteers in order to make them run smoother. The employees of the Recreation Department would like to express our gratitude to these many, committed people. Without dedicated people and organizations, many of our programs would be impossible to run with the staff alone. Organizations such as the VFW and their help with our Hunter Safety and Halloween party, the Rotary Club of Montpelier and their help with the Sunday Ski Program, make our programs a community happening. Along with the volunteers, the cooperation among city departments helps us to run our programs. The sharing of equipment and facilities led to a saving of dollars in 2008. This cooperation was excellent.

We hope that you will take advantage of your Recreation Department in 2009. We are here to help you find "constructive use for your leisure time".

If you know of a program you would like to see offered, know of an instructor to teach a class for us, or if you have any questions, please call us at 225-8699 or stop by our offices on the top floor of 58 Barre Street.

Don't forget to check us out on the web at [www.montpelierrec.org](http://www.montpelierrec.org)

We are truly one of Montpelier's best keep secrets.

DON LORINOVICH, *Director*  
ARNE MCMULLEN, *Assistant Director*  
JUDY COLOMBO, *Administrative Secretary*  
NORMA FAIR, *Office Assistant*  
RICK LACHAPPELLE, *Maintenance Foreman*  
MIKE HEALY, *Maintenance*  
SHELIA CLEARY, *Day Camp Director*  
LAURA GABRIEL, *Pool Director*

## Montpelier Senior Activity Center

*"A gathering place for positive aging"*

The Montpelier Senior Activity Center continues to grow. At the end of the fiscal year (June 30, 2008) we had 906 paid members, a growth of 13% percent from the previous year.

People 50 years and older are eligible to become members. Residents from Montpelier pay a low annual membership fee of \$10, which provides for the use of our facilities, the monthly newsletter, and eligibility to enroll in our classes, activities and trips. Members outside of Montpelier pay \$25 a year membership, an increase from previous years.

The Center is busy with 28 different classes Monday- Friday appealing to all ages and interests. Our classes range from painting to tap dancing, living strong exercise programs to yoga, bowling to swimming, and French and Spanish conversation classes. Many people play bridge, mah jongg and billiards at the Center. Our goal is to keep seniors active and healthy and involved in our community! We charge Montpelier residents lower class fees (\$17 or \$25) and give Montpelier residents priority in signing up

for ALL classes. The Center also has computers and a copying machine available for members. We are also WiFi! We have many classes available in late afternoons and evenings for those seniors who still work during the day.

Our meal program is available on Tuesdays (\$5) followed by music by our band "Swingin' Over 60's" and ballroom dancing. Thursdays are lighter lunches for \$4. We serve an average of 215 meals a month.

Some of our most requested activities are trips. During Fiscal Year 2008, 312 people participated in 23 local and faraway trips ranging from matinees at the Flynn Theater in Burlington, a Boston Red Sox game, a trip to Washington, D.C, a Canyon Country trip out west, to a cruise in Italy, Croatia, Turkey and Greece. This coming year we have many local trips planned and also trips to Mackinac Island, Michigan and a trip to Peru (Machu Picchu and Lake Titicaca). (Trips not only fulfill many members lifetime dreams, but are also an important source of revenue to the Senior Activity Center.)

The Center runs smoothly through the work of over 100 volunteers, who contributed over 4000 hours during the last year. Volunteer opportunities are available in helping in the kitchen, leading groups, driving carpools on trips, cleaning, decorating, or helping in fundraising activities.

There has been much discussion about how the Center can accommodate its growth. The Superintendent's Office is relocating from 58 Barre Street to the Montpelier High School this coming year. Studies are underway whether the Center should remain at 58 Barre Street and expand into some of the available space or whether we should try to find a new location.

While the Montpelier Senior Activity Center has operated under the Montpelier School System for many years, it is being transferred to the City of Montpelier. Beverlee Pembroke Hill, Assistant City Manager, will replace Don Lorinovich as Center Director in July, 2009.

Information on the Center is available through our monthly newsletter and will soon be available on our new website designed by a student and staff from the Montpelier High School. It will be available in February, 2009 at [www.Montpelierseniors.org](http://www.Montpelierseniors.org). Our office hours are 9am-4pm Monday through Friday.

We are extremely grateful for the strong support shown the Senior Activity Center throughout the years.

DONALD LORINOVICH, *Center Director*  
LUCINDA MCCLLOUD, *Program Director*

*Listed below are our Advisory Board Members and staff.*

#### ADVISORY BOARD

Jean Balham, Mary-Alice Bisbee, Sec., Elizabeth Dodge, V. President, Bill Doelger, Chair, Elaine LaRosa, Rebecca Sheppard, Jim Sheridan, Brenda Snetsinger, and Doug Zorzi.

STAFF (only one full time position, all others part time) Don Lorinovich, Director, Lucinda McCloud, Program Director, Peggy Bowen, Cook, Olga Burns and Connie Dolloff, Kitchen Aides, Susie Gomez, Membership, Kitty Langlois, Bookkeeper.

## Area Agencies Social Services

### Central Vermont Home Health & Hospice

*Because There's No  
Place Like Home*



Central Vermont Home Health and Hospice

(CVHHH) is a 98-year-old, full service, not-for-profit Visiting Nurse Association governed by a local voluntary Board of Directors. The agency serves the residents of 23 Central Vermont towns, including the City of Montpelier, in the comfort and privacy of their own homes.

CVHHH is committed to providing comprehensive, high-quality home health and hospice care to all Central Vermonters regardless of their ability to pay, geographic remoteness, or complexity of health care needs. The agency also promotes the general welfare of local community members with long term care and health promotion activities including flu and pneumonia vaccinations, health screenings, international travel health, foot care clinics, and caregiver support. In addition to direct patient care, our hospice program offers comprehensive bereavement services and volunteer training. City funds help us keep those commitments.

Home care services include skilled and high-tech nursing, home health aides, rehabilitation therapies, medical social services, and hospice care for the terminally ill. The agency also delivers long term care services at home, including homemaker service, attendant care, case management, respite care, and private duty nursing. Traumatic brain injury care and maternal child health nursing services are specialty programs also available in response to community need.

In 2007, CVHHH provided over \$453,400 in "charitable care" – care for which CVHHH was not reimbursed by Medicare, Medicaid, third party private insurance, or patient/family payment. This care was made available to those individuals and families who were unable to pay for needed services – those who were uninsured or underinsured.

While CVHHH had a healthy bottom line in 2007, we have suffered from more than a \$1M operating loss in 2008. Some of the reasons for this are 1) continuous cuts in Medicare reimbursement, 2) long standing insufficient reimbursement for State mandated Medicaid-funded services, and 3) escalating expenses such as wages, health insurance and staff mileage.

In the 12-month period between January 1 to December 31, 2008, the agency's staff provided 24,541 home visits to 459 Montpelier families.

Central Vermont Home Health and Hospice provides care 24 hours a day, seven days a week. For more information regarding our services, or for volunteer opportunities, please call CVHHH at 223-1878.

Town funding will help ensure CVHHH continues these services in Montpelier through 2009 and beyond. For more information contact Judy Peterson, President/CEO, or Barbara Butler, Community Relations and Development Director, at 223-1878.

BARBARA BUTLER, *Community Relations Director*

**CVHHH Services to Residents of Montpelier January 1 – December 31, 2008**

<b>Program</b>	<b># of Visits</b>
<b>Home Health Care</b>	
Skilled and High-Technology Nursing	5,911
Home Health Aide Service	5,938
Physical Therapy	1,281
Occupational Therapy	388
Speech Therapy	180
Medical Social Service	519
<b>Hospice Care</b>	
Nursing	572
Aide Service	905
Therapy	78
Bereavement	374
Trained Hospice Volunteer	126
<b>Long Term Care</b>	
Case management	945
Aide and Attendant Care	7,154
Homemaker	6
<b>Maternal Child Health</b>	<b>162</b>
<b>TOTAL VISITS</b>	<b>24,541</b>
<b>TOTAL PATIENTS</b>	<b>459</b>

**People’s Health and Wellness Clinic**

The People’s Health & Wellness Clinic has provided primary health care and wellness education to uninsured and underinsured community members of central Vermont who cannot otherwise afford these services since 1994. While the upper limit of our income guidelines is at 300% of the Federal Poverty Level, over 85% of our patients are below 185% FPL. This is currently \$19,336 gross annual income for an individual and \$25,996 for a household of two.

With our “free clinic” model, over 65 volunteer doctors, nurses, nurse practitioners, massage therapists, psychiatrists, naturopaths, dieticians and nutritionists give freely of their time to provide care to our patients.

In Calendar Year 2008, we provided 152 visits to 74 Montpelier residents. Our total patient visits numbered 1,329 for 587 individuals for that same time period.

We describe our service area as all of Washington County, plus the Orange County towns of Orange, Washington, and Williamstown. However, as there is currently no other free clinic north or east of us, we draw some patients from elsewhere in Lamoille, Caledonia, and Orange Counties and a smattering from elsewhere.

In addition to being seen by a practitioner, all patients receive case management services. This includes follow-up care, including referrals for lab work, x-rays, and other diagnostic testing, as well as pharmaceutical assistance. It may also include wellness education such as smoking cessation, diabetes education, herbal therapy, and other needs.

People’s Health & Wellness Clinic serves as an enrollment center for many programs, including all of the state-run Medicaid and VHAP health insurance programs, Ladies First, Smoking Cessation, numerous pharmacy assistance programs, and the Central Vermont Medical Center’s patient financial assistance. 2008 was the first full year for Vermont’s Catamount Health Plan.

All of our patients are screened for eligibility and assisted with enrollment, if qualified. We will continue to serve them so long as they aren’t insured, and assist with finding and transitioning to a primary care provider. In 2008, we helped 147 of our patients successfully enroll in these programs.

In 2008, we provided 2,427 separate patient service encounters, including referrals to specialists, laboratory or other diagnostic testing, application and enrollment assistance, and prescription drugs (primarily from our dispensary, but also pharmacy vouchers). The value of these prescriptions was \$48,045. We paid for \$19,574 of diagnostic testing.

Over 65% of our patients are employed. Many work in the retail and restaurant business, or other service industries, or are self-employed, such as in construction, farming, or the forest industry. Many of their employers don’t offer health insurance, or offer only high deductible policies that don’t pay for primary or preventive care. For others, the premiums are too high to afford. While progress had been made in recent years bringing down the number of uninsured Vermonters, the current economy has increased the ranks of the unemployed and caused employers to change, reduce, or drop coverage.

As many of you know, we experienced severe flood damage in 2007, along with much of downtown Barre. We completed all the necessary repairs and renovations in early 2008. We thank the people and businesses of central Vermont for helping us raise the necessary \$24,000 to cover those costs. Unfortunately, that cut deeply in to our other fundraising efforts, requiring a lot of our time and attention.

We struggled financially in 2008, as patient load increased and some historical donors had their own financial difficulties and cut back or eliminated support. Generous end of year donations from the community allowed us to finish the year with far less of a deficit than we were looking at even as late as mid fall. Thus, we entered 2009 able to continue our current hours of operation and level of service – at least for now.

People's Health & Wellness Clinic receives approximately 25% of its budget in a grant from the State of Vermont Department of Health. These funds are used to screen and assist any eligible patient with enrollment in the various state health insurance and pharmacy assistance programs, and to help pay for direct care to the uninsured.

The balance of our budget we must raise each year – some \$225,000 total. This does not include the value of volunteer practitioners' time, nor nearly \$100,000 in donated pharmaceuticals and other in-kind materials and services. Our patients gave nearly \$20,000 themselves this past year. We are deeply grateful to the voters of Montpelier for your long-standing support of our services.

If you are without health insurance and would like an appointment, or would like to volunteer as a clinician, receptionist, or offer other help, or would like to make a tax-deductible contribution, please call the clinic at 479-1229. We are located at 553 North Main Street, in Barre – across from the Times Argus.

PETER YOUNGBAER, *Director*

## The Vermont Center for Independent Living



Since 1979, The Vermont Center for Independent Living (VCIL) has been working with people who have disabilities and the Deaf to help them gain more control over their lives and access tools and services so they may live more independently. VCIL employees conduct public education, outreach and individual and systems advocacy to help promote the full inclusion of people with disabilities into community life.

Preliminary data for FY '08 show that VCIL responded to over 1,876 requests from individuals, agencies and community groups for information and referral and program services for individuals living with a disability. VCIL Peer Advocate Counselors (PACs) provided peer counseling to 340 individuals to help increase their independent living skills and assisted 239 households with financial and/or technical assistance to make their bathrooms and entrances accessible. We provided 194 individuals with assistive technology and we delivered meals to 571 individuals through our Meals On Wheels (MOW) program for individuals with disabilities under the age of 60.

VCIL's central office is located in downtown Montpelier with three regional offices in Bennington, Windham and Chittenden County. Our Peer Advocate Counselors are available to people with disabilities throughout Vermont.

During FY '08, 101 residents of Montpelier received services from the following programs:

- Home Access Program (HAP)
- Meals on Wheels (MOW)
- Peer Advocacy & Community Outreach (PAC)
- Sue Williams Freedom Fund (SWFF)
- Information and Referral (I&R)

To learn more about VCIL, please call VCIL's toll-free I-Line at: 1-800-639-1522, or, visit our web site at [www.vcil.org](http://www.vcil.org).

## Project Independence

*Central Vermont's Adult Day Health Service... We care for you... Sharing your Care...*



Project Independence in Barre is Vermont's oldest Adult Day Health Service. We are a non-profit with 33 years of caring for the frail, elderly, individuals with dementia and adults with severe physical and emotional impairments. Our service allows loved ones to be cared for in a homey, warm and loved environment. Most of our participants have been coming to Project Independence for many consecutive years. This allows the families to maintain their professional lives as well as gain some respite. We believe in supporting our state's plan of "Aging in Place".

Our staff has long tenure with Project Independence as well as the highest quality of skills in geriatrics and the highest amount of compassion. The staff includes: two RNs, three LNAs, two LPNs, one PCP, activity co-coordinator, and a twenty year gifted staff member who specialty is working with people with dementia. We also staff one professional chef, a certified van driver, an office administrator as well as an Executive Director. Our staff carries out a full calendar of adult appropriate activities each day, three outings per week to their favorite eating establishments as well as weekly bowling and walking the mall for exercise.

### Services Provided by Project Independence (not a complete list of service)

Project Independence Adult Day Health Care will provide you, your family member, or the person for whom you care, with high quality professional services, including, but not limited to:

- \* an individualized Plan of Care
- \* daily health monitoring and nursing care and liaison with physician and other health professionals
- \* therapeutic exercises and or activities indicated by your physician or Home Health nurse,
- \* daily transportation: to our site, for special trips & other needs, and year-round field trips
- \* two nutritionally sound meals per day and an afternoon snack - prepared on-site by our chef
- \* assistance with Activities of Daily Living and Personal Care Services, e.g., recreational activities, art, poetry, and other workshops, socialization with peers,
- \* daily exercise and strength-building, provided by trained staff with occupational and physical therapy support,
- \* Social Work Services: counseling, advocacy, education, etc.
- \* Podiatry, meditation and spirituality sessions
- \* respite
- \* a safe, nurturing, stimulating, yet comfortable environment and much more

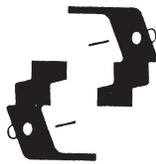
We serve a full breakfast, lunch, dessert and snack that is nutritional and healthy, five days a week.

We care for an average of 28 people each day. We also have six trained volunteers and we welcome others who would like to spend some time with us.

Our transportation is contracted through Green Mountain Transit Authority. They have the most courteous and kind trained drivers assigned to our routes. The vans are handicapped accessible, air-conditioned, clean and safe.

For more information please contact Dee Rollins or Linda Kuban at 802-476-3630 [dee@pibarre.org](mailto:dee@pibarre.org). Also ask your health care provided about us.

## Vermont Association for the Blind & Visually Impaired



In Vermont today, over 10,500 residents are blind or visually impaired. Vision problems can complicate an individual's ability to perform daily tasks, stay mobile inside and outside the home, and enjoy leisure activities. Additionally, Vermont's rural nature makes it less likely for those with visual impairments to encounter others who face similar challenges, and thus create feelings of isolation and a sense that they are not understood.

During fiscal year 2008, VABVI served 1,147 clients from all 14 counties in Vermont, including 6 children and 33 adults from the City of Montpelier.

Since 1926, VABVI, a nonprofit organization, has diligently pursued our mission of enabling Vermonters with vision problems, whether blindness or impairment, to achieve and maintain independence. We are the only private agency in Vermont to offer a complete range of services to visually impaired residents – and at no cost to the client.

Services include Rehabilitation (adapting daily living tasks to allow those with low vision to live independently); Orientation and Mobility (providing white cane and guide dog instruction, allowing individuals to navigate through their home and community independently); Assistive Technology (adaptive aids allow clients to successfully perform most activities they desire); Social Networking (improving social skills and providing a support network); and Statewide Transportation (volunteer drivers provide rides to medical appointments, grocery stores and for personal visits).

VABVI has four offices statewide, located in Burlington, Brattleboro, Montpelier and Rutland. For more information about VABVI's services, or to volunteer, please contact us at 1-800-639-5861, email [general@vabvi.org](mailto:general@vabvi.org) or visit us on the web at [www.vabvi.org](http://www.vabvi.org).

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Please contact Brendan Robinson, Development Coordinator, at [brobinson@vabvi.org](mailto:brobinson@vabvi.org) or (802) 863-1358 ext. 17 if you would prefer to receive this information by email. Thank you.

## Sexual Assault Crisis Team of Washington County



The Sexual Assault Crisis Team (SACT) is a private, non-profit organization that offers free of charge advocacy for male and female victims of sexual violence. This advocacy includes emotional support both one on one and groups, 24/7 emergency hotline, legal support, medical and hospital support, emergency overnight shelter support and shelter use for male and female victims/survivors including their non-offending family members during the legal process including court, depositions, rape exam recovery, time before or after individual counseling sessions through private therapist, other times when victims/survivors need a private space or bed for an hour or a day. SACT also provides education around all sexual violence issues for Washington County Schools K-12 and colleges, service groups and other public and professional organizations.

The mission of SACT is to provide education on sexual violence to the community, to provide advocacy services to all victims of sexual violence, and to work collaboratively with other community organizations on prevention strategies regarding sexual violence. Historically, SACT has been a leader in providing training and educational presentations to schools, community groups, hospitals, law enforcement agencies, and other organizations.

SACT operates using paid staff and volunteers. During 2007-2008 we had seven volunteers from local communities who trained for thirty hours to provide confidential advocacy to victims by responding to hotline calls. During 2007-2008 SACT received 1118 calls for services including crisis calls for sexual assaults, requests for emotional support, hospital advocacy, criminal justice advocacy, in addition to hotline calls another 278 calls were received for information, referrals, and requests for education and training. SACT provided Washington County schools and colleges with sexual violence education and materials and worked collaboratively with Norwich University to educate all incoming students around prevention of sexual violence and ninety of their courts class students created a 76 page booklet called *The Unknown Truth: Your Rights as a Sexual Assault Victim*. This booklet was sent Statewide and was presented to the Governor during the Red Flag day ceremonies at the Statehouse which took place during Crime Victim's Week in April. These calls for services were handled by both paid staff and volunteers. During fiscal year 2007-2008 SACT provided services to 105 new, unduplicated clients and responded to the needs of 14 additional clients already working with SACT. These clients included 18 males and 101 females ranging in age from 6-60 years of age. SACT served survivors who suffered from a variety of abuse, including sexual assault, sexual abuse, stalking, pornography and human trafficking.

SACT provided shelter for male and female survivors of sexual violence. SACT also provided shelter for male victims

of domestic violence and for special needs victims, primarily those needing a handicapped accessible facility or needed to have their 24 hour care provider stay in shelter as well. During the 2007-2008 fiscal year, SACT provided shelter for 22 people, including 10 adult females and 6 adult males and 4 female children and 2 male children for a total of 308 bed nights. SACT remains dedicated to providing services to all survivors of sexual violence and remains committed to identifying new needs and meeting that challenge.

## Battered Women's Services and Shelter, Inc.

The ways in which BWSS serves our community does not remain stagnant, and our programs and procedures must accurately reflect these changing times. By reviewing and updating current policies, we have been able to measure our growth, visualize our strengths, and determine what gaps must be addressed in order for us to continue to provide services that address the needs of victims of domestic violence. The work that is done now will have a lasting effect on the entire organization, by providing the framework and direction for the future progression of the services and work that we do. Throughout our review and updating process, BWSS staff and volunteers were kept extremely busy during fiscal year 2008 providing the following services:



- ⇒ Over the past year, staff and volunteers responded to 3,520 hot line calls, an average of almost 300 calls per month. 63 callers identified themselves as Montpelier residents.
- ⇒ Shelter services were provided to 23 women and 27 children for a total of 1,952 bed nights, an increase of over 20% of bed nights from last year. Shelter services were provided for 1 family from Montpelier.
- ⇒ Our schools programs and on-going school support groups reached a total of 852 students in Washington County through the 115 presentations and groups held during this fiscal year. BWSS was able to reach over 100 additional students this year due to the combined efforts of our co-facilitators. School programs reached 33 students at Montpelier High School.
- ⇒ BWSS provided community presentations to 598 individuals through the 32 presentations offered to individuals and professionals in Washington County.
- ⇒ Advocates provided support to 138 plaintiffs during Final Relief from Abuse Hearings, and assisted 90 individuals file for temporary orders. Advocates assisted 16 Montpelier residents for temporary orders and provided support for 5 individuals seeking final orders.
- ⇒ Court Education Program was presented to 171 individuals.
- ⇒ Over of 1,500 people received direct services from BWSS, which are maintained by trained staff and volunteers.

- ⇒ BWSS offered an on-going support group to the women at Dale, reaching 53 women. An additional evening support group was offered to women in varying locations throughout Washington County and reached a total of 9 women.
- ⇒ Our organization continues to rely heavily on the vast support of our Board Members and hotline, shelter, and community events volunteers. Our 18 dedicated and generous volunteers contributed over 8,000 hours to the work of BWSS. Three volunteers are residents of Montpelier.

### *Our services include:*

- ★ SHELTER: Emergency Shelter for women and children fleeing from domestic abuse.
- ★ SHELTER YOUTH PROGRAM: Available to children staying in shelter.
- ★ Toll Free 24-HOUR HOT LINE (1-877-543-9498)
- ★ EMERGENCY, CIVIL and CRIMINAL COURT ADVOCACY
- ★ SUPPORT GROUPS
- ★ VIOLENCE-FREE RELATIONSHIP PROGRAM: Offered to middle and high school students across Washington County.
- ★ EDUCATIONAL PRESENTATIONS: Offered to civic organizations and businesses.
- ★ INFORMATION AND REFERRAL: Information about domestic violence and community resources, as well as individualized advocacy and referral to social service, legal, employment, counseling, and housing options.

## The Washington County Youth Service Bureau Boys & Girls Club



BOYS & GIRLS CLUB

### *Is An Important Resource To The Residents of Montpelier*

During the past service year the Washington County Youth Service Bureau/ Boys & Girls Club (the Bureau) provided the following services to young people and family members in Montpelier:

- ⇒ 152 Teens participated in the Basement Teen Center in Montpelier that provides supervised drop-in time, leadership opportunities, and a variety of activities.
- ⇒ 107 Teens also participated in special events that were offered by the Basement Teen Center.
- ⇒ 1 Youth was served by the Community Assistance Program that helps young people avoid substance abuse or make connections with treatment services.
- ⇒ 45 Youth and their Families were assisted by the Country Roads Program that provides individual, family, and group counseling, as well as assistance to runaway youth, a 24-hour crisis service, and emergency temporary shelter for youth.

- ⇒ 58 Teens were provided with Substance Abuse Counseling.
- ⇒ 7 Teens participated in the Teen Parent Program that educates teens about the challenges of parenting at an early age; and helps teen parents and pregnant teens build parenting and life skills, continue their education, & create healthy homes.
- ⇒ 2 Teens were provided with information about the challenges and realities of teen parenting through presentations of the Bureau's Teen Parent Panel.
- ⇒ 26 Teens participated in the Transitional Living Program that helps homeless young people make the transition to independent living.
- ⇒ 61 Teens were provided with information and referrals to services and activities through the Peer Outreach Program.
- ⇒ 205 Community Members were served through the 33rd annual Community Thanksgiving Dinner organized by the Bureau (89 of these residents were provided with home-delivered meals).
- ⇒ 6 Montpelier residents volunteer as "Shelter Parents" for the Bureau's Country Roads Program for youth in crisis.

Referrals come from parents, teachers and other school personnel, other area organizations, the Vermont Department of Social and Rehabilitative Services, the Vermont Department of Corrections, churches, police officers, and young people themselves. Many referrals are received through the agency's 24-Hour Crisis Response Service.

The Bureau is a private, non-profit, social service agency. All programs and services are funded by foundations, state government, federal government, Medicaid and other insurance, private donations, area towns, and fundraising events such as Trees for Teens and the Ride for Youth Eco Bicycle Tour.

**For Information and Assistance Call  
The Washington County Youth Service Bureau  
Boys & Girls Club  
229-9151  
24 Hours A Day – 7 Days A Week**

## The Basement Teen Center

The Basement Teen Center, located in the basement of Montpelier's City Hall, is a substance-free, adult-supervised space for teens to gather, attend workshops, learn leadership skills, and have fun. At the Basement, teens have snacks, cook, talk, play pool, listen to music, and participate in a wide variety of special activities.

The Basement is open from 3-6 pm Monday through Friday, and from 7-11 pm on Friday. In the past program year:

- ⇒ 152 Montpelier teens participated in Basement activities. 62% of the 247 individual teens who participated in the Teen Center were Montpelier residents.
- ⇒ 144 activities were sponsored by the Basement. Examples of activities include free teen dinners; art projects; hiking trips; field trips within Vermont and to Toronto; a white water rafting trip; music jams; movie nights; overnight lock-ins;

tobacco prevention programs; ski trips; community service projects such as Green Up Day; dances; coffee houses; pool tournaments...and much more.

- ⇒ 30 community volunteers donated time to lead activities, offer special events, or help staff drop-in time.
- ⇒ Daily participation at drop-in time ranged from 15 to 45 teens.
- ⇒ Teens made a total of 2,158 drop-in visits to the Basement.

## Washington County Diversion Program



### WHO WE ARE AND WHAT WE DO:

- ◆ We are a local program that addresses unlawful behavior, supports victims of crime & promotes a healthy community.
- ◆ Court Diversion is the community alternative to court for first offenders in Washington County.
- ◆ Our volunteer boards hear both adult and juvenile cases referred from court by the state's attorney.
- ◆ We also administer the Alcohol Safety Program (ASP), a program created by the legislature in 2000 to deal with a crackdown in enforcement of underage drinking laws.

Our philosophy is that ordinary citizens who volunteer their time and energy are more effective in confronting those who have committed crimes than our court system can be, especially the first time an offender is charged with an illegal act. Our volunteers have the same perspective as those who are victimized by illegal acts, and they are committed to:

### OUR GOALS:

- ◆ See that the victim is made whole to the extent possible through the offender's restitution, apology or service to the community.
- ◆ See that the community is compensated through service by the offender for the harm it has suffered;
- ◆ Help the offender realize the true human consequences and impact of his or her actions; and
- ◆ Direct the offender toward activities that will increase his or her chances of being crime free in the future.

### IN FY 08 (JULY 1, 2007 - JUNE 30, 2008):

- ◆ We received 218 referrals to Diversion and 431 referrals to ASP, for a total of 649 clients served in the period.
- ◆ Our clients performed 8433 hours of community service to various non-profit organizations in this county, including the Red Cross, Central Vermont (CV) Food Bank, CV Hospital, the United Way, Washington County Youth Service Bureau, CV Humane Society, and local faith organizations and school systems.
- ◆ Restitution paid back to crime victims totaled \$22,252.00, while donations to charities amounted to \$5,432.00, which comes to \$27,684 for the year.

## FUNDING

As a community based, non-profit program and United Way Agency in FY 08, Diversion got 50% of its funds from the Attorney General's office; 35% from client fees, 5% from the United Way and the remaining 10% from other local sources like towns and cities. Our total cost per case last year was about \$280.00 for each of 649 referrals. That is hundreds of dollars less per case than any alternative where the offender goes to court

Many thanks to the voters for your consistent support for Diversion over the years.

We continue to need -- and deeply appreciate -- your assistance!

PO Box 1026, Montpelier, VT 05602  
wcdp@comcast.net • 802-828-0600  
www.wcdiversion.org

## Central Vermont Crime Stoppers

### Fiscal Year 2007-08

Through an anonymous tip called into the CVCS hotline, Ricky Thompson, wanted in five counties, including Washington County, was apprehended, and later convicted. A reward was paid out in the spring of 2008. This tip, and the resulting apprehension of Ricky Thompson, cleared up a multitude of unsolved crimes committed in the northeastern part of Vermont. Several related arson crimes were solved, and rewards paid out putting to rest another series of crimes plaguing Washington County this past summer.

Crime Stoppers is a community-based organization dedicated to solving and preventing serious crime in partnership with citizens, media, law enforcement, and the criminal justice system founded in 1976 in Albuquerque, New Mexico. Since 1992 Central Vermont Crime Stoppers has provided an anonymous tip line for citizens in Washington County and adjacent towns. Our tip line can be reached at 1-800-529-9998.

We are funded through town allocations providing 82% of our income in fiscal year 2007-08, the rest coming from the occasional court allocations from convicted persons, and citizen donations.

As of August 2008, our income is used for rewards, paying for our monthly tipline/telephone expense, and supplies used at home shows or events to get the word out about the tipline.

CVCS posts "alerts" from local law enforcement throughout our area, and uses a tag line on news releases, as well as crawlers on cable networks, to alert the public to crimes that need witnesses and more information to solve them.

We have found that as people hear of CVCS, the number of tips increases. Our next effort is to have a website where alerts are posted and tipsters can leave anonymous tips without being traced.

If you see a crime, or can offer a tip for the police to act on, remember: We want your information, not your name. Please call our tipline: 1-800-529-9998.

KITTY WERNER, *Chair*  
STEVE TREDEAU, *Vice-Chair*  
SUSAN SHERBURNE, *Treasurer/Secretary*

## Central Vermont Community Action Council



Since 1965, the Central Vermont Community Action Council, Inc. has served low-income residents of Lamoille, Orange, and Washington Counties and nine communities in Windsor, Addison, and Rutland Counties. CVCAC's programs and services assist families working toward creating better lives and to improve the overall quality of community life. This year, CVCAC served 14,923 individuals in 7,801 central Vermont households through Head Start/Early Head Start, Community Economic Development programs, Family & Community Support Services, including emergency food and crisis fuel, and home weatherization assistance.

Program and services accessed by 509 Montpelier families with 1048 residents this past year include:

- ◆ 270 households with 592 individuals were provided with emergency services, including food from our food shelves, as well as referrals to other community resources to address critical needs.
- ◆ 1 household and 3 family members avoided homelessness through our Family Housing Partnership program.
- ◆ 62 households with 148 family members used our Crisis Fuel program and were able to continue heating their homes.
- ◆ 33 households received free assistance with completing and filing taxes with the IRS receiving the full benefit of refunds, credits and rebates which were due.
- ◆ 3 households with 6 family members contacted our Low Income Taxpayer Clinic for help with IRS controversies and educational resources regarding their rights and responsibilities as taxpayers.
- ◆ 32 children participated in Head Start and Early Head Start programs that supported 44 additional family members.
- ◆ 2 Head Start parents participated in Vermont Family Matters to strengthen family relationships.
- ◆ 2 families used our Children's Hour supervised visitation and exchange services to allow noncustodial parents opportunities to visit with their children.
- ◆ 45 homes were weatherized benefitting 46 families and 116 individuals. 2 households had faulty heating systems repaired at no charge.
- ◆ 35 entrepreneurs received counseling and technical assistance on starting or expanding a business.
- ◆ 11 women received training, counseling and technical assistance from the Vermont Women's Business Center to pursue dreams of business ownership.

- ◆ 14 individuals learned financial literacy and began accruing assets toward a home purchase, education, or business.
- ◆ 4 local business owners received technical assistance and financing from Community Capital of Vermont when they couldn't access traditional bank business loans.

**CVCAC thanks the residents of Montpelier for their generous support this year!**

## Central Vermont Adult Basic Education in Montpelier

### *Local Partnerships in Learning*

Montpelier adults and teens who want help learning basic reading, writing, math, computer operation and English as another language may receive that help through a free program of instruction provided locally by Central Vermont Adult Basic Education. Students enrolled in the program also have the opportunity to study for their high school equivalency exam (GED) or pursue other diploma options.

Students and teachers meet in classes, one-to-one, and/or small group sessions to complete a learning program which suits the requirements of each student. Individualized instruction ties together basic literacy and math skills with practical interest areas. Helping children with homework, budgeting, filling out forms and applications, applying beginning computer skills, studying for a driver's permit or a Commercial Driving License, reading work related texts, writing reports and preparing for employment or college are just a few of the many areas adults choose to study.

Sixty-five Montpelier adults enrolled in CVABE's free programs last year and volunteers from the community helped make this education service accessible to everyone. Teachers at CVABE's Montpelier Learning Center on 58 Barre Street extend a warm welcome to all the residents of the city.

Central Vermont Adult Basic Education, a community-based nonprofit organization, has served the people of Washington, Lamoille, and Orange County for over forty years. For more information about Central Vermont Adult Basic Education programs, please contact:

Central Vermont Adult Basic Education  
Montpelier Learning Center  
58 Barre St.--Room 204  
Montpelier, Vermont 05602  
(802) 223-3403  
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Central Vermont Adult Basic Education  
Barre Learning Center (and administrative office)  
46 Washington St.—Suite 100  
Barre, Vermont 05641  
(802) 476-4588

**For information about CVABE's learning sites and services throughout Washington, Lamoille and Orange Counties, please call CVABE headquarters in Barre: (802) 476-4588**

## Central Vermont Council on Aging



Central Vermont Council on Aging (CVCOA) is a nonprofit organization that assists elders in remaining independent as long as possible in their homes and communities. The Council uses federal, state and local funds to provide a variety of programs and services, either directly or under contract with local groups and organizations.

CVCOA requests town funding to support its case management department in assessing clients' needs, developing individualized care plans, and connecting them with public benefits programs and other community and state resources. The case manager for Montpelier is Robin Bradley who can be reached at 802/476-2666. Three hundred fifty-one (351) residents of Montpelier benefited directly from CVCOA case management services in 2007; that number increased to 402 in 2008.

Other services provided directly or under contract include community and home delivered meals; food stamp outreach; transportation to essential destinations; legal services; health insurance counseling; companionship; assistance with household tasks; nutrition education; caregiver support services; support for senior center activities; and mental health services. CVCOA involves community volunteers by sponsoring programs such as Neighbor to Neighbor, Ameri-Corps, Senior Companion, and Home Share of Central Vermont.

Call the Senior Help Line at 1-800-642-5119 for more information. CVCOA recognizes and appreciates the valuable support for older Central Vermonter provided by the City of Montpelier.

## Community Capital of Vermont

*July 1, 2007 through June 30, 2008*



Community Capital of Vermont's mission is to be an effective, sustainable source of capital and business development services that supports the successful start-up and growth of Vermont-based micro and small businesses owned by individuals who lack sufficient access to conventional sources of financing.

Community Capital provides flexible and creative commercial financing to seed business start-up and fuel business expansion, enabling entrepreneurs to build the sales, credit, and experience needed to secure full bank financing in the future. Community Capital also offers borrowers business development services including free consultations with private consultants in their industry or in topics such as marketing, financial management, human resources plus a mini-grant to cover business education expenses.

During the fiscal year, 109 individuals inquired with Community Capital about financing opportunities. Forty-

four (44) applications were submitted for financing of which twenty-three (23) were approved for a value of \$551,874. Fifteen (15) of the twenty-seven businesses assisted are startups.

This year, Community Capital also took over two loan portfolios. In May 2008, Community Capital acquired loan capital and accounts receivable from the Vermont Job Start Loan Fund. The Fund was previously operated by Vermont Economic Development Authority (VEDA). The Job Start Loan Fund was created in 1978 by the State of Vermont's General Assembly and has received several capital infusions as well as operating dollars from State of Vermont general funds over the last 30 years. Community Capital also acquired both loan capital and accounts receivable from the Colchester Community Development Corporation's Partnership Fund which provides micro and small business loans to businesses in Milton, Essex, Winooski, and Colchester.

Community Capital is a 501c3 nonprofit corporation located in Barre. Loans and operations are funded by loan repayments, application fees, donations from private individuals, corporations, banks, as well as state and federal grants. Public grant sources include the State of Vermont, Vermont Community Development Program (VCDP), the US Department of Housing and Urban Development, the US Department of Health and Human Services, and the US Department of Agriculture.

Community Capital is operated in partnership with the Central Vermont Community Action Council. Community Capital is managed by Emily Kaminsky, Fund Director. Interested parties are encouraged to call Kara Edson at 479-0167 to request a loan application and additional information. More information can also be obtained online at [www.communitycapitalvt.org](http://www.communitycapitalvt.org).

## RSVP for Central Vermont and Northeast Kingdom and The Volunteer Center



RSVP is a nationwide program for individuals to help meet community needs through meaningful use of their skills and knowledge in volunteer service to private nonprofit organizations. RSVP and The Volunteer Center serves the Counties of Washington, Lamoille, Orleans, Caledonia, Essex and Orange.

During the fiscal year beginning July 1, 2007 and ending June 30, 2008, RSVP was able to involve 88 residents of Montpelier as RSVP volunteers. Those residents gave 5,243 hours of service to 27 organizations within the boundaries, or serving, the City of Montpelier. Organizations and services such as health clinics, food distribution centers, blood drawings, library service, schools, tax preparation and many, many more were enhanced by the participation of RSVP volunteers.

If one uses the State average wage, it means that RSVP volunteers donated the equivalent of \$93,150 of services to Montpelier area

residents and organizations. This is one example how volunteers are valuable to our communities.

The Advisory Council, Staff and the participants at RSVP are thankful for the support received from the City of Montpelier. Anyone wishing to know more about us should call 828-4770, stop in to see us at our donated office space in Woodridge Nursing Home in Berlin, or visit our website at [www.volunteervt.com](http://www.volunteervt.com).

J. GUY ISABELLE, *Director*

## The Family Center of Washington County

...serving families in Montpelier

The Family Center of Washington County fosters the positive growth and development of young children and their families. The Family Center's array of services includes: infant and toddler, preschool and after school child care programs, playgroups for children from birth to five, parent education and outreach activities – for mothers and fathers, training for child care providers, assistance to parents in finding and paying for child care, and planning and coordinating the Central Vermont Building Bright Futures Council's region-wide programs for parents as first teachers of their children.



Among the 1,249 individuals in Montpelier who benefited from the Family Center's programs and services from July 1, 2007 – June 30, 2008 were:

- \*361 who consulted our **Child Care and other Resource and Referral services**, receiving assistance in finding suitable child care to meet their needs, answering questions related to child care and child development, and receiving information about other community resources available to them.
- \*122 **families** who received **assistance paying for child care**.
- \*43 **licensed and registered child care providers** and other support agencies who consulted our Provider Support services, and received monthly newsletters and training on a wide variety of topics through home visits, conferences, workshops, and intensive Child Development Associate training.
- \*120 **children and 99 adults** who participated in our **Playgroups**. Playgroups are free, open to all families with children birth to five, and have no eligibility requirements. Children have a chance to play with others in a safe, stimulating and nurturing environment. Parents talk to other parents, draw upon each other for support, learn new skills from Playgroup Facilitators and get information about community resources.
- \*112 **adults and 19 children** who participated in **Parent Education Workshops** and related activities for children.

- \*5 **adults and 7 children** who participated in various community **Support Groups** and related activities for children.
- \*38 **children**, including those at-risk or with identified disabilities, who attended our **nationally accredited Preschool**, run in conjunction with the Montpelier School District's Essential Early Education program.
- \*35 **children** who received quality after school care in our **nationally accredited After School Program** while their parents were at work or in training programs.
- \*8 **children** who attended our **nationally accredited Infant/Toddler child care program**.
- \*136 **children and parents** who attended our **community events**.
- \*54 **individuals** who were served by one of our specialized **Home Visiting** services, providing parent and family education and support.
- \*37 **families** who received **Welcome Baby mailings**, and 27 who received **Welcome Baby Visits**.
- \*19 **community members and child care professionals** who planned local and regional **Building Bright Futures Council activities**.
- \*7 **children** who received transportation assistance through our van.

We are grateful for the support shown by the voters of Montpelier. For more information about any of our programs, please contact Lee S. Lauber, Executive Director, at 262-3292, Ext. 118, e-mail us at [familycenter@fcwcv.org](mailto:familycenter@fcwcv.org) or visit our website at [www.fcwcv.org](http://www.fcwcv.org).

*"...fostering the positive growth and development of young children and their families."*

## Community Services

### Montpelier Food Pantry

The Montpelier Food Pantry has been in operation since 1984. The Pantry offers emergency groceries to anyone in the Montpelier area who needs it. The Pantry is sustained completely by contributions and is run by volunteers. Local businesses and residents always step up to the plate to support the Pantry's work. In 2008 the Pantry had approximately 1,580 visits from individuals and families. This represents an increase of 17% over 2007.

- We gave out groceries enough to provide approximately 84,700 meals. This represents an increase of 20% over 2007.
- New Household visits increased by 66%.
- The number of children in households increased by 30%.
- During the holidays we gave out over 160 complete dinner boxes.

The Pantry is located in the basement of The Trinity Methodist Church. Hours of operation: Tues. 9-12, Wed.-Fri. 10-11. Evening Hours- Weds. 4-6

Anyone wishing to volunteer out of compassion and kindness is welcome. Our phone number is 223-7725.

## The Green Mountain Transit Agency



*The mission of the Green Mountain Transit Agency is to enhance the quality of life in Vermont by delivering safe, convenient and more environmentally efficient transportation solutions.*

Green Mountain Transit Agency (GMTA) does more than just provide effective public transportation to keep our communities strong and connected; we extend our services to support the needs of the most transit dependent. Whether it's our commuter routes that assist our working families during challenging times, shopping shuttles offering access to affordable food locations, or individual rides to medical services, GMTA is the agency that continues to ensure Montpelier community members of a healthy and vibrant life.

### ELDERLY AND DISABLED SERVICE

*For FY08 GMTA provided Medicaid and Elderly and Disabled transportation service to 242 Montpelier residents totaling 21,995 trips (10,622 trips provided in FY07).*

GMTA provides medical transportation service to those who qualify for either Medicaid or Elderly and Disabled funds. We offer those in need the scheduling and payment of rides and provide service through volunteer drivers, bus or cab service. GMTA collaborates with area organizations, such as Montpelier Senior Housing, Vermont Center for Independent Living and Central Vermont Council on Aging, to offer rides for medical treatment, meal site programs, senior centers and shopping trips.

In some cases, we provide critical care transportation service for those in need of vital radiation and dialysis treatments at medical facilities such as Central Vermont Medical, Dartmouth Hitchcock and Fletcher Allen. We also support a variety of transportation needs for individuals seeking access to supportive services such as Vermont's Reach Up program, the Vermont Association for the Blind and Visually Impaired, Project Independence, Washington County Youth Services and many other social programs.

GMTA not only provides the means of transportation, but also the administration and operational skills required to coordinate service. The local match that the Montpelier community provides is vital to GMTA's ability to draw down federal funds to continue these critical transportation services.

### COMMUTER SERVICE

**↑ INCREASED RIDERSHIP 16.15% City Commuter and 11.68% City Route Mid Day** These two routes travel between Montpelier and Barre City 20 times each weekday, and 16 times on Saturday. The deviated fixed route service allows travel to work, area businesses for shopping, and access

to social and entertainment venues. All of which are key components to the economic, social and environmental vitality of a community. **FY08 GMTA provided 39,763 rides for the City Commuter and 25,809 rides for the City Route Mid Day.**

↑ **LINK Express INCREASED RIDERSHIP 44.52%**  
The LINK is a commuter service allowing transportation between Montpelier and Burlington during peak commuting hours. This service has seen amazing growth and success within the past year, and has proven that if given the opportunity, Vermonters will utilize alternative means of transportation. This service provides an affordable alternative for commuting to work and allows individuals to take personal action in reducing their own carbon emissions. **FY08 GMTA provided 54,211 rides from Montpelier to Burlington through the LINK Express service.**

↑ **Waterbury Commuter INCREASED RIDERSHIP 24.08%**  
The Waterbury Commuter is a commuter service offering transportation between the Waterbury Senior Center and State Complex to key stops within Montpelier. Not only does the Waterbury Commuter provide service from Waterbury center, but it also allows for connecting service with the Route 100 Stowe/Morrisville Commuter route. This service primarily supports those needing transportation to outside of residency work locations. **FY08 GMTA provided 10,522 rides on the Waterbury Commuter Route.**

#### **CENTRAL VERMONT MEDICAL CENTER AND BERLIN MALL AREA SERVICE**

↑ **Montpelier Hospital Hill INCREASED RIDERSHIP 13.12%**  
The Montpelier Hospital Hill route travels to Central Vermont Medical Center and the Berlin Mall 12 times each day Monday through Friday and 11 times on Saturdays. Through this service, we provide direct access to health care services at central Vermont's premier health care facility, along with CVMC employee commuter transportation. In addition to CVMC, we also offer deviated service which allows access to other health facilities such as Berlin Health and Rehab, First in Fitness, Berlin Eye Center and Central Vermont Substance Abuse. By providing affordable and dependable transportation to the CVMC area, we support the individual effort to utilize preventative health care programs and prosper in personal well-being.

In addition to health care, GMTA recognizes the need to have daily transportation to key shopping locations in order to support ones independence and allow for retail shopping access. The Montpelier Hospital Hill route provides direct service to the Berlin Mall and Staples Plaza, both of which offer access to a variety of shopping venues and choices, including grocery shopping. **FY08 GMTA provided 25,782 rides on the Montpelier Hospital Hill Route.**

#### **CAPITAL SHUTTLE FREE SERVICE**

The Capital Shuttle service provides two buses on route simultaneously which travel from the Dept. of Labor parking

lot, to the Capital District Business and State Office area and up to National Life. This convenient service offers free transportation to the general public, along with supporting the travel needs of the State Legislature when it is in session, thus helping to alleviate the problem of limited parking and increased downtown congestion. The shuttle service operates during the legislative session from 7:25AM through 6:32PM and allows the rider to travel around the city, whether for work, shopping or social activity, with stops at key locations. Though this service is primarily funded by the Agency of Transportation, a portion of funds received from the City of Montpelier helps to support the cost of operations. **FY08 The Capital Shuttle provided 9,516 rides with free city service through the months of January and May.**

#### **SEASONAL COMMUTER SERVICE**

The SnowCap Special is designed as a commuter route providing service between the Capital District and the Sugarbush and Mad River Glen Ski Resorts. This service provides transportation to those in need for seasonal work, along with service for those requesting access to area ski facilities in the winter season from the Capital District region. The Snow Cap runs from January through early April. Not only is the SnowCap beneficial to the residents of Montpelier, but it provides alternative modes of transportation for those visiting the capital or youth in need of transportation for their ski activity. **FY08 GMTA provided 1,004 rides for the ski season months.**

#### **GMTA BOARD MEMBER**

In FY06, GMTA established our first locally appointed Board of Directors. Since its establishment we have been honored to have Harold Garabedian, a well-respected City Council member and representative of Montpelier, serving as the Board Chair for FY07. We are equally as honored to have Nancy Wasserman, a Montpelier resident and former City Council member, continue her service as Board Chair after holding the position as the Board Treasurer.

We are also pleased to welcome Montpelier City Council member Nancy Sherman, who recently joined as one of our prestigious board chairs.

We are grateful to all our board members for their dedication in supporting the mission of GMTA. We look forward to their continuing efforts to support the Montpelier area transportation needs, along with the needs of all communities throughout Central Vermont.

#### **INFORMATION**

Please feel free to contact us for additional information about our services or if you have any questions about the information provided above.

Green Mountain Transit Agency  
6088 VT Route 12  
Berlin, VT 05602  
802.223.7BUS  
www.gmtaride.org

Thank you for supporting public transportation and our efforts to support your community.

## Montpelier Veterans Council

The Montpelier Veterans Council annually holds parades on Memorial and Veterans Day. Other annual activities are to provide flags and grave markers for veterans' graves in Montpelier cemeteries prior to Memorial Day.

The Veterans Council also purchases flowers to decorate the entrances of local cemeteries to honor all veterans.

Contact Frank Hickory for more information.

FRANK HICKORY, *Treasurer*

- Purchasing opportunities to provide needed services at the lowest cost. Examples include municipal employee health insurance and liability coverage for town operations. The VLCT Health Trust represents the most affordable option available to provide health insurance to municipal employees. The value of the VLCT Property and Casualty Intermunicipal Fund (PACIF) to all our members is realized daily as members take advantage of loss prevention training and assistance, as well as reasonable insurance rates. These two trusts, with the addition of the VLCT Unemployment Trust, were responsible in 2007 for \$46 million in municipal tax dollars spent for insurance and risk management services. Last summer, VLCT was instrumental in assuring that towns would be able to obtain road salt for winter highway maintenance at an affordable price and adequate quantities.

## Community Development

### Vermont League of Cities and Towns

*Serving and Strengthening  
Vermont Local Government*



The Vermont League of Cities and Towns (VLCT) is a nonprofit, nonpartisan organization that is owned by its member municipalities and directed by a 13-member Board of Directors.

VLCT's mission is to serve and strengthen Vermont local government. Our members include all 246 Vermont cities and towns, along with 145 other municipal entities, including villages and fire districts.

Vermonters use local government services, including highways, police, fire, recreation, libraries, sewer, and water, on a daily basis. In large part, volunteer elected and appointed municipal officials lead these local governments.

VLCT provides the following services to its member cities and towns, so that they may provide their citizens with quality services at affordable costs:

- Legal, consulting and education services. In the past year, VLCT responded to over 3,000 inquiries for assistance from municipal officials. Our Municipal Assistance Center (MAC) conducted 12 workshops and 38 on-site training sessions that attracted over 1,400 people. MAC distributed almost 150 hard copy handbooks to municipal officials, but also made all its handbooks available free of charge on our website at our Resource Library. The Library also contains over 500 other electronic documents currently accessible to all. MAC has also retained the services of professionals in municipal finance, administration and policing to provide consulting advice to towns.
- Advocacy representation before the state and federal governments to ensure that municipalities have the resources and authority they need to serve their citizens. VLCT is a leader in the education finance debate, in land use discussions, and in securing revenues for town highway and bridge maintenance programs. Municipalities will be facing significant challenges in the 2009 legislature assuring that state fiscal woes are not shifted to local governments and property taxpayers.

## Central Vermont Economic Development Corporation

The Central Vermont Economic Development Corporation (CVEDC) provides a suite of programs and services that include



assisting existing businesses, assisting businesses planning an expansion; promoting our region to those businesses considering relocation to Vermont, and working on improving the infrastructure necessary for economic growth in Vermont. CVEDC has and will continue to work in partnership with all the Central Vermont municipalities, and community stakeholders to advance those initiatives identified by the City of Montpelier as important to their residents and the economic well-being of the community. In addition the issues of workforce development, telecommunications and housing remain top priorities for CVEDC.

CVEDC continues its focus on the issue of our telecommunications infrastructure. In order for our businesses to remain competitive in the global marketplace, telecommunications in Central Vermont must be strengthened. Our infrastructure must extend into our rural communities in order to maintain our viability, preserve our landscape and retain the next workforce generation. Last year CVEDC applied for and received a \$50,000.00 USDA Rural Business Enterprise Grant to implement wireless telecommunications infrastructure in the rural communities of our region. This initiative, which continues to progress well, is the first of its kind conducted by a regional development corporation in partnership with a wireless service provider. Three quarters of the equipment purchased by CVEDC has been installed and is providing high-speed wireless internet to residents who were unable to access this vital infrastructure.

Workforce development is still at the forefront of CVEDC's efforts and we work closely with area businesses and the

Central Vermont Workforce Investment Board (WIB) on this issue. Through our on-going Business Visitation Program, CVEDC staff assists companies in identifying their workforce needs and then partners with the Central Vermont WIB and State to address those concerns.

CVEDC was pleased this year to assist the Vermont College of Fines Arts with its application to the Vermont Economic Progress Council for a Vermont Employment Growth Incentive (VEGI) award. The application was successful and this award will support the College's future growth. The College and campus is a significant component of the City of Montpelier's community and CVEDC was committed to supporting to this project.

CVEDC participates in the Montpelier Housing Task Force meetings as the housing shortage continues to be an issue in Central Vermont. Working with our region's partners including the Central Vermont Chamber of Commerce, Community Action, the Central Vermont Regional Planning Commission and the Central Vermont United Way, a Collaborative was formed to address this issue as well as other pressing issues that impact economic development. The Collaborative has created material and information to assist communities to identify future sites for housing development in their municipalities and ways to proactively address this issue.

The Small Business Development Center (SBDC) Specialist, Dave Rubel, is co-located with CVEDC and continues to provide the City of Montpelier residents with free information and assistance regarding starting a new business or providing assistance to an existing business with marketing, financing or other information. In addition, the 'How to Start Your Own Business' seminars are offered on a monthly basis to all Central Vermont residents. CVEDC and the SBDC this fall co-hosted an E-Commerce Forum for businesses involved with E-Commerce. Numerous Montpelier businesses as well as the Executive Director of the Montpelier Downtown Association attended this event. Both CVEDC and the SBDC will continue to host additional forums that will address the specific needs of business in the E-Commerce sector.

We encourage you to visit our website at [www.central-vt.com/cvedc](http://www.central-vt.com/cvedc). One of the features is the ever expanding commercial/industrial sites data base. CVEDC will post all available commercial/office/industrial space for lease or sale that is submitted to us.

We greatly appreciate the support given to the Central Vermont Economic Development Corporation by the City of Montpelier and we look forward to continuing and strengthening our relationship in the future.

## Central Vermont Regional Planning Commission



The Central Vermont Regional Planning Commission (CVRPC) is a consortium of 23 towns and cities in Washington County and western Orange County. CVRPC provides a forum in which municipalities work together to address regional issues and opportunities. It also offers its member communities professional assistance with local planning efforts through its experienced and knowledgeable staff. During this year, significant time was spent by staff working with member municipalities on mapping, analyses, and policy review in order to understand how current bylaws are likely to influence future development patterns.

The Commission also focused on implementing goals contained in the Regional Plan and the Regional Transportation Plan. CVRPC completed work on updating both Plans, including the regional housing distribution plan contained in the housing element of the Regional Plan. The Commission's Transportation Advisory Committee continued to evaluate the regional inter-modal transportation needs and problems and make recommendations to the State Transportation Agency on projects that should be included in the Agency's five year capital program. CVRPC maintains a standing Act 250 committee that reviews projects of regional significance. During 2008, the Committee reviewed a range of projects, including major commercial retail, highway improvements, and housing development and subdivisions. CVRPC continues to work on the development of regional and local pre-disaster mitigation plans, population and housing growth projections, and review and approval of town plans as required by statute. CVRPC also completed assessments on three brownfield sites in the region and is looking for additional commercial/industrial sites that may be contaminated and would qualify for a brownfields assessment. As an outgrowth of the Central Vermont Economic Collaborative and the affected municipality, CVRPC completed the analysis of undeveloped parcels in proximity to existing sewer infrastructure to see if a greater housing density would be feasible.

CVRPC assisted the City with assistance on the multi-modal center planning and Carr lot environmental assessment, traffic counts, the build out and development analysis, growth center application, flood zone map updates, culvert inventory and map, Safe Routes to School program, regional trails initiative, brownfield site investigation and assessment, pre-disaster mitigation planning and mapping, and administrative assistance to the Wrightsville Beach Recreation District.

CVRPC continues to work with local officials to provide GIS mapping, including planning maps for a variety of projects and municipal plans, fluvial erosion hazard areas, and bicycle and pedestrian path suitability maps. CVRPC is helping local energy committees with energy-related issues that affect the cost of heat, gas, and food. The Commission also provides model bylaws and assists municipalities in the administration of grants.

Additional information on the Commission can be found at [www.centralvtplanning.org](http://www.centralvtplanning.org), including our Blog and a place to add comments.

Thank you for your continued support. We look forward to another year of serving our member communities and the Central Vermont Region.

SUSAN M. SINCLAIR, *Executive Director*  
DAVID BORGENDALE, *Commissioner*

## Central Vermont Solid Waste Management District

The Central Vermont Solid Waste Management District provides leadership, education, and services for residents and businesses in reducing and managing their solid waste in order to protect public health and the environment to the greatest extent feasible. In response, the board of supervisors developed and adopted a Zero Waste Solid Waste Implementation Plan (SWIP) titled Working Toward Zero Waste.



With Zero Waste, the goal is to no longer produce “trash” which needs to be disposed of, but to instead be able to utilize the materials as resources for the production of something new and needed. We encourage you to review our Solid Waste Implementation Plan and Five Year Plan documents for yourself. Please contact the District for a copy—802-229-9383 or [comments@cvswmd.org](mailto:comments@cvswmd.org). Here are some of the highlights of the District’s FY 2008 program work. Our full annual report is available online—[www.cvswmd.org](http://www.cvswmd.org).

**Organics Diversion Programs**—With food scraps comprising about 20% of the waste Vermonters produce every year, this waste stream is a critical one to tackle. In response, the District has developed a three-pronged approach to reaching the key sources of this waste: businesses/institutions, schools, and residents.

During the past year, the 41 participants in the Business/Institution Organics Program (up from 35 participants in FY07) diverted an estimated 678 tons of food scraps to composting, while the 11 K-12 schools in the School Organics Program diverted an estimated 57 tons of food scraps to composting.

The District’s Residential Organics Program aims to help residents manage their food scraps right where they are produced—at home. In FY 2008, the District offered its composting booklet (*The Dirt on Composting*) and free plans for building three different styles of compost bins on its Web site. In addition, the District co-sponsored eight Green

Cone sales events to increase access to this useful backyard food digester that accepts meat, dairy, and other food scraps not typically put into compost bins. For more information, see [www.zwinc.org/green\\_cones.html](http://www.zwinc.org/green_cones.html).

**Illegal Dumping Prevention**—The District’s illegal dumping cleanup and prevention program—Adopt-A-Site—has been underway for more than 17 years. Community members, with the support of CVSWMD staff, adopt a known dumpsite, clean it, and monitor it for repeat dumping. Program work in FY 2008 involved monitoring 16 sites in the following communities: two in Barre Town; two in Berlin; two in East Montpelier; one in Hardwick; two in Middlesex; one in Northfield; one in Plainfield; one in Tunbridge; three in Williamstown; and one in Woodbury.

**Recycling**—During FY 2008, field staff handled a significant increase in the quantity of materials brought to the nine District run and/or underwritten depots, including more than 1179 tons of mixed recycling; 92 tons of tires; 176 tons of metal; 374 tons of cardboard; 18 tons of used oil; 1.3 tons of used antifreeze, and 1,556 tons of trash.

New materials accepted at the depots: #1-#7 plastics (which include yogurt and cottage cheese containers) can be recycled at all District depots; all glue- or staple-bound publications, paperback books, phonebooks, etc. are recyclable at all District depots; and hard cover books can be recycled at both the Barre Town and Northfield Recycling Depots.

**Hazardous Waste**—A record 684 households and 35 businesses utilized the six collections held in FY 2008. Materials collected included: 15.8 tons of mixed paint; 6.8 tons of latex paint, which was sent for recycling; 12.4 tons of general hazardous waste; 87 lbs. of mercury; 10,161 ft. of fluorescent bulbs; and 1.84 tons of rechargeable batteries.

**Green Up Day Grants**—20 member communities requested and received funding for Green Up Day activities in FY 2008. The flat rate per town was \$227.

**Electronics Collections**—The District collected 45 tons of electronics (computers, TVs, stereos, printers, copiers, fax machines, cell phones, etc.) for recycling through an ongoing collection at its Barre Town Recycling Depot, and special collections held in Bradford, Tunbridge, and Hardwick.

**Web Site**—The District continued to update its Web site in FY 2008, including a complete update of the popular A-Z Guide to Waste Reduction and Resource Handling database and the Reuse Business Database, and began a complete overhaul of the entire site.

# Culture and Recreation

## Kellogg-Hubbard Library

The Kellogg-Hubbard Library has served as a multi-generational meeting place and information center for the community in the State Capital for over one-hundred and twelve years. Its central location is walking distance for five schools and two colleges. The library is arguably the most active building in the community with an average of eight-hundred and fifty visitors per day. The KHL has been approached by the Small Business Administration, Home Health and Hospice, the Capital Community Justice Center and many other organizations as the place in the community in which to offer information. In a recent letter supporting KHL for national recognition, Montpelier resident and author Nancy Price Graff referred to the library as “the undisputed cultural center of an already vibrant cultural community.”



Working parents know the importance of the library as a place for their children to go after school. Hundreds of Montpelier’s children flock to the library each week, often leaving with armloads of books. One single parent wrote, “The library is not only a safe place for kids to hang out but it’s also fun and stimulating, and it creates a vibrant, interesting and diverse setting for them.” A letter from a Montpelier child said, “My dad works some nights after school so I need a place to stay and chill till my dad gets back and I always choose the library. I really like the big selection of books you have.”

The library serves a broad role in the community, serving residents from early childhood through old age. It does so in a fiscally responsible manner, by maximizing community partnerships and fundraising independently to keep its tax support as low as possible. For example, the library has gained national attention for its ability to offer innovative programs and lectures on a tiny budget, simply by cooperating with organizations and local residents. Thus, it has inspired families to read together through its innovative “Story Walk” program, it has offered us glimpses of our past through series on local history, and it offers language lunches and discussion groups where neighbors can connect over a shared interest. One patron told the library that he thinks of the Kellogg-Hubbard as Montpelier’s “free university.”

The library board embarked on an ambitious three-year program in 2006 to help the library reach financial sustainability. This plan includes cutting costs, increasing the library’s endowment for the next century, and encouraging state funding for public libraries, and bringing our tax support to a sustainable level. The current economic environment presents challenges to KHL, as it does to other organizations, businesses and individuals, but our leadership is determined to press on. Montpelier voters have been very generous to the

Library, but taxpayer support for Kellogg-Hubbard continues to lag; Kellogg-Hubbard has the second highest public library circulation (number of materials borrowed) in Vermont, but statewide Montpelier is ranked 30th in per capita support for this public library. In 2008, upon approval of the requested funding by voters, we pledged not to ask for future increases greater than the rate of inflation for the four years beginning in 2009. Thus we are requesting an increase of 4% over what voters approved last year.

The Board of Directors, staff, and patrons are truly grateful for Montpelier’s support for the Kellogg-Hubbard Library.

### Library use by Montpelier Residents:

Since the library computerized in 2001, 7,283 Montpelier residents have registered for library cards and Montpelier library patrons account for 49% of all materials borrowed from the library, and 61% of all the materials borrowed among the six communities of the primary service area. In addition, they relied on the library as an after-school sanctuary for their children, brought their children to pre-school story times, attended classes and lectures, reserved meeting space, applied for jobs using library computers, met with their tutors, read newspapers and magazines, and asked the librarians to find all kinds of information for them. We at the library are privileged to provide such a wide range of services to the people in our community and we thank you for your support!

### Kellogg-Hubbard Library Financial Statements:

What follows are the Library’s financial statements for the period ending September 30, 2008. Our year-end December 31, 2008 statements will be available at City Hall and the Library prior to Town Meeting Day. Please contact Daniel L. Pudvah, the Library’s Executive Director, if you have any questions about these statements.



KELLOGG-HUBBARD LIBRARY  
STATEMENT OF FINANCIAL POSITION  
SEPTEMBER 30, 2008

EXHIBIT A

ASSETS

|                                         |                  |                     |
|-----------------------------------------|------------------|---------------------|
| Cash - checking & petty cash            | \$ 138,401       |                     |
| Cash - money market                     | <u>525,254</u>   |                     |
| Total cash and cash equivalents         |                  | 663,655             |
| Investments, at market value            |                  | 3,108,325           |
| Due from cities/towns                   |                  | 390,000             |
| Building, furniture and equipment       |                  |                     |
| Building                                | 2,590,978        |                     |
| Furniture and equipment                 | 128,069          |                     |
| Bookmobile                              | 97,314           |                     |
| Accumulated depreciation                | <u>(685,387)</u> |                     |
| Total building, furniture and equipment |                  | <u>2,130,974</u>    |
| Total assets                            |                  | <u>\$ 6,292,954</u> |

LIABILITIES AND NET ASSETS

|                                                      |                  |                     |
|------------------------------------------------------|------------------|---------------------|
| Liabilities                                          |                  |                     |
| Accounts payable                                     | \$ 11,994        |                     |
| Unearned grant income                                | 15,811           |                     |
| Accrued wages and withholdings                       | 22,454           |                     |
| Accrued compensated leave                            | <u>40,000</u>    |                     |
| Total liabilities                                    |                  | <u>90,259</u>       |
| Net assets - unrestricted                            |                  |                     |
| Designated - investment in property - beg. balance   | 2,181,199        |                     |
| Designated - investment in property - current period | <u>(50,225)</u>  |                     |
| Total designated - investment in property            |                  | 2,130,974           |
| Designated - investments - beg. balance (restated)   | 2,635,611        |                     |
| Designated - investments - current period            | <u>(590,668)</u> |                     |
| Total designated - investments                       |                  | 2,044,943           |
| Undesignated - beg. Balance (restated)               | 1,703,016        |                     |
| Undesignated - current period                        | <u>(89,664)</u>  |                     |
| Total undesignated                                   |                  | <u>1,613,352</u>    |
| Total net assets - unrestricted                      |                  | 5,789,269           |
| Net assets - permanently restricted                  |                  | <u>413,426</u>      |
| Total net assets                                     |                  | <u>6,202,695</u>    |
| Total liabilities and net assets                     |                  | <u>\$ 6,292,954</u> |

KELLOGG-HUBBARD LIBRARY  
STATEMENT OF ACTIVITIES  
NINE MONTHS ENDED SEPTEMBER 30, 2008

EXHIBIT B

|                                                    | <u>Unrestricted</u> | <u>Permanently<br/>Restricted</u> | <u>Total</u>       |
|----------------------------------------------------|---------------------|-----------------------------------|--------------------|
| <b>REVENUES</b>                                    |                     |                                   |                    |
| Investment distribution                            | \$ 378,102          | \$ -                              | \$ 378,102         |
| Contributions                                      | 159,668             | 30,115                            | 189,783            |
| Bequests                                           | -                   | -                                 | -                  |
| City/Town contributions                            | 390,000             | -                                 | 390,000            |
| Program revenue and fees                           | 59,686              | -                                 | 59,686             |
| Grant revenue                                      | 25,187              | -                                 | 25,187             |
| Interest income                                    | 3,462               | -                                 | 3,462              |
| Miscellaneous                                      | 5,961               | -                                 | 5,961              |
|                                                    | <u>1,022,066</u>    | <u>30,115</u>                     | <u>1,052,181</u>   |
| <b>EXPENSES</b>                                    |                     |                                   |                    |
| Program                                            | 505,096             | -                                 | 505,096            |
| Supporting Services                                |                     |                                   |                    |
| Fundraising                                        | 94,227              | -                                 | 94,227             |
| Management & general                               | 74,068              | -                                 | 74,068             |
|                                                    | <u>673,391</u>      | <u>-</u>                          | <u>673,391</u>     |
| <b>NET REVENUES OVER (UNDER) EXPENSES</b>          | <u>348,675</u>      | <u>30,115</u>                     | <u>378,790</u>     |
| <b>NONOPERATING REVENUE (EXPENSES)</b>             |                     |                                   |                    |
| Investment income                                  | 61,600              | -                                 | 61,600             |
| Investment management expenses                     | (26,942)            | -                                 | (26,942)           |
| Net realized/unrealized gain (loss) on investments | (680,589)           | -                                 | (680,589)          |
| Investment distribution to operating               | (378,102)           | -                                 | (378,102)          |
| Depreciation                                       | (55,199)            | -                                 | (55,199)           |
|                                                    | <u>(1,079,232)</u>  | <u>-</u>                          | <u>(1,079,232)</u> |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>           | <u>(730,557)</u>    | <u>30,115</u>                     | <u>(700,442)</u>   |
| <b>NET ASSETS - BEG. OF PERIOD (Restated)</b>      | <u>6,519,826</u>    | <u>383,311</u>                    | <u>6,903,137</u>   |
| <b>NET ASSETS - END OF PERIOD</b>                  | <u>\$ 5,789,269</u> | <u>\$ 413,426</u>                 | <u>\$6,202,695</u> |

## T. W. Wood Gallery & Arts Center

The Board of Trustees of the T. W. Wood Gallery and Art Center provides the City with professional care of its art collection and a destination for art lovers, artists and tourists. While providing for the City's Permanent Collection, we produce ten to twelve exhibitions each year. In addition, we have an annual Summer Art Camp for children aged 7 to 14, sponsor several art-oriented bus trips, artist talks and offer a place of calm and respite in a busy world.



The City can take pride in its stewardship which has nurtured and supported this Collection through the years. The collection is aging however and requires a level of care and storage which is increasingly expensive. We are hoping in the coming years to upgrade the storage of the art and began a conservation project.

Towards raising community awareness of the Permanent Collection we presented Montpelier's Treasures this fall to great acclaim. We enjoyed record attendance and an extraordinary amount of publicity for the Gallery and for the City. We had visitors from all over the country, many of whom came specifically to see this show. Not ignoring the local community, we've had virtually every third and fourth grader in Montpelier in to see this part of the City's cultural heritage.

This year has also been a year when we've increased our presence as an arts center. This fall we held over a dozen special events including concerts, lectures and tours. In the coming year we intend to present a wide range of cultural and artistic events. Please visit our website, [twoodgallery.org](http://twoodgallery.org) for more information.

Located on the campus of Vermont College, we are enjoying our collaboration with the new Vermont College of Fine Arts.

We are grateful that we have been able to contribute to the quality of life in Montpelier and hope to do so for many years to come. Thank you for giving us the opportunity to do all that we do for the City and its collection.

JOYCE MANDEVILLE, *Executive Director*

## The Capital City Band

The Capital City Band had another successful summer season of ten free concerts held on the State House Lawn, and attended by enthusiastic audiences. The band plays a variety of show tunes, marches, popular numbers, old-time pieces, and other selections. Band membership is open to all who like to play. Total participants in the band this summer was 47. Call 223-7069 for more information.

CAROLYN SILSBY, *Manager*

## City Hall Arts Center



Lost Nation Theater is the facility manager for City Hall Arts Center. What does that mean? It means helping renters plan their use of the Hall, opening the Hall and then securing it; determining what kind of technical support (lighting, staging, tables, additional electricity,) they will need, and arranging for qualified support staff when necessary; and even hanging the banners on the building that advertise events or community projects like Blood Drives. – It also means the Theater is in charge of maintaining the Hall for all users: changing light bulbs, washing the woodwork, small repairs to the plaster, tile floor, chairs and risers, cleaning the bathroom and making sure supplies are stocked, etc.

In 2008, Lost Nation Theater again donated well over \$5000 worth of technical support and services to other users of City Hall Arts Center. The Theater also continues to make improvements to the Hall to make it as easy as possible for any user of the Hall to create an intimate environment, or create different areas in which to have "break-out" meetings.

### *The schedule of activities in City Hall Arts Center in 2008:*

- January:** First Night; HS Band Dance Party, Martin Luther King Day Celebration, Justice Center workshop, UVM's *Ostentatious Poverty*; Johnson State College's Barrymore
- February:** *Janice Perry aka Gal* concert, *The Vagina Monologues*, LNT Youth Theater Lab; Stage Combat Workshops; Private Party;
- March:** Town Meeting and Voting; Vermont Youth Conservation Corps; CV Land Trust, Dance Party; Green Mountain Film Festival, Onion River Exchange
- April:** Volunteer Day; Vermont Playwrights' Circle; LNT's *To Kill a Mockingbird* Very Special Arts/Awareness Theater Company "Justice" with discussion sessions
- May:** LNT's *The Glass Menagerie*; Vermont Playwrights' Circle Reading, Onion River Exchange
- June:** LNT's *The Importance of Being Earnest*; Youth Theater Lab; Vermont Playwrights' Circle; MDCA Annual Meeting
- July:** LNT's *Lies & Legends, the musical stories of Harry Chapin*; Independence Day Parade prep; Youth Theater Lab; Vermont Playwrights' Circle Reading
- August:** LNT's *Shirley Valentine*; *The Wind in the Willows* Youth Theater Labs; Vermont Playwrights' Circle Reading
- September:** LNT's *Judevine*; Green Mountain Youth Orchestra; En-Vision Montpelier
- October:** LNT's *Judevine*; Americore Volunteers; En-Vision Montpelier; *Edgar Alan Poe Spooktacular*
- November:** Sustainable Community Workshop & Fair, Hunger Mountain Coop Annual Meeting CV Community Land Trust Gingerbread Competition, , En-Vision Montpelier, Voting;
- December:** En-Vision Montpelier; Film Show; Our House Holiday Craft Fair; *It's a Wonderful Life*; First Night

## Lost Nation Theater

2008 was a banner year!



- ❖ Lost Nation Theater celebrated its 20th season as Montpelier's Resident Professional Theater!
- ❖ The Company was designated "one of the best regional theaters in America" by the NYC Drama League
- ❖ Governor Douglas proclaimed Sept 19-25 "Lost Nation Theater Week in Vermont"
- ❖ LNT's "Theater for Kids by Kids" program started with a production of *The Wind in the Willows*
- ❖ *It's A Wonderful Life* made its debut at LNT in December to such great acclaim that it will become an annual event.
- ❖ *To Kill A Mockingbird* was the talk of the town in April & May, smashing all general box office records and performing more special school matinees than any other production in LNT's history.



Photo credit: Jim Lowe, Times Argus

Thanks to the tremendous support of the community and the City of Montpelier, LNT continued to produce a wealth of performance, education, and outreach programs – bringing acclaimed artists from across the country to Vermont as well as providing opportunities for Vermont's own stellar local theater professionals.



Photo credit: Lost Nation Theater



Photo credit: Jim Lowe, Times Argus

# To Kill A Mocking Bird



**Shirley Valentine**

Photo credit: Lost Nation Theater



**Judevine**

Photo credit: Lost Nation Theater



**The Glass Menagerie**

Photo credit: Jim Lowe, Times Argus



**Shirley Valentine**

Photo credit: Lost Nation Theater

## THE BACKGROUND:

Kim Bent founded Lost Nation Theater in 1977 in Bristol, Vermont. The Company produced original work, which it toured to NYC & Montreal. In residence at City Hall Arts Center since 1989, LNT helped transform the Hall into a vital gathering center for theater, music, dances, and community events. Lost Nation Theater's work now includes musicals, a host of education and professional training programs, and many partnerships with social service and other arts organizations, within its now year-round season. In 1989, LNT's annual budget was under \$20,000. In 2008 its cash budget was approximately \$250,000 and LNT's annual economic contribution exceeds \$500,000. LNT donates more than \$25,000 per year in goods and services to the community.

## The Programs

**Performances!** — Over 120 each year — featuring the best Vermont and "Imported" professionals

- ❖ Six Mainstage Shows
- ❖ WinterFest!
- ❖ An Edgar Allan Poe & Fiends Halloween
- ❖ Vermont Performers Showcase
- ❖ Vermont Playwrights' Circle
- ❖ Late Nite Cabaret
- ❖ Special Matinees for Students and Seniors
- ❖ Children's Show

**Education!** — Opportunities for all ages and Experience Levels

- ❖ Head Start Arts Partnership — workshops for Head Start students up to 4 years old, their parents & siblings throughout central Vermont
- ❖ Youth Theater Labs — summer & winter-break day camps for ages 8-16
- ❖ The Conservatory — "full-immersion" training for high school students
- ❖ Professional Theater Training Program—bridging academic & professional worlds
- ❖ Will on Wheels & other Workshop Programs—for elementary through college-level students
- ❖ Residencies & Mentorships

**Outreach!** — A Professional Theater Rooted in Community

- ❖ Benefit Performances
- ❖ Ticket Donations to non-profit arts, human service, education & other organizations
- ❖ Facility Management of City Hall Auditorium Arts Center, making possible such events as:  
Green Mountain Film Festival, First Night, Hunger Mountain Coop's Food Fair and assisting groups such as Green Mountain Youth Orchestra, Justice Center, MDCA, CV Land Trust, with their events at the Hall
- ❖ Mini-Performances to Nursing Homes, Assisted Living Facilities, Adult Day Cares, and Low-Income Children's Day Care programs
- ❖ Custodians of City Hall Auditorium

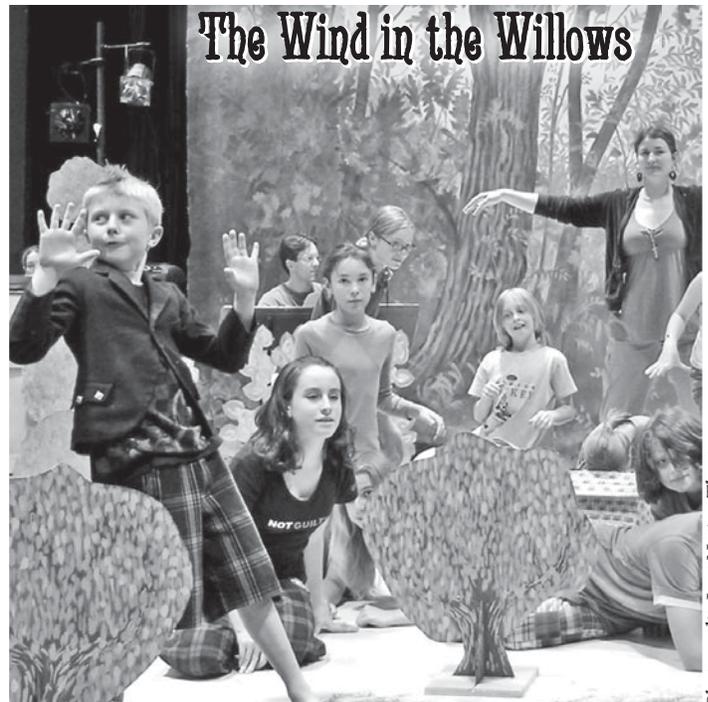


Photo credit: Lost Nation Theater

- ❖ Consultation, Referral, & Technical Support Services for area schools and others
- ❖ Accessibility Initiatives — with Adult Basic Education, VCIL, Heaton Woods, Very Special Arts, Headstart, and many more; plus ASL-interpreted and Audio-Described Performances, large-print programs, assisted listening systems, and reserved seating for those with physical challenges.
- ❖ Vermont Foodbank Partnership — standard discount on admission to anyone who brings a non-perishable food item for the Foodbank when they attend Lost Nation Theater
- ❖ Support for and participation in First Night — and other community-wide events & festivals

## 2008 LNT Staff

Kim Bent and Kathleen Keenan — *Producing Artistic Directors*

Dona Bate — *Outreach Development & Bookkeeping*

## 2008 LNT Board of Directors & Advisors

Dona Bate, Cher Laston, Eric Michaels, Ted Richards — *Secretary*  
Lola Aiken, Joan Black, Andrew Brewer, Judy Larson DiMario,  
John Fricke, Lynne Hansen, Linda Henzel, Con Hogan, Ann & Bob  
Johnson, Betty Lord, Edie Miller, Maura O'Brien, Anthony Otis,  
Tim Tavcar, Alan Weiss, Sue Zeller

## Volunteer Staff:

Jan Armstrong, *Armstrongwebworks-Website*

Robyn Osiecki, *Osiecki Technical Services*

Hank Babcock—*Asst. Technical Director*

Amanda Menard—*Office Management*

Pat Babcock — *Office Assistant*

Lauren Aradi and Pat Keenan — *Executive Assistants*

Ursula Zeller— *Mailing Specialist*

Louise Menard—*Concessions*

Mitch Osiecki — *Volunteer Coordinator*

## North Branch Nature Center



The North Branch Nature Center (NBNC) is a private not-for-profit organization that provides natural science education to all ages. The Nature Center was formerly a regional center of the Vermont Institute of Natural Science (VINS), but is now operating as an independent nonprofit organization. This past summer the North Branch Nature Center hosted the first Montpelier BioBlitz. Over 1,500 species of plants and animals were found during this 24-hour biological inventory. Visit the NBNC website at [www.northbranchnaturecenter.org/bioblitz/](http://www.northbranchnaturecenter.org/bioblitz/) for results and a BioBlitz slideshow.

### Your Door to the Outdoors

NBNC is dedicated to connecting people of all ages with the natural world. The nature center provides a wide variety of nature programs including summer and vacation day camps, programs for school groups, nature walks, field trips and workshops for all ages, a regular preschool program series and much more. The nature center also offers a youth birding program, an annual winter lecture series and volunteer opportunities. To find out about upcoming programs, call us for a listing of public events or find us on the web at [www.NorthBranchNatureCenter.org](http://www.NorthBranchNatureCenter.org).

### Visitors Always Welcome!

Whether you're interested in a short hike on your lunch break, or would like to take a river walk with kids, the trails at the nature center are just the thing. There is a bridge crossing the river into the North Branch River Park, which has extended opportunities for hiking and exploring. We have an exhibit room with live turtles, salamanders, a tarantula and more. If you'd like to explore more of Hubbard Park, there is a trail leading to the park just across the road from the parking lot. Trail maps of Hubbard Park and the North Branch River Park are available at NBNC.

### How to Find Us

We are located on Route 12 (713 Elm Street) in Montpelier, just 2 miles north of the intersection of State and Elm Street. Our Critter Room is open Monday through Friday, 9 am to 5 pm. Trails are open everyday. For more information call us at 229-6206 or visit our website at [www.NorthBranchNatureCenter.org](http://www.NorthBranchNatureCenter.org).

The board and staff of the North Branch Nature Center appreciate the continued support of the City of Montpelier and its residents. We look forward to serving as a local resource for natural science education in the coming year.

CHIP DARMSTADT, *Executive Director*

## Wrightsville Beach Recreation District

The summer of 2008 was another challenging one for Wrightsville Beach Day Use Area. After a promising start, a very rainy July and early August produced a series of floods that closed the Beach off and on.

Although the Beach was often quiet, the work did not stop. Beach Manager Collin O'Neil and his staff undertook a massive cleanup effort to remove debris, rehabilitate the site, and salvage equipment. Despite the shortened season, the District did manage some improvements this year. A new storage shed was constructed outside of the flood prone area to protect equipment and the District installed an informative new webpage ([www.wrightsvillebeachvt.com](http://www.wrightsvillebeachvt.com)).

The District also continued its popular canoeing and kayaking program, improved and expanded hiking trails, and hosted a variety of day camps and community programs.

The Wrightsville Beach Day Use Area provides a low cost, high quality, and now diverse recreational experience for residents of our member towns (Montpelier, East Montpelier, Middlesex, and Worcester). It is widely used and appreciated by families, community groups, and visitors. The Board of Directors is committed to maintaining and improving the overall recreational experience for all beachgoers. This requires continuing investment in the facility for maintenance, operations and capital improvements even as inflation relentlessly drives up costs. The District will keep municipal dues assessments at \$.50 per capita for the 2009 season.

The following figures summarize the District's financial operations from January 1 through year end:

### Revenue:

|                                |          |
|--------------------------------|----------|
| Washington Electric.....       | \$ 9,500 |
| Season's passes/user fees..... | 11,349   |
| Municipal assessments.....     | 6,683    |
| Prior year's balance.....      | 9,530    |
| Total Revenue.....             | \$37,062 |

### Expenditures:

|                         |           |
|-------------------------|-----------|
| Personnel.....          | \$ 17,430 |
| Maintenance.....        | 2,120     |
| Operating.....          | 4,681     |
| Total Expenditures..... | \$24,231  |

The District's 2009 budget calls for revenues of \$29,708 and expenditures of \$28,917.

The Board would like to thank the community for its continued support of Wrightsville Beach.

RICHARD MILLAR, *Chair*

## Montpelier Community Connections

In 2009, Community Connections begins its eighth year serving the children and families of Montpelier, Calais, Berlin, East Montpelier, Middlesex and Worcester. Underlying all programming is the mission to make a positive difference in the lives of the area's youth, encourage healthy behaviors and decrease substance abuse. With prevention strategies central to this mission, Community Connections continues to deliver engaging, enriching programs during all out-of-school-time periods – when youth are most vulnerable to risk.

During the past school year, **Montpelier's Community Connections programming enrolled 108 Union Elementary students, 111 Main Street Middle students, and 38 students from Montpelier High.** The summer break saw 33 Montpelierites utilizing Community Connections programs.

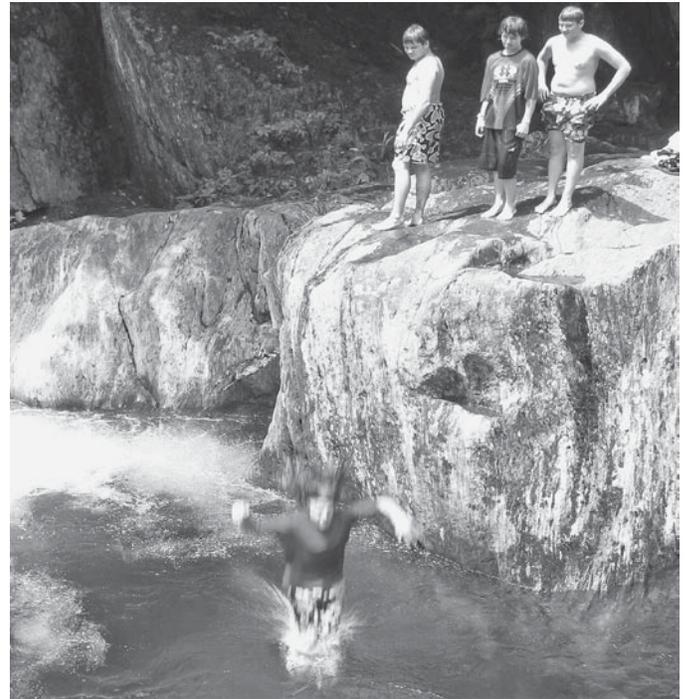
Community Connections serves a diverse population of Montpelier youth. Our programming, with its focus on healthy risk taking, fun and enrichment, has offered many students chances to achieve when social, economic, or institutional barriers would otherwise inhibit out of school time involvement.

An activity that has become tradition is our pumpkin-carving day in late October. We collaborate with Hubbard Park to mass-carve a large number of pumpkins for their Enchanted Forest celebration. This year, one of the students, a 6th grader, asked why he didn't get to keep his pumpkin. An 8th grade girl responded. "It's a service we're doing. Think about all those little kids who see these in the park. It's like we're making their night special." She had carved pumpkins with us both previous years, and it was great to see how she'd absorbed the deeper importance of what was already a fun activity.

Another example of how peer support is spread was during a daylong biking trip in Waterbury in September. A 7th grade girl, who was not an experienced trail biker, became discouraged as the first steep hill was climbed. CC Coordinator Drew McNaughton recounts, "As I rode with her, I tried to encourage her to push past the initial negative feeling to find the place in herself that could get up the hill. She made it up the climb, but I was concerned that she'd wane throughout the day. When we stopped for snack I did a check in with the group. To my surprise, the strongest rider, an 8th grade boy, stepped forward to spontaneously praise the girl who'd been having trouble, saying he was really impressed with how well she'd handled the technical terrain. 'You're way better than I was when I started. You're going to be really good at this sport.' Although she admitted exhaustion at the day's end, I overheard her and the boy who'd spoken earlier talking later about trails they'd ride together to train."

Community Connections' P.E.P. Coordinator Bill Merrylees spearheaded the highly successful **Montpelier Safe Routes to School** safety initiative. Every first grader received "pedestrian smart" training and fourth graders received "bike smart" safety training in PE class. The curriculum, designed by Safe Routes Vermont, was team-taught by Merrylees and the PE teachers. Union Elementary played a leadership role and presented a pledge for the governor to sign at the opening Safe Routes to School ceremony.

The UES Safe Routes team worked with VTtrans and the public works and police departments to redesign the elementary school drop-off zone. **The new curbside drop-off and one-way traffic zone represent a huge improvement in safety for children.** Both UES and MSMS



participated in Walk to School Month in October, and Way to Go Week in May. Union received an honorable mention for its Way to Go innovation, and our school efforts have added momentum to this region-wide alternative transportation initiative.

Community Connections' **Alternative Path to Diploma** dropout prevention initiative served more students than ever this past year. **Twenty-one students** – twelve from Montpelier High and nine from U-32 – **identified as at risk of not graduating, earned diplomas** after successfully completing their Alternative Path requirements. Under the guidance of highly respected C.C. Youth Outreach Coordinator Danny Hendershot, these grads participated in a variety of academic, employment, internship and community service projects as part of their individual graduation plans.

A highlight was the variety show organized and performed by Alternative Diploma kids. The combined effort of a U-32 and a Montpelier High School student, the show not only gave community youth the opportunity to perform (and some were outstanding!), but also raised \$300 to benefit the U-32 and MHS music and art departments. As community service is an important part of the program, Hendershot is especially appreciative of those community partners who are willing to give his Alternative Diploma students a chance, as the hiring, mentoring and teaching assistance they provide is essential to student success.

Community Connections' sister organization, **Girls/Boyz First Mentoring** served over **100 children** this year including fourteen Montpelier mentor/mentee pairs and 50 students in its peer-based, school-site mentoring program, PLAY.

In addition to weekly mentor meetings, mentor pairs also enjoyed a dance party at the Capital Plaza Hotel, pie baking at La Brioche, a hike up White Rocks, a mentor celebration, apple picking, and free passes to the Shelburne Museum and the Flynn Theatre.

Thank you all for supporting these many great youth programs over the course of '08! Clearly, 2009 is already shaping up to be another banner year for Community Connections and our Central Vermont kids.

## Montpelier Community Justice Center



During 2008, the Community Justice Centers were officially recognized with the passing of bill H.257 which recognizes their role in addressing quality of life issues in communities, administering restorative justice, and providing dispute resolution services. Later in the year, the Montpelier Community Justice Center (MCJC) joined the other Community Justice Centers around the state in founding the Community Justice Network of Vermont. The mission of the Community Justice Network of Vermont is to “promote a restorative approach to conflict and crime – community by community.” Meanwhile, we have continued to successfully contribute to resolving crime and conflict, enhancing community safety, and improving quality of life in the Montpelier area. A steadily increasing number of cases were referred to the Restorative Justice Alternative Program, where, in the context of community, victims of misdemeanor type crimes are invited to have an active role in crafting a restorative resolution and those who offended are given an opportunity to take responsibility in a meaningful way for the harm they caused.

During FY '08 the MCJC handled 117 offense-driven restorative justice cases (with 37 direct victims participating at some level). The MCJC managed Circles of Support and Accountability for six reentry participants in 2008. Restorative conferences were held in eight dispute resolution cases, which involved many participants from the community in addition to the individuals who offended. Some of the notable 2008 initiatives and accomplishments that give us hope for the future are:

- **Community service that draws upon the strengths of the participants or directly contributes to the victims.** Examples: One probationer who was in college studying Sustainability performed his community service hours at EnVision Montpelier, a program developed to improve Montpelier’s sustainability in the next decades. Another group of participants in the RJA program worked for the people whose cabin they had broken into in the winter to help them get it ready for summer. A different group of RJA participants worked at the store they had vandalized and reported that they were proud that they could use their construction skills to right the wrong they had done. A probationer who was convicted of DUI recorded a CD of stories he had seen as a truck driver about accidents involving drunk drivers, to share with others who drive while intoxicated. Yet another probationer, after telling the reparative board that he had driven drunk because he was mourning the loss of his mother after a long illness, used his woodworking skills to make birdhouses for a local nursing home to cheer up those who were suffering as she had.



On May 5, 2008, the Montpelier Community Justice Center hosted Governor Jim Douglas and other local and state leaders at City Hall for the signing of a bill codifying the Community Justice Centers.

- **The possibility of adapting the Restorative Justice Alternative Program for people with compromised mental health who engage in criminal behavior.** We have reached out to Washington County Mental Health to help us work with their clients and introduce them to restorative responses to conflict.
- **The successes in increasing our community's capacity for managing conflict constructively.** We created *Insights Into Conflict*, a class for people who have difficulty making appropriate choices when they are in conflict and where the conflict leads to offending actions. Evaluations from people who have taken the class indicate a shift in the thinking of participants towards some understanding of non-violent ways of managing conflict. Follow up contact has also revealed instances where the new thinking influenced behavior and fighting was averted.

We created and delivered a workshop called *Thinking Your Way Through Conflict*. Evaluation responses were overwhelmingly positive. A sample of comments:

- "I deal with many conflicts every day in my job and always felt I escalated the situation. This has helped."
- "I liked this training because it gave me some tools and a better understanding of things that escalate conflict."
- "I learned the importance of listening without interrupting, hearing someone's whole story before asking for clarification or giving advice."
- "I learned that I contribute to conflict more than I was aware of. I need to sit back and listen.... Conflict really does provide opportunity."

In partnership with the Central Vermont Council on Aging and the Kellogg Hubbard Library, we created and delivered a 3-part workshop series on *Difficult Conversations About Aging*. We helped more than 30 families increase their ability to manage conflict and have less difficult conversations about aging with elderly family members. Because healthy conflict resolution skills tend to multiply as people use them, the MCJC believes that the number of people helped by these workshops will grow beyond the number of workshop participants themselves. As participants' skills increase, others in their families will learn and benefit from their knowledge as they work through difficult family issues.

**Those who go through a restorative justice process gain in understanding of the impact of their offending behavior and their responsibility for it.** When asked to reflect on the restorative process by completing this sentence, "*This is what I did to help myself learn to make better choices and not re-offend,*" people who had offended said:

- "Take my meds, ask for help, forgive myself and remember those affected" (Counterfeiting)
- "I took the time to understand how this affected my community... and made financial limits for myself so this wouldn't happen again." (Bad checks)

- "I've been a lot more careful about who I hang out with because my friends probably have the most influence on my life. Hopefully making better friends will reduce the chances of me doing something stupid like that again." (possession of marijuana)
- "Abstain from alcohol" (DUI #1) / "Limit my time with friends who drink alcohol in excess. Don't drink every day after work. Don't ever get behind the wheel after consuming alcohol." (DUI #1)
- "By writing the letter of understanding it gave me a chance to really think deeply about what leads me to make bad decisions and why they hurt so many people and how to keep myself out of the situations that can end up like this." (Vandalism)
- "Going through this experience has opened my eyes even more to the dangers of alcohol and trusting people I don't know. I have learned as well that being immature is not an attractive quality and I want to progress in my life—not act like a child. I have also learned that it is selfish to mess up and have to have others pick up the pieces or damage." (minor in possession of alcohol; unlawful trespass)
- "I stopped drinking and stay away from friends that do. The DUI class [DUI Victim Impact panel] really woke me up." (DUI #2)

The Montpelier Community Justice Center exists to serve the needs of people in the community and is continuously seeking feedback and suggestions about what those needs are. Forty-four community members actively gave of their time in 2008 to serve on the Citizen Advisory Board that guides the direction and policies of the MCJC, deliver restorative justice through their roles on Reparative Boards and Circles of Support and Accountability, facilitate restorative conferences, provide outreach to victims, and help with office work. This community participation is a critical element of restorative justice and there is room for more. People who want to give of their time to promote and provide restorative responses to conflict and crime are encouraged to contact us at 802-223-9606 / mcjc@montpelier-vt.org.

YVONNE BYRD, *Executive Director*  
JUDY GIBSON, *Programs Coordinator*

## Committees Appointed by City Council

### Conservation Commission

Kris Hammer, *Chair* Emma-Lynn Melvin  
William Finnegan Karen Freeman  
Roy Schiff Devon Brownlee, *Student Rep*  
Anthony Iarrapino Geoff Beyer, *Parks Liason*

### Tree Board

John Snell, *Chair* Carole Naquin  
Wendy Blakeman Abby Colihan  
Clare Bootle Rock John Van Deren  
Jean Jolley Geoff Beyer, *Tree Warden*

### Design Review Committee

Eric Gilbertson James Duggan  
Nancy Mears Guy Tapper, *Alternate*  
Stephen Everett

### Central Vermont Regional Planning Commission

David Borgendale, *Representative of the City of Montpelier*

### Montpelier Loan Fund Committee

Kim Phalen Beth Boutin  
Stephen Klein Jeremy Hoff  
Claude Stone

**Note:** Please advise this office if you know of any alternative needs necessary for reading this report. Phone 223-9505.

THE



*"There are many places you can leave money,  
but there's no place like home."*

- **What is it...** The Montpelier Foundation is a tax deductible charitable fund created to accept contributions of money, securities, or property from individuals, organizations, and corporations in order to support future long-term projects in our community. *It's like an endowment fund for the city!*
- **Why we need it...** Montpelier has a limited tax base that is becoming increasingly overburdened. Bonding and taxing have become our principle means of funding needed "bricks and mortar" projects. Many other desirable projects just never happen at all. The time has come for more creative sources of revenue.
- **Remember Hubbard, Kellogg, Heaton, Smilie, et al...** Every resident has to appreciate the contributions made to the city by these people and others like them. Times have changed and so must we. Using the Foundation, individuals and corporations will pool their resources and accomplish more than we once thought possible.
- **Just imagine...** A new recreation center, a band shell, a skating rink, educational facilities, a civic center, neighborhood parks, a new riverfront, a science center... Most of these things will not happen without corporate and private philanthropy. Others will happen out of necessity, and will continue to tax-burden our children for years to come.
- **How the "fund" works...** The Montpelier Foundation, or the "fund", primarily functions by providing donors with perpetual stewardship of their charitable contributions and by making timely grants to appropriate long-term city projects. The fund is a separate city account governed by an appointed five-member board of trustees, each of whom must be a current resident of the City of Montpelier.
- **Ways to invest in our future...**
  - **Money and securities.** The Foundation accepts cash and marketable securities of any amount. Donors may make one-time contributions, or annual pledges.
  - **Life Insurance.** Policies may be established naming the Foundation as the beneficiary.
  - **Memorials.** Contributions may be made in the name of a friend, relative, colleague, or employee.
  - **Charitable remainder trust.** An irrevocable gift of an asset may be made while retaining a lifetime of income derived from it.
  - **Property.** The Foundation can accept gifts of marketable property, the proceeds from which could then be invested.
  - **Bequest.** The Foundation could be included in wills as a part of an individual's estate plans.
- **For more information...** Contact any Trustee:  
William Cody, Paul Giuliani, Charles Karpapis, Beverlee Hill, or Charles Haynes.  
Or write:  
**The Montpelier Foundation, 39 Main Street, Montpelier, Vermont 05602.**

"A Capital Investment Plan for the Capital City"

## Tax Exempt Parcels

| Property Owner                                                                                         | Exempt Value | Payment in Lieu of Taxes | Property Owner                                                                                    | Exempt Value | Payment in Lieu of Taxes |
|--------------------------------------------------------------------------------------------------------|--------------|--------------------------|---------------------------------------------------------------------------------------------------|--------------|--------------------------|
| American Legion<br>21 Main Street                                                                      | 200,200      | --                       | Shepherd of the Hills<br>Lutheran Church<br>115 Northfield St.                                    | 175,000      | --                       |
| Beth Jacob Synagogue<br>Harrison Avenue                                                                | 80,000       | --                       | Social Security Building<br>School Street                                                         | 144,100      | --                       |
| Bethany Church<br>Main Street                                                                          | 2,546,795    | --                       | Trinity Methodist Church<br>of Montpelier, VT Inc.<br>Main Street                                 | 1,189,800    | --                       |
| Cemeteries<br>Elm Street, Green Mount &<br>Catholic                                                    | 230,400      | --                       | Union Institute<br>8 properties<br>College St., West St., Ridge St.,<br>Kemp Ave., East State St. | 9,275,400    | --                       |
| Central VT Memorial Civic Center<br>268 Gallison Hill Road                                             | 358,900      | --                       | Unitarian Church<br>Main Street                                                                   | 905,000      | --                       |
| Central VT Solid Waste<br>Management District<br>137 Barre Street                                      | 110,700      | --                       | US Post Office<br>State Street                                                                    | 826,300      | --                       |
| Christ Church – Episcopal<br>State Street<br>41 Summer St, Parsonage                                   | 1,188,400    | --                       | Vermont, State of<br>44 properties<br>State St., Court St., Baldwin St.,<br>Green Mt. Drive       | 99,111,600   | 184,000.00<br>541,370.00 |
| First Baptist Church<br>5 St. Paul Street<br>Church, School Street                                     | 610,000      | --                       | VT Center for Independent Living<br>11 East State Street                                          | 482,400      | --                       |
| First Church of Christ<br>145 State Street                                                             | 171,000      | --                       | VT Institute of Natural Science<br>713 Elm Street                                                 | 164,400      | --                       |
| Fisher, OM Home<br>149 Main Street                                                                     | 1,350,000    | --                       | VT Program for Quality in<br>Health Care Inc.                                                     | 170,000      | 1,285.00                 |
| Kellogg Hubbard Library<br>135 Main Street                                                             | 1,323,000    | --                       | Washington, County of<br>3 properties<br>State Street, Elm Street                                 | 1,392,900    | --                       |
| Montpelier, City of<br>Other than schools<br>22 properties                                             | 2,438,200    | --                       | Washington County<br>Mental Health<br>90 & 157 Barre Sts                                          | 194,200      | --                       |
| Montpelier, City of<br>12 properties                                                                   | 2,367,400    | --                       | Washington County Railroad<br>(State) 6 properties<br>Barre St., Taylor St.                       | 180,000      | --                       |
| Montpelier Elderly Housing Project<br>155 Main Street                                                  | 1,702,000    | 10,064.01                |                                                                                                   |              |                          |
| 120 Northfield Street                                                                                  | 440,000      | 1,000.00                 |                                                                                                   |              |                          |
| Capitol City Housing Foundation<br>Heaton Woods                                                        | 646,800      | --                       |                                                                                                   |              |                          |
| Overseas Veterans (VFW)<br>Pioneer Street                                                              | 437,100      | --                       |                                                                                                   |              |                          |
| Resurrection Baptist Church<br>144 Elm St, 2 properties                                                | 299,000      | --                       |                                                                                                   |              |                          |
| Roman Catholic Diocese of VT<br>Rectory, 16 Barre Street<br>Church, 20 Barre Street<br>46 Barre Street | 4,701,293    | --                       |                                                                                                   |              |                          |

**Note: Assessments are not current market values.**

# Calendar Year 2008 Compensation

| Employee                | Department/Office          | 2008 Wage | Employee              | Department/Office          | 2008 Wage |
|-------------------------|----------------------------|-----------|-----------------------|----------------------------|-----------|
| ALDRIGHETTI, JANE P.    | Assessor's Office          | 46,858.74 | FISCHER, ROBERT K.    | Department of Public Works | 54,582.73 |
| ALDSWORTH, LISA M.      | Police Department          | 4,616.28  | FISK, JOHN            | Department of Public Works | 38,153.41 |
| ALEXANDER, NANCY A.     | Election Clerk             | 432.00    | FRASER, WILLIAM J.    | City Manager's Office      | 93,762.00 |
| ALEXANDER, PRISCILLA L. | Election Clerk             | 432.00    | GALLUP, SANDRA J.     | Finance & Technology       | 59,321.61 |
| AMARAL, MICHELLE F.     | Police Department          | 37,817.63 | GARAND, MICHAEL C.    | Department of Public Works | 64,055.02 |
| APGAR, ANDREW P.        | Police Department          | 42,783.49 | GIBSON, JUDITH A.     | Restorative Justice Center | 35,735.89 |
| AUGUSTONI, ANNETTE C.   | Election Clerk             | 72.00     | GIDNEY, JANE C.       | Election Clerk             | 432.00    |
| BAGG, SCOTT             | Police Department          | 21,382.65 | GOLONKA, THOMAS       | City Council               | 999.96    |
| BAGLEY, AUSTIN L.       | Call Force                 | 2,469.11  | GOSLANT, CHERYL C.    | Police Department          | 76,863.33 |
| BAKER, STEVEN P.        | Department of Public Works | 40,234.12 | GOWANS, ROBERT A., JR | Fire Department            | 61,323.21 |
| BALSEIRO, BARBARA       | Election Clerk             | 360.00    | GUY, EDWARD N.        | Department of Public Works | 42,743.90 |
| BEAN, CHAD              | Police Department          | 46,700.32 | HALLSMITH, GWENDOLYN  | Planning & Development     | 57,175.21 |
| BEYER, GEOFFREY         | Parks                      | 47,858.83 | HATHAWAY, JESSE W.    | Department of Public Works | 34,268.73 |
| BILODEAU, MICHAEL J.    | Department of Public Works | 40,307.60 | HAYDEN, DOROTHY       | Election Clerk             | 288.00    |
| BLAKE, HAROLD H., JR    | Department of Public Works | 48,628.40 | HAYDEN, GREGORY       | Fire Department            | 143.26    |
| BLATCHFORD, SHARON A.   | Finance & Technology       | 49,591.14 | HEALY, PATRICK R.     | Green Mount Cemetery       | 52,778.19 |
| BLOUIN, TYSON J.        | Department of Public Works | 42,977.11 | HIGGINS, THERESE M.   | Election Clerk             | 216.00    |
| BOLDUC, MARGUERITE A.   | Clerk & Treasurer's Office | 38,484.80 | HOOD, GEORGE E.       | Department of Public Works | 41,406.63 |
| BOUSQUET, JEFFREY S.    | Department of Public Works | 22,954.68 | HOOPER, MARY S.       | City Council               | 2,700.00  |
| BRESETTE, LORETTA       | Clerk & Treasurer's Office | 40,356.00 | HOOPER, TIMOTHY A.    | City Council               | 833.30    |
| BRESETTE, NICHOLAS P.   | Fire Department            | 59,707.58 | HOYT, CHARLOTTE L.    | Clerk & Treasurer's Office | 60,180.25 |
| BROOKS, FRANCIS         | Call Force                 | 42.65     | HULL, DOUGLAS R.      | Department of Public Works | 55,075.18 |
| BROWN, AUDRA K.         | Planning & Development     | 38,430.40 | HUNTSMAN, WILLIAM T.  | Call Force                 | 153.55    |
| BROWNELL, LUANN         | Police Department          | 34,783.12 | HUOPPI, DANA L.       | Fire Department            | 74,350.89 |
| BRUNELL, DAVID          | Parks                      | 20,894.87 | JACKSON, WANDA        | Police Department          | 7,782.10  |
| BYRD, S. YVONNE         | Restorative Justice Center | 55,277.86 | JARVIS, SARAH R.      | City Council               | 999.96    |
| CARLSON, LEROY M.       | Police Department          | 3,740.12  | JASMAN, DOUGLAS C.    | Fire Department            | 50,480.00 |
| CHARRON, PAUL R.        | Fire Department            | 54,271.18 | JENNINGS, WILLIAM M.  | Police Department          | 21,763.26 |
| CHASE, CRYSTAL A.       | Clerk & Treasurer's Office | 35,696.24 | KACHAJIAN, DAVID W.   | Police Department          | 47,472.87 |
| CHRISTMAN, KENNETH J.   | Police Department          | 29,100.09 | KNISLEY, MATTHEW      | Police Department          | 55,460.71 |
| CLACK, JOAN             | Clerk & Treasurer's Office | 29,343.20 | LADD, ERIC R.         | Department of Public Works | 60,030.89 |
| CLARK, MARY ALICE       | Police Department          | 15,071.60 | LARRABEE, JACOB       | Fire Department            | 52,135.20 |
| CLEVELAND, RICHARD D.   | Police Department          | 82,868.56 | LAUTEN, TATUM W.      | Department of Public Works | 6,666.00  |
| CLIFFORD, WILLIAM       | Fire Department            | 51,592.17 | LAW, TODD C.          | Department of Public Works | 67,920.66 |
| COCHRAN, WADE R.        | Police Department          | 71,111.35 | LEE, JAMES G.         | Department of Public Works | 38,169.77 |
| CODLING, DOLORES B.     | Department of Public Works | 35,406.27 | LEE, JAYME S.         | Call Force                 | 328.65    |
| COFRIN, TABOR W.        | Department of Public Works | 46,500.07 | LEE, RICHARD          | Green Mount Cemetery       | 38,250.34 |
| COLLETTE, DONNA         | Finance & Technology       | 27,439.76 | LUCENTI, SALVATORE J. | Election Clerk             | 216.00    |
| CONNEMAN, THOMAS M.     | Police Department          | 63,508.23 | MACKAY, VIRGINIA G.   | Department of Public Works | 40,499.37 |
| COWENS, NATHAN J.       | Department of Public Works | 49,095.83 | MACURA, JOSHUA J.     | Police Department          | 51,620.05 |
| DANIELS, NICHOLAS M.    | Finance & Technology       | 24,064.94 | MARINEAU, ANDREW      | Fire Department            | 33,167.38 |
| DAY, SUZANNE G.         | Election Clerk             | 360.00    | MAROLD, GLEN M.       | Fire Department            | 41,192.92 |
| DESMET, CLANCY I.       | Planning & Development     | 47,909.62 | MARTEL, NEIL E.       | Police Department          | 73,332.32 |
| DILLON, JOANNA          | Planning & Development     | 6,715.98  | MAZZILLI, ANTHONY J.  | Police Department          | 48,145.79 |
| DION, RONALD C., JR     | Police Department          | 37,087.29 | MCARDLE, THOMAS J.    | Department of Public Works | 60,243.16 |
| DURGIN, STEVEN          | Department of Public Works | 43,913.50 | MCGRATH, STEPHEN A.   | Department of Public Works | 25,445.81 |
| DUTIL, RICK             | Department of Public Works | 15,027.15 | MERCADANTE, MICHAEL   | Department of Public Works | 36,029.90 |
| EGGLESTON, LEON         | Fire Department            | 57,687.01 | MERCIER, RONALD W.    | Department of Public Works | 56,437.90 |
| ELLIS, FRANK P.         | Department of Public Works | 64,253.62 | MICHAUD, BENJAMIN R.  | Call Force                 | 311.80    |
| FACOS, ANTHONY JOHN     | Police Department          | 70,925.57 | MICHAUD, TROY G.      | Call Force                 | 429.77    |
| FARNHAM, BRIAN D.       | Fire Department            | 46,863.45 | MOODY, MARK L.        | Police Department          | 53,683.98 |
| FARNHAM, MICHAEL        | Department of Public Works | 43,203.96 | MOORE, GLENN A.       | Fire Department            | 49,807.79 |

| Employee                | Department/Office          | 2008 Wage | Employee                  | Department/Office          | 2008 Wage |
|-------------------------|----------------------------|-----------|---------------------------|----------------------------|-----------|
| MOORE, THOMAS           | Call Force                 | 1,262.44  | RICHARDSON, GEORGE W., JR | Department of Public Works | 43,997.59 |
| MOTYKA, KURT            | Department of Public Works | 54,349.12 | RIVET, CHRISTOPHER J.     | Department of Public Works | 3,861.00  |
| MOULTON, KEVIN T.       | Police Department          | 60,251.99 | ROUSSEAU, FRANCES M.      | Fire Department            | 30,192.31 |
| NICHOLSON, HAROLD       | Call Force                 | 85.30     | RUGGLES, DANIEL J.        | Fire Department            | 52,742.10 |
| NOLAN, STEPHEN P.       | Police Department          | 62,560.16 | RUGGLES, DONALD E.        | Call Force                 | 752.50    |
| NORDENSON, ERIC W.      | Police Department          | 79,751.83 | SCHARNBERG, ERIC          | Planning & Development     | 21,719.40 |
| OLSON, SHARON K.        | Police Department          | 49,365.67 | SCHNEIDER, GESUALDO C.    | Fire Department            | 64,592.79 |
| PAPINEAU, MICHAEL V.    | Department of Public Works | 51,001.54 | SHAW, RICHARD             | Police Department          | 8,787.25  |
| PARRY, ALLAN L.         | Call Force                 | 176.98    | SHERIDAN, JAMES F.        | City Council               | 999.96    |
| PELLETIER, CHARLES E.   | Police Department          | 7,939.43  | SHERMAN, NANCY G.         | City Council               | 999.96    |
| PEMBROKE HILL, BEVERLEE | City Manager's Office      | 64,608.25 | SKEELS, FREDERICK H.      | Finance & Technology       | 48,748.40 |
| PEMBROKE, SHEILA        | Fire Department            | 40,276.00 | SMITH, GERALD             | Department of Public Works | 45,514.84 |
| PEPIN, BRENDA L.        | Election Clerk             | 144.00    | SMITH, LESLIE E.          | Department of Public Works | 40,339.48 |
| PERRY, DANIEL           | Department of Public Works | 38,132.03 | SNETSINGER, ROBERT W.     | Department of Public Works | 4,062.50  |
| PERSONS, ALBERT C.      | Department of Public Works | 36,264.84 | STAUFF, GERALD            | Department of Public Works | 6,610.82  |
| PITONYAK, SANDRA JUNE   | City Manager's Office      | 44,368.80 | STONE, ZACHARY G.         | Call Force                 | 202.24    |
| POND, TIMOTHY W.        | Department of Public Works | 32,618.50 | TAYLOR, SAMUEL W.         | Fire Department            | 17,711.85 |
| PONTBRIAND, JAMES D.    | Police Department          | 49,283.46 | THEREAULT, GALEN          | Fire Department            | 35,253.89 |
| POTTER, MICHAEL T.      | Department of Public Works | 44,391.28 | THOMPSON, NINA J.         | Planning & Development     | 48,634.53 |
| POULIN, MARC P.         | Police Department          | 685.61    | THURSTON, RICHARD W.      | Call Force                 | 1,124.10  |
| POWERS, SCOTT V.        | Department of Public Works | 42,979.59 | TILLINGHAST, MARK A.      | Fire Department            | 50,997.64 |
| QUINN, JAMES            | Fire Department            | 42,913.46 | UTTON, ANNETTE            | Police Department          | 42,814.17 |
| REDMOND, JUSTIN P.      | Call Force                 | 231.74    | UTTON, MICHAEL D.         | Department of Public Works | 52,647.27 |
| REDMOND, PAULINE B.     | Election Clerk             | 432.00    | WEISS, ALAN H.            | City Council               | 833.30    |
| REED, CHRISTOPHER J.    | Fire Department            | 50,868.29 | WILSON, GEOFFREY P.       | Department of Public Works | 53,589.69 |



Photo credit: Lost Nation Theater

## CITY OF MONTPELIER, VERMONT MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2008

Sullivan, Powers & Co, conducted an audit of the financial statements for the fiscal year ended June 30, 2008. They performed their audit in accordance with the auditing standards generally accepted in the United States of America. The following Management's Discussion and Analysis is an important section of the audit report.

The Management's Discussion and Analysis for the Year Ended June 30, 2008 is intended to be a readable, objective analysis of the City's financial activity during the year. It contains sections that include Financial Highlights, Net Assets, Capital Assets and Debt Administration, as well as Economic Factors. Copies of the full Audit Report, with all Exhibits and Notes to the Financial Statements are available at the Finance Department at City Hall, located at 39 Main Street in Montpelier. The Audit Report is also available on the City's web site at <http://www.montpelier-vt.org/finance>. If you have questions or comments regarding this financial report, please call Sandra Gallup, City Finance Director at 223-9514.

*Our discussion and analysis of the City of Montpelier, Vermont's financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2008. Please read it in conjunction with the City's financial statements which begin on Exhibit A.*

### FINANCIAL HIGHLIGHTS

#### Government-Wide

- The City's net assets increased by \$1,077,771 as a result of this year's operations. Net assets of the business-type activities increased by \$25,171, or .1 percent, net assets of the governmental activities increased by \$1,052,600, or 8 percent.
- The cost of all of the City's programs was \$15,032,742 in fiscal year 2008 compared to \$14,171,733 in fiscal year 2007, which is approximately a 6% increase.

#### Fund Statements

- During fiscal year 2008, the General Fund reported a net increase in the fund balance of \$43,523.
- The unreserved fund balance for the General Fund was \$853,458 and the reserved fund balances of the General Fund total \$492,585 as of June 30, 2008. The reserved balances are reserved for special projects or are not available for current expenditures. \$184,236 of the \$853,458 unreserved fund balance is designated for future capital purchases and special programs which leaves \$669,222 unrestricted and undesignated.
- The Community Development Fund ended the year with a reserved fund balance of \$347,885, which was \$123,932 lower than the prior year fund balance of \$471,817. This fund balance is reserved by various sources for Community Development.
- The Capital Projects Fund ended the year with a fund balance of \$767,059, which was \$67,055 lower than the prior year fund balance of \$834,114. The reserved fund balance of \$607,487 is reserved by various sources for Capital Projects.
- Other nonmajor governmental funds ended the year with a fund balance of \$1,030,217, which was \$32,862 higher than the prior year fund balance of \$997,355. \$825,698 of this fund balance is reserved by various sources for various purposes.
- The Water Fund ended the year with net assets of \$9,407,718, which was \$39,253 lower than the prior year balance of \$9,446,971. Of the total net asset balance, \$9,689,211 is invested in property and equipment. This leaves an unrestricted deficit of \$281,493 to be recovered in future periods.
- The Sewer Fund ended the year with net assets of \$10,326,843, which was \$45,431 higher than the prior year balance of \$10,281,412. Of the total net asset balance, \$10,456,255 is invested in property and equipment. This leaves an unrestricted deficit of \$129,412 to be recovered in future periods.
- The Parking Fund ended the year with net assets of \$346,964, which was \$18,993 higher than the prior year balance of \$327,971. Of the total net asset balance, \$334,504 is invested in property and equipment and \$41,220 is restricted for various projects. This leaves a deficit of \$28,760 to be recovered in future periods.

## CITY OF MONTPELIER, VERMONT MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2008

### USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (Exhibits A and B) provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements start on Exhibit C. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside the government.

#### *Reporting the City as a Whole*

Our analysis of the City as a whole begins on Exhibit A. One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's net assets and changes in them. You can think of the City's net assets – the difference between assets and liabilities – as one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net assets are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the City's property tax base and the condition of the City's roads, to assess the overall health of the City.

In the Statement of Net Assets and the Statement of Activities, we divide the City into two kinds of activities:

- **Governmental activities** – Most of the City's basic services are reported here, including the police, fire, public works, and parks departments, and general administration. Property taxes, franchise fees, and state and federal grants finance most of these activities.

- **Business-type activities** – The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's water, sewer and parking are reported here.

#### *Reporting the City's Most Significant Funds*

Our analysis of the City's major funds begins on Exhibit C. The fund financial statements provide detailed information about the most significant funds – not the City as a whole. Some funds are required to be established by State law and by bond covenants. However, the City Council establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like grants received from the U.S. Department of Housing and Urban Development). The City's two kinds of funds – governmental and proprietary – use different accounting approaches.

- **Governmental funds** – Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds on the exhibits that follow each financial statement.
- **Proprietary funds** – When the City charges customers for the services it provides – whether to outside customers or to other units of the City – these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities. In fact, the City's enterprise funds (a component of proprietary funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

**CITY OF MONTPELIER, VERMONT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2008**

**THE CITY AS A WHOLE**

The City's combined net assets increased by \$1,077,771 from a year ago – increasing from \$33,193,036 to 34,270,807. Our analysis below focuses on the net assets (Table 1) and changes in net assets (Table 2) of the City's governmental and business-type activities.

Table 1  
Net Assets

|                                            | Governmental<br>Activities<br>2008 | Business-type<br>Activities<br>2008 | Total<br>Primary<br>Government<br>2008 | Governmental<br>Activities<br>2007 | Business-type<br>Activities<br>2007 | Total<br>Primary<br>Government<br>2007 |
|--------------------------------------------|------------------------------------|-------------------------------------|----------------------------------------|------------------------------------|-------------------------------------|----------------------------------------|
| Current and other assets                   | \$ 6,940,760                       | \$ 871,992                          | \$ 7,812,752                           | \$ 7,474,720                       | \$ 123,337                          | \$ 7,598,057                           |
| Capital assets                             | 12,848,536                         | 37,638,243                          | 50,486,779                             | 12,460,699                         | 36,644,794                          | 49,105,493                             |
| Total assets                               | <u>19,789,296</u>                  | <u>38,510,235</u>                   | <u>58,299,531</u>                      | <u>19,935,419</u>                  | <u>36,768,131</u>                   | <u>56,703,550</u>                      |
| Long term liabilities                      | 5,252,257                          | 18,120,592                          | 23,372,849                             | 5,451,498                          | 16,591,567                          | 22,043,065                             |
| Other liabilities                          | 347,757                            | 308,118                             | 655,875                                | 1,347,239                          | 120,210                             | 1,467,449                              |
| Total liabilities                          | <u>5,600,014</u>                   | <u>18,428,710</u>                   | <u>24,028,724</u>                      | <u>6,798,737</u>                   | <u>16,711,777</u>                   | <u>23,510,514</u>                      |
| Net assets:                                |                                    |                                     |                                        |                                    |                                     |                                        |
| Invested in capital assets,<br>net of debt | 8,823,373                          | 20,479,970                          | 29,303,343                             | 8,163,918                          | 20,398,305                          | 28,562,223                             |
| Restricted                                 | 4,253,680                          | 41,220                              | 4,294,900                              | 3,966,090                          | 41,220                              | 4,007,310                              |
| Unrestricted                               | <u>1,112,229</u>                   | <u>(439,665)</u>                    | <u>672,564</u>                         | <u>1,006,674</u>                   | <u>(383,171)</u>                    | <u>623,503</u>                         |
| Total net assets                           | <u>\$ 14,189,282</u>               | <u>\$ 20,081,525</u>                | <u>\$ 34,270,807</u>                   | <u>\$ 13,136,682</u>               | <u>\$ 20,056,354</u>                | <u>\$ 33,193,036</u>                   |

As noted earlier, net assets may serve over time to be a useful indicator of a government's financial position.

Net assets of the City's governmental activities increased by 8% (\$14,189,282 compared to \$13,136,682). The net assets of our business-type activities did not change significantly (\$20,081,525 compared to \$20,056,354) in fiscal year 2008.

**CITY OF MONTPELIER, VERMONT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2008**

Table 2  
Change in Net Assets

|                                             | Governmental<br>Activities<br>2008 | Business-type<br>Activities<br>2008 | Total<br>Primary<br>Government<br>2008 | Governmental<br>Activities<br>2007 | Business-type<br>Activities<br>2007 | Total<br>Primary<br>Government<br>2007 |
|---------------------------------------------|------------------------------------|-------------------------------------|----------------------------------------|------------------------------------|-------------------------------------|----------------------------------------|
| <b>REVENUES</b>                             |                                    |                                     |                                        |                                    |                                     |                                        |
| Program revenues:                           |                                    |                                     |                                        |                                    |                                     |                                        |
| Charges for services                        | \$ 1,763,029                       | \$ 5,797,540                        | \$ 7,560,569                           | \$ 1,688,046                       | \$ 5,860,562                        | \$ 7,548,608                           |
| Operating grants and Contributions          | 1,047,971                          | 0                                   | 1,047,971                              | 771,969                            | 0                                   | 771,969                                |
| Capital Grants and Contributions            | 224,596                            | 12,349                              | 236,945                                | 1,425,176                          | 22,183                              | 1,447,359                              |
| General Revenues:                           |                                    |                                     |                                        |                                    |                                     |                                        |
| Property Taxes, Penalties and Interest      | 6,595,127                          | 0                                   | 6,595,127                              | 6,471,318                          | 0                                   | 6,471,318                              |
| Payment in Lieu of Taxes                    | 184,000                            | 0                                   | 184,000                                | 184,000                            | 0                                   | 184,000                                |
| Unrestricted Investment Earnings            | 316,236                            | 15,440                              | 331,676                                | 144,530                            | 10,315                              | 154,845                                |
| Gain on Sale of Capital Assets              | 17,258                             | 0                                   | 17,258                                 | 0                                  | 0                                   | 0                                      |
| Other Revenues                              | 108,100                            | 9,997                               | 118,097                                | 77,648                             | 14,775                              | 92,423                                 |
| Contributions to Permanent Endowments       | 18,870                             | 0                                   | 18,870                                 | 0                                  | 0                                   | 0                                      |
| <b>Total Revenues</b>                       | <b>10,275,187</b>                  | <b>5,835,326</b>                    | <b>16,110,513</b>                      | <b>10,762,687</b>                  | <b>5,907,835</b>                    | <b>16,670,522</b>                      |
| <b>PROGRAM EXPENSES</b>                     |                                    |                                     |                                        |                                    |                                     |                                        |
| General government                          | 2,074,469                          | 0                                   | 2,074,469                              | 1,938,114                          | 0                                   | 1,938,114                              |
| Public Safety                               | 3,613,370                          | 0                                   | 3,613,370                              | 3,571,410                          | 0                                   | 3,571,410                              |
| Highways and Streets                        | 2,356,563                          | 0                                   | 2,356,563                              | 1,973,269                          | 0                                   | 1,973,269                              |
| Culture and Recreation                      | 549,852                            | 0                                   | 549,852                                | 555,980                            | 0                                   | 555,980                                |
| Community Development                       | 37,902                             | 0                                   | 37,902                                 | 21,979                             | 0                                   | 21,979                                 |
| Cemetery                                    | 182,944                            | 0                                   | 182,944                                | 190,774                            | 0                                   | 190,774                                |
| Interest on Long-Term Debt                  | 431,087                            | 0                                   | 431,087                                | 310,527                            | 0                                   | 310,527                                |
| Water                                       | 0                                  | 2,209,827                           | 2,209,827                              | 0                                  | 2,136,784                           | 2,136,784                              |
| Sewer                                       | 0                                  | 3,000,649                           | 3,000,649                              | 0                                  | 2,960,436                           | 2,960,436                              |
| Parking                                     | 0                                  | 576,079                             | 576,079                                | 0                                  | 512,460                             | 512,460                                |
| <b>Total Program Expenses</b>               | <b>9,246,187</b>                   | <b>5,786,555</b>                    | <b>15,032,742</b>                      | <b>8,562,053</b>                   | <b>5,609,680</b>                    | <b>14,171,733</b>                      |
| Excess Before Special Item<br>and Transfers | 1,029,000                          | 48,771                              | 1,077,771                              | 2,200,634                          | 298,155                             | 2,498,789                              |
| Transfers                                   | 23,600                             | (23,600)                            | 0                                      | 9,700                              | (9,700)                             | 0                                      |
| <b>Increase in Net Assets</b>               | <b>\$ 1,052,600</b>                | <b>\$ 25,171</b>                    | <b>\$ 1,077,771</b>                    | <b>\$ 2,210,334</b>                | <b>\$ 288,455</b>                   | <b>\$ 2,498,789</b>                    |

**CITY OF MONTPELIER, VERMONT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2008**

Our analysis below separately considers the operations of governmental and business-type activities.

**Governmental Activities**

The City's tax rate increased to \$1.1459 from \$1.11 per \$100 of assessed value from fiscal year 2007 to fiscal year 2008.

Table 3 presents the cost of each of the City's seven largest programs – general, public safety, highway and streets, culture and recreation, water, sewer and parking – as well as each program's net cost (total cost less revenue generated by the activities). The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions.

Table 3

|                        | Governmental Activities |                       | Business Activities |                  | Governmental Activities |                       | Business Activities |                   |
|------------------------|-------------------------|-----------------------|---------------------|------------------|-------------------------|-----------------------|---------------------|-------------------|
|                        | Total Cost              | Net Revenues          | Total Cost          | Net Revenues     | Total Cost              | Net Revenues          | Total Cost          | Net Revenues      |
|                        | of Services             | (Cost)                | of Services         | (Cost)           | of Services             | (Cost)                | of Services         | (Cost)            |
|                        | 2008                    | 2008                  | 2008                | 2008             | 2007                    | 2007                  | 2007                | 2007              |
| General Government     | \$ 2,074,469            | \$ (826,355)          | \$ 0                | \$ 0             | \$ 1,938,114            | \$ (858,788)          | \$ 0                | \$ 0              |
| Public Safety          | 3,613,370               | (2,937,029)           | 0                   | 0                | 3,571,410               | (2,843,502)           | 0                   | 0                 |
| Highways and Streets   | 2,356,563               | (1,878,338)           | 0                   | 0                | 1,973,269               | (306,337)             | 0                   | 0                 |
| Culture and Recreation | 549,852                 | (431,590)             | 0                   | 0                | 555,980                 | (288,048)             | 0                   | 0                 |
| Water                  | 0                       | 0                     | 2,209,827           | (64,277)         | 0                       | 0                     | 2,136,784           | 57,017            |
| Sewer                  | 0                       | 0                     | 3,000,649           | 44,718           | 0                       | 0                     | 2,960,436           | 102,762           |
| Parking                | 0                       | 0                     | 576,079             | 42,893           | 0                       | 0                     | 512,460             | 113,286           |
| All others             | 651,933                 | (137,279)             | 0                   | 0                | 523,280                 | (380,187)             | 0                   | 0                 |
| Totals                 | <u>\$ 9,246,187</u>     | <u>\$ (6,210,591)</u> | <u>\$ 5,786,555</u> | <u>\$ 23,334</u> | <u>\$ 8,562,053</u>     | <u>\$ (4,676,862)</u> | <u>\$ 5,609,680</u> | <u>\$ 273,065</u> |

**The City's Funds**

As the City completed the year, its governmental funds (as presented in the Balance Sheet on Exhibit C) reported a combined fund balance of \$3,491,204, which is below last year's total of \$3,605,806. Included in this year's total change in fund balance is an increase of \$43,523 in the City's General Fund; a decrease of \$123,932 in the Community Development Fund; and a decrease of \$34,193 in Other Governmental Funds.

**CITY OF MONTPELIER, VERMONT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2008**

**General Fund Budgetary Highlights**

Revenues exceeded the budget by \$758,505. A significant part of the unbudgeted revenue is \$281,472 lease proceeds from an facilities energy improvements project and \$258,721 in unanticipated interest income. Much of the additional interest income is be offset by unbudgeted tax anticipation interest expenditures. Other notable revenues exceeding budget are state grants \$27,080 and building permit fees \$16,426.

Expenditure exceeded the budget by \$714,982. A significant part of the unbudgeted expenditures are \$225,211 of winter storm related costs which includes overages in salt/sand, rentals of equipment, and fleet fuel costs. Other notable expenditure exceeding budget are \$284,473 in Capital Outlay-energy improvements, \$33,167 vehicle/equipment maintenance, \$31,148 heating fuel and \$37,494 legal services. Expenditures that are lower than budget are Police and Department of Public Works –Streets wages but these savings are offset by overages in overtime wages.

**Capital Asset And Debt Administration**

**Capital Assets**

At June 30, 2008, the City had \$50,486,779 compared to \$49,105,493 at June 30, 2007 invested in a broad range of capital assets, including police and fire equipment, energy improvements to buildings, park facilities, roads, bridges, and water and sewer lines. (See Table 4 below) This amount represents a net increase (including additions and deductions) of \$1,381,286, over last year.

Table 4  
Capital Assets at Year-End  
(Net of Depreciation)

|                                       | Governmental<br>Activities<br>2008 | Business-type<br>Activities<br>2008 | Totals               | Governmental<br>Activities<br>2007 | Business-type<br>Activities<br>2007 | Totals               |
|---------------------------------------|------------------------------------|-------------------------------------|----------------------|------------------------------------|-------------------------------------|----------------------|
| Land                                  | \$ 594,650                         | \$ 250,672                          | \$ 845,322           | \$ 586,334                         | \$ 250,672                          | \$ 837,006           |
| Capital Improvements<br>and Equipment | 11,568,276                         | 34,481,514                          | 46,049,790           | 11,369,296                         | 35,141,187                          | 46,510,483           |
| Construction in Progress              | 685,610                            | 2,906,057                           | 3,591,667            | 505,069                            | 1,252,935                           | 1,758,004            |
| <b>Totals</b>                         | <b>\$ 12,848,536</b>               | <b>\$ 37,638,243</b>                | <b>\$ 50,486,779</b> | <b>\$ 12,460,699</b>               | <b>\$ 36,644,794</b>                | <b>\$ 49,105,493</b> |

**CITY OF MONTPELIER, VERMONT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2008**

**This year's major additions included:**

|                              |                           |
|------------------------------|---------------------------|
| Equipment and vehicles       | \$ 249,456                |
| Facility improvements-Energy | 470,124                   |
| Infrastructure – Water/Sewer | 1,275,877                 |
| Infrastructure - Roads etc.  | 455,587                   |
| River Gauges                 | 30,000                    |
| Parking meters               | 26,970                    |
| Telephone Equipment          | 40,817                    |
| Computer Equipment           | 29,926                    |
| Total                        | <u><u>\$2,578,757</u></u> |

The City's fiscal year 2009 governmental capital budget calls for it to spend \$1,000,000 for general governmental capital projects and debt, which is the same amount as the previous year. Debt service is approximately 60% of the capital budget.

**Long Term - Debt**

At June 30, 2008, the City had \$23,024,145 in bonds, capital leases and notes outstanding versus \$21,695,298 on June 30, 2007 – an increase of \$1,328,847 (7%) – as shown in Table 5.

Table 5  
Outstanding Debt at Year-End

|                                               | <u>Balance</u><br><u>June 30, 2007</u> | <u>Additions</u>           | <u>Payments</u>            | <u>Balance</u><br><u>June 30, 2008</u> |
|-----------------------------------------------|----------------------------------------|----------------------------|----------------------------|----------------------------------------|
| <b>Notes, Capital Leases and Bond Payable</b> |                                        |                            |                            |                                        |
| Governmental Activities                       | \$ 5,185,293                           | \$ 301,767                 | \$ 505,574                 | \$ 4,981,486                           |
| Proprietary Funds                             | <u>16,510,005</u>                      | <u>2,489,957</u>           | <u>957,303</u>             | <u>18,042,659</u>                      |
| Totals                                        | <u><u>\$ 21,695,298</u></u>            | <u><u>\$ 2,791,724</u></u> | <u><u>\$ 1,462,877</u></u> | <u><u>\$ 23,024,145</u></u>            |

New debt resulted from water line improvements in the Water Fund and screw pump replacement in the Sewer Fund.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The City's elected and appointed officials considered economic factors and the importance of maintaining the level of City services when setting the fiscal year 2009 budget, tax rates, and fees that will be charged for the business-type activities.

One of the economic factors is the unemployment in the City, which stands at 2.9% (July 2007) compared with 2.2% (August, 2006) a year ago. This compares with the State's unemployment rate in August 2007 of 4.0% and the national rate of 4.7% for the same month (seasonally adjusted). Another economic factor is the Montpelier resident average household income which increased 4.7% in 2007. When adopting the budget for fiscal year 2009, the City took into account these indicators as well as increased home values. They also factored in the Consumer Price Index percent change over one year of 2.4% for July, 2007. The tax rate is \$1.22 per assessed value for fiscal year 2009 which is an increase of 7.4 cents (6%). Of this 7.4 cent increase, 4 cents is necessary to fund the municipal budget. There is an increase of 4.7 cents in ballot items for outside agencies which were approved by the voters.

Looking ahead, the City is partnering with federal and state agencies to study flood mitigation measures to alleviate the threat of damages due to seasonal flooding of the Winooski River in the downtown area.

Another major focus in the next few years is a complete reappraisal of all real estate in the City. Completion of the reappraisal is expected to be April 2010.

As for the City's business-type activities, utility rates increased 5% on July 1, 2008. It is expected that utility rates will be adjusted annually due to increases in maintenance, chemical, fuel and electricity costs.

Current quarterly water rates are as follows: \$7.29 per 1,000 for the first 50,000 gallons, \$7.74 per 1,000 for the next 200,000 gallons, \$12.55 per 1,000 for over \$250,000 gallons and a fixed charge for all accounts for meter reading, billing and other administrative service costs of \$20.50.

Current quarterly sewer rates are as follows: \$8.22 per 1,000 gallons of water used and a fixed charge for all for meter reading, billing and other administrative service costs of \$26.00.

**Contacting the City's Financial Management**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City Finance Office at the City of Montpelier, 39 Main Street, Suite 600, Montpelier, VT 05602.

**Other Financial Information**

*Statement of Taxes (School and City), Sewer Benefit, Sewer Separation, (CSO) Charges Raised for Fiscal Year July 1, 2007 - June 30, 2008*

**Taxes & Charges Billed**

|                               |                            |
|-------------------------------|----------------------------|
| Real Estate/Personal Property | \$16,032,393               |
| Sewer Benefit/CSO             | 557,837                    |
| Delinquent Taxes - Total      |                            |
| As of June 30, 2008           | 173,930                    |
| <b>TOTAL TAXES/ CHARGES</b>   | <b><u>\$16,764,162</u></b> |

**Accounted For As Follows:**

|                                    |                            |
|------------------------------------|----------------------------|
| Collections/Adjustments/Abatements | \$16,590,230               |
| Delinquent as of June 30, 2007     | 173,930                    |
| <b>TOTAL TAXES/CHARGES</b>         | <b><u>\$16,764,160</u></b> |

*Statement of Taxes (School And City), Sewer Benefit, Sewer Separation, (CSO) Charges Raised for Fiscal Year July 1, 2008 - June 30, 2009*

**Taxes & Charges Billed**

|                               |                            |
|-------------------------------|----------------------------|
| Real Estate/Personal Property | \$17,653,269               |
| Sewer Benefit/CSO             | 612,423                    |
| Delinquent Taxes - Prior Yrs  |                            |
| As of December 31, 2007       | 36,189                     |
| <b>TOTAL TAXES/CHARGES</b>    | <b><u>\$18,301,881</u></b> |

**Accounted For As Follows:**

|                            |                            |
|----------------------------|----------------------------|
| Collections as of 12/31/07 | \$10,187,264               |
| To Be Collected            | 8,114,617                  |
| <b>TOTAL TAXES/CHARGES</b> | <b><u>\$18,301,881</u></b> |

## 2008 City Meeting Results - MARCH 4, 2008

### Election Results

*March 4, 2008*

**FOR MAYOR**

*For a Term of 2 Years*

MARY HOOPER 2779 Elected

**FOR AUDITOR**

*For an Unexpired Term of 1 Year*  
None

**FOR GREEN MOUNT  
CEMETERY COMMISSIONER**

*For a Term of 5 Years*

MERI NIELSEN 2399 Elected

**FOR GREEN MOUNT  
CEMETERY COMMISSIONER**

*For an Unexpired Term of 4 Years*

Write-In – JAKE BROWN 62 Elected

**FOR PARK COMMISSIONER**

*For a Term of 5 Years*

CARA ROBECHER 2141 Elected

**FOR SCHOOL COMMISSIONER**

*For a Term of 3 Years*

JOHN HOLLAR 1817 Elected  
RICK VANDEN BERGH 1046 Elected  
ADAM RICHARDSON 973

**FOR COUNCIL PERSON**

**DISTRICT 1, 2, OR 3**

*For a Term of 2 Years*

**DISTRICT 1**  
ANDY 'NO RELATION' HOOPER 677 Elected

**DISTRICT 2**  
NANCY SHERMAN 904 Elected

**DISTRICT 3**  
ALAN H. WEISS 753 Elected

**ARTICLE 1.** For candidates.

**ARTICLE 2.** Shall the voters appropriate the sum of \$6,164,724 for the payment of debts and current expenses of the City for carrying out any of the purposes of the Charter, plus payment of all state and county taxes and obligations imposed upon the City by law to finance the fiscal year July 1, 2008 to June 30, 2009? (Requested by the City Council)

APPROVED YES 2393 NO 726

**ARTICLE 3.** Shall the voters appropriate the sum of \$15,072,204 necessary for the support of the public school system for the fiscal year July 1, 2008 to June 30, 2009? (Local budget of \$14,541,063 plus grant budget of \$531,141, for a total school budget of \$15,072,204.) (Requested by the School Board)

APPROVED YES 2259 NO 968

**ARTICLE 4.** Shall the voters appropriate the sum of \$619,274 for the support of the Recreation Department for the fiscal year July 1, 2008 to June 30, 2009? (Requested by the School Board)

APPROVED YES 2541 NO 652

**ARTICLE 5.** Shall the voters appropriate the sum of \$87,072 for the support of the Senior Citizens Activity Center for the fiscal year July 1, 2008 to June 30, 2009? (Requested by the School Board)

APPROVED YES 2637 NO 548

**ARTICLE 6.** Shall the voters appropriate the sum of \$2,700 as compensation to the Mayor for services for the fiscal year July 1, 2008 to June 30, 2009? (Requested by the City Council)

APPROVED YES 2498 NO 681

**ARTICLE 7.** Shall the voters appropriate the sum of \$6,000 (\$1,000 each) as compensation to the Council Members for their services for the fiscal year July 1, 2008 to June 30, 2009? (Requested by the City Council)

APPROVED YES 2486 NO 682

**ARTICLE 8.** Shall the voters appropriate the sum of \$7,300 (Chair \$1,300; others \$1,000 each) as compensation to the School Commissioners for their services for the fiscal year July 1, 2008 to June 30, 2009? (Requested by the School Board)

APPROVED YES 2319 NO 795

**ARTICLE 9.** To see if the voters will authorize the City Council to borrow a sum not to exceed \$1,495,000 for repairs and improvements to the buildings and grounds of Union Elementary School, Main Street Middle School, and Montpelier High School. If approved, bonds would be issued for a term of 20 years. Because of the statewide moratorium on school construction aid, this project will be constructed at 100% City cost without state participation. State funds may not be available at the time this project is otherwise eligible to receive state aid. The City is responsible for all costs in connection with any borrowing done in anticipation

of state school construction aid. With a twenty-year bond, approximately \$55,121 would be added to the taxes raised in Article 3 for the first year debt service. The first full year debt service will be approximately \$136,424. (Requested by the School Board)

APPROVED YES 1943 NO 1236

**ARTICLE 10.** Shall the voters appropriate the sum of \$52,000 to be placed in a special revenue account under the name of the Montpelier Housing Trust Fund? Such account, including interest and earnings thereon, shall be used exclusively by the City to award grants and loans to appropriate non-profit organizations to preserve, construct and rehabilitate dwelling units affordable to households with incomes less than or equal to 80% of median income (with a priority for homeownership units) and which are subject to covenants or restrictions that preserve their affordability for a minimum of 15 years. (Requested by the City Council)

APPROVED YES 2242 NO 944

**ARTICLE 11.** Shall the voters appropriate the sum of \$72,668 to be used by the Kellogg-Hubbard Library for the fiscal year July 1, 2008 to June 30, 2009? (This amount is in addition to the \$210,000 for library operations and the \$49,934 for library bond payment included in the City General Fund Budget, Article 2.) (Requested by the City Council)

APPROVED YES 2323 NO 872

**ARTICLE 12.** Shall the City of Montpelier enter into an Interlocal Contract with other municipalities, under Title 24 of the Vermont Statutes Annotated Section 4901, for the purpose of establishing a universal, open-access, financially self-sustaining broadband communications system to provide communications services, including high-speed Internet, telephone and cable television, to the residents, businesses and institutions of these towns? (Requested by the City Council)

APPROVED YES 2411 NO 667

**ARTICLE 13.** Shall the voters appropriate the sum of \$52,000 to be used for Capital Improvements (Road and Drainage Repairs, Chapel Repairs, Monument Restoration) in all public cemeteries in the City of Montpelier for the fiscal year July 1, 2008 to June 30, 2009? (Requested by the Cemetery Commission)

APPROVED YES 2295 NO 780

**ARTICLE 14.** Shall the voters appropriate the sum of \$400 to be used by the Good Beginnings of Central Vermont for the fiscal year July 1, 2008 to June 30, 2009? (By petition)

APPROVED YES 1856 NO 1110

**ARTICLE 15.** Shall the voters appropriate the sum of \$2,000 to be used by the Central Vermont Community Action Council, Inc. for the fiscal year July 1, 2008 to June 30, 2009? (By petition)

APPROVED YES 1981 NO 1039

**ARTICLE 16.** Shall the voters appropriate the sum of \$5,000 to be used by the Washington County Youth Service Bureau/Boys & Girls Club for the fiscal year July 1, 2008 to June 30, 2009? (By petition)

APPROVED YES 2424 NO 688

**ARTICLE 17.** Shall the voters appropriate the sum of \$5,000 to be used by the Central Vermont Community Land Trust for the fiscal year July 1, 2008 to June 30, 2009? (By petition)

APPROVED YES 1979 NO 1093

**ARTICLE 18.** Shall the voters appropriate the sum of \$2,700 to be used by Project Independence, Inc. for the fiscal year July 1, 2008 to June 30, 2009? (By petition)

APPROVED YES 1977 NO 991

**ARTICLE 19.** Shall the voters appropriate the sum of \$6,000 to be used by the Central Vermont Adult Basic Education for the fiscal year July 1, 2008 to June 30, 2009? (By petition)

APPROVED YES 2249 NO 816

**ARTICLE 20.** Shall the voters appropriate the sum of \$2,000 to be used by the Sexual Assault Crisis Team of Washington County for the fiscal year July 1, 2008 to June 30, 2009? (By petition)

APPROVED YES 2452 NO 645

**ARTICLE 21.** Shall the voters appropriate the sum of \$3,000 to be used by the Retired Senior and Volunteer Program for the fiscal year July 1, 2008 to June 30, 2009? (By petition)

APPROVED YES 2150 NO 874

**ARTICLE 22.** Shall the voters appropriate the sum of \$1,250 to be used by the People's Health & Wellness Clinic for the fiscal year July 1, 2008 to June 30, 2009? (By petition)

APPROVED YES 2289 NO 783

**ARTICLE 23.** Shall the voters appropriate the sum of \$1,950 to be used by the Washington County Court Diversion Program for the fiscal year July 1, 2008 to June 30, 2009? (By petition)

APPROVED YES 2097 NO 914

**ARTICLE 24.** Shall the voters appropriate the sum of \$5,000 to be used by the Family Center of Washington County for the fiscal year July 1, 2008 to June 30, 2009? (By petition)

APPROVED YES 2110 NO 931

**ARTICLE 25.** Shall the voters appropriate the sum of \$1,000 to be used by the Central Vermont Crime Stoppers for the fiscal year July 1, 2008 to June 30, 2009? (By petition)

APPROVED YES 1833 NO 1111

**ARTICLE 26.** Shall the voters appropriate the sum of \$18,000 to be used by the Central Vermont Home Health and Hospice for the fiscal year July 1, 2008 to June 30, 2009? (By petition)

APPROVED YES 2529 NO 555

**ARTICLE 27.** Shall the voters appropriate the sum of \$500 to be used by the Vermont Association for the Blind and Visually Impaired for the fiscal year July 1, 2008 to June 30, 2009? (By petition)

APPROVED YES 2463 NO 604

**ARTICLE 28.** Shall the voters appropriate the sum of \$3,500 to be used by the Central Vermont Council on Aging for the fiscal year July 1, 2008 to June 30, 2009? (By petition)

APPROVED YES 2180 NO 837

**ARTICLE 29.** Shall the voters appropriate the sum of \$3,075 to be used by the Battered Women's Services and Shelter for the fiscal year July 1, 2008 to June 30, 2009? (By petition)

APPROVED YES 2506 NO 599

**ARTICLE 30.** Shall the voters appropriate the sum of \$15,000 to be used by The Basement Teen Center for the fiscal year July 1, 2008 to June 30, 2009? (By petition)

APPROVED YES 2090 NO 987

**ARTICLE 31.** Shall the voters appropriate the sum of \$2,500 to be used by the Friends of North Branch Nature Center for the fiscal year July 1, 2008 to June 30, 2009? (By petition)

APPROVED YES 2024 NO 1068

**ARTICLE 32.** Shall the voters appropriate the sum of \$5,000 to be used by the Montpelier Home Delivery Program (Meals on Wheels) for the fiscal year July 1, 2008 to June 30, 2009? (By petition)

APPROVED YES 2748 NO 408

**ARTICLE 33.** Shall the voters appropriate the sum of \$1,000 to be used by the Vermont Center for Independent Living for the fiscal year July 1, 2008 to June 30, 2009? (By petition)

APPROVED YES 2305 NO 754



The Importance of Being Earnest

Photo credit: Jim Lowe, Times Argus

## Montpelier High School Student Assistance/Substance Abuse Program 2007-2008

Total students seen for at least 2 sessions: 119

60 Female                  59 Male

In general, referrals broke down as follows:

68 Self-referrals        28 Peer Referrals  
16 Parent referrals    18 School referrals

Issues concerning students were multiple, students may have discussed more than one concern. The following represents those issues discussed:

- 39 Students indicated they were concerned or affected by another person's involvement with drugs and/or alcohol (parents, friends, boyfriends, girlfriends, others).
- 52 Students discussed their own involvement with alcohol and/or drugs
- 14 Issues concerning abuse (physical, sexual, neglect)
- 78 Presented concerns other than the above (suicidal ideation, self-mutilation, depression, relationship concerns, parental concerns, interests in prevention and/or intervention, etc.)

Students were referred to various support resources and may or may not have utilized those services:

- 2 Community self-help groups
- 10 Out-patient counseling
- 1 In-patient counseling

Of the 119 students contacted, there were at least 36 parents or guardians who were connected with the services. Many of these individuals came to the school to refer or discuss concerns with their children.

Some parents contacted me personally or brought their family in for support. Several family sessions were held. There were three advertised parent awareness and discussion nights including a dialogue night focused on underage drinking. The New Directions Coalition remained a collaboration partner. A parent support group remains a possibility for those interested. Please contact me.

- A. Eight students made presentations encouraging other students and adults to discuss concerns, problems, and feelings before they escalate to more severe problems. (i.e. substance abuse, crime, violence, divorce, etc.)

The following organizations were addressed:

- Montpelier High School Freshman Introduction
- Montpelier High School Driver Education Classes
- Governor's Youth Leadership Conference
- Twinfield School
- Rochester School Wellness Day

-VT Teen Leadership and Safety Program Conference

-MHS Health Classes

- B. Once again, S.A.P. supported the VT Teen Leadership and Safety Program (VTLSP/SADD) sponsored by the VT Department of Liquor Control at Montpelier High School this year. V.T.L.S.P. also provided safety information dealing with drinking and driving safety belt program. A speaker assembly was well received. Students helped to present the Governor's Youth Leadership Conference, and held a blood drive at MHS. Our Youth Advisory Council leader was elected as the Vermont State Representative for the 2007-2008 year.
- C. Again, students in the S.S.N. supported students in our own school system. There were subtle interventions made with MHS students needing support. We continually try to create and maintain a culture where support for fellow students and faculty is a norm and negative peer cliques are frowned upon.
- D. As always, a small workout group continues to meet. I remain available for students and others interested in personal fitness at 6:30 AM on Mondays, Wednesdays and Fridays during the school year.

I look forward to and encourage more community involvement in substance abuse prevention and education in the following year.

Respectfully submitted,  
CHIP KEINATH, S.A.P. Coordinator



## School Superintendent's Report

I am proud to report that, for the second year in a row, Montpelier High School has been named a Silver School by the US News & World Report study of over 20,000 American high schools. This puts MHS in the top three percent of schools studied based on three criteria: overall performance on state assessments, performance of disadvantaged youth on state assessments, and the participation and success rate of students taking Advanced Placement exams. It is heartening to know that we are sustaining this level of performance.

However, as I stated last year, we are not satisfied. Never before have the stakes been so high for students – and I am not talking about standardized tests. I am talking about life after high school. The demands of the new economy (troubled as it may be right now) and the stark fact that we are in global competition have created an imperative that we help every child succeed to high standards. Recent studies have shown that the earning power of high school graduates is not expected to be significantly different from that of high school dropouts – unless their diploma is used as a ticket to advanced training or education. Clearly, we must strive to equip every student with the knowledge, skills, and attitude necessary for success in post-secondary education.

Additionally, the skills and abilities today's graduates need differ significantly from those of the past. More and more, today's jobs require excellent communication skills, teamwork, initiative, and – perhaps most important of all – the ability and inclination to keep learning throughout adulthood. Change is constant and accelerating. It has been said that we are the first generation to try to prepare students for a future we can't even imagine. Our children really do need "twenty-first century" skills.

So how is your school district responding to this challenge?

First of all, the Board of School Commissioners has continued a community discussion to determine what the end result of an education in Montpelier Public Schools should look like (see the Board's report). By defining what we want for results, and then establishing indicators of progress, the Board can hold the superintendent accountable. No longer is it enough to just "do the right things" or "provide the necessary supports" for students who struggle. Now, more than ever, what matters is results.

As a district, we are pursuing three strategies in order to meet the evolving needs of our students and to achieve the ends determined by the board. The first strategy is collaboration

and communication across the district so that we operate as a unified Pre-K-12 school rather than as isolated buildings. To this end, we are articulating curriculum objectives for core subjects (Reading and Language Arts, Math, Science, Social Studies, PE/Health, and the Arts) in order to establish clear expectations throughout the grade levels. Following this, we will establish a similar description of the skills and abilities our students need to acquire as they move through the grades. This will include skills related to technology, collaboration, citizenship, and communication.

Our goal is to establish a "guaranteed and viable curriculum" which addresses the desired ends adopted by the board. "Guaranteed" means it will not matter which teacher is assigned – the key objectives are the same. "Viable" means that we make conscious and rational decisions about just how much can be covered in any one course or grade level. Having unreasonable expectations is a recipe for ensuring that nothing gets done well.

The second strategy involves collaboration among teachers in the various grade levels and subjects. For far too long, individual teachers have been isolated in their own rooms and left to decide on their own what should be taught and what to do, if they were able to do anything, for children who are not learning. Research has shown, however, that dramatic increases in learning can be achieved when teachers meet frequently to review student work, share strategies, and create ways to help struggling students. The district has adopted a model called Professional Learning Communities that provides the structure for such collaboration. We are currently providing training for all teachers in this approach. The response from staff has been overwhelmingly positive. Teachers no longer feel left alone to figure out how to help students in need; by working with their peers and the administration, it is now the school that ensures a response.

The final strategy is to employ data and accountability measures to track and report on our progress. We can have lofty expectations and noble intentions, but if we never take a hard look at our results we are certain to fall short of our goals. Therefore, we are establishing a system of assessment that will provide crucial data about student progress and will trigger action when that progress does not match our goals. My intent is for Montpelier Public Schools to become a learning organization that is making continuous improvement in student achievement.

There are two keys to this accountability system. First, it must be manageable. No teacher or team of teachers can track hundreds of objectives for each child. Likewise, no child can make satisfactory learning progress if an inordinate amount of time is spent on testing instead of teaching. Therefore, we are developing a system to track only our key objectives in each subject area and are providing technology

to make this as efficient as possible for the teaching staff. We also intend to employ multiple methods of assessing student progress rather than an endless series of tests.

Second, such a system must include setting clear goals and then reporting on progress. Teams of teachers will identify goals related to the needs of their students and then follow through with other strategies if progress is not sufficient. When a student struggles, it is no longer enough to just prescribe some “extra help.” Instead, we must revisit that student to see if the extra help is working and, if not, devise new strategies to assist him or her. Also, the administration will report periodically to the school board to present evidence of student achievement of the desired ends. This accountability system is not intended to be punitive; rather, it is meant to help us focus on our goals and on doing what it takes to reach them.

In many ways, we are “trying to rebuild the airplane while we’re flying it.” That can create both fatigue and frustration. However, the MPS staff continues to rise to these new challenges and to work tirelessly with the administration to prepare all of our students to lead productive and satisfying lives in this ever-changing world.

In closing, I wish to thank the entire staff for their tireless work on behalf of the children of Montpelier. I also wish to thank the community of Montpelier for its continued support of the school system. Even in tough economic times, this community’s commitment to its children and its future is unwavering. We will continue to work hard to maintain your trust and confidence.

STEPHEN METCALF, *Superintendent*

### **Mission**

Students will be capable, self-directed, and eager participants in the local, national, and world communities.

### **Our Values**

Student-centered education, excellence, affordability, passion, courage, a safe, healthy, and caring environment.

### **Draft Ends Policies**

1. Students master a core body of knowledge and cognitive skills, based on state standards, at their highest individual level.
2. Students demonstrate a passion for learning that equips them with confidence to act with courage.
3. Students act as responsible citizens:
  - acknowledge the needs of the community
  - value diversity
  - interact with respect and kindness
  - collaborate with a sense of purpose
4. Using core knowledge from across disciplines, student think critically, solve problems, and act creatively.
5. Students at all ages and ability levels are engaged in rigorous and relevant learning which prepares each of them for success as they move through and beyond school.

Montpelier 2009 / Annual Report / 87.

PRELIMINARY

Three Prior Years Comparisons - Format as Provided by DOE

ESTIMATES ONLY

| District: <b>Montpelier</b>                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                          | LEA: <b>T129</b>                                       |                                             | Enter estimated homestead base rate for FY2010. See note at bottom of page. |                                             |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|---------------------------------------------|-----------------------------------------------------------------------------|---------------------------------------------|
| County: <b>Washington</b>                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                          | S.U.: <b>Montpelier</b>                                |                                             | <b>0.86</b>                                                                 |                                             |
|                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                          | <b>Act 68</b>                                          |                                             | <b>Act 130</b>                                                              |                                             |
| <b>Expenditures</b>                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                          | <b>FY2007</b>                                          | <b>FY2008</b>                               | <b>FY2009</b>                                                               | <b>FY2010</b>                               |
| 1.                                                                                                                                                                                                                                                                                                                             | <b>Budget</b> (local budget, including special programs, full technical center expenditures, and any Act 144 expenditures)                                                                                               | \$14,022,694                                           | \$14,657,976                                | \$15,127,325                                                                | \$15,320,916                                |
| 2.                                                                                                                                                                                                                                                                                                                             | <i>plus</i> Sum of separately warned articles passed at town meeting                                                                                                                                                     | -                                                      | -                                           | -                                                                           | -                                           |
| 3.                                                                                                                                                                                                                                                                                                                             | <i>minus</i> Act 144 Expenditures, to be excluded from Education Spending                                                                                                                                                | -                                                      | -                                           | -                                                                           | -                                           |
| 4.                                                                                                                                                                                                                                                                                                                             | <b>Act 68 locally adopted or warned budget</b>                                                                                                                                                                           | \$14,022,694                                           | \$14,657,976                                | \$15,127,325                                                                | \$15,320,916                                |
| 5.                                                                                                                                                                                                                                                                                                                             | <i>plus</i> No union high school assessment                                                                                                                                                                              | -                                                      | -                                           | NA                                                                          | NA                                          |
| 6.                                                                                                                                                                                                                                                                                                                             | <i>plus</i> No union elementary or junior high school assessment                                                                                                                                                         | -                                                      | -                                           | NA                                                                          | NA                                          |
| 7.                                                                                                                                                                                                                                                                                                                             | <i>plus</i> Obligation to a Regional Technical Center School District if any                                                                                                                                             | -                                                      | -                                           | -                                                                           | -                                           |
| 8.                                                                                                                                                                                                                                                                                                                             | <i>plus</i> Prior year deficit reduction if not included in expenditure budget                                                                                                                                           | -                                                      | -                                           | -                                                                           | -                                           |
| 9.                                                                                                                                                                                                                                                                                                                             | <b>Gross Act 68 Budget</b>                                                                                                                                                                                               | \$14,022,694                                           | \$14,657,976                                | \$15,127,325                                                                | \$15,320,916                                |
| 10.                                                                                                                                                                                                                                                                                                                            | S.U. assessment (included in local budget) - informational data                                                                                                                                                          | -                                                      | -                                           | -                                                                           | -                                           |
| 11.                                                                                                                                                                                                                                                                                                                            | Prior year deficit reduction (if included in expenditure budget) - informational data                                                                                                                                    | -                                                      | -                                           | -                                                                           | -                                           |
| <b>Revenues</b>                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                          |                                                        |                                             |                                                                             |                                             |
| 12.                                                                                                                                                                                                                                                                                                                            | Local revenues (categorical grants, donations, tuitions, surplus, etc., including local Act 144 tax revenues)                                                                                                            | \$2,848,596                                            | \$2,911,707                                 | \$3,026,911                                                                 | \$2,937,677                                 |
| 13.                                                                                                                                                                                                                                                                                                                            | <i>plus</i> Capital debt aid for eligible projects pre-existing Act 60                                                                                                                                                   | -                                                      | -                                           | -                                                                           | -                                           |
| 14.                                                                                                                                                                                                                                                                                                                            | <i>plus</i> Prior year deficit reduction if included in revenues (negative revenue instead of expenditures)                                                                                                              | -                                                      | -                                           | -                                                                           | -                                           |
| 15.                                                                                                                                                                                                                                                                                                                            | <i>minus</i> All Act 144 revenues, including local Act 144 tax revenues                                                                                                                                                  | -                                                      | -                                           | -                                                                           | -                                           |
| 16.                                                                                                                                                                                                                                                                                                                            | <b>Total local revenues</b>                                                                                                                                                                                              | \$2,848,596                                            | \$2,911,707                                 | \$3,026,911                                                                 | \$2,937,677                                 |
| 17.                                                                                                                                                                                                                                                                                                                            | <b>Education Spending</b>                                                                                                                                                                                                | \$11,174,098                                           | \$11,746,269                                | \$12,100,414                                                                | \$12,383,239                                |
| 18.                                                                                                                                                                                                                                                                                                                            | Equalized Pupils (Act 130 count is by school district)                                                                                                                                                                   | 1,065.87                                               | 1,058.39                                    | 1,023.87                                                                    | 989.71                                      |
| 19.                                                                                                                                                                                                                                                                                                                            | <b>Education Spending per Equalized Pupil</b>                                                                                                                                                                            | \$10,484                                               | \$11,098                                    | \$11,818.31                                                                 | \$12,512                                    |
| 20.                                                                                                                                                                                                                                                                                                                            | <i>minus</i> Less net eligible construction costs (or P&I) per equalized pupil                                                                                                                                           | \$265.89                                               | \$258.69                                    | \$250.88                                                                    | \$249                                       |
| 21.                                                                                                                                                                                                                                                                                                                            | <i>minus</i> Less share of SpEd costs in excess of \$50,000 for an individual                                                                                                                                            | -                                                      | -                                           | -                                                                           | -                                           |
| 22.                                                                                                                                                                                                                                                                                                                            | <i>minus</i> Less amount of deficit if deficit is solely attributable to tuitions paid to public schools for grades the district does not operate for new students who moved to the district after the budget was passed | Not applicable prior to school year 2008-2009 (FY2009) |                                             |                                                                             |                                             |
| 23.                                                                                                                                                                                                                                                                                                                            | <i>minus</i> Less SpEd costs if excess is solely attributable to new SpEd spending if district has 20 or fewer equalized pupils                                                                                          | -                                                      | -                                           | \$10.10                                                                     | -                                           |
| 24.                                                                                                                                                                                                                                                                                                                            | <i>plus</i> Excess Spending per Equalized Pupil over threshold (if any)                                                                                                                                                  | threshold = \$11,728                                   | threshold = \$12,594                        | threshold = \$13,287                                                        | threshold = \$13,984                        |
| 25.                                                                                                                                                                                                                                                                                                                            | Per pupil figure used for calculating District Adjustment                                                                                                                                                                | \$10,484                                               | \$11,098                                    | \$11,818                                                                    | \$12,512                                    |
| 26.                                                                                                                                                                                                                                                                                                                            | <b>District spending adjustment</b> (minimum of 100%)<br>(\$12,512 / \$8,544)                                                                                                                                            | 143.023%<br><small>based on \$7,330</small>            | 143.462%<br><small>based on \$7,736</small> | 143.950%<br><small>based on \$8,210</small>                                 | 146.442%<br><small>based on \$8,544</small> |
| <b>Prorating the local tax rate</b>                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                          |                                                        |                                             |                                                                             |                                             |
| 27.                                                                                                                                                                                                                                                                                                                            | Anticipated district equalized homestead tax rate to be prorated (Tax rates were not prorated in FY07 - FY08) (146.442% x \$0.86)                                                                                        | \$1.359<br><small>based on \$0.95</small>              | \$1.248<br><small>based on \$0.87</small>   | \$1.252<br><small>based on \$0.87</small>                                   | \$1.259<br><small>based on \$0.86</small>   |
| 28.                                                                                                                                                                                                                                                                                                                            | Percent of Montpelier equalized pupils not in a union school district                                                                                                                                                    | Not applicable prior to Act 130                        |                                             | 100.000%                                                                    | 100.000%                                    |
| 29.                                                                                                                                                                                                                                                                                                                            | Portion of district eq homestead rate to be assessed by town (100.000% x \$1.26)                                                                                                                                         | Not applicable prior to Act 130                        |                                             | \$1.252                                                                     | \$1.259                                     |
| 30.                                                                                                                                                                                                                                                                                                                            | <b>Common Level of Appraisal (CLA)</b>                                                                                                                                                                                   | 82.96%                                                 | 70.94%                                      | 63.66%                                                                      | 58.94%                                      |
| 31.                                                                                                                                                                                                                                                                                                                            | Portion of actual district homestead rate to be assessed by town (Tax rates were not prorated in FY07 - FY08) (\$1.259 / 58.94%)                                                                                         | \$1.638<br><small>based on \$0.95</small>              | \$1.759<br><small>based on \$0.87</small>   | \$1.967<br><small>based on \$0.87</small>                                   | \$2.137<br><small>based on \$0.86</small>   |
| <p>If the district belongs to a union school district, this is only a <b>PARTIAL</b> homestead tax rate. The tax rate shown represents the estimated portion of the final homestead tax rate due to spending for students who do not belong to a union school district. The same holds true for the income cap percentage.</p> |                                                                                                                                                                                                                          |                                                        |                                             |                                                                             |                                             |
| 32.                                                                                                                                                                                                                                                                                                                            | Anticipated income cap percent to be prorated (146.442% x 1.80%)                                                                                                                                                         | Not applicable prior to Act 130                        |                                             | 2.59%                                                                       | 2.64%<br><small>based on 1.80%</small>      |
| 33.                                                                                                                                                                                                                                                                                                                            | Portion of district income cap percent applied by State (100.000% x 2.64%)                                                                                                                                               | 2.57%<br><small>based on 1.80%</small>                 |                                             | 2.58%<br><small>based on 1.80%</small>                                      | 2.59%<br><small>based on 1.80%</small>      |
| 34.                                                                                                                                                                                                                                                                                                                            | Percent of equalized pupils at union 1                                                                                                                                                                                   | Not applicable prior to Act 130                        |                                             | -                                                                           | -                                           |
| 35.                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                          | Not applicable prior to Act 130                        |                                             | -                                                                           | -                                           |

The Tax Commissioner recommended an FY2010 base education homestead tax rate of \$0.85 but also urged the Legislature to not accept that recommendation. The rate entered is therefore an estimate only. The base income percentage cap is 1.80%. Final figures will be set by the Legislature and approved by the Governor.

The projected base education amount of \$8,544 is subject to change by the Legislature.

# Montpelier 2009 / Annual Report / 88.

## Comparative Data for Cost-Effectiveness 16 V.S.A. § 165(a)(2)(K)

School: Union Elementary School  
S.U.: Montpelier S.D.

A list of schools and school districts in each cohort may be found on the DOE website under "School Data and Reports":  
<http://www.state.vt.us/educ/>

### FY2008 School Level Data

Cohort Description: Elementary school, enrollment ≥ 300  
(26 schools in cohort)

Cohort Rank by Enrollment (1 is largest)  
15 out of 26

|                                    |                                 | School level data |               |              | Total Teachers | Total Administrators | Stu / Tchr Ratio | Stu / Admin Ratio | Tchr / Admin Ratio |
|------------------------------------|---------------------------------|-------------------|---------------|--------------|----------------|----------------------|------------------|-------------------|--------------------|
|                                    |                                 | Grades Offered    | Enrollment    |              |                |                      |                  |                   |                    |
| Smaller ->                         | J. J. Flynn School              | K - 5             | 338           | 29.00        | 1.00           | 11.66                | 338.00           | 29.00             |                    |
|                                    | Orchard School                  | K - 5             | 338           | 25.07        | 1.00           | 13.48                | 338.00           | 25.07             |                    |
|                                    | Academy School                  | K - 6             | 357           | 36.00        | 2.00           | 9.92                 | 178.50           | 18.00             |                    |
|                                    | <b>Union Elementary School</b>  | <b>K - 5</b>      | <b>365</b>    | <b>34.60</b> | <b>1.00</b>    | <b>10.55</b>         | <b>365.00</b>    | <b>34.60</b>      |                    |
| < - Larger                         | Neshobe School                  | PK - 6            | 369           | 24.36        | 2.00           | 15.15                | 184.50           | 12.18             |                    |
|                                    | Morristown Elementary Schools   | K - 5             | 370           | 29.53        | 1.00           | 12.53                | 370.00           | 29.53             |                    |
|                                    | J. F. Kennedy Elementary School | PK - 5            | 375           | 32.43        | 2.49           | 11.56                | 150.60           | 13.02             |                    |
| <b>Averaged SCHOOL cohort data</b> |                                 |                   | <b>403.88</b> | <b>32.01</b> | <b>1.90</b>    | <b>12.62</b>         | <b>212.18</b>    | <b>16.82</b>      |                    |

School: Main Street School  
S.U.: Montpelier S.D.

A list of schools and school districts in each cohort may be found on the DOE website under "School Data and Reports":  
<http://www.state.vt.us/educ/>

### FY2008 School Level Data

Cohort Description: Middle school  
(26 schools in cohort)

Cohort Rank by Enrollment (1 is largest)  
21 out of 26

|                                    |                               | School level data |               |              | Total Teachers | Total Administrators | Stu / Tchr Ratio | Stu / Admin Ratio | Tchr / Admin Ratio |
|------------------------------------|-------------------------------|-------------------|---------------|--------------|----------------|----------------------|------------------|-------------------|--------------------|
|                                    |                               | Grades Offered    | Enrollment    |              |                |                      |                  |                   |                    |
| Smaller ->                         | Winooski Middle School        | 6 - 8             | 151           | 18.17        | 1.20           | 8.31                 | 125.83           | 15.14             |                    |
|                                    | Harwood Union Middle UHSD #19 | 7 - 8             | 166           | 15.40        | 1.40           | 10.78                | 118.57           | 11.00             |                    |
|                                    | Woodstock Union Middle School | 7 - 8             | 187           | 17.70        | 1.00           | 10.56                | 187.00           | 17.70             |                    |
|                                    | <b>Main Street School</b>     | <b>6 - 8</b>      | <b>225</b>    | <b>25.16</b> | <b>1.00</b>    | <b>8.94</b>          | <b>225.00</b>    | <b>25.16</b>      |                    |
| < - Larger                         | Peoples Academy Middle School | 6 - 8             | 238           | 18.58        | 1.00           | 12.81                | 238.00           | 18.58             |                    |
|                                    | Bellows Falls Middle School   | 5 - 8             | 241           | 23.50        | 2.00           | 10.26                | 120.50           | 11.75             |                    |
|                                    | Milton Junior High School     | 7 - 8             | 272           | 24.00        | 2.00           | 11.33                | 136.00           | 12.00             |                    |
| <b>Averaged SCHOOL cohort data</b> |                               |                   | <b>320.73</b> | <b>29.25</b> | <b>1.80</b>    | <b>10.97</b>         | <b>178.18</b>    | <b>16.25</b>      |                    |

School: Montpelier High School  
S.U.: Montpelier S.D.

A list of schools and school districts in each cohort may be found on the DOE website under "School Data and Reports":  
<http://www.state.vt.us/educ/>

### FY2008 School Level Data

Cohort Description: Senior high school  
(27 schools in cohort)

Cohort Rank by Enrollment (1 is largest)  
24 out of 27

|                                    |                               | School level data |               |              | Total Teachers | Total Administrators | Stu / Tchr Ratio | Stu / Admin Ratio | Tchr / Admin Ratio |
|------------------------------------|-------------------------------|-------------------|---------------|--------------|----------------|----------------------|------------------|-------------------|--------------------|
|                                    |                               | Grades Offered    | Enrollment    |              |                |                      |                  |                   |                    |
| Smaller ->                         | Twin Valley High School       | 9 - 12            | 208           | 23.47        | 2.00           | 8.86                 | 104.00           | 11.74             |                    |
|                                    | Winooski High School          | 9 - 12            | 228           | 23.44        | 1.31           | 9.73                 | 174.05           | 17.89             |                    |
|                                    | Peoples Academy               | 9 - 12            | 352           | 28.69        | 2.00           | 12.27                | 176.00           | 14.35             |                    |
|                                    | <b>Montpelier High School</b> | <b>9 - 12</b>     | <b>377</b>    | <b>40.49</b> | <b>1.00</b>    | <b>9.31</b>          | <b>377.00</b>    | <b>40.49</b>      |                    |
| < - Larger                         | Lake Region UHSD #24          | 9 - 12            | 384           | 30.33        | 2.00           | 12.66                | 192.00           | 15.17             |                    |
|                                    | Bellows Free Academy Fairfax  | 9 - 12            | 387           | 31.40        | 1.00           | 12.32                | 387.00           | 31.40             |                    |
|                                    | Bellows Falls UHSD #27        | 9 - 12            | 398           | 45.67        | 2.00           | 8.71                 | 199.00           | 22.84             |                    |
| <b>Averaged SCHOOL cohort data</b> |                               |                   | <b>740.96</b> | <b>58.32</b> | <b>3.12</b>    | <b>12.71</b>         | <b>237.49</b>    | <b>18.69</b>      |                    |

School District: Montpelier  
LEA ID: T129

Special education expenditures vary substantially from district to district and year to year. Therefore, they have been excluded from these figures.

In prior years, these figures were limited to districts' own current expenditures. The portion of current expenditures made by supervisory unions on behalf of districts varies greatly. This year's figures include district assessments to SUs. The advantage is that districts are more comparable to each other. The consequence is that THESE FIGURES ARE NOT COMPARABLE TO FIGURES USED IN PRIOR YEARS.

### FY2007 School District Data

Cohort Description: K - 12 school district  
(33 school districts in cohort)

Grades offered in School District

Current expenditures per student FTE EXCLUDING special education costs

Cohort Rank by FTE (1 is largest)  
8 out of 33

| School district data (local, union, or joint district) |                   | Grades offered in School District | Student FTE enrolled in school district | Current expenditures per student FTE EXCLUDING special education costs | Cohort Rank by FTE (1 is largest) |
|--------------------------------------------------------|-------------------|-----------------------------------|-----------------------------------------|------------------------------------------------------------------------|-----------------------------------|
| Smaller ->                                             | Winooski ID       | PK-12                             | 735.26                                  | \$11,373                                                               |                                   |
|                                                        | Fairfax           | PK-12                             | 863.13                                  | \$8,852                                                                |                                   |
|                                                        | Morristown        | K-12                              | 937.76                                  | \$9,273                                                                |                                   |
|                                                        | <b>Montpelier</b> | <b>K-12</b>                       | <b>1,010.61</b>                         | <b>\$11,287</b>                                                        |                                   |
| < - Larger                                             | Springfield       | K-12                              | 1,358.01                                | \$11,225                                                               |                                   |
|                                                        | Hartford          | PK-12                             | 1,655.19                                | \$10,089                                                               |                                   |
|                                                        | Milton            | PK-12                             | 1,740.22                                | \$8,312                                                                |                                   |
| <b>Averaged SCHOOL DISTRICT cohort data</b>            |                   |                                   | <b>836.93</b>                           | <b>\$10,522</b>                                                        |                                   |

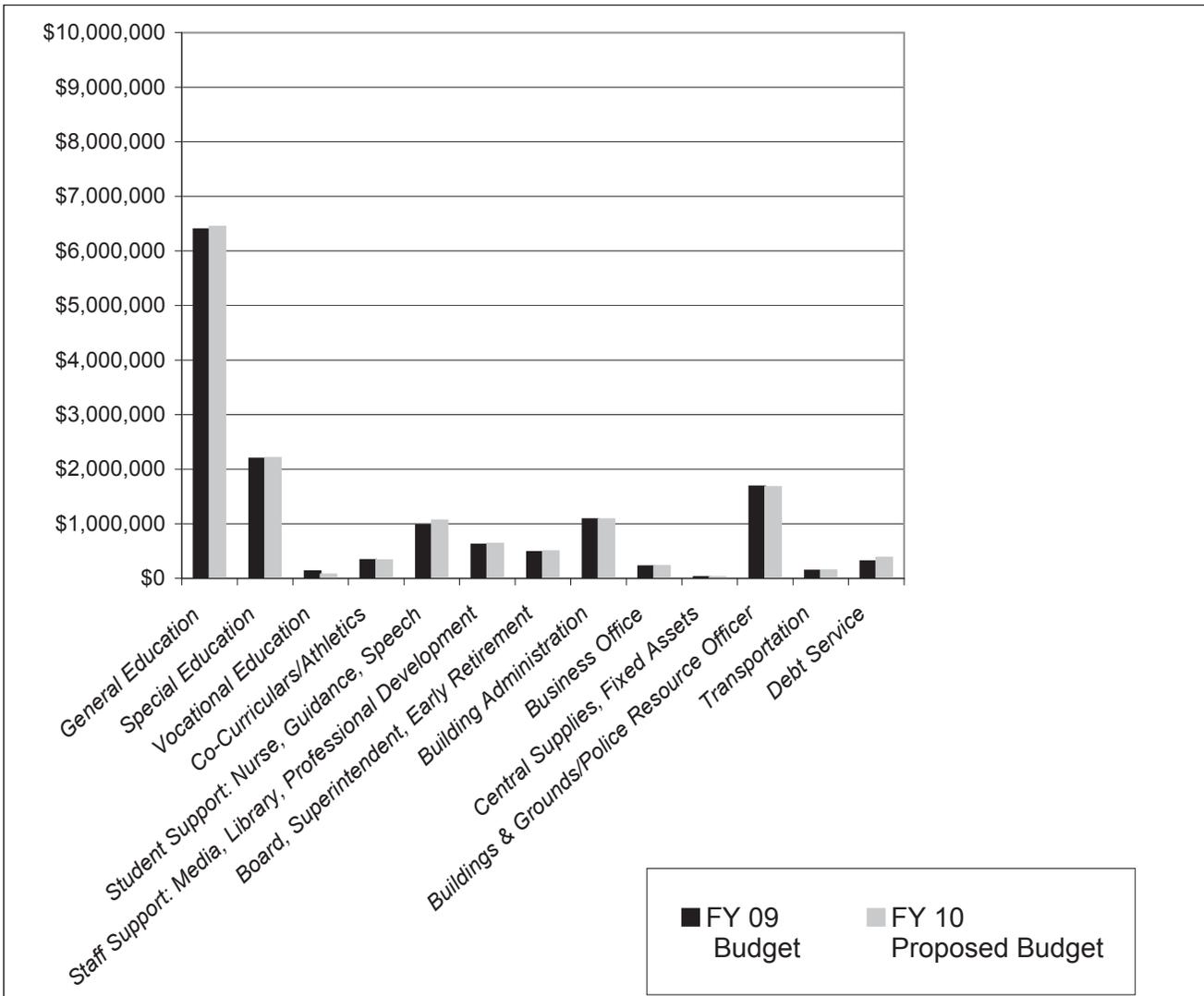
Current expenditures are an effort to calculate an amount per FTE spent by a district on students enrolled in that district. This figure excludes tuitions and assessments paid to other providers, construction and equipment costs, debt service, adult education, and community service.

### FY2009 School District Data

| LEA ID     | School District | Grades offered in School District | School district tax rate |                                        |                                 | Total municipal tax rate, K-12, consisting of prorated member district rates |                               |                                  |        |
|------------|-----------------|-----------------------------------|--------------------------|----------------------------------------|---------------------------------|------------------------------------------------------------------------------|-------------------------------|----------------------------------|--------|
|            |                 |                                   | Equalized Pupils         | Education Spending per Equalized Pupil | Equalized Homestead Ed tax rate | MUN Ed tax rate                                                              | MUN Common Level of Appraisal | MUN Actual Homestead Ed tax rate |        |
| Smaller -> | T249            | Winooski ID                       | PK-12                    | 808.27                                 | 10,943.24                       | 1.1596                                                                       | 1.1596                        | 1.0460                           | 1.1086 |
|            | T071            | Fairfax                           | PK-12                    | 812.49                                 | 9,779.59                        | 1.0363                                                                       | 1.0363                        | 0.9412                           | 1.1010 |
|            | T132            | Morristown                        | K-12                     | 845.77                                 | 9,802.13                        | 1.0387                                                                       | 1.0387                        | 1.0064                           | 1.0321 |
|            | T129            | Montpelier                        | K-12                     | 1,023.87                               | 11,818.31                       | 1.2524                                                                       | 1.2524                        | 0.6366                           | 1.9673 |
|            | T193            | Springfield                       | K-12                     | 1,386.23                               | 12,142.57                       | 1.2867                                                                       | 1.2867                        | 1.0756                           | 1.1963 |
| < - Larger | T093            | Hartford                          | PK-12                    | 1,562.11                               | 11,732.08                       | 1.2432                                                                       | 1.2432                        | 0.9811                           | 1.2671 |
|            | T126            | Milton                            | PK-12                    | 1,776.04                               | 11,059.96                       | 1.1720                                                                       | 1.1720                        | 1.0554                           | 1.1105 |

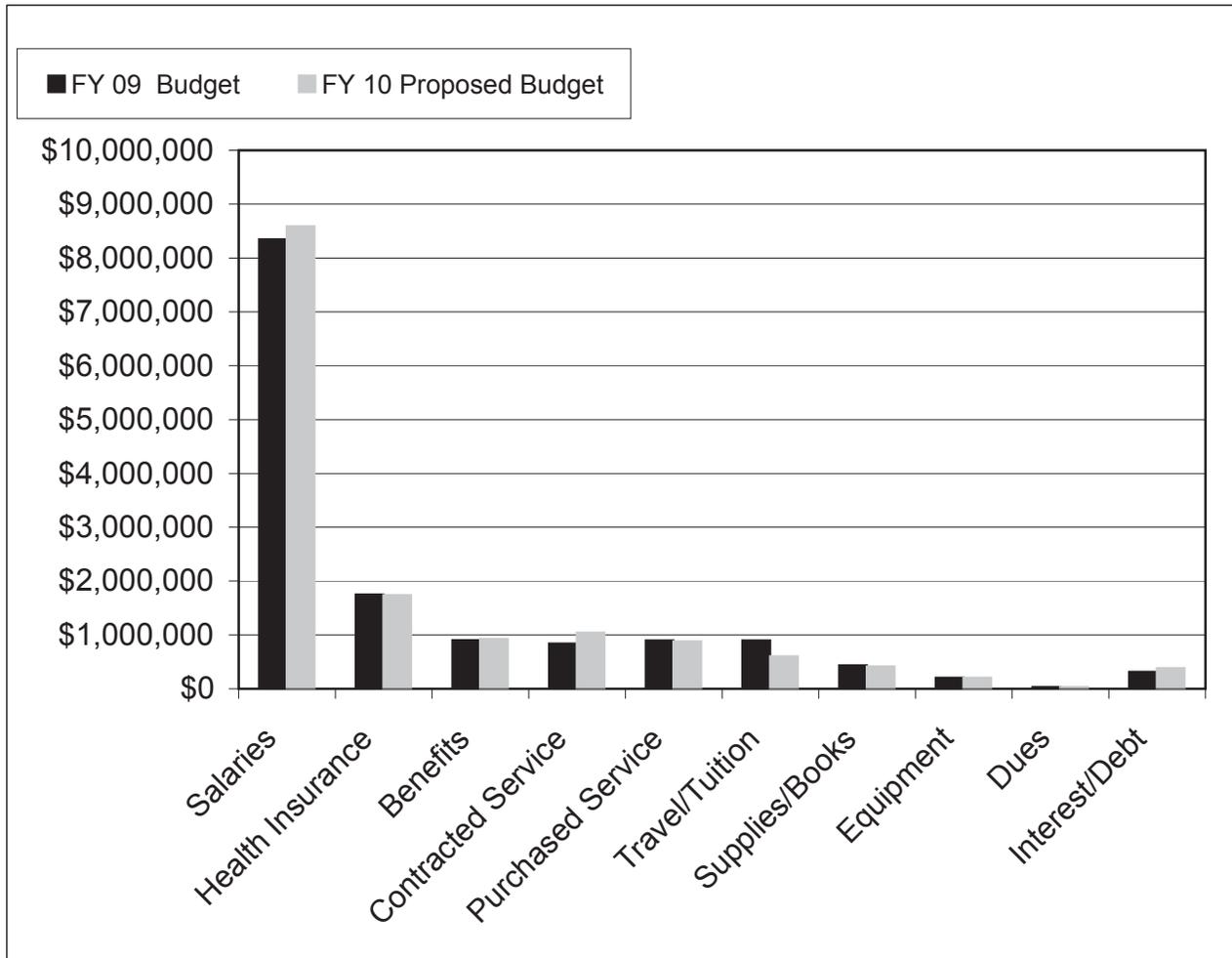
# Budget Overview FY10 - Program Analysis

| Program                                                 | FY 09<br>Budget     | FY 10<br>Proposed<br>Budget | Dollar<br>Increase/<br>Decrease | Percent<br>Increase/<br>Decrease |
|---------------------------------------------------------|---------------------|-----------------------------|---------------------------------|----------------------------------|
| General Education                                       | \$6,395,294         | \$6,442,945                 | \$47,651                        | 0.75%                            |
| Special Education                                       | 2,194,088           | 2,208,491                   | 14,403                          | 0.66%                            |
| Vocational Education                                    | 131,823             | 72,447                      | -59,376                         | -45.04%                          |
| Co-Curriculars/Athletics                                | 335,727             | 330,945                     | -4,782                          | -1.42%                           |
| Student Support: Nurse, Guidance, Speech                | 973,118             | 1,061,210                   | 88,092                          | 9.05%                            |
| Staff Support: Media, Library, Professional Development | 618,162             | 635,591                     | 17,429                          | 2.82%                            |
| Board, Superintendent, Early Retirement                 | 482,967             | 497,067                     | 14,100                          | 2.92%                            |
| Building Administration                                 | 1,083,144           | 1,082,660                   | -484                            | -0.04%                           |
| Business Office                                         | 222,073             | 227,431                     | 5,358                           | 2.41%                            |
| Central Supplies, Fixed Assets                          | 23,700              | 23,700                      | 0                               | 0.00%                            |
| Buildings & Grounds/Police Resource Officer             | 1,683,929           | 1,674,867                   | -9,062                          | -0.54%                           |
| Transportation                                          | 140,166             | 148,436                     | 8,270                           | 5.90%                            |
| Debt Service                                            | 311,993             | 378,892                     | 66,899                          | 21.44%                           |
| <b>Total General Fund</b>                               | <b>\$14,596,184</b> | <b>\$14,784,682</b>         | <b>\$188,498</b>                | <b>1.29%</b>                     |
| <b>Total Grant Funds</b>                                | <b>\$531,141</b>    | <b>\$536,234</b>            | <b>\$5,093</b>                  | <b>0.96%</b>                     |
| <b>Total General and Grant Funds</b>                    | <b>\$15,127,325</b> | <b>\$15,320,916</b>         | <b>\$193,591</b>                | <b>1.28%</b>                     |



# Category Analysis Budget FY10

| Category                             | FY 09 Budget        | FY 10 Proposed Budget | Dollar Increase/Decrease | Percent Increase/Decrease |
|--------------------------------------|---------------------|-----------------------|--------------------------|---------------------------|
| Salaries                             | \$8,345,567         | \$8,586,624           | \$241,057                | 2.89%                     |
| Health Insurance                     | 1,750,848           | 1,734,733             | (16,115)                 | -0.92%                    |
| Benefits                             | 901,313             | 923,597               | 22,284                   | 2.47%                     |
| Contracted Service                   | 835,821             | 1,039,796             | 203,975                  | 24.40%                    |
| Purchased Service                    | 894,498             | 877,587               | (16,911)                 | -1.89%                    |
| Travel/Tuition                       | 895,511             | 599,116               | (296,395)                | -33.10%                   |
| Supplies/Books                       | 431,083             | 412,284               | (18,799)                 | -4.36%                    |
| Equipment                            | 200,307             | 202,245               | 1,938                    | 0.97%                     |
| Dues                                 | 29,243              | 29,808                | 565                      | 1.93%                     |
| Interest/Debt                        | 311,993             | 378,892               | 66,899                   | 21.44%                    |
| <b>Total General Fund</b>            | <b>\$14,596,184</b> | <b>\$14,784,682</b>   | <b>\$188,498</b>         | <b>1.29%</b>              |
| <b>Total Grant Funds</b>             | <b>\$531,141</b>    | <b>\$536,234</b>      | <b>\$5,093</b>           | <b>0.96%</b>              |
| <b>Total General and Grant Funds</b> | <b>\$15,127,325</b> | <b>\$15,320,916</b>   | <b>\$193,591</b>         | <b>1.28%</b>              |



# Budget Summary FY10

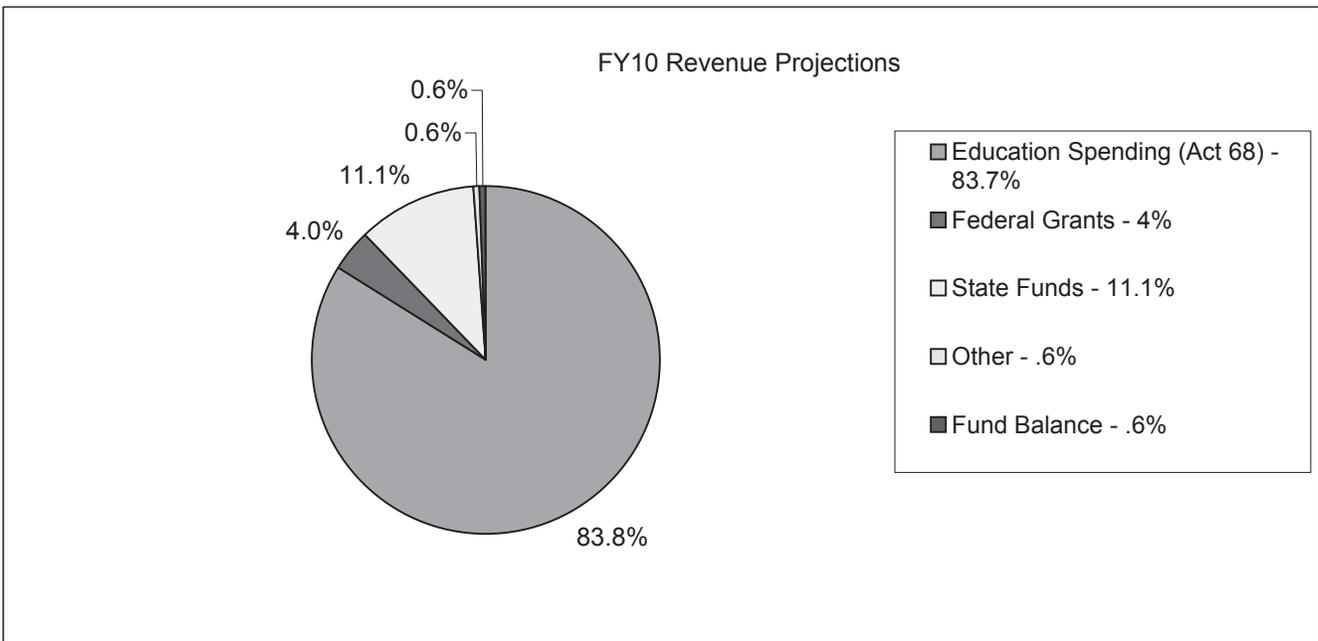
| <b>Program</b>                     | <b>FY09<br/>Budget</b> | <b>FY10<br/>Proposed<br/>Budget</b> | <b>Dollar<br/>Increase/<br/>Decrease</b> | <b>Percent<br/>Increase/<br/>Decrease</b> |
|------------------------------------|------------------------|-------------------------------------|------------------------------------------|-------------------------------------------|
| General Fund                       | 438,753                | 494,934                             | 56,181                                   | 12.80%                                    |
| Multiple Pathways                  | 139,747                | 142,938                             | 3,191                                    | 2.28%                                     |
| Art                                | 247,135                | 248,818                             | 1,683                                    | 0.68%                                     |
| Business Education                 | 11,482                 | 21,577                              | 10,095                                   | 87.92%                                    |
| Driver Education                   | 85,729                 | 95,451                              | 9,722                                    | 11.34%                                    |
| English (7-12)                     | 342,260                | 347,659                             | 5,399                                    | 1.58%                                     |
| Foreign Language                   | 358,225                | 358,935                             | 710                                      | 0.20%                                     |
| Pre-School                         | 35,047                 | 0                                   | -35,047                                  | -100.00%                                  |
| Home Economics                     | 77,591                 | 79,623                              | 2,032                                    | 2.62%                                     |
| Tech Education                     | 87,900                 | 90,019                              | 2,119                                    | 2.41%                                     |
| Math                               | 299,719                | 308,842                             | 9,123                                    | 3.04%                                     |
| Music                              | 297,698                | 308,242                             | 10,544                                   | 3.54%                                     |
| Science                            | 368,845                | 374,111                             | 5,266                                    | 1.43%                                     |
| Social Studies                     | 273,323                | 269,073                             | -4,250                                   | -1.55%                                    |
| Physical Education                 | 328,483                | 333,517                             | 5,034                                    | 1.53%                                     |
| Health                             | 18,307                 | 18,619                              | 312                                      | 1.70%                                     |
| Title 1 - Reading and Math Support | 325,846                | 327,774                             | 1,928                                    | 0.59%                                     |
| Kindergarten                       | 238,833                | 254,595                             | 15,762                                   | 6.60%                                     |
| Grade 1                            | 241,238                | 289,398                             | 48,160                                   | 19.96%                                    |
| Grade 2                            | 215,553                | 219,450                             | 3,897                                    | 1.81%                                     |
| Grade 3                            | 267,531                | 273,039                             | 5,508                                    | 2.06%                                     |
| Grade 4                            | 188,203                | 191,012                             | 2,809                                    | 1.49%                                     |
| Grade 5                            | 216,087                | 219,848                             | 3,761                                    | 1.74%                                     |
| Grade 6                            | 248,082                | 206,642                             | -41,440                                  | -16.70%                                   |
| UES Science/SS                     | 3,960                  | 4,100                               | 140                                      | 3.54%                                     |
| Computer Technology                | 229,854                | 234,013                             | 4,159                                    | 1.81%                                     |
| 504 Accommodations                 | 2,000                  | 0                                   | -2,000                                   | -100.00%                                  |
| ESL                                | 208,304                | 190,074                             | -18,230                                  | -8.75%                                    |
| Regular Education Support          | 90,430                 | 16,539                              | -73,891                                  | -81.71%                                   |
| Team Multi-Age (Grades 7 & 8)      | 200,072                | 236,425                             | 36,353                                   | 18.17%                                    |
| Team Sirius (Grades 7 & 8)         | 309,057                | 287,678                             | -21,379                                  | -6.92%                                    |
| Special Education Tuition          | 369,000                | 122,578                             | -246,422                                 | -66.78%                                   |
| Idea B - Special Education         | 52,000                 | 56,000                              | 4,000                                    | 7.69%                                     |
| Special Education                  | 956,946                | 1,150,533                           | 193,587                                  | 20.23%                                    |
| Special Education IA's             | 816,142                | 879,380                             | 63,238                                   | 7.75%                                     |
| Vocational Education               | 131,823                | 72,447                              | -59,376                                  | -45.04%                                   |
| Co-Curriculars/Athletics           | 335,727                | 330,945                             | -4,782                                   | -1.42%                                    |
| Guidance                           | 404,347                | 400,018                             | -4,329                                   | -1.07%                                    |
| Student Records                    | 11,000                 | 16,650                              | 5,650                                    | 51.36%                                    |

# Budget Summary FY10

| Program                          | FY09<br>Budget      | FY10<br>Proposed<br>Budget | Dollar<br>Increase/<br>Decrease | Percent<br>Increase/<br>Decrease |
|----------------------------------|---------------------|----------------------------|---------------------------------|----------------------------------|
| Nurses                           | 169,888             | 177,814                    | 7,926                           | 4.67%                            |
| Physical Therapy                 | 27,700              | 32,800                     | 5,100                           | 18.41%                           |
| Occupational Therapy             | 55,800              | 67,800                     | 12,000                          | 21.51%                           |
| Evaluations/Psychologist         | 55,200              | 85,200                     | 30,000                          | 54.35%                           |
| Speech/Language                  | 239,533             | 271,128                    | 31,595                          | 13.19%                           |
| Graduation/Assemblies            | 9,650               | 9,800                      | 150                             | 1.55%                            |
| Curriculum Coordinator           | 69,696              | 74,741                     | 5,045                           | 7.24%                            |
| Inservice                        | 30,000              | 30,000                     | 0                               | 0.00%                            |
| Library                          | 204,512             | 219,637                    | 15,125                          | 7.40%                            |
| Media                            | 4,600               | 3,150                      | -1,450                          | -31.52%                          |
| Technology                       | 309,354             | 308,063                    | -1,291                          | -0.42%                           |
| School Board                     | 12,888              | 12,688                     | -200                            | -1.55%                           |
| Early Retirement                 | 6,201               | 6,201                      | 0                               | 0.00%                            |
| Legal                            | 20,000              | 20,000                     | 0                               | 0.00%                            |
| Audit                            | 10,500              | 10,825                     | 325                             | 3.10%                            |
| Insurance                        | 174,608             | 173,208                    | -1,400                          | -0.80%                           |
| Superintendent's Office          | 258,770             | 274,145                    | 15,375                          | 5.94%                            |
| Principal's Office               | 884,066             | 880,629                    | -3,437                          | -0.39%                           |
| Special Education Administration | 199,078             | 202,031                    | 2,953                           | 1.48%                            |
| Business Office                  | 221,573             | 226,781                    | 5,208                           | 2.35%                            |
| Fixed Asset                      | 500                 | 650                        | 150                             | 30.00%                           |
| Central Supplies                 | 23,700              | 23,700                     | 0                               | 0.00%                            |
| Buildings & Grounds              | 1,612,663           | 1,603,199                  | -9,464                          | -0.59%                           |
| Crossing Guards                  | 31,426              | 31,647                     | 221                             | 0.70%                            |
| Police Resource Officer          | 39,840              | 40,021                     | 181                             | 0.45%                            |
| Special Ed Transportation        | 26,430              | 38,000                     | 11,570                          | 43.78%                           |
| Transportation                   | 113,736             | 110,436                    | -3,300                          | -2.90%                           |
| Debt Service                     | 311,993             | 378,892                    | 66,899                          | 21.44%                           |
| <b>TOTAL LOCAL BUDGET</b>        | <b>\$14,596,184</b> | <b>\$14,784,682</b>        | <b>\$188,498</b>                | <b>1.29%</b>                     |
| <b>Other Grant Funds</b>         | <b>\$531,141</b>    | <b>\$536,234</b>           | <b>\$5,093</b>                  | <b>0.96%</b>                     |
| <b>TOTAL BUDGET</b>              | <b>\$15,127,325</b> | <b>\$15,320,916</b>        | <b>\$193,591</b>                | <b>1.28%</b>                     |

# Revenue Projections FY10

| Revenue                                | FY09                | FY10 Proposed       | Difference       | Explanation                                                                                      |
|----------------------------------------|---------------------|---------------------|------------------|--------------------------------------------------------------------------------------------------|
| Education Spending (Act 68 definition) | 12,100,414          | 12,383,239          | 282,825          | Amount from state to fund education spending.                                                    |
| Title 1 Grant                          | 325,846             | 327,774             | 1,928            | Federal funds for remedial programs.                                                             |
| Special Ed Intensive                   | 978,064             | 1,105,623           | 127,559          | State special education funding estimated at 56.62% for reimbursement of costs exceeding grants. |
| Special Ed Block Grant                 | 335,488             | 335,488             | -                | State provides sum of money based on enrollment and core special ed staffing.                    |
| Special Ed Extraordinary               | 260,999             | 137,250             | (123,749)        | State provides sum of money for extraordinary costs.                                             |
| IDEA B Grant                           | 256,345             | 256,345             | -                | Reflects level funding for Federal Grant.                                                        |
| Tuition                                | 44,000              | 61,125              | 17,125           | Tuition estimate from other LEA's and private sources.                                           |
| Rentals                                | 36,000              | 12,000              | (24,000)         | Income received for use of facilities.                                                           |
| Vocational Transportation              | 15,720              | 15,720              | -                | State reimbursement for transportation expenses.                                                 |
| Driver Education                       | 7,368               | 5,264               | (2,104)          | State reimbursement for driver education expenses.                                               |
| Miscellaneous                          | 1,000               | 1,000               | -                | Miscellaneous revenue and donations received.                                                    |
| Transportation Aid                     | 50,070              | 43,108              | (6,962)          | State reimbursement for K-12 transportation expenses (45%). Decreased one bus                    |
| Revenue from City of Montpelier        | 2,000               | 2,000               | -                | Revenue received for services provided to the city.                                              |
| Interest                               | 50,000              | 10,000              | (40,000)         | Anticipated interest earned.                                                                     |
| Balance Forward                        | 132,870             | 88,746              | (44,124)         | Prior year fund balance.                                                                         |
| <b>Total General Fund</b>              | <b>\$14,596,184</b> | <b>\$14,784,682</b> | <b>\$188,498</b> | <b>1.29%</b>                                                                                     |
| <b>Other Grant Funds</b>               | <b>\$531,141</b>    | <b>\$536,234</b>    | <b>\$5,093</b>   | <b>0.96%</b>                                                                                     |
| <b>Total General and Grant Funds</b>   | <b>\$15,127,325</b> | <b>\$15,320,916</b> | <b>\$193,591</b> | <b>1.28%</b>                                                                                     |



## Salaries for 2008 — Montpelier School District

Salaries include all School, Senior Citizen Center, and Recreation Department employees. These include substitute teachers and instructional assistants, other temporary employees, and Recreation Department summer camp and pool employees.

|                            |         |                               |        |                              |        |
|----------------------------|---------|-------------------------------|--------|------------------------------|--------|
| Phyllis A. Abbatiello      | \$4,630 | Rhonda M. Brace               | 7,825  | Krystal A. Copeland          | 240    |
| Susan R. Abrams            | 60,978  | Erin M. Bresette              | 3,030  | Lorna L. Corbett             | 900    |
| Ellen L. Adams             | 6,150   | Margaret E. Brigham           | 17,195 | Billie L. Corrette           | 2,135  |
| Blanche E. Adamski         | 9,910   | Matthew D. Brittenham         | 39,771 | Betty L. Cossett             | 643    |
| Sarah R. Adelman           | 665     | Nancy Ann Brown               | 36,069 | Mary Creeden                 | 59,361 |
| Jennifer L. Aither         | 969     | Adrienne M. Brownlee          | 1,645  | Jill L. Creswell             | 9,209  |
| David C. Aja               | 51,298  | Eryn E. Brownlee              | 1,973  | James Cross                  | 1,104  |
| Collin B. Albany           | 1,983   | Cindy P. Bubrowski            | 22,942 | Roland E. Cross              | 330    |
| Patrick J. Aldrich         | 2,813   | William H. Bugbee             | 8,603  | Katie J. Cushing             | 146    |
| Suzanne Kennedy Aldrich    | 1,000   | Elizabeth J. Burgess          | 6,742  | Kyle L. Cushman              | 1,290  |
| Daniel J. Anderson         | 250     | Janet G. Burke                | 17,538 | Suzanne J. Da Via            | 47,753 |
| Debra S. Anderson          | 12,957  | Sayde J. Burke                | 6,967  | Wendy P. Dale                | 2,555  |
| Cameron I. Arnold          | 299     | Olga C. Burns                 | 3,072  | Leslie L. Damon              | 10,838 |
| Pamela J. Arnold           | 78,034  | William G. Burrell            | 41,542 | Richard Davidian             | 55,614 |
| Barbara J. Austin-Hutchins | 63,383  | Kristie W. Bush               | 60,415 | Charles H. Davis             | 32,844 |
| Roxie L. Bador             | 20,619  | Kathryn Bushey                | 6,174  | Gabriele A. Davis            | 62,385 |
| Sabrina E. Bador           | 8,589   | Reed A. Bushey                | 3,506  | Anne M. Day                  | 20,088 |
| Michael R. Baginski        | 55,849  | Cathleen Butterfield-Heitmann | 53,766 | Laura A. Delcore             | 14,839 |
| Eric R. Bagley             | 2,323   | Susan S. Buttura              | 54,509 | Caroline M. Dellipriscoli    | 959    |
| Linda M. Baker             | 57,053  | Jo-ann L. Buzzi               | 31,548 | Elizabeth A. Dellipriscoli   | 2,906  |
| Shannon M. Baker           | 12,927  | Esther M. Byam                | 11,225 | Jill B. Dellipriscoli        | 1,806  |
| John D. Balzanelli         | 9,131   | Dorothy N. Canas              | 1,080  | Floyd C. Dickinson           | 3,970  |
| Robert G. Banfield         | 2,322   | Alice M. Cardozo              | 1,527  | Christopher S. Diego         | 501    |
| Jerry R. Barcomb           | 1,463   | Phillip B. Carr               | 19,115 | Mary E. Diego                | 270    |
| Jacob D. Barrett           | 375     | Carolyn S. Casagrande         | 1,000  | Constance S. Dolloff         | 862    |
| Ginger Basa                | 420     | Duane Lyman Castle            | 42,482 | Rose Musarra Doyle           | 3,710  |
| Jeanne D. Bataille         | 31,464  | Guy Mark Catlin               | 2,093  | Ultan J. Doyle               | 210    |
| John H. Bate               | 46,793  | Linnea M. Cecere              | 6,630  | Stephanie J. Drew            | 53,606 |
| Erin E. Baugher            | 660     | Toni L. Ceckler               | 60,433 | Kay L. du Moulin             | 11,454 |
| Linda C. Beaupre           | 58,867  | Lauren P. Chabot              | 30,976 | Mattie E. Dube               | 2,298  |
| Zachary A. Beechler        | 580     | Jo-Anne H. Chaloux            | 12,859 | JoAnn S. Ducey               | 7,899  |
| Susan N. Beem              | 46,047  | Alison C. Chase               | 2,073  | Diana M. Duke                | 8,513  |
| Elmira Behzadikia          | 363     | Elizabeth A. Chase            | 915    | Sharyn E. Duplessis          | 17,853 |
| Valerie W. Belanger        | 33,434  | Nancy F. Chase                | 31,648 | Christina A. Ebersole        | 8,015  |
| Stephen H. Benoit          | 840     | Myles G. Chater               | 41,451 | Jane S. Edwards              | 14,800 |
| Timothy R. Bertram         | 1,190   | Barbara A. Chenette           | 4,760  | Jennifer S. Ellis            | 38,854 |
| Curtis H. Bevington        | 2,286   | Nelson C. Churchill, Jr.      | 462    | Charles A. Emerson           | 2,739  |
| Josee C. Bevington         | 23,381  | Aldo M. Ciampi, Jr.           | 1,846  | Jody L. Emerson              | 2,784  |
| Julie M. Bevins            | 28,225  | Arthur S. Clark               | 6,759  | Sarah L. Emmons              | 420    |
| Timothy M. Bianchi         | 1,675   | Nancy L. Clark                | 5,560  | Emme D. Erdossy              | 41,731 |
| Ana Bikic                  | 2,822   | Sheila Cleary                 | 7,038  | Jennifer R. Evans            | 6,753  |
| Michael R. Binaghi         | 2,056   | J. Peter Cobb                 | 2,399  | Peter Evans                  | 88,762 |
| Elizabeth R. Bingham       | 4,340   | Dena T. Cody                  | 43,552 | Sylvia A. Fagin              | 35,420 |
| Carrie E. Blodgett         | 315     | Barbara H. Colf               | 38,944 | Amanda Fair-King             | 140    |
| Darryl F. Bloom            | 32,899  | Eric H. Collier               | 10,891 | Audrey Famette               | 13,087 |
| Valerie Bluhm              | 210     | Patricia D. Collier           | 56,118 | Christopher R. Ferris        | 2,730  |
| Brenda L. Bolio            | 34,348  | Judy U. Colombo               | 32,315 | Joyce G. Ferris              | 16,716 |
| Melissa L. Boreanaz        | 180     | Christopher W. Colt           | 600    | Paulette Fiorentino-Robinson | 21,912 |
| Ariel G. Borgendale        | 2,323   | Jean L. Commito               | 57,556 | Barbara Fisk                 | 16,274 |
| Richard H. Bousquet        | 1,400   | Michael J. Conley             | 10,233 | Joan H. Fitch                | 44,608 |
| Brooke E. Bova             | 1,853   | Miriam F. Conlon              | 70     | Bonnie S. Flanagan           | 4,675  |
| Peggy E. Bowen             | 19,184  | Carrie S. Cook                | 43,295 | Sheehan E. Flanagan          | 1,396  |
| Lisa M. Bowley             | 1,940   | George A. Cook                | 46,797 | Lois E. Flanders             | 13,366 |
| Susan Jane Boyer           | 46,501  | Kristin L. Cook               | 2,208  | Jeremy Foster                | 1,338  |

|                           |        |                            |        |                            |         |
|---------------------------|--------|----------------------------|--------|----------------------------|---------|
| Jamie C.L. Fournier       | 7,851  | Deborah Johnson-Surwilo    | 11,991 | Teresa A. MacDougall       | 3,288   |
| Timothy J. Francke        | 39,000 | Mark W. Joy                | 28     | Patricia M. Magoon         | 58,798  |
| Anne O. Fraser            | 15,054 | Joan M. Kahn               | 60     | Semir Mahmutovic           | 329     |
| William C. French         | 17,131 | Patrick C. Kantlehner      | 175    | Joseph Mahr                | 920     |
| Carolyn Friberg           | 62,739 | Beverly M. Keck            | 755    | Benjamin P. Majchrzak      | 1,418   |
| Laura H. Gabriel          | 7,905  | William T. Keck            | 31,020 | Ryan P. Maloney            | 300     |
| Brian J. Gallagher        | 47,008 | Charles R. Keinath         | 1,654  | Mary J. Manahan            | 1,095   |
| Tanina M. Garabedian      | 19,506 | Windy L. Kelley            | 40,135 | Allison J. Mann            | 11,347  |
| Robert E.J. Garland       | 1,601  | Nancy R. Kennedy           | 7,202  | Dennis Maranville          | 43,492  |
| Debra S. Garrett          | 27,611 | Richard A. Kennison        | 31,746 | Barbara A. Marcouillier    | 48,638  |
| Patricia H. Gaston        | 65,012 | William D. Kerr, Jr.       | 2,028  | Adena B. Martin            | 300     |
| Christopher W. Gaye       | 60     | Theresa G. Kessler         | 70     | Grace L. Martin            | 570     |
| J. Gregory Gerdel         | 1,675  | Kimberly J. Kidney         | 19,772 | Kyle R. Martin             | 341     |
| Paula E. Gervia           | 46,329 | William D. Kidney          | 530    | Austin A. Martineau        | 2,060   |
| Donna M. Gibbs            | 14,678 | Amy L. Kimball             | 51,788 | Kolby L. Martineau         | 1,813   |
| Christine E. Gibson-Davis | 12,101 | Sarah E. Knauss            | 42,540 | Kyle J. Massie             | 738     |
| Theresa A. Giffin         | 56,053 | Hannah M. Koch             | 780    | Norma L. Maurice           | 25,798  |
| Nathan D. Gingras         | 105    | Susan E. Koch              | 17,122 | Robert C. Maurice          | 28,736  |
| Maria A. Gomez            | 9,192  | Jamie M. Koehnlein         | 315    | Mary B. Maxfield           | 16,613  |
| Diana C. Goodell          | 19,461 | Daniel M. Koenemann        | 150    | Susan L. Maywood           | 55,179  |
| Linda L. Goodell          | 38,515 | Karlynn C. Koenemann       | 7,771  | Beverly C. McAllister      | 13,824  |
| Gail P. Gorman            | 52,737 | Mark E. Koenemann          | 2,168  | Kerrin A. McCadden         | 46,798  |
| Eleanor M. Gowans         | 4,390  | Rebecca L. Kotula          | 6,687  | Dana McCarthy              | 1,826   |
| Emily G. Goyette          | 37,853 | Frances M. Koucky          | 500    | James B. McCarthy          | 3,730   |
| Lindsay L. Graff          | 2,408  | Briana D. Kula             | 350    | Lucinda B. McCloud         | 31,616  |
| Josephine I. Green        | 240    | Richard T. Lachapelle      | 48,326 | Ryan T. McCormick          | 210     |
| Saul I. Gresser           | 360    | Candace C. Lacroix         | 22,180 | Jill R. McDermott          | 490     |
| Kelly A. Grey             | 3,802  | Carmen R. Lagala           | 3,883  | Jonathan E. McDonald       | 48,421  |
| Gary M. Griffith          | 55,179 | Jacquette R. Landrum       | 12,126 | Marita C. McDonald-Frey    | 300     |
| Donald L. Griswold        | 70     | James A. Landrum           | 23,622 | Margaret A. McGill         | 11,438  |
| Rosalea I. Grout          | 361    | Katherine H. Langlois      | 7,544  | David C. McGraw            | 63,149  |
| Colin A. Gunn             | 70     | Margaret L. Lawson         | 3,640  | Jody B. McGraw             | 63,246  |
| Sarah G. Guyette          | 14,951 | George P. Leal             | 37,615 | Laura McKinstry            | 15,491  |
| Janice Halford            | 1,688  | Patrick S. Leene           | 2,099  | Brendan N. McLane          | 43,359  |
| Chelsa M. Hall            | 2,740  | Shawn E. Leene             | 785    | Matthew B. McLane          | 48,194  |
| Sarah A. Halpine          | 38,038 | Russell C. Leete           | 39,771 | Arne T. McMullen           | 49,462  |
| Elizabeth K. Hammond      | 40,877 | Daniel J. LeFebvre         | 11,920 | Marianne McNamara          | 52,372  |
| Jolin L. Hastings         | 161    | Mary Catharine R. Lefebvre | 41,635 | Stephen A. Mears           | 67,320  |
| Brenden M. Healy          | 1,688  | Bernard C. Leno            | 3,555  | Mary Mello                 | 63,361  |
| Michael Healy             | 28,503 | Cathy S. Lerner            | 38,944 | Michael G. Mercadante      | 1,520   |
| Debra A. Hickey           | 41,931 | John C. Lincoln            | 1,273  | Amy B. Merriam             | 630     |
| Terence L. Hodgdon        | 51,298 | Sara E. Lindo              | 1,269  | Barbara A. Merrill         | 3,921   |
| John H. Hollar            | 1,300  | Kimberly B. Lipinski       | 140    | Stephen Metcalf            | 101,930 |
| Ruth A. Holmes            | 735    | Jessica B. Little          | 34,250 | Heather J. Michaud         | 39,337  |
| Cynthia C. Hooker         | 31,647 | Robert L. Lizzari, Jr.     | 3,559  | Julie J. Michaud           | 17,307  |
| Jennifer W. Howard        | 54,049 | Daniel S. Lockwood         | 2,763  | Jason P. Miles             | 48,443  |
| Mary Hoyne                | 16,806 | Heather A. Lockwood        | 2,668  | Brian A. Miller            | 330     |
| Ashley L. Hudson          | 200    | Janet K. Lockyer           | 10,745 | Karl S. Miller             | 237     |
| Jeannette G. Hull         | 13,562 | Debra G. Lord              | 40,829 | Daniel M. Miller-Arsenault | 49,199  |
| Tucker G. Huntsman        | 8,974  | Debra Lorinovich           | 38,284 | Judy A. Milstein           | 19,487  |
| Eric J. Hutchins          | 1,666  | Donald R. Lorinovich       | 71,543 | Christina C. Molinaro      | 40,492  |
| Linda L. Hutchins         | 26,710 | Louise M. Low              | 420    | Susan M. Monmaney          | 40,749  |
| Lindel G. James           | 3,865  | Constance M. Lowe          | 421    | Carlos E. Montero          | 20,994  |
| Jeffrey W. Jarrad         | 46,963 | Timothy J. Luce            | 32,687 | Amanda J. Monti            | 15,694  |
| Belinda S. Justice        | 1,120  | Alicia L. Lyford           | 42,374 | Elizabeth A. Moody         | 45,483  |
| Rebecca L. Johnson        | 29,826 | Jennifer A. Lyford         | 292    | Sharon M. Moore            | 183     |
| Timothy P. Johnson        | 4,947  | Linda C. MacDonald         | 57,428 | Donald L. Morgan           | 5,985   |

**Montpelier 2009 / Annual Report / 96.**

|                         |        |                           |        |                         |        |
|-------------------------|--------|---------------------------|--------|-------------------------|--------|
| Paul R. Morgan          | 725    | Jaimen R. Romano          | 2,156  | Cheryl Ann Tetreault    | 12,686 |
| James G. Morley         | 49,859 | Eli S. Rosenberg          | 49,230 | Kimberly C. Tewksbury   | 40,542 |
| Shirley R. Morse        | 3,950  | Neil W. Rosenblad         | 56,023 | Garrett C. Thibault     | 620    |
| Richard F. Mosher       | 6,440  | Vincent L. Rossano        | 66,997 | David R. Thomas         | 2,683  |
| Melissa A. Muller-Moore | 2,093  | Cynthia E. Rossi          | 78,466 | Joy E. Thomas           | 21,774 |
| Cynthia A. Murphy       | 46,982 | Daniel M. Roy             | 1,712  | Kali A. Thomas          | 465    |
| Alexis Y. Murphy-Egri   | 9,059  | Marijke Russo             | 45,816 | Allison N. Thompson     | 2,767  |
| Henry O. Murray         | 210    | Stuart F. Russo-Savage    | 51,902 | James D. Thompson       | 23,490 |
| Andrea H. Myotte        | 51,114 | Thomas J. Sabo, Jr.       | 44,608 | Peggy A. Thompson       | 17,721 |
| Carole J. Naquin        | 17,523 | Joseph P. Salerno         | 1,131  | Donald Roy Thresher     | 51,573 |
| Ann L. Nelson           | 41,943 | Sandy S. Salvas           | 52     | Diana M. Tierney        | 17,804 |
| John L. Nelson-Miles    | 18,534 | Victoria E. Sanderson     | 1,520  | Jerry E. Tillotson      | 45,785 |
| Elizabeth L. Nicholson  | 63,806 | Geoffrey C. Sather        | 55,745 | Phillip R. Tomasi       | 8,577  |
| Britt Nielsen           | 42,485 | Carolyn R. Satre          | 47,486 | Pamela A. Towne         | 22,156 |
| Heather J. Nielsen      | 1,603  | Dorcas A. Sawyer          | 1,550  | Martha J. Tucker        | 42,653 |
| Judith M. Nolan         | 199    | Timothy J. Scandale       | 23,984 | Alyssa K. Turley        | 2,531  |
| Linda Normandeau        | 700    | D. Andrew Scott           | 44,467 | Christopher A. Turley   | 2,322  |
| Mark S. Novin           | 2,930  | Kimberly A. Scott         | 41,417 | Peter A. Turley         | 2,978  |
| Salih Numanovic         | 31,488 | Linda M. Scoville         | 8,784  | Lorraine M. Utton       | 25,427 |
| Carlyle M. Nunn         | 29,009 | Holly V. Scudder-Chase    | 63,064 | Anne F. Vachon          | 280    |
| Caitlin O'Connor        | 680    | Mary Ellen Seaver-Reid    | 53,402 | Nancy C. Vachon         | 13,654 |
| Anne M. O'Donnell       | 723    | Caroline M. Sedano        | 60     | Catherine M. Van Eyck   | 330    |
| James N. Olmsted        | 14,758 | Michael L. Segale         | 1,485  | Thomas H. Van Meter     | 3,465  |
| Hilary L. Owen          | 38,854 | Ellen C. Selkowitz        | 60,933 | Richard G. Vanden Bergh | 750    |
| Amy E. Papineau         | 1,598  | Alexandra Shear           | 30,397 | Lowell J. VanDerlip     | 1,000  |
| Melissa M. Parker       | 38,897 | Martha Sherman            | 38,009 | Polly P. Vanderputten   | 240    |
| Sheila Paterson         | 21,370 | Britta M. Shernock        | 90     | Brenda M. VanDzura      | 250    |
| Travis S. Paquet        | 1,864  | Alex E. Shevrin           | 455    | Donna L. Vernal         | 771    |
| Brooke Pearson          | 34,703 | Ellen A. Sholk            | 47,356 | Rosana Vestuti          | 13,365 |
| Edward F. Pelkey        | 23,396 | Lara B. Slesar            | 42,950 | Doris C. Viens          | 31,270 |
| Allen M. Perkins        | 2,123  | Karen J. Smereka          | 33,826 | Krystal L. Walters      | 140    |
| Pascale Philibert       | 15,303 | Ellen Smillie             | 1,798  | William A. Warner       | 175    |
| Charles S. Phillips     | 6,760  | Andra A. Smith            | 33,872 | Anne E. Watson          | 40,175 |
| Katrina K. Phillips     | 21,834 | Calvin R. Smith           | 70     | Barbara L. Watson       | 1,862  |
| Melissa J. Pierce       | 45,561 | Erin R. Smith             | 210    | Bonnie J. Watson        | 268    |
| Sharon L. Pine          | 40,492 | Richard T. Smith          | 30,470 | Wendy C. Watson         | 2,360  |
| Cynthia A. Pirtle       | 1,953  | Isadora S. Snapp          | 1,273  | Claire C. Watt          | 2,811  |
| Donna R. Pletzer        | 3,645  | Frances K. Solin          | 37,074 | Peter G. Watt           | 14,172 |
| Nancy C. Post           | 21,146 | Anthony J. Spector        | 350    | Helen L. Webb           | 782    |
| Irene Poulin-Farrar     | 57,053 | Janice M. Spooner         | 10,156 | Nancy A. Webb           | 12,376 |
| Linda A. Pruitt         | 518    | Sarah Squier              | 49,784 | Patricia M. Welsh       | 20,673 |
| Corey C. Pulsifer       | 5,136  | Joan A. Stander           | 4,130  | Juliana V. Westcott     | 2,213  |
| Kerri B. Pulsifer       | 36,261 | Fred V. Stapenhorst       | 17,898 | Michael J. Whalen       | 5,550  |
| Nancy G. Reagan         | 44,087 | Susan Steinhurst          | 17,986 | Michelle L. Wheeler     | 210    |
| Dorothy A. Redmond      | 16,944 | Jean B. Stetter           | 14,997 | Dylan Michaela Williams | 2,978  |
| Mary C. Redmond         | 57,178 | Carley Stevens-McLaughlin | 8,970  | Emily A. Wrigley        | 18,573 |
| Jane Ann Reese-Scott    | 27,933 | Elizabeth A. Strobell     | 22,486 | Margaret A. Young       | 480    |
| Mark S. Remick          | 34,614 | Elaine Sumner             | 200    | Susan Youngwood         | 2,186  |
| Paul K. Reynolds        | 175    | Sandra E. Surrell         | 12,777 | Virginia Q. Zahner      | 57,562 |
| Lynn M. Ribolini        | 24,125 | Joseph T. Sweeney         | 36,047 | Jillian Zeilenga        | 14,638 |
| Robin L. Ricker-Lumsden | 15,632 | Elizabeth J. Swenson      | 17,180 | Timothy D. Zorzi        | 2,498  |
| Kristen M. Riley        | 245    | Ernest L. Swenson         | 1,826  |                         |        |
| Barbara G. Ripley       | 2,380  | Peter F. Talbot           | 705    |                         |        |
| Samantha E. Ritzer      | 1,390  | Johnson K. Tata           | 3,159  |                         |        |
| Carolyn S. Roberge      | 45,491 | Donald H. Taylor          | 44,795 |                         |        |
| Steven P. Robinson      | 1,000  | Emily E. Teffs            | 11,920 |                         |        |
| Anita W. Rogers         | 308    | Christine A. Terry        | 56,118 |                         |        |

MONTPELIER PUBLIC SCHOOL SYSTEM  
AUDIT REPORT  
TABLE OF CONTENTS  
JUNE 30, 2008

Independent Auditor's Report

Management's Discussion and Analysis

Basic Financial Statements:

Government-Wide Financial Statements:

EXHIBIT

Statement of Net Assets

1

Statement of Activities

2

Fund Financial Statements:

Balance Sheet - Governmental Funds

3

Statement of Revenues, Expenditures and Changes in Fund  
Balances - Governmental Funds

4

Reconciliation of the Statement of Revenues, Expenditures and Changes in  
Fund Balances of Governmental Funds to the Statement of Activities

5

Statement of Revenues and Expenditures and Changes in Fund Balances - Budget  
and Actual - General Fund

6

Statement of Fiduciary Net Assets - Fiduciary Funds

7

Statement of Changes in Fiduciary Net Assets - Fiduciary Funds

8

Notes to the Financial Statements

SCHEDULE

Supplementary Information:

Combining Balance Sheet - Other Governmental Funds

A

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -  
Other Governmental Funds

A-1

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October 17, 2008

Board of School Commissioners  
Montpelier Public School System  
58 Barre Street  
Montpelier, Vermont 05602

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Montpelier Public School System as of and for the year ended June 30, 2008, which collectively comprise the Montpelier Public School System's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Montpelier Public School System's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Montpelier Public School System as of June 30, 2008, and the respective changes in financial position, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated October 17, 2008 on our consideration of Montpelier Public School System'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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

The management's discussion and analysis is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming our opinions on the financial statements that collectively comprise the Montpelier Public School System's basic financial statements. The combining other non major governmental fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statement. The combining other non major governmental fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Roderic A. Sherman & Company*

**MONTPELIER PUBLIC SCHOOL SYSTEM  
MONTPELIER, VERMONT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2008  
UNAUDITED**

**Introduction**

This discussion and analysis of the Montpelier Public School System's financial performance provides an overall review of the School System's financial activities for the fiscal year ended June 30, 2008. This is the sixth report prepared by the School System's financial administrators in order to comply with the requirements of GASB 34 (Governmental Accounting Standards Board Statement # 34). A comparative analysis of government-wide data is presented. The intent of this discussion and analysis is to look at the School System's financial performance as a whole; readers should also review the basic financial statements and reports to enhance their understanding of the School System's financial status and performance.

**Financial Highlights**

Key financial highlights for fiscal year 2008 are as follows:

- The school district had \$17,342,975 in expenses related to government activities in 2008 compared to \$16,400,526 in 2007. The increase in expenses from 2007 to 2008 was due to increased instructional and special education costs. General revenues (primarily property taxes, grants and entitlements) of \$12,442,116 in 2008 and \$11,858,687 in 2007 provide the majority of funds to operate these programs. This represents 72 percent of all revenues in 2008 and 72 percent in 2007.
- Net assets of governmental activities increased by \$33,103 in 2008 compared to an increase of \$131,237 in 2007.

**Using the Basic Financial Statements**

This annual report consists of a series of financial statements, and notes to those statements. These statements are organized so that the reader can understand the Montpelier Public School System as a financial whole, or as an entire operating entity.

The statement of net assets and statement of activities provide information about activities of the whole School System, presenting both an aggregate view of the School System's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School System's most significant funds with all other non-major funds presented in total in a single column. For the Montpelier Public School System, the General Fund, Senior Citizen Fund and the Capital Project Fund are the most significant funds.

**Reporting the School System as a Whole**

**Statement of Net Assets and Statement of Activities**

While this report contains the large number of funds used by the School System to provide programs and activities, the view of the School System as a whole looks at financial transactions and asks the question, "How did we do financially during fiscal year 2008?" The statement of net assets and the statement of

**MONTPELIER PUBLIC SCHOOL SYSTEM  
MONTPELIER, VERMONT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2008  
UNAUDITED  
(Continued)**

activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting systems used by most private sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash was received or paid.

These two statements report the School System's net assets and changes in those assets. This change in net assets is important because it identifies whether the financial position of the School System has improved or diminished for the School System as a whole. The cause of this change may be the result of many factors, some financial and some not. Non-financial factors include the School System's property tax base, current laws regarding taxation for public education in the State of Vermont, facility conditions, required educational programs, and other factors.

Under GASB 34 the statement of net assets and the statement of activities, are divided into two distinct kinds of activities:

**Governmental Activities** - All of the School System's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation, extracurricular activities, recreation and senior citizen's services.

**Business Activities** - This service is provided on a charge for goods and services basis to recover all of the expenses of the goods or services provided.

At the present time, the School System does not operate any business activities, and thus there is no reporting about any such activities.

**Reporting the School System's Most Significant Funds**

**Fund Financial Statements**

Fund financial reports provide detailed information about the School System's major funds. The School System uses many funds to account for multitude of financial transactions. However, these fund financial statements focus on the School System's most significant funds. The School System's major governmental fund are the General Fund, the Senior Citizen Fund and the Capital Project Fund.

**Governmental Funds**

All of the School System's activities are reported in governmental funds, which focus on how monies flow into and out of those funds and the balances left, if any, at fiscal year end for spending in future periods as authorized. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the School System's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent in the near future to finance educational programs. The relationship, or differences, between governmental activities reported in the statement of net assets and the statement of activities and the governmental funds is reconciled in the financial statements.

**MONTPELIER PUBLIC SCHOOL SYSTEM  
MONTPELIER, VERMONT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2008**  
**UNAUDITED**  
(Continued)

**The School System as a Whole**

The perspective of the statement of net assets is of the School System as a whole. Table 1 provides a summary of the School System's net assets for 2008 and 2007.

**Table 1**  
**Net Assets**  
(in thousands of dollars)

|                                                 | <b>Governmental<br/>Activities<br/>2008</b> | <b>Governmental<br/>Activities<br/>2007</b> |
|-------------------------------------------------|---------------------------------------------|---------------------------------------------|
| <b>Assets:</b>                                  |                                             |                                             |
| Current and Other Assets                        | \$ 2,267                                    | \$ 2,217                                    |
| Capital assets, Net                             | <u>7,165</u>                                | <u>7,387</u>                                |
| Total Assets                                    | 9,432                                       | 9,604                                       |
| <b>Liabilities:</b>                             |                                             |                                             |
| Current and Other Liabilities                   | 1,538                                       | 1,772                                       |
| Long-Term Liabilities                           | <u>2,539</u>                                | <u>2,510</u>                                |
| Total Liabilities                               | 4,077                                       | 4,282                                       |
| <b>Net Assets:</b>                              |                                             |                                             |
| Invested and Capital Assets Net of Related Debt | 4,689                                       | 4,625                                       |
| Restricted                                      | 333                                         | 299                                         |
| Unrestricted (Deficit)                          | <u>333</u>                                  | <u>398</u>                                  |
| Total Net Assets                                | <u>\$ 5,355</u>                             | <u>\$ 5,322</u>                             |

Net assets of the School System's governmental activities increased \$33,103 from 2007 to 2008.

**MONTPELIER PUBLIC SCHOOL SYSTEM  
MONTPELIER, VERMONT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2008  
UNAUDITED  
(Continued)**

Table 2 reflects the net assets for the fiscal years 2008 and 2007.

**Table 2  
Change in Net Assets  
(in thousands of dollars)**

|                                                | Governmental<br>Activities<br>2008 | Governmental<br>Activities<br>2007 |
|------------------------------------------------|------------------------------------|------------------------------------|
| <b>Revenues:</b>                               |                                    |                                    |
| Program Revenues:                              |                                    |                                    |
| Charges for Services and Sales                 | \$ 765                             | \$ 772                             |
| Operating Grants and contributions             | 4,119                              | 3,634                              |
| Capital Grants and contributions               | 50                                 | 267                                |
| Total Program Revenues                         | <u>4,934</u>                       | <u>4,673</u>                       |
| General Revenues:                              |                                    |                                    |
| Property Taxes                                 | 673                                | 632                                |
| Grants not Restricted to Specific Programs     | 11,659                             | 11,097                             |
| Interest Income                                | 65                                 | 111                                |
| Miscellaneous                                  | 45                                 | 19                                 |
| Total General Revenues                         | <u>12,442</u>                      | <u>11,859</u>                      |
| Total Revenues                                 | <u>17,376</u>                      | <u>16,532</u>                      |
| <b>Program Expenses:</b>                       |                                    |                                    |
| Instruction                                    | 9,431                              | 9,005                              |
| Support Services:                              |                                    |                                    |
| Students and Instructional Staff               | 1,597                              | 1,462                              |
| Board of Education, Administration, and Fiscal | 1,688                              | 1,657                              |
| Operation and Maintenance of Plant             | 1,561                              | 1,451                              |
| Pupil Transportation                           | 140                                | 170                                |
| Central                                        | 21                                 | 15                                 |
| Depreciation                                   | 267                                | 221                                |
| Interest on Debt                               | 124                                | 146                                |
| Grant Programs                                 | 564                                | 439                                |
| Food Service Program                           | 496                                | 472                                |
| Facility Improvements                          | 0                                  | 0                                  |
| Recreation Program                             | 750                                | 679                                |
| Senior Citizen Program                         | 203                                | 169                                |
| Other                                          | 501                                | 515                                |
| Total Expenses                                 | <u>17,343</u>                      | <u>16,401</u>                      |
| Increase in Net Assets                         | <u>\$ 33</u>                       | <u>\$ 131</u>                      |

Other program expenses includes licensed educators' retirement fund payments of \$501,000 and \$465,000 in 2008 and 2007, respectively, paid by the State of Vermont on behalf of the School System.

**MONTPELIER PUBLIC SCHOOL SYSTEM  
MONTPELIER, VERMONT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2008  
UNAUDITED  
(Continued)**

**Governmental Activities**

The statement of activities reflects the cost of program services and the revenues from charges for services, grants, and contributions offsetting the cost of those services. Table 3, for government activities, indicates the total cost of services and the net cost of services. It identifies the cost of these services supported by tax revenues and unrestricted state entitlements.

**Table 3  
Governmental Activities  
(in thousands of dollars)**

|                                                | <b>Total Cost<br/>of Services<br/>2008</b> | <b>Net Cost of<br/>Services<br/>2008</b> | <b>Total Cost<br/>of Services<br/>2007</b> | <b>Net Cost of<br/>Services<br/>2007</b> |
|------------------------------------------------|--------------------------------------------|------------------------------------------|--------------------------------------------|------------------------------------------|
| Instruction                                    | \$ 9,431                                   | \$ 6,528                                 | \$ 9,005                                   | \$ 6,365                                 |
| Support Services:                              |                                            |                                          |                                            |                                          |
| Student and Instructional Staff                | 1,597                                      | 1,597                                    | 1,462                                      | 1,462                                    |
| Board of Education, Administration, and Fiscal | 1,688                                      | 1,685                                    | 1,657                                      | 1,653                                    |
| Operation and Maintenance of Plant             | 1,561                                      | 1,525                                    | 1,451                                      | 1,415                                    |
| Pupil Transportation                           | 140                                        | 75                                       | 170                                        | 107                                      |
| Central                                        | 21                                         | 21                                       | 15                                         | 15                                       |
| Depreciation                                   | 267                                        | 267                                      | 221                                        | 221                                      |
| Interest on Debt                               | 124                                        | 124                                      | 146                                        | 146                                      |
| Grant Programs                                 | 564                                        | 0                                        | 439                                        | 0                                        |
| Food Service                                   | 496                                        | 14                                       | 472                                        | 5                                        |
| Facility Improvements                          | 0                                          | 0                                        | 0                                          | (267)                                    |
| Recreation Program                             | 750                                        | 479                                      | 679                                        | 467                                      |
| Senior Citizen Program                         | 203                                        | 94                                       | 169                                        | 88                                       |
| Other                                          | 501                                        | 0                                        | 515                                        | 50                                       |
| <b>Total Expenses</b>                          | <b>\$ 17,343</b>                           | <b>\$ 12,409</b>                         | <b>\$ 16,401</b>                           | <b>\$ 11,727</b>                         |

The School System's dependence upon general revenues for governmental activities is apparent. Over 76 percent of instructional activities for 2008 and 76 percent for 2007 are supported through general revenues. For all governmental activities general revenues support is 72 percent for 2008 and 72 percent for 2007. The State of Vermont is the primary source of support for Montpelier Public School System students.

**MONTPELIER PUBLIC SCHOOL SYSTEM  
MONTPELIER, VERMONT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2008  
UNAUDITED  
(Continued)**

**Capital Assets and Debt Administration**

**Capital Assets**

At the end of fiscal year 2008, the School System had \$7,164,528 invested in capital assets, all in governmental activities.

Table 4 reflects fiscal year 2008 and 2007 balances.

**Table 4  
Capital Assets at June 30  
(Net of Depreciation)  
(in thousands of dollars)**

|                                     | Governmental<br>Activities<br>2008 | Governmental<br>Activities<br>2007 |
|-------------------------------------|------------------------------------|------------------------------------|
| Land and Land Improvements          | \$ 61                              | \$ 66                              |
| Buildings and Building Improvements | 6,927                              | 7,135                              |
| Machinery and Equipment             | 124                                | 157                                |
| Equipment under Capital Lease       | 18                                 | 0                                  |
| Construction in Progress            | 11                                 | 0                                  |
| Vehicles                            | 24                                 | 29                                 |
| Totals                              | <u>\$ 7,165</u>                    | <u>\$ 7,387</u>                    |

The primary change in capital assets for governmental activities is a result of the new flooring at MHS and food service equipment at MHS. Depreciation expense for 2008 reduced net capital assets by \$266,926.

**Debt**

At June 30, 2008, the School System has \$1,580,000 in two outstanding bonds. Bond principal and interest are being paid from the General Fund. The two bonds are for the addition and renovation project at Union School and the addition and renovation at the High School and Main Street.

At June 30, 2008 the school system has \$933,612 of capital lease obligations for building improvements, computer equipment and food service equipment.

**MONTPELIER PUBLIC SCHOOL SYSTEM  
MONTPELIER, VERMONT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2008  
UNAUDITED  
(Continued)**

**The School System's Funds**

The School System's funds are accounted for using the modified accrual basis of accounting. Total governmental funds had revenues and other financing sources of \$17,494,515 in 2008 compared to \$16,750,551 in 2007 and expenditures and other financing uses of \$17,468,039 in 2008 compared to \$17,325,015 in 2007. Total governmental fund balances increased by \$26,476.

**General Fund Budgeting Highlights**

The School System's budget is prepared according to the requirements of Vermont law, the municipal charter and School System policy. The most significant budgeted fund is the General Fund. The operating budget includes proposed expenditures and estimated revenues. On behalf payments for licensed educators' retirement paid by the state are not budgeted.

The school superintendent may at any time transfer an unencumbered balance or portion thereof between budget lines. Transfers over \$500 are included in quarterly financial reports to the board. Expenditures over \$5,000 not planned for in the budget are submitted to the board for prior approval. The board approves a prioritized list of capital expenditures.

For the General Fund, on a budgetary basis final revenues and other financing sources, in the amount of \$14,633,207 were above original budgeted revenues, in the amount of \$561,584. Of this \$561,584 difference, most was due to issuance of general long-term debt to finance computer equipment purchases and revenues from the State of Vermont for special education. The School System received \$11,659,115 of general support grants from the State Education Fund. Property taxpayers in the City of Montpelier contributed \$9,368,693 to the Education Fund.

Expenditures and other financing uses were budgeted at \$14,150,759 while actual expenditures were \$14,731,925. The major difference comes from costs associated with building maintenance and special education.

General Fund revenues were less than expenditures by \$98,718, compared to a budgeted deficiency of \$79,136. The deficiency was a planned use of fund balance.

**MONTPELIER PUBLIC SCHOOL SYSTEM  
MONTPELIER, VERMONT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2008**

**UNAUDITED**  
(Continued)

**Current Issues**

Enrollment in the Montpelier School System declined to 987 in grades Kindergarten through 12 for the 2007-2008 school year. Under the formula employed by the State of Vermont to determine the local tax rate, such a declining enrollment poses a significant budgeting challenge. Because costs associated with the basic infrastructure of the school (utilities, maintenance, transportation, administration) are not reduced at all by a reduction in student population (capped by the state in its funding formula at 3.5%), it is very difficult to produce a budget that doesn't have a significant increase in per pupil spending. The community's Common Level of Appraisal (66%) makes the challenge even greater. The School System has responded by reducing professional and support staff positions in those grades with lower enrollment. One central office administrative position was also eliminated, though funding for that position came largely through grants. Also, an administrative assistant position in the central office was eliminated. Thus far, only one program (dance) has been cut. However continuing pressures, caused by concerns over per pupil spending and its effect on the tax rate, may soon mean that difficult choices will have to be made regarding the opposing demands of the quality and the affordability of the School System's programs.

One continuing focus is improving facilities, with a special focus on heating needs and energy efficiency. The School System entered into a performance contract, authorized in Vermont Statutes Annotated Title 16, 3448f, with the Honeywell Corporation to improve the heating systems in all three of the schools. Honeywell designed a set of improvement measures that are guaranteed to improve the comfort level in the buildings as well as reduce energy costs. The contract with Honeywell Corporation includes a guarantee that energy cost savings will at least equal the lease payments.

Voters also approved a \$1,495,000 bond to improve facilities at each school site in FY09 and move Central Office to the High School. This move will result in immediate savings for the School System, with those savings increasing each year as the interest payment on the bond decreases.

The 2008 – 2009 General Fund budget of \$14,596,184 plus other grant funds of \$531,141 totaled \$15,127,325. This budget includes staff reductions and other expenditure reductions mostly due to declining enrollments and program reviews. The general fund budget is \$445,425 more than the 2007 – 2008 budget of \$14,150,759 (other grant funds totaled \$507,217).

**Contacting the School System's Financial Management**

This financial report is designed to provide our citizens, taxpayers and creditors with a general overview of the School System's finances, and to reflect the School System's accountability for the monies it receives. Questions about this report or additional financial information needs should be directed to Cynthia Rossi, Business Manager, or Stephen Metcalf, Superintendent, Montpelier Public School System, 58 Barre Street, Montpelier, Vermont 05602.

MONTPELIER PUBLIC SCHOOL SYSTEM  
STATEMENT OF NET ASSETS  
JUNE 30, 2008

|                                                         | <u>Governmental<br/>Activities</u> |
|---------------------------------------------------------|------------------------------------|
| <b>ASSETS</b>                                           |                                    |
| Cash                                                    | \$ 1,787,550                       |
| Investments                                             | 263,638                            |
| Accounts receivable                                     | 21,177                             |
| Due from other governments                              | 180,284                            |
| Prepaid expense                                         | 4,891                              |
| Inventory                                               | 9,803                              |
| Capital assets (net)                                    | <u>7,164,528</u>                   |
| Total Assets                                            | <u>9,431,871</u>                   |
| <b>LIABILITIES</b>                                      |                                    |
| Accounts payable                                        | 127,655                            |
| Due to other governments`                               | 43,153                             |
| Accrued salaries and fringe benefits                    | 1,195,397                          |
| Accrued interest payable                                | 49,938                             |
| Deferred revenue                                        | 122,199                            |
| Noncurrent Liabilities:                                 |                                    |
| Bonds payable due within one year                       | 185,000                            |
| Leases payable due within one year                      | 106,211                            |
| Employee termination benefits due within one year       | 6,201                              |
| Employee termination benefits due in more than one year | 18,603                             |
| Bonds payable due in more than one year                 | 1,395,000                          |
| Leases payable due in more than one year                | <u>827,401</u>                     |
| Total Liabilities                                       | <u>4,076,758</u>                   |
| <b>Net Assets</b>                                       |                                    |
| Invested in capital assets, net of related debt         | 4,688,564                          |
| Restricted for:                                         |                                    |
| Senior citizen program                                  | 277,185                            |
| Food service program                                    | 5,808                              |
| Tennis court improvements                               | 50,500                             |
| Unrestricted                                            | <u>333,056</u>                     |
| Total Net Assets                                        | <u>\$ 5,355,113</u>                |

The accompanying notes are an integral part of this financial statement.

MONTPELIER PUBLIC SCHOOL SYSTEM  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2008

EXHIBIT 2

|                                    | <u>Expenses</u>      | <u>Program Revenues</u>    |                                           |                                         | <u>Total</u>           |
|------------------------------------|----------------------|----------------------------|-------------------------------------------|-----------------------------------------|------------------------|
|                                    |                      | <u>Charges for Service</u> | <u>Operating Grants and Contributions</u> | <u>Capital Grants and Contributions</u> |                        |
| <b>Governmental Activities:</b>    |                      |                            |                                           |                                         |                        |
| Instruction:                       |                      |                            |                                           |                                         |                        |
| Regular                            | \$ 6,108,904         | \$ 88,092                  | \$ 351,931                                | \$ 0                                    | \$ (5,668,881)         |
| Special education                  | 2,917,367            | 0                          | 2,374,754                                 | 0                                       | (542,613)              |
| Vocational                         | 121,139              | 0                          | 88,238                                    | 0                                       | (32,901)               |
| Co-curricular                      | 283,547              | 0                          | 0                                         | 0                                       | (283,547)              |
| Support Services:                  |                      |                            |                                           |                                         |                        |
| Students                           | 984,244              | 0                          | 0                                         | 0                                       | (984,244)              |
| Staff                              | 613,221              | 0                          | 0                                         | 0                                       | (613,221)              |
| General administration             | 419,454              | 0                          | 0                                         | 0                                       | (419,454)              |
| School area administration         | 1,054,197            | 0                          | 0                                         | 0                                       | (1,054,197)            |
| Business office                    | 214,270              | 3,414                      | 0                                         | 0                                       | (210,856)              |
| Operation and maintenance of plant | 1,560,894            | 36,621                     | 0                                         | 0                                       | (1,524,273)            |
| Pupil transportation               | 139,729              | 0                          | 64,875                                    | 0                                       | (74,854)               |
| Central services                   | 21,535               | 0                          | 0                                         | 0                                       | (21,535)               |
| Facility improvements              | 0                    | 0                          | 0                                         | 0                                       | 0                      |
| Depreciation - unallocated         | 266,926              | 0                          | 0                                         | 0                                       | (266,926)              |
| Grant programs                     | 564,225              | 95,264                     | 468,961                                   | 0                                       | 0                      |
| Food service program               | 496,445              | 343,376                    | 138,741                                   | 0                                       | (14,328)               |
| Recreation program                 | 749,735              | 198,315                    | 22,806                                    | 49,483                                  | (479,131)              |
| Senior citizen program             | 202,747              | 0                          | 108,357                                   | 0                                       | (94,390)               |
| Interest on debt                   | 123,662              | 0                          | 0                                         | 0                                       | (123,662)              |
| Other                              | 500,734              | 0                          | 500,734                                   | 0                                       | 0                      |
| Total Governmental Activities      | <u>\$ 17,342,975</u> | <u>\$ 765,082</u>          | <u>\$ 4,119,397</u>                       | <u>\$ 49,483</u>                        | <u>\$ (12,409,013)</u> |

**General Revenues:**

|                                                                  |                   |
|------------------------------------------------------------------|-------------------|
| Property Taxes levied for Senior Citizen and Recreation Programs | 673,248           |
| Grants not Restricted to Specific Programs                       | 11,659,115        |
| Investment Income                                                | 65,073            |
| Miscellaneous                                                    | 44,680            |
| Total General Revenues                                           | <u>12,442,116</u> |

Change in Net Assets 33,103

Net Assets Beginning of Year 5,322,010  
Net Assets End of Year \$ 5,355,113

The accompanying notes are an integral part of this financial statement.

MONTPELIER PUBLIC SCHOOL SYSTEM  
BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2008

EXHIBIT 3

|                                           | <u>General</u>      | <u>Senior<br/>Citizen<br/>Fund</u> | <u>Capital<br/>Project<br/>Fund</u> | <u>Other<br/>Governmental<br/>Funds</u> | <u>Total<br/>Governmental<br/>Funds</u> |
|-------------------------------------------|---------------------|------------------------------------|-------------------------------------|-----------------------------------------|-----------------------------------------|
| <b>ASSETS</b>                             |                     |                                    |                                     |                                         |                                         |
| Cash                                      | \$ 1,691,203        | \$ 19,241                          | \$ 0                                | \$ 77,106                               | \$ 1,787,550                            |
| Accounts receivable                       | 2,378               | 0                                  | 0                                   | 18,799                                  | 21,177                                  |
| Due from other funds                      | 28,534              | 4                                  | 0                                   | 262,643                                 | 291,181                                 |
| Due from other governments                | 97,328              | 0                                  | 42,264                              | 40,692                                  | 180,284                                 |
| Prepaid expense                           | 0                   | 0                                  | 0                                   | 4,891                                   | 4,891                                   |
| Inventories                               | 0                   | 0                                  | 0                                   | 9,803                                   | 9,803                                   |
| Investments                               | <u>0</u>            | <u>263,638</u>                     | <u>0</u>                            | <u>0</u>                                | <u>263,638</u>                          |
| Total Assets                              | <u>\$ 1,819,443</u> | <u>\$ 282,883</u>                  | <u>\$ 42,264</u>                    | <u>\$ 413,934</u>                       | <u>\$ 2,558,524</u>                     |
| <b>LIABILITIES &amp; FUND BALANCES</b>    |                     |                                    |                                     |                                         |                                         |
| <b>Liabilities:</b>                       |                     |                                    |                                     |                                         |                                         |
| Accounts payable                          | \$ 121,335          | \$ 1,304                           | \$ 0                                | \$ 5,016                                | \$ 127,655                              |
| Due to other governments                  | 0                   | 0                                  | 42,782                              | 371                                     | 43,153                                  |
| Due to other funds                        | 262,647             | 0                                  | 11,077                              | 17,457                                  | 291,181                                 |
| Deferred revenue                          | 0                   | 0                                  | 42,264                              | 122,199                                 | 164,463                                 |
| Accrued salaries and fringe benefits      | <u>1,127,173</u>    | <u>4,394</u>                       | <u>0</u>                            | <u>63,830</u>                           | <u>1,195,397</u>                        |
| Total liabilities                         | <u>1,511,155</u>    | <u>5,698</u>                       | <u>96,123</u>                       | <u>208,873</u>                          | <u>1,821,849</u>                        |
| <b>Fund Balances</b>                      |                     |                                    |                                     |                                         |                                         |
| Reserved for restricted purposes          | 0                   | 272,957                            | 0                                   | 0                                       | 272,957                                 |
| Reserved for inventory                    | 0                   | 0                                  | 0                                   | 9,803                                   | 9,803                                   |
| Reserved for prepaid expense              | 0                   | 0                                  | 0                                   | 4,891                                   | 4,891                                   |
| Reserved for capital improvements         | 0                   | 0                                  | 0                                   | 50,500                                  | 50,500                                  |
| Reserved for subsequent year expenditures | 132,870             | 0                                  | 0                                   | 0                                       | 132,870                                 |
| <b>Unreserved:</b>                        |                     |                                    |                                     |                                         |                                         |
| Designated                                | 166,672             | 0                                  | 0                                   | 0                                       | 166,672                                 |
| Undesignated                              | <u>8,746</u>        | <u>4,228</u>                       | <u>(53,859)</u>                     | <u>139,867</u>                          | <u>98,982</u>                           |
| Total fund balances                       | <u>308,288</u>      | <u>277,185</u>                     | <u>(53,859)</u>                     | <u>205,061</u>                          | <u>736,675</u>                          |
| Total Liabilities and<br>Fund Balances    | <u>\$ 1,819,443</u> | <u>\$ 282,883</u>                  | <u>\$ 42,264</u>                    | <u>\$ 413,934</u>                       |                                         |

Long-term amounts due from other governments that are not available to pay for current period expenditures and therefore are not recorded in the governmental funds.

42,264

Capital assets used in government activities are not financial resources and therefore are not reported in the fund statements. Amounts reported for governmental activities in the statement of net assets:

Governmental capital assets

11,993,129

Governmental accumulated depreciation

(4,828,601)

7,164,528

Accrued interest

(49,938)

Long-term liabilities, including bonds, leases and notes payable, are not due in the current period and therefore are not reported in the fund statements.

Long-term liabilities reported in the statement of net assets that are not reported in the funds balance sheet are:

Bonds payable

(1,580,000)

Employee termination benefits payable

(24,804)

Leases payable

(933,612)

(2,538,416)

Total net assets - governmental activities

\$ 5,355,113

The accompanying notes are an integral part of this financial statement.

MONTPELIER PUBLIC SCHOOL SYSTEM  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2008

EXHIBIT 4

|                                                                                               | General           | Senior<br>Citizen<br>Fund | Capital<br>Project<br>Fund | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|-----------------------------------------------------------------------------------------------|-------------------|---------------------------|----------------------------|--------------------------------|--------------------------------|
| <b>Revenues:</b>                                                                              |                   |                           |                            |                                |                                |
| Taxes                                                                                         | \$ 0              | \$ 79,265                 | \$ 0                       | \$ 593,983                     | \$ 673,248                     |
| Tuition                                                                                       | 88,092            | 0                         | 0                          | 0                              | 88,092                         |
| Investment income                                                                             | 50,644            | 12,089                    | 0                          | 2,340                          | 65,073                         |
| Trust fund revenue                                                                            | 0                 | 63,501                    | 0                          | 0                              | 63,501                         |
| Rent                                                                                          | 35,524            | 0                         | 0                          | 0                              | 35,524                         |
| Charges for services                                                                          | 4,511             | 0                         | 0                          | 623,440                        | 627,951                        |
| Revenue from State sources                                                                    | 14,274,558        | 0                         | 45,000                     | 343,145                        | 14,662,703                     |
| Revenue from Federal sources                                                                  | 580,335           | 0                         | 0                          | 444,704                        | 1,025,039                      |
| Private grants                                                                                | 0                 | 0                         | 0                          | 27,413                         | 27,413                         |
| Donations and contributions                                                                   | 0                 | 44,856                    | 0                          | 49,483                         | 94,339                         |
| Insurance recovery                                                                            | 13,172            | 0                         | 0                          | 0                              | 13,172                         |
| Miscellaneous                                                                                 | 31,508            | 0                         | 0                          | 13,515                         | 45,023                         |
| Total revenues                                                                                | <u>15,078,344</u> | <u>199,711</u>            | <u>45,000</u>              | <u>2,098,023</u>               | <u>17,421,078</u>              |
| <b>Expenditures:</b>                                                                          |                   |                           |                            |                                |                                |
| Instruction                                                                                   | 6,108,904         | 0                         | 0                          | 0                              | 6,108,904                      |
| Special education                                                                             | 2,574,827         | 0                         | 0                          | 342,540                        | 2,917,367                      |
| Vocational                                                                                    | 121,139           | 0                         | 0                          | 0                              | 121,139                        |
| Co-Curricular activities                                                                      | 283,547           | 0                         | 0                          | 0                              | 283,547                        |
| Support Services-students                                                                     | 984,244           | 0                         | 0                          | 0                              | 984,244                        |
| Support Services-staff                                                                        | 613,221           | 0                         | 0                          | 0                              | 613,221                        |
| School Board/Superintendent's office                                                          | 432,796           | 0                         | 0                          | 0                              | 432,796                        |
| Building administration                                                                       | 1,054,197         | 0                         | 0                          | 0                              | 1,054,197                      |
| Business office                                                                               | 214,270           | 0                         | 0                          | 0                              | 214,270                        |
| Grant programs                                                                                | 0                 | 0                         | 0                          | 564,225                        | 564,225                        |
| Building maintenance                                                                          | 1,576,163         | 0                         | 0                          | 0                              | 1,576,163                      |
| Transportation                                                                                | 139,729           | 0                         | 0                          | 0                              | 139,729                        |
| Food service program                                                                          | 0                 | 0                         | 0                          | 514,285                        | 514,285                        |
| Facility improvements                                                                         | 0                 | 0                         | 11,079                     | 0                              | 11,079                         |
| Recreation program                                                                            | 0                 | 0                         | 0                          | 749,735                        | 749,735                        |
| Senior citizen program                                                                        | 0                 | 202,747                   | 0                          | 0                              | 202,747                        |
| Central supplies                                                                              | 21,535            | 0                         | 0                          | 0                              | 21,535                         |
| Debt service - Principal                                                                      | 319,923           | 0                         | 0                          | 1,920                          | 321,843                        |
| Debt service - Interest                                                                       | 129,644           | 0                         | 6,337                      | 298                            | 136,279                        |
| Other expenditures                                                                            | 500,734           | 0                         | 0                          | 0                              | 500,734                        |
| Total expenditures                                                                            | <u>15,074,873</u> | <u>202,747</u>            | <u>17,416</u>              | <u>2,173,003</u>               | <u>17,468,039</u>              |
| Excess (deficiency) of revenues over<br>(under) expenditures                                  | <u>3,471</u>      | <u>(3,036)</u>            | <u>27,584</u>              | <u>(74,980)</u>                | <u>(46,961)</u>                |
| <b>Other financing sources (Uses):</b>                                                        |                   |                           |                            |                                |                                |
| Transfers in/(out)                                                                            | (157,786)         | 0                         | 0                          | 157,786                        | 0                              |
| Proceeds of long-term debt                                                                    | <u>55,597</u>     | <u>0</u>                  | <u>0</u>                   | <u>17,840</u>                  | <u>73,437</u>                  |
| Total other financing sources (uses)                                                          | <u>(102,189)</u>  | <u>0</u>                  | <u>0</u>                   | <u>175,626</u>                 | <u>73,437</u>                  |
| Excess (deficiency) of revenues and other sources<br>over (under) expenditures and other uses | (98,718)          | (3,036)                   | 27,584                     | 100,646                        | 26,476                         |
| Fund Balances - Beginning of Year                                                             | <u>407,006</u>    | <u>280,221</u>            | <u>(81,443)</u>            | <u>104,415</u>                 | <u>710,199</u>                 |
| Fund Balances - End of Year                                                                   | <u>\$ 308,288</u> | <u>\$ 277,185</u>         | <u>\$ (53,859)</u>         | <u>\$ 205,061</u>              | <u>\$ 736,675</u>              |

The accompanying notes are an integral part of this financial statement.

MONTPELIER PUBLIC SCHOOL SYSTEM  
 RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS  
 TO STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED JUNE 30, 2008

EXHIBIT 5

Net change in fund balances - total governmental funds \$ 26,476

Amounts reported for governmental activities in the statement of activities are different because:

Revenues in the funds statements are recognized when they become available to finance expenditures of the current period. Revenue is recognized in government-wide statements when earned, regardless of availability.

Revenues recognized in the previous year statement of activities are reported in the current year in the funds statements when they became currently available. (45,000)

The acquisition of capital assets are reported in the governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities.

|                                                                                                                                          |                  |           |
|------------------------------------------------------------------------------------------------------------------------------------------|------------------|-----------|
| Capital outlay reported in governmental fund statements as expenditures for building maintenance, facility improvements and food service | 44,188           |           |
| Depreciation expense reported in the statement of activities                                                                             | <u>(266,926)</u> |           |
| Amount by which capital outlays are greater (less) than depreciation in the current period.                                              |                  | (222,738) |

Vested employee benefits are reported in the government funds when amounts are paid. The statement of activities reports the value of benefits earned during the year.

|                                                                                                         |        |
|---------------------------------------------------------------------------------------------------------|--------|
| Employee termination benefits paid in current year reported as expenditures for general administration. | 13,342 |
|---------------------------------------------------------------------------------------------------------|--------|

Proceeds from long-term debt issues are an other financing source in the governmental funds, but is reported as an increase in long-term liabilities in the statement of net assets.

|                                                                      |          |
|----------------------------------------------------------------------|----------|
| The amount of long-term debt proceeds issued in the current year is: | (73,437) |
|----------------------------------------------------------------------|----------|

Repayment of principal on long-term debt is reported in the governmental funds as an expenditure, but is reported as a reduction in long-term debt in the statement of net assets and does not affect the statement of activities.

|                                                                                   |         |
|-----------------------------------------------------------------------------------|---------|
| The amount of long-term debt and lease principal payments in the current year is: | 321,843 |
|-----------------------------------------------------------------------------------|---------|

In governmental funds interest payments on outstanding long-term debt are reported as an expenditure when paid. In statement of activities interest is reported as incurred.

|                                                          |                  |               |
|----------------------------------------------------------|------------------|---------------|
| The amount of interest paid during the current period    | 136,279          |               |
| The amount of interest accrued during the current period | <u>(123,662)</u> |               |
| Interest paid is greater (less) than interest accrued by |                  | <u>12,617</u> |

Change in net assets - governmental activities \$ 33,103

MONTPELIER PUBLIC SCHOOL SYSTEM  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2008

EXHIBIT 6

|                                                                                               | <u>Budget</u>     | <u>Actual</u>     | Favorable<br>(Unfavorable)<br><u>Variance</u> |
|-----------------------------------------------------------------------------------------------|-------------------|-------------------|-----------------------------------------------|
| Revenues:                                                                                     |                   |                   |                                               |
| Tuition                                                                                       | \$ 99,000         | \$ 88,092         | \$ (10,908)                                   |
| Interest                                                                                      | 50,000            | 50,644            | 644                                           |
| Rent                                                                                          | 40,000            | 35,524            | (4,476)                                       |
| Services provided                                                                             | 7,500             | 4,511             | (2,989)                                       |
| Miscellaneous                                                                                 | 5,000             | 44,680            | 39,680                                        |
| Revenue from Federal sources                                                                  | 573,535           | 580,335           | 6,800                                         |
| Revenue from State sources:                                                                   |                   |                   |                                               |
| Education spending grant                                                                      | 11,659,115        | 11,659,115        | 0                                             |
| Vocational tuition                                                                            | 87,154            | 88,238            | 1,084                                         |
| Transportation aid                                                                            | 54,809            | 48,613            | (6,196)                                       |
| Special education-Block grant                                                                 | 340,408           | 340,408           | 0                                             |
| Special education-Expenditure reimbursement                                                   | 1,028,422         | 953,042           | (75,380)                                      |
| Special education-Extraordinary reimbursement                                                 | 108,000           | 230,147           | 122,147                                       |
| Special education-State placed reimbursement                                                  | 0                 | 432,735           | 432,735                                       |
| Vocational transportation aid                                                                 | 12,080            | 16,262            | 4,182                                         |
| Driver education                                                                              | <u>6,600</u>      | <u>5,264</u>      | <u>(1,336)</u>                                |
| Total Revenues                                                                                | <u>14,071,623</u> | <u>14,577,610</u> | <u>505,987</u>                                |
| Expenditures:                                                                                 |                   |                   |                                               |
| Instruction                                                                                   | 6,301,522         | 6,313,635         | (12,113)                                      |
| Special education                                                                             | 2,088,292         | 2,574,827         | (486,535)                                     |
| Vocational                                                                                    | 125,775           | 121,139           | 4,636                                         |
| Co-Curricular activities                                                                      | 314,248           | 283,547           | 30,701                                        |
| Support Services - Students                                                                   | 1,044,424         | 984,244           | 60,180                                        |
| Support Services - Staff                                                                      | 620,101           | 617,936           | 2,165                                         |
| School Board/Superintendent's office                                                          | 478,292           | 432,796           | 45,496                                        |
| Building administration                                                                       | 1,042,382         | 1,054,197         | (11,815)                                      |
| Business office                                                                               | 207,338           | 214,270           | (6,932)                                       |
| Building maintenance                                                                          | 1,506,103         | 1,709,363         | (203,260)                                     |
| Transportation                                                                                | 124,292           | 139,729           | (15,437)                                      |
| Central supplies                                                                              | 24,199            | 21,535            | 2,664                                         |
| Debt Service                                                                                  | 273,791           | 264,707           | 9,084                                         |
| Repayments to the state                                                                       | <u>0</u>          | <u>0</u>          | <u>0</u>                                      |
| Total Expenditures                                                                            | <u>14,150,759</u> | <u>14,731,925</u> | <u>(581,166)</u>                              |
| Excess (deficiency) of revenues over<br>(under) expenditures                                  | (79,136)          | (154,315)         | (75,179)                                      |
| Other financing sources:                                                                      |                   |                   |                                               |
| Proceeds of long-term debt                                                                    | <u>0</u>          | <u>55,597</u>     | <u>55,597</u>                                 |
| Excess (deficiency) of revenues and other sources<br>over (under) expenditures and other uses | (79,136)          | (98,718)          | (19,582)                                      |
| Fund Balance - Beginning of Year                                                              | <u>79,136</u>     | <u>407,006</u>    | <u>327,870</u>                                |
| Fund Balance - End of Year                                                                    | <u>\$ 0</u>       | <u>\$ 308,288</u> | <u>\$ 308,288</u>                             |

The accompanying notes are an integral part of this financial statement.

MONTPELIER PUBLIC SCHOOL SYSTEM  
 STATEMENT OF FIDUCIARY NET ASSETS - FIDUCIARY FUNDS  
 JUNE 30, 2008

EXHIBIT 7

|                                               | <u>Private<br/>Purpose<br/>Trust Funds</u> | <u>Agency<br/>Funds</u> |
|-----------------------------------------------|--------------------------------------------|-------------------------|
| <u>ASSETS</u>                                 |                                            |                         |
| Cash and cash equivalents                     | \$ 235,761                                 | \$ 106,056              |
| Due from other fund                           | 0                                          | 0                       |
| Investments                                   | <u>51,588</u>                              | <u>0</u>                |
| Total Assets                                  | <u>287,349</u>                             | <u>106,056</u>          |
| <u>LIABILITIES</u>                            |                                            |                         |
| Due to student groups and other organizations | <u>0</u>                                   | <u>106,056</u>          |
| Total Liabilities                             | <u>0</u>                                   | <u>106,056</u>          |
| <u>NET ASSETS</u>                             |                                            |                         |
| Held in Trust For:                            |                                            |                         |
| Individuals and organizations                 | <u>287,349</u>                             | <u>0</u>                |
| Total Net Assets                              | <u>\$ 287,349</u>                          | <u>\$ 0</u>             |

The accompanying notes are an integral part of this financial statement.

MONTPELIER PUBLIC SCHOOL SYSTEM  
STATEMENT OF CHANGES IN  
FIDUCIARY NET ASSETS - FIDUCIARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2008

EXHIBIT 8

|                                                    | <u>Private<br/>Purpose<br/>Trust Funds</u> |
|----------------------------------------------------|--------------------------------------------|
| <u>Additions:</u>                                  |                                            |
| Contributions:                                     |                                            |
| Private donations                                  | \$ <u>65,501</u>                           |
| Investment Earnings:                               |                                            |
| Interest and dividends                             | 6,278                                      |
| Gain on sale of investments                        | <u>0</u>                                   |
| Total Investment Earnings                          | 6,278                                      |
| Less Net decrease in the fair value of investments | <u>(12,209)</u>                            |
| Net Investment Earnings (Loss)                     | <u>(5,931)</u>                             |
| Total Additions                                    | <u>59,570</u>                              |
| <u>Deductions:</u>                                 |                                            |
| Educational scholarships                           | <u>63,000</u>                              |
| Total Deductions                                   | <u>63,000</u>                              |
| Change in Net Assets                               | (3,430)                                    |
| Net Assets - July 1, 2007                          | <u>290,779</u>                             |
| Net Assets - June 30, 2008                         | <u>\$ 287,349</u>                          |

The accompanying notes are an integral part of this financial statement.

MONTPELIER PUBLIC SCHOOL SYSTEM  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2008

Note 1: **DESCRIPTION OF THE SCHOOL SYSTEM AND REPORTING ENTITY**

The Montpelier Public School System is a department of the City of Montpelier, Vermont authorized by Title VI of the City Charter. The School System operates under its separately elected Board of School Commissioners who appoint a Superintendent, and provides education services. The school system also manages the Montpelier Recreation Department and Senior Citizens Center. The Recreation Department is responsible for general recreation activities in the City. The Senior Citizens Center provides cultural activities for senior citizens.

**Reporting Entity**

A reporting entity is composed of the primary government, component units, and other organizations that are included to insure the financial statements are not misleading. The primary government of the School System consists of all funds, departments, boards, and agencies that are not legally separate from the School System. For Montpelier Public School System, this includes general operations and student related activities of the School System.

Component units are legally separate organizations for which the School System is financially accountable. The School System is financially accountable for an organization if the School System appoints a voting majority of the organization's governing board and (1) the School System is able to significantly influence the programs or services performed or provided by the organization; or (2) the School System is legally entitled to or can otherwise access the organization's resources; the School System is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization' or the School System is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School System in that the School System approved the budget, the issuance of debt, or the levying of taxes. There are no component units of the Montpelier Public School System.

The Montpelier Public School System is considered a primary government for financial reporting purposes in accordance with the standards set forth in Governmental Accounting Standards Board statement No. 14, "Defining the Financial Reporting Entity". This standard is based on the concept that financial reporting by a local government should report the accountability of elected officials for organizations under their control. Although the Montpelier Public School System is referred to as a department in the charter of the City of Montpelier it meets the three criteria set forth in the standard for determining a primary government. Those criteria are:

- a) It has a separately elected governing body. The voters of the City of Montpelier elect a board of seven school commissioners who are charged with the exclusive management and control of the public schools and of all school property of the City. Vacancies in the office of school commissioner are filled by the remaining members of the board of school commissioners.
- b) It is legally separate as defined in the standard. The Montpelier Public School System possesses the corporate powers that would distinguish it as being legally separate including the capacity to have its own name, the right to sue and be sued in its own name without recourse to the City of Montpelier, and the right to buy, sell, lease and mortgage property in its name, subject to the approval of the voters. The board of school commissioners have all powers of a Vermont town school district except the power to call elections or take property.
- c) It is fiscally independent of other state and local governments. All monies received by the Montpelier Public School System from tuition and other sources, and all funds received from the issuance of bonds or notes authorized by the voters of the City of Montpelier for school purposes are restricted for school purposes. The Montpelier Public School System determines its own budget (the City has a ministerial approval power over the budget but does not have the authority to modify the budget), has its own tax appropriation approved by the voters of the City of Montpelier and sets rates or charges for tuition and other services without approval of any other government. As is the case in Vermont municipalities generally, issuance of bonded debt is subject to the approval of the voters.

MONTPELIER PUBLIC SCHOOL SYSTEM  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2008

Note 1: **DESCRIPTION OF THE SCHOOL SYSTEM AND REPORTING ENTITY - (Continued)**

**Reporting Entity - (Continued)**

The city council of the City of Montpelier has a ministerial power in that the school board must submit its request for debt to the city council which is required to submit it to the voters for approval. No financial burden or benefit accrues to the City of Montpelier from the Montpelier Public School System.

Additionally, under state law, the laws governing education and regulations of the state board of education apply to all school districts unless otherwise specifically provided for in the charter of a city. Under Vermont law, school districts are considered separate legal entities from other municipal governments which exist in the same geographic boundaries and have the same voters.

Note 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of Montpelier Public School System have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant accounting policies employed in the preparation of these financial statements.

**A. Basis of Presentation**

The School System's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

**Government-Wide Financial Statements**

The statement of net assets and the statement of activities display information about the School System as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the School System that are governmental in nature and those that are considered business-type activities.

The statement of net assets presents the financial condition of the governmental and business-type activities of the School System at fiscal year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School System's governmental activities and business-type activity. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the School System, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment self-financing or draws from the general revenues of the School System.

**Fund Financial Statements**

During the fiscal year, the School System segregates transactions related to certain School System functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School System at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

MONTPELIER PUBLIC SCHOOL SYSTEM  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2008

Note 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**B. Fund Accounting**

The School System uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds; governmental, proprietary, and fiduciary.

**Governmental Funds**

Governmental funds are those through which most governmental functions of the School System are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The General Fund, the Senior Citizen Fund and the Capital Project Fund are the School System's major governmental funds:

**General Fund**

The General Fund is the primary operating fund of the School System. It is used to account for all financial resources of the general government, except those required to be accounted for in another fund.

**Senior Citizen Fund**

The Senior Citizen Fund is used to account for the senior citizen programs.

**Capital Project Fund**

Capital Project Funds account for financial resources to be used for the acquisition or construction of major capital facilities.

**Other Governmental Funds**

The other governmental funds of the School System account for recreational programs, early education programs, other state and federal grant programs, and the food service program.

**Proprietary Fund**

Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position, and cash flows. The School System has no proprietary funds.

**Fiduciary Funds**

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classification: pension trust funds, investment trust funds, private purpose trust funds, and agency funds. Trust funds are used to account for assets held by the School System under a trust agreement for individuals, private organizations, or other governments and are not available to support the School System's own programs. The School System's only trust fund is a private purpose trust which accounts for a scholarship program that provides assistance to students. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School System's agency fund accounts for various student-managed activities.

MONTPELIER PUBLIC SCHOOL SYSTEM  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2008

Note 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**C. Measurement Focus**

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

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

**D. Basis of Accounting**

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

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

Governmental funds are reported using the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transaction can be determined, and "available" means the amount is collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The School considers all revenues reported in governmental funds to be available if the revenues are collected within sixty days of year-end, or shortly thereafter. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, which is recognized when due.

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

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

Statement of Financial Accounting Standards No. 107 "Disclosure about the Fair Value of Financial Instruments," requires disclosures of the fair value of certain financial instruments. Recorded amounts for cash, accounts receivable, accounts payable, and investments approximate fair value.

MONTPELIER PUBLIC SCHOOL SYSTEM  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2008

Note 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**E. Uses of Estimates**

The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**F. Assets, Liabilities and Equity**

**Cash and Investments**

For the purpose of the Statement of Net Assets, "cash, including time deposits" includes all cash on hand demand deposits, savings accounts, and certificates of deposits with original maturities of three months or less at the date of acquisition.

The School System invests in investments as allowed by State Statutes. Investments in U.S. Government and Federal Agency bonds are stated at amortized cost, which approximates market and investments in corporate stocks are stated at market value.

**Accounts Receivable**

All accounts receivable are shown at gross amounts with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since such allowance would not be material.

**Interfund Receivables and Payables**

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Assets. See Note 4F for details of interfund transactions, including receivables and payables at year-end.

**Inventory**

Inventory is presented at the lower of cost or market. Cost is determined on a first-in, first-out basis and is expensed when used. Inventory consists of donated and purchased food.

**Capital Assets**

General capital assets are those assets not specifically related to activities reported in the enterprise fund. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column on the government-wide statement of net assets but are not reported on the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. Donated fixed assets are recorded at their fair market value on the date donated. The School System maintains a capitalization threshold of five thousand dollars. The School System does not have any infrastructure. Improvements are capitalized.

MONTPELIER PUBLIC SCHOOL SYSTEM  
 NOTES TO THE FINANCIAL STATEMENTS  
 JUNE 30, 2008

Note 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**G. Assets, Liabilities and Equity - (Continued)**

All capital assets, except land, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

| Description                         | Estimated Lives |
|-------------------------------------|-----------------|
| Land Improvements                   | 15 - 50 years   |
| Buildings and Building Improvements | 15 - 50 years   |
| Machinery and Equipment             | 5 - 20 years    |
| Vehicles                            | 5 - 15 years    |

**Compensated Absences**

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable the School System will compensate the employees for the benefits through paid time off or some other means. The School System records a liability for accumulated unused vacation time when earned for all employees.

The entire compensated absence liability is reported on the government-wide financial statements. On governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due during the current year.

**Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Bonds are recognized as a liability on the fund financial statements when due.

**Net Assets**

Net Assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School System or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The School System's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

**Fund Balance Reserves**

The School System reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and, therefore, are not available for appropriation or expenditure. Unreserved fund balance indicates that portion which is available for appropriation in future periods. Fund balance reserves have been established for budget stabilization, prepaid expenses and capital improvements.

MONTPELIER PUBLIC SCHOOL SYSTEM  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2008

Note 3: **STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Budgets and Budgetary Accounting**

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

1. The School Superintendent submits to the School Board a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and special revenues.
2. Public hearings are conducted at locations throughout the City to obtain taxpayer comments. The proposed budget is required to be distributed to the legal voters of the City at least 10 days before the public hearing.
3. The School Board then reviews the School budget and adopt it with or without change.
4. The School Superintendent may at any time transfer an unencumbered balance or portion thereof between budget lines. Transfers over \$500 are included in quarterly financial reports to the board. Expenditures over \$5,000 not planned for in the budget are submitted to the board for prior approval. The board approves a prioritized list of capital expenditures.

The Senior Citizen Fund is not legally required to adopt an annual budget.

**Reconciliation of Budgetary Basis and GAAP**

The General Fund budget is prepared based on generally accepted accounting principles, except that a transfer of \$157,786 from the General Fund to the Early Education Program Fund was budgeted and reported as instruction expenditure in Exhibit 6 but is reclassified as transfers out in Exhibit 4. Capital lease debt service expenditures of \$184,860 are classified as instruction, staff support services and building maintenance expenditures in Exhibit 6.

In addition, estimated payments of \$500,734 on behalf of the School System by the State of Vermont to the Vermont State Teachers Retirement System are not budgeted for and are included as revenue and expenditures only in Exhibit 2 and 4.

Note 4: **DETAILED DISCLOSURES REGARDING ACCOUNT BALANCES**

**A. Cash Deposits**

*Custodial Credit Risk - Deposits.* Custodial credit risk is the risk that in the event of a bank failure, the School System's deposits may not be returned to it. The School System does not have a deposit policy for custodial credit risk. As of June 30, 2008, \$2,357,852 of the government's bank balance of \$2,636,204 was exposed to custodial credit risk as follows:

|                                                                                                      |                     |
|------------------------------------------------------------------------------------------------------|---------------------|
| Uninsured and uncollateralized                                                                       | \$ 416,572          |
| Uninsured and collateral held by pledging bank's<br>Trust department not in the School System's name | 1,941,280           |
| Total                                                                                                | <u>\$ 2,357,852</u> |

**B. Receivables**

Receivables at June 30, 2008, consist of accounts (rents and services) and intergovernmental grants and services. All receivables are considered collectible in full due to the stable condition of State programs and the current year guarantee of federal funds.

MONTPELIER PUBLIC SCHOOL SYSTEM  
 NOTES TO THE FINANCIAL STATEMENTS  
 JUNE 30, 2008

Note 4: **DETAILED DISCLOSURES REGARDING ACCOUNT BALANCES - (Continued)**

**B. Receivables - (Continued)**

A summary of the principal items of intergovernmental receivables (due from other governmental units) follows:

| <u>Governmental Activities</u> | <u>Amount</u>     |
|--------------------------------|-------------------|
| State Aid                      | \$ 101,939        |
| Federal Grants                 | 76,098            |
| Other                          | <u>2,247</u>      |
| Total Governmental Activities  | <u>\$ 180,284</u> |

**C. Investments**

The School's investments are categorized to give an indication of the level of risk assumed by the School at June 30, 2008. The categories are described as follows:

Category 1 - Insured or registered, with securities held by the entity or its agent in the entity's name.

Category 2 - Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the entity's name.

Category 3 - Uninsured and unregistered, with securities held by the counterparty, in its trust department in the entity's name.

Investments, categorized by level of risk at June 30, 2008 are:

| <u>Types of Investment</u>                                                               | <u>Category</u>   |             |             | <u>Carrying Amount</u> | <u>Fair Value</u> | <u>Unrealized (Gain)/Loss</u> |
|------------------------------------------------------------------------------------------|-------------------|-------------|-------------|------------------------|-------------------|-------------------------------|
|                                                                                          | <u>1</u>          | <u>2</u>    | <u>3</u>    |                        |                   |                               |
| U.S. Government and Federal Agency Bonds                                                 | \$166,638         | \$ 0        | \$ 0        | \$ 166,638             | \$ 170,153        | \$ (3,515)                    |
| Certificates of Deposit with maturities of more than three months at date of acquisition | 97,000            | 0           | 0           | 97,000                 | 97,000            | 0                             |
| Corporate Stocks                                                                         | <u>51,588</u>     | <u>0</u>    | <u>0</u>    | <u>51,588</u>          | <u>51,588</u>     | <u>0</u>                      |
| Total                                                                                    | <u>\$ 315,226</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 315,226</u>      | <u>\$ 318,741</u> | <u>\$ (3,515)</u>             |

MONTPELIER PUBLIC SCHOOL SYSTEM  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2008

Note 4: **DETAILED DISCLOSURES REGARDING ACCOUNT BALANCES - (Continued)**

**D. Capital Assets**

Capital Asset activity for the fiscal year ended June 30, 2008, was as follows:

|                                | <u>Balance</u><br><u>July 1, 2007</u> | <u>Additions</u>    | <u>Reclassified/<br/>Deductions</u> | <u>Balance</u><br><u>June 30, 2008</u> |
|--------------------------------|---------------------------------------|---------------------|-------------------------------------|----------------------------------------|
| <u>Governmental Activities</u> |                                       |                     |                                     |                                        |
| Land and Improvements          | \$ 164,412                            | \$ 0                | \$ 0                                | \$ 164,412                             |
| Buildings and Improvements     | 11,321,503                            | 15,271              | 0                                   | 11,336,774                             |
| Construction in Progress       | 0                                     | 11,077              | 0                                   | 11,077                                 |
| Machinery and Equipment        | 404,178                               | 0                   | 0                                   | 404,178                                |
| Equipment under Capital Lease  | 0                                     | 17,840              | 0                                   | 17,840                                 |
| Vehicles                       | <u>58,848</u>                         | <u>0</u>            | <u>0</u>                            | <u>58,848</u>                          |
| Totals at Historical Cost      | <u>11,948,941</u>                     | <u>44,188</u>       | <u>0</u>                            | <u>11,993,129</u>                      |
| Less: Accumulated Depreciation |                                       |                     |                                     |                                        |
| Land and Improvements          | (98,306)                              | (5,446)             | 0                                   | (103,752)                              |
| Buildings and Improvements     | (4,186,089)                           | (223,381)           | 0                                   | (4,409,470)                            |
| Machinery and Equipment        | (246,885)                             | (33,214)            | 0                                   | (280,099)                              |
| Equipment under Capital Lease  | 0                                     | 0                   | 0                                   | 0                                      |
| Vehicles                       | <u>(30,395)</u>                       | <u>(4,885)</u>      | <u>0</u>                            | <u>(35,280)</u>                        |
| Total Accumulated Depreciation | <u>(4,561,675)</u>                    | <u>(266,926)</u>    | <u>0</u>                            | <u>(4,828,601)</u>                     |
| Governmental Activities        |                                       |                     |                                     |                                        |
| Capital Assets - Net           | <u>\$ 7,387,266</u>                   | <u>\$ (222,738)</u> | <u>\$ 0</u>                         | <u>\$ 7,164,528</u>                    |

Depreciation expense was not allocated to governmental functions. It appears on the statement of activities as unallocated.

**E. Due to Other Governments**

Due to other governments consist of \$42,782 due to the City of Montpelier with interest at 3.29% for funds advanced to finance energy improvement grants anticipated

**F. Long-Term Liabilities**

Long-term bonds payable consist of the following, which are general obligations of the City of Montpelier:

|                                                                                                                                                                                                                                                                              |                     |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| Montpelier High School and Main Street School renovation project bond payable to Vermont Municipal Bond Bank, various interest rates, interest payable 6/1 and 12/1 and principal payable in annual installments of \$145,000 from 12/1/98-05 and \$140,000 from 12/1/06-17. | \$ 1,400,000        |
| Union School addition project bond payable to Vermont Municipal Bond Bank, average interest rate of 6.97%. Interest payable 6/1 and 12/1 and principal payable in annual installments of \$50,000 from 12/1/92-00 and \$45,000 from 12/1/2001-11.                            | <u>180,000</u>      |
| Total Long-Term Notes and Bonds Payable                                                                                                                                                                                                                                      | <u>\$ 1,580,000</u> |

MONTPELIER PUBLIC SCHOOL SYSTEM  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2008

Note 4: **DETAILED DISCLOSURES REGARDING ACCOUNT BALANCES - (Continued)**

**F. Long-Term Liabilities - (Continued)**

Following is a summary of the changes in Governmental Activities long-term bonds payable:

|                                          |                     |
|------------------------------------------|---------------------|
| Long-term bond payable at July 1, 2007   | \$ 1,765,000        |
| Bonds issued                             | 0                   |
| Bonds and notes retired                  | <u>(185,000)</u>    |
| Long-term bonds payable at June 30, 2008 | <u>\$ 1,580,000</u> |

The annual requirements to amortize bonds payable outstanding as of June 30, 2008, are as follows:

|           | Principal           | Interest          | Total               |
|-----------|---------------------|-------------------|---------------------|
| 2009      | \$ 185,000          | \$ 80,920         | \$ 265,920          |
| 2010      | 185,000             | 70,770            | 255,770             |
| 2011      | 185,000             | 60,480            | 245,480             |
| 2012      | 185,000             | 50,085            | 235,085             |
| 2013      | 140,000             | 41,195            | 181,195             |
| 2014-2018 | <u>700,000</u>      | <u>94,150</u>     | <u>794,150</u>      |
| Totals    | <u>\$ 1,580,000</u> | <u>\$ 397,600</u> | <u>\$ 1,977,600</u> |

The School has \$1,495,000 of authorized but unissued debt at June 30, 2008 for capital improvements.

Capital lease obligations consist of the following:

|                                                                                                                                                             |                   |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| Capital energy efficient building improvement lease for ten years with annual payments starting July 1, 2007 with interest at 4.29%.                        | \$ 699,995        |
| Capital energy efficient building improvement and computer equipment lease for ten years with annual payments starting July 1, 2007 with interest at 4.49%. | 178,129           |
| Capital computer equipment lease for three years with annual payments of \$4,714.59 including interest of 6.46%.                                            | 8,589             |
| Capital computer equipment lease for three years with annual payments of \$15,297.56 including interest of 8.765%.                                          | 26,996            |
| Food service equipment lease for four years with annual payments of \$4,889.15 including interest of 5.98%.                                                 | 17,840            |
| Capital computer equipment lease for three years with annual payments of \$2,217.23 including interest of 7.47%.                                            | <u>2,063</u>      |
| Total Capital lease obligations                                                                                                                             | <u>\$ 933,612</u> |

Following is a summary of the changes in Governmental Activities long-term capital lease obligations:

|                                           |                   |
|-------------------------------------------|-------------------|
| Long-term leases payable at July 1, 2007  | \$ 997,018        |
| Lease obligations issued                  | 73,437            |
| Lease obligations paid                    | <u>(136,843)</u>  |
| Long-term leases payable at June 30, 2008 | <u>\$ 933,612</u> |

MONTPELIER PUBLIC SCHOOL SYSTEM  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2008

Note 4: **DETAILED DISCLOSURES REGARDING ACCOUNT BALANCES - (Continued)**

**F. Long-Term Liabilities - (Continued)**

Following is a summary of capital lease principal maturities and interest requirements:

| <u>Year Ending<br/>June 30<sup>th</sup></u> | <u>Principal</u>  | <u>Interest</u>   | <u>Total</u>        |
|---------------------------------------------|-------------------|-------------------|---------------------|
| 2009                                        | \$ 106,211        | \$ 42,407         | \$ 148,618          |
| 2010                                        | 126,738           | 36,831            | 163,569             |
| 2011                                        | 88,456            | 30,513            | 118,969             |
| 2012                                        | 95,275            | 26,614            | 121,889             |
| 2013                                        | 97,233            | 22,417            | 119,650             |
| 2014-2017                                   | <u>419,699</u>    | <u>43,608</u>     | <u>463,307</u>      |
| Totals                                      | <u>\$ 933,612</u> | <u>\$ 202,390</u> | <u>\$ 1,136,002</u> |

Subsequent to June 30, 2008, the School entered into three capital leases for computer equipment. The leases are all for thirty-six (36) months beginning in July 2008 and require total annual payments of \$24,334.

Other long-term liabilities consists of employee termination benefits to be paid by the General Fund for employees who have elected to take early retirement.

Following is a summary of the changes in employee termination benefits payable:

|                                                        |                  |
|--------------------------------------------------------|------------------|
| Employee termination benefits payable at July 1, 2007  | \$ 38,146        |
| Additions                                              | 0                |
| Payments                                               | <u>(13,342)</u>  |
| Employee termination benefits payable at June 30, 2008 | <u>\$ 24,804</u> |

These employee termination benefits will be paid out over the next eight years as follows:

|       |                  |
|-------|------------------|
| 2009  | \$ 6,201         |
| 2010  | 6,201            |
| 2011  | 6,201            |
| 2012  | <u>6,201</u>     |
| Total | <u>\$ 24,804</u> |

**G. Interfund Receivables, Payables and Transfers**

Interfund receivable and payable balances at June 30, 2008 consisted of the following:

|                               | <u>Interfund<br/>Receivables</u> | <u>Interfund<br/>Payables</u> |
|-------------------------------|----------------------------------|-------------------------------|
| General Fund                  | \$ 28,534                        | \$ 262,647                    |
| Senior Citizen Fund           | 4                                | 0                             |
| Capital Project Fund          | 0                                | 11,077                        |
| Other Governmental Funds:     |                                  |                               |
| Recreation Fund               | 158,893                          | 0                             |
| Food Service Fund             | 0                                | 17,457                        |
| Regional Education Specialist | 850                              | 0                             |
| Other Grant Fund              | <u>102,900</u>                   | <u>0</u>                      |
| Total                         | <u>\$ 291,181</u>                | <u>\$ 291,181</u>             |

MONTPELIER PUBLIC SCHOOL SYSTEM  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2008

Note 4: **DETAILED DISCLOSURES REGARDING ACCOUNT BALANCES - (Continued)**

**G. Interfund Receivables, Payables and Transfers - (Continued)**

Interfund transfers for the year ended June 30, 2008 were as follows:

|                               | <u>Transfer In</u> | <u>Transfer Out</u> |
|-------------------------------|--------------------|---------------------|
| General Fund                  |                    |                     |
| Essential Early Education (a) | \$                 | \$ 157,786          |
| Other Governmental Funds:     |                    |                     |
| Essential Early Education (a) | 157,786            |                     |

(a) Operating transfer for school's share of collaborative program.

**H. Designated Fund Balances/Deficit Fund Balance**

The School Board designated fund balances for the following uses:

|                                     |    |                       |
|-------------------------------------|----|-----------------------|
| General Fund:                       |    |                       |
| Designated for capital improvements | \$ | 11,672                |
| Designated for contingencies        |    | <u>155,000</u>        |
| <br>Total Designated Fund Balance   |    | <br><u>\$ 166,672</u> |

The deficit of \$53,859 in the Capital Project Fund will be made up from future state funding and issuance of general long-term debt.

**I. Revenues**

The School System receives from the state's education fund the total amount of its education spending which is defined as that part of its expenditure budget without a specific funding source. The education budget includes the local budget, union school assessment (if any) and prior year deficit. Other specific funding sources include state categorical grants, federal revenues, tuition income, interest income etc.

**J. Pension Plans**

The Montpelier Public School System participates in pension plans covering all qualified employees.

**I. Non-Educators Plans**

*Plan Description* - Until December 31, 2002 the Montpelier Public School System contributed to the City of Montpelier Retirement Plan (CMRP), a cost-sharing multiple-employer defined benefit pension plan administered by the City of Montpelier. CMRP provided retirement, disability benefits, and death benefits to plan members and beneficiaries. The Charter of the City of Montpelier assigns the authority to establish and amend benefit provisions to the City Council. Effective January 1, 2005 the City joined the Vermont Municipal Employees Retirement System.

The Vermont Municipal Employees Retirement System (VMERS) is a cost sharing multiple employer plan administered by a Board of Trustees. The VMERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members who are municipal employees other than teachers and licensed professional education support staff, and their beneficiaries. Chapter 125 of Title 24 Vermont

MONTPELIER PUBLIC SCHOOL SYSTEM  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2008

Note 4: **DETAILED DISCLOSURES REGARDING ACCOUNT BALANCES - (Continued)**

**J. Pension Plans - (Continued)**

Statutes Annotated established VMERS and its benefit level. The Board of Trustees establishes contribution rates based on advice of actuaries. Vermont municipalities, including school districts, may voluntarily participate in the plan. There are four levels of contributions and benefits in VMERS called Group A, B, C and D. The School System participates in Group B and Group C. VMERS issues a publicly available financial report which may be obtained from the Vermont State Treasurer's Office, Montpelier, Vermont 05602.

*Funding Policy* - CMRP plan members were required to contribute approximately 5% of their annual covered salary and the School System was required to contribute at an actuarially determined rate. The contribution requirements of plan members and the School System were established by the Montpelier City Council. The School System's contributions to CMRP for the years ending June 30, 2008, 2007 and 2006 were \$0, \$0 and \$0, respectively, equal to the required contributions for each year.

Currently, both employees and employers contribute to VMERS a fixed percentage of employees' gross earnings. The rates, adopted by VMERS's Board of Trustees, for the year were:

|                        | Adopted Rates |         |         |         |
|------------------------|---------------|---------|---------|---------|
|                        | Group A       | Group B | Group C | Group D |
| Employer contributions | 4.0%          | 5.0%    | 6.0%    | 9.5%    |
| Employee contributions | 2.5%          | 4.5%    | 9.0%    | 11.0%   |
| Total                  | 6.5%          | 9.5%    | 15.0%   | 20.5%   |

The School System's contributions to VMERS for the years ended June 30, 2008, 2007 and 2006 were \$74,208, \$70,405, and \$63,761, respectively, equal to the required contributions for each year.

In addition, the School is committed to make annual payments over 30 years to pay its share of the unfunded pension liability which existed at the time the City joined VMERS, plus 8% interest. Payments began in December 2003 at \$60,307 and increase 5.6% yearly. The payment for the current year was \$74,993.

Subsequent to June 30, 2008, the unfunded pension liability was refinanced by issuance of \$1,535,000 of long-term debt to Vermont Municipal Bond Bank. The debt will be repaid over twenty years with interest at 6.501%.

**II. Licensed Educator Plan**

The Vermont State Teachers Retirement System is a multi-employer plan administered by an autonomous board, is funded by contributions from the State of Vermont, and, effective July 1, 2001, contributions of 3.54% of annual compensation from eligible employees. Eligible employees include teachers and licensed professional educational support staff. There is no waiting period for participation in the plan. Eligible employees are fully vested after 10 years. (There is no partial vesting). The School System has no liability for contributions or benefits under this plan. Benefit and contribution provisions are established by Chapter 55 of Title 16 Vermont Statutes Annotated, and the System is administered by a Board of Trustees. The System issues a publicly available financial report which may be obtained from the Vermont State Treasurer's Office, Montpelier, Vermont 05602.

For the year ended June 30, 2008 the State of Vermont contributed payments estimated at 7.90% of covered payrolls to the plan (\$500,734) on behalf of the School System.

Of the School System's total payroll of \$9,356,797, \$6,338,400 was covered under the Licensed Educators Pension Plan and \$1,454,695 was covered under the Non Educators pension plans and the balance was ineligible for coverage.

MONTPELIER PUBLIC SCHOOL SYSTEM  
 NOTES TO THE FINANCIAL STATEMENTS  
 JUNE 30, 2008

Note 4: **DETAILED DISCLOSURES REGARDING ACCOUNT BALANCES - (Continued)**

**K. Lease**

The School System is leasing copiers under a three-year agreement that started in February 2007 and requires monthly payments of \$1,916.66. The School System paid \$23,000 during the fiscal year ended June 30, 2008 on copier leases.

The School System is leasing mailing system equipment under an agreement that requires seventeen quarterly payments of \$2,160 starting in July 2008.

Future payments required by operating leases as of June 30, 2008 are as follows:

|       |  |                  |
|-------|--|------------------|
| 2009  |  | \$ 23,973        |
| 2010  |  | 8,640            |
| 2011  |  | 8,640            |
| 2012  |  | 8,640            |
| 2013  |  | <u>2,160</u>     |
| Total |  | <u>\$ 52,053</u> |

**L. Risk Management/Insurance**

The School System covers its significant risks of loss, which are identified with the assistance of insurance agents, by commercial insurance. There have been no significant reductions in insurance coverage or settlement amounts exceeding insurance coverage for the current or three (3) prior years.

In addition, Montpelier Public School System is a member of Vermont School Boards Association Insurance Trust, Inc. (VSBIT) Medical Benefits Program. VSBIT is a non-profit corporation formed in 1978 to provide insurance and risk management programs for Vermont school districts and is owned by the participating districts.

To provide health insurance coverage, VSBIT has established a self-funded fully insured program in conjunction with Blue Cross and Blue Shield. A portion of member contributions is used to purchase reinsurance and to fund a reserve required by the reinsurance. Contributions in excess of claims requirements, reserve fund requirements, reinsurance and administrative costs are returned to participants. The pooling agreement does not permit the pool to make additional assessments to its members.

**M. Contingent Liabilities and Commitments**

The School System participates in a number of federally and state assisted grant programs, principal of which are the ESEA Chapter I Compensatory Education, Child Nutrition, Education of the Handicapped, Early Education and Special Education programs. The programs are subject to program compliance audits by the grantors or their representatives. The audits of these programs for or including the year ended June 30, 2008, have not yet been completed. Accordingly, the School System's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the School System expects such amounts, if any to be immaterial.

The School District entered into a transportation contract expiring June 30, 2011. Future minimum payments required under this contract as of June 30, 2008, are as follows:

|       |  |                   |
|-------|--|-------------------|
| 2009  |  | \$ 147,600        |
| 2010  |  | 153,209           |
| 2011  |  | <u>159,031</u>    |
| Total |  | <u>\$ 459,840</u> |

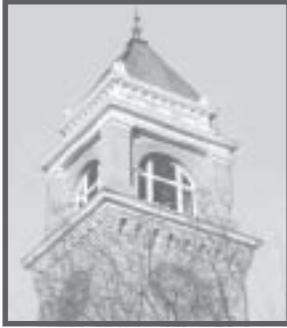
The School District entered into a contract in March 2007 to make energy efficient improvements to its school buildings. The contract includes a ten year service agreement with a total cost of \$754,109, payable in semi-annual amounts starting with \$34,664 and increasing 3% annually.

MONTPELIER PUBLIC SCHOOL SYSTEM  
 COMBINING BALANCE SHEET - OTHER GOVERNMENTAL FUNDS  
 JUNE 30, 2008

|                                              | Early<br>Education<br>Programs | Recreation<br>Fund | Food<br>Service<br>Fund | Regional<br>Education<br>Specialist | Other<br>Grant<br>Funds | Total<br>Other<br>Governmental<br>Funds |
|----------------------------------------------|--------------------------------|--------------------|-------------------------|-------------------------------------|-------------------------|-----------------------------------------|
| <b>ASSETS</b>                                |                                |                    |                         |                                     |                         |                                         |
| Cash                                         | \$ 0                           | \$ 75,787          | \$ 1,319                | \$ 0                                | \$ 0                    | \$ 77,106                               |
| Accounts receivable                          | 0                              | 9,640              | 4,159                   | 0                                   | 5,000                   | 18,799                                  |
| Due from other funds                         | 0                              | 158,893            | 0                       | 850                                 | 102,900                 | 262,643                                 |
| Due from other governments                   | 0                              | 2,726              | 7,394                   | 0                                   | 30,572                  | 40,692                                  |
| Inventories                                  | 0                              | 0                  | 9,803                   | 0                                   | 0                       | 9,803                                   |
| Prepaid expense                              | 0                              | 0                  | 4,891                   | 0                                   | 0                       | 4,891                                   |
| <b>Total Assets</b>                          | <b>\$ 0</b>                    | <b>\$ 247,046</b>  | <b>\$ 27,566</b>        | <b>\$ 850</b>                       | <b>\$ 138,472</b>       | <b>\$ 413,934</b>                       |
| <b>LIABILITIES AND FUND BALANCES</b>         |                                |                    |                         |                                     |                         |                                         |
| Accounts payable                             | \$ 0                           | \$ 5,016           | \$ 0                    | \$ 0                                | \$ 0                    | \$ 5,016                                |
| Accrued payroll and fringe benefits          | 0                              | 42,777             | 4,301                   | 0                                   | 16,752                  | 63,830                                  |
| Due to other funds                           | 0                              | 0                  | 17,457                  | 0                                   | 0                       | 17,457                                  |
| Due to other governments                     | 0                              | 0                  | 0                       | 0                                   | 371                     | 371                                     |
| Deferred revenue                             | 0                              | 0                  | 0                       | 850                                 | 121,349                 | 122,199                                 |
| <b>Total liabilities</b>                     | <b>0</b>                       | <b>47,793</b>      | <b>21,758</b>           | <b>850</b>                          | <b>138,472</b>          | <b>208,873</b>                          |
| <b>Fund Balances:</b>                        |                                |                    |                         |                                     |                         |                                         |
| Reserved for inventory                       | 0                              | 0                  | 9,803                   | 0                                   | 0                       | 9,803                                   |
| Reserved for prepaid expense                 | 0                              | 0                  | 4,891                   | 0                                   | 0                       | 4,891                                   |
| Reserved for capital improvements            | 0                              | 50,500             | 0                       | 0                                   | 0                       | 50,500                                  |
| Unreserved:                                  |                                |                    |                         |                                     |                         |                                         |
| Designated                                   | 0                              | 0                  | 0                       | 0                                   | 0                       | 0                                       |
| Undesignated                                 | 0                              | 148,753            | (8,886)                 | 0                                   | 0                       | 139,867                                 |
| <b>Total fund balances</b>                   | <b>0</b>                       | <b>199,253</b>     | <b>5,808</b>            | <b>0</b>                            | <b>0</b>                | <b>205,061</b>                          |
| <b>TOTAL LIABILITIES &amp; FUND BALANCES</b> | <b>\$ 0</b>                    | <b>\$ 247,046</b>  | <b>\$ 27,566</b>        | <b>\$ 850</b>                       | <b>\$ 138,472</b>       | <b>\$ 413,934</b>                       |

MONTPELIER PUBLIC SCHOOL SYSTEM  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 OTHER GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2008

|                                                                                                  | Early<br>Education<br>Programs | Recreation<br>Fund | Food<br>Service<br>Fund | Regional<br>Education<br>Specialist | Other<br>Grant<br>Funds | Total<br>Other<br>Governmental<br>Funds |
|--------------------------------------------------------------------------------------------------|--------------------------------|--------------------|-------------------------|-------------------------------------|-------------------------|-----------------------------------------|
| Revenues:                                                                                        |                                |                    |                         |                                     |                         |                                         |
| Taxes                                                                                            | \$ 0                           | \$ 593,983         | \$ 0                    | \$ 0                                | \$ 0                    | \$ 593,983                              |
| Services                                                                                         | 0                              | 184,800            | 343,376                 | 0                                   | 95,264                  | 623,440                                 |
| State aid                                                                                        | 44,048                         | 22,806             | 4,801                   | 134,277                             | 137,213                 | 343,145                                 |
| Federal aid                                                                                      | 6,429                          | 0                  | 133,940                 | 0                                   | 304,335                 | 444,704                                 |
| Private grants                                                                                   | 0                              | 0                  | 0                       | 0                                   | 27,413                  | 27,413                                  |
| Donations                                                                                        | 0                              | 49,483             | 0                       | 0                                   | 0                       | 49,483                                  |
| Investment income                                                                                | 0                              | 1,043              | 1,297                   | 0                                   | 0                       | 2,340                                   |
| Insurance recovery                                                                               | 0                              | 0                  | 0                       | 0                                   | 0                       | 0                                       |
| Other income                                                                                     | 0                              | 13,515             | 0                       | 0                                   | 0                       | 13,515                                  |
| Total revenues                                                                                   | <u>50,477</u>                  | <u>865,630</u>     | <u>483,414</u>          | <u>134,277</u>                      | <u>564,225</u>          | <u>2,098,023</u>                        |
| Expenditures:                                                                                    |                                |                    |                         |                                     |                         |                                         |
| Special education programs                                                                       | 208,263                        | 0                  | 0                       | 134,277                             | 0                       | 342,540                                 |
| Other grant programs                                                                             | 0                              | 0                  | 0                       | 0                                   | 564,225                 | 564,225                                 |
| Food service program                                                                             | 0                              | 0                  | 514,285                 | 0                                   | 0                       | 514,285                                 |
| Recreation program                                                                               | 0                              | 749,735            | 0                       | 0                                   | 0                       | 749,735                                 |
| Debt service - principal                                                                         | 0                              | 1,920              | 0                       | 0                                   | 0                       | 1,920                                   |
| Debt service - interest                                                                          | 0                              | 298                | 0                       | 0                                   | 0                       | 298                                     |
| Total expenditures                                                                               | <u>208,263</u>                 | <u>751,953</u>     | <u>514,285</u>          | <u>134,277</u>                      | <u>564,225</u>          | <u>2,173,003</u>                        |
| Excess (deficiency) of revenues<br>over (under) expenditures                                     | <u>(157,786)</u>               | <u>113,677</u>     | <u>(30,871)</u>         | <u>0</u>                            | <u>0</u>                | <u>(74,980)</u>                         |
| Other Financing Sources (Uses):                                                                  |                                |                    |                         |                                     |                         |                                         |
| Proceeds of long-term debt                                                                       | 0                              | 0                  | 17,840                  | 0                                   | 0                       | 17,840                                  |
| Operating transfers in                                                                           | <u>157,786</u>                 | <u>0</u>           | <u>0</u>                | <u>0</u>                            | <u>0</u>                | <u>157,786</u>                          |
| Total other financing<br>sources (uses)                                                          | <u>157,786</u>                 | <u>0</u>           | <u>17,840</u>           | <u>0</u>                            | <u>0</u>                | <u>175,626</u>                          |
| Excess (deficiency) of revenues and<br>other sources over (under)<br>expenditures and other uses | 0                              | 113,677            | (13,031)                | 0                                   | 0                       | 100,646                                 |
| Fund Balance (Deficit)<br>Beginning of Year                                                      | <u>0</u>                       | <u>85,576</u>      | <u>18,839</u>           | <u>0</u>                            | <u>0</u>                | <u>104,415</u>                          |
| Fund Balance -<br>End of Year                                                                    | <u>\$ 0</u>                    | <u>\$ 199,253</u>  | <u>\$ 5,808</u>         | <u>\$ 0</u>                         | <u>\$ 0</u>             | <u>\$ 205,061</u>                       |



# Montpelier Business Directory

The following firms are proud to serve the capital city community. They are pleased to help bring this important Annual Report to your attention.

## WE'RE PROUD TO BE PART OF THE Montpelier Community

|                                                                                                                                                                                               |                                                                                                                                                                                         |                                                                                                                                                                                                   |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>ONION RIVER<br/>ANIMAL HOSPITAL</b><br/>Compassionate Care for Pets of All Ages<br/><b>802-223-7765</b><br/>36 Three Mile Bridge Rd, Montpelier</p>                                     | <p><b>WILLIAM SHOULDICE<br/>&amp; ASSOCIATES L.L.C.</b><br/>Government, Business &amp; Public Relations<br/><b>26 State St., Montpelier</b><br/><b>223-1197 • www.wsavt.com</b></p>     | <p><b>DIAMOND &amp;<br/>ROBINSON</b><br/><i>A Full Service Law Firm Since 1981</i><br/><b>15 East State St., Montpelier</b><br/><b>223-6166</b></p>                                               |
| <p><b>RESTAURANT<br/>PHOEBE</b><br/>Pure Seasonal American Cuisine<br/>52 State Street, Montpelier<br/><b>262-3500</b><br/><a href="http://RestaurantPhoebe.com">RestaurantPhoebe.com</a></p> | <p><b>CITY SALON</b><br/><b>207 Barre Street,</b><br/><b>Montpelier</b><br/><b>229-0605</b></p>                                                                                         | <p><b>AUTO CRAFTSMEN</b><br/><i>Mechanics With A Conscience</i><br/><b>326 State St., Montpelier</b><br/><b>223-2253</b><br/><a href="http://www.autocraftsmen.com">www.autocraftsmen.com</a></p> |
| <p><b>Yvonne M. Liguori<br/>EDWARD JONES</b><br/>1284 US Rt 302<br/>Barre-Montpelier Rd, Barre/Berlin<br/><b>802-476-2323</b></p>                                                             | <p><b>MEADOW MART</b><br/><i>Groceries, Deli, Beer, Wine,<br/>Fish &amp; Game, Lottery</i><br/><b>284 Elm St., Montpelier</b><br/><b>229-9001</b></p>                                   | <p><b>LAMBERTON<br/>ELECTRIC</b><br/><b>91 Granite Shed Lane</b><br/><b>Montpelier</b><br/><b>223-0016</b></p>                                                                                    |
| <p><b>CASELLA WASTE<br/>MANAGEMENT</b><br/><b>U. S. Route 2</b><br/><b>Montpelier</b><br/><b>223-7045</b></p>                                                                                 | <p><b>JAN'S BEAUTY<br/>BOUTIQUE</b><br/><i>Hairstyling, Manicures,<br/>Tanning &amp; Skin Care</i><br/><b>78 Barre St. • Montpelier</b><br/><b>229-0366 • 229-0367</b></p>              | <p><b>EVERETT<br/>INSURANCE<br/>AGENCY</b><br/><b>50 State Street • Montpelier</b><br/><b>223-3209</b></p>                                                                                        |
| <p><b>FIRST IN FITNESS</b><br/><i>Good For Every Body</i><br/><b>1 Blanchard Court</b><br/><b>Montpelier</b><br/><b>223-1348</b></p>                                                          | <p><b>PEARL STREET<br/>MOTORS</b><br/><i>Snowblowers, Snowmachines<br/>&amp; Lawn Mowers</i><br/><i>Sales &amp; Service</i><br/><b>Upper Elm St. Montpelier</b><br/><b>223-3336</b></p> | <p><b>The WORLD</b><br/><i>We Get Results</i><br/><b>403 US Route 302-Berlin</b><br/><b>Barre, VT 05641</b><br/><b>479-2582 • 800-639-9753</b></p>                                                |



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Family owned & operated with over 30 Years in the housing business

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[info@capitolplaza.com](mailto:info@capitolplaza.com)

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Lindsay  
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Thomas

Martha  
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Chaz  
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Lisa  
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Fran  
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for Men & Children  
Walk-Ins Welcome  
Appointments Suggested

**MON.-TUES.** **WED.**  
7am-4:30pm 7am-1pm

**THURS.-FRI.** **SAT.**  
7am-4:30pm 7-11:30am

100 State St., Montpelier

223-7361

**The Yankee  
Clipper**



with The Master's Edge

## INSULATING CELLULAR SHADES

### Did you know...

\*Symphony Cellular Shades work as a barrier against drafts & reduce radiational cooling to help lower your energy cost

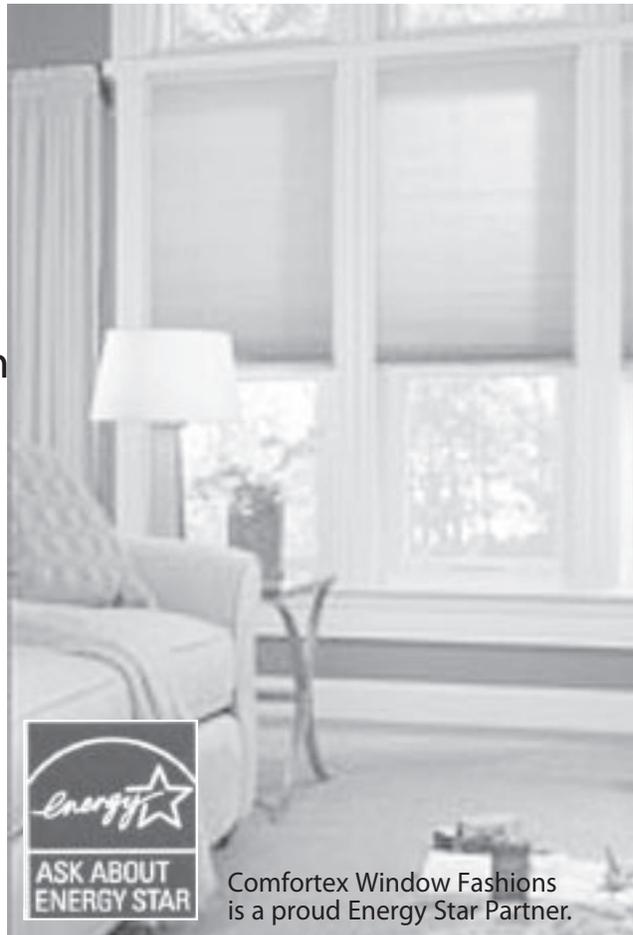
\*We make Symphony Shades in White & Off-White

\*We offer Regular, Omnirise & Top Down-Bottom Up Headrails

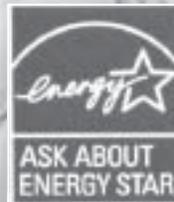
\*We offer FREE measuring and estimates

\*Professional installation is always available

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&

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Whole Family!



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 Tokens Available  
 Great Gift Idea!  
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 A WEEK  
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Central Vermont Catholic School  
**St. Michael Campus**  
**St. Monica Campus**

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 LEADERSHIP  
 OUTSTANDING TEACHERS  
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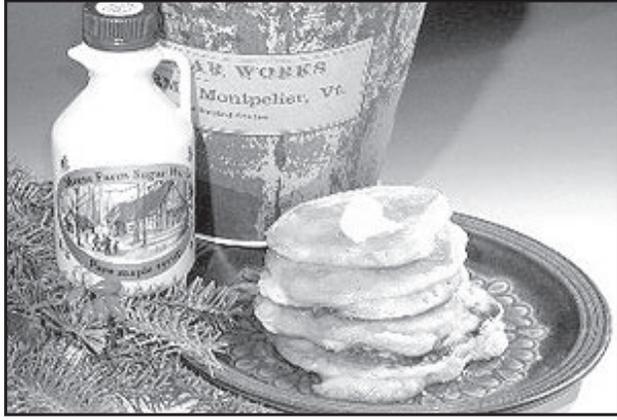
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- \*Family Columbarium**

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- \*Statuary**
- \*Benches**
- \*Memorial Trees**

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- \*Year Round Burials**
- \*Individualized Burial Service**
- \*Flower Fund**
- \*Monument Cleaning/Repair**
- \*Genealogy Research**
- \*Tours**
- \*Slide Show**

*For an Information Packet or Consultation Appointment  
Contact: Director Patrick Healy at 223—5352 or  
Email at [Cemetery@montpelier-vt.org](mailto:Cemetery@montpelier-vt.org)*

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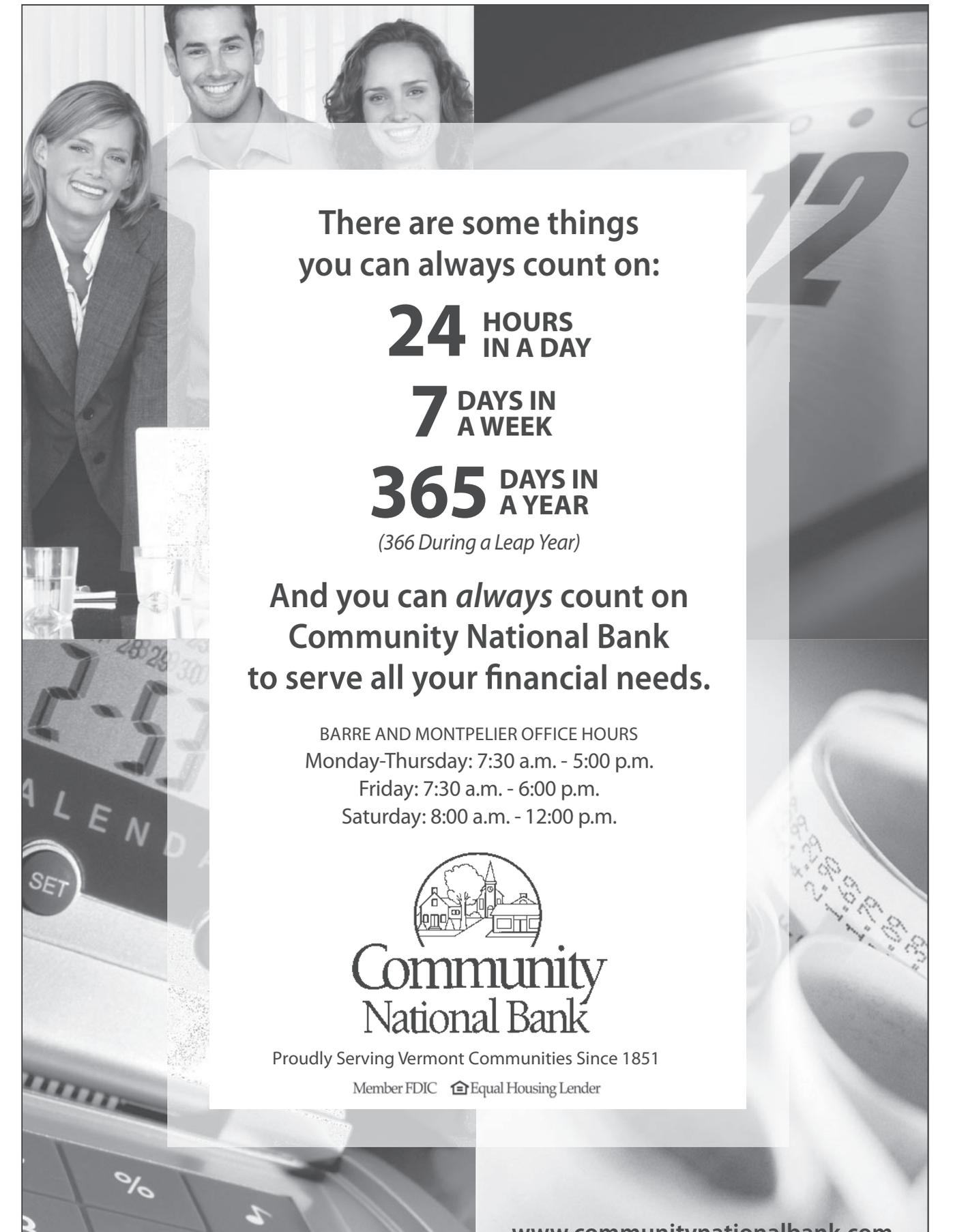
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# City of Montpelier Directory

**Mayor:** Mary Hooper ..... (Home) 223-2892  
**City Council:**  
 T. Andrew Hooper ..... (Home) 229-1237  
 Council Member, District 1  
 Tom Golonka ..... (Home) 223-3657  
 Council Member, District 1  
 Nancy Sherman ..... (Home) 223-2632  
 Council Member, District 2  
 Sarah Jarvis ..... (Home) 223-6150  
 Council Member, District 2  
 Jim Sheridan ..... (Home) 229-9271  
 Council Member, District 3  
 Alan Weiss ..... (Home) 229-0068  
 Council Member, District 3

**City Hall:**

39 Main Street  
 8:00 AM - 4:30 PM, Monday - Friday  
 City Manager, *William Fraser* ..... 223-9502  
 wfraser@montpelier-vt.org  
 Assistant City Manager, *Beverlee Hill* ..... 223-9512  
 bhill@montpelier-vt.org  
 City Clerk/Treasurer, *Charlotte Hoyt* ..... 223-9500  
 choyt@montpelier-vt.org  
 City Assessor, *Stephen Twombly* ..... 223-9504  
 stwombly@montpelier-vt.org  
 Zoning Administrator, *Clancy DeSmet* ..... 223-9506  
 cdesmet@montpelier-vt.org  
 Asst. Building Inspector, *Glenn Moore* ..... 229-4913  
 Public Works Department ..... 223-9508  
*Todd Law*, Director  
 tlaw@montpelier-vt.org  
 Planning & Development ..... 223-9506  
*Gwendolyn Hallsmith*, Director  
 ghallsmith@montpelier-vt.org  
 Health Officer, *Gesualdo Schneider* ..... 229-4913  
 Finance Director, *Sandra Gallup* ..... 223-9514  
 sgallup@montpelier-vt.org  
 Emergency Management System ..... 229-4913  
*Gesualdo Schneider*, Coordinator  
 Green Mount Cemetery ..... 223-5352  
*Patrick Healy*, Director  
 cemetery@montpelier-vt.org  
 Hubbard Park ..... 223-7335  
*Geoffrey Beyer*, Director  
 gbeyer@montpelier-vt.org

**POLICE/FIRE/AMBULANCE EMERGENCY ..... 911**

Montpelier Police Dept. (Non-emergency) ..... 223-3445  
*Anthony Facos*, Police Chief .....  
 afacos@montpelier-vt.org  
 Montpelier Fire Department and  
 Ambulance Service (Non-emergency) ..... 229-4913  
*Gesualdo Schneider*, Fire Chief/Building Inspector  
 gschneid@montpelier-vt.org

**Other Departments:**

**MONTPELIER SCHOOL DEPARTMENT**

58 Barre Street  
*Stephen Metcalf*, Superintendent ..... 223-9796  
 steve@mpsvt.org

**MONTPELIER RECREATION DEPT**

55 Barre Street ..... 223-5141  
*Don Lorinovich*, Director  
 don@co.mps.k12.vt.us

**MONTPELIER SENIOR CITIZENS  
 ACTIVITY CENTER**

*Don Lorinovich*, Director  
*Lucinda McCloud*, Activities Director ..... 223-2518

**MONTPELIER HOUSING AUTHORITY**

155 Main Street  
*JoAnn Troiano*, Executive Director

**Appointed Officials**

**Development Review Board**

Phil Zalinger, *Chair*  
 Alan Blakeman  
 Kevin O'Connell  
 John Lindley, III  
 Daniel Richardson  
 Roger Cranse  
 Jeremy Hoff  
 Kenneth Matzner, *Alternate*

**Planning Commission**

Karen Vogan, *Chair*  
 Matthew Delorey  
 Claire Benedict  
 David Borgendale  
 Jesse Moormann  
 Anne Campbell  
 Alan Goldman

**Housing Authority**

John McCullough, *Chair*  
 Edward Larson  
 Paul Audy  
 Cristine Zern  
 Stephen Coble

**Elected Officials**

**School Commissioners:**

John Hollar, *Chair*  
 Sue Aldrich  
 Charles Phillips  
 Carolyn Herz  
 Lowell vanDerlip  
 Rick Vanden Bergh  
 Steven Robinson

**Cemetery Commissioners:**

Meri Nielsen, *Chair*  
 Kathleen Segar  
 Dan Richardson  
 Darragh Ellerson  
 Jake Brown

**Park Commissioners**

Leigh Seddon, *Chair*  
 Stephen Bosserman  
 Cara Robecheck  
 Ethan Parke  
 Aaron Brondyke

**Justices of the Peace**

John Bloch  
 Barney Bloom  
 Cary Brown  
 Paul Carnahan  
 Conor Casey  
 Jane Sakovitz Dale  
 Esther Farnsworth  
 Robert Gross  
 Margaret Lucenti  
 Nick Marro  
 John J. McCullough III  
 Claude Stone  
 William Steinhurst  
 Nancy Wasserman  
 Phil Zalinger

**Tree Warden:** Geoff Beyer

**Elected Auditors**

Richard Sheir  
 John Pratt

**Regular City Meetings**

**CITY COUNCIL**

Meetings held second and fourth  
 Wednesdays at 7:00 p.m.  
 Council Chambers, City Hall

**PLANNING COMMISSION**

Meetings held first and third  
 Mondays at 7:30 p.m.  
 Council Chambers, City Hall

All City Council, Development  
 Review Board & Planning  
 Commission meetings are  
 televised on Channel 17.

Public Notices published every  
 Monday and Thursday in the  
 Times Argus.

**SCHOOL BOARD**

Meetings held first and third  
 Wednesdays at 7:00 p.m.  
 Montpelier High School Library

School Board meetings are televised  
 on Channel 16.

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**Additional Boards and  
 Committees are listed  
 on page 69.**

## Montpelier City Council - 2008



Front Row (left to right): Charlotte Hoyt, City Clerk/Treasurer, William Fraser, City Manager, Council Member Nancy Sherman, Council Member Sarah Jarvis, Council Member Jim Sheridan. Back Row (left to right): Mayor Mary Hooper, Council Member Tom Golonka, Council Member Alan Weiss. Missing from photo: Council Member T. Andrew Hooper, Assistant City Manager Beverlee Pembroke Hill.

## Montpelier School Board - 2008



Sitting (left to right): School Board Member Carolyn Herz, School Board Member Sue Aldrich. Back Row (left to right): Superintendent Stephen Metcalf, School Board Member Rick Vanden Bergh, School Board Member Charles Phillips, School Board Member Steve Robinson, School Board Chair John Hollar, School Board Member Lowell vanDerlip