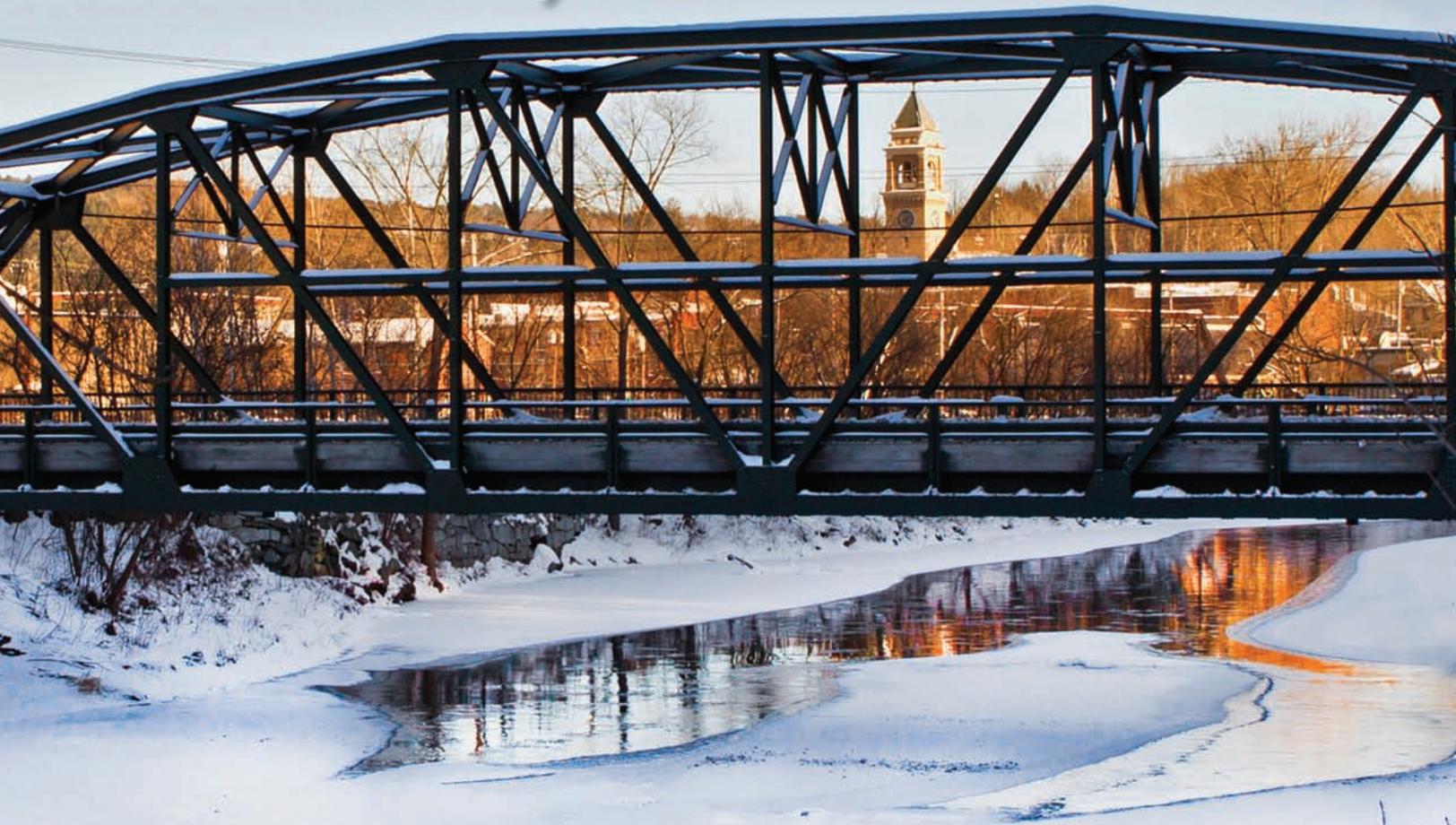
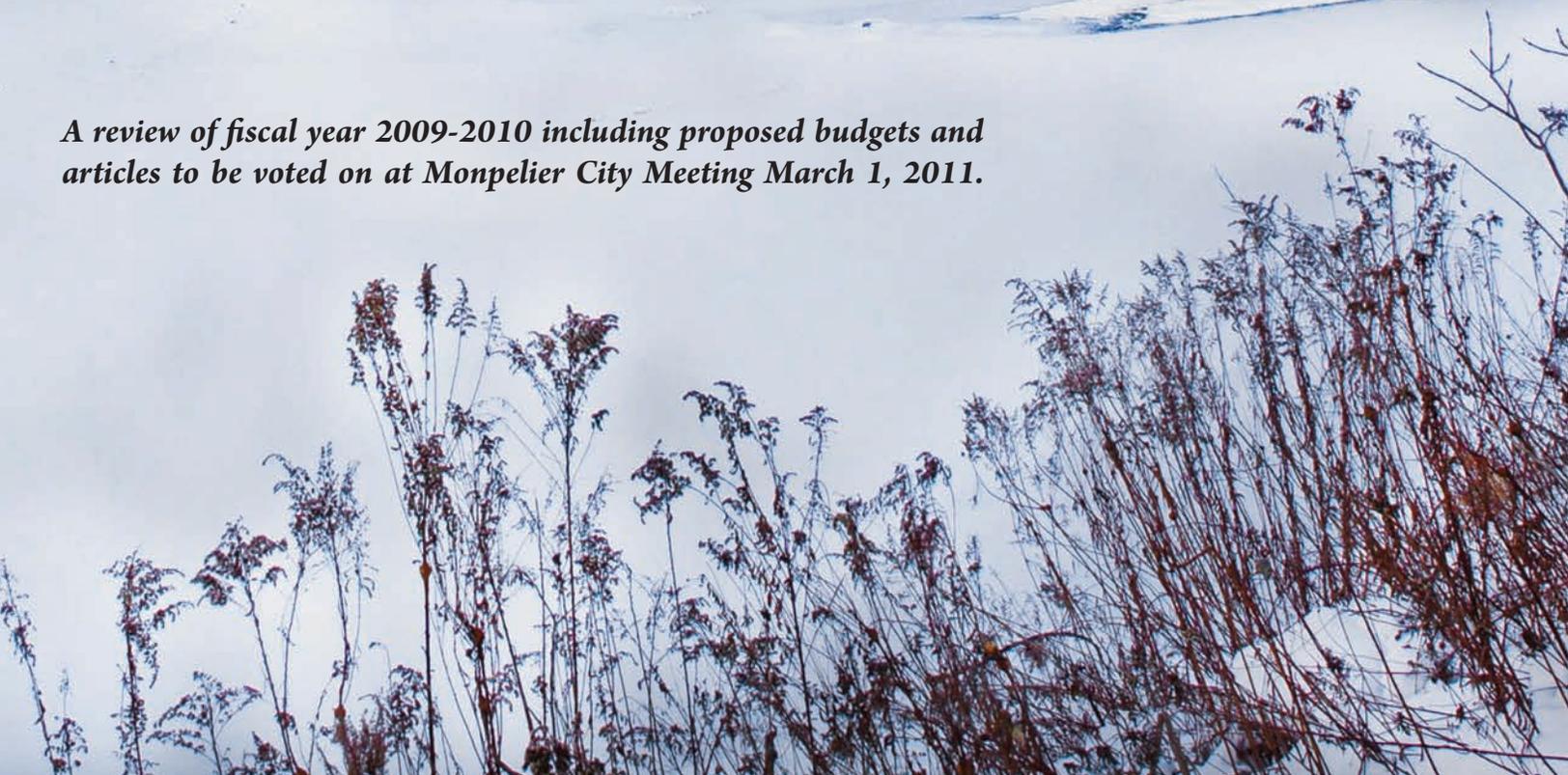


City of Montpelier, Vermont Annual Report



A review of fiscal year 2009-2010 including proposed budgets and articles to be voted on at Montpelier City Meeting March 1, 2011.





About the front cover:

The State of Vermont Agency of Transportation completed a full historic rehabilitation of the Taylor Street Bridge this year. The Steel Truss Bridge is one of many in Vermont that were built in the aftermath of the 1927 flood. About 10 years ago, the City enrolled the bridge in the historic bridge preservation program. This program allows historic bridges to be rehabilitated to meet current weight limits and transportation standards while still retaining historic status. Funding for this project was 100% State and Federal with no local money, the project was completed in 2011 through the state's use of American Recovery and Reinvestment Act (ARRA) monies.

Warning for City Meeting, March 1, 20112
Mayor’s Message3
City Manager’s Message..... 4-9
Budget and Finance
 General Fund Revenues.....10-11
 General Fund Expenditures12-13
 General Fund Comparisons14-18
 Summary of Annual and Debt Funding for Capital Projects19-21
 Projected Tax Rates, Distribution of Proposed Tax Rate, Effective Property Tax Rates22-23
 Estimated Municipal Property Taxes24
Department Reports
 Police Department.....25-26
 Fire/Ambulance Department, Building Department26-28
 Public Works Department, Water & Sewer Fund28-32
 Parking Fund.....32
 Planning & Community Development32-36
 Montpelier Downtown Community Association/Montpelier Alive/Green Up.....37-38
 Finance Department, Technology Services Division.....38-39
 Assistant City Manager/Delinquent Tax Collector39-40
 City Clerk & Treasurer’s Office, Assessor’s Office40-41
 Montpelier Senior Activity Center41-42
Green Mount Cemetery.....42-43
Montpelier Housing Authority43-44
Parks, Conservation & Recreation Programs.....44-49
Area Agency Reports
 Social Services50-58
 Community Services58-60
 Community Development60-63
 Culture & Recreation64-72
Montpelier Community Justice Center.....73-74
Committee Appointments75
Tax Exempt Parcels77
Financial Reports
 Management’s Discussion & Analysis for the Year Ended June 30, 2010.....80-88
 Statement of Taxes Raised 201088
2010 City Meeting Results89-90
School Report & Budget
 Superintendent’s Report91-92
 Budget Overview, Summary & Projections95-99
 Audit Report for the Year Ended June 30, 2010 104-140
Directory of City Departments & Officials..... Inside Back Cover

City Meeting Warning For March 1, 2011

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 1, 2011, 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 two auditors for an unexpired term of one year; one commissioner for the Green Mount Cemetery for a term of five 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 \$6,759,570 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, 2011 to June 30, 2012? (Requested by the City Council)

ARTICLE 3. Shall the voters appropriate the sum of \$15,400,250 necessary for the support of the public school system for the fiscal year July 1, 2011 to June 30, 2012? (Local budget of \$14,931,575 plus grant budget of \$468,675, for a total school budget of \$15,400,250.) (Requested by the School Board)

ARTICLE 4. Shall the voters appropriate the sum of \$605,230 for the support of the Recreation Department for the fiscal year July 1, 2011 to June 30, 2012? (Requested by the School Board)

ARTICLE 5. Shall the voters appropriate the sum of \$3,000 as compensation to the Mayor for services for the fiscal year July 1, 2011 to June 30, 2012? (Requested by the City Council)

ARTICLE 6. Shall the voters appropriate the sum of \$7,200 (\$1,200 each) as compensation to the Council Members for their services for the fiscal year July 1, 2011 to June 30, 2012? (Requested by the City Council)

ARTICLE 7. 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, 2011 to June 30, 2012? (Requested by the School Board)

ARTICLE 8. Shall the voters authorize the Board of School Commissioners to hold any audited fund balance as of June 30, 2011 in a reserve (restricted) 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 9. Shall the voters appropriate the sum of \$293,975 to be used by the Kellogg-Hubbard Library for the fiscal year July 1, 2011 to June 30, 2012? (This amount is requested by the library board and is in addition to the \$45,469 for library bond payment included in the City General Fund Budget, Article 2.)

ARTICLE 10. Shall the voters appropriate the sum of \$5,000 to be used by the Central Vermont Council on Aging for the fiscal year July 1, 2011 to June, 30 2012? (By Petition)

ARTICLE 11. To see if the voters of the City of Montpelier will exempt from taxes for 10 years the property of the Central Vermont Memorial Civic Center located on Gallison Hill Road in Montpelier. (By Petition) (The Central Vermont Memorial Civic Center's estimated property tax bill for fiscal year 2012 is \$9,619.)

ARTICLE 12. Shall the City of Montpelier appropriate the sum of \$40,000 towards the creation of a new, year-round bus route within the City of Montpelier? This \$40,000 will match approximately \$120,000 from GMTA to fully fund the service. Specific stops, route, and schedule of service will be determined jointly between the City and the Green Mountain Transit Agency with input from the public. (By Petition) (This amount is in addition to the \$29,371 for other GMTA services which is included in the City General Fund Budget, Article 2.)

ARTICLE 13. Shall the City of Montpelier vote to raise, appropriate and expend the sum of \$5,000.00 for the support of The Vermont Center for Independent Living to provide services to residents of Montpelier? (By Petition)

Message from the Mayor

Dear Friends,

The budget we present you is a good budget. It maintains existing services and addresses issues the community says matter. Despite the upward pressure of health insurance and energy the operating costs were reduced by a penny on the tax rate. However, to begin the process of catching up on roads and equipment we increased spending in these areas by \$165,000. As a result you will see an increase of one penny on the municipal budget. Thanks to the hard work and tough decisions of the school administration and board, you will see an overall reduction in your taxes.

Our roads, sidewalks and other infrastructure need more work and we will need to continue to find the financial resources to meet these needs. I believe we should be investing more in supporting our downtown and businesses on River Street. We need to significantly add to our successes in creating housing. Over the past several years the City Council has systematically worked through a variety of issues to assure that city government is as efficient and effective as possible – both on the expense and the revenue side. This budget will help support the reappraisal of personal property and provide for an outside analysis of the efficiency of city management. Payments in lieu of taxes from the state have hit an all time high, representing by one calculation 78% of what would be due if the state paid property taxes.

The first person you see in the City Manager's office is Jane Aldrighetti, or at first you see the top of her head, for she will be looking down, working on a project. She is at the core of the reappraisal completed this year. Jane would disagree and rightfully acknowledge that Steve Twombly and New England Municipal Services led the very professional, thoughtful effort to get our appraisals right. Getting it right was a commitment made by the City Council and the oversight committee formed three years ago. Jane was the one who first saw people with concerns or took phone calls. It is a complex process and is unsettling for many of us – reappraisals deal with our property values and by extension our money. There was a lot of pressure to get it right and Jane was at the center, responding to queries with aplomb and thoughtful consideration.

On the other side of the hallway was the City Clerk who is responsible, with the Board of Civil Authority, for the final role the city plays in our reappraisal process. The Board of Civil Authority met once a week from the end of August into December to hear grievances and visited each property to consider the issues raised by the property owner. Our Board of Civil Authority is an experienced crew – many of the members have been through a reappraisal before and they took new members under wing and got the work done. In addition to the 15 or more meetings of the BCA, members took on property visits – many conducting more than 20 visits. I was amazed to see how much work was involved with the process and Charlotte

Hoyt handled it all with grace – in addition to her regular duties which included running two elections, a recount and an election audit – all this fall.

December of 2009 saw a fire which closed our Senior Center. Fire not only damages buildings, it often permanently destroys the business or enterprise housed by the structure. Our Montpelier Senior Activity Center, with the guidance of the City Council formed a working group and found its way to an exciting new beginning. In record time, plans were laid for a partnership which will create new housing in the upper floors and a new senior center on the first and part of the second floor. Funding has been secured and construction will start this spring. Rarely is a rebirth so quick.

The birth of Stone Cutters Way has been a little more protracted – it is now in its second decade. But the final elements have fallen in place. Thanks to creative grant writing and solid project management Turn Table Park is completed and with few city funds. With new efforts to redevelop the “salt shed” the City's goal of growing the grand list by building this new street is largely completed – and successful. Lots of people deserve praise for the work on the Senior Center and on Stone Cutters Way, but one of my heroes is Garth Genge who has been instrumental – under very difficult circumstances – in making these projects work.

On March 9th, for the first time in 12 years Jim Sheridan will not be at a Council meeting. Jim loves Montpelier – he was born and has spent most of his life here, he ran the family business on Langdon Street and has had a birds' eye view of the community from his home at State and Main. He is devoted and outspoken in his determination to give voice to unspoken issues. When he takes on a project he is doggedly tenacious. Recently he has put his heart into supporting the Montpelier Senior Activity Center and helping with the assessment of access issues around the city for people with disabilities. He has been a tough representative of the city in our collective bargaining. No matter what he says or does it is always from a deep love for this community and a determination to do what is right for every member, not just a few. We thank him for his work on behalf of this great little city.

Many hands work make hard work light. Our municipal and school employees are excellent. Literally hundreds of people work – formally and informally – to make this community a great place – sports coaches, meals on wheels volunteers, volunteers in schools, green up day helpers, river watchers, side walk stewards, service clubs members, festival volunteers and City Council members. Thank you all.

Thank you for the privilege of serving this community. As always, please do not hesitate to be in touch.

Mary
882 North Street
Home, 223-2892; cell, 802 793-9512
mayor@montpelier-vt.org

Message from the City Manager

It is an honor and privilege to present my 16th annual report to you, the citizens of Montpelier.

This was a year of recovery. The previous years had been marked by the terrible national recession, an unprecedented run of bad weather (both winter and summer) and the difficulties surrounding the Scott Construction over payment situation. 2010 saw a much milder winter, a much nicer summer, the resolution of the Scott mess and a stabilizing economy. The City government worked with renewed energy to deliver services, improve public communications and transparency and complete many important projects.

The property reappraisal work was completed and implemented relatively smoothly. Formal grievances were down from previous reappraisals, all property tax information was placed on line for all to review and problems were resolved as best as they could. The State of Vermont analysis of our work bore this out, saying that Montpelier properties were valued overall at 98.2% of their estimated market value. This coming year will see an attempt to visit and inspect the few remaining properties who did not provide access in 2010. We will also be embarking on a full reappraisal of personal property in order to assure full equity among all taxpayers. With new software in place, a high inspection rate and high confidence in our current values, the city is poised to maintain our grand list effectively and equitably in the coming years. Assessor Steve Twombly and our contractors, New England Municipal Consultants, have done a wonderful job in pulling this all together.

All City Council, Planning Commission and Development Review Board meetings can now be watched on the web both live and after the fact. People watching archived meetings may select specific agenda topics and watch only that portion of the meeting. Additionally, all meeting materials and formal communications between the City Manager and City Council are posted so that citizens may follow along with the workings of their government. Thanks to IT staff Fred Skeels and Nick Daniels for their work in getting this up and running.

The biggest accomplishment of the year has been developing a project and assembling funding for the complete renovation and re-use of the 58 Barre Street building. The building will house a state of the art Senior Center in the first floor and a half and will be accompanied by senior housing units on the upper floor and a half. This partnership between the City, the Housing Authority, the Central Vermont Community Land Trust and JA Kantor Associates has worked successfully to address some of the key priorities of the city. Community Development Specialist Garth Genge was very instrumental.

Our biggest news was the receipt of an \$8 million dollar federal grant for a district energy project. These funds were awarded

from a total \$20 million federal allocation, we were quite honored to have been granted 40% of the funding available for the whole country. Even with this huge grant, though, we face a stiff challenge in creating a heating system which serves the state complex, municipal government buildings and schools and would be available to serve private customers. The project parameters are that neither the city nor state can pay more than they are paying now (including future capital replacement and maintenance costs) and the system can't depend on private customers to be financially viable. If successful, though, this system would result in a shift from oil to locally produced renewable energy. The project would serve as a national model for downtowns and for city/state cooperation. With total project costs approaching \$20 million, both City and State officials are moving carefully and deliberately. If a project plan is developed, it would be included in the state's budget this year. Once the concept and funding are approved by the legislature, it will be brought to city voters for consideration at a special election. Planning Director Gwen Hallsmith wrote the grant and has been working tirelessly on this project and has been ably assisted by Project Manager Harold Garabedian and the members of the City's Energy Committee.

The interim bus stop at City Hall has worked successfully. More importantly, the Carr Lot project which includes a new Transit Center (along with a bike path, landscaping improvements, public space and some parking) is moving along well. By March we expect to have all final federal approvals and to be in site acquisition phase. The present project schedule anticipates acquisition and design this year with construction in 2012. The project has nearly \$7 million in federal money behind it and was delayed due to first environmental review and then flood plain review. Both of those obstacles have now been cleared.

The Planning Commission and City Council completed the very extensive enVision Montpelier process. The result was a sweeping and innovative Master Plan which looked at community priorities for not only the immediate future but for as much as 50 to 100 years from now. The plan contained all the required land use and zoning elements but also looked at ways to sustain the community as a whole economically, environmentally and culturally. Adoption of the Master Plan has led to the current effort of rewriting the city's zoning and land use regulations. Neighborhood meetings are being held throughout the city to hear residents' views on what is important to them. Thanks are due to the Planning Commissioners and Planning Department staff for many hours of meetings and work.

Last year, City employees recommended revamping the city's health insurance program which resulted in an annual savings of \$200,000. This year, in another effort to make continual improvements, the City Council is seeking the services of a professional management consultant to review operations,

organizational structure and other processes to evaluate our practices and make recommendations. We are looking forward to this work and expect a final report by June.

The National Citizen Survey, completed in 2009, provided insight into the preferences, priorities and concerns of Montpelier residents. The survey results continue to guide our city officials as decisions are made. The full results of the survey is available on the city's web site at www.montpelier-vt.org. The City will be performing this survey again during 2011.

Goals and Priorities

In April of 2010, the City Council outlined a series of priorities for the year. This statement, which was formally adopted on July 14, 2010 influenced decisions, staff work, policy recommendations and budget proposals throughout the year. A considerable amount of progress has been made on virtually all of these items. By focusing our priorities, we have been effective with our resources. The Goals were organized in the same fashion as the enVision Montpelier goals so that the new Master Plan can be used when setting these annual priorities in future years.

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. Determine future direction of the Senior Center and Senior Services – local or regional, what is the scope of services offered? Present location or new facility? How are user fees structured?
2. Perform fiduciary duty and review role of the City Council with regard to the Recreation Department, their facilities and program management.
3. Maintain cost-effective and high quality public services by answering fire and police calls, maintaining roads and sidewalks, providing clean water and functioning sewers, 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. Complete the Americans with Disabilities Act Transition Plan and implement improvements for accessibility.

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

1. Decide how to proceed on Carr Lot Transit Center project.
2. Adopt a capital plan net of debt service that protects, preserves and invests in the City.
3. Continue efforts to improve pedestrian and bike access, create bike paths, and maintain sidewalks and bridges.
4. Work with State to assure a safe railroad system which does not harm existing businesses, residents or disrupt municipal projects.
5. Evaluate alternatives for street lighting expenses.
6. Continue to support the city workforce and provide excellent services.
7. Decide the future of City buildings – 58 Barre St, Rec. Center, Main St. School.

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 neighboring communities.
2. Continue efforts through technology and good practices to make city government (and related information) as open and accessible to the public as possible.
3. Complete the reappraisal and appeal process so that the property tax system is based on fair and equitable values.
4. Decide whether to propose alternate revenue sources such as local options taxes.
5. Complete the enVision Montpelier process to establish long-term goals, targets, and strategies to make Montpelier an economically successful and sustainable state capital. Adopt a new Master Plan.
6. Engage outside consultant to assist the City Manager in an operations review.
7. Conduct a follow up National Citizen Survey in 2011.
8. Review the entire Committee structure within City government.
9. Address the water fund deficit including reconsideration of merger with Berlin Fire District #1, securing agreements with large customers, reviewing the rate structure and opening discussions with Berlin about a shared water system.

10. Establish a process to review existing ordinances and possible amendments to the city charter (such as appointing the Treasurer and District Energy authorization).
11. Continue to strive for excellence in government by treating all citizens with respect and dignity.

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

1. Recognize housing as a primary economic development activity. Take affirmative steps to develop 500 new housing units in the city over the next five years. Such steps may include a TIF district, use of the housing trust fund or discussions with the housing task force and developers to create an effective strategy.
2. Develop a common definition of economic development (such as increasing the grand list or assisting with business location) and establish a strategy consistent with the definition.
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 as well as support local businesses and institutions. Consider impact of vacant properties.
5. Work to develop Sabin's Pasture to enhance the natural and recreational amenities for residents while encouraging family housing.
6. Continue emergency planning for city residents, including the CAN program.

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. Work with the Army Corps of Engineers and the State of Vermont to complete the flood mitigation study.
2. Continue and expand practices which result in energy conservation, reduced consumption of fossil fuels, reduced greenhouse gas emissions, and waste reduction.
3. Continue with water conservation efforts and improvements in the water system to account for lost water.
4. Take action to protect and preserve Berlin Pond as the city's water source.

FY12 BUDGET:

Since 2001, the City Council has presented municipal budgets which have held tax rate increases to an average of 1.43 cents per year. This represents an annual average increase of only 1.34% compared to the annual average inflation rate of 2.33% over the same time period. To maintain that standard, decisions have been made to defer capital improvements, maintenance and equipment replacement. Each budget has attempted to balance service demands, rising costs and an ever accumulating backlog of infrastructure and equipment needs with responsible fiscal restraint.

Montpelier's budget presents an annual challenge with no appreciable annual revenue growth or increase in taxable property. Costs rise and demands for services remain. In difficult economic times the need for local government services rises with more theft, substance abuse, domestic abuse, stress, risky behavior for heat or comfort and the like. Winter weather and related expenses for plowing, sanding, salting and snow removal will occur regardless of economic climate. All of these circumstances are set in the context of the city's relatively high property tax rate.

FY12 is no exception. The combination of a stagnant economy and the reappraisal/grievance process resulted in no projected grand list growth whatsoever. At the same time, residents are adjusting to new property values, tax bills and uncertain economic circumstances. The national consumer price index has only increased by 1.5% since December of 2009.

City employees contributed significantly to last year's zero tax increase budget by devising a plan to save \$200,000 in health insurance costs. Those savings are still realized in this year's budget however health insurance costs - even for our lower cost plan - still rose by \$150,000.

The goals in preparing this budget were to increase equipment funding, increase capital funding, maintain all services at present levels while holding the tax rate and costs at or below inflation. All of these goals were achieved.

OVERVIEW:

This Budget recommendation contains the following:

- The FY12 General Fund budget totals \$10,812,379 which is an increase of \$435,490 (4.2%) from the comparable FY11 spending plan. This includes the Senior Center and does not, of course, take into account the recreation budget under the School Board's control. It also includes a new full accounting of the grant funded re-entry program (\$116,269). After adjusting for the re-entry program and proposed increases in capital (\$78,900) and equipment (\$82,500), the overall operating budget increase is \$157,821 or 1.5%.

- Requires a 1.0 cent increase in the municipal property tax rate. The capital plan is increased by 1 cent, the equipment fund is increased by 1 cent while the overall operating budget is decreased by 1.0 cent. 1.0 cent represents a 1.2% increase or 0.6% per year for the last two years. When coupled with the School tax rate, in fact, **overall tax bills are expected to go down by about 2.7%.**
- Requires no employee layoffs.
- Cost of living allowances and step increases are built into all employee wage and salary accounts consistent with collective bargaining agreements and personnel policies. For this budget that represents a 3.5% adjustment for Fire Union employees. We do not yet have contracts with the Police or Public Works unions for FY12. We have included sufficient funds for a 1.0% adjustment for non-union employees as well as some reorganization of steps to remain consistent with union agreements. No decisions have been made on wages other than for the Fire Union.
- Uses \$77,275 of general fund balance to support ongoing expenses. The Council supported a tough decision five years ago to eliminate the practice of subsidizing ongoing expenses with one-time reserves. Given the difficult economic climate, however, the Council felt that using some reserve to reduce the tax rate was prudent.
- Appropriates an additional \$25,000 in general fund balance to offset a reappraisal of personal property. This one time expense is being funded through the one time use of reserve funds.
- Total number of Full Time Equivalent Employees (including Senior Center) is 109.85. This is a net increase of 1.07 from the FY11 budget. We have eliminated a .2 clerk position in emergency management, a .6 clerk position in finance and a 1.0 position at the Wastewater Treatment Plant. We have added 1 full time accountant and a .6 accountant, both in finance while replacing contracted services for that same work. We have also added a .4 dispatcher and a .625 grant funded re-entry staffer. All of these changes were implemented during the current fiscal year. As such, there are no proposed staff changes from the present operation.
- Includes the School Resource Officer in the City's budget with the School Department will sharing 50% of the cost.
- The Water and Wastewater budgets have both been balanced so as not to require any rate adjustments to cover current costs. To eliminate deficits, they are both following the multi year plan recommended by the rate committee and approved by the council.
- The Affordable Housing Trust Fund has been included at \$41,000. This is an increase of \$15,000 from FY11 while remaining half a cent on the tax rate.
- The Community Justice Center budget includes all funding for all programs with appropriate revenue offsets. The net cost of the Justice Center to the city is \$32,165. This year's budget fully accounts for the 100% grant funded re-entry program.
- All community enhancement items have been included at the same funding level as FY11. This includes Arts Grant Program, Green Up Day, Montpelier Alive, July 3rd Celebration, First Night, TW Wood Art Gallery, Capital City Band, Welcome Legislators, Holiday Lighting and USS Montpelier.
- The Capital Projects and Debt Service Program is funded at \$1,150,000 which is an increase of \$79,800 (one cent) over FY11 and recent years.
- Increases Equipment Fund by \$82,500 (one cent) over the FY11 total.
- Overall Department operating funds have decreased by 6.0% after also being decreased by 6% last year. This is primarily due to reduction in purchased services in Finance, elimination of the contracted reappraisal costs and reduction of expenses at 58 Barre St.
- Revenues from the State of Vermont such as Payments in Lieu of Taxes, Highway Aid, Grand List Maintenance funding and the Justice Center basic grant have been assumed to remain at their present funding levels. Given the State's fiscal condition, this is an assumption that will have to be watched closely.
- Grand list value is estimated to be completely flat with no increase from FY11. With the new grand list, \$82,900 equals one cent on the tax rate.

CONCLUSION:

The 2009 Citizen survey identified Police, Planning, Parks and Roads (as well as with Schools) as key service drivers which reflect their overall satisfaction with the city. We have maintained funding and staffing levels in all of those areas while increasing the capital plan for infrastructure.

The survey also highlighted citizen concerns with taxes, affordable housing and jobs. We don't have much influence over jobs regionally but this budget has not reduced the local workforce. The budget includes \$41,000 for the Housing Trust Fund and maintains funding for the Community Development/Housing Specialist position in the Planning Department. As mentioned before, the municipal budget only requires a one cent tax rate increase which, at 1.2%, is below the 1.5% inflation rate for 2010. **The overall tax rate is dropping by 2.7%.**

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, more use of fund balance, direct services or programs or even more aggressively pursuing fee increases or alternate tax/revenue sources. I remain concerned that the city government will not be able to meet the accumulated expectations of high services by the public and policy making boards.

This budget is a team effort from start to finish. The Department Heads embraced our budget goals and worked diligently to meet them. I would like to particularly recognize the efforts of Finance Director Sandy Gallup. I thank the City Council for reviewing every line in the budget and making many helpful adjustments during several meetings in December and January.

APPRECIATION:

Thanks are due to the dedicated individuals who deliver local government services to Montpelier residents 24 hours per day, seven days per week, 365 days per year. 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. The Citizen Survey showed that residents have positive impressions of and interactions with our employees. I am proud of all of Montpelier's staff and know that they are hard working, dedicated and incredibly capable.

Montpelier is fortunate to have a strong team of Department Heads. These individuals' experience, education, talent and dedication keep our operations among the very best in the state. Parks Director Geoff Beyer, Community Justice Center Director Yvonne Byrd, 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, Fire Chief Gesualdo Schneider and Assessor Stephen Twombly work as a highly efficient team while also managing their respective areas of responsibility.

Assistant City Manager Beverlee Pembroke Hill is often seen out in the community, at the legislature and in the middle of any number of meetings. In the last two years she has added oversight of the Senior Center and 58 Barre Street to her responsibilities – along with her long time role as Delinquent Tax Collector. The City has benefited enormously from her dedicated service and enthusiastic attitude.

Wastewater Treatment Plant Chief Operator Ron Mercier retired in December of 2010 after serving the city well for 29 years. We congratulate him on a successful career, thank him for his hard work in bringing our plant to its modern functionality and wish him the best in his retirement.

Some other individuals left City employment to pursue different employment and personal opportunities. We said good bye to Police officers Jonathan Boucher and James Pontbriand, DPW employees Edward Guy and Jesse Hathaway, Street Supervisor Michael Garand, Custodian Stephen McGrath and Clerk/Typist Donna Collette. We sincerely thank these people for their service and contribution to the city and wish them well in their new endeavors.

We greeted new employees in 2010 and appreciate the talents that they bring to us. These people include Police Officer Jacqueline Adams, DPW employees Jeremy Lewis and Vito Naikus, Accountant Ruth Dockter, Custodian Burtis Baker, Dispatcher Catherine Purcell-White and Re-Entry Coordinator Alfred Mills. We look forward to having them be part of our organization working on the public's behalf.

We greatly appreciated the efforts of Americorps participants Kristin Feierabend and Erin Schlitts who provided tremendous support for the enVision Montpelier project. They both completed their Americorps service and moved on to greener pastures. We have welcomed new Americorps participants Taylor Newton and Isaac Lawrence who have jumped right in to work on the re-zoning process.

Montpelier is fortunate to have many experienced employees who have spent distinguished careers with the city. However we expect to be seeing 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. These people represent 19.1% of our total workforce!

Gerald Smith, Public Works Department	41 years
Charlotte Hoyt, City Clerk/Treasurer	39 years
Sandra Pitonyak, City Manager's Office	37 years
Douglas Hull, Public Works Department	34 years
Sheila Pembroke, Fire Department	33 years
Sharon Blatchford, Finance Department	32 years
Dean Utton, Public Works Department	32 years
Mark Moody, Police Department	31 years
George Richardson, Public Works Department	31 years
Jane Aldrighetti, Assessor/City Manager's Office	31 years
Michael Papineau, Public Works Department	31 years

Gesualdo Schneider, Fire/EMS Department	31 years
Robert Gowans, Fire/EMS Department	31 years
Cheryl Goslant, Police Department	30 years
Glenn Moore, Fire/Code Enforcement Department	29 years
Thomas McArdle, Public Works Department	28 years
Scott Powers, Public Works Department	26 years
James Lee, Public Works Department	25 years
Loretta Bresette, City Clerk/Treasurer Department	25 years
Michael Bilodeau, Public Works Department	25 years
Dana Huoppi, Fire Department	25 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. This year was a particular burden on their time as they served in their roles on the Board of Civil Authority hearing property value appeals. Most people have no idea of the amount of time council members devote to what is often a thankless and stressful task.

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.

For sixteen years I have continually admired the work of Sandy Pitonyak and Jane Aldrighetti in the City Manager's office. Their attitude, courtesy, dedication and efficiency are the very models that all public service should follow. They are pleasure to work with every single day. I'll single out Jane this year for gracefully handling the reappraisal and all that it involves while balancing some extra responsibilities. She was, and is, a true professional. I'll add my gratitude to Audra Brown in the Planning Department as well as to all the other city hall staff people who provided extra assistance to the Manager's office this year when it was greatly needed.

I haven't just served as City Manager for sixteen years, I have also been lucky to be a resident of this wonderful city. That alone is constant motivation for me to work for improvements. I've been privileged to raise four children in the community and watch them journey through our fine school system. I thank Olivia, Patrick, Claire and Angus for the purpose they add to my life, for their own many contributions to our community and for somehow managing to remain unfazed by their dad's public job. I save my biggest thanks for my wife, Anne, who always provides good advice, offers perspective from outside city hall, does her best to field countless comments and questions about city government and is my biggest supporter.

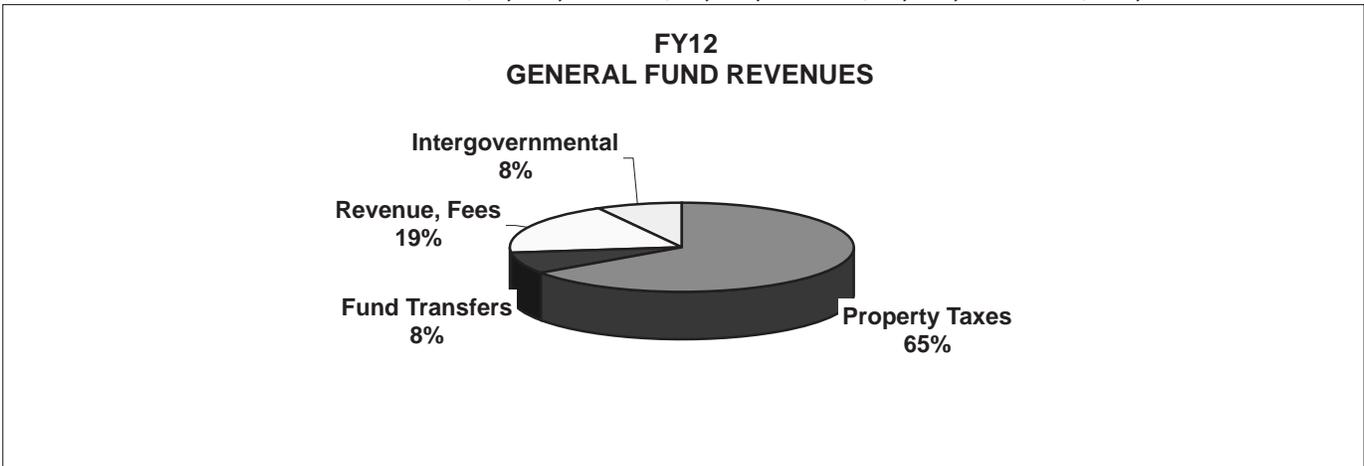
Respectfully Submitted,
WILLIAM J. FRASER, *City Manager*



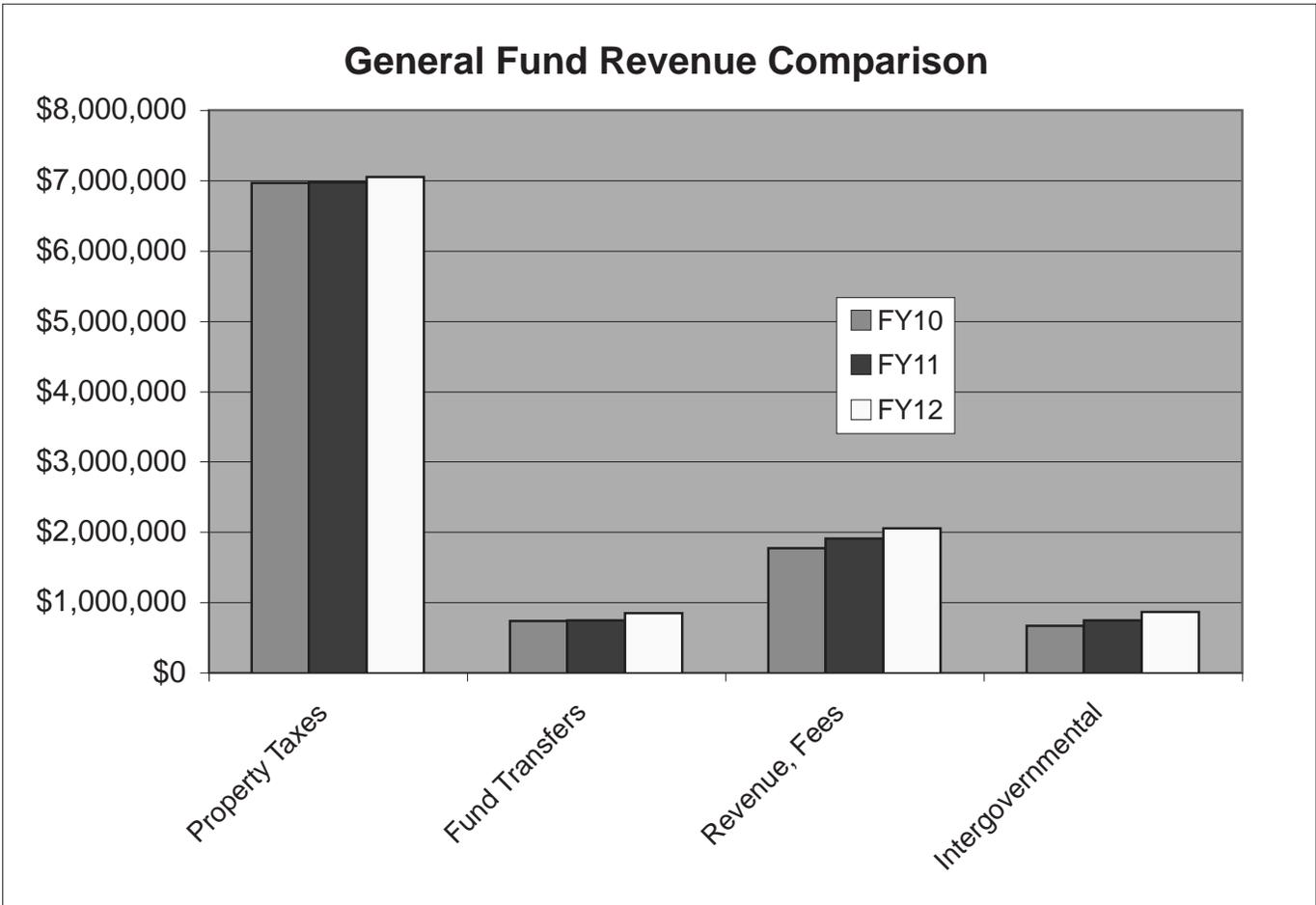
Photo courtesy of Roger Crowley

BUDGET COMPARISON - General Fund Revenue

Item	FY10	FY11	FY12	\$ Change	% Change
Total Property Taxes	\$6,962,139	\$6,970,545	\$7,053,545	\$83,000	1.2%
Other Tax Related Income	\$648,811	\$711,620	\$862,716	\$151,096	21.2%
Permits & Licenses	\$83,100	\$83,500	\$86,700	\$3,200	3.8%
Intergovernmental	\$669,640	\$746,650	\$863,815	\$117,165	15.7%
Fees & Charges for Service	\$504,346	\$584,417	\$574,661	-\$9,756	-1.7%
Rents & Commissions	\$30,500	\$53,100	\$28,100	-\$25,000	-47.1%
Fines & Forfeitures	\$36,000	\$36,000	\$26,000	-\$10,000	-27.8%
Equipment Revenues	\$365,064	\$351,231	\$362,748	\$11,517	3.3%
Interest Income	\$60,000	\$50,000	\$58,000	\$8,000	16.0%
Miscellaneous Revenue	\$41,167	\$41,167	\$51,167	\$10,000	24.3%
Fund Balance	\$0	\$24,400	\$102,275	\$77,875	0.0%
Operating Transfers	\$737,699	\$724,259	\$742,652	\$18,393	2.5%
TOTAL - Non Tax Revenues	\$3,176,327	\$3,406,344	\$3,758,834	\$352,490	10.3%
TOTAL REVENUES	\$10,138,466	\$10,376,889	\$10,812,379	\$435,490	4.2%



CATEGORIES	FY10	FY11	FY12	\$ Change	% Change
Property Taxes	\$6,962,139	\$6,970,545	\$7,053,545	\$83,000	1.2%
Fund Transfers	\$737,699	\$748,659	\$844,927	\$96,268	12.9%
Revenue, Fees	\$1,768,988	\$1,911,035	\$2,050,092	\$139,057	7.3%
Intergovernmental	\$669,640	\$746,650	\$863,815	\$117,165	15.7%
Total	\$10,138,466	\$10,376,889	\$10,812,379	\$435,490	4.2%
<i>Grand List</i>	531,606,035	829,293,153	829,293,153	0	0.0%
Property Tax Rate	\$1.31	\$0.84	\$0.85	\$0.0100	1.2%

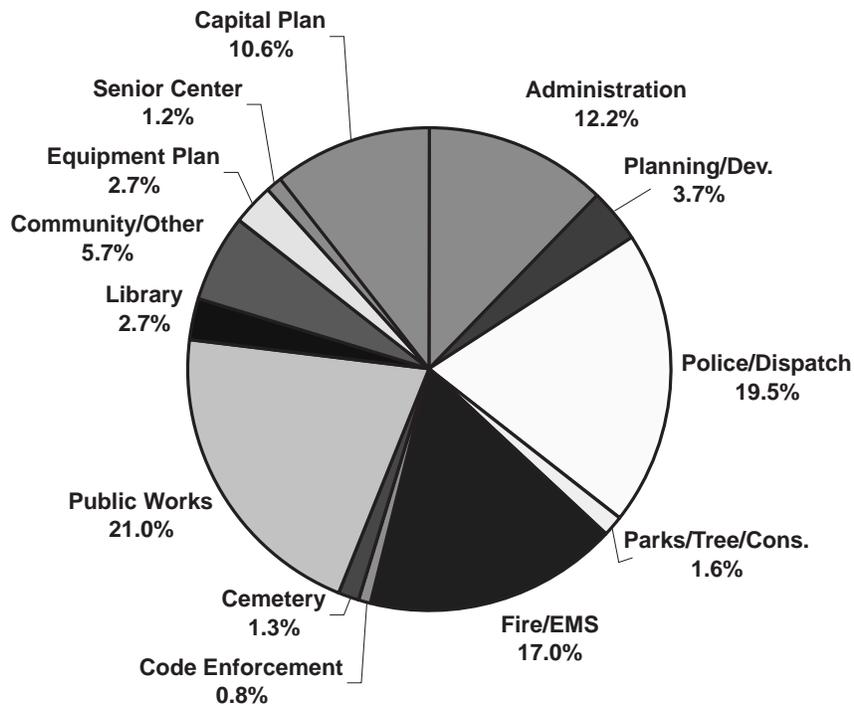


BUDGET COMPARISON - General Fund Expenditures

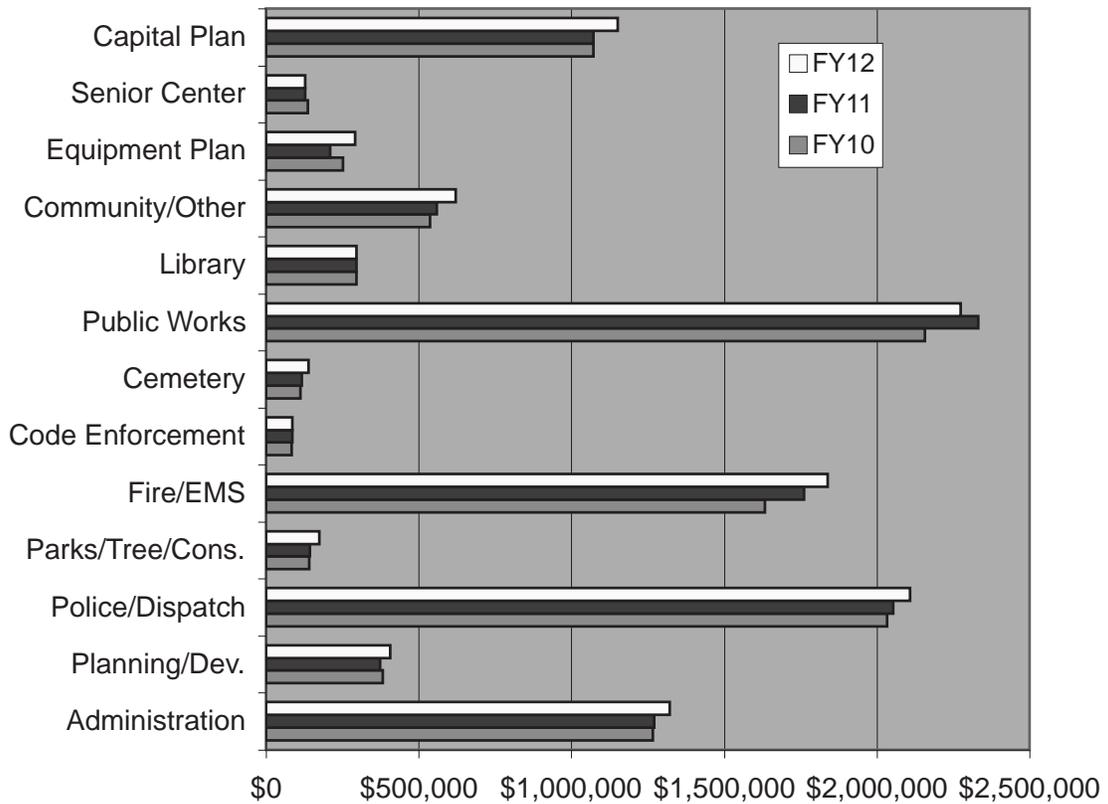
Item	FY10	FY11	FY12	\$ Change	% Change
City Council Operations	\$29,080	\$28,702	\$29,871	\$1,169	4.1%
City Manager's Office	\$298,448	\$301,294	\$316,005	\$14,711	4.9%
Clerk/Treasurer/Elections	\$224,656	\$226,869	\$233,135	\$6,266	2.8%
Finance Department	\$295,100	\$301,490	\$339,500	\$38,010	12.6%
Technology Services	\$198,184	\$195,186	\$209,884	\$14,698	7.5%
Property Assessment	\$219,896	\$214,799	\$190,286	-\$24,513	-11.4%
Planning & Development	\$380,464	\$371,936	\$403,420	\$31,484	8.5%
City Hall & 58 Barre St	\$250,125	\$296,642	\$187,840	-\$108,802	-36.7%
Police:					
Headquarters	\$1,478,618	\$1,479,652	\$1,516,186	\$36,534	2.5%
Communications	\$444,805	\$469,473	\$496,655	\$27,182	5.8%
School Resource Officer	\$81,830	\$82,335	\$87,601	\$5,266	6.4%
Community Justice Center	\$131,913	\$137,548	\$230,895	\$93,347	67.9%
Fire & Ambulance	\$1,631,202	\$1,759,232	\$1,837,348	\$78,116	4.4%
Code/Health Enforcement	\$82,668	\$83,451	\$85,043	\$1,592	1.9%
Emergency Management	\$25,368	\$20,380	\$6,969	-\$13,411	-65.8%
Public Works:					
Streets	\$1,379,019	\$1,462,165	\$1,502,562	\$40,397	2.8%
Fleet Operations	\$458,077	\$510,547	\$519,892	\$9,345	1.8%
Building Operations	\$67,670	\$60,350	\$61,850	\$1,500	2.5%
Wrightsville Beach	\$4,007	\$4,007	\$4,007	\$0	0.0%
Outside Agencies in Budget	\$92,175	\$118,675	\$88,675	-\$30,000	-25.3%
Library Ballot Item	\$293,975	\$293,975	\$293,975	\$0	0.0%
Community Enhancements	\$48,800	\$48,800	\$48,800	\$0	0.0%
Tree Management & Board	\$22,125	\$27,034	\$32,692	\$5,658	20.9%
Conservation Commission	\$6,250	\$6,250	\$5,750	-\$500	-8.0%
Debt Service	\$600,589	\$647,691	\$658,976	\$11,285	1.7%
Other Governmental Services	\$144,448	\$139,737	\$115,971	-\$23,766	-17.0%
Equipment Plan	\$250,847	\$207,498	\$289,998	\$82,500	39.8%
Sprinkler Tax Credit	\$50,000	\$50,000	\$53,000	\$3,000	6.0%
Transfers to Other Funds:					
Capital Projects	\$469,610	\$422,509	\$491,024	\$68,515	16.2%
Cemetery	\$110,159	\$115,445	\$137,029	\$21,584	18.7%
Parks	\$107,052	\$104,383	\$130,507	\$26,124	25.0%
Energy Improvements Lease	\$41,805	\$37,126	\$40,326	\$3,200	8.6%
Housing Trust Fund.	\$26,000	\$26,000	\$41,000	\$15,000	57.7%
Senior Center	\$135,707	\$125,707	\$125,707	\$0	0.0%
TOTAL GENERAL FUND	\$10,080,672	\$10,376,888	\$10,812,379	\$435,491	4.2%

Category	FY10	FY11	FY12	\$ Change	% Change
Administration	\$1,265,364	\$1,268,340	\$1,318,681	\$50,341	4.0%
Planning/Dev.	\$380,464	\$371,936	\$403,420	\$31,484	8.5%
Police/Dispatch	\$2,030,621	\$2,051,840	\$2,107,411	\$55,571	2.7%
Parks/Tree/Cons.	\$139,434	\$141,674	\$172,956	\$31,282	22.1%
Fire/EMS	\$1,631,202	\$1,759,232	\$1,837,348	\$78,116	4.4%
Code Enforcement	\$82,668	\$83,451	\$85,043	\$1,592	1.9%
Cemetery	\$110,159	\$115,445	\$137,029	\$21,584	18.7%
Public Works	\$2,154,891	\$2,329,704	\$2,272,144	-\$57,560	-2.5%
Library	\$293,975	\$293,975	\$293,975	\$0	0.0%
Community/Other	\$535,141	\$557,886	\$618,667	\$60,781	10.9%
Equipment Plan	\$250,847	\$207,498	\$289,998	\$82,500	39.8%
Senior Center	\$135,707	\$125,707	\$125,707	\$0	0.0%
Capital Plan	\$1,070,199	\$1,070,200	\$1,150,000	\$79,800	7.5%
Totals	\$10,080,672	\$10,376,888	\$10,812,379	\$435,491	4.2%

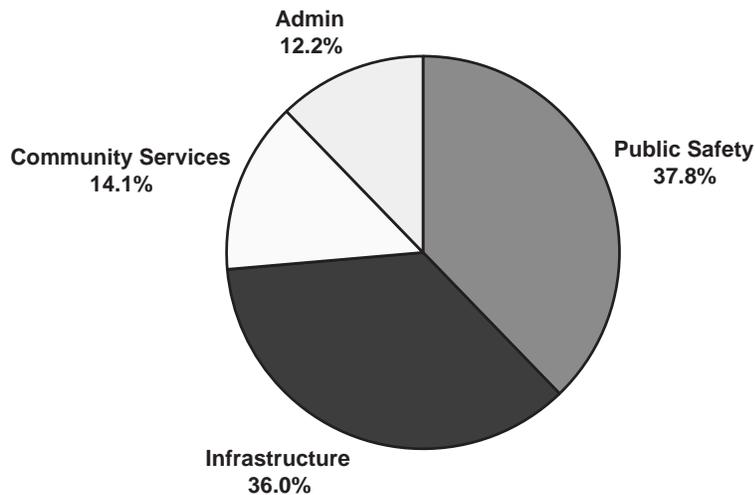
FY12 General Fund Expenses



General Fund Comparison by Department FY 10, 11, 12

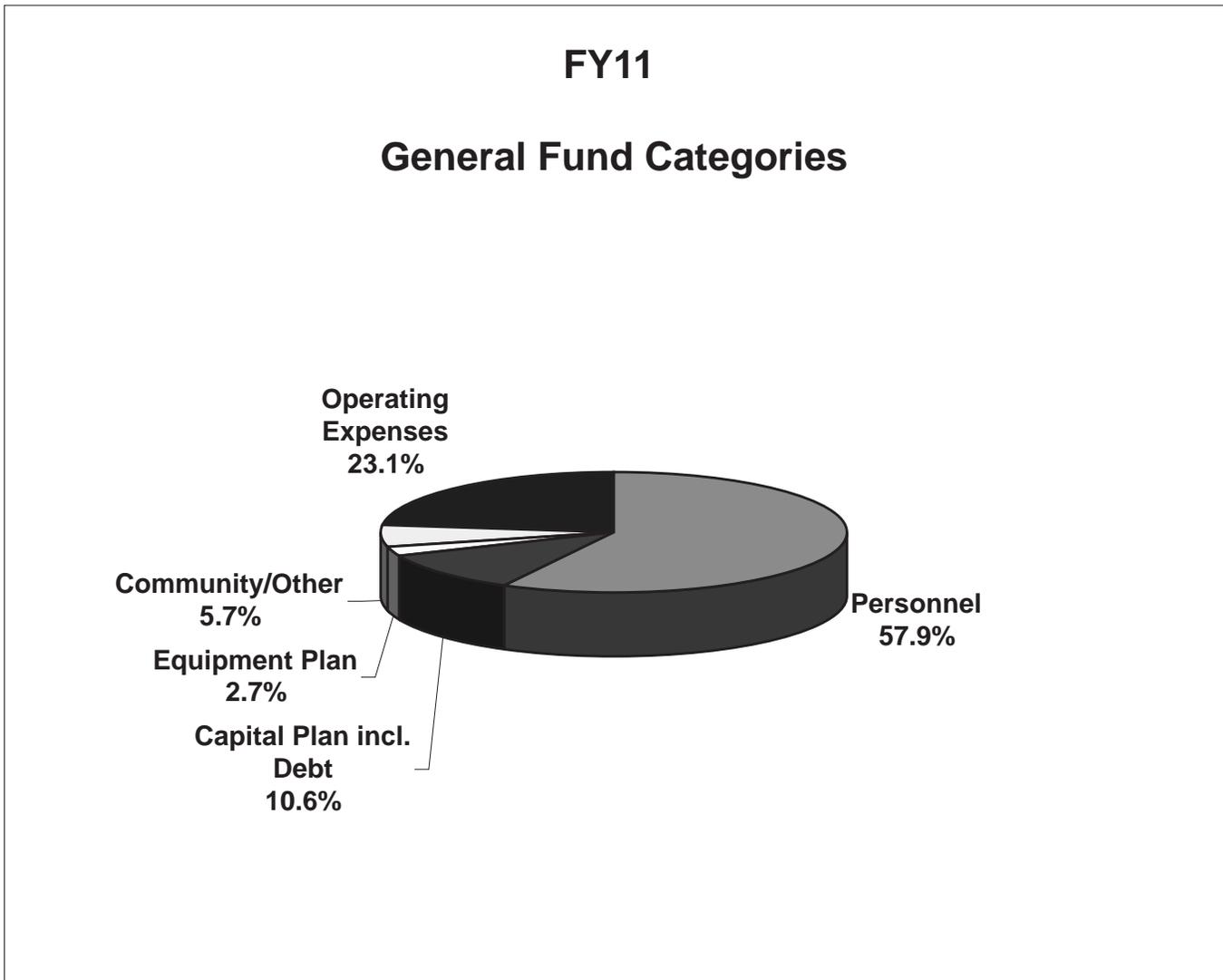


General Fund Expenses by Broad Category

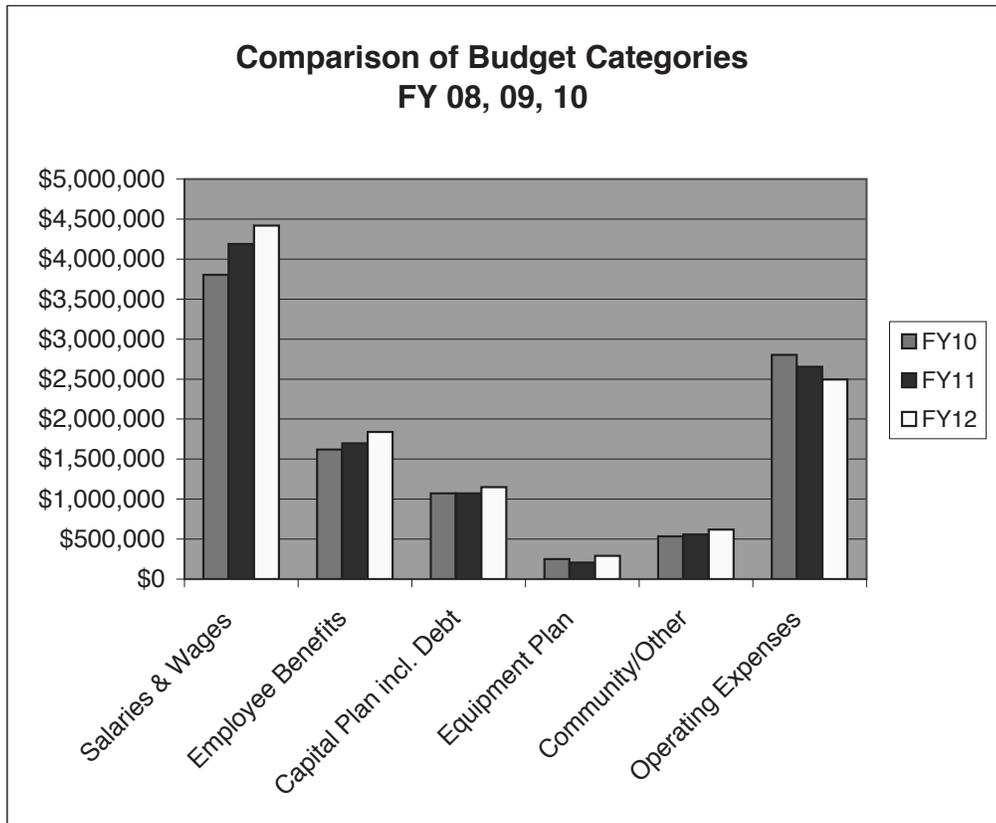
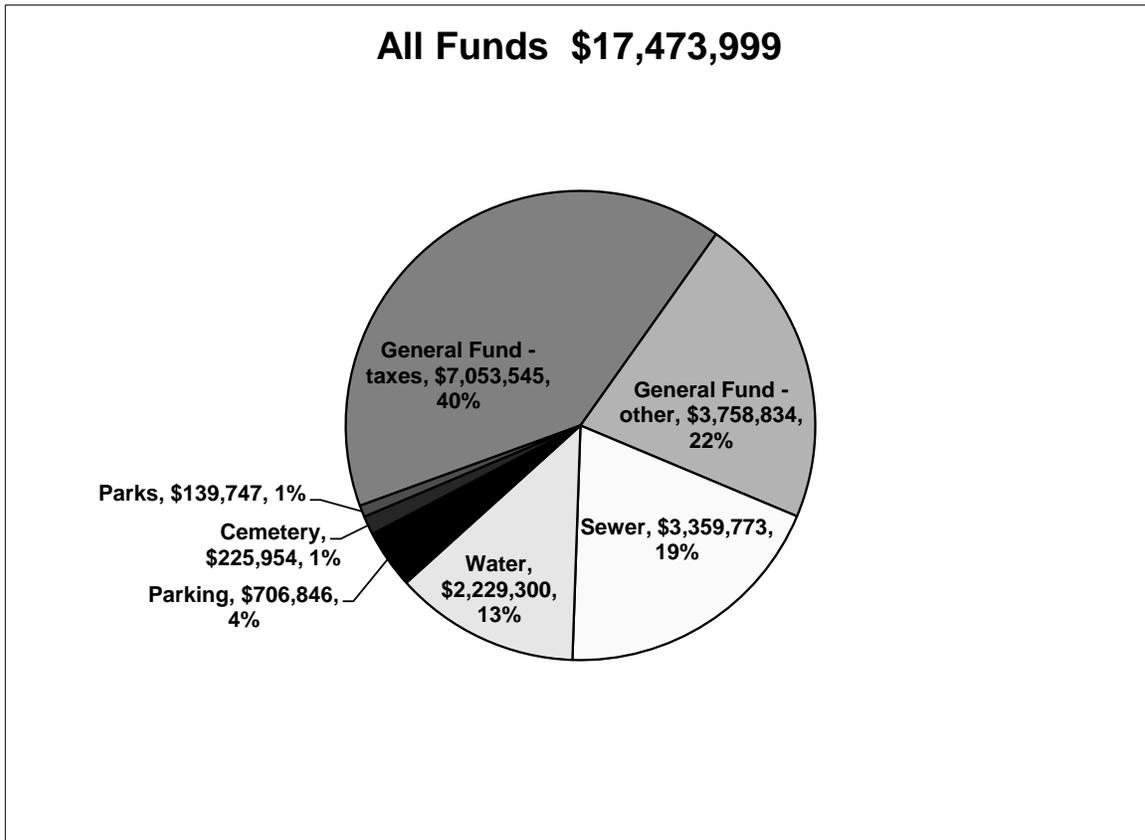


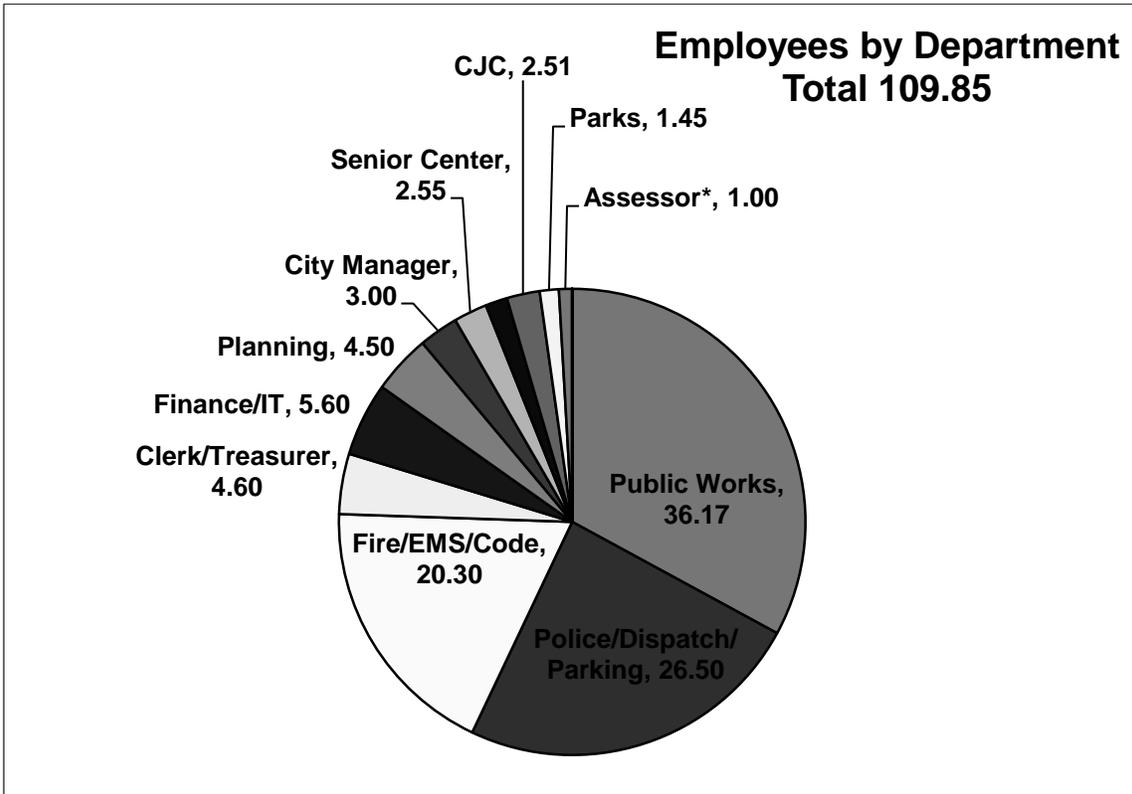
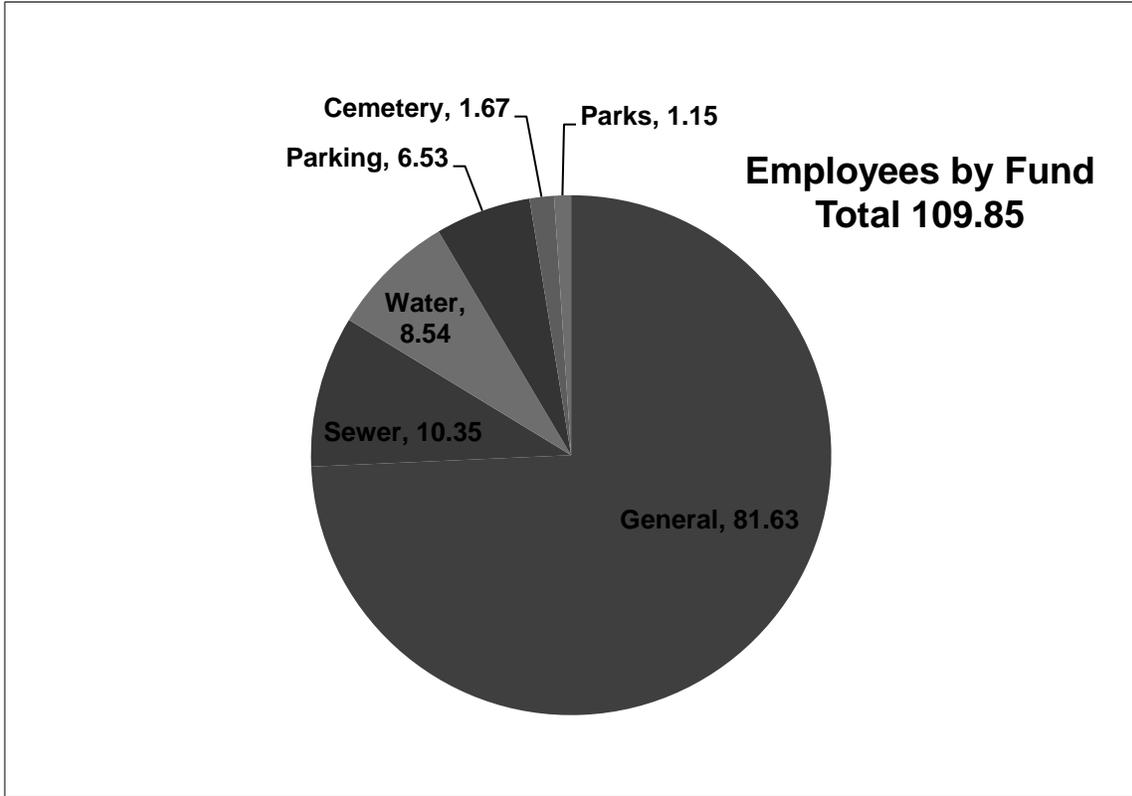
GENERAL FUND - Allocation by Category

Category	FY10	FY11	FY12	\$ Change	% Change
<i>Salaries & Wages incl. OT</i>	\$3,802,492	\$4,188,970	\$4,420,024	\$231,054	5.5%
<i>Employee Benefits incl. FICA</i>	\$1,620,918	\$1,696,947	\$1,838,410	\$141,463	8.3%
Personnel	\$5,423,410	\$5,885,917	\$6,258,434	\$372,517	6.3%
Capital Plan incl. Debt	\$1,070,199	\$1,070,200	\$1,150,000	\$79,800	7.5%
Equipment Plan	\$250,847	\$207,498	\$289,998	\$82,500	39.8%
Community/Other	\$535,141	\$557,886	\$618,667	\$60,781	10.9%
Operating Expenses	\$2,801,075	\$2,655,387	\$2,495,280	-\$160,107	-6.0%
General Fund Budget	\$10,080,672	\$10,376,888	\$10,812,379	\$435,491	4.2%



All Funds



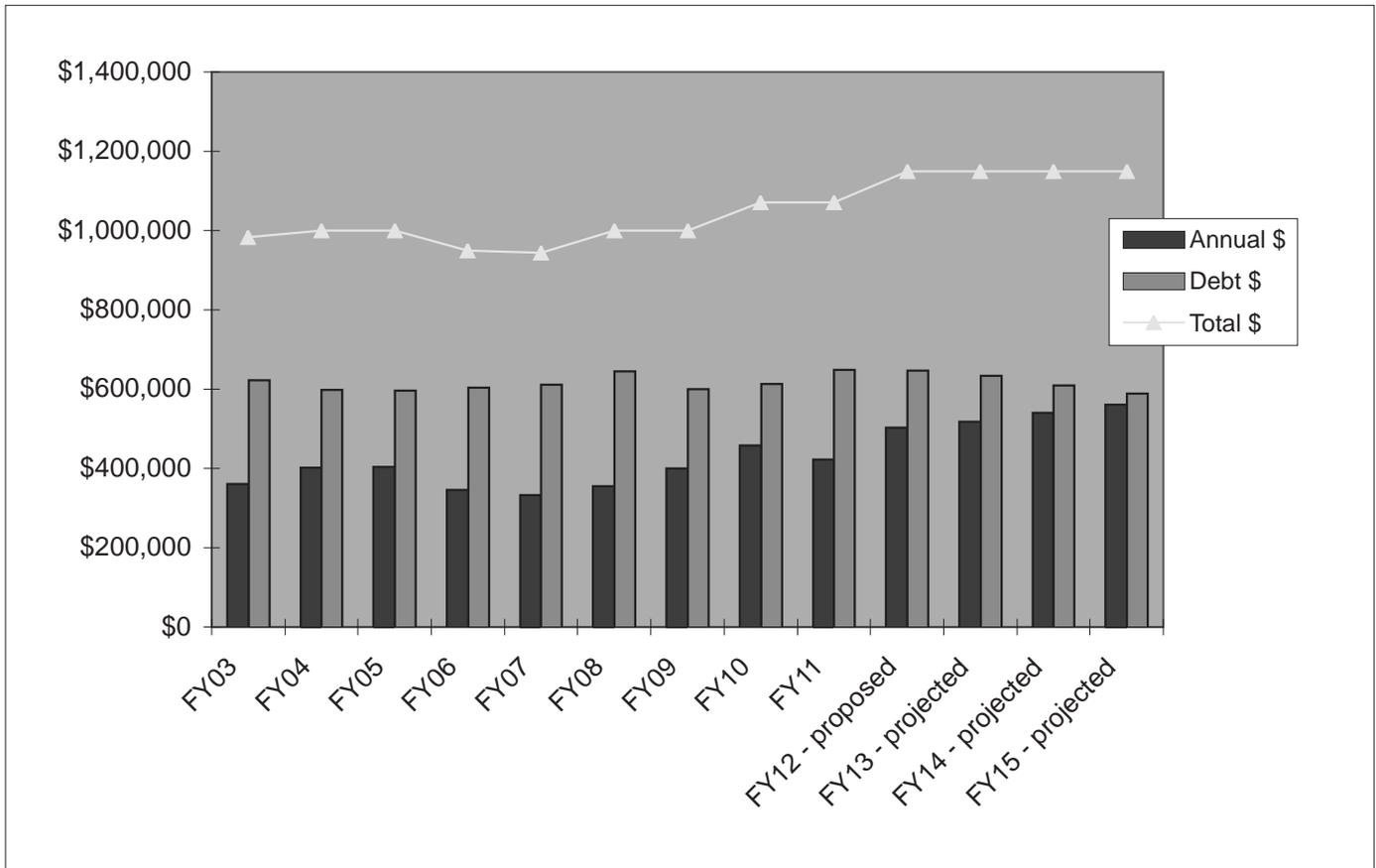


Dept.	General Fund Equipment	FY11	FY12
DPW	Dump Truck	\$47,000	
DPW	Pick Up Truck	\$28,000	
DPW	Grader Lease-Purchase Payment	\$38,164	\$38,164
DPW	Bucket Loader (50%)		\$65,000
DPW	Street Sweeper (50%)		\$50,000
DPW	Vactor Reserve		\$10,000
Police	Body Armor Vests	\$3,500	\$3,600
Police	Digital In-Car Video		\$23,900
Police	Police Cruiser	\$24,800	\$25,000
Fire	Hose Replacement	\$2,000	\$2,000
Fire	Replace Ambulance Chassis	\$8,000	
Fire	Fire/Code Staff Car		\$21,000
Fire	Ropes-Water Safety Replacement		\$1,000
Fire	Thermal Imaging Camera		\$8,000
Fire	Multi Purpose Gas Meters		\$2,300
Clerk	Webcasting equipment	\$6,500	
Finance	Information Technology	\$39,534	\$40,034
Finance	Server upgrade	\$10,000	
	TOTAL	\$207,498	\$289,998

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%
FY10	\$457,811	\$612,389	\$1,070,200	\$70,200	7.0%
FY11	\$422,509	\$647,691	\$1,070,200	\$0	0.0%
FY12 - proposed	\$502,349	\$647,651	\$1,150,000	\$79,800	7.5%
FY13 - projected	\$517,002	\$632,998	\$1,150,000	\$0	0.0%
FY14 - projected	\$540,300	\$609,700	\$1,150,000	\$0	0.0%
FY15 - projected	\$561,285	\$588,715	\$1,150,000	\$0	0.0%

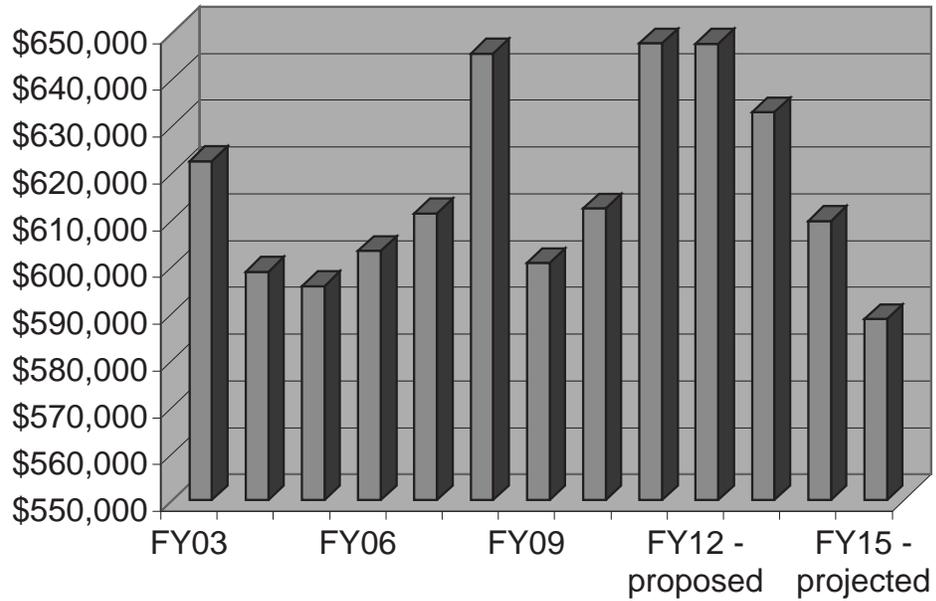


Annual Projects	FY10	FY11	FY12
Street Paving	\$78,347	\$66,690	\$0
Street Rehabilitation	\$0	\$0	\$203,000
US 2/302 Intersection	\$76,901	\$0	\$0
Retaining Walls	\$10,000	\$80,000	\$73,000
Sidewalks	\$80,000	\$0	\$15,000
Storm Drains/Culverts	\$58,000	\$30,000	\$62,000
Buildings & Grounds	\$0	\$55,000	\$10,000
Master Plan update	\$20,000	\$15,000	\$0
Downtown Projects	\$10,000	\$5,000	\$10,000
Traffic Improvements	\$0	\$0	\$15,000
Street Lighting	\$14,000	\$0	\$0
Flood Mitigation Army Corps Study	\$100,000	\$100,000	\$90,000
Flood Mitigation Project		\$50,000	\$0
Project Management (5%)	\$22,362	\$20,819	\$24,349
Total Annual Funding	\$469,610	\$422,509	\$502,349

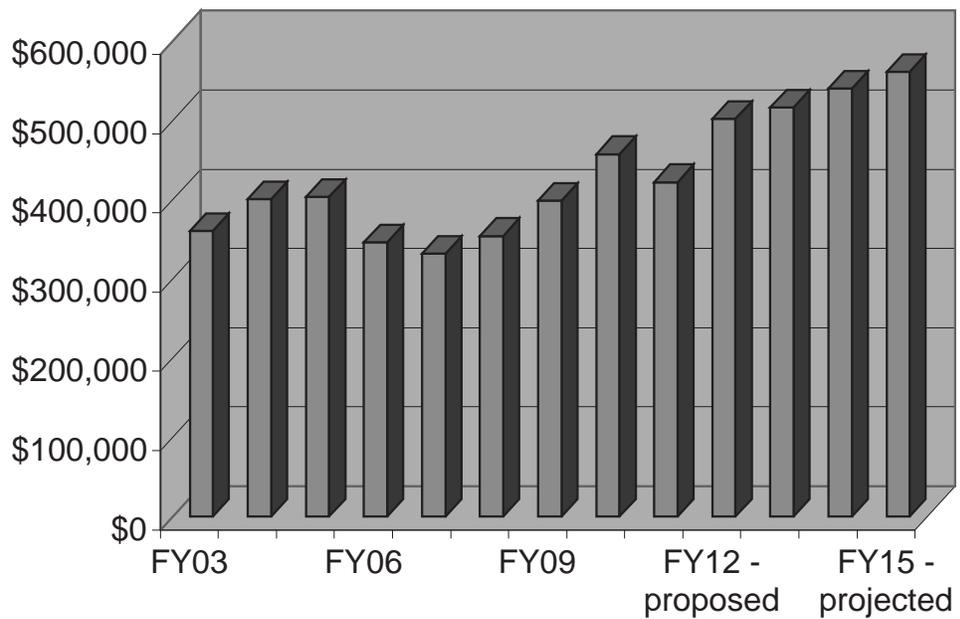
Scheduled Debt	FY10	FY11	FY12
Berlin St Reconstruction	\$5,875	\$5,525	\$5,175
Bridges	\$49,649	\$47,864	\$46,053
Fire Station	\$50,724	\$48,939	\$47,128
Gould Hill Bridges	\$25,708	\$0	\$0
Kellogg-Hubbard Library	\$48,459	\$46,973	\$45,469
Police Station	\$119,484	\$115,768	\$112,008
Retaining Walls '96	\$7,239	\$6,948	\$6,655
Retaining Walls '98	\$66,374	\$64,243	\$62,067
Main St Lighting	\$15,415	\$15,001	\$14,577
Central Vt Bike Path	\$16,699	\$16,251	\$15,791
Capital District Master Plan - Carr Lot	\$0	\$0	\$28,571
City Hall/DPW Building Bond	\$73,831	\$75,755	\$74,212
Bridges/City Hall/DPW facilities	\$77,814	\$72,238	\$70,548
Sabins Pasture	\$6,031	\$45,554	\$35,004
District Heating	\$9,455	\$22,446	\$21,866
Retaining Walls	\$16,044	\$37,252	\$36,289
Bridges	\$11,789	\$26,934	\$26,238
Total Debt Payments	\$600,590	\$647,691	\$647,651

Total Capital Plan	\$1,070,200	\$1,070,200	\$1,150,000
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Scheduled Debt Payments FY03-FY15



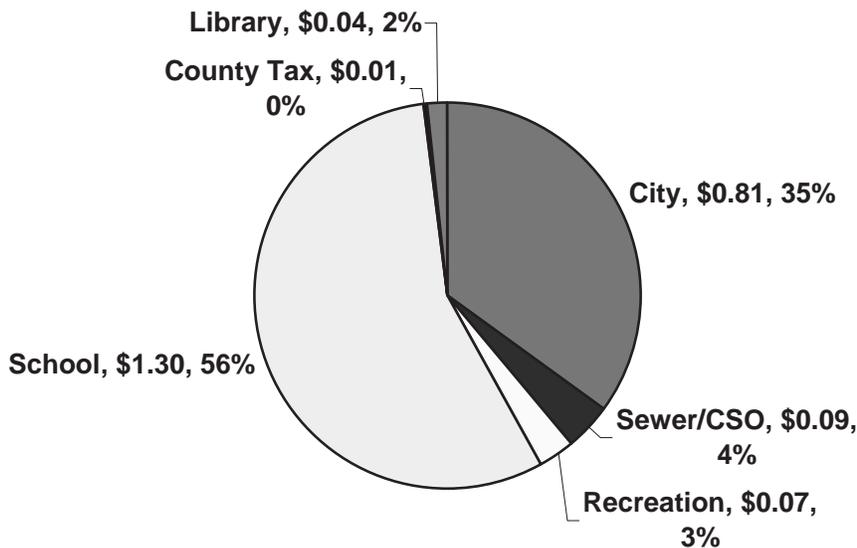
Annual Project Funding FY03-FY15



PROJECTED TAX RATES (98.2% Common Level of Appraisal)

	FY11 Taxes	FY11 Rate	FY12 Taxes	FY12 Rate	Tax \$ Change	Rate Change	Pct. Change
MUNICIPAL							
City	\$6,606,185	\$0.80	\$6,705,123	0.81	\$98,938	0.012	1.5%
Library	\$293,975	\$0.04	\$293,975	0.04	\$0	0.000	0.0%
Recreation	\$605,230	\$0.07	\$605,230	0.07	\$0	0.000	0.0%
Petitioned/Ballot	\$30,500	\$0.00	\$59,619	0.01	\$29,119	0.004	95.5%
County	\$70,385	\$0.01	\$54,447	0.01	-\$15,938	-0.002	-22.6%
TOTAL MUNICIPAL	\$7,606,275	\$0.91	\$7,718,394	0.92	\$112,119	0.015	1.7%
SCHOOL							
Residential	\$6,052,833	\$1.38	\$5,704,080	1.30	-\$348,754	-0.079	-5.8%
Non-residential	\$5,402,784	\$1.48	\$5,067,398	1.38	-\$335,386	-0.092	-6.2%
TOTAL SCHOOL	\$11,455,617		\$10,771,478		-\$684,139		-6.0%
SUB-TOTAL	\$19,061,892	\$2.29	\$18,489,872	2.22	-\$572,020	-0.064	-2.8%
Sewer Benefit	\$165,859	\$0.02	\$165,859	0.02	\$0	0.000	0.0%
CSO Benefit	\$580,505	\$0.07	\$580,505	0.07	\$0	0.000	0.0%
TOTAL - Res.	\$19,808,256	\$2.38	\$19,236,236	2.31	-\$572,020	-0.064	-2.7%
Non-res.		\$2.47		\$2.40		-0.076	-3.1%

FY12 Residential Tax Distribution



2010 Effective Property Tax Rates

source - 2011 Annual Report - Division of Property Valuation and Review
 Vermont Department of Taxes

Municipality	School Residential	School Non-Residential	Municipal	Total Residential
Barre City	\$1.01	\$1.38	\$1.36	\$2.37
Barre Town	\$1.02	\$1.37	\$0.71	\$1.74
Berlin	\$1.31	\$1.35	\$0.44	\$1.74
Calais	\$1.20	\$1.27	\$0.45	\$1.65
East Montpelier	\$1.28	\$1.35	\$0.49	\$1.77
Middlesex	\$1.34	\$1.36	\$0.40	\$1.74
Moretown	\$1.30	\$1.29	\$0.22	\$1.51
Northfield	\$1.32	\$1.41	\$0.83	\$2.15
Plainfield	\$1.18	\$1.35	\$0.66	\$1.84
Waterbury	\$1.23	\$1.36	\$0.31	\$1.55
Worcester	\$1.32	\$1.35	\$0.46	\$1.77
CENTRAL VERMONT AVG.	\$1.23	\$1.35	\$0.58	\$1.80
Montpelier	\$1.35	\$1.45	\$0.99	\$2.34
Montpelier vs. Average	\$0.13 10.20%	\$0.10 7.52%	\$0.41 71.82%	\$0.54 29.88%
Barre City	\$1.01	\$1.38	\$1.36	\$2.37
Brattleboro	\$1.49	\$1.41	\$1.06	\$2.54
Hartford	\$1.31	\$1.37	\$0.70	\$2.01
Middlebury	\$1.48	\$1.39	\$0.69	\$2.17
Newport	\$1.18	\$1.33	\$0.98	\$2.16
Rockingham	\$1.37	\$1.43	\$0.75	\$2.11
Rutland City	\$1.16	\$1.37	\$1.11	\$2.27
Springfield	\$1.28	\$1.33	\$1.18	\$2.46
St. Albans	\$1.23	\$1.40	\$0.78	\$2.01
St. Johnsbury	\$1.15	\$1.34	\$0.69	\$1.84
Windsor	\$1.29	\$1.39	\$1.11	\$2.40
AVG. OF SIMILAR TOWNS	\$1.27	\$1.38	\$0.94	\$2.21
Montpelier	\$1.35	\$1.45	\$0.99	\$2.34
Montpelier vs. Average	\$0.08 6.58%	\$0.07 5.22%	\$0.04 4.01%	\$0.13 5.39%

Estimated Municipal Property Taxes

Using Current Grand List 2010

\$829,293,153

Ballot Article	Item	Funds	Tax Rate per \$100 Value	Estimated Municipal Taxes due of various property values				
				\$100,000	\$200,000	\$214,600 Median Resident	\$300,000	\$400,000
2	City Budget (includes Senior Citizens Center)	\$ 6,759,570	\$ 0.8151	\$ 815	\$ 1,630	\$ 1,749	\$ 2,445	\$ 3,260
3	School Budget-Residential Tax Rate Est. 1/11	\$ 14,931,575	\$ 1.2970	\$ 1,297	\$ 2,594	\$ 2,783	\$ 3,891	\$ 5,188
4	Recreation Department	\$ 605,230	\$ 0.0730	\$ 73	\$ 146	\$ 157	\$ 219	\$ 292
5	Mayor Compensation (included in Article 2)	\$ 3,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	Council Compensation (included in Article 2)	\$ 7,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7	School Commissioners Compensation (included in Article 3)	\$ 7,300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9	Kellogg-Hubbard Library	\$ 293,975	\$ 0.0354	\$ 35	\$ 71	\$ 76	\$ 106	\$ 142
10	Central Vermont Council on Aging	\$ 5,000	\$ 0.0006	\$ 1	\$ 1	\$ 1	\$ 2	\$ 2
11	Exempt Central Vermont Memorial Civic Center	\$ 9,619	\$ 0.0012	\$ -	\$ -	\$ -	\$ -	\$ -
12	Bus Route	\$ 40,000	\$ 0.0048	\$ 5	\$ 10	\$ 10	\$ 14	\$ 19
13	Vermont Center for Independent Living	\$ 5,000	\$ 0.0006	\$ 1	\$ 1	\$ 1	\$ 2	\$ 2
TOTAL of Articles		\$ 22,667,469	\$ 2.2277	\$ 2,227	\$ 4,453	\$ 4,778	\$ 6,680	\$ 8,906
Sewer Benefit Charge			0.02	\$ 20	\$ 40	\$ 43	\$ 60	\$ 80
Sewer Separation Benefit Charge			0.07	\$ 70	\$ 140	\$ 150	\$ 210	\$ 280
Estimated Total Taxes			\$ 2.3177	\$ 2,317	\$ 4,633	\$ 4,971	\$ 6,950	\$ 9,266



Photo courtesy of Roger Crowley

City Department Reports

Public Safety & Protection Program

Police Department

The Montpelier Police Department is comprised of 17 full-time sworn officers, 6 full-time emergency service dispatchers, one new half-time dispatcher, and one administrative assistant. The personnel break-down consists of the chief, 4 Sergeants (one per shift, with one swing shift supervisor), 1 Detective, 1 School Resource Officer, and ten patrol personnel (3 of whom are Corporals). The department experienced several resignations of police officers in 2010. As a result of this turnover, one of the three vacancies was filled by our newest officer, Jacqueline Adams, who graduated from the Vermont Police Academy in December of 2010. The other two positions will be filled by two candidates who will be formally hired in late January (2011); they will start basic training at the VPA in early February. These two recruits will graduate from the VPA in late spring and after their field training period they will be on the streets in July 2011. Unless the department is able to hire a full-time certified officer, it takes about one year for the department to have that position filled with an officer on the road. Since the department was down several officers during the late summer months and fall of 2010, the department had to suspend temporarily our highly successful Mountain Bike Patrol as well as defer other effective proactive policing initiatives.

Regardless of rank or assignment, all sworn personnel receive annual core training in the following subject areas; legal, tactical, policy, crisis intervention, and first aid. Modern policing is more complex than ever in today's society due to ever changing crime trends, man-made and natural disasters, mandated training requirements, legal changes, and local demands. It is critical for our officers to stay current and be prepared to meet these challenges.

The role of the Montpelier Police Department is quite diversified. Our duties include:

- * Control and Reduction of Crime
- * Movement and Control of Traffic
- * Maintenance of Public Order
- * Provision of Public Service
- * Administration, Support
- * Crisis Response and Crisis Management

In addition to the sworn officers, the department also runs a 24 hr Dispatch/Communications center that provides contractual fire/EMS dispatching to 16 other towns outside of Montpelier. MPD Dispatch also provides dispatch and operational support

for the Capital Police at the State House through a contractual memorandum of understanding. Both contracts for FY 2011 represent \$153,293 in revenue to the City. MPD Emergency Service dispatchers handled over 21,000 calls in 2010.

One of the two 2009 ARRA federal grants, the Justice Assistance Grant (JAG) was closed out at the end of 2010. The other grant is the Community Oriented Policing Services (COPS) grant, which has been covering the base salary and benefits of one of our seventeen authorized positions, is just over one year old. This grant will continue to cover the salary and benefits for that position for the next two years. The fourth year of the grant position must be covered by municipal funding.

The department continues to maintain strong working relationships with other agencies, including the Vermont Governor's Highway Safety Program, the Bureau of Alcohol Tobacco and Firearms, the Drug Enforcement Administration, Vermont State Police, and the Vermont Drug Task Force. Working with these organizations, the surrounding Washington County law enforcement agencies, and other health and social services, the department is able to provide a full-spectrum of public safety support that is in-line with our community policing philosophy.

In addition to our crime prevention/intervention and order maintenance responsibilities, the department is also involved with the mitigation, planned response, and recovery of destructive events such as flooding. Working closely with the Montpelier Fire Department, other city services and Vermont Emergency Management, our joint team was able to coordinate assets and prepare for a neighborhood evacuation when the Winooski River went over its banks last winter. The Community Room of the police station serves as the city's Emergency Operations Center.

The department also handles an average of 30 parade permits each year. Some of these events require extensive manpower allocations and coordination, while others may only need minor assistance from on duty personnel. Large scale events such as the July 3rd celebration and the Governor's Corporate Cup require substantial pre-planning and nearly 100% participation of department personnel, including parking enforcement. As with a major crisis response such as a severe weather event, these special activities require us to use the Incident Command System in order to manage these events safely and efficiently.

All of our crime data reporting is submitted to the Vermont Crime Information Center (VCIC), who 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_10/). There is a six month delay in the update of NIBRS data.

Year	A Offense	B Offense
2006	695	752
2007	699	577
2008	796	405
2009	645	400
2010	645	394

The department was responsible for the arrest of 339 individuals in 2010, which is down from 341 in 2009. These numbers coincide with a nearly level crime rate from 2009 to 2010. However, calls for service increased in 2010 from just over 14,000 in 2009 to over 15,000 in 2010.

The department’s traffic safety efforts for 2010 have resulted in over 3,400 motor vehicle stops involving 38 arrests for criminal driving while license suspended, 33 arrests for DUI, and 631 traffic tickets (total ticket fine amount of \$124,608). MPD investigated 151 accidents, 22 of which involved injury and 5 of the 151 accidents involved pedestrians. The good news is that the overall accident rate is remaining low when compared to accident data from several years ago. Road improvements like the new round-a-bout at the intersection of River Street (Rt 2/302) and East Montpelier Road (Rt 2) along with effective enforcement and education have proven to be key elements in making our roads safer for motor vehicles, bicyclists, and pedestrians.

The Montpelier Police Department remains committed to prompt response to calls for service, to solve problems working with community members—large and small, to prevent and investigate crime, and to identify and assist with the prosecution of those responsible offenders. We will continue to provide professional and effective police services to the City of Montpelier. It is our goal that Montpelier remains a safe and vibrant city, where all residents and visitors can feel truly secure.

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.

ANTHONY J. FACOS, *Chief of Police*

Fire / Ambulance Department

The members of the Fire / Ambulance Department work to make a difference in your life. While we work toward a safer city in the longer term by making buildings safer and educating people on safety issues, we also strive to maintain an ability to respond effectively to problems which occur. When prevention fails, an immediate response by well trained and well equipped Firefighters/EMTs is the best way to limit harm. That immediate response was decisive in keeping a kitchen fire from extending through a multi family building. Many others were assisted in dealing with various health and other problems.

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.

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, located at the City “Stump Dump”, which allows for more effective training and firefighter preparedness. Service is provided using two pumpers, one tower truck, two ambulances, and two utility vehicles. Maintenance of vehicles is a top priority of the department and participating in our mutual aid system allows us to operate without the expense of maintaining reserve equipment.

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 2010 we received fire or ambulance mutual aid 36 times and provided it 61 times. While we fortunately did not have any serious incidents, several significant fires in Barre reminded us that we still have a serious fire potential in Montpelier.

SUMMARY OF RESPONSES IN 2010

EMERGENCY RESPONSES

<u>Type Of Alarm Responded To</u>	<u>Montpelier</u>	<u>Other Towns</u>
-Structure Fires/Alarms	164	13
-Vehicle Fires	3	2
-Other Fires	16	1
-Power Lines	6	1
-Vehicle Accidents (Initial Fire Response)	44	18
-Other Rescues	17	1
-Flooding, Water Problem	4	0
-Collapse, Structural Problem	0	0
-CO Alarm Activation	25	1
-Electrical Problems	8	0
-Odor/Smoke Investigation	62	1
-Leak/Hazmat	28	2
-Other Emergency	58	3
-EMS Emergency	<u>818</u>	<u>186</u>
Total	1253	229

NON EMERGENCY RESPONSES FOR SERVICE

<u>Type Of Service Requested</u>	<u>Montpelier</u>	<u>Other Towns</u>
-Burn Permits	117	0
-Service Calls/Other Non Emergency	<u>59</u>	<u>0</u>
Total	176	0

AMBULANCE TRANSFER BUSINESS

-From Montpelier	133
-From CVH	264
-From Other Locations	<u>40</u>
Total	437

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. Since 2007 the department has been 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 2010, 245 building permits were processed and inspections were done as needed to support those efforts. Building permits are issued for one year and, if construction is ongoing, can be renewed. If renewed before the expiration date there is no additional fee.

Existing buildings, especially residential rental units, are inspected to ensure proper maintenance and operation. Buildings are inspected primarily on receipt of a complaint. There are limited inspections 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 2010 there were 100 inspections done.

Of significant note, the efforts of the Building Inspector helped with the restoration of 18 rental units in three separate buildings. These buildings had been deteriorating for a while and had been the subject of numerous complaints and violations. The buildings were eventually repossessed and auctioned off. The new owners are bringing the buildings up to code. In one case the historic fabric of the building is also being restored.

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.

Coordination of these functions will be integrated in to the fire department operations.

In 2010, monitoring river and weather conditions remained a high priority. The monitoring of river gauges has provided much needed information, especially concerning possible ice jam flooding situations. On January 25, 2010 there was minor ice jam flooding of State Street near Bailey Avenue. Fortunately the jam broke loose before significant evacuations had to be started. Other areas of concern include 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 seven divisions: Streets, Water & Sewer, Water Treatment, Wastewater Treatment, Equipment, Building Maintenance 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 and appurtenances, pump

stations and storage tanks. 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. Our Administrative division at City Hall provides technical assistance to our own employees, 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, as well as overseeing the buildings at 39 Main Street (City Hall) and 58 Barre Street (Senior Center).

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. With construction prices remaining relatively high and reduced funding due to competing needs in the Capital program, the number of streets rehabilitated this year was again less than needed to maintain our road conditions and increasing the workload necessary for our own crews to prepare the streets, including subsurface drainage, sidewalk removal, and catch basin repair. We were able to complete paving projects on Isabelle Circle, Cherry Street and Pleasant Street and the milling, replacement of drainage culverts, partial reconstruction of the subbase and re-shaping of Mill Road to a gravel surface. We were unable to perform any significant amount of sidewalk replacement with the lack of funding in the Capital Improvements Program

The Streets Division was given a reprieve of the normal winter operations with less than average snowfall amounts for the year. Crews are continually tasked with ensuring that the roads and sidewalks are safe and passable while trying to keep overtime and salt usage to a minimum. The savings in the winter operations made additional funds available that were used to make necessary road and slope repairs. The division also makes repairs and maintenance to the stormdrain system, bridges, traffic signs and markings, guardrail, parking meters and street benches and trash barrels. They also perform street sweeping and catch basin cleaning as a significant “housekeeping” task for our storm water maintenance.

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 providing assistance to the customer concerns and questions, repair of water leaks and sewer breaks with aging systems throughout the City, thawing and repairing hydrants and removing snow to keep them accessible, and providing assistance to the Streets

Division as needed during winter operations. Additional combined sewers were eliminated through the CSO elimination project, which was partially ARRA funded. The project also allowed for the repaving of Richardson Street, Graham Terrace and McKinley Streets as a portion of the construction, helping to stretch our paving monies.

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 staff utilizes a stock records clerk to input repairs and maintenance to establish preventative maintenance schedules for all of the City fleet and with the two mechanics and supervisor, are able to keep the fleet in good running order. 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 is continuing the daily tasks of treating the almost 2 million gallon per day wastewater flows to meet the maximum limits set by the water quality standards for Lake Champlain. Daily operations include septage and leachate receiving, laboratory work, sludge pressing, dewatering, State reporting, and equipment, facility and grounds maintenance.

The Water Treatment Facility continues to provide high-quality drinking water to its customers. The employees continuously monitor water quality through laboratory analysis, use trends, and source protection inspections. This Division also

fulfills State reporting requirements, prepares the Consumer Confidence Report every spring, and performs equipment, facility and grounds maintenance.

We also hired a new maintenance person to take care of the police department building and City Hall. Burtis Baker comes to us with a great deal of experience, an excellent work ethic and a wonderful personality. He has brought with him a great eye for detail and an understanding of building management that will be a great asset to the City.

Again this year has been very challenging, dealing with the CSO Elimination construction throughout the City. The North Street retaining wall was replaced to eliminate a wall that was compromised and could have caused an unsafe situation for the traveling public and the adjacent homeowner.

After five years of employment with the City and working closely with the other departments, we are very fortunate to have a very dedicated and hard working group of employees that are caring for and maintaining this great city. I would like to personally thank the administrative staff of Ginny, Kurt and Tom for their organizational skills, hard work, dedication and constant support. Also, thanks to Sandy Gallup and her staff for providing human resources support to the Public Works divisions and organizing our finances and keeping track of the numerous grant reimbursements and requirements. Thanks to Bill and the City Managers staff, 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*

DPW Projects 2010

Vine Street Pedestrian Bridge Construction



Wastewater Treatment Facility Photo-voltaic Panels



Turn Table Park, Stone Cutters Way



North Street Retaining Wall



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. Water rates increased substantially in the fiscal year 2006. Rates have increased 5% each year on July 1, 2007, July 1, 2008 and on July 1, 2009 (no increase in 2010). Despite these increases the Water Fund is accumulating deficits due to high fixed costs (debt) and a reduction in billable usage due to conservation. **The current quarterly rates are as follows: \$7.51 per 1,000 for the first 50,000 gallons, \$7.97 per 1,000 for the next 200,000 gallons, \$12.93 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 \$25.00.**

Annual water usage decreased more than 7 percent over the last five years. This conservation of water use by the city residents and businesses is producing shortfalls in revenue for the Water Fund. The City Council’s Water and Sewer Rate Committee is in the process of studying the structure of the water to assure that annual revenues will cover annual costs. The Committee is expected to recommend a new rate structure to the City Council on or before July 1, 2011.

The Fiscal Year 2012 Budget Information about the proposed Water Department Budget can be found online at: <http://www.montpelier-vt.org/group/357.html>. 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 5% on July 1, 2007, 5% on July 1, 2008 and 5% on July 1, 2009. There was no increase in the rates on July 1, 2010. 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: \$8.47 per 1,000 gallons of water used and a fixed charge for all accounts for meter reading, billing and other administrative service costs of \$30.00.** The City Council’s Water and Sewer Rate Committee will be meeting in 2011 to consider future rate increases that may be necessary to cover operating and debt service costs.

At the March 3, 2009 meeting, the voters approved to borrow \$585,000 for CSO Elimination Projects (Arsenal, McKinley, Hinkley, Richardson, School, Lower State and Graham Terrace and Solar Panels for Wastewater Treatment Facility improvements). Later in the spring, the City applied for and received approval for 50% funding from the American Recovery and Reinvestment Act (ARRA stimulus money). To meet the ARRA grant requirements, the City held a Special Meeting (Australian Vote) on July 14, 2009 where voters authorized the total cost of these improvements and the equipment purchase of a Sewer Rodder/Vacuum Truck. **By taking advantage of stimulus monies available for “shovel-ready” projects, the Sewer Fund is expected to receive \$645,500 in federal dollars for capital improvements and equipment purchases that were included in the FY10 Sewer Fund budget.** These projects were completed in December 2010 and the financial benefit from these grants will be recorded in fiscal year 2011.

A **sewer benefit charge** of \$.02 per \$100 of property value is dedicated to the repayment of bonded indebtedness. A **sewer separation benefit charge** was reduced from the \$.10 rate per per \$100 of property value to \$.07 per \$100 of property value on July 1, 2010 due to the city-wide reappraisal of the Grand List. This charge 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. These sewer benefit charges are expected to remain the same for FY12 which begins July 1, 2011.

Information about the proposed Sewer Department Budget can be found online at: <http://www.montpelier-vt.org/group/357.html>. 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

The Parking Division of the Montpelier Police Department consists of one full time Community Service Officer and three part-time CSOs. Last year the department invested in two additional vehicle immobilization devices in order to improve our ability to recover unpaid parking fines from offenders. In 2010, the parking division was responsible for the "booting" of over 130 vehicles, compared to just over 100 in 2009. The parking fund continues to have a positive fund balance for 2010. During the second half of this current fiscal year, the department plans to replace two vending machines which are quite old and problematic. The new machines will be solar-powered, more user friendly, and they are scheduled to be located at the 60 State Street lot and the city lot behind the Capital Plaza.

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

Planning Department

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 the Community Development Agency (CDA), which is staffed by the Planning Department.

In 2010, the VISTA volunteers on the enVision Montpelier project changed, as Kristin Feierabend moved on to graduate school and Erin Schlitts moved to Los Angeles. We now are fortunate to have Isaac Lawrence and Taylor Newton as VISTA staff helping us with the outreach for the zoning revision and supporting the CAN neighborhood associations.

This department could not do all that it does without the thoughtful and hard work by its staff and 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.

PLANNING

Planning Commission: We welcomed new members to the Planning Commission in 2010: Jon Anderson was appointed to fill Bethany Pombar's position, and Tina Ruth was appointed to fill a vacant position. The two youth positions are now filled by students at Montpelier High School – Megan Wingate and Anna Hartman. The Planning Commission was very busy in 2010 leading the enVision Montpelier project to complete the city Master Plan (which is described in more detail below).

The complete list of commission members is:

- Jessie Morman, Chair
- Dave Borgendale, VC
- Jon Anderson
- John Block
- Alan Goldman
- Tina Ruth
- Missa Aloisi
- Megan Wingate
- Anna Hartman

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 convened a multi-stakeholder group to lead the process, and over 300 people attended the monthly stakeholder meetings. The stakeholder group was divided up into five committees – social systems and human development, governance, economics and livelihoods, built environment and infrastructure, and natural environment. In 2010, we completed the drafting of the Master Plan, held public hearings on the plan, and the City Council voted to adopt the plan in September. On November 9th, the plan was confirmed by the Central Vermont Regional Planning Commission. Copies of the plan can be found on the city web site at: <http://www.montpelier-vt.org/page/406/Draft-Master-Plan.html>

As we move forward in 2011, the planning department is now engaged in a community process to draft new zoning to bring our regulations into compliance with the Master Plan.

Major Projects: The Planning Department has been responsible for initiating or supporting several major projects in 2010. We have engaged a private partner for a district energy plant that would serve the downtown with expansion possibilities to other areas. We have completed work on a historic park using the site of the old Turntable on Stonecutter's Way. We continued to work on the Multi-modal transportation center planned for Taylor Street. This was complicated late in 2009 when the new Federal Emergency Management Agency (FEMA) maps were issued showing that the site is almost entirely within the regulatory floodway for the river. In the summer of 2010, FEMA granted the city's appeal of the floodway designation and the City Manager's office is now working on property acquisition. Another major project has been the renovation of the Senior Center, which is discussed in more detail below.

Geographical Information Systems: During 2010, Eric worked with the Public Works Department to further update the GIS line, polygon and point data representing the City's Water & Sewer infrastructure. He also performed ongoing software updates, as well as troubleshooting of GIS software and data issues, and coordination with ESRI staff to solve problems,

worked with the City Parks Department to refine trails data in the City Parks, trained various City staff members in the use of ESRI Arcmap software, and continues to be available on an as-needed basis to help with technical issues and questions.

The City's GIS system is an important databank for information, and so Eric updates and maintains our GIS library, managing a central repository of all of the City's most current and relevant GIS data on the City's common drive, coordinates with VT Agency of Transportation, FEMA, Vermont Center for Geographic Information (VCGI), and other agencies to obtain the most current GIS data layers and orthophotos for the City's data library, provides landowners with data they need to pursue their projects, including geographic information on floodplain analysis, zoning boundary determinations, and road frontage, provides 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.

Planning Department projects are supported by our GIS capability, and in 2010, Eric was responsible for preparation of Floodplain and Floodway maps, maps for the 2010 Master Plan, update of Parks maps, and worked with our Assessor on updated parcel maps.

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.

Montpelier is one of three 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. 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.

The digitization of FEMA maps was stalled in 2007 due to flooding events in Barre, VT. In 2009, the City of Montpelier presented concerns with the hydrology and hydraulic modeling of the Winooski River in an appeal of the Digital Flood Insurance Rate Maps (DFIRM) and Preliminary Flood Insurance Study (FIS) for Washington County – specifically related to the parcel at 0 Taylor Street (aka) the "Carr Lot." FEMA accepted the revised hydrologic and hydraulic analyses provided by the City. Next steps: FEMA will issue a Letter of Final Determination (LFD), which will establish an effective

date for the Preliminary FIS report and DFIRM. During the 6-month compliance period, the City is required, as a condition of continued participation in the NFIP, to adopt or show evidence of adoption of applicable floodplain ordinances. To that end, the Zoning & Subdivision Regulations were amended by the Planning Department, Planning Commission, and City Council in 2010 and will be adopted by January 5, 2011.

FEMA and VT Agency of Natural Resources (ANR) River Management expect the FIS and DFIRM to be adopted by the summer of 2011.

Certified Local Government (CLG)/Montpelier Historic Preservation Commission (MHPC): The Planning & Zoning Administrator serves as the CLG Coordinator and provides staff support to the MHPC. The City of Montpelier recently finished Phase II of the Montpelier Historic District Amendment. The Montpelier Historic District is the largest in the state of Vermont – 563 properties. It is worth noting that in 1978 approximately 87% of the buildings and structures were contributing (i.e. historic) to the National Register of Historic Places in the Montpelier Historic District, and approximately 89% are contributing according to the most recent amendment.

The MHPC received grant funding for website and brochure materials in relation to the Phase II National Register Update. The MHPC continues to refine these materials in order to provide education and outreach to the citizens of Montpelier. Since CLG certification the City has re-ceived \$22,931 in grant funding for historic preservation.

The Montpelier Historic Amendment must first be reviewed by the VT Division of Historic Preservation (DHP) and the National Park Service (NPS) before it is accepted and adopted as final. Additionally, there will be a public process to present the amendments to the citizens of Montpelier in the winter and spring of 2011. There will be several public meetings and members of the Montpelier Historic District (MHD) will be notified by mail of the disposition of their property. All of the information regarding the MHD is available online: <http://www.montpelier-vt.org/departement/68.html>

The MHPC is comprised of 5 community members:

- Anthony Otis, Chair (term expires 9/10/11)
- James Duggan (term expires 9/22/12)
- Eric Gilbertson (term expires 9/22/12)
- Emily Donaldson (term expires 9/22/13)
- Tim Senter (term expires 9/22/13)

DEVELOPMENT REVIEW

During 2010, approximately 162 zoning permits were issued. Specifically, 48 of the 162 permits required Development Review Board (DRB) approval, 37 of the 48 permits required Design Review Committee (DRC) approval, 20 permits were

for signs, and 104 permits were administratively approved. There were approximately 4 variances. Approximately 25 dwelling units were added in 2010. Four violations were issued and subsequently cured by obtaining approval. The Planning & Zoning Administrator provides staff support to the DRB and DRC.

Development Review Board (DRB):

- Phil Zalinger (term expires 7/24/12) continues to serve as chair.
- Kevin O’Connell (term expires 7/23/11) continues to serve as vice chair.
- Alan Blakeman (term expires 7/23/11)
- Roger Cranse (term expires 7/24/12)
- John Lindley (term expires 7/23/11)
- Dan Richardson was reappointed (term expires 8/8/13).
- Sabina Haskell was appointed to fill Jeremy Hoff’s position (term expires 8/8/13).
- There are two alternates – Ken Matzner was reappointed (term expires 8/8/11) and newly-appointed Ali Sarafzadeh (term expires 12/9/12).

Design Review Committee (DRC):

- Steve Everett (term expires 9/10/11) continues to serve as chair.
- James Duggan (term expires 10/28/12) serves as vice chair.
- Jay White (term expires 4/8/12)
- Kate Coffey (term expires 9/10/11)
- Eric Gilbertson (term expires 9/10/11)
- There are two alternates – Miriam “Muffie” Conlon (term expires 10/28/12) and Zachary Brock (term expires 10/28/12) was appointed to fill Steven Burkholder’s vacancy.

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 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 continues to be recorded and broadcast on the same evening as the DRB is filmed.

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

- Publish draft 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 in two public locations in City Hall.

ECONOMIC AND COMMUNITY DEVELOPMENT

REACH Program: In 2009, the City was awarded a grant of \$393,000 per year for up to three years from the federal Administration on Aging's Community Innovations for Aging in Place program, made possible through the stimulus funding appropriated in Washington. The grant will allow the city to serve our aging population more effectively. We hired a new coordinator for the project, Suki Ciappara, and a Case Manager is being provided to us through the Central Vermont Council on Aging – her name is Chloe Budnick. We also hired an outreach and fundraising specialist, Rachael Rice, and an administrative assistant, Angela Emery.

Montpelier CAN: The city established neighborhood associations throughout the city in the fall of 2008 as a way of addressing the crisis we faced as heating fuel prices increased significantly. In 2010, we have continued to support the neighborhood associations, and we are working to make them an important part of city government.

Downtown Revitalization: Ensuring the long-term viability of Montpelier's downtown was the focus of our successful application to the State of Vermont for Growth Center status in 2009. By encouraging more residential growth in and near the downtown, we will be providing the businesses and neighborhoods with the customer and tax base needed to maintain our downtown as the vibrant, historic center it is now. We continue to work closely with Montpelier Alive! on a number of downtown initiatives, including its Design and Economic Restructuring committees, parking issues, and implementation of the Capital District Master Plan.

District Energy: In 2010, we secured an \$8,000,000 grant from the Department of Energy to complete the final feasibility study for the project and move forward with design, permitting and construction. A Town Meeting vote in March of 2009 also authorized the city to use bond funding that had been authorized in 2003 for the purposes of design and permitting for the plant. We have issued an RFP for the selection of a construction firm to build the project.

The Montpelier Energy Advisory Committee was appointed by City Council in 2010. Its members include:

- Alan Weiss, Chair
- Barry McPhee
- Bill Neuberger
- Carl Etnier
- Dan Jones
- Edith Pike-Biegunska
- Johanna Miller
- Justin McCabe
- Karl Bissex
- Ken Jones
- Tim Heney

Multi-Modal Transit and Welcome Center: In late 2009, FEMA had redesignated the site of the Transit and Welcome Center as a floodway. With the new designation, the Federal Transit Administration, the source of funding for the Multi-Modal Transit and Welcome Center portion of the project, ordered us to take a step back and review all the work that had been done back in 2003 on the Environmental Impact Assessment, so they could determine if the Finding of No Significant Impact (FONSI) was still valid. At this point, we are waiting for clearance from the Federal Highway Administration (FHWA) on the continuation of the bike path on the east side of the North Branch River. Once that is complete, site acquisition will proceed, beginning with new appraisals of all the properties involved.

City Website: In 2010, we worked with the City Manager's office to implement the Granicus project, which makes video recordings of the City Council meetings available on the city site. This complements the major overhaul of the site that was completed in 2009. The city's web site is built on open source software, and has a content management system that allows city departments, neighborhoods, and other stakeholders in the city to manage their own portions of the web page. It has several interactive features as well, including feedback forms and the capacity within user groups to create list serves and share documents.

The Montpelier Alerts feature of the web site continues to be an important resource for local residents and business owners in Montpelier. We use it to notify people by e-mail and text messages to their cell phones in the event of emergencies and other important issues for the city. People can sign up to be on the Alerts mailing list from the Home Page of the web site – just click on Montpelier Alerts on the left sidebar.

COMMUNITY DEVELOPMENT

58 Barre Street/MSAC: Called "the feel good story of the year" by the Times Argus in their year in review article, the 58 Barre St. project has been a shining example of a successful community supported project. Following the fire at the building in

December 2009 that displaced the Montpelier Senior Activity Center (MSAC), the City Council and the Montpelier Housing Authority (MHA) came together on an agreement to work in partnership to redevelop the property into 14 apartments for seniors and people with disabilities and a reconditioned home for the MSAC. Six months later through the contributions of significant time by community members and with federal, state, and municipal funding participation through Vermont Community Development Program (VCDP), U.S. Department of Agriculture's Rural Development program (USDA RD), Vermont Housing and Conservation Board (VHCB), US American Recovery and Reinvestment Act (ARRA) Energy Grant Program, City Revolving Loan Funds, an ongoing Capital Campaign being run by the MSAC, and the City commitment to donate the building, the project was fully funded and began the redevelopment process one year after the fire.

The City's lead and contribution of the fire damaged, extremely energy inefficient building has leveraged a project of over \$5m having a significant impact on two large community needs – senior housing and the MSAC. Designed with the highest standards of energy efficiency this building answers the question the City had been struggling with; where to house the MSAC. The facility in its former condition was prohibitively expensive to run and did not fit the needs of the MSAC for accessibility and space. Now with an elevator expanding access to the entire Center to everybody and a reconfigured space that will use the most efficient planning for the use of the space the MSAC will have a home that works with extremely reduced operating costs for their space.

Turn Table Park: The Turn Table Park, a project that has been on the table for over six years in many variations has finally been completed. The City went out to bid on the Turntable project in spring 2010, and completed construction by December 2010. Coming in under budget and on time this is a project that has converted a toxin loaded site in the center of our community asset, Stonecutters Way, into a pleasant pocket park of historic significance along the river. The work involved remediating the toxic materials on the site, replacing the soils on the site and planting grass. The sidewalks and parking were constructed and the fencing and lighting for the Turntable itself were installed. \$70,000 in City investment brought in approximately \$188,000 in State and Federal funding. Contributions by the Vermont Community Development Program (VCDP) of \$114,000 and the State Downtown Transportation Grant Funds of \$74,000 made this possible.

Housing Trust Fund: In 2010 the Housing Trust Fund (HTF) voted to grant \$105,000 to the Montpelier Housing Authority (MHA) for the 14 units of housing located at the 58 Barre St building. These will be accessible, highly energy efficient apartments for seniors and disabled of low and moderate income. A USDA RD subsidy will assure that tenants

will pay no more than 30% of their income for rent. The units will be permanently affordable to persons with incomes of 30-80% of Area Medium Income (AMI). The Cities contribution of the funds helped leverage the development of a \$5m project positively affecting 2 important community needs. In total, One Hundred and Five Thousand Dollars (\$105,000) in Housing Trust Funds have helped build 14 permanently affordable apartments.

Home Share: The City led consortium of Towns including Williamstown and Morristown in a \$200,000 grant allocation from the Vermont Community Development Program is supporting the expansion of the Home Share program in the region. This is an important program providing housing opportunities for Vermonters and support for homeowners who desire to remain in their homes.

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. The USDA RD grant has been extended through June 30th 2011. The total amount of funds still available is \$67,974. There are 4 active loans presently, 2 new in 2009, with three ready to close out. One new application is in process.

To date the program has assisted 112 homeowners and loaned over \$970,000. During this past year we supported important renovations in 5 homes for a total loan amount of \$37,500. There are still funds available for qualified homeowners. For more information, see <http://www.montpelier-vt.org/cda/hpg.cfm> or contact the Planning and Community Development Department.

Revolving Loan Funds: The loan fund activity has also been in support of the 58 Barre St project awarding an accessibility loan and a housing loan along with loans to the MSAC that they are planning to retire with their Capital Campaign so more funds can go to programs and services for seniors rather than loan payments. The entire RLF program is being evaluated by the Planning Dept. for restructuring so as to more effectively offer funding to the two important areas they were established for; housing and community development.

GWENDOLYN HALLSMITH, *Planning Director*

Montpelier Downtown Community Association/Montpelier Alive

This year has been a challenging one for Montpelier Alive, formerly the Montpelier Downtown Community Association. Our long-term Executive Director, Suzanne Eikenberry, left to have a baby and we started a search for a new director, finally hiring one in September. Our new director resigned in December, after three months on the job, and we are currently in the search for yet another new Executive Director.

Montpelier and its downtown merchants have felt the impact of the poor economy as reflected in the decline in sales tax data for 2010. While downtown Montpelier's vacancy rates for residential, first floor retail/restaurant, and office space is fairly low, turnover in businesses has increased, and vacant space is taking longer to fill.

Here is a quick snapshot of some of our 2010 accomplishments:

- The placing of recycling bins next to our sidewalk trash receptacles each spring. Continuation of a historic walking tour, "Did You Know... Montpelier" which we hope to re-install each spring.
- The purchase of a third SculptCycle as permanent public art for the downtown. "Communication" by Sofia Shatkivska is now installed next to the Superior Court on Elm Street. Montpelier Alive coordinates cooperative advertising for Moonlight Madness, holidays, sidewalk sales, and other events.
- Organized about 150 volunteers for Green Up Day (see Green Up Day in this report).
- Produced the Brown Bag concert series, USAF Liberty Big Band concert, and other community events.
- Sold approximately \$14,000 worth of Capital City Cash, keeping shopping dollars close to home.
- Helped the Green Mountain Film Fest secure a third venue for the growing festival.
- By working with the State Visitor's Center, producing a tourist brochure, contacting local media, writing regular email updates, and producing a weekly radio spot on Fridays, Montpelier Alive actively promoted Montpelier as a vibrant entertainment, dining, and shopping district.
- Organized events such as the quarterly Art Walks, holiday wagon rides, and Santa's visit which draw people downtown to local shops.

Of course no talk about summer in Montpelier would be complete without mentioning the Independence Day festivities organized by Montpelier Alive and the City of Montpelier. These events raise the profile of the City, bring the community

together, and bring new business to town. When we asked sponsors a few years ago why they sponsored, we heard that it was good for the quality of life of employees, brought new residents to Montpelier, and added to the overall vibrancy of town. Great parade acts and a spectacular fireworks show on July 3rd brought people from all over central Vermont. First Night Montpelier ended the year with a celebratory bang as thousands came out to enjoy performances, activities, a lantern launch, and the dropping of the disco ball. We have updated a few key elements of this year's First Night celebration including the program book and the parade. Performances began a bit earlier and we added activities earlier in the afternoon for people who want to get a jump start on the festivities.

Like everything else Montpelier Alive 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 Montpelier Alive for volunteer, membership, and sponsorship information at director@mdca.org or 223-9604.

Montpelier Green Up Committee

May 1, 2010, Vermont's official Green Up Day, was bright and sunny. About 100 volunteers stopped by City Hall Plaza for bright green trash bags. While most volunteers picked up trash, a few helped plant trees, fought invasive plant species in the park, and prepared downtown for an infusion of new summer flowers. On Friday, April 30th, 42 volunteers from National Life and eight from Union Mutual got a head start on Green Up Day. Volunteers filled about 125 recycling bags and another 225 Green Up trash bags.

Hunger Mountain Coop provided the clear recycling bags which allowed us to expand our trash pickup and responsibly sort recyclables from trash.

Members of the MDCA (now Montpelier Alive) Promotions Committee greeted volunteers and organized assignments for areas to clean. Montpelier Alive Design Committee members used the work day to hang SculptCycle banners in City Hall plaza.

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 in Montpelier is coordinated by Montpelier Alive. If you are interested in helping in this year's coordination, please contact Montpelier Alive at 223-9604, director@montpelieralive.org or Pinky Clark, Green-up Coordinator at 802-595-0441 or pinkclark1946@yahoo.com.

For more information on Montpelier Alive, visit www.montpelieralive.org.

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 general ledger 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 prepares the annual City budget, manages human resources and coordinates the annual audit. The Finance Department also oversees all grant activities to assure proper use and reporting of grant funds.

Many reports are available on the City's web site.

Budget information can be found online at:

<http://www.montpelier-vt.org/group/357.html>

The City of Montpelier Annual Audit can be found online at:

<http://www.montpelier-vt.org/page/286.html>

Financial Reports can be found online at:

<http://www.montpelier-vt.org/page/370.html>

The City of Montpelier has 22 active funds, 10 departments and 4 labor contracts/employee plans. Montpelier has \$50 million dollars invested in fixed assets financed by 32 loans that total \$22 million dollars. The annual operating budgets for the City's governmental and business-type activities total \$17 million dollars.

All City Departments actively pursue state and federal grants to help fund new programs, replace equipment and pay for capital projects. The Finance Department oversees all grant activities to assure proper use and reporting of grant funds. In FY10, the City expended more than \$2,000,000 in grant funds on 40

federal and state grant awards. Looking ahead, the City has secured an additional 9 million dollars in grant awards for three new multi-year programs; a bio-mass energy project, REACH (Rural Elder Assistance Care Bank), and the Justice Center's re-entry program. Our grant workload will be very high in the next three years.

Finance Department is experiencing an increase in accounting responsibilities and requirements. The recent focus on the City's financial management resulted in recommendations for additional processes and procedures to provide a high level of financial control. To meet this need, we increased the number of full-time equivalent employees from 2.8 to 3.6 FTEs. With this increase in staff, the department was able to reduce contracts for financial consulting services. Although this change will be challenging, in the end we will have a stronger, more independent finance office without a major increase in our department's budget.

The department relies on Sharon Blatchford, Human Resources & Accounting Specialist, and two Staff Accountants to perform the responsibilities of the department. Sharon, a thirty-two year veteran, provides in-depth employee benefits administration, payroll and accounts receivable administration. We are also fortunate to have the services of Ruth Dockter, who recently joined our team. Ruth is experienced in municipal accounting and will maintain the general ledger and oversee 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 five years as the City's Finance Director, the City faced many financial challenges as we did our best to minimize the effects of ever increasing operating and infrastructure costs, unfunded state and federal regulations, and the extremes of Vermont's weather. And, the difficulty only increases with the lingering economic downturn. Despite cooperation from the city employees to move to a high deductible health insurance program, employee benefit costs continue to be a budget item that is difficult to control. Our aging roads, drainage systems, buildings, sewer and water facilities all present immediate needs for improvements. To face the challenges ahead, we will continue our efforts to maximize non-property tax revenue and manage and account for all city resources in an effective and efficient manner.

I appreciate the support that the Finance Department receives from the City Council, City Manager Bill Fraser and the City's Department Heads. 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

SANDRA J. GALLUP, *Finance Director*

Technology Services 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 2009 through June of 2010, provided several upgrades to existing technology over several departments. The most significant was an upgrade to the Police incident reporting and mobile wireless system and associated hardware.

Montpelier Net was discontinued and disconnected as a functioning entity and all the assets were turned over to Summit Technologies. The BudgetSense accounting package was brought online in August. Training was completed by the end of January. O.R.C.A. and the City implemented a video system for City Hall. Installation of Granicus, our meeting video recording, internet streaming and off site archiving service was completed.

The City's Wide Area Network is routed through T1's (provided by SoVerNet through FairPoint). 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 potable water and waste water systems and radio communications between the garage and various remote units.

The City continues to maintain its communication link with the local and world wide community via the internet. This 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 effective and adequate level of security. The City continues to maintain a sophisticated firewall, virus protection standards and a redundant daily full system backup 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

Everyone should fill out and file HS 145 (Property Tax Adjustment Form (Prebate) if your household income is under \$100,000. Don't just assume you won't qualify – let the state make that determination. We are still finding taxpayers in Montpelier who qualify for help with the payment of their real estate taxes who are not applying for the assistance by filling out the new HS 145 which replaces the old form. Make sure you file this form by April 15th so you can maximize the amount you receive.

You no longer have to file the Homestead Declaration form each year. The declaration filed in calendar year 2010 will remain on record until that declaration is withdrawn because the property is sold or there is a change in the use of the homestead property.

Even though you no longer have to file the Homestead Declaration each year once you have done it, I emphasize **you still must file HS 145 each and every year to qualify for assistance with your real estate taxes.**

If you are selling or buying a home, please consult with your lawyer, real estate agent or financial institution about the requirement to withdraw your homestead declaration on the home you are selling or to file the homestead declaration on the home you are buying.

The term sale also applies to transfer of title to an estate, a trust and creation of a life estate. The State of Vermont informs the City of Montpelier of the status of your homestead declaration. All forms are filed through the State of Vermont and must be done within 30 days of the date of the transfer.

As to delinquent taxes, they remain fairly low and stable in regards to the amount of taxes billed each year. We have seen more foreclosures by the lending institutions which then pay the back taxes. A homeowner can fair better in a foreclosure than a tax sale, and we defer to the foreclosure, if possible. In a foreclosure, any amounts received at the auction over and above all legal costs must be paid over to the owner who is being foreclosed upon. A tax sale prevails over any mortgage or equity in a property, and if a property is sold at tax sale and not redeemed, any equity will be lost. For this reason, if we know a bank is considering a foreclosure at the same time we are ready to start a tax sale, we defer to the foreclosure by the bank. In either case, the City is fully reimbursed for any taxes unpaid. Water and sewer delinquencies are treated the same as delinquent taxes. Again, this year, more people have let their water and sewer delinquencies build up and are risking foreclosure and tax sales. When the water-sewer bill is unpaid, it creates an automatic lien on your property the same as if you

did not pay your quarterly tax bill. That is why it is important to contact me to work out payment plans.

As I have taken on the duties of supervising the Senior Center, I have spent less time at the State House on behalf of the City, but the PILOT money continues to grow from 773,029 in the FY 09-10 budget to 917,716 in this current FY 10-11. This represents about 11 cents on the tax rate based on the new factor that 1 cent in taxes raises approximately \$83,000. The increase is due to the number of towns which have adopted local option taxes, of which, as a pilot community, we receive a percentage of the 30% that goes into the PILOT formula from these local option taxes. For example, last year Middlebury enacted local option taxes and that along with increased sales added to the PILOT fund that Montpelier shares with other communities which host State property.

My work with the Senior Center has been gratifying. The Senior Center Staff, Advisory Board and members are to be commended with their resilience in the year since fire devastated their Center at 58 Barre Street and they relocated to the former St. Michael's Elementary School next door. While the temporary location is not perfect for a temporary location, it provides more than one could have hoped for, including being able to use the same parking area as before and St. Augustine's has also allowed us to use their Church Hall once a month for the "special" monthly meal. The High School, too, has been generous in their offer of allowing the Seniors to enjoy a luncheon meal at a very low cost and the students seem to really enjoy the Senior Band performing.

During this year, the focus has been on establishing plans to renovate the former Center and to help raise the money needed to do so. I am happy to report that at the time of this report in early January we are very close to the halfway mark in the fund raising goal of \$200,000 and it is hoped to go out to bid on the project in the Spring with a move in date in the Spring of 2012. In addition to a newly renovated Senior Center, the 58 Barre Street building will also include two upper floors of Senior and Handicapped Housing with 12 - 1 bedroom apartments at anticipated subsidized rates and 2-2 bedroom apartments at market value. The project also hopes to be more involved with Meals on Wheels as Montpelier's senior population explodes.

If you would like to contribute to the Senior Center Renovation Capital Campaign, please call the Senior Center at 223-2518 and they will get a form to you.

In closing, let me say, I enjoy working with so many of you in regards to your questions and issues. This is part of job responsibilities, so please feel free to call me at any time.

BEVERLEE PEMBROKE HILL,
Assistant City Manager, Delinquent Tax Collector

Montpelier City Clerk & Treasurer's Office

This past year we have been busy with three elections. The Annual City Meeting in March, the Primary Election held in August this year and the General Election held in November. We had a lot of voters who took advantage of voting early. This option allows people to fit voting into their sometimes busy lives. It also assists the elderly or physically impaired who have trouble getting to the polls or can't stand in line for a long period of time. Last year the city participated in a vote by phone pilot program for our annual city meeting and we hope to have that available again this year.

This year we were able to add new shelving in our vault which will provide us with additional storage for future land records and vital records.

The City went through a citywide reappraisal this year. Grievance hearings are held before the Board of Civil Authority and as a part of that process the scheduling, minutes and reports are handled by the City Clerk's Office.

The City Clerk Treasurer's Office handles depositing all city payments and fees for all City entities.

The City Clerk & Treasurer's Office staff enjoyed serving you in the past and look forward to serving you in the future.

CHARLOTTE L. HOYT, *City Clerk & Treasurer*

Assessor's Office

The Assessor's Office is responsible for tracking ownership and 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.

With the completion of grievances in July and Board of Civil Authority appeals from September through early December, work on the 2010 Reappraisal is now nearly complete.

I would like to thank all Montpelier property owners for their courtesy and cooperation with this sometimes difficult process. This was the first time in over 20 years that all properties were visited as part of a reappraisal and a majority inspected inside and out.

Thanks also to our reappraisal contractor, New England Municipal Consultants, Ltd., for a job well done.

According to the latest equalization study conducted by the Property Valuation and Review Division of the Vermont Department of Taxes, Montpelier's CLA (common level of

appraisal), effective 1/1/2011, is 98.24. This means that, on average, Montpelier properties are assessed at approximately 98% of current market value according to the State's analysis.

Work on our Parcel (Tax) Maps is ongoing. The maps are updated on an annual basis reflecting new surveys, subdivisions and changes in ownership. I encourage property owners to check the maps for accuracy. Two versions of the maps are now available on the Assessor's page on the City of Montpelier website, www.montpelier-vt.org.

Property "Record Cards" for each property in the City are also available on the Assessor's page of the City website.

The 2010 Grand List includes 2,919 taxable real properties and 503 personal property accounts, plus cable and exempt properties. The final figures in the 2010 Municipal Grand List (except BCA changes) for taxable properties are as follows:

<u>Property type</u>	<u>Number of parcels</u>	<u>% of Grand List Value</u>
Residential	2,110	58.5%
Commercial	267	24.5%
Commercial Apartments	76	5.0%
Industrial	8	0.3%
Utilities- Electric	3	1.0%
Condominiums	381	7.5%
Misc- Land	74	0.6%
Cable	2	0.1%
Personal Property	503	2.5%

Total taxable property value by category:

Residential	\$487,696,600
Commercial	203,532,100
Commercial Apartments	41,168,600
Condominiums	63,021,000
Industrial	2,697,900
Utilities	9,082,900
Miscellaneous	<u>5,395,000</u>
TOTAL Real Property	\$812,594,100
Cable	515,303
Personal Property	<u>20,975,987</u>
TOTAL TAXABLE PROPERTY	\$833,570,087

Despite declining property values in many parts of the country, most values in Montpelier appear to be holding steady after leveling off in 2007. We will continue to monitor value trends as we approach April 1, 2011.

Jane Aldrighetti, my able Administrative Assistant, is in the office Monday through Friday. My position is a 60% contracted service at this time. I am usually in the office on Tuesdays, Wednesdays and Thursdays. If you have questions or concerns regarding the valuation of real property in the City, please feel free to contact our office. Our telephone number is 223-9504.

I will continue to make my best effort to bring accuracy and fairness to property assessment in the City.

STEPHEN TWOMBLY, *City Assessor*

Montpelier Senior Activity Center

"A gathering place for positive aging"

The Montpelier Senior Activity Center has had an eventful past year with the fire at 58 Barre Street in Dec. 2009. There was a heartwarming response from the community. The New England Culinary Institute invited our members to an elegant Christmas dinner up at the college green. We have temporarily relocated in rental space at St. Michael's School (46 Barre Street). We re-opened on Jan. 11, 2010 with our full range of approximately 30 activities and classes.

Since that time we have adapted to our new space at St. Michael's, while plans have progressed to renovate 58 Barre Street for the Senior Activity Center with apartments for seniors/disabled upstairs. This has involved countless meetings, grant applications, and fundraising efforts. We are very happy to report that as of Nov. 2010, most of the funding is in place for the renovation, and architectural plans are being developed for the new renovated space. We hope to be in 58 Barre by spring 2012. If you would like to contribute to the MSAC Capital Campaign, please call the Senior Center at 223-2518 and they will send you an envelope for either a gift of money or a pledge that can be paid over the next two years.

Our membership has remained stable with approximately 550-600 paid members. People 50 years and over are eligible to join. Nearly 60% of our members are from the City of Montpelier, with the remaining 40% from other Central Vermont communities. We receive contributions from Berlin, Calais, East Montpelier, Middlesex and Worcester totaling \$1049. We received \$135,707 through the City of Montpelier appropriation, which was overwhelmingly approved by the City voters. This constitutes 43% of our revenues. The total revenues for FY 2010 were 33% higher than we projected, due to increased revenue from membership fees, class fees, investment income, contributions and memorial gifts.

We are grateful to the members and families of members who remember the Montpelier Senior Activity Center through bequests and gifts. These are reserved and invested and will play a substantial part in financing the new renovated 58 Barre Street. Our operating expenses for Food Services were reduced substantially (35%) due to the loss of the kitchen and the staff halfway through the fiscal year. We have tried to keep the

seniors together through weekly meals at the Montpelier High School, the Montpelier Elks Club, and special catered monthly meals at St. Augustine's Church. While MSAC has saved money through these arrangements, we anxiously await re-establishing meals at our renovated building at 58 Barre Street. We miss the socialization and camaraderie that came with provided meals at the Center and the efforts of our staff and volunteers. We ended the fiscal year with an excess of \$36,704 largely due to a significant bequest of approximately \$35,000 received this past year.

Trips have been greatly enhanced and the prices reduced through our receiving a new 12 passenger van through the efforts of Sen. Bernard Sanders. We have several paid drivers for our day trips throughout Vermont and New England. This small van or bus has allowed us to provide very affordable, comfortable, and safe trips for our seniors. Some of the most popular day trips were the Lake Champlain Ferry ride and trip to the Maritime Museum, a trip to Amherst, MA. to the home of Emily Dickinson, a visit to Burton Island State Park, and a trip to the Champlain Valley Fair. Our biggest overnight trip was to Mackinaw Island, Michigan, for over 35 seniors. Trips are financially self-supporting, and always are mentioned as a priority for seniors. Having seniors interested and involved, rather than homebound, is important for many who may no longer be comfortable in driving or traveling to new places on their own.

The Center is busy with about 30 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 (\$5, 17 or \$25) and give Montpelier residents priority in signing up for ALL classes. The Center also has computers (refurbished ones donated after the fire by the Computer Barn) and a copying machine available for members. We also have WiFi and a Wii Game System. We have many classes available in late afternoons and evenings for those seniors who still work during the day.

The operations of the Center are run through the efforts of the equivalent of 2 full time staff members and 100 volunteers. Volunteers contributed over 4000 hours during the last year. Volunteer opportunities are available in helping in the coffee room, leading groups, driving people to the Center, helping people on the computers or Wii, cleaning, decorating, and helping in fundraising activities. A big thanks is owed to all the people who donated their time and muscle in helping clean up after the fire, and in helping relocate us to St. Michael's School.

Information on the Center is available through our monthly newsletter and is available on our website, www.montpelier-vt.org/msac. 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.

BEVERLEE PEMBROKE HILL, *Center Director*
LUCINDA MCCLOUD, *Program Director*

Listed below is our Advisory Board Members and staff.

ADVISORY BOARD (2009-2010)

Mary-Alice Bisbee, Sec., Elizabeth Dodge, Vice-Chair, Bill Doelger, Elaine LaRosa, Jill Macdonald, Chair, Jane Osgatharp, Rebecca Sheppard, Brenda Snetsinger, and Doug Zorzi. Jim Sheridan is the Montpelier City Council's representative to the Advisory Board.

STAFF (only one full time position, all others part time)

Beverlee Pembroke Hill, Director, Lucinda McCloud, Program Director, Peggy Bowen, Cook, Susie Gomez, Membership, Kitty Langlois, Bookkeeper.

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 24 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 2010

Personnel – In addition to our Grounds Supervisor Rick Lee, 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.

Lots Available – There is a wide selection of lots available including family estate lots, mausoleum lots, cremation lots nestled within a woodland section. Let us know your needs and we will strive toward developing your personalized burial lot. New areas are being created in our new section "Oak Hill" which can be seen from Interstate 89 as one heads North.

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.

Compost – We are in our third year of making compost with our leaves. We obtain horse manure from a local horse farm and mix it with almost 300 cubic yards of shredded and compacted leaves. We use the compost in all of our plantings and topsoil. If you would like some compost for your lot, please give me a call sometime in mid April.

Master Plan – We are in the midst of creating the first ever Master Plan for Green Mount. We will be examining many aspects ranging from Educational Programs to New Developments to Investment Planning to the Planting of Trees and Shrubs. Our goal is to have this finalized by this time next year.

Rules and Regulations – Before planning any work on your family's lot, please contact Director Patrick Healy for a copy of the 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) new Flag Pole with lights, 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 and or a copy of our investment policy, please contact us at 802-223-5352 or email at 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.

Town Meeting Day 2011 – At the time of the writing of this report, we have presented a 9.34% increased budget to the City Manager. This increase is mainly due to the purchase of a replacement one ton dump truck.

Thank you – to the citizens of Montpelier for your continued financial support and all of those who give us feedback throughout the year.

Questions/Comments? Please feel free to ask any 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/weekends at 426-3754. My email is cemetery@montpelier-vt.org

Statistics 2010

Burials – 24 (11 Cremations, 9 Winter burials,)
Lots Sold – 16 full burial graves, 4 Cremation Lots
Removals – 2 (1 Full and 1 Cremation)
New Monuments installed – 7
Markers installed – 7
Monuments washed – 10
Monuments repaired – 4
Flower/Wreath Placement – 12

PATRICK HEALY, *Director*

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. We are funded entirely by federal funds and management fees paid by the properties that we manage. No local or state funds are received to operate our programs.

The Authority operates a wide variety of programs in its continuing effort to meet the need for affordable housing in our community. 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 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 five closings under this option. A total of 310 units of affordable housing are provided through these programs.

This summer we completed the installation of a solar hot water system at Pioneer Apartments.

Our nonprofit, Capital City Housing Foundation (CCHF) renovated Heaton Woods, an affordable residential care facility. Heaton Woods is a tremendous asset to the community. Four

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. This program has operated continuously since 1973. 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 to our elderly/disabled buildings and those living near the meals site. Please call 223-6357 for more information.

CCHF is currently working with the City on the redevelopment of 58 Barre Street to include fourteen units of housing for the elderly and persons with disabilities.

The Montpelier Housing Authority is 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 Apartments, Prospect Place, Lane Shops Apartments, 7 St. Paul Street group home and the Washington County Mental Health Prospect Street property paid a total of \$114,888 in property taxes and sewer benefits for the 2009-10 tax year.

Pioneer Apartments paid \$2,042.40 in sewer benefit and \$11,897.50 in PILOT. Gould paid \$528.00 in sewer benefit and \$3,000 in PILOT.

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*

East Central Vermont Community Fiber Network

ECFiber was formed in 2008 through an inter-local agreement between 23 towns in east central Vermont. ECFiber's mission is to provide open access, universal broadband services to its member towns through a fiber optic network owned by the towns. "Universal" means that ECFiber intends to cover every residence, business, school, and institution with this fiber-based broadband network.

Despite extremely long odds, ECFiber is moving ahead. The following summary describes the various funding avenues

pursued during 2010 and then describes the decision to start Phase One, the building block upon which the rest of the network will be built.

In 2010, with the municipal finance markets still frozen, ECFiber made two applications to the Rural Utility Service for loans under the federal stimulus program. In August, after being refused funding under those programs, ECFiber decided to divide the scope of the original project into multiple smaller phases, and to raise the money for Phase 1 locally through an informal network of the friends and families of ECFiber. As of December 20, 2010, over \$850,000 has been committed to the project. Phase 1 construction plans have been completed, costs have been estimated, and required permits have been obtained. The closing date for Phase 1 financing will be January 4, 2011. Construction is expected to start in March 2011.

Phase 1 consists of about 25 miles of network with about 250 subscribers, covering portions of Royalton, Bethel and Barnard. This small network will be financially self-sustaining, meaning that it can operate at a modest profit for many years to come even if it is never extended beyond the initial 25 miles.

The Phase 1 network will validate our business plan for the three biggest network risks, namely 1) cost of construction per mile 2) number of subscribers per mile 3) average revenue per subscriber. Once these values are determined in Phase 1, it will be possible to make low risk cost and revenue estimates for the entire network very accurately.

With a proven track record of Phase 1 results ECFiber believes it will be more likely to raise money either from a public offering as originally conceived or through a loan backed by the State of Vermont.

In addition, ECFiber has applied for a grant of about \$2,700,000 from Vermont Telecom Authority (VTA) Backroads Broadband program. This grant would extend the Phase 1 network to pass about 860 additional unserved households in several other ECFiber towns. As of Dec 20, 2010 this application was still pending.

Loredo Sola, *Chair*
ECFiber Executive Committee

Parks, Conservation & Recreation Programs

Parks Commission

2010 Overview

Parks Director, Geoff Beyer, along with Parks and Trees assistant David Brunell, and AmeriCorps member Eric Clifford, completed several major park improvements this year, with the help of numerous volunteers and Department of Labor trainees.

North Branch Riverside Trail

With the help of many AmeriCorps members from around the state, VCHB staff, and Department of Labor trainees, a new trail was built along the North Branch off of Cummings Street. This trail provides a chance not only to access points of the river, but to experience the river close up and really get a “feel” for the North Branch ecosystem. To enhance the trail experience, benches have been built at several view points. Some of these are made from granite slabs that were uncovered on-site.

The trail will also be an educational resource with information about invasive plants. Interpretive signs are planned that will identify invasive plants occurring along the trail and describe ways that people can protect their land from invasive species. We also plan to enlist volunteers and school groups to test various methods of controlling invasive plants along the trail to restore native habitat and improve the experience for visitors.

Composting Toilets

The old “outhouses” in Hubbard Park have been replaced by new composting toilets. Based on Geoff Beyer’s research, these new toilets will require less maintenance and are much more “user friendly.” Located at the Tower, Seven Fireplaces, and the New Shelter, the building of these wooden structures was the handiwork of several organizations and many volunteers. Community Connections, Central Vermont’s alternative education program, found students interested in learning building skills and funded Will Eberle, a skilled timber framer, to teach them how to build timber frames for two of the structures. The third composting toilet, which is located at Seven Fireplaces area, was designed and framed by Yestermorrow School of Building and Design. The class came to the site, discussed the design needs, and then built their unique structure at their shop in Warren.

Many others also contributed to this large undertaking, including NECI students, community volunteers, and the entire 5th grade of Union Elementary School, along with their teachers and numerous parents. All wood for the toilets was milled from hazard and “crowded” trees culled from the park.

Blanchard Park Trail

After a number of years of thinking about how to improve and encourage use of Blanchard Park (behind the Police Station), several improvements were made this year. The trail from Wilder Street to the height of Blanchard Park was improved, and a bench was installed at the top. From this location, there is a beautiful and unique view of downtown Montpelier. Next year, a connecting trail down the northwestern hillside to Pitkin Court will be constructed. The Commission encourages residents to think about the future management and use of Blanchard Park, and send us your comments and suggestions.

Park Commission

Ethan Parke will be stepping down from the Parks Commission in March 2011. The Commission would like to thank Ethan for his years of service to Montpelier’s parks and for serving as Chair of the Commission for the last two years.

The Commission would also like to thank the many volunteers who helped us to accomplish so much this year. These included another great group from the International Volunteers for Peace, a VCHB AmeriCorps group, a number of classes from local schools, and numerous individual citizens who contributed their time and expertise.

Citizen support for Montpelier’s parks is always appreciated, and donations help us leverage additional support and grants from a variety of sources. If you would like to contribute to the Parks or assist in any way, please contact Geoff Beyer at the Parks Office (223-7335) or speak with a Parks Commissioner.

For information on Montpelier’s parks, including maps and natural history information, please visit the Park’s web site: <http://www.montpelier-vt.org/department/81/Montpelier-Parks.html>. The Parks Commission appreciates and welcomes comments or suggestions from residents as we continue our work of protecting and improving Montpelier’s park and trail system.

ETHAN PARKE, *Chair*
AARON BRONDYKE, *Commissioner*
LYN MUNNO, *Commissioner*
CARA ROBECHER, *Commissioner*
LEIGH SEDDON, *Commissioner*

International Volunteers for Peace work on the North Branch Trail



Front Row left to right: Fany Tanguy - Canada, Babette Bresser - Germany, Eskomatti Heikkila - Finland (behind Babette), Natalia Romanenko - Ukraine, Verena Pretzel - Germany, Eric Clifford USA Americorp member, Jessica Bousquet - DOL trainee, David Brunnel- Park Staff (with green hat), Paul Albisetti - France

Bottom Row: Jangwhan Cho - South Korea, Hugo Brunet - France, Sung Min Choi - South Korea

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:

Master Planning

The Conservation Commission actively participated in the creation of a new Master Plan for the City of Montpelier that was adopted by the City Council on September 8, 2010. The Master Plan reflects much of the effort that went into Envision Montpelier, the recently completed long-term, planning project designed to lay the groundwork for strategies and activities that will contribute to Montpelier becoming the country's first sustainable state capital. The Commission advocated for keeping strong language in the Master Plan to protect wetlands and ensure effective stormwater management on any new developments and this language was included in the final draft. The Commission looks forward to actively participating in the process to revise the Montpelier zoning regulations to reflect the priorities outlined in the new Master Plan.

High School students continue service on the Conservation Commission

Caitlin Paterson and Joshua Klavens served as student representatives on the Commission during the 2009-2010 school year. Liam McSweeney, one of the first students to serve on the Commission, returned to serve the rest of his senior year on the Commission after taking a leave while serving as a legislative page with the Vermont Congressional delegation in Washington, D. C. during the second half of his junior year. Caitlin also extended her time to serve for a second year on the Commission. The students were active participants in meetings and brought their perspective to deliberations about a variety of issues. We will be seeking new student representatives this summer. Anyone interested is encouraged to contact Matt McLane, Community Based Learning faculty at Montpelier High School at 225-8052.

Air Quality Monitoring Program

The Conservation Commission led the effort to create an air quality monitoring program for the City of Montpelier in cooperation with science departments at Montpelier and U-32 High Schools. The Commission successfully argued for the creation of an air monitoring program as a component of the Master Plan to track changes in local air quality as the City transitions away from relying on fossil fuels for both heat and transportation. The Commission is concerned that our excellent air quality be maintained as alternative fuels (pellets,

wood chips, biofuels, etc.) replace fossil fuels. With financial support from both schools and the New England Grassroots Environment Fund, the Commission purchased a mobile air monitoring ACCESS analyzer which was used in a pilot program with MHS Science teacher Lexi Shear's *Chemistry in the Community* course. Students researched and formed hypotheses about a number of air quality concerns in the community and used the equipment to test their hypotheses at various locations in the community. Their results were presented to the Commission and members of the City Council at the end of the Spring semester. The Commission is now seeking additional grant funding to make the air monitoring a permanent component of the high school science curriculum.

Invasive Species Workshop

The Commission conducted a spring workshop about invasive plant species that threaten our local forests and riparian areas. In partnership with the Vermont Chapter of the Nature Conservancy and the Vermont Invasive Plant Committee, a "Wise on Weeds" workshop provided residents with technical advice on identifying, removing and reducing invasive plants and seeds from natural areas, gardens and landscaping. The Commission learned that many of the invasives originated as ornamentals, including Japanese barberry, burning bush, purple loosestrife and bush honeysuckle, some of which are still available at local nurseries. On Green-Up Day, the Commission, with support from Montpelier Alive and the Vermont Compost Company, removed a dozen Japanese barberry plants from in front of City Hall and replaced them with a non-invasive alternative. The Commission welcomes suggestions from the public on other program offerings that can benefit the residents and their environs.

Commission members, alternates and liaisons during all or part of the year included Geoff Beyer, Erik Esselstyn, Christopher Hilke, Roy Schiff, Kris Hammer, Karen Freeman, Anthony Iarrapino, Bill Finnegan, Joshua Klavens, Caitlin Patterson, and Liam McSweeney. 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@vlt.org. 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 Wendy Blakeman and Clare Rock and members: Abby Colihan, Jean Jolly, Sarah Mitchell, Carole Naquin, John Snell and John Van Deren. We are grateful to Geoff Beyer, who serves as Tree Warden as well as additional volunteers who assist the Board in various capacities. 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:

Received Community Forestry Funds from the Preservation Trust

The Board successfully submitted a grant application this past spring. We received funds to replace the tree in front of Delish on Main Street, plant a crab apple south of City Hall and purchase a tree grate and guard.

Hosted Tree Board Table and Tree give-away

The Tree Board promoted their work at the winter's farmers market with a survey and raffle. The Board presented a lucky local resident with a tree from the nursery. The tree board will continue to raise awareness about the importance of trees into the future.

Attained Tree City USA status once again

The Board once again achieved Tree City USA status this year for the eighth time, an important recognition that will also allow us to more easily access Federal and State matching grant funds. Thank you board member Abby Colihan for ensuring we continue to receive this recognition.

Utilized Mazer Grant Funding to assist with projects

Mazer grant funds provided the Board and Geoff with some help to make Tree Inventory data accessible and more user friendly. The balance of funds will be used in 2011 to purchase trees, repair the Nursery irrigation system, provide a stipend for student help with the Tree Inventory and to complete the Municipal Street Tree Plan.

Continuing efforts on the Street Tree Inventory

The Tree Warden continues to coordinate the completion of the Street Tree Inventory. Geoff worked with a former intern to make inventory information accessible to several programs. The inventory includes information about trees which are on City property, within the City right-of-way and trees which may impact the City right-of-way. The location, the tree species, the height and the overall health of the tree is documented in the data gathering process. The inventory, when completed

will not only provide valuable information about the overall health of our street trees, but more importantly help define a maintenance program for street trees and guide efforts for planting and replacing trees. The inventory is a multi-year project as the undertaking is quite extensive.

Updating the Municipal Street Tree Plan

The last Municipal Street Tree Plan was written in 1999 and is overdue for an update. The Tree Board is in the process of updating the plan. The current plan will help direct the work of the Tree Board and provide other city boards/committees and City residents with information about the health of our trees, best tree planting techniques and tree maintenance practices. The Board anticipates sharing the draft Tree Plan with City residents during 2011 and will be seeking feedback.

Undertaking Urban Tree Canopy Assessment

The Vermont Community and Urban Forestry Program has undertaken an Urban Tree Canopy Assessment in Montpelier. The Tree Board looks forward to receiving the results any day now. Special thanks to the UVM Spatial Analysis Lab who helped with the assessment. The results of the Urban Tree Canopy Assessment will be incorporated into the Street Plan update and provide the Tree Board and the City with information about where is the greatest potential and benefits for increasing the tree canopy. Having this type of assessment will also make the board more competitive for funding to assist with future urban forestry projects.

Maintaining the 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 Tree Board continues to foster the growth of our saplings purchased last year, prepare for new tree plantings in 2011 and work on repairing the irrigation system.

Planting and maintaining downtown trees

Our downtown trees are subject to a variety of abuses that lead to decline and necessitate replacement and more protection. Some tree decline is attributed to limited tree root growing space and harsh winter conditions. In other cases tree failure is due to human causes such as de-icing products, tobacco waste, animal excrement, lawn mower damage, bicycle parking, and vandalism. Several replacement trees were planted out on Green Up Day, May 1, 2010. Tree grates and guards were inventoried and repaired to provide as much protection as possible.

The Tree Board appreciates the tremendous support and cooperation we've enjoyed over the past year; in particular, Geoff Beyer, Montpelier Tree Warden and Parks Department Director and his Parks Crew. Also thanks to Sandy Gallup, Tom McArdle and Christine Joyal for help fulfilling the grant requirements.

Volunteers are also always welcome for short or long-term projects. Regular meetings are scheduled the first Thursday of each month at 5:30pm and all community members are welcome to attend. 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.

WENDY BLAKEMAN, *Montpelier Tree Board*

CLARE ROCK, *Montpelier Tree Board*

Montpelier Recreation Department

As we look back on 2010, the Montpelier Recreation Department made more strides towards the future. This year saw the replacement of the Pool Filters, Painting the Pool House and Light Poles, and replacement of the Wooden Foot Bridge by the pool. We have been very fortunate to accomplish so many projects that needed to be done.

Our Capital Kids Summer Day Camp program continues to increase. This past summer, our Licensed Day Camp Program benefited from its partnership with the Summer Lunch Program. Everybody enrolled could participate in the lunch program that is offered at camp and eligible participants can receive a free lunch to help provide a well-rounded Day Camp experience. Our Vacation Break Day Camps offered during February and April school vacations were also successful.

The Recreation Department's overall attendance increased in 2010. Many programs saw higher numbers. Tennis Lessons, Swimming Lessons, Hunter Safety, Boater Safety, Soccer Camp, Parent /Child Archery, and our Ballroom Dance Classes. Baseball, Basketball, Fall Soccer, maintained close to the same numbers as last year.

The Recreation Department offered many new activities including Badminton, Knitting, Fall Hike to Camel's Hump, West African Dance, Adult Cooking, and Adult Kickball just to name a few. We are starting to see more adults participate in our programs. We also offered several after school classes. Hip Hop Dance, Young Rembrandts Drawing, and Babysitting were among some of the programs we offered.

We conducted our annual special events with more participants than past years. They consisted of: Father/Daughter Valentines Dance, Mother/Son Bowling, Ski & Skate Sale, Halloween

party, Easter Egg Hunt, Touch a Truck, and our Skating Party at the Pool.

At the swimming pool, we continue to enjoy our Summer Barbecues, Moonlight Swim, Family Fun Day, and many other special events. A special thanks to our pool staff for an enjoyable summer at the pool. The weather was challenging and we still had over 8,000 people visit the pool. It proved to be a busy summer.

Our association with Ellis and Associates Lifeguard Training has continued to be very successful. We feel that we have one of the top groups of lifeguards anywhere and our audits continue to back this up with the highest possible grades on a continual basis.

Many of our programs rely on volunteers in order to make them run smoothly. We are very fortunate to have such a high number of very qualified and experienced volunteers. We, at the Recreation Department, would like to express our gratitude to all our volunteers. Without our volunteers, and supporting organizations, many of our programs would be impossible to run. Along with the volunteers, our Recreation Staff does a great job keeping programs and facilities running smoothly.

We enjoy looking back over the past year at our accomplishments, but are always looking forward to serving the communities needs better. As 2011 approaches, we have a vision of expanding even more of our programs. We hope that each of you will be able to take part in as many of our programs as possible.

If you know of a program you would like to see offered, know of an instructor to teach a class for us, would like to serve on the Advisory Board or if you have any questions, please call us at 225-8699 or stop by our office at 55 Barre Street.

Don't forget to check us out on the web at www.montpelierrec.org

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

ARNE MCMULLEN, *Director of Recreation*

JENNY BARTLETT, *Program Coordinator/Pool Director*

JUDY COLOMBO, *Administrative Secretary*

NORMA MAURICE, *Office Assistant*

RICK LACHAPPELLE, *Maintenance Forman*

MIKE HEALY, *Maintenance Worker*

JESSICA SMITH, *Capital Kids Day Camp Director*

RECREATION ADVISORY BOARD MEMBERS:

Ben Palkowski, *Chair*

Bill Brooks Karlynn Koenemann

Brian Murphy Courtney Parento

James Surwilo

Steve Robinson – *School Board Representative*

Below is the Proposed FY 12 Budget for the Montpelier Recreation Department. The Recreation Appropriation will be level funded. Thank you and we look forward to serving our community.

FY12 Recreation Department Budget					
Account	Description	Budget FY11	Proposed Budget FY 12	Difference	% Change
06-1570	Administration	285,842	296,888	11,046	3.86%
06-1571	Recreation Indoor	67,066	71,191	4,125	6.15%
06-1572	Recreation Outdoor	332,425	320,202	-12,223	-3.68%
06-1573	Swimming Pool	125,538	122,497	-3,041	-2.42%
06-1574	Indoor Skating	1,934	2,027	93	4.81%
	Fund Balance	0	25,256	25,256	100.00%
	Totals	812,805	838,061	25,256	3.11%

FY12 Recreation Department Revenue					
Account	Description	Budget FY11	Proposed Budget FY12	Difference	% Change
06-1000	Rec Appropriation	605,230	605,230	0	0.00%
06-2700	Season Passes - Swim Pool	19,000	19,000	0	0.00%
06-2701	Season Passes - Rec. Center	600	600	0	0.00%
06-2720	Daily Adm. Fees - Swim Pool	9,000	9,000	0	0.00%
06-2721	Daily Adm. Fees - Rec. Center	2,800	2,800	0	0.00%
06-2730	Program Fees - Swim Pool	6,500	6,500	0	0.00%
06-2731	Program Fees - Rec. Center	38,000	38,000	0	0.00%
06-2732	Program Fees - Outdoor Fac.	95,025	95,025	0	0.00%
06-2740	Concessions - Swim Pool	7,600	7,600	0	0.00%
06-2741	Concessions - Rec. Center	100	100	0	0.00%
06-2751	Rentals - Rec. Center	6,500	6,500	0	0.00%
06-2752	Rentals - Outdoor Fac.	8,000	8,000	0	0.00%
06-2798	Ski & Skate Sales	7,450	7,450	0	0.00%
06-2990	Miscellaneous Revenue	7,000	7,000	0	0.00%
06-5900	Rec. Fund Balance	0	25,256	25,256	100.00%
	Totals	812,805	838,061	25,256	3.11%



Photo courtesy of Roger Crowley

Area Agencies Social Services

Central Vermont Home Health and Hospice

*Because There's No
Place Like Home*

Central Vermont Home Health and Hospice (CVHHH) is celebrating 100 years of home care service in Central Vermont. CVHHH is a full service, not-for-profit Visiting Nurse Association governed by a local voluntary Board of Directors. The Agency serves 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 high quality, medically-necessary home health and hospice care to all Central Vermonters regardless of their ability to pay. 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, better breathing workshops, 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.

Each year, CVHHH provides close to half a million dollars in "charitable care" – care for which CVHHH is not reimbursed by Medicare, Medicaid, third party private insurance, or patient/family payment. This care is made available to those individuals and families who are unable to pay for needed services – those who are uninsured or underinsured. During 2010, CVHHH made nearly 100,000 visits to clients in Central Vermont. Town funding will help ensure CVHHH continues these services in Montpelier through 2011 and beyond. For more information contact Judy Peterson, President/CEO, or Lindsay Kurrle, Community Relations at 223-1878.

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, call CVHHH at 223-1878 or go to www.cvhhh.org.



People's Health & Wellness Clinic

The Mission of the People's Health & Wellness Clinic is to provide primary health care and wellness education to uninsured and underinsured central Vermont residents who could not otherwise afford these services.

In addition, patients must have income at or below 300% of the federal poverty level (FPL). However, 86% of our patients fall under 185% FPL. This equates to a gross income of \$20,112 for an individual; \$27,072 for a couple.

In calendar year 2010, we provided a total of 1062 visits to 448 central Vermont residents. 59 Montpelier residents used our services, visiting 153 times. We provided 45 prescriptions, covered 26 lab and diagnostic services, and helped them apply for 31 different health insurance or assistance programs, among other services.

Of the 448 total individuals, we were successful in enrolling 85 of them in health programs including VHAP, Medicaid, Catamount, Ladies First, Medicare, Healthy Vermonters, Affordable Meds, and Central Vermont Medical Center's patient financial assistance program. By doing so, we keep them from using the emergency room inappropriately, avoiding cost shifts to public and private health insurance premiums, as well as providing more comprehensive care to the patients.

Volunteer practitioners are the heart of our service model. In 2010, over 60 volunteers gave over \$70,000 worth of their time serving our patients free of charge. We also provided over \$40,000 worth of pharmaceuticals to our patients, paid for \$14,000 of diagnostic testing, and got another \$10,000 worth of tests donated.

We define our primary service area as all of Washington County, plus the Orange County towns of Orange, Washington, and Williamstown, but we do not restrict geographic access, and ended up serving people from 45 towns in 2010.

For information, to schedule an appointment, or to become a volunteer, call the Clinic at 479-1229. The Clinic's business hours are Monday through Thursday, 9:00 AM to 5:00 PM. Evening clinics are held Monday and Thursday evenings. Patients are seen during business and clinic hours by appointment only.

In 2010, we collaborated with Central Vermont Medical Center and the Susan G. Komen Foundation to provide six comprehensive women's health clinics. These Tuesday evening clinics target women who have not previously sought our services. We plan to continue these in 2011.

We are very grateful to have had the support of every town in central Vermont, including Montpelier. This helps us leverage

other funding from foundation and corporation grants. Thank you again for continuing to support the efforts of the People's Health & Wellness Clinic.

PETER YOUNGBAER, *Director*

The Vermont Center for Independent Living



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

Preliminary data for our FY '10 (10/1/09-9/30/10) show that VCIL responded to over **1,550** requests from individuals, agencies and community groups for information, referral and assistance and program services for individuals living with a disability. VCIL Peer Advocate Counselors (PACs) provided one-on-one peer counseling to **535** individuals to help increase their independent living skills and assisted **315** households with financial and/or technical assistance to make their bathrooms and/or entrances accessible. We provided **255** individuals with assistive technology and delivered meals to **485** 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 and we now have five branch offices in Bennington, Chittenden, Orleans, Rutland and Windham Counties. Our Peer Advocate Counselors are available to people with disabilities throughout Vermont.

During FY '10, **70** residents of **Montpelier** received services from the following programs:

- Home Access Program (HAP)
- Meals on Wheels Program (MOW)
(over \$14,000 spent on peers)
- Peer Advocacy Counseling Program (PAC)
(over \$1,900 in PAC hours)
- Sue Williams Freedom Fund (SWFF)
(over \$600 spent on peers)
- Information, Referral and Assistance (I,R &A)

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.

Project Independence



Project Independence is asking the City of Montpelier for \$2,000. We currently serve 17 individuals from the City of Montpelier at Project Independence. Eleven individuals come five days a week and six come three days a week.

On June 23, 2010 Project Independence, (PI) Barre purchased a new home for it's adult day center. The move provides much needed improvements on a number of different levels:

- A more central location in downtown Barre for our participants' to remain being a vital member of their community.
- Increased square footage allowing PI to potentially double the number of participants in the near future. Currently we are serving 33 participants and are planning to serve 65.
- An upgrade of the physical structure allows for better services. For example we now have more wheelchair accessible bathrooms and a larger shower; our physical therapy room is more spacious and upgraded; the kitchen is expanded and will easily adapt to providing more meals.

The move means a welcomed improvement for us and more financial obligations.

The participants' call their new space the **PI Palace**. Miracles happen every day at PI and you are welcome anytime to visit and join us for lunch at noon.

Project Independence' Work

Keeping the elderly, frail, mentally and physically disabled at home with their loved ones and independent for as long as possible is at the core of our mission.

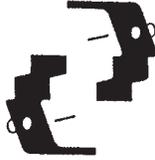
Project Independence was founded in 1976 and was housed in the same location up until our new purchase this past June. Yet over the last 30 years the expectations and requirements for adult day care centers have changed. As a society we are expecting to be able to provide more stimuli for our elderly so they may stay physically, socially and mentally active. It is also a sign of the time that more family members are forced to work away from home.

Adult Day (AD) care centers are the necessary link to make this above goal possible. For the family it means to be able to leave the house knowing their loved ones are safe, cared for and stimulated. AD are also a source of respite and counsel for the caring family.

For the elderly themselves it means to come to a familiar place that offers social, intellectual, physical engagement and medical support.

DEE ROLLINS, *Executive Director*

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 2010, VABVI served 1,369 clients from all 14 counties in Vermont, including forty-one (41) adult clients and seven (7) students 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 Brattleboro, Montpelier, Rutland and South Burlington. For more information about VABVI's services, or to volunteer, please contact us at (800) 639-5861, email us at general@vabvi.org or visit us our website at www.vabvi.org.



Please contact Dave Agnew-Blais, Development Coordinator, at dagnewblais@vabvi.org or (800) 639-5861 ext. 217 if you would prefer to receive this information by email. Thank you.

Sexual Assault Crisis Team



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 victims/survivors, their non-offending family members during the legal process including court, depositions, rape exam recovery, time before or after individual counseling sessions through a 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 organizations.

This year SACT is facing additional demands on our resources as we attempt to provide the services needed for male and female shelter residents who are leaving behind their homes, belongings and financial resources for medical, food and restart up cost. Victims and survivors not only look to us to provide food, emergency dental and or medical assistance but also look to us for transportation funds and relocation funds including rent deposits etc.. We have also found our shelter staff are having to provide assistance to people using our shelter to apply for or change location information for SSI and other resource needs. We are working closely with Norwich University and the Vermont National Guard Sexual Violence Response Coordinator to ensure returning soldiers and their family members, who are struggling with sexual violence issues, are offered all of our services to facilitate their transition to civilian life.

SACT operates using paid staff and during 2009-2010 we had five volunteers and seven part time stipend paid hotline staff from local communities who trained for thirty hours to provide confidential advocacy to victims by responding to hotline calls. During 2009-2010 SACT received 1558 calls for services including crisis calls for sexual assaults, requests for emotional support, hospital advocacy, criminal justice advocacy, information and referral, and requests for education and training. These calls for services were handled by both paid staff and volunteers. During fiscal year 2009-2010 SACT provided services to 166 new unduplicated and 7 return clients. 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 which allows the non-offending care provider to stay in shelter with the victim/

survivor. During the 2009-2010 fiscal year, SACT provided shelter for 27 people, including 17 adult females and 6 adult males and 2 female children and 2 male children for a total of 298 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 & Shelter



This has been a year of transformation for Battered Women's Services and Shelter (BWSS). One of the biggest changes our organization experienced this year was the undertaking of a name change project! Twenty-nine years after opening its doors, BWSS has come to a turning point in our work within the domestic violence movement; one that encourages long-term solutions through increased community involvement and greater prevention measures. While our name added strength and definition to our work in the beginning and has served us well, it is time to guide the movement in a new direction, one that is not fear-based, but based in non-violence and healthy choices. BWSS is excited and inspired by the new directions that the battered women's movement is taking. Our work as advocates is becoming more focused on prevention, increasingly pro-active, and wider in scope. Throughout fiscal year 2010, BWSS advocates were kept extremely busy providing the following services:

- Over the past year, staff and volunteer advocates responded to 4,123 hot line calls, an average of 343 calls per month.
- Shelter services were provided to 31 women and 25 children for a total of 1,958 bed nights, an increase of almost 50% in bed nights from the previous year.
- Our prevention based programs in schools reached a total of 1,842 students in Washington County through the 101 presentations and support groups held during this fiscal year. BWSS was able to reach 10% more students than last year and worked with 3 new schools.
- BWSS provided community presentations to 610 people through the 27 presentations offered to individuals and professionals in Washington County.

- Advocates provided support to 125 plaintiffs during Final Relief from Abuse Hearings, and assisted 119 individuals file for temporary orders.
- Court Education Program was presented to 262 individuals, and our Court Hour Program, which offers one-on-one support to plaintiffs as they prepare for their final hearings, was offered to 64 individuals.
- Over 1,500 people received direct services from BWSS, which are maintained by trained staff and volunteer advocates.
- BWSS offered numerous evening support groups, reaching a total of 16 women. This evening group was also able to offer childcare to 7 children of the participants.
- Our organization continues to rely heavily on the vast support of our Board Members and hotline, shelter, and community events volunteer advocates. Our 18 dedicated and generous volunteers contributed 6,502 hours to the work of BWSS.

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 CONFIDENTIAL 24-HOUR HOT LINE (1-877-543-9498)
- EMERGENCY, CIVIL and CRIMINAL COURT ADVOCACY
- SUPPORT GROUPS
- PREVENTION EDUCATION OFFERED TO SCHOOLS THROUGHOUT 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

Is An Important Resource to the Residents of Montpelier



During the past year The Washington County Youth Service Bureau/Boys & Girls Club provided the following services to young people and families in **Montpelier**:

- ➔ **162 Teens** participated in the **Basement Teen Center** in Montpelier that provides supervised drop-in time, leadership opportunities, and many activities & events.
- ➔ **30 Teens** were served by the **Community Assistance Program** that helps youths avoid substance abuse or make connections with treatment services.
- ➔ **27 Youths and their Families** were assisted by the **Country Roads Program** that provides 24-hour crisis intervention, short-term counseling, and temporary, emergency shelter for youth who have runaway, are homeless, or are in crisis.
- ➔ **56 Teens** were provided with **Substance Abuse Treatment**.
- ➔ **8 Family Members** (6 teens and 2 children) participated in the **Teen Parent Program** that helps teen parents build parenting and life skills, continue their education, and create healthy homes.
- ➔ **8 Teens** were provided with information about the challenges and realities of teen parenting through presentations of the Bureau's **Teen Parent Panel**.
- ➔ **17 Teens** participated in the **Transitional Living Program** that helps homeless young people make the transition to independent living.
- ➔ **1 Young man** was served by **Return House** that provides transitional assistance to young men who are returning to Barre City from jail. Return House is staffed 24/7.
- ➔ **34 Teens** were provided with information and referrals to services and activities through the **Peer Outreach Program**.
- ➔ **207 Community Members** were served through the 36th **Community Thanksgiving Dinner** organized by the Bureau (120 of these were provided with home-delivered meals).

Referrals to our services come from parents, school personnel, other organizations, the VT Department of Children and Families, the VT Department of Corrections, churches, police officers, and young people themselves. Many are received through our **24-Hour Crisis Response Service**.

The Youth Service Bureau/Boys & Girls Club is a private, non-profit, agency. All programs and services are funded by foundations, state government, federal government, private donations, area towns, Medicaid, private insurance, and fundraising activities such as Trees for Teens.

For Information and Assistance Call

229-9151 • 24 Hours a Day – 7 Days a Week

The Basement Teen Center/ Boys & Girls Club

The Basement Teen Center/Boys & Girls Club, 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:

- ✓ **184** Montpelier teens participated in daily Basement activities. 72% of the 258 individual teens who participated in the Teen Center were Montpelier residents.
- ✓ **120** Montpelier teens participated in special activities and events. Of the 159 youth participating in special events and activities, 75% were from Montpelier.
- ✓ **146** activities were sponsored by the Basement. Examples of activities include Friday night dinners, Montpelier Amazing Race, snowboarding, movie nights, community service projects, digital photo scavenger hunts, music Mondays, pool tournaments, and much more!
- ✓ **36** community volunteers donated time to lead activities, help with special events, or help during drop-in time.
- ✓ Daily participation at drop-in time ranged from **5 to 33 teens**.
- ✓ Teens made a total of **2,926** drop-in visits to the Basement.

Washington County Diversion Program

*Serving the Communities of
Washington County for over 30 years.*



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 2010 (July 1, 2009 - June 30, 2010):

- We received 283 referrals to Diversion and 337 referrals to ASP, for a total of **620** clients served in the period.
- Our clients performed **6503** 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 \$ 7981.00, while donations to charities amounted to \$3,336.00, which comes to **\$11,317.00** for the year.

FUNDING

As a community based, non-profit program and United Way Agency in FY 2010, Diversion got 50% of its funds from the Attorney General's office; 37% from client fees, 3% from the United Way and the remaining 10% from other local sources like grants and towns and cities. Our total cost per case last year was about \$315.00 for each of the 620 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 Community Action Council



Since 1965, the Central Vermont Community Action Council has served low-income residents of Lamoille, Orange, and Washington Counties and nine communities in Windsor, Addison, and Rutland Counties. We work with families to build better lives and to create thriving local communities. This year, Community Action served 16,182 people in 8,876 Vermont households through Head Start and Early Head Start, Community Economic Development programs, Family & Community Support Services, including emergency food and Crisis Fuel, home Weatherization assistance and more.

Program and services accessed by 412 Montpelier families with 769 residents include:

- 322 households with 611 people were provided with emergency services, including food, heating and housing assistance, as well as referrals to other community resources to address critical needs.
- When their family could not afford groceries, 473 adults and children accessed enough food for 15,579 meals through our food shelves.
- 20 households with 41 family members sought housing to secure or maintain safe, stable housing.
- 201 households with 449 family members were able to keep heating their homes with help from our Crisis & Supplemental fuel programs.

- 61 households received professional, free tax preparation and filing, ensuring the full benefit of refunds, credits and rebates which were due. \$34,769 in tax refunds helped those families stretch their budget, build savings or invest in their families and communities.
- 2 households were able to resolve controversies with the IRS through our Low Income Taxpayer Clinic.
- 12 children participated in Head Start and Early Head Start programs that supported 29 additional family members.
- 2 Head Start parents participated in Vermont Family Matters to strengthen family relationships.
- 3 adults and 2 children gained critical literacy skills through our Family Literacy Center, including 1 teen mom.
- 13 families used our Children's Hour supervised visitation and exchange services to allow noncustodial parents opportunities to visit with their children.
- 11 homes were weatherized at no charge, making them warmer and more energy efficient for 11 families with 30 people, including 9 seniors. 1 person attended do-it-yourself Skillshops, gaining hands-on training and the building science background to make energy-saving home improvements on their own.
- 3 homes had faulty heating systems repaired at no charge.
- 1 person found and maintained reliable transportation with support from the Vermont Car Coach.
- 18 people attended classes or met one-on-one with a financial counselor to be better able to manage and grow family finances.
- 33 entrepreneurs received counseling and technical assistance on starting or growing a business.
- 13 women received training, counseling and technical assistance from the Vermont Women's Business Center to pursue dreams of business ownership.
- 23 people started saving towards an asset that will provide long-term economic security. 2 first homes were purchased; 4 businesses were capitalized and 3 people enrolled in higher education or training with their savings.
- 1 local business owner received financing from Community Capital of Vermont when they couldn't access traditional bank business loans. 20 people worked with a VT Green career counselor to prepare for a job in the green economy: 7 attended training to gain green job skills; 5 received industry credentials or certification and 4 secured a job.

Community Action 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 instruction through a free program 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.

Seventy-four Montpelier residents 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 at 100 State 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
100 State Street – Suite 3
Montpelier, Vermont 05602
(802) 223-3403

~~~~~

Central Vermont Adult Basic Education  
Barre Learning Center (and administrative office)  
46 Washington Street – 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 or visit [www.cvabe.org](http://www.cvabe.org)**

## Central Vermont Council on Aging



One call to our Senior Helpline at 1-800-642-5119 can connect an older central Vermonter or a concerned family member with essential services that support an elder in remaining independent. For more than thirty years, Central Vermont Council on Aging (CVCOA) has helped elders in leading healthy, meaningful and dignified lives in their homes and communities. We provide a network of programs and services to help make this a reality for older residents of Montpelier.

Among the services provided directly by or under contract with CVCOA are: information and assistance; community and home delivered meals; health insurance counseling; transportation to essential destinations; family caregiver support and respite grants; mental health services; legal services; companionship; food stamp and fuel assistance outreach; and help with household tasks. Our sponsored programs include Senior Companions and Neighbor to Neighbor AmeriCorps.

Older residents of the City of Montpelier often require the services of a case manager to assess their specific needs, develop an individualized care plan, and to connect them with public benefits programs and other community and state resources. The CVCOA Case Manager for Montpelier is Wanda Craig who can be reached at 802-479-7553. In fiscal year 2009-10, CVCOA served 631 residents of Montpelier.

Central Vermont Council on Aging is a private nonprofit organization. There is no charge to elders and their families for services provided. All programs and services are made possible by local communities, state and federal funds, and private donations. CVCOA recognizes and appreciates the valuable support for older central Vermonters provided by the City of Montpelier.

## RSVP for Central Vermont and Northeast Kingdom and 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 non-profit organizations. RSVP and The Volunteer Center serves the Counties of Washington, Lamoille, Orleans, Caledonia, Essex and Orange.

During the fiscal year beginning July 1, 2009 and ending June 30, 2010, RSVP was able to involve 78 residents of Montpelier as RSVP volunteers. Those residents gave 3,725 hours of

service to 22 organizations within the boundaries, or serving, the City of Montpelier. Organizations and services such as health clinics, food distribution centers, blood drawings, library service, RSVP bone builders, 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 \$73,288 of services to Montpelier area residents and organizations. This is proof that 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*

## 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, toddler and preschool child care, 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.



**Family Center**  
OF WASHINGTON COUNTY

**Among the 962 individuals in Montpelier who benefited from the Family Center's programs and services from July 1, 2009 – June 30, 2010 were:**

- \* 317 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.
- \* 70 **families** who received **assistance paying for child care**.
- \* 26 **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 and workshops.

- \* **109 children and 85 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.
- \* **38 adults and 21 children** who participated in **Parent Education Workshops** and related activities for children.
- \* **45 children** who attended our **nationally accredited Early Childhood Program**.
- \* **141 children and parents** who attended our **community events**.
- \* **76 individuals** who were served by one of our specialized **Home Visiting** services, providing parent and family education and support.
- \* **23 community members or child care professionals** who planned local and regional **Building Bright Futures Council** activities.
- \* **7 children** who received **transportation assistance** through our bus.
- \* **1 individual** who received **employment training** in our **Family Works program**.
- \* **3 individuals** who received our **Children's Integrated Services**.

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



This past year was both exciting and busy for the Montpelier Food Pantry. We served 78,351 meals to 1,497 households. Of those we served, 366 were new faces to the Pantry. We distributed 143 Food Baskets during the holiday season. We are very fortunate to continue our good work with the help & generous support of our many volunteers, the Montpelier area community, service organizations, individuals and local businesses. Together we are meeting the growing needs with compassion and a spirit of helpfulness.

We saw increased donation of fresh produce this past year. Several organizations planted gardens which they used as learning tools for the community and then donated that produce to the Pantry. Many individuals shared from their own gardens and/or grew produce specifically for the Food Pantry. We hope to expand these resources in the years to come.

I am excited to come on board as the new director of the Montpelier Food Pantry. We thank Victoria King for her many years of service as the director, and we are all looking forward to the continued services that we will provide to the community.

For more information on the Montpelier Food Pantry please visit: [trinitymethodistvt.org](http://trinitymethodistvt.org) or call Kimberley at 229-9158.

## Green Mountain Transit Agency



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 access to a healthy and vibrant lifestyle.

### ELDERLY AND DISABLED TRANSPORTATION

GMTA provides medical transportation service to those who qualify for either Medicaid or Elderly and Disabled funds or both. We offer those in need the scheduling and payment of rides and provide service through volunteer drivers or bus 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. Many individuals who qualify for these funds rely on GMTA as their only means of transportation to necessary health care service, social activity and daily shopping needs. GMTA not only provides the transportation, but also the administration and operational skills required to coordinate such a service.

**For FY10 GMTA provided continual Medicaid and Elderly and Disabled transportation service to 290 Montpelier residents totaling 17,645 trips equaling 75,578 miles driven!**

To demonstrate the increasing need for essential elderly and disabled services, GMTA provided continual service to 277 individuals in FY09 and 242 in FY08.

## HEALTH CARE

GMTA offers Montpelier residents medical transportation service to local health care facilities for medical services or in some cases, vital acute care transportation for radiation and dialysis treatments. GMTA travels to such places as Central Vermont Medical Center, Berlin Health and Rehabilitation, Central Vermont Home Health and Hospice, Central Vermont Substance Abuse, First in Fitness, Kinney Drugs, Associates in Pediatrics and medical centers off Airport Road. We also provide free shuttle service to the Health Center in Plainfield to allow Montpelier residents direct access to an affordable and multi-service care provider.

For those Montpelier residents requiring distant travel for needed health care, GMTA will provide the necessary transportation for qualified clients. These trips include Dartmouth Hitchcock Medical Center, Fletcher Allen Medical Center, and various locations in Boston Massachusetts. GMTA believes that the effort to maintain individual health should not include an obstacle of limited transportation.

## SOCIAL SERVICE

In addition to our medical services, we collaborate with social service programs and area centers which support the specific needs of transit dependent Montpelier residents. Whether the need is early child care support, assistance in substance abuse recovery or access to employment, each person within our community deserves equal access to that which provides a healthy quality of living. Supportive social service trips can include rides to Reach Up job training and child care sites, Central Vermont Substance Abuse, Washington Family Center, Washington County Mental Health, Vocational Rehabilitation and Vermont Association for the Blind.

For those residents requiring adult day services, GMTA provides transportation to Project Independence in Barre City. Our collaborative work with Project Independence offers support and care for our senior and disabled neighbors through active social programs, personal and health care services.

## FIXED ROUTE AND COMMUTER ROUTE SERVICE

GMTA fixed route and commuter service allows Montpelier residents easy and affordable access to key central Vermont locations along with connecting services to Chittenden, Lamoille and Caledonia Counties.

The **City Commuter** and **City Route Mid Day** route travels between Montpelier, Berlin and Barre City 23 times each weekday, and 16 times on Saturday. The deviated fixed route service allows travel to work, area businesses for shopping, access to social and entertainment venues, along with connections to other GMTA routes listed below. **For FY10, GMTA served 44,200 riders for the City Commuter and 22,563 riders for the City Route Mid Day.**

The **Link Express** is a commuter service allowing transportation between Montpelier and Burlington during peak commuting hours along with the **new mid day** service. This service has seen amazing growth within the past few years, and has proven that if given the opportunity, Vermonters will utilize alternative means of transportation. **For FY10, GMTA served 73,504 riders from Montpelier to Burlington.**

The **US 2 Commuter** is a new commuter service which began operating at the end of FY10 in April, offering connections between Montpelier and St. Johnsbury during peak commuting hours. In just the fifth month of service, the route was already close to the twelfth month target ridership level and shows signs that it will surpass that target before the end of the first year of operation. **For the last two months of FY10, GMTA served 1,830 riders.**

The **Waterbury Commuter** is a commuter service offering transportation between Montpelier and the Waterbury Senior Center, Green Mountain Coffee Roasters and State Complex. Not only does the Waterbury Commuter provide service to/from Waterbury center, but it also allows for connecting service with the Route 100 Stowe/Morrisville and US2 Commuter routes. This service primarily supports those needing transportation to distant work locations. **For FY10, the Waterbury Commuter served 11,742 riders.**

The **Montpelier Hospital Hill** route travels to Central Vermont Medical Center, Berlin Mall and surrounding locations through deviation requests. This service provides direct access to Berlin's health care services at CVMC, central shopping locations and employee commuter transportation. **For FY10, the Montpelier Hospital Hill Route served 22,557 riders.**

## SEASONAL SERVICE

The **Capital Shuttle** is a free downtown Montpelier service which offers travel between the Dept. of Labor parking lot, the business district, state office areas and National Life. This convenient service offers free transportation to the general public, along with supporting the travel needs of the legislature when in session. 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. **For FY10, the Capital Shuttle provided 6,713 rides with free city service through the months of January and May.**

The **Snow Cap 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 for seasonal employees, along with service for those seeking easy access to area ski facilities in the winter season. The Snow Cap runs from January through early April. **For FY10, the Snow Cap provided 694 rides from Montpelier to the Mad River Valley during the ski season months.**

## THANK YOU

Thank you to the numerous Montpelier residents who dedicate their service, time and expertise as board members, volunteer drivers and employees. Thank you also to the Montpelier residents and riders for your continued support. Because of your belief in public transportation GMTA is able to achieve our mission of enhancing the quality of life in Vermont by delivering safe, convenient and more environmentally efficient transportation solutions.

## INFORMATION

Please feel free to contact us for additional information on any of 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](http://www.gmtaride.org)

## 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*

## 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 comprised of municipal officials from across the state elected by the membership.

VLCT's mission is to serve and strengthen Vermont local government. All 246 Vermont cities and towns are members of VLCT, 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 more than 3,000 inquiries for assistance from municipal officials. Our Municipal Assistance Center (MAC) conducted 19 workshops and 18 on-site training sessions that attracted more than 1,500 people. MAC distributed almost 430 hard copy handbooks to municipal officials, but also made all its handbooks available free of charge at our Resource Library on our website. The Library also contains nearly 1,000 other electronic documents currently accessible to the general public. 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, enhancing local voter authority in governance decisions, land use discussions, and securing revenues for town highway and bridge maintenance programs. Municipalities will face significant challenges again in the 2011 legislature, assuring that state fiscal woes are not shifted to local governments and property taxpayers.
- 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 2009 for \$50 million in municipal tax dollars spent for insurance and risk management services. Other pooled purchasing opportunities exist in areas such as assuring that towns are able to obtain road salt for winter highway maintenance at an affordable price and in adequate quantities.

To learn more about the Vermont League of Cities and Towns, including its audited financial statements, visit the VLCT website at [www.vlct.org](http://www.vlct.org).

## Central Vermont Economic Development Corporation

The Central Vermont Economic Development Corporation (CVEDC) provides a suite of programs and services that include retention and expansion of our existing businesses; 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 to assist two Central Vermont businesses with their expansions. SB Electronics and Northern Power Systems have grown in employee base and in the case of SB Electronics; they will be holding the Grand Opening of their new facility in Wilson Industrial Park in early December. These projects offer an addition of over 200 new job opportunities during the next five years to the residents of our Central Vermont region. These companies also represent an emerging 'green industry sector' here in Central Vermont. CVEDC is also providing assistance to a Solar Farm project in Williamstown.

CVEDC expends approximately 60% of its time allocation on 'Retention and Expansion'. To accomplish this goal, staff conducts an active Business Contact & Visitation Program. Establishing a working relationship with the Central Vermont business community is paramount. Staff not only gathers information regarding specific challenges and issues for the business but also relays the suite of tools available from the State of Vermont and other program partners such as USDA Rural Development, the Small Business Administration, as well as our regional partners. CVEDC maintains a strong relationship with the Department of Economic, Housing, and Community Development staff on a regular basis. CVEDC implements a coordinated response to business needs, leveraging all the available economic development tools. CVEDC is actively engaged with over 20 municipal and regional organizations and committees.

Workforce development is a top priority for CVEDC. For years CVEDC has been involved with the Central Vermont Workforce Investment Board (CVWIB) on both the Executive Committee and the Board as well as on project committees. We have also administered the grant from the Workforce Development Council for the CVWIB. This year we have applied to both implement and administer the CVWIB for FY'11. Among the projects and initiatives planned for this

coming year are; the 2nd Annual Career and Job Fair, website improvements, enhanced communication with the business community regarding workforce training opportunities, and a Business Survey on workforce needs. This year's Career Fair was held on May 5th. Forty-two businesses participated in the day-long event. Two hundred and forty-six students attended the morning program and approximately seventy-five job seekers attended the afternoon session.

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. The original initiative, funded by USDA Rural Development, has been extended and additional funds have been granted so that the service can be brought to the Woodbury area and additional locations in Calais, Marshfield, Plainfield and East Montpelier. To date, the initiative has brought high-speed wireless internet to over 150 residents/businesses in our outlying rural communities. 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

CVEDC is also administering three other USDA RBEG/RBOG grants in our region. The first is an RBOG Feasibility Grant with a furniture manufacturer in Northfield Vermont. The second is an RBEG Grant to launch and manage a website ([www.marketvermont.com](http://www.marketvermont.com)) for Artisan manufacturers. The third is an RBEG Grant from the State Department of Economic, Housing & Community Development to assist a bio-mass conversion start-up business with their marketing and website.

CVEDC also held a Service Provider Expo in conjunction with our Annual Meeting in September. Over twenty-three business service providers displayed their programs and services to the one hundred and fifteen attendees. These providers are able to assist businesses both large and small with financing assistance, business planning, and workforce development. Additionally, in June, CVEDC held a special business seminar. Approved for continuing education credits by HRIC for Human Resource staff, the event hosted over a hundred business people at Norwich University for the meeting.

The Small Business Development Center is co-located in CVEDC's offices and continues to provide the City of Montpelier residents with 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.

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. Your contribution is more important than ever as we work on the issues of economic vitality for the Central Vermont region. We are always available to meet with Town Select Boards, Councils and special committees on issues of economic vitality to both the municipality and the region.

## Central Vermont Regional Planning Commission



The Central Vermont Regional Planning Commission is a consortium of 23 towns and cities in Washington County and western Orange County. The Commission has been providing planning and development assistance to communities for over forty years through its experienced and knowledgeable staff. CVRPC is governed by appointed representatives from each municipality in the region.

The Commission provides assistance on municipal plan and bylaw updates, and this year focused on updates to municipal flood hazard bylaws. The Commission's Transportation Advisory Committee (TAC) continued to evaluate the regional inter-modal transportation needs and make recommendations on projects that should be included in the State Transportation Agency's 5 year capital program. CVRPC also continued its work on the development of regional and local pre-disaster mitigation plans, population and housing growth projections, and river and stream assessments to support transportation and water quality improvements. CVRPC also received a grant in 2010 to perform energy audits of municipally owned buildings in the region and is providing assistance to local energy committees.

This year, the Commission supported the efforts of the City of Montpelier through administration of the Wrightsville Beach Recreation District, continuing work on the Central Vermont bike and pedestrian path, bike and pedestrian path counts, GIS training for staff, assistance with the City's growth center designation, Master Plan assistance, impervious surface mapping, low impact development (LID) analysis, National Flood Insurance Program regulations, provision of housing data, Act 250 project review, Neighborhood Boundary study, and energy audits for the Recreation and Senior Center buildings.

The Commission also sponsors regional planning programs, provides a forum for inter-municipal cooperation, and participates in state regulatory proceedings for projects that have impact across municipal boundaries. Significant staff time this year was spent working with municipalities on mapping and analysis of current bylaws to understand how they influence future development patterns. CVRPC can also provide model bylaws and assist municipalities with the administration of grants.

Thank you for your continued support for local and regional planning. Please call us for assistance with planning, zoning, transportation, recreation, mapping, or data needs. For more information, please call us at (802) 229-0389, or visit our website [www.centralvtplanning.org](http://www.centralvtplanning.org).

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

## Central Vermont Solid Waste Management District



The Central Vermont Solid Waste Management District's mission is to provide 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. To meet this goal, the District Board of Supervisors developed and adopted a Zero Waste Solid Waste Implementation Plan (SWIP) titled *Working toward Zero Waste*. The goal of a Zero Waste approach to waste management is to cease producing "trash" that is disposed of and to utilize materials as resources for the production of something new and needed.

The CVSWMD is a union municipality consisting of 18 member cities and towns and the approximately 52,000 residents that live within them. The District's four full-time, two part-time office staff, and two full-time field staff implement the organizational programming and events to assist these 18 communities in complying with the solid waste management requirements of the State of Vermont.

FY10 was a challenging year for the CVSWMD. The six member towns of Bradford, Barre Town, Cabot, Calais, Northfield, and Hardwick saw this clearly when CVSWMD operated recycling depots transitioned to either the towns or private companies. While this move was certainly difficult for those towns, as well as CVSWMD staff, the District simply could not afford to continue to operate the depots. We are pleased to report that five of the six depots that the District previously ran are still in operation; with private haulers, accepting the same items and open on the same schedule. A private bag-drop business has

set up near the site of the one depot that closed, in the Town of Hardwick, maintaining services in that community as well.

The District continues to work to provide programming to meet the needs of our member towns and residents. In FY10, the District reinstated Green Up Day Grants to help member towns cover the costs of town cleanups, and began to offer additional collection opportunities. CVSWMD programs included the following:

**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 FY10, the CVSWMD increased participation in the Business/Institution Organics Diversion program from 49 to 70. Participating businesses and institutions diverted an estimated 858 tons (more than 1.7 million pounds!) of food scraps to composting in FY10. Currently, 25 Montpelier businesses participate.

The 24 K-12 schools in the School Organics Program diverted an estimated 102.5 tons (205,000 pounds!) of food scraps. At the close of the 2009-2010 school year, 73% of public school students in District member towns were diverting food scraps to composting through the CVSWMD program. Union Elementary School and Montpelier High School have been part of the program since it was just getting off the ground in April 2004. Union has diverted a total of 38.34 tons since joining, 5.66 tons (11,320 lbs.) in FY 10 alone. Montpelier High School has diverted 29.15 tons since 2004; 4.35 tons were diverted during FY10. Main Street Middle School joined the program in November 2004, and has diverted an estimated 24.88 tons overall, 5.18 tons (10,360 lbs.) during FY10.

The District's Residential Organics Program helps residents manage their food scraps at home. In FY10, the District offered its composting booklet and free plans for building several types of compost bins on its Web site. In addition, the District sold Green Cones at a reduced cost to increase access to this useful backyard food digester that accepts meat, dairy, and other food scraps not typically put into compost bins. Participants in past CVSWMD Green Cone programs were surveyed this spring, and all respondents agreed, "the cones are an effective way to reduce trash in VT." For more information, see [www.cvswmd.org/wp/home-composting-green-cones/](http://www.cvswmd.org/wp/home-composting-green-cones/)

**Recycling**—On February 6, 2010, the CVSWMD transitioned operations of the six depots it operated to towns and private haulers. Five of those depots remain in operation; a private hauler opened a bag-drop for recycling and trash near the site of the one depot that did close, maintaining service in that community.

**Special Collections**—The District ran a variety of special materials collection events in FY10. Additional programming as well as more electronics, books, and textile collections will be underway in FY11.

*Hazardous Waste*—683 households and 12 businesses utilized the five collections held during FY10. Collections are held from spring through fall each year, and educational materials are distributed at the events to help residents understand how to reduce the quantity of hazardous materials they use and the amount of waste produced. A total of 81,401 lbs. of mixed hazardous waste was collected in FY10, including paints, acids, bases, mercury, thinners, etc. The safe disposal of these materials cost the CVSWMD \$88,230. One of the five hazardous waste collections was held in Montpelier during FY10.

*Electronics Collections*—The District collected 50.56 tons of electronics (computers, TVs, stereos, printers, copiers, fax machines, cell phones, etc.) for recycling in FY10 through the Barre Town Recycling Depot and special collections held in Tunbridge, Hardwick, Bradford, and Montpelier.

*Cell Phone and Battery Boxes in Member Towns*—The District started to get this new (and free!) recycling opportunity underway in FY10. All member towns have been invited to participate in these collections and collection boxes are already in place in 12 towns.

**Green Up Day Grants**—This service to our member communities had been suspended during FY09 but was reinstated for Green Up Day 2010. Towns were offered the opportunity to request up to \$500 in FY10. A total of \$5,122 was distributed to the 11 member towns that requested grants. The city of Montpelier requested and received \$500.

**CVSWMD E-News**—The District publishes a monthly e-newsletter and regularly sends e-mail notices about special events to town clerk offices, select board chairs, legislators, and more. All residents from member towns are welcome to receive the e-communications. You can sign up at the CVSWMD Web site – [www.cvswmd.org](http://www.cvswmd.org)

**Web Site**—The District continued to revise and update its Web site in FY 2010, including ongoing updates of the popular *A-Z Guide to Waste Reduction and Resource Handling* database and the Reuse Business Database. See [www.cvswmd.org](http://www.cvswmd.org).

For more information about the CVSWMD and its programs, please see [www.cvswmd.org](http://www.cvswmd.org).

The District's complete FY10 annual report is available online—[www.cvswmd.org](http://www.cvswmd.org). Please contact the District with questions or concerns—802-229-9383 or [comments@cvswmd.org](mailto:comments@cvswmd.org)

## 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 one-hundred and sixteen 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 nearly 800 visitors per day in 2010, along with an average daily circulation of 905. The 2009-released National Citizen Survey for Montpelier reported that 83% of Montpelier residents used the library and its services in the 12 months preceding the survey. The KHL has been approached by the Small Business Administration, Home Health and Hospice, the Capital Community Justice Center, Central Vermont Community Action Council and many other organizations as *the* place in the community in which to offer information.



Working parents value 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 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 requests for tax support as low as possible. KHL has gained national attention for its ability to offer innovative programs and lectures on a tiny budget, by cooperating with organizations and local residents. It has inspired families to read together through its innovative "Story Walk" program, it has offered us glimpses of our past through a 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 staff has also responded to an increase in the use of public access computers as patrons seek employment, apply for jobs and produce resumes, and apply for benefits on line.

The library board remains committed to helping 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 behind other libraries in the state; Kellogg-Hubbard has the second highest public library circulation (number of materials borrowed) in Vermont, but statewide Montpelier is ranked in the bottom third of comparably-sized communities in per capita support for this public library. In 2008, upon approval of the requested funding by voters, the library pledged not to ask for future increases greater than the rate of inflation for the four years beginning in 2009. KHL requested and was granted level funding by the voters last year. *This year the library is requesting the same amount as last year—level funding, again, with no increase.* 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, 8,232 Montpelier residents have registered for library cards, nearly 1500 of them are children. Montpelier library patrons account for 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:

The Library's financial statements for the period ending September 30, 2010 follow. KHL's year-end December 31, 2010 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, 2010

EXHIBIT A

ASSETS

|                                         |                            |
|-----------------------------------------|----------------------------|
| Cash - checking & petty cash            | \$ 185,102                 |
| Cash - money market                     | 989,109                    |
| Total cash and cash equivalents         | <u>1,174,211</u>           |
| Investments, at fair value              | 2,990,322                  |
| Due from cities/towns                   | 221,568                    |
| Total current assets                    | <u>4,386,101</u>           |
| Building, furniture and equipment       |                            |
| Building                                | 2,590,978                  |
| Furniture and equipment                 | 159,431                    |
| Bookmobile                              | 97,314                     |
| Accumulated depreciation                | <u>(836,123)</u>           |
| Total building, furniture and equipment | <u>2,011,600</u>           |
| Total assets                            | <u><u>\$ 6,397,701</u></u> |

LIABILITIES AND NET ASSETS

|                                                               |                            |
|---------------------------------------------------------------|----------------------------|
| Liabilities                                                   |                            |
| Accounts payable                                              | \$ 12,176                  |
| Unearned grant income                                         | 10,829                     |
| Accrued wages and withholdings                                | 17,900                     |
| Accrued compensated leave                                     | <u>45,700</u>              |
| Total liabilities                                             | <u>86,605</u>              |
| Net assets - unrestricted                                     |                            |
| Designated - investment in property - beg. balance (Restated) | 2,158,876                  |
| Designated - investment in property - current period          | <u>(147,276)</u>           |
| Total designated - investment in property                     | <u>2,011,600</u>           |
| Designated - investments - beg. balance                       | 2,039,100                  |
| Designated - investments - current period                     | <u>(88,136)</u>            |
| Total designated - investments                                | <u>1,950,964</u>           |
| Undesignated - beg. balance (Restated)                        | 1,751,399                  |
| Undesignated - current period                                 | <u>218,107</u>             |
| Total undesignated                                            | <u>1,969,506</u>           |
| Total net assets - unrestricted                               | 5,932,070                  |
| Net assets - permanently restricted                           | <u>379,026</u>             |
| Total net assets                                              | <u>6,311,096</u>           |
| Total liabilities and net assets                              | <u><u>\$ 6,397,701</u></u> |

KELLOGG-HUBBARD LIBRARY  
 STATEMENT OF ACTIVITIES  
 NINE MONTHS ENDED SEPTEMBER 30, 2010  
 (With Comparative Actual Totals for September 30, 2009)

EXHIBIT B

|                                               | 2010               |                           |                    | (Memo Only)<br>2009 |
|-----------------------------------------------|--------------------|---------------------------|--------------------|---------------------|
|                                               | Unrestricted       | Permanently<br>Restricted | Total              |                     |
| <b>REVENUES</b>                               |                    |                           |                    |                     |
| Investment distribution                       | \$ 192,500         | \$ -                      | \$ 192,500         | \$ 130,353          |
| Contributions                                 | 73,547             | 35,000                    | 108,547            | 68,450              |
| Bequests                                      | -                  | -                         | -                  | -                   |
| City/Town contributions                       | 405,600            | -                         | 405,600            | -                   |
| Program revenue and fees                      | 58,498             | -                         | 58,498             | 37,281              |
| Grant revenue                                 | 95,632             | -                         | 95,632             | 57,928              |
| Interest income                               | 840                | -                         | 840                | 846                 |
| Miscellaneous                                 | 5,475              | -                         | 5,475              | 3,804               |
| <b>Total revenues</b>                         | <b>832,092</b>     | <b>35,000</b>             | <b>867,092</b>     | <b>298,662</b>      |
| <b>EXPENSES</b>                               |                    |                           |                    |                     |
| Program                                       | 532,055            | -                         | 532,055            | 324,493             |
| Supporting Services                           |                    |                           |                    |                     |
| Fundraising                                   | 87,865             | -                         | 87,865             | 55,001              |
| Management & general                          | 73,831             | -                         | 73,831             | 45,708              |
| <b>Total expenses</b>                         | <b>693,751</b>     | <b>-</b>                  | <b>693,751</b>     | <b>425,202</b>      |
| <b>NET REVENUES OVER (UNDER) EXPENSES</b>     | <b>138,341</b>     | <b>35,000</b>             | <b>173,341</b>     | <b>(126,540)</b>    |
| <b>NONOPERATING REVENUE (EXPENSES)</b>        |                    |                           |                    |                     |
| Investment income                             | 44,747             | -                         | 44,747             | 35,236              |
| Investment management expenses                | (20,606)           | -                         | (20,606)           | (15,591)            |
| Net realized gain (loss) on investments       | 99,677             | -                         | 99,677             | (42,777)            |
| Net unrealized gain (loss) on investments     | (29,353)           | -                         | (29,353)           | 264,451             |
| Investment distribution to operating          | (192,500)          | -                         | (192,500)          | (130,353)           |
| Depreciation                                  | (57,611)           | -                         | (57,611)           | (37,081)            |
| <b>Total nonoperating revenue (expenses)</b>  | <b>(155,646)</b>   | <b>-</b>                  | <b>(155,646)</b>   | <b>73,885</b>       |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>      | <b>(17,305)</b>    | <b>35,000</b>             | <b>17,695</b>      | <b>(52,655)</b>     |
| <b>NET ASSETS - BEG. OF PERIOD (Restated)</b> | <b>5,949,375</b>   | <b>344,026</b>            | <b>6,293,401</b>   | <b>5,675,873</b>    |
| <b>NET ASSETS - END OF PERIOD</b>             | <b>\$5,932,070</b> | <b>\$379,026</b>          | <b>\$6,311,096</b> | <b>\$5,623,218</b>  |

## 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.

This year has been one when we have taken a careful look at our finances, obligations, mission and relationship with the community. Out of a series of meetings, we have produced a new business plan which we hope will direct us for many years to come.

In an ongoing effort to raise funds for our collection and programs, we have opened The Wood Shop in the South Gallery. This shop features fine art and crafts by Vermont artists. This also provides an additional venue for exhibition space for local artists.

Throughout this year we've increased our presence as an arts center, partly through collaborations with other arts and cultural organizations. This year we held over two 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, [twwoodgallery.org](http://twwoodgallery.org) for more information.

Located on the campus of Vermont College, we are enjoying our collaboration with the Vermont College of Fine Arts while providing twice yearly space for their MFA-Visual program.

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*

## 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 2010, 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.

LNT secured a \$20,000 matching grant from the State and Vermont Arts Council for improvements to the Arts Center's lighting system. These improvements were put into place in April 2010 (including digital dimmers, improved wiring & energy-efficient instruments).

### *The schedule of major activities, not including city meetings & private parties, in City Hall Arts Center in 2010:*

- January:** First Night; Cabot HS Dance Party, Green Candle Theatre's *Rosalee Was Here*, Justice Center workshop;
- February:** Mary Wheeler - *Rose*, Israel-Palestine discussion series, Burlington City Arts & Kingdom County Productions *Piecework: When We Were French* written & performed by Abby Paige, LNT Youth Theater Lab; *Snow White*
- March:** Town Meeting and Voting; VAAE's *Poetry Out Loud*, Vermont Youth Conservation Corps; FoodWorks Event, CVLT Dance Party; Green Mountain Film Festival
- April:** Volunteer Day; Vermont Fiddle Orchestra; LNT's *A Song for my Father* – world premier production of David Budbill's new play
- May:** LNT's *Bad Dates*; Chekhov master class
- June:** LNT's *Love Letters Made Easy* by Vermont's Jeanne Beckwith; Youth Theater Lab;
- July:** LNT's *All Night Strut*; Independence Day Parade prep; Youth Theater Lab;
- August:** LNT's *Fully Committed*; *Alice in Wonderland*, Youth Theater Labs;
- September:** LNT's *Complete History of America Abridged*; Green Mountain Youth Orchestra;
- October:** LNT's *Complete History of America*; AmeriCorps Volunteers; En-Vision Montpelier; *Edgar Allan Poe Spooktacular*
- November:** Sustainable Community Workshop & Fair, Hunger Mountain Coop Annual Meeting, Hunger Mountain Coop Food & Wellness Fair, CV Community Land Trust Gingerbread House Competition, Central VT Community Players' *Slam-the Hockey Opera*
- December:** Our House Holiday Craft Fair; *It's a Wonderful Life*; Phil Hartman Jazz Concert, First Night

## Lost Nation Theater



2010 was a year of new Vermont plays and new programs at Lost Nation Theater.

The year started with a bang, as LNT presented two other theater groups original shows, added a winter theater-by-kids-for-kids production, and for the first time received cash funding from the City of Montpelier as voters supported LNT's ballot request of \$3500 for our education programs.

### Here are some 2010 highlights:

-  Lost Nation Theater produces its 22nd season as Montpelier's Resident Professional Theater!
-  World Premier professional production of David Budbill's *A Song for My Father*
-  Professional Premier production of Jeanne Beckwith's *Love Letters Made Easy*
-  Winner (again): Best Theater, The Times Argus' Readers Choice Award
-  The Company again named "one of the best regional theaters in America" by the NYC Drama League
-  LNT's "Theater for Kids by Kids" summer show *Alice in Wonderland* sells out all shows, and has a record number of students involved.
-  With the \$3,500 allocation from city voters, LNT expanded its youth programs by adding a second "Theater for Kids by Kids production," spring acting classes, a master-class series, and we expanded our summer classes to include younger ages. LNT also granted more scholarships than ever.
-  LNT produces 7 other groups/artists for their special events.
-  LNT wins permission to adapt award-winning author Katherine Paterson's, *Lyddie*, for the stage.
-  LNT wins \$20,000 matching grant from the Vermont Arts Council, raises the matching funds and completes \$40,000+ in lighting improvements to City Hall Arts Center.

Thanks to the community and to the support of 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 theater professionals.

### 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 2010 its cash budget was approximately \$275,000 and LNT's annual economic contribution exceeds \$600,000. 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*
-  *It's a Wonderful Life* - Radio Play
-  Vermont Playwrights' Circle
-  Late Nite Cabaret
-  Vermont Performers Showcase
-  Theater For Kids By Kids shows

**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 7-16
-  Professional Theater Training Program – bridging academic & professional worlds
-  *Will on Wheels* & other Workshop Programs – for elementary through college-level students
-  Master Classes in specific skills (like stage-combat, acting techniques, directing) for a wide variety of ages and proficiency levels
-  Mentorships, Individual Learning Plans, Community Based Learning and Independent Studies

**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, Montpelier Alive, 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  
Consultation, Referral, & Technical Support Services for area schools and others
-  Accessibility Initiatives – with Adult Basic Education, VCIL, Heaton Woods, VSA, 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

#### 2010 LNT Staff

Kim Bent and Kathleen Keenan – *Producing Artistic Directors*  
Dona Bate – *Outreach Development & Bookkeeping*  
Emily Crosby and Tara Lee Downs – *Production Stage Managers*  
Mark Roberts – *Technical Director*

#### 2010 LNT Board of Directors & Advisors

Dona Bate, George Hallsmith, Cher Laston, Warren Kitzmiller, Eric Michaels, Ted Richards – *Secretary*  
Lola Aiken, Joan Black, Jon Buddington, Jim Catone, John Fricke, Nancy Graff, Linda Henzel, Ann & Bob Johnson, Betty Lord, Rick Mastelli, Maura O'Brien, Anthony Otis, Tim Tavcar, Alan Weiss, Ron Wild, Sue Zeller

#### Volunteer Staff:

Robyn Osiecki, Un-Ruly-E  
Hank Babcock – *Asst. Technical Director*  
Amanda & Sarah Menard – *Management & Marketing*  
Pat Babcock – *Office Assistant*  
Lauren Aradi and Pat Keenan – *Executive Assistants*  
Louise Menard – *Concessions*  
Mitch Osiecki – *Volunteer Coordinator*



#### Complete History of America - Abridged

By Adam Long, Daniel Reed, and Austin Tichnor  
Photos taken by Francis Moran, Francis Moran Photography  
Featuring: Aaron Aubry, Eric Love, Christopher Scheer  
Directed by: Andrew Doe;  
Scenic Design: Donna Stafford;  
Lighting Design: Jeffrey E. Salzberg, Costumes: Cora Fauser; Sound Design: Andrew Vachon



#### 2010 Wonderful Life

Photos taken by Francis Moran, Francis Moran Photography  
Featuring: Kim Bent, Cher Laston, Michael Manion, Jude Milstein, Mark Roberts and Kim Ward  
Stage Design: Kim Bent; Lighting: Emily Crosby; Costumes: Cora Fauser; Directed by: Kathleen Keenan



#### All Night Strut

Photos taken by Francis Moran, Francis Moran Photography  
Featuring: Alex Birnie, Lysia Jordan, Alex Koch, Nina Waters (and pianist Charles Lindberg)  
Scenic & Lighting: Ellen E. Jones; Costumes: Cora Fauser; Directed by: Tim Tavcar; Musical Director: Charles Lindberg

#### Alice in Wonderland

Theater for Kids by Kids  
Photos taken by Lisa Much  
Scenic Design: Donna Stafford; Lighting: Emily Crosby; Directed by: Tara Lee Downs; Costumes: Morgaine Bell

#### Fully Committed

By Becky Mode  
Photos taken by Francis Moran, Francis Moran Photography  
Featuring: Eric Love  
Scenic Design: Ellen E. Jones; Lighting: Emily Crosby & Jared Nelson; Directed by: Tara Lee Downs



### *Love Letters Made Easy*

By Jeanne Beckwith – Professional Premier

Photos taken by Francis Moran, Francis Moran Photography

Featuring: Ben Ash, Kim Bent, Alex Birnie, Lysia Jordan, Jude Milstein, Maura O'Brien, Nina Waters, Mathew Zahnzinger



### *Song for my Father*

By David Budbill – LNT world premier production

Photos taken by Francis Moran, Francis Moran Photography

Featuring: John D Alexander, Tara Lee Downs, Robert Nuner, Ruth Wallman

Directed by: Andrew Doe; Scenic Design: Donna Stafford; Lighting Design: Jeffrey E. Salzberg, Costumes: Cora Fauser, Sound Design: Andrew Vachon

### *Bad Dates*

By Theresa Rebeck

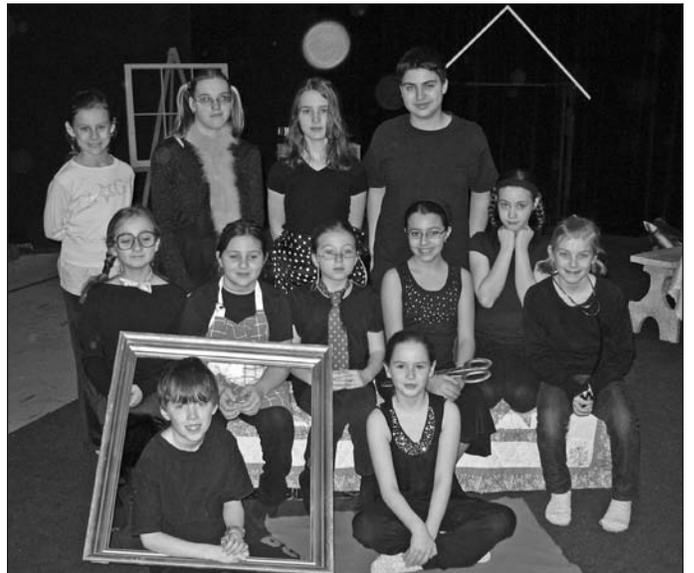
Photos taken by Francis Moran, Francis Moran Photography

Featuring: Kathleen Keenan

Directed by: Margo Whitcomb; Scenic Design: Donna Stafford; Lighting Design: Jeffrey E. Salzberg; Costumes: Rosie Grannis; Sound Design: Andrew Vachon

### *Other Uses of City Hall*

Photo Credits: Robyn Osiecki



### *Snow White*

Photo Credit: Kim Bent

Directed by: Tara Lee Downs & Cher Laston



## The Capital City Band

The Capital City Band had another successful summer season providing ten free concerts on the State House Lawn and attended by enthusiastic audiences. The band participated in Montpelier's Independence Day parade and played a concert at the Berlin Convalescent Center at the end of the summer season. Band members also played in the Barre Heritage parade, for the Lupus Foundation Walk, and for the Vermont Community High School Graduation. The band plays a variety of marches, show tunes, popular numbers, old-time favorites and other selections. The total number of participants this summer was 52. The band is open to all band instrument players who like to play. For more information, call 223-7069.

CAROLYN SILSBY, *Manager*

## 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 in Montpelier and beyond.

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. In 2010, NBNC partnered with the Union Elementary School to offer the Nature Adventure Program (NAP) for all children in kindergarten and first grade. 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).

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, snakes 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.

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

It was a beautiful and warm summer at the Wrightsville Beach Day Use Area this year. In fact it was our most successful summer that anyone can remember. It was our highest usage and, therefore, revenue generating summer. We were able to keep seven part-time and our full time employees busy all summer long. Wrightsville also ushered in a new era with the signing of a new 10 year lease agreement with the State of Vermont. With the new lease came new requirements that included the writing of a Wrightsville Beach Recreation District Management Plan, and which is available for download at our web site [www.wrightsvillebeachvt.com](http://www.wrightsvillebeachvt.com). Wrightsville also saw an expansion and improvement of our network of trails, the construction of 13 holes of an 18 hole disk golf course, and many more improvements and activities, including:

- Trail construction by the Vermont Youth Conservation Corps
- Hosted the 1st Annual Wrightsville disk golf tournament
- Repairing of picnic tables and improved grill sites.
- Removing hazardous trees
- Hosting a 2nd annual water-skiers tournament

The District also continued its popular canoeing and kayaking rental program, hosted a variety of day camps and community programs, including a charity day which raised \$460. In addition, we continued work on improving our webpage [www.wrightsvillebeachvt.com](http://www.wrightsvillebeachvt.com).

Water quality at the beach remained excellent throughout the summer. Staff tested regularly for e.coli, with all samples having counts well below State limits.

The Wrightsville Beach Day Use Area provides a low cost, high quality and 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 beach goers. This requires continuing investment in the facility for maintenance, operations, and capital improvements. The District will keep municipal dues assessments at \$.50 per capita for the 2011 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 ..... | \$22,791 |
| Municipal assessments.....      | \$ 6,683 |
| Prior year's carryover .....    | \$ 7,702 |
| Total Revenue .....             | \$48,688 |

**Expenditures:**

|                         |          |
|-------------------------|----------|
| Personnel.....          | \$28,318 |
| Maintenance .....       | 5,221    |
| Operating .....         | 4,949    |
| Total Expenditures..... | \$38,488 |

Any carryover that is realized from FY 2010 (as well as ensuing years) will be utilized in the FY 2011 budget to fund the operating and capital costs of the beach facility.

The District's 2011 budget calls for revenue of \$40,901 and expenditures of \$35,342

The Board would like to thank the member communities for their continued support of Wrightsville Beach.

- CARL WITKE, Worcester (*Chair*)
- DANIEL CURRIER, Montpelier
- JESSICA CHAVES, Montpelier
- MARTHA ISRAEL, East Montpelier
- JANE DUDLEY, Middlesex
- COLLIN O'NEIL, WBRD Beach Manager

## Montpelier Community Connections

In 2011, Community Connections begins its tenth 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 115 Union Elementary students, 112 Main Street Middle students, and 130 students from Montpelier High.** In addition, 54 Montpelier students came to summer camps and 54 came to in-service camps.

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.



MHS CC Coordinator Dave Bennett says, "This truly is a community that is invested in helping youth achieve their dreams. To me, it is our duty to provide youth with the skills and support to enjoy life in a safe way. This cannot be attained solely in school or at home but needs a continuum between the two. Community Connections is valuable because its goal is to do just that. We are far more than just a place for your kid to go before you get home from work. We are working to provide safe, fun educational opportunities that fuel youth into working to improve their own lives."

### Youth Outreach and High School Completion

The **Alternative Path to Diploma** program graduated 21 students – 13 from Montpelier High and 8 from U-32 in June, 2010. Those graduates represented 14.8% and 6.5% respectively of the total graduates this year. Currently, Danny Hendershot and Dave Bennett have a caseload of around 35 students working on one- or two-year graduation plans. In addition to academic tutoring provided by Adult Basic Ed, the plans must include work experience and a community project, a written component and a verbal presentation. Plans may also include college courses, internships, private lessons, and other experiences. Some young people need a different way to complete their high school education, and this program moves us toward the goal of a 100% graduation rate.

Community Connections' sister organization, **Girls/Boyz First Mentoring served over 125 children** last year including 14 Montpelier mentor/mentee pairs. Under the guidance of Wendy Farber, 45 pairs of adult mentors and youth mentees meet weekly to provide a consistent adult presence for selected youth. Wendy also helps train and support Montpelier High School's P.L.A.Y. peer mentoring which pairs over 90 MHS students with middle school and elementary mentees at Main Street and Union. Mentoring is one important part of the community support that is needed for our youth to develop into healthy adults.

Some **Girls/Boyz First Mentoring** highlights: skiing at Morse Farm, baking holiday pies with NECI, day-long retreats, celebrating National Mentoring Month through dance at

Capitol Plaza Hotel, and hosting a pot-luck and concert by Jon Gailmor for mentee/mentor families. Mentor pairs volunteered at Central Vt. Humane Society, hiked, skated, baked, read, attended plays and concerts, went to the beach, danced, learned to cook, went to the library, and more. Our mentoring relationships continue to make a huge difference in the lives of the youth that we serve.

Thank you all for supporting these many great youth programs over the course of 2010!

Over 42% of students in our communities attend Community Connections afterschool programs. The impact is even greater when mentoring and the alternative program are added in. However town and school contributions are minimal and grant funding ends shortly. We will need additional support from the community if we are to continue to provide these valuable services.



## Montpelier Community Justice Center

Since its inception in 2003, the Montpelier Community Justice Center (MCJC) has pursued its mission of providing restorative responses to criminal acts and assistance for people in conflict, particularly community-based conflict such as occurs between neighbors or as related to public issues. The MCJC is staffed by Yvonne Byrd, Director, Judy Gibson, Programs Coordinator and Alfred Mills, Reentry Specialist, all experienced mediators and restorative justice practitioners. Over forty volunteers provide the critical community involvement necessary to operate its programs.

The MCJC along with Vermont’s other Community Justice Centers and Restorative Justice Programs supported by the Agency of Human Services are integral to the resolution of crime

in the state. They provide a place for the intersection of criminal justice and restorative justice responses to crime. This occurs at multiple points along a continuum of conflict that ranges from simple disagreement to serious crime. Recognizing that many times an unresolved conflict is the precursor to a crime—for instance, a person fed up with his neighbor’s noise who retaliates by “keying” the neighbor’s much beloved automobile has escalated the issue from a neighborhood conflict into vandalism—the MCJC operates crime prevention programs that provide mediation services and/or conflict management education. If these are not successful and a crime is committed, restorative justice offers either an alternative or an adjunct to the criminal justice system, depending on the circumstances and severity of the offense. By recruiting and training citizen volunteers to participate in restorative justice processes, the MCJC enables the community to assume an active role in mending relationships after a crime is committed.

In some Vermont jurisdictions it has become the norm for local law enforcement and/or the state’s attorney to refer misdemeanor cases pre-charge to their community justice center for a restorative response, reserving the criminal justice response for dangerous or chronic offenders. Restorative justice is not just an alternative means of holding offenders accountable, but also seeks to benefit the direct victims of the crime as it shifts the focus to the offender’s responsibility to the victim. With the support of community, victims get a chance to learn the answers to questions such as, “Why me?” and “Who broke my windshield?” They get a chance to say what they need and have some control over the outcome. Even when they choose not to participate in a restorative process, just being given the opportunity to participate has been found to be important to victims.

In Vermont once a case is adjudicated, a judge may sentence the guilty person to reparative probation. This requires the offender to engage in dialogue with a panel of community volunteers and people affected by the offense and to negotiate a restorative agreement for completing activities designed to (1) deepen the offender’s understanding of the harm that resulted from the offending act, (2) make amends to victims and other affected parties, (3) make a positive connection between the offender and his or her community, and (4) help the offender change his or her thinking and behavior. A 2006 study of reparative probation in Vermont showed that there was a 23% decrease in recidivism (conviction for a new offense) over standard probation among offenders on reparative probation who completed restorative agreements.

Finally, restorative justice principles are at work in the area of offender justice reentry, where people come together and, through dialogue, mentoring, and education, help former inmates return to their communities safely, reintegrate with family and community, make amends to the extent possible for harm they



caused by offending, and engage in activities that reduce the likelihood that they will re-offend.

### Notable Initiatives in 2010

MCJC staff authored an article in the Fall issue of the *Vermont Bar Association Journal* "Restorative Justice: ADR [Alternative Dispute Resolution] in Criminal Cases" describing the impact of restorative responses to crime on producing greater satisfaction for people affected by crime while helping offenders be accountable for their actions and learn from their mistakes. The four paragraphs and diagram above are taken from that article.

MCJC volunteers held Reparative Board meetings, became members of Circles of Support and Accountability (COSAs) for ex-prisoners in the Restorative Reentry Program, and continued to advise the MCJC through participation on the Citizen Advisory Board. The efforts of 43 talented and trained volunteers were instrumental in bringing these programs to the community, volunteering 1568 hours, and making the resolution of crime and conflict a participatory endeavor.

The MCJC offered four *Insights into Conflict* classes for 20 individuals in Restorative Justice programs who were charged with assaults to introduce them to nonviolent ways to manage conflict. Washington County Diversion, Barre Probation and Parole, the Vermont Department for Children and Families, and the Barre Community Justice Center have all referred people to the *Insights into Conflict* class. When asked what they learned in the class, people responded "It'll help me stay out of pointless fights" and "I will look at the situation in the other person's shoes."

The availability of funding allowed the MCJC to revive its *Restorative Reentry Program* and hire a Reentry Specialist. Working in partnership with probation officers, the program improves community safety by matching people who are returning from prison to serve out their sentence under community supervision with a Circle of Support and Accountability (COSA), comprising three trained volunteers. COSA volunteers provide intensive group mentoring for at least a year and focus on helping the core member of the group develop the habits necessary to be a good citizen and contribute positively to the community. In 2010, the MCJC provided COSAs for five individuals.

As in past years, the MCJC continued to be available to help plan and facilitate public dialogue and help people discuss and find solutions to community-based conflict. Multiple pairs of individual neighbors took advantage of this service to work out issues related to noise, pets, etc. while groups also availed themselves of this resource. For example, Montpelier High School received help in planning and holding a public forum to discuss guidelines for school dances.

The MCJC offered a number of training and educational programs in an effort to help people develop skills to manage conflict and to help citizens understand crime and meaningfully respond to destructive behaviors in constructive ways:

- The MCJC continued a series of monthly public education presentations begun in the fall of 2009 at the Kellogg-Hubbard Library to increase awareness of restorative justice. *Those Things We Don't Like to Talk About* featured the topics "Which Came First? The Addictions/Crime Relationship"; "Remarkable Conversations: Victim-Offender Dialogue In Cases of Extreme Violence"; "Must 'Party' = Drinking? How did our kids become drinkers? What's the solution?"; "Healthy Mistrust: Protecting Children from Sexual Predators"; and "A Place to Fight: Why We Need Mediators & Where to Find Them" attracting more than 100 participants and led by authorities in their fields, including police officers, probation officers and victim advocates. These presentations were taped and aired on public access television by ORCA Media. Video-tapes are available to borrow at the MCJC.
- In conjunction with the Community Justice Network of Vermont, the MCJC coordinated and hosted "Connecting Community: Restorative Justice in Vermont," a conference attended by more than 100 restorative justice volunteers and staff.
- MCJC staff conducted multiple volunteer trainings, increasing the capacity of citizens to participate in restorative justice processes.
- The Director of the MCJC, the Montpelier Chief of Police and the Montpelier School Resource Officer along with the Restorative Systems Administrator of the Vermont DOC were invited to the Republic of Georgia by PH International (Project Harmony), a group supported by the federal government and dedicated to building a strong global community by fostering civic leadership, harnessing information technology, and facilitating cross-cultural learning.
- With the help of mediator-volunteers, the MCJC offered mediation services to people at the Food and Wellness Event sponsored by the Hunger Mountain Coop to promote MCJC's Conflict Assistance Program and recruit volunteers for programs. Eight mediators volunteered services and provided 6 mediation sessions.

### Program Usage Data for FY 10, July 1, 2009 – June 30, 2010

- 32 people affected by crime had a voice in its outcome. 59% of cases had identifiable victims; victims chose to participate in 41% of these cases.
- People who offended (active cases), by program: 70 Reparative Probation; 22 Restorative Justice Alternative

- 21 Civil/Conflict Assistance cases
- 5 Reentry clients
- 43 people volunteered 1568 hours of time: 14 on Reparative Boards; 12 on Circles of Support and Accountability (COSAs); 12 on Citizen Advisory Board; and others helping with office work and mediations/presentations to the community.
- Restorative Justice cases by provenance (73% Montpelier; 11% Berlin, 9% E. Montpelier, 3% Calais; 3% Plainfield, 1% Barre)
- Restorative Justice clients gave 668 hours of community service to area non-profits, valued at \$5,384 (based on Vermont's minimum wage of \$8.06/hour).

Find information about the MCJC on the web at [www.montpelier-vt.org/mcjc](http://www.montpelier-vt.org/mcjc). Call 223-9606 or email [mcjc@montpelier-vt.org](mailto:mcjc@montpelier-vt.org) to learn more about volunteering to help make the community safer by serving on a Reparative Board or a Circle of Support and Accountability.

YVONNE BYRD, *Director*  
JUDY GIBSON, *Programs Coordinator*  
ALFRED MILLS, *Reentry Specialist*

## Committees Appointed by City Council

### Conservation Commission

|                           |                                       |
|---------------------------|---------------------------------------|
| Kris Hammer, <i>Chair</i> | Erik Esselstyn                        |
| Bill Finnegan             | Karen Freeman                         |
| Roy Schiff                | Caitlin Patterson, <i>Student Rep</i> |
| Anthony Iarrapino         | Joshua Klavens, <i>Student Rep</i>    |
| Christopher Hilke         | Liam McSweeney, <i>Student Rep</i>    |
|                           | Geoff Beyer, <i>Parks</i>             |

### Tree Board

|                                 |                                 |
|---------------------------------|---------------------------------|
| Clare Rock, <i>Co-Chair</i>     | Carole Naquin                   |
| Wendy Blakeman, <i>Co-Chair</i> | Abby Colihan                    |
| John Snell                      | John Van Deren                  |
| Jean Jolley                     | Sarah Mitchell                  |
|                                 | Geoff Beyer, <i>Tree Warden</i> |

### Design Review Committee

|                               |                                 |
|-------------------------------|---------------------------------|
| Stephen Everett, <i>Chair</i> | James Duggan                    |
| Eric Gilbertson               | Zachary Brock                   |
| Kate Coffey                   | Muffie Conlon, <i>Alternate</i> |
| Jay White                     |                                 |

### Central Vermont Regional Planning Commission

David Borgendale, *Representative of the City of Montpelier*

### Montpelier Loan Fund Committee

|               |                        |
|---------------|------------------------|
| Kim Phalen    | Beth Boutin            |
| Stephen Klein | Jo Ann Corskie Gibbons |
| Claude Stone  |                        |

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

**Phone 802- 223-9505.**



*Photo courtesy of Doug Gordon*

THE

**MONTPELIER**  
FOUNDATION

“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 Karparis, Beverlee Hill, or Charles Haynes.  
*Or write:*  
**The Montpelier Foundation, 39 Main Street, Montpelier, Vermont 05602.**

The Foundation is very appreciative of the memorial contributions that have been made. Both Montpelier Funeral Homes have envelopes for such purposes, just ask for them. Some of the more recent gifts made to Montpelier projects have been \$10,000 to the tennis courts at the High School, \$7,500 to the Mountaineers to enlarge their press box facilities and are in the process of making a contribution to complete the Hubbard Park Tower project. These contributions save the taxpayers money and your contribution saves you taxes on your income tax and are beneficial as part of your estate planning.

“A Capital Investment Plan for the Capital City”

## Tax Exempt Parcels

| <u>Property Owner</u>                                             | <u>Exempt Value</u> | <u>Payment in Lieu of Taxes as of 1/2011</u> | <u>Property Owner</u>                                                                                   | <u>Exempt Value</u> | <u>Payment in Lieu of Taxes as of 1/2011</u> |
|-------------------------------------------------------------------|---------------------|----------------------------------------------|---------------------------------------------------------------------------------------------------------|---------------------|----------------------------------------------|
| American Legion<br>21 Main Street                                 | 341,500             | --                                           | Roman Catholic Diocese of VT<br>Rectory/Church, 16 Barre St                                             | 3,528,000           | --                                           |
| Brown Johnson Post #792 (VFW)<br>1 Pioneer Center                 | 374,900             | --                                           | Convent/School, 1 Msgr. Crosby<br>Shepherd of the Hills<br>Lutheran Church                              | 1,025,200           | --                                           |
| Beth Jacob Synagogue<br>Harrison Avenue                           | 235,100             | --                                           | 115 Northfield St.                                                                                      | 398,100             | --                                           |
| Bethany Church<br>Main Street                                     | 1,814,600           | --                                           | Social Security Building<br>School Street                                                               | 643,700             | --                                           |
| Capitol City Housing Foundation<br>Heaton Woods                   | 2,394,500           | 3,500.00                                     | Trinity Methodist Church<br>of Montpelier, VT Inc.<br>Main Street                                       | 1,252,400           | --                                           |
| Cemeteries:<br>Elm Street                                         | 76,900              | --                                           | Unitarian Church<br>Main Street                                                                         | 793,900             | --                                           |
| Green Mount                                                       | 453,000             | --                                           | US Post Office<br>State Street                                                                          | 4,818,500           | --                                           |
| Roman Catholic                                                    | 99,900              | --                                           | VT Center for Independent Living<br>11 East State Street                                                | 575,600             | --                                           |
| Central VT Solid Waste<br>Management District<br>137 Barre Street | 259,800             | --                                           | Vermont College of Fine Arts<br>8 properties<br>College St, West St.                                    | 8,160,700           | --                                           |
| Christ Church – Episcopal<br>State Street                         | 2,577,800           | --                                           | Vermont Humanities Council<br>11 Loomis Street                                                          | 561,000             | --                                           |
| Family Center of Washington County<br>285 Sherwood Drive          | 1,430,100           | --                                           | VT Institute of Natural Science<br>713 Elm Street                                                       | 299,800             | --                                           |
| First Baptist Church<br>School Street                             | 484,000             | --                                           | VT Program for Quality in<br>Health Care Inc.                                                           | 296,200             | 1,500.00                                     |
| First Church of Christ<br>145 State Street                        | 429,800             | --                                           | Vermont, State of<br>40 properties                                                                      | 119,250,400         | 184,000.00                                   |
| Fisher, OM Home<br>149 Main Street                                | 1,122,000           | --                                           | State St., Baldwin St., Gov. Aiken Ave,<br>Green Mt. Dr., Stone Cutters Way,<br>Taylor St., Terrace St. | 733,716.00          |                                              |
| Kellogg Hubbard Library<br>135 Main Street                        | 1,950,200           | --                                           | Washington, County of<br>3 properties                                                                   | 1,956,000           | --                                           |
| Montpelier, City of<br>3 school properties                        | 11,692,600          | --                                           | State Street, Elm Street                                                                                |                     |                                              |
| Montpelier, City of<br>12 properties                              | 11,942,800          | --                                           | Washington County<br>Mental Health                                                                      | 421,400             | --                                           |
| Montpelier Elderly Housing Project<br>155 Main Street             | 2,739,900           | 11,899.50                                    | 90 & 157 Barre Sts                                                                                      |                     |                                              |
| 120 Northfield Street                                             | 535,100             | 3,000.00                                     |                                                                                                         |                     |                                              |
| Resurrection Baptist Church<br>144 Elm St, 2 properties           | 512,100             | --                                           |                                                                                                         |                     |                                              |

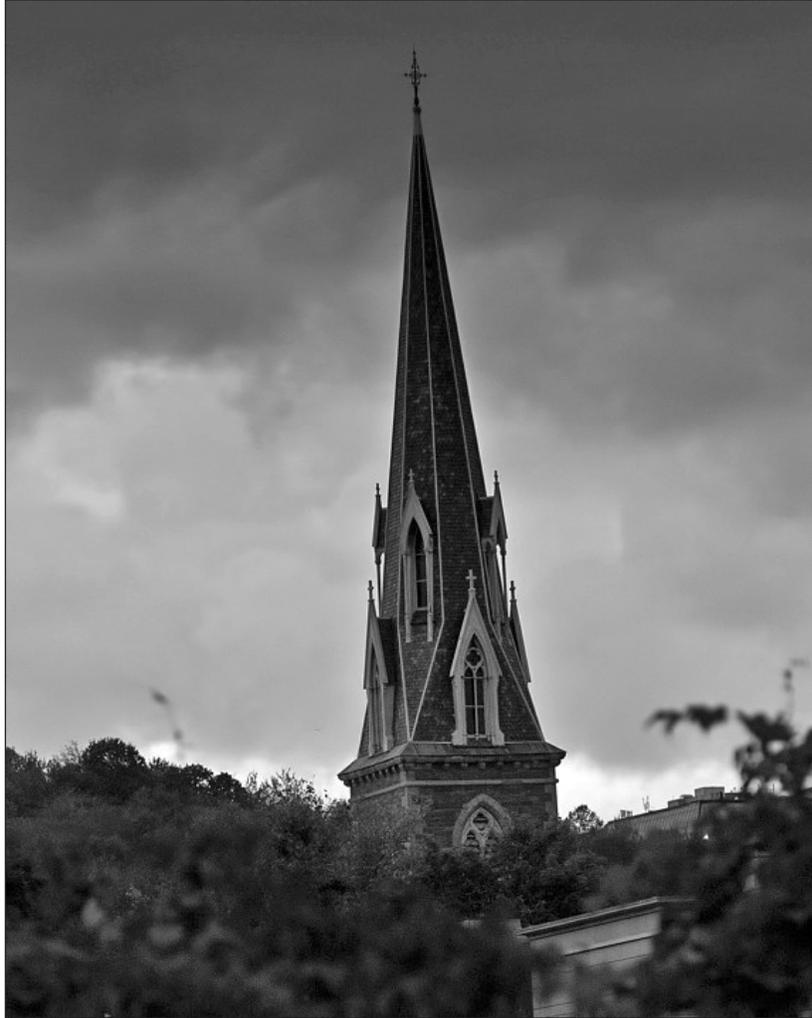
## Calendar Year 2010 Compensation

| Employee               | Department/Office                 | 2010 Wage | Employee             | Department/Office             | 2010 Wage |
|------------------------|-----------------------------------|-----------|----------------------|-------------------------------|-----------|
| ADAMS, JACQUELINE      | Police                            | \$32,660  | FRASER, WILLIAM J    | City Manager                  | \$97,809  |
| ALDRIGHETTI, JANE P    | Assessor's                        | \$51,034  | GALLUP, SANDRA J     | Finance Director              | \$64,641  |
| ALEXANDER, NANCY A     | Election Clerks                   | \$471     | GARAND, MICHAEL C    | Public Works                  | \$57,464  |
| ALEXANDER, PRISCILLA L | Election Clerks                   | \$314     | GENGE, GARTH G       | Planning & Development        | \$45,553  |
| AMARAL, MICHELLE F     | Police                            | \$41,163  | GIBSON, JUDITH A     | Community Justice Center      | \$40,584  |
| AMELL, ANTHONY         | Public Works                      | \$4,006   | GIDNEY, JANE C       | Election Clerks               | \$471     |
| APGAR, ANDREW P        | Police                            | \$48,745  | GOLONKA, THOMAS      | City Council                  | \$1,000   |
| AROS, HEATHER L        | Call Force                        | \$143     | GOMEZ, MARIA A       | Senior Center                 | \$11,674  |
| BAGG, SCOTT            | Police                            | \$324     | GOSLANT, CHERYL C    | Police                        | \$74,744  |
| BAKER, BURTIS W        | Public Works                      | \$9,084   | GOWANS, ROBERT A JR  | Fire                          | \$71,263  |
| BAKER, STEVEN P        | Public Works                      | \$38,311  | GUY, EDWARD N        | Public Works                  | \$17,076  |
| BALSEIRO, BARBARA      | Election Clerks                   | \$471     | HALLSMITH, GWENDOLYN | Planning Director             | \$61,608  |
| BEAN, CHAD             | Police                            | \$50,496  | HATHAWAY, JESSE W    | Public Works                  | \$15,684  |
| BEYER, GEOFFREY        | Parks Director                    | \$51,054  | HAYDEN, DOROTHY      | Election Clerks               | \$314     |
| BILODEAU, MICHAEL J    | Public Works                      | \$42,718  | HAYDEN, GREGORY W    | Fire                          | \$17      |
| BLAKE, HAROLD H JR     | Public Works                      | \$52,450  | HEALY, PATRICK R     | Green Mount Cemetery Director | \$54,618  |
| BLATCHFORD, KATE M     | Finance & Technology              | \$1,097   | HIGGINS, THERESE M   | Election Clerks               | \$235     |
| BLATCHFORD, SHARON A   | Finance & Technology              | \$53,823  | HOOD, GEORGE E       | Public Works                  | \$46,479  |
| BLODGETT, ZACHARY R    | Public Works Intern               | \$4,974   | HOOPER, MARY S       | City Council                  | \$2,700   |
| BLOUIN, TYSON J        | Public Works                      | \$47,428  | HOOPER, T. ANDREW    | City Council                  | \$1,000   |
| BOLDUC, MARGUERITE A   | City Clerk & Treasurer's          | \$41,208  | HOTCHKISS, BONNIE L  | Police                        | \$38,732  |
| BOUCHER, JONATHAN A    | Police                            | \$10,201  | HOYT, CHARLOTTE L    | City Clerk/Treasurer          | \$63,522  |
| BOUSQUET, JEFFREY S    | Public Works                      | \$33,231  | HULL, DOUGLAS R      | Public Works                  | \$60,696  |
| BREAKSTONE, LESLIE A   | Senior Center                     | \$1,894   | HUNTSMAN, WILLIAM T  | Call Force                    | \$81      |
| BRESETTE, LORETTA      | City Clerk & Treasurer's          | \$42,492  | HUOPPI, DANA L       | Fire                          | \$86,364  |
| BRESETTE, NICHOLAS P   | Fire                              | \$56,567  | JARVIS, SARAH R      | City Council                  | \$1,000   |
| BROWN, AUDRA K         | Planning & Development            | \$43,365  | JASMAN, DOUGLAS C    | Fire                          | \$62,181  |
| BRUNELL, DAVID         | Parks                             | \$18,788  | JENNINGS, WILLIAM M  | Police                        | \$38,312  |
| BYRD, S. YVONNE        | Community Justice Center Director | \$58,207  | JOYAL, CHRISTINE A   | Finance & Technology          | \$28,773  |
| CHARRON, PAUL R        | Fire                              | \$56,826  | KACHAJIAN, DAVID W   | Police                        | \$52,648  |
| CHASE, CRYSTAL A       | City Clerk & Treasurer's          | \$39,308  | KNISLEY, MATTHEW     | Police                        | \$58,469  |
| CHRISTMAN, KENNETH J   | Police                            | \$46,172  | LADD, ERIC R         | Public Works                  | \$62,862  |
| CIAPPARA, SUSAN DIANE  | REACH                             | \$16,834  | LANGLOIS, KATHERINE  | Senior Center                 | \$7,102   |
| CLACK, JOAN            | City Clerk & Treasurer's          | \$19,930  | LARRABEE, JACOB      | Fire                          | \$59,681  |
| CLARK, MARY ALICE      | Police                            | \$16,622  | LAW, TODD C          | Public Works Director         | \$76,207  |
| CLEVELAND, RICHARD D   | Police                            | \$88,631  | LEE, JAMES G         | Public Works                  | \$39,344  |
| CLIFFORD, WILLIAM      | Fire                              | \$51,504  | LEE, RICHARD         | Cemetery/Public Works         | \$41,559  |
| COCHRAN, WADE R        | Police                            | \$76,482  | LEWIS, JEREMY A.     | Public Works                  | \$14,916  |
| CODLING, DOLORES B     | Public Works                      | \$36,722  | LUCENTI, SALVATORE J | Election Clerks               | \$235     |
| COLLETTE, DONNA        | Finance & Technology              | \$22,598  | MACKAY, VIRGINIA G   | Public Works                  | \$42,377  |
| CONNEMAN, THOMAS M     | Police                            | \$63,625  | MACURA, JOSHUA J     | Police                        | \$54,806  |
| COWENS, NATHAN J       | Public Works                      | \$54,099  | MARINEAU, ANDREW     | Fire                          | \$40,404  |
| DANIELS, NICHOLAS M    | Finance & Technology              | \$38,543  | MAROLD, GLEN M       | Fire                          | \$45,125  |
| DAY, SUZANNE G         | Election Clerks                   | \$78      | MARTEL, NEIL E       | Police                        | \$77,365  |
| DESMET, CLANCY I       | Planning & Development            | \$50,221  | MARTIN, DAVID G      | Cemetery                      | \$200     |
| DEWYEA, GRAHAM         | Planning & Development            | \$6,008   | MCARDLE, THOMAS J    | Public Works                  | \$63,754  |
| DION, RONALD C JR      | Police                            | \$1,920   | MCCLOUD, LUCINDA B   | Senior Center                 | \$36,237  |
| DOCKTER, RUTH A        | Finance & Technology              | \$6,366   | MCGRATH, STEPHEN A   | Public Works                  | \$18,987  |
| DOELGER, WILLIAM T     | Senior Center                     | \$78      | MERCADANTE, MICHAEL  | Public Works                  | \$40,754  |
| DURGIN, STEVEN         | Public Works                      | \$47,666  | MERCIER, RONALD W    | Public Works                  | \$60,497  |
| EGGLESTON, LEON        | Fire                              | \$70,973  | MICHAUD, BENJAMIN R  | Call Force                    | \$375     |
| ELLIS, FRANK P         | Public Works                      | \$64,555  | MICHAUD, TROY G      | Call Force                    | \$451     |
| EMERY, ANGELA          | REACH                             | \$2,730   | MILLS, ALFRED S      | Community Justice Center      | \$7,799   |
| FACOS, ANTHONY JOHN    | Police Chief                      | \$75,015  | MOODY, MARK L        | Police                        | \$61,065  |
| FARNHAM, BRIAN D       | Fire                              | \$44,390  | MOORE, GLENN A       | Fire                          | \$54,850  |
| FARNHAM, MICHAEL       | Public Works                      | \$47,755  | MOORE, THOMAS        | Call Force                    | \$648     |
| FISCHER, ROBERT K      | Public Works                      | \$55,975  | MORSE, CHAD M        | Call Force                    | \$1,033   |
| FISK, JOHN             | Public Works                      | \$41,087  | MOTYKA, KURT         | Public Works                  | \$60,322  |

| <b>Employee</b>          | <b>Department/Office</b>        | <b>2010 Wage</b> | <b>Employee</b>       | <b>Department/Office</b>   | <b>2010 Wage</b> |
|--------------------------|---------------------------------|------------------|-----------------------|----------------------------|------------------|
| MOULTON, KEVIN T         | Police                          | \$67,893         | RUGGLES, DANIEL J     | Fire                       | \$50,590         |
| NAIKUS, VYTAS J          | Public Works                    | \$15,283         | RUGGLES, DONALD E     | Call Force                 | \$920            |
| NICHOLSON, HAROLD        | Call Force                      | \$119            | SCHARNBERG, ERIC      | Planning & Development     | \$22,907         |
| NOLAN, STEPHEN P         | Police                          | \$62,243         | SCHNEIDER, GESUALDO C | Fire Chief/EMS Coordinator | \$62,416         |
| NORDENSON, ERIC W        | Police                          | \$76,149         | SHAW, MELISSA         | Senior Center              | \$1,599          |
| OLSON, SHARON K          | Police                          | \$51,225         | SHAW, RICHARD         | Police                     | \$9,006          |
| PAPINEAU, MICHAEL V      | Public Works                    | \$53,039         | SHERIDAN, JAMES F     | City Council               | \$1,000          |
| PEARSON, JEFFREY A       | Police                          | \$52,070         | SHERMAN, NANCY G      | City Council               | \$1,000          |
| PELLETIER, CHARLES E     | Police                          | \$11,310         | SKEELS, FREDERICK H   | Finance & Technology       | \$51,853         |
| PEMBROKE, SHEILA         | Fire                            | \$42,412         | SMITH, GERALD         | Public Works               | \$48,221         |
| PEMBROKE HILL, BEVERLEE  | Asst City Manager/Tax Collector | \$68,988         | SMITH, LESLIE E       | Public Works               | \$46,501         |
| PERRY, DANIEL            | Public Works                    | \$41,052         | SNETSINGER, ROBERT W  | Public Works               | \$5,295          |
| PERSONS, ALBERT C        | Public Works                    | \$37,885         | TAYLOR, SAMUEL W      | Fire                       | \$42,717         |
| PITONYAK, SANDRA JUNE    | City Manager's                  | \$46,564         | THEREAULT, GALEN      | Fire                       | \$47,610         |
| POND, TIMOTHY W          | Public Works                    | \$25,991         | THURSTON, RICHARD W   | Call Force                 | \$901            |
| PONTBRIAND, JAMES D      | Police                          | \$41,768         | TILLINGHAST, MARK A   | Fire                       | \$57,838         |
| POTTER, MICHAEL T        | Public Works                    | \$48,123         | TILLINGHAST, ZACHARY  | Call Force                 | \$114            |
| POULIN, MARC             | Police                          | \$340            | TRUHAN, CHRISTOPHER M | Police                     | \$51,174         |
| POWERS, SCOTT V          | Public Works                    | \$45,981         | UTTON, ANNETTE        | Police                     | \$50,117         |
| PURCELL WHITE, KATHRYN A | Police                          | \$3,202          | UTTON, MICHAEL D      | Public Works               | \$55,190         |
| QUINN, JAMES             | Fire                            | \$47,112         | WEISS, ALAN H         | City Council               | \$1,000          |
| REDMOND, JUSTIN P        | Fire                            | \$25,927         | WHITE, JORDAN D       | Call Force                 | \$80             |
| REDMOND, PAULINE B       | Election Clerks                 | \$471            | WILSON, GEOFFREY P    | Public Works               | \$58,255         |
| RICE, RACHAEL I          | REACH                           | \$25,561         |                       |                            |                  |
| RICHARDSON, GEORGE W JR  | Public Works                    | \$46,525         |                       |                            |                  |
| ROUSSEAU, FRANCES M      | Fire                            | \$28,698         |                       |                            |                  |



Photo courtesy of Roger Crowley



*Photo courtesy of Roger Crowley*

CITY OF MONTPELIER, VERMONT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2010

Love, Cody & Company, CPAs conducted an audit of the financial statements for the fiscal year ended June 30, 2010. 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, 2010 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/page/286.html>. If you have questions or comments regarding this financial report, please call Sandra Gallup, City Finance Director at 223-9514.

CITY OF MONTPELIER, VERMONT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2010

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, 2010. Please read it in conjunction with the City's financial statements which begin on Exhibit A.

**Financial Highlights**

*Government-Wide Statements*

Net assets of the governmental activities increased by \$2,528,633 or 19 percent and net assets of the business-type activities increased by \$167,186 or .9 percent. The City's total net assets increased by \$2,695,819 as a result of this year's operations. This increase is primarily related to a capital grant for the Route 2/Route 302 Intersection capital project and a savings in General Fund for Department of Public Works winter-related expenditures.

The cost of all of the City's programs was \$ 15,598,109 in fiscal year 2010 compared to \$17,993,814 in fiscal year 2009, which is approximately a 13% decrease. Total government revenue also decreased from \$19,409,657 in 2009 compared to \$18,293,928 in 2010, which is a 5.7% decrease from the previous year. These reductions are related to the one-time replacement of an unfunded pension liability agreement with the Vermont Municipal Retirement System which occurred in fiscal year 2009.

*Fund Statements*

During fiscal year 2010, the General Fund reported a net increase in the fund balance of \$114,593.

The unreserved fund balance for the General Fund was \$919,677 and the reserved fund balance of the General Fund was \$568,733 as of June 30, 2010. The reserved fund balances are reserved for special projects or are not available for current expenditures. \$145,293 of the \$919,677 unreserved fund balance is designated for future capital purchases and special programs which leaves \$774,384 unrestricted and undesignated.

The Community Development Fund ended the year with a reserved fund balance of \$363,038, which was \$25,387 higher than the prior year fund balance of \$337,651. This fund balance is reserved by various sources for Community Development.

The Capital Projects Fund ended the year with a fund balance of \$1,416,161 which was \$1,668,546 higher than the prior year deficit fund balance of \$252,385. The reserved fund balance of \$1,049,164 is reserved by various sources for Capital Projects. Last year's negative unreserved fund balance of \$713,592 was eliminated by the collection of grant receivables.

Other nonmajor governmental funds ended the year with a fund balance of \$1,363,035, which was \$17,037 higher than the prior year fund balance of \$1,345,998. \$842,415 of this fund balance is reserved by various sources for various purposes.

The Water Fund ended the year with net assets of \$8,765,734, which was \$196,515 less than the prior year balance of \$8,962,249. Of the total net asset balance, \$9,428,743 is invested in property and equipment. This leaves an unrestricted deficit of \$663,009 to be recovered in future periods. \$297,500 of this unrestricted deficit is debt related to the refinancing of the unfunded pension liability. Principal repayments on this debt are not due until November, 2017.

The Sewer Fund ended the year with net assets of \$10,308,123, which was \$305,676 higher than the prior year balance of \$10,002,447. Of the total net asset balance, \$10,788,810 is invested in property and equipment. This leaves an

CITY OF MONTPELIER, VERMONT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2010

unrestricted deficit of \$480,687 to be recovered in future periods. \$402,500 of this unrestricted deficit is debt related to the refinancing of the unfunded pension liability. Principal repayments on this debt are not due until November, 2017.

The Parking Fund ended the year with net assets of \$328,965, which was \$58,025 higher than the prior year balance of \$270,940. Of the total net asset balance, \$311,398 is invested in property and equipment and \$41,220 is restricted for various projects. This leaves a deficit of \$23,653 to be recovered in future periods. \$192,500 of this unrestricted deficit is debt related to the refinancing of the unfunded pension liability. Principal repayments on this debt are not due until November, 2017.

### **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.

#### *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 activities 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

CITY OF MONTPELIER, VERMONT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2010

(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.

**The City as a Whole**

The City's combined net assets increased by \$2,695,819 from a year ago – increasing from \$32,306,147 to 35,001,966. 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>2010 | Business-type<br>Activities<br>2010 | Total<br>Primary<br>Government<br>2010 | Governmental<br>Activities<br>2009 | Business-type<br>Activities<br>2009 | Total<br>Primary<br>Government<br>2009 |
|--------------------------------------------|------------------------------------|-------------------------------------|----------------------------------------|------------------------------------|-------------------------------------|----------------------------------------|
| Current and other assets                   | \$ 6,434,870                       | \$ 26,555                           | \$ 6,461,425                           | \$ 7,929,806                       | \$ 37,085                           | \$ 7,966,891                           |
| Capital assets                             | 18,372,248                         | 37,433,836                          | 55,806,084                             | 15,808,818                         | 37,814,620                          | 53,623,438                             |
| Total assets                               | 24,807,118                         | 37,460,391                          | 62,267,509                             | 23,738,624                         | 37,851,705                          | 61,590,329                             |
| Long term liabilities                      | 8,562,209                          | 17,681,909                          | 26,244,118                             | 7,530,212                          | 18,478,572                          | 26,008,784                             |
| Other liabilities                          | 645,765                            | 375,660                             | 1,021,425                              | 3,137,901                          | 137,497                             | 3,275,398                              |
| Total liabilities                          | 9,207,974                          | 18,057,569                          | 27,265,543                             | 10,668,113                         | 18,616,069                          | 29,284,182                             |
| Net assets:                                |                                    |                                     |                                        |                                    |                                     |                                        |
| Invested in capital assets,<br>net of debt | 14,134,218                         | 20,528,951                          | 34,663,169                             | 12,014,867                         | 20,393,869                          | 32,408,736                             |
| Restricted                                 | 1,981,162                          | 41,220                              | 2,022,382                              | 2,276,469                          | 41,220                              | 2,317,689                              |
| Unrestricted                               | (516,236)                          | (1,167,349)                         | (1,683,585)                            | (1,220,825)                        | (1,199,453)                         | (2,420,278)                            |
| Total net assets                           | \$ 15,599,144                      | \$ 19,402,822                       | \$ 35,001,966                          | \$ 13,070,511                      | \$ 19,235,636                       | \$ 32,306,147                          |

CITY OF MONTPELIER, VERMONT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2010

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 19% (\$15,599,144 compared to \$13,070,511). This increase is primarily related to a \$1,874,334 in capital grants and contributions (the majority of which is for the Route 2/Route 302 Roundabout construction project).

Net assets of the business-type activities increased by \$167,186 (\$19,402,822 compared to \$19,235,636, or .9 percent.)

Table 2  
Change in Net Assets

|                                          | Governmental |              | Business-type |                | Total         |                |
|------------------------------------------|--------------|--------------|---------------|----------------|---------------|----------------|
|                                          | Activities   | Activities   | Primary       | Governmental   | Business-type | Total          |
|                                          | 2010         | 2010         | Government    | Activities     | Activities    | Primary        |
|                                          |              |              | 2010          | 2009           | 2009          | Government     |
|                                          |              |              | 2010          | 2009           | 2009          | 2009           |
| <b>REVENUES</b>                          |              |              |               |                |               |                |
| Program revenues:                        |              |              |               |                |               |                |
| Charges for services                     | \$ 1,173,482 | \$ 6,184,445 | \$ 7,357,927  | \$ 1,955,223   | \$ 6,104,315  | \$ 8,059,538   |
| Operating grants and Contributions       | 834,357      | 0            | 834,357       | 1,015,434      | 0             | 1,015,434      |
| Capital Grants and Contributions         | 1,938,249    | 124,176      | 2,062,425     | 2,665,834      | 14,051        | 2,679,885      |
| General Revenues:                        |              |              |               |                |               |                |
| Property Taxes, Penalties and Interest   | 7,618,724    | 0            | 7,618,724     | 7,198,011      | 0             | 7,198,011      |
| Payment in Lieu of Taxes                 | 184,000      | 0            | 184,000       | 184,000        | 0             | 184,000        |
| Unrestricted Investment Earnings         | 141,959      | 0            | 141,959       | 115,393        | 13,199        | 128,592        |
| Gain (Loss) on Sale of Capital Assets    | (88,384)     | 0            | (88,384)      | 0              | 2,184         | 2,184          |
| Other Revenues                           | 175,680      | 0            | 175,680       | 99,434         | 32,154        | 131,588        |
| Contributions to Permanent Endowments    | 7,240        | 0            | 7,240         | 10,425         | 0             | 10,425         |
| Total Revenues                           | 11,985,307   | 6,308,621    | 18,293,928    | 13,243,754     | 6,165,903     | 19,409,657     |
| <b>PROGRAM EXPENSES</b>                  |              |              |               |                |               |                |
| General government                       | 1,874,052    | 0            | 1,874,052     | 2,147,763      | 0             | 2,147,763      |
| Public Safety                            | 4,033,759    | 0            | 4,033,759     | 3,864,168      | 0             | 3,864,168      |
| Public Works                             | 1,964,525    | 0            | 1,964,525     | 2,379,156      | 0             | 2,379,156      |
| Culture and Recreation                   | 1,093,533    | 0            | 1,093,533     | 837,933        | 0             | 837,933        |
| Community Development                    | 54,094       | 0            | 54,094        | 1,962,157      | 0             | 1,962,157      |
| Cemetery                                 | 181,319      | 0            | 181,319       | 185,150        | 0             | 185,150        |
| MontpelierNet                            | 21,332       | 0            | 21,332        | 37,590         | 0             | 37,590         |
| Interest on Long-Term Debt               | 243,760      | 0            | 243,760       | 470,305        | 0             | 470,305        |
| Water                                    | 0            | 2,432,394    | 2,432,394     | 0              | 2,361,919     | 2,361,919      |
| Sewer                                    | 0            | 3,088,840    | 3,088,840     | 0              | 3,189,852     | 3,189,852      |
| Parking                                  | 0            | 610,501      | 610,501       | 0              | 557,821       | 557,821        |
| Total Program Expenses                   | 9,466,374    | 6,131,735    | 15,598,109    | 11,884,222     | 6,109,592     | 17,993,814     |
| Excess Before Special Item and Transfers | 2,518,933    | 176,886      | 2,695,819     | 1,359,532      | 56,311        | 1,415,843      |
| Special Item - Pension Expense           |              |              |               |                |               |                |
| VMERS Liability                          | 0            | 0            | 0             | (2,488,003)    | (892,500)     | (3,380,503)    |
| Transfers                                | 9,700        | (9,700)      | 0             | 9,700          | (9,700)       | 0              |
| Increase (Decrease) in Net Assets        | \$ 2,528,633 | \$ 167,186   | \$ 2,695,819  | \$ (1,118,771) | \$ (845,889)  | \$ (1,964,660) |

CITY OF MONTPELIER, VERMONT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2010

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

*Governmental Activities*

The City's tax rate increased to \$1.2506 from \$1.2197 per \$100 of assessed value from fiscal year 2009 to fiscal year 2010.

Table 3 presents the cost of each of the City's seven largest programs – general government, public safety, highways 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<br>of Services | Net Revenues<br>(Cost)<br>of Services |
|                        | 2010                      | 2010                                  | 2010                      | 2010                                  | 2009                      | 2009                                  | 2009                      | 2009                                  |
| General Government     | 1,848,052                 | \$ (1,309,889)                        | \$ 0                      | \$ 0                                  | 2,147,763                 | \$ (959,456)                          | \$ 0                      | \$ 0                                  |
| Public Safety          | 4,033,759                 | (3,275,865)                           | 0                         | 0                                     | 3,864,168                 | (3,423,416)                           | 0                         | 0                                     |
| Public Works           | 1,964,525                 | 167,823                               | 0                         | 0                                     | 2,379,156                 | 374,109                               | 0                         | 0                                     |
| Culture and Recreation | 1,093,533                 | (686,606)                             | 0                         | 0                                     | 837,933                   | 250,692                               | 0                         | 0                                     |
| Community Development  | 54,094                    | 9,999                                 | 0                         | 0                                     | 1,962,157                 | (1,876,462)                           | 0                         | 0                                     |
| Water                  | 0                         | 0                                     | 2,432,394                 | (196,815)                             | 0                         | 0                                     | 2,361,919                 | (170,116)                             |
| Sewer                  | 0                         | 0                                     | 3,088,840                 | 305,676                               | 0                         | 0                                     | 3,189,852                 | 54,825                                |
| Parking                | 0                         | 0                                     | 610,501                   | 68,025                                | 0                         | 0                                     | 557,821                   | 124,065                               |
| All others             | 446,411                   | (399,748)                             | 0                         | 0                                     | 693,045                   | (613,198)                             | 0                         | 0                                     |
| Totals                 | \$ 9,440,374              | \$ (5,494,286)                        | \$ 6,131,735              | \$ 176,886                            | \$ 11,884,222             | \$ (6,247,731)                        | \$ 6,109,592              | \$ 8,774                              |

**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 \$4,630,644, which is above last year's total of \$2,805,081. Included in this year's total change in fund balance is an increase of \$114,593 in the City's General Fund; an increase of \$25,387 in the Community Development Fund; an increase of \$1,668,546 in the Capital Projects Fund and an increase of \$17,037 in Other Governmental Funds. The increase in the Capital Projects Fund fund balance is due to a substantial grant received and recorded as revenue during the year and long term debt proceeds of \$1,150,000.

*General Fund Budgetary Highlights*

Revenue exceeded the budget by \$432,505. A significant part of the unbudgeted revenue is \$221,739 in unanticipated grant revenue. Other notable revenues exceeding budget are Ambulance Calls which were \$113,353 more than budgeted, State & Local Payment in Lieu of Taxes (PILOT) revenue which exceeded projections by \$68,284.

Expenditures exceeded the budget by \$480,048. A significant part of the unbudgeted expenditures are for \$418,653 in capital equipment purchases which were offset by lease proceeds and use of designated funds. Other notable

CITY OF MONTPELIER, VERMONT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2010

expenditures exceeding the budget are grant-related expenditures which are offset with the \$221,739 in unanticipated grant revenue. In addition, there is \$122,707 in unbudgeted reappraisal costs and the \$33,936 of unbudgeted unfunded pension liability interest. Both are of these expenditures were offset by the use of a designated funds from previous years.

Other Financing Sources (Uses) exceeded the budget by \$162,136. The City received \$319, 864 in debt proceeds and \$55,000 in sale of equipment. Due to savings in winter storm related costs the City Council approved an unbudgeted transfer of \$207,000 from the General Fund Public Works Department to the City's Capital Improvement Fund. \$5,728 was transferred to a Community Justice reserve fund.

**Capital Asset and Debt Administration**

*Capital Assets*

At June 30, 2010, the City had \$55,806,084 compared to \$53,623,438 at June 30, 2009 invested in a broad range of capital assets, including police and fire equipment, 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 \$2,182,646, over last year.

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

|                                       | Governmental<br>Activities<br>2010 | Business-type<br>Activities<br>2010 | Totals               | Governmental<br>Activities<br>2009 | Business-type<br>Activities<br>2009 | Totals               |
|---------------------------------------|------------------------------------|-------------------------------------|----------------------|------------------------------------|-------------------------------------|----------------------|
| Land                                  | \$ 922,050                         | \$ 250,672                          | \$ 1,172,722         | \$ 894,650                         | \$ 250,672                          | \$ 1,145,322         |
| Capital Improvements<br>and Equipment | 15,799,726                         | 36,951,442                          | 52,751,168           | 12,150,387                         | 35,804,121                          | 47,954,508           |
| Construction in Progress              | 1,650,472                          | 231,722                             | 1,882,194            | 2,763,781                          | 1,759,827                           | 4,523,608            |
| Totals                                | <u>\$ 18,372,248</u>               | <u>\$ 37,433,836</u>                | <u>\$ 55,806,084</u> | <u>\$ 15,808,818</u>               | <u>\$ 37,814,620</u>                | <u>\$ 53,623,438</u> |

This year's major additions included:

|                                    |                     |
|------------------------------------|---------------------|
| Tower resortation & McAvoy Land    | \$ 67,016           |
| Computer Equipment                 | 45,831              |
| Police Vehicles                    | 40,240              |
| Taylor Street Bridge - contributed | 572,598             |
| Infrastructure                     | 2,239,278           |
| DPW equipment                      | 438,988             |
| Fire Equipment and Vehcles         | 199,845             |
| Water - Computer equipment         | 8,730               |
| Sewer treatment improvements       | 529,924             |
| Sewer - Vactor and pump            | 223,250             |
| Sewer - Computer equipment         | 8,912               |
|                                    | <u>\$ 4,374,612</u> |

CITY OF MONTPELIER, VERMONT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2010

*Long Term - Debt*

At June 30, 2010, the City had \$25,856,011 in bonds and notes outstanding versus \$25,632,123 on June 30, 2009 – a increase of \$223,888 – as shown in Table 5.

Table 5  
Outstanding Debt at Year-End

|                                               | Balance<br>June 30, 2009 | Additions           | Payments            | Balance<br>June 30, 2010 |
|-----------------------------------------------|--------------------------|---------------------|---------------------|--------------------------|
| <b>Notes, Capital Leases and Bond Payable</b> |                          |                     |                     |                          |
| Governmental Activities                       | \$ 7,246,564             | \$ 1,473,129        | \$ 449,518          | \$ 8,270,175             |
| Proprietary Funds                             | 18,385,559               | 0                   | 799,723             | 17,585,836               |
| Totals                                        | <u>\$ 25,632,123</u>     | <u>\$ 1,473,129</u> | <u>\$ 1,249,241</u> | <u>\$ 25,856,011</u>     |

New debt resulted from an ambulance and grader lease, various capital projects and Wastewater upgrades.

**Economic Factors and Next Year's Budgets and Rates**

The City's elected and appointed officials consider economic factors and the community's priorities when setting the fiscal year 2011 budget, tax rates, and fees that will be charged for the business-type activities. With the national and regional economy suffering, inflation running at or below zero, Montpelier's property taxes already high and a property reappraisal in process which would likely increase overall residential values, the 2011 Budget was guided by a firm desire to avoid a tax increase or any other unanticipated increases. The other guiding force was resident opinion obtained through the National Citizen Survey process. This survey identified Police, Planning, Parks and Roads as key service drivers which reflect their overall satisfaction with the city. The survey also highlighted citizen concerns with taxes, affordable housing and jobs.

Economic factors considered include the unemployment in the City, which stood at 6.0% (July 2009) compared with 3.4% (July 2008) a year earlier. This compares with the State's unemployment rate in June 2009 of 7.20%. Also considered was the Consumer Price Index percent change over one year (August 2008-August 2009) which was -1.5%.

The City took into account these indicators as well as the property tax rate confusion that would be brought on by the city-wide Grand List reappraisal scheduled to be completed in April 2010. The updated Grand List may produce some cost-shifting between residential and commercial property owners. When budgeting for fiscal year 2011, the City Council met its goal of no tax increase (in dollars), while maintaining the current level of services. The budget decisions reflected the community's priorities as expressed in the citizen survey.

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. The installation of flood gauges significantly improves the City's ability to monitor the river water levels.

As for the City's business-type activities, utility rates remained unchanged on July 1, 2010. The combination of users' water conservation and the lack of growth in numbers of users, provides additional challenges to the Water and Sewer Funds. The Water and Sewer Rate Committee authorized a study of water and sewer rates to propose a new rate structure that assures annual revenues will be generated to cover all costs and eliminate previous years' deficits.

CITY OF MONTPELIER, VERMONT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2010

Current quarterly water rates are as follows: \$7.51 per 1,000 for the first 50,000 gallons, \$7.97 per 1,000 for the next 200,000 gallons, \$12.93 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 \$25.00.

Current quarterly sewer rates are as follows: \$8.47 per 1,000 gallons of water used and a fixed charge for all for meter reading, billing and other administrative service costs of \$30.00.

**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 6, Montpelier, VT 05602.

**Other Financial Information**

***Statement of Taxes (School and City),  
Sewer Benefit, Sewer Separation,  
(CSO) Charges Raised for Fiscal Year  
July 1, 2009-June 30, 2010***

**Taxes & Charges Billed**

|                               |                            |
|-------------------------------|----------------------------|
| Real Estate/Personal Property | \$18,714,265               |
| Sewer Benefit/CSO             | 616,440                    |
| Delinquent Taxes - Total      |                            |
| As of June 30, 2010           | 169,101                    |
| <b>TOTAL TAXES/ CHARGES</b>   | <b><u>\$19,499,806</u></b> |

**Accounted For As Follows:**

|                                    |                            |
|------------------------------------|----------------------------|
| Collections/Adjustments/Abatements | \$19,330,705               |
| Delinquent as of June 30, 2010     | 169,101                    |
| <b>TOTAL TAXES/CHARGES</b>         | <b><u>\$19,499,806</u></b> |



Photo courtesy of Roger Crowley

## 2010 City Meeting Results – March 2, 2010

**ARTICLE 1. CANDIDATES**

| POSITION                             | TERM    | CANDIDATES        | VOTES | RESULTS |
|--------------------------------------|---------|-------------------|-------|---------|
| Mayor                                | 2 Years | Gary Schy         | 613   |         |
| Mayor                                | 2 Years | Mary Hooper       | 1377  | Elected |
| Auditor                              | 2 Years | --                | --    | --      |
| Green Mount Cemetery<br>Commissioner | 5 Years | Daniel Richardson | 1599  | Elected |
| Green Mount Cemetery<br>Commissioner | 4 Years | Charles Wiley     | 1650  | Elected |
| Park Commissioner                    | 5 Years | Lyn Munno         | 1569  | Elected |
| School Commissioner                  | 3 Years | Sue Aldrich       | 1501  | Elected |
|                                      |         | Steven Robinson   | 1374  | Elected |
|                                      |         | Lowell Vanderlip  | 1363  | Elected |
| Council Person                       | 2 Years |                   |       |         |
| District 1                           |         | Andy Hooper       | 487   | Elected |
| District 2                           |         | Nancy Sherman     | 399   | Elected |
|                                      |         | Richard Sheir     | 78    |         |
|                                      |         | Jack Lindley      | 275   |         |
| District 3                           |         | Alan H Weiss      | 511   | Elected |

**ARTICLE 2.** Shall the voters appropriate the sum of \$6,520,363 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, 2010 to June 30, 2011? (Requested by the City Council)

**APPROVED YES 1545 NO 568**

**ARTICLE 3.** Shall the voters appropriate the sum of \$15,579,403 necessary for the support of the public school system for the fiscal year July 1, 2010 to June 30, 2011? (Local budget of \$14,715,484 plus grant budget of \$863,919, for a total school budget of \$15,579,403.) (Requested by the School Board)

**APPROVED YES 1436 NO 695**

**ARTICLE 4.** Shall the voters appropriate the sum of \$605,230 for the support of the Recreation Department for the fiscal year July 1, 2010 to June 30, 2011? (Requested by the School Board)

**APPROVED YES 1655 NO 468**

**ARTICLE 5.** Shall the voters appropriate the sum of \$125,707 for the support of the Senior Citizens Activity Center for the fiscal year July 1, 2010 to June 30, 2011? (Requested by the City Council)

**APPROVED YES 1733 NO 396**

**ARTICLE 6.** Shall the voters appropriate the sum of \$2,700 as compensation to the Mayor for services for the fiscal year July 1, 2010 to June 30, 2011? (Requested by the City Council)

**APPROVED YES 1589 NO 542**

**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, 2010 to June 30, 2011? (Requested by the City Council)

**APPROVED YES 1623 NO 507**

**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, 2010 to June 30, 2011? (Requested by the School Board)

**APPROVED YES 1557 NO 564**

**ARTICLE 9.** Shall the voters authorize the Board of School Commissioners to hold any audited fund balance as of June 30, 2010 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)

**APPROVED YES 1556 NO 520**

**ARTICLE 10.** Shall the voters appropriate the sum of \$293,975 to be used by the Kellogg-Hubbard Library for the fiscal year July 1, 2010 to June 30, 2011? (This amount is requested by the library board and is in addition to the \$46,973 for library bond payment included in the City General Fund Budget, Article 2.)

**APPROVED YES 1601 NO 544**

**ARTICLE 11.** Shall the voters authorize the City to increase the veteran's exemption amount from \$10,000 of appraisal value to \$40,000 of appraisal value in accord with 32 V.S.A. Section 3802(11) first effective for the April 1, 2010 tax year?

**APPROVED YES 1304 NO 749**

**ARTICLE 12.** Shall the voters appropriate the sum of \$25,000 to be used by the Cross Vermont Trail Association for the design, easements and construction of a bicycle-pedestrian path connecting the Montpelier Recreation Path to a two-mile section of the Cross Vermont Trail which parallels the Winooski River?

**APPROVED YES 1477 NO 654**

**ARTICLE 13.** Shall the voters appropriate the sum of \$500 to be used by Friends of the Winooski River for the fiscal year July 1, 2010 to June 30 2011? (By Petition)

**APPROVED YES 1401 NO 703**

**ARTICLE 14.** Shall the voters appropriate vote the sum of \$1,500 to be used by the Green Mountain Youth Symphony for the fiscal year July 1, 2010 to June 30, 2011? (By Petition)

**APPROVED YES 1409 NO 710**

**ARTICLE 15.** Shall the voters appropriate the sum of \$3,500 for Youth Programs of Lost Nation Theater for the fiscal year July 1, 2010 to June 30, 2011? (By Petition)

**APPROVED YES 1263 NO 848**

**ARTICLE 16.** Shall the City of Montpelier vote on a non-binding resolution that states: "The voters of the City of Montpelier advise the Vermont Legislature to pass a bill to replace criminal penalties with a civil fine for adults who possess a small amount of marijuana". (By Petition)

**APPROVED YES 1530 NO 585**

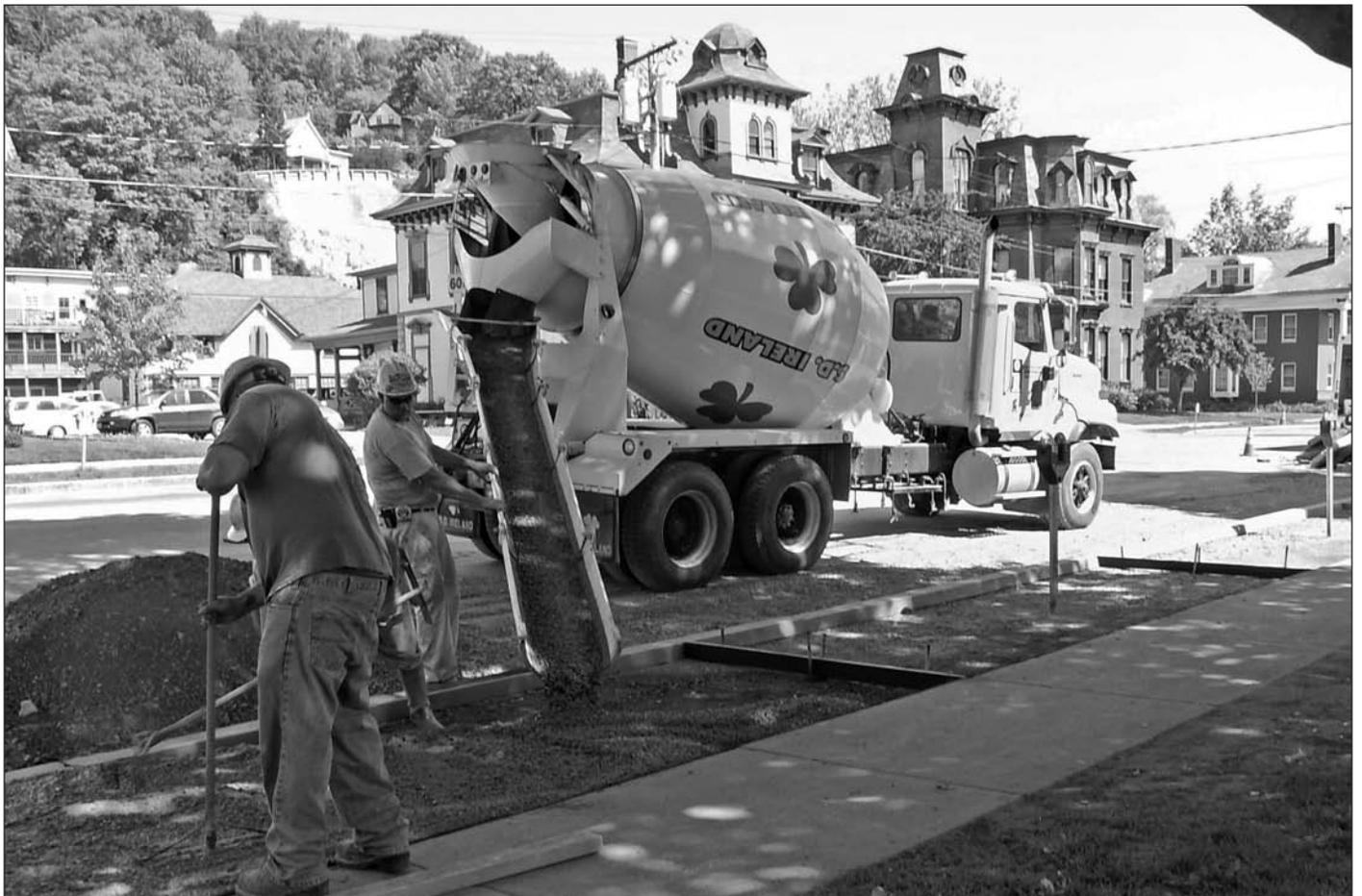


Photo courtesy of Dubois & King

## Montpelier High School Student Assistance/Substance Abuse Program 2009-2010

Total students seen for at least 2 sessions: 88

43 Female                      45 Male

In general, referrals broke down as follows:

41 Self-referrals              26 Peer Referrals

8 Parent referrals            12 School referrals

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

26 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.

7 Issues concerning abuse (physical, sexual, neglect).

59 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 group

8 Out-patient counseling

0 In-patient counseling

Of the 88 students contacted, there were at least 19 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. A prevention discussion group was started with New Directions for which monthly meetings were and will be held. SAP was involved to provide education and parenting communications and prevention skills. The New Directions Coalition remained a collaboration partner. A parent support group remains a possibility for those interested in specific support. Please contact me. More collaboration efforts are being discussed.

A. Several 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, suicide, divorce, etc.)

The following organizations were addressed:

- Montpelier High School Driver Education Classes
- Governor's Youth Leadership Conference
- VT Teen Leadership and Safety Program Conference
- MHS Health Classes

B. Once again, SAP supported the VT Teen Leadership and Safety Program (VTLSP/SADD) sponsored by the VT Department of Liquor Control at Montpelier High School this year. VTLSP also provided safety information dealing with drinking and driving safety belt program. Students helped to present the Governor's Youth Leadership Conference, and held two blood drives at MHS. The major presentation this year was an assembly targeting drinking and driving. The ghost-out involved all VTLSP members and other selected students.

C. Again, students in the SSN 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.

CHIP KEINATH, S.A.P. Coordinator

## School Superintendent's Report

This was a challenging, while forward-thinking, year for the Montpelier Public Schools. We faced obstacles, unpredictable changes, and potentially disheartening consequences. Yet through a shared resolve and commitment, your school department persevered and prevailed, and took advantage of opportunities to grow in ways not expected. Rising from these demanding times was a renewed strength of vigor, and a bond of camaraderie and purposefulness by your school community toward a single charge: to continue to deliver the highest possible educational product by the most efficient means. Students, staff, and families of this great community proved they could rise above the tumult with a dedication to solid study, continuous growth, and earnest accomplishment. We are pleased to report that the Montpelier Public School District is a better place to learn, to work, and to support.

With the steady and guiding stewardship of our Board of School Commissioners, your school district's Administrative Team pledged that mediocrity and homogeneous decisions and actions were not an option. Business Manager, Cindy Rossi, responsibly managed the school department's \$15m operating budget; Director of Curriculum, Instruction, and Assessment, Patricia Gaston, constructed an aggressive and

progressive Action Plan to greatly improve teaching and learning within the district; Support Services Director, Jessica Little, managed a department dedicated to providing the most effective services by the most efficient means for our most needy students; Principal Peter Evans provides leadership to one of the nation's best high schools; Principal Pamela Arnold has recently been recognized as a Vermont Principal of the Year; and Principal Owen Bradley is shepherding a rebirth of our Union Elementary School. Individually, your administrators are capable, caring, and ambitious. Collectively, they may very well be the best administrative team in the region.

Highlights of the past year were many and significant. The Administrative Team developed and wholly embraced a new three-year Action Plan directing the entire school in the direction of increased rigor, accountability, and achievement. As a sub-set of this initiative, representatives from all academic and fine arts disciplines are meeting regularly with the charge of understanding the scope of a K-12 education within this community and examining the strengths, weaknesses, redundancies, and opportunities for all our young people. A new Principal, administrative assistant, and head custodian are in place within the Union Elementary School breathing new vigor and responsiveness to the needs and desires of our students and their families. Toward increased safety in the arrival and dismissal of students, new traffic patterns were developed at both the elementary and high school. In addition, there has been a major refocus on campus and facility revitalization coupled with day-to-day maintenance to keep our facilities welcoming. With these few instances, it is easy to see that the school department is moving forward with determination and imagination.

Yet, all this positive momentum had to be couched within the existing economic realities. A depressed local economy, the plight of taxpayers facing increased food and utility prices, the school department's wrestling with the sunseting of federal education dollars intended to save municipal jobs, and an earnest attempt to meet the state-wide *Challenges for Change* initiative all focused attention to imagining a leaner yet no less effective school department. The challenge actually became a rallying cry to not just change, but to make progress with fewer resources.

Yet, while we move into a new year we will never forget why this school department was created: to provide an education for all the young people of our community. This has always been the mission of public school programs, both large and small, across the nation. Our primary responsibility is to create real opportunities for young people to prepare for a life of personal fulfillment, worthy citizenship, and economic independence. Toward this end, we will continue with the attainment of our mission while being ever-challenged to investigate and incorporate more efficient and more effective means toward the end. The Montpelier Public Schools will continue to be an organization where people matter and ideas count.

MARK R. MASON, *Superintendent*



Photo courtesy of Roger Crowley



Photo courtesy of Roger Crowley

# Montpelier 2011 / Annual Report / 93

PRELIMINARY

Three Prior Years Comparisons - Format as Provided by DOE

ESTIMATES ONLY

| District: <b>Montpelier</b>                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                   | <b>T129</b>       |              | Enter base education amount. See note at bottom of page | Enter estimated homestead base rate for FY2012. See note at bottom of page |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|--------------|---------------------------------------------------------|----------------------------------------------------------------------------|
| County: <b>Washington</b>                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                   | <b>Montpelier</b> |              | <b>8,544</b>                                            | <b>0.87</b>                                                                |
| Expenditures                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                   | FY2009            | FY2010       | FY2011                                                  | FY2012                                                                     |
| 1.                                                                                                                                                                                                                                                                                                               | <b>Budget</b> (local budget, including special programs, full technical center expenditures, and any Act 144 expenditures)                                                                                        | \$15,127,325      | \$15,320,916 | \$15,579,403                                            | \$15,400,250                                                               |
| 2.                                                                                                                                                                                                                                                                                                               | plus Sum of separately warned articles passed at town meeting                                                                                                                                                     | -                 | -            | -                                                       | -                                                                          |
| 3.                                                                                                                                                                                                                                                                                                               | minus Act 144 Expenditures, to be excluded from Education Spending                                                                                                                                                | -                 | -            | -                                                       | -                                                                          |
| 4.                                                                                                                                                                                                                                                                                                               | Act 68 locally adopted or warned budget                                                                                                                                                                           | \$15,127,325      | \$15,320,916 | \$15,579,403                                            | \$15,400,250                                                               |
| 5.                                                                                                                                                                                                                                                                                                               | plus Obligation to a Regional Technical Center School District if any                                                                                                                                             | -                 | -            | -                                                       | -                                                                          |
| 6.                                                                                                                                                                                                                                                                                                               | plus Prior year deficit reduction if not included in expenditure budget                                                                                                                                           | -                 | -            | -                                                       | -                                                                          |
| 7.                                                                                                                                                                                                                                                                                                               | <b>Gross Act 68 Budget</b>                                                                                                                                                                                        | \$15,127,325      | \$15,320,916 | \$15,579,403                                            | \$15,400,250                                                               |
| 8.                                                                                                                                                                                                                                                                                                               | S.U. assessment (included in local budget) - informational data                                                                                                                                                   | -                 | -            | -                                                       | -                                                                          |
| 9.                                                                                                                                                                                                                                                                                                               | Prior year deficit reduction (if included in expenditure budget) - informational data                                                                                                                             | -                 | -            | -                                                       | -                                                                          |
| Revenues                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                   | FY2009            | FY2010       | FY2011                                                  | FY2012                                                                     |
| 10.                                                                                                                                                                                                                                                                                                              | Local revenues (categorical grants, donations, tuitions, surplus, etc., including local Act 144 tax revenues)                                                                                                     | \$3,026,911       | \$2,937,677  | \$3,497,163                                             | \$3,248,640                                                                |
| 11.                                                                                                                                                                                                                                                                                                              | plus Capital debt aid for eligible projects pre-existing Act 60                                                                                                                                                   | -                 | -            | -                                                       | -                                                                          |
| 12.                                                                                                                                                                                                                                                                                                              | plus Prior year deficit reduction if included in revenues (negative revenue instead of expenditures)                                                                                                              | -                 | -            | -                                                       | -                                                                          |
| 13.                                                                                                                                                                                                                                                                                                              | minus All Act 144 revenues, including local Act 144 tax revenues                                                                                                                                                  | -                 | -            | -                                                       | -                                                                          |
| 14.                                                                                                                                                                                                                                                                                                              | <b>Total local revenues</b>                                                                                                                                                                                       | \$3,026,911       | \$2,937,677  | \$3,497,163                                             | \$3,248,640                                                                |
| 15.                                                                                                                                                                                                                                                                                                              | <b>Education Spending</b>                                                                                                                                                                                         | \$12,100,414      | \$12,383,239 | \$12,082,240                                            | \$12,151,610                                                               |
| 16.                                                                                                                                                                                                                                                                                                              | Equalized Pupils (Act 130 count is by school district)                                                                                                                                                            | 1,023.87          | 989.71       | 985.77                                                  | 971.32                                                                     |
| 17.                                                                                                                                                                                                                                                                                                              | <b>Education Spending per Equalized Pupil</b>                                                                                                                                                                     | \$11,818.31       | \$12,511.99  | \$12,510.47                                             | \$12,510                                                                   |
| 18.                                                                                                                                                                                                                                                                                                              | minus Less net eligible construction costs (or P&I) per equalized pupil                                                                                                                                           | \$250.88          | \$382.83     | \$387.12                                                | \$372                                                                      |
| 19.                                                                                                                                                                                                                                                                                                              | minus Less share of SpEd costs in excess of \$50,000 for an individual                                                                                                                                            | \$24.98           | \$25.84      | \$12.98                                                 | \$19                                                                       |
| 20.                                                                                                                                                                                                                                                                                                              | minus 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 | -                 | -            | -                                                       | -                                                                          |
| 21.                                                                                                                                                                                                                                                                                                              | minus Less SpEd costs if excess is solely attributable to new SpEd spending if district has 20 or fewer equalized pupils                                                                                          | -                 | -            | -                                                       | -                                                                          |
| 22.                                                                                                                                                                                                                                                                                                              | minus Less planning costs for merger of small schools                                                                                                                                                             | -                 | -            | -                                                       | -                                                                          |
| 23.                                                                                                                                                                                                                                                                                                              | plus Excess Spending per Equalized Pupil over threshold (if any)                                                                                                                                                  | -                 | -            | -                                                       | -                                                                          |
| 24.                                                                                                                                                                                                                                                                                                              | Per pupil figure used for calculating District Adjustment                                                                                                                                                         | \$11,818          | \$12,512     | \$12,510                                                | \$12,510                                                                   |
| 25.                                                                                                                                                                                                                                                                                                              | <b>District spending adjustment</b> (minimum of 100%)<br>(\$12,510 / \$8,544)                                                                                                                                     | 143.950%          | 146.442%     | 146.424%                                                | 146.423%                                                                   |
| <b>Prorating the local tax rate</b>                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                   |                   |              |                                                         |                                                                            |
| 26.                                                                                                                                                                                                                                                                                                              | Anticipated district equalized homestead tax rate to be prorated (146.423% x \$0.870)                                                                                                                             | \$1.2524          | \$1.2594     | \$1.2592                                                | \$1.2739                                                                   |
| 27.                                                                                                                                                                                                                                                                                                              | Percent of Montpelier equalized pupils not in a union school district                                                                                                                                             | 100.000%          | 100.000%     | 100.000%                                                | 100.000%                                                                   |
| 28.                                                                                                                                                                                                                                                                                                              | Portion of district eq homestead rate to be assessed by town (100.000% x \$1.27)                                                                                                                                  | \$1.2524          | \$1.2594     | \$1.2592                                                | \$1.2739                                                                   |
| 29.                                                                                                                                                                                                                                                                                                              | <b>Common Level of Appraisal (CLA)</b>                                                                                                                                                                            | 63.66%            | 58.94%       | 91.49%                                                  | 98.20%                                                                     |
| 30.                                                                                                                                                                                                                                                                                                              | Portion of actual district homestead rate to be assessed by town (\$1.274 / 98.20%)                                                                                                                               | \$1.9673          | \$2.1367     | \$1.3763                                                | \$1.2973                                                                   |
| If the district belongs to a union school district, this is only a PARTIAL 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. |                                                                                                                                                                                                                   |                   |              |                                                         |                                                                            |
| 31.                                                                                                                                                                                                                                                                                                              | Anticipated income cap percent to be prorated (146.423% x 1.80%)                                                                                                                                                  | 2.59%             | 2.64%        | 2.64%                                                   | 2.64%                                                                      |
| 32.                                                                                                                                                                                                                                                                                                              | Portion of district income cap percent applied by State (100.000% x 2.64%)                                                                                                                                        | 2.59%             | 2.64%        | 2.64%                                                   | 2.64%                                                                      |
| 33.                                                                                                                                                                                                                                                                                                              | Percent of equalized pupils at union 1                                                                                                                                                                            | -                 | -            | -                                                       | -                                                                          |
| 34.                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                   | -                 | -            | -                                                       | -                                                                          |

- Due to the ongoing fiscal crisis, there is uncertainty as to what the base education amount and homestead tax rate should be. Our current recommendation is to use \$8,544 and \$0.87, respectively. A district may choose to use different parameters if so desired. Final figures will be set by the Legislature and approved by the Governor.  
 - The base income percentage cap is 1.80%.

# Montpelier 2011 / Annual Report / 94

## 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/>

### FY2010 School Level Data

Cohort Description: Elementary school, enrollment ≥ 300  
(28 schools in cohort)

Cohort Rank by Enrollment (1 is largest)  
10 out of 28

| School level data           |                                | Grades Offered | Enrollment | Total Teachers | Total Administrators | Stu / Tchr Ratio | Stu / Admin Ratio | Tchr / Admin Ratio |
|-----------------------------|--------------------------------|----------------|------------|----------------|----------------------|------------------|-------------------|--------------------|
| Smaller →                   | Academy School                 | K - 6          | 367        | 37.00          | 2.00                 | 9.92             | 183.50            | 18.50              |
|                             | Neshobe School                 | PK - 6         | 384        | 22.86          | 2.00                 | 16.80            | 192.00            | 11.43              |
|                             | Molly Stark School             | K - 5          | 359        | 24.50          | 2.00                 | 15.88            | 194.50            | 12.25              |
|                             | <b>Union Elementary School</b> | <b>K - 5</b>   | <b>390</b> | <b>37.50</b>   | <b>1.00</b>          | <b>10.37</b>     | <b>390.00</b>     | <b>37.60</b>       |
|                             | Mary Hogan School              | K - 6          | 391        | 34.50          | 2.00                 | 11.33            | 195.50            | 17.25              |
|                             | Founders Memorial School       | K - 5          | 398        | 24.70          | 2.00                 | 16.11            | 199.00            | 12.35              |
| ← Larger                    | Essex Elementary School        | PK - 2         | 422        | 31.70          | 2.00                 | 13.31            | 211.00            | 15.65              |
| Averaged SCHOOL cohort data |                                |                | 398.96     | 32.55          | 1.67                 | 12.26            | 239.05            | 19.50              |

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/>

### FY2010 School Level Data

Cohort Description: Middle school  
(25 schools in cohort)

Cohort Rank by Enrollment (1 is largest)  
21 out of 25

| School level data           |                                  | Grades Offered | Enrollment | Total Teachers | Total Administrators | Stu / Tchr Ratio | Stu / Admin Ratio | Tchr / Admin Ratio |
|-----------------------------|----------------------------------|----------------|------------|----------------|----------------------|------------------|-------------------|--------------------|
| Smaller →                   | Harwood Union Middle UHSD #19    | 7 - 8          | 148        | 16.70          | 1.40                 | 8.86             | 105.71            | 11.93              |
|                             | Winooski Middle School           | 6 - 8          | 170        | 17.24          | 0.88                 | 9.86             | 193.18            | 19.59              |
|                             | Woodstock Union Middle School    | 7 - 8          | 179        | 14.00          | 1.00                 | 12.79            | 179.00            | 14.00              |
|                             | <b>Main Street School</b>        | <b>6 - 8</b>   | <b>201</b> | <b>22.39</b>   | <b>1.00</b>          | <b>8.98</b>      | <b>201.00</b>     | <b>22.39</b>       |
|                             | Peoples Academy Middle School    | 6 - 8          | 223        | 19.63          | 1.00                 | 11.36            | 223.00            | 19.63              |
|                             | Bellevue Falls Middle School     | 5 - 8          | 262        | 26.05          | 2.00                 | 10.06            | 131.00            | 13.03              |
| ← Larger                    | Lamoille Union Middle School #18 | 7 - 8          | 289        | 25.21          | 1.81                 | 10.67            | 148.62            | 13.93              |
| Averaged SCHOOL cohort data |                                  |                | 319.20     | 30.18          | 1.75                 | 10.58            | 182.85            | 17.27              |

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/>

### FY2010 School Level Data

Cohort Description: Senior high school  
(28 schools in cohort)

Cohort Rank by Enrollment (1 is largest)  
26 out of 28

| School level data           |                               | Grades Offered | Enrollment | Total Teachers | Total Administrators | Stu / Tchr Ratio | Stu / Admin Ratio | Tchr / Admin Ratio |
|-----------------------------|-------------------------------|----------------|------------|----------------|----------------------|------------------|-------------------|--------------------|
| Smaller →                   | Twin Valley High School       | 9 - 12         | 168        | 21.30          | 2.00                 | 7.89             | 84.00             | 10.65              |
|                             | Windsor High School           | 9 - 12         | 273        | 28.50          | 1.50                 | 9.58             | 182.00            | 19.00              |
|                             | Winooski High School          | 9 - 12         | 273        | 25.00          | 1.79                 | 10.92            | 152.61            | 13.97              |
|                             | <b>Montpelier High School</b> | <b>9 - 12</b>  | <b>327</b> | <b>38.69</b>   | <b>1.00</b>          | <b>8.45</b>      | <b>327.00</b>     | <b>38.69</b>       |
|                             | Peoples Academy               | 9 - 12         | 331        | 28.60          | 2.00                 | 11.57            | 165.50            | 14.30              |
|                             | Bellevue Falls UHSD #27       | 9 - 12         | 364        | 42.25          | 2.00                 | 8.62             | 182.00            | 21.13              |
| ← Larger                    | Lake Region UHSD #24          | 9 - 12         | 369        | 32.12          | 2.00                 | 12.11            | 194.50            | 16.08              |
| Averaged SCHOOL cohort data |                               |                | 696.50     | 56.90          | 3.15                 | 12.24            | 220.91            | 18.05              |

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.

The portion of current expenditures made by supervisory unions on behalf of districts varies greatly. This year's figures include district assessments to SUs. Doing so makes districts more comparable to each other. The consequence is that THESE FIGURES ARE ONLY COMPARABLE TO FIGURES USED IN THE SIMILAR FILES FOR FY10 and FY11.

### FY2009 School District Data

Cohort Description: K - 12 school district  
(33 school districts in cohort)

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)  
6 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                             | 787.60                                  | \$11,536                                                               |                                   |
|                                                        | Fairfax           | PK-12                             | 875.87                                  | \$9,510                                                                |                                   |
|                                                        | Montpelier        | K-12                              | 915.59                                  | \$10,035                                                               |                                   |
|                                                        | <b>Montpelier</b> | <b>K-12</b>                       | <b>928.87</b>                           | <b>\$12,719</b>                                                        |                                   |
|                                                        | Springfield       | K-12                              | 1,378.97                                | \$13,393                                                               |                                   |
|                                                        | Hartford          | PK-12                             | 1,693.95                                | \$11,591                                                               |                                   |
| ← Larger                                               | Milton            | PK-12                             | 1,738.54                                | \$8,703                                                                |                                   |
| Averaged SCHOOL DISTRICT cohort data                   |                   |                                   | 818.51                                  | \$11,803                                                               |                                   |

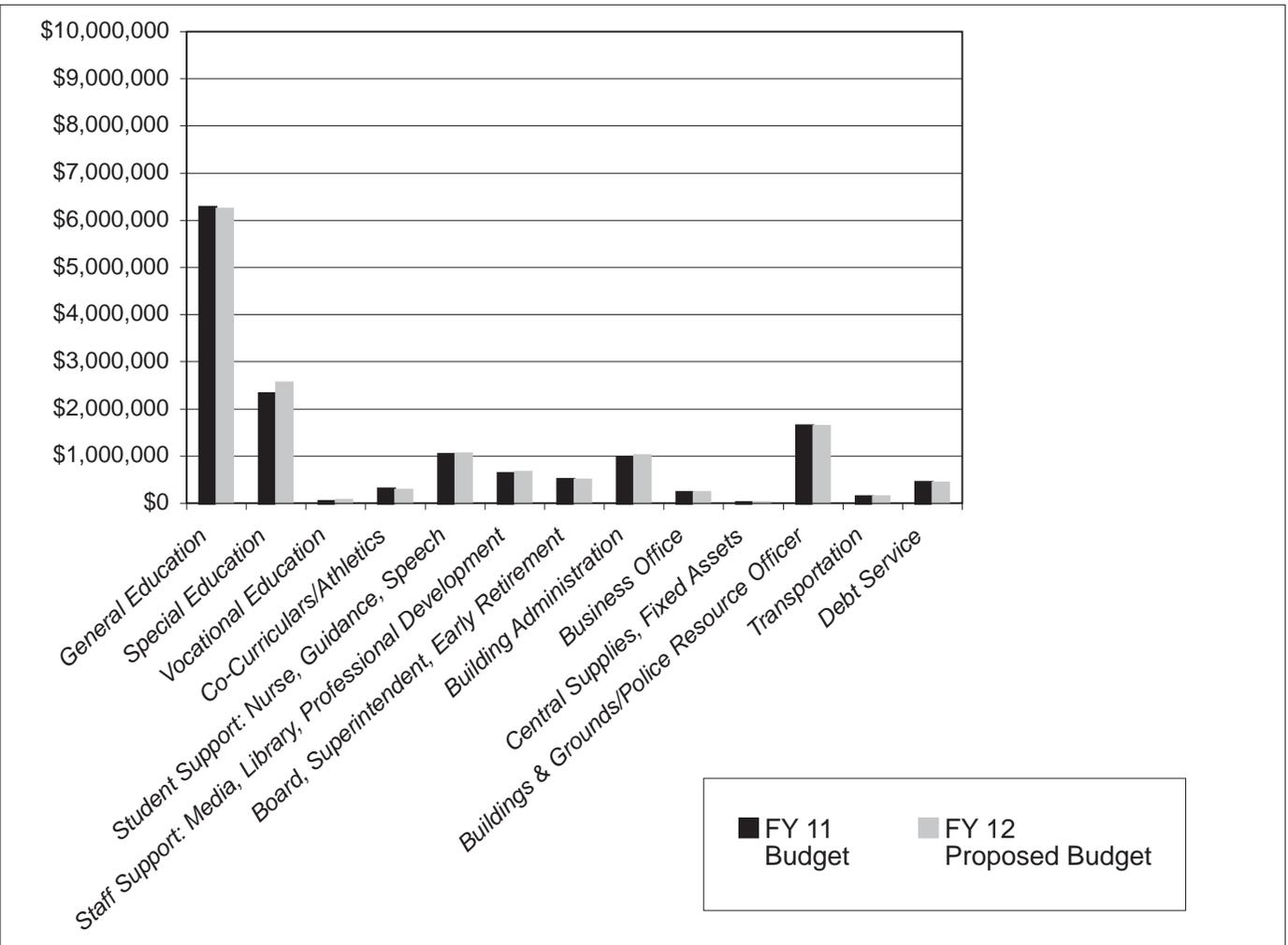
Current expenditures are an effort to calculate an amount per FTE spent by a district on students enrolled in that district. This figure excludes tuitions and assessments paid to other providers, construction and equipment costs, debt service, adult education, and community service.

### FY2011 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 | SD Homestead Ed tax rate | MUN Equalized Homestead Ed tax rate                                          | MUN Common Level of Appraisal Ed tax rate | MUN Actual Homestead Ed tax rate |
| T071   | Fairfax           | PK-12                             | 775.59                   | 10,655.23                              | 1.0725                   | 1.0725                                                                       | 0.9118                                    | 1.1762                           |
| T132   | Montpelier        | K-12                              | 800.24                   | 9,749.01                               | 0.9813                   | 0.9813                                                                       | 0.9365                                    | 1.0478                           |
| T249   | Winooski ID       | PK-12                             | 890.78                   | 11,053.13                              | 1.1126                   | 1.1126                                                                       | 0.9900                                    | 1.1238                           |
| T129   | <b>Montpelier</b> | <b>K-12</b>                       | <b>965.77</b>            | <b>12,510.47</b>                       | <b>1.2592</b>            | <b>1.2592</b>                                                                | <b>0.9149</b>                             | <b>1.3763</b>                    |
| T193   | Springfield       | K-12                              | 1,401.46                 | 13,978.39                              | 1.4070                   | 1.4070                                                                       | 1.0043                                    | 1.4010                           |
| T093   | Hartford          | PK-12                             | 1,536.45                 | 12,912.17                              | 1.2997                   | 1.2997                                                                       | 0.9550                                    | 1.3609                           |
| T126   | Milton            | PK-12                             | 1,794.32                 | 10,989.86                              | 1.1062                   | 1.1062                                                                       | 1.0051                                    | 1.1006                           |

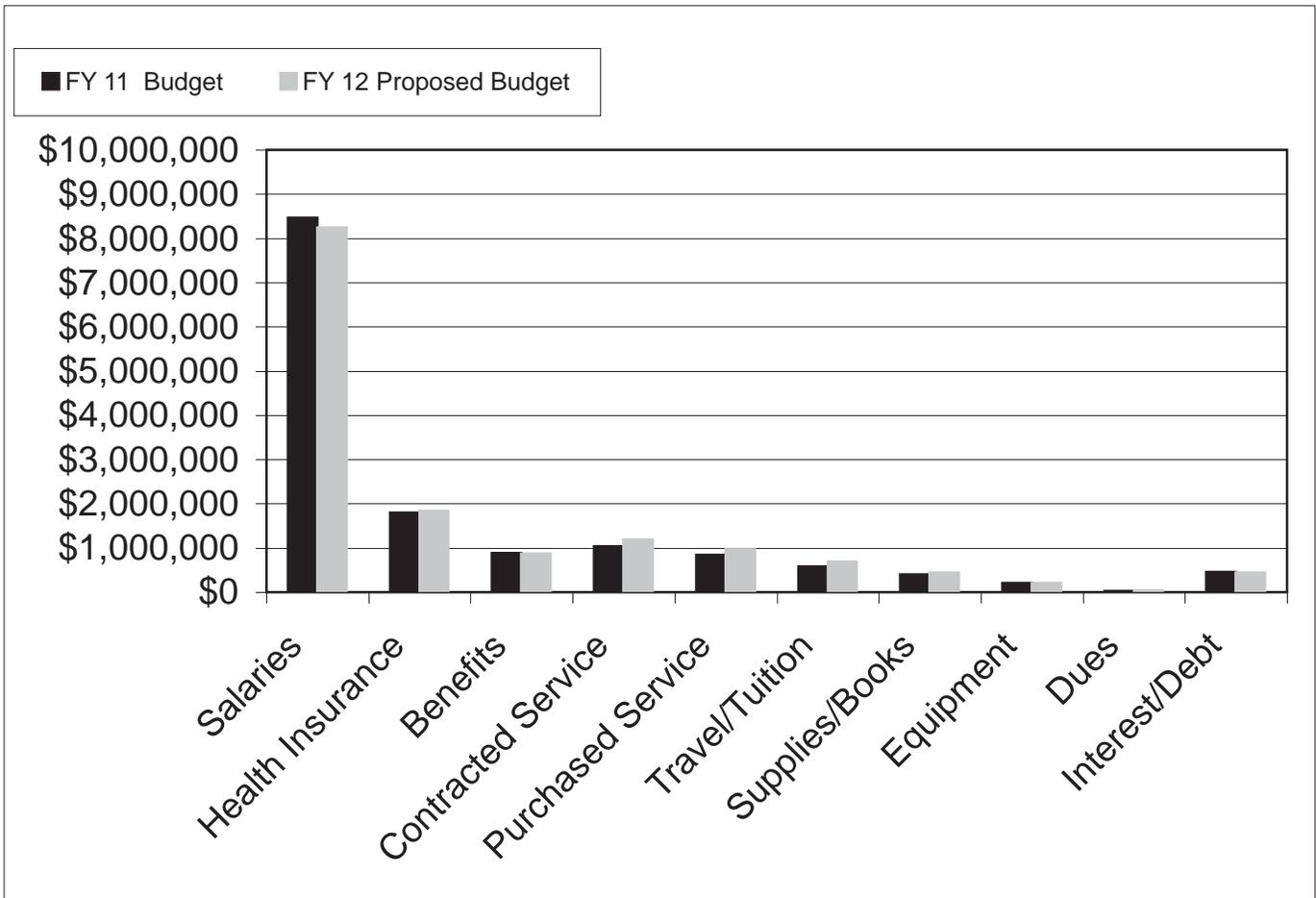
# Budget Overview FY12 - Program Analysis

| Program                                                 | FY 11<br>Budget     | FY 12<br>Proposed<br>Budget | Dollar<br>Increase/<br>Decrease | Percent<br>Increase/<br>Decrease |
|---------------------------------------------------------|---------------------|-----------------------------|---------------------------------|----------------------------------|
| General Education                                       | \$6,283,431         | \$6,244,841                 | -\$38,590                       | -0.61%                           |
| Special Education                                       | 2,338,162           | 2,558,872                   | 220,710                         | 9.44%                            |
| Vocational Education                                    | 55,689              | 79,689                      | 24,000                          | 43.10%                           |
| Co-Curriculars/Athletics                                | 314,044             | 294,617                     | -19,427                         | -6.19%                           |
| Student Support: Nurse, Guidance, Speech                | 1,054,010           | 1,062,589                   | 8,579                           | 0.81%                            |
| Staff Support: Media, Library, Professional Development | 644,236             | 674,223                     | 29,987                          | 4.65%                            |
| Board, Superintendent, Early Retirement                 | 521,851             | 500,119                     | -21,732                         | -4.16%                           |
| Building Administration                                 | 987,399             | 1,025,430                   | 38,031                          | 3.85%                            |
| Business Office                                         | 234,110             | 244,321                     | 10,211                          | 4.36%                            |
| Central Supplies, Fixed Assets                          | 21,150              | 23,886                      | 2,736                           | 12.94%                           |
| Buildings & Grounds/Police Resource Officer             | 1,655,079           | 1,637,554                   | -17,525                         | -1.06%                           |
| Transportation                                          | 155,087             | 146,668                     | -8,419                          | -5.43%                           |
| Debt Service                                            | 451,236             | 438,766                     | -12,470                         | -2.76%                           |
| <b>Total General Fund</b>                               | <b>\$14,715,484</b> | <b>\$14,931,575</b>         | <b>\$216,091</b>                | <b>1.47%</b>                     |
| <b>Total Grant Funds</b>                                | <b>\$863,919</b>    | <b>\$468,675</b>            | <b>-\$395,244</b>               | <b>-45.75%</b>                   |
| <b>Total General Fund &amp; Grant Funds</b>             | <b>\$15,579,403</b> | <b>\$15,400,250</b>         | <b>-\$179,153</b>               | <b>-1.15%</b>                    |



# Category Analysis Budget FY12

| Category                                    | FY 11 Budget        | FY 12 Proposed Budget | Dollar Increase/Decrease | Percent Increase/Decrease |
|---------------------------------------------|---------------------|-----------------------|--------------------------|---------------------------|
| Salaries                                    | \$8,467,878         | \$8,242,512           | -\$225,366               | -2.66%                    |
| Health Insurance                            | 1,799,192           | 1,842,321             | 43,129                   | 2.40%                     |
| Benefits                                    | 883,543             | 864,573               | -18,970                  | -2.15%                    |
| Contracted Service                          | 1,041,525           | 1,192,875             | 151,350                  | 14.53%                    |
| Purchased Service                           | 850,190             | 965,255               | 115,065                  | 13.53%                    |
| Travel/Tuition                              | 578,023             | 695,402               | 117,379                  | 20.31%                    |
| Supplies/Books                              | 407,773             | 437,552               | 29,779                   | 7.30%                     |
| Equipment                                   | 205,914             | 211,794               | 5,880                    | 2.86%                     |
| Dues                                        | 30,210              | 40,525                | 10,315                   | 34.14%                    |
| Interest/Debt                               | 451,236             | 438,766               | -12,470                  | -2.76%                    |
| <b>Total General Fund</b>                   | <b>\$14,715,484</b> | <b>\$14,931,575</b>   | <b>\$216,091</b>         | <b>1.47%</b>              |
| <b>Total Grant Funds</b>                    | <b>\$863,919</b>    | <b>\$468,675</b>      | <b>-\$395,244</b>        | <b>-45.75%</b>            |
| <b>Total General Fund &amp; Grant Funds</b> | <b>\$15,579,403</b> | <b>\$15,400,250</b>   | <b>-\$179,153</b>        | <b>-1.15%</b>             |



# Budget Summary FY12

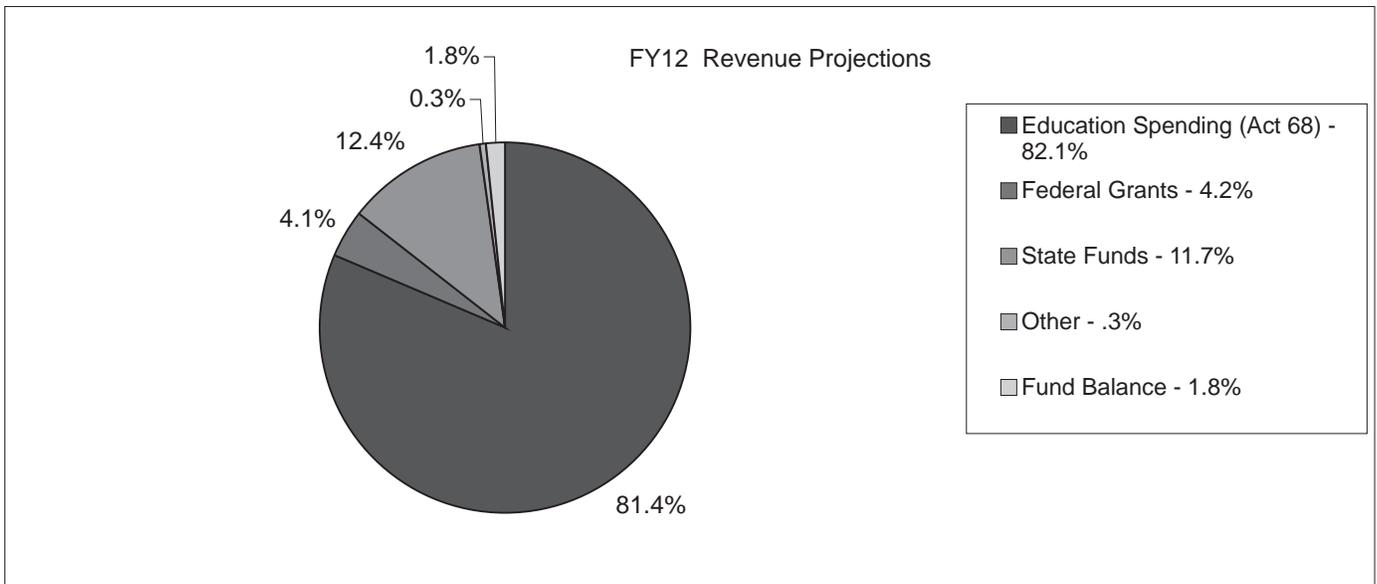
| Program                            | FY11<br>Budget | FY12 Proposed<br>Budget | Dollar<br>Increase/<br>Decrease | Percent<br>Increase/<br>Decrease |
|------------------------------------|----------------|-------------------------|---------------------------------|----------------------------------|
| General Fund                       | 593,437        | 540,918                 | -52,519                         | -8.85%                           |
| Multiple Pathways                  | 145,391        | 159,081                 | 13,690                          | 9.42%                            |
| Art                                | 215,010        | 206,627                 | -8,383                          | -3.90%                           |
| Business Education                 | 21,803         | 0                       | -21,803                         | -100.00%                         |
| Driver Education                   | 83,991         | 71,775                  | -12,216                         | -14.54%                          |
| English (7-12)                     | 352,434        | 374,713                 | 22,279                          | 6.32%                            |
| Foreign Language                   | 364,668        | 325,920                 | -38,748                         | -10.63%                          |
| Family and Consumer Science        | 51,334         | 33,569                  | -17,765                         | -34.61%                          |
| Tech Education                     | 91,518         | 82,439                  | -9,079                          | -9.92%                           |
| Math                               | 310,531        | 381,120                 | 70,589                          | 22.73%                           |
| Music                              | 292,385        | 270,188                 | -22,197                         | -7.59%                           |
| Science                            | 383,260        | 350,134                 | -33,126                         | -8.64%                           |
| Social Studies                     | 260,105        | 265,362                 | 5,257                           | 2.02%                            |
| Physical Education                 | 315,196        | 322,480                 | 7,284                           | 2.31%                            |
| Health                             | 19,924         | 20,251                  | 327                             | 1.64%                            |
| Title 1 - Reading and Math Support | 358,903        | 332,579                 | -26,324                         | -7.33%                           |
| Kindergarten                       | 266,776        | 330,139                 | 63,363                          | 23.75%                           |
| Grade 1                            | 246,190        | 324,847                 | 78,657                          | 31.95%                           |
| Grade 2                            | 294,736        | 251,262                 | -43,474                         | -14.75%                          |
| Grade 3                            | 220,024        | 265,622                 | 45,598                          | 20.72%                           |
| Grade 4                            | 204,889        | 205,875                 | 986                             | 0.48%                            |
| Grade 5                            | 195,490        | 194,758                 | -732                            | -0.37%                           |
| Grade 6                            | 215,591        | 221,117                 | 5,526                           | 2.56%                            |
| UES Science                        | 4,100          | 4,100                   | 0                               | 0.00%                            |
| Computer Technology                | 188,231        | 179,428                 | -8,803                          | -4.68%                           |
| 504 Accommodations                 | 2,000          | 5,000                   | 3,000                           | 100.00%                          |
| ELL                                | 188,401        | 168,605                 | -19,796                         | -10.51%                          |
| Regular Education Support          | 0              | 0                       | 0                               | 0                                |
| Team Multi-Age (Grades 7 & 8)      | 191,593        | 130,277                 | -61,316                         | -32.00%                          |
| Team Sirius (Grades 7 & 8)         | 205,520        | 226,655                 | 21,135                          | 10.28%                           |
| Special Education Tuition          | 96,932         | 217,098                 | 120,166                         | 123.97%                          |
| Idea B - Special Education         | 56,000         | 45,402                  | -10,598                         | -18.93%                          |
| Special Education                  | 1,126,424      | 1,306,313               | 179,889                         | 15.97%                           |
| Special Education IA's             | 1,058,806      | 990,059                 | -68,747                         | -6.49%                           |
| Vocational Education               | 55,689         | 79,689                  | 24,000                          | 43.10%                           |
| Co-Curriculars/Athletics           | 314,044        | 294,617                 | -19,427                         | -6.19%                           |
| Guidance                           | 409,121        | 346,874                 | -62,247                         | -15.21%                          |
| Student Records                    | 20,356         | 71,232                  | 50,876                          | 249.93%                          |
| Nurses                             | 181,856        | 185,404                 | 3,548                           | 1.95%                            |
| Physical Therapy                   | 32,900         | 32,800                  | -100                            | -0.30%                           |
| Occupational Therapy               | 51,906         | 50,800                  | -1,106                          | -2.13%                           |
| Evaluations/Psychologist           | 80,200         | 107,217                 | 27,017                          | 33.69%                           |
| Speech/Language                    | 267,571        | 258,162                 | -9,409                          | -3.52%                           |

# Budget Summary FY12

| Program                               | FY11<br>Budget      | FY12 Proposed<br>Budget | Dollar<br>Increase/<br>Decrease | Percent<br>Increase/<br>Decrease |
|---------------------------------------|---------------------|-------------------------|---------------------------------|----------------------------------|
| Graduation/Assemblies                 | 10,100              | 10,100                  | 0                               | 0.00%                            |
| Curriculum Coordinator                | 78,972              | 119,983                 | 41,011                          | 51.93%                           |
| Professional Development/Inservice    | 30,000              | 40,000                  | 10,000                          | 33.33%                           |
| Library                               | 235,480             | 230,012                 | -5,468                          | -2.32%                           |
| Media                                 | 3,150               | 1,700                   | -1,450                          | -46.03%                          |
| Technology                            | 296,634             | 282,528                 | -14,106                         | -4.76%                           |
| School Board                          | 12,688              | 12,688                  | 0                               | 0.00%                            |
| Early Retirement                      | 6,201               | 6,201                   | 0                               | 0.00%                            |
| Legal                                 | 31,300              | 30,000                  | -1,300                          | -4.15%                           |
| Audit                                 | 14,000              | 14,000                  | 0                               | 0.00%                            |
| Insurance                             | 181,706             | 165,910                 | -15,796                         | -8.69%                           |
| Superintendent's Office               | 275,956             | 271,320                 | -4,636                          | -1.68%                           |
| Principal's Office                    | 799,932             | 848,486                 | 48,554                          | 6.07%                            |
| Special Education Administration      | 187,467             | 176,944                 | -10,523                         | -5.61%                           |
| Business Office                       | 234,110             | 243,671                 | 9,561                           | 4.08%                            |
| Fixed Asset                           | 650                 | 650                     | 0                               | 0.00%                            |
| Central Supplies                      | 20,500              | 23,886                  | 3,386                           | 16.52%                           |
| Buildings & Grounds                   | 1,582,615           | 1,563,095               | -19,520                         | -1.23%                           |
| Crossing Guards                       | 31,714              | 31,719                  | 5                               | 0.02%                            |
| Police Resource Officer               | 40,750              | 42,740                  | 1,990                           | 4.88%                            |
| Special Ed Transportation             | 42,000              | 30,416                  | -11,584                         | -27.58%                          |
| Transportation                        | 113,087             | 116,252                 | 3,165                           | 2.80%                            |
| Debt Service                          | 451,236             | 438,766                 | -12,470                         | -2.76%                           |
| <b>TOTAL LOCAL BUDGET</b>             | <b>\$14,715,484</b> | <b>\$14,931,575</b>     | <b>\$216,091</b>                | <b>1.47%</b>                     |
| <b>Other Grant Funds</b>              | <b>\$863,919</b>    | <b>\$468,675</b>        | <b>-\$395,244</b>               | <b>-45.75%</b>                   |
| <b>TOTAL BUDGET &amp; Grant Funds</b> | <b>\$15,579,403</b> | <b>\$15,400,250</b>     | <b>-\$179,153</b>               | <b>-1.15%</b>                    |

# Revenue Projections FY12

| Revenue                                | FY11                | FY12 Proposed       | Difference        | Explanation                                                                                   |
|----------------------------------------|---------------------|---------------------|-------------------|-----------------------------------------------------------------------------------------------|
| Education Spending (Act 68 definition) | 12,082,240          | 12,151,610          | 69,370            | Amount from state to fund education spending.                                                 |
| Title 1 Grant                          | 359,363             | 334,746             | (24,617)          | Federal funds for remedial programs.                                                          |
| Special Ed Intensive                   | 1,105,575           | 1,119,939           | 14,364            | State special education funding estimated at 56% for reimbursement of costs exceeding grants. |
| Special Ed Block Grant                 | 338,722             | 336,702             | (2,020)           | State provides sum of money based on enrollment and core special ed staffing.                 |
| Special Ed Excess Costs                | 50,509              | 54,516              | 4,007             | Sp Ed Costs paid for by another LEA.                                                          |
| Special Ed Extraordinary               | 165,020             | 278,375             | 113,355           | State provides sum of money for extraordinary costs.                                          |
| IDEA B Grant                           | 256,345             | 277,171             | 20,826            | Reflects level funding for Federal Grant at FY11 actual grant amount                          |
| Tuition                                | 26,000              | 26,600              | 600               | Tuition estimate from other LEA's and private sources.                                        |
| Rentals                                | 12,000              | 11,250              | (750)             | Income received for use of facilities.                                                        |
| Vocational Transportation              | 13,500              | 13,943              | 443               | State reimbursement for transportation expenses.                                              |
| Driver Education                       | 5,980               | 4,250               | (1,730)           | State reimbursement for driver education expenses.                                            |
| Miscellaneous                          | 1,000               | 2,000               | 1,000             | Miscellaneous revenue and donations received.                                                 |
| Transportation Aid                     | 42,506              | 42,973              | 467               | State reimbursement for K-12 transportation expenses (45%).                                   |
| Interest                               | 10,000              | 10,000              | -                 | Anticipated interest earned.                                                                  |
| Balance Forward                        | 246,724             | 267,500             | 20,776            | Fund Balance to reduce taxes                                                                  |
| <b>Total General Fund</b>              | <b>\$14,715,484</b> | <b>\$14,931,575</b> | <b>\$216,091</b>  | <b>1.47%</b>                                                                                  |
| <b>Other Grant Funds</b>               | <b>\$863,919</b>    | <b>\$468,675</b>    | <b>-\$395,244</b> | <b>-45.75%</b>                                                                                |
| <b>Total General &amp; Grant Funds</b> | <b>\$15,579,403</b> | <b>\$15,400,250</b> | <b>-\$179,153</b> | <b>-1.15%</b>                                                                                 |



## Salaries for 2010 -- Montpelier School District

Salaries include all School 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      | \$5,190 | Daniel H. Boomhower           | 10,017 | Arthur S. Clark          | 9,897  |
| Jesse P. Abess             | 17,241  | Ariel G. Borgendale           | 3,114  | Sheila Cleary            | 154    |
| Susan R. Abrams            | 65,441  | Alexis H. Boucher             | 709    | Jill A. Closter          | 16,462 |
| Blanche E. Adamski         | 350     | Brooke E. Bova                | 1,404  | Dena T. Cody             | 47,391 |
| Ellen L. Adams             | 10,383  | Rhonda M. Brace               | 21,705 | Sidney E. Collier        | 1,315  |
| Tess A. Adams              | 671     | Owen R. Bradley               | 43,500 | Judy U. Colombo          | 33,937 |
| William L. Adams           | 12,117  | Theodore C. Bressor           | 2,833  | Jean L. Commito          | 61,206 |
| Gabriel J. Aguilar         | 2,702   | David A. Brigham              | 686    | Lynn L. Commo            | 291    |
| David C. Aja               | 34,632  | Margaret E. Brigham           | 18,660 | Gregory J. Conk          | 40,562 |
| Brian C. Albee             | 5,938   | Matthew D. Brittenham         | 42,376 | Carol M. Conley          | 5,845  |
| Suzanne Kennedy Aldrich    | 1,000   | William C. Brooks             | 1,271  | Michael J. Conley        | 8,170  |
| Debra S. Anderson          | 2,573   | Kevin M. Brown                | 6,511  | Carrie S. Cook           | 46,191 |
| Cameron I. Arnold          | 1,400   | Cindy P. Bubrouski            | 23,491 | George A. Cook           | 49,106 |
| Pamela J. Arnold           | 81,951  | Geraldine Bucci               | 100    | Billie L. Corette        | 3,060  |
| Crystal G. Aube            | 853     | Jacqueline A. Budgor          | 140    | Betty L. Cossett         | 3,202  |
| Barbara J. Austin-Hutchins | 67,090  | William H. Bugbee             | 9,632  | Sarah Freddie Cousins    | 15,737 |
| Roxie L. Bador             | 18,394  | Ludovic A.A. Buret            | 7,399  | Maurice E. Cowan         | 2,765  |
| Sabrina E. Bador           | 8,592   | Janet G. Burke                | 19,429 | Chandrakala T. Cranse    | 300    |
| Michael R. Baginski        | 57,949  | William G. Burrell            | 43,276 | Mary Creeden             | 35,926 |
| Eric R. Bagley             | 2,360   | Kristie W. Bush               | 62,967 | Jill L. Creswell         | 6,472  |
| Linda M. Baker             | 38,583  | Lindsey R. Bush               | 315    | James Cross              | 1,141  |
| Shannon M. Baker           | 40,104  | Reed A. Bushey                | 4,171  | Roland E. Cross          | 3,861  |
| Robert G. Banfield         | 2,513   | Anthony H. Bushway            | 10,766 | Colby O.W. Cunningham    | 1,425  |
| Amy Banker                 | 595     | Cathleen Butterfield-Heitmann | 53,614 | Patricia F. Curran       | 5,295  |
| Jenny L. Bartlett          | 33,183  | Jo-Ann L. Buzzi               | 33,615 | Suzanne J. Da Via        | 53,222 |
| Ginger Basa                | 2,215   | Esther M. Byam                | 12,010 | Emma K. Dale             | 2,770  |
| John H. Bate               | 48,611  | Ayse Emel Cambel              | 3,640  | Wendy P. Dale            | 3,535  |
| Ashley M. Beach            | 15,952  | Nicholas L. Campbell          | 910    | Richard Davidian         | 37,885 |
| Elizabeth J. Beaugh        | 1,400   | Dorothy N. Canas              | 2,170  | Charles H. Davis         | 34,369 |
| Kevin S. Beauchamp         | 210     | Tara P. Cancio-Bello          | 1,390  | Gabriele A. Davis        | 62,942 |
| Linda C. Beaupre           | 64,441  | Alice M. Cardozo              | 4,521  | Laura A. Delcore         | 17,473 |
| Andrew J. Becker           | 1,038   | Phillip B. Carr               | 19,565 | Jillian B. Dellipriscoli | 1,685  |
| Susan N. Beem              | 51,005  | Carolyn S. Casagrande         | 1,000  | Michael D. Dellipriscoli | 971    |
| Elmira Behzadikia          | 964     | Duane Lyman Castle            | 44,734 | Carolyn Desch            | 315    |
| Kevin A. Belanger          | 1,190   | Jamie E. Catchpaw             | 702    | Floyd C. Dickinson       | 1,560  |
| Valerie W. Belanger        | 34,502  | Guy Mark Catlin               | 2,360  | Patricia Dow Collier     | 60,249 |
| Megan D. Belser            | 385     | Linnea M. Cecere              | 16,534 | Matthew R. Dowling       | 1,614  |
| Josee C. Bevington         | 23,415  | Toni L. Ceckler               | 64,121 | Rose Musarra Doyle       | 455    |
| Julie M. Bevins            | 17,276  | Lauren P. Chabot              | 42,828 | Katherine D. Drew        | 615    |
| Timothy M. Bianchi         | 1,749   | Jo-Anne H. Chaloux            | 35,208 | Stephanie J. Drew        | 53,337 |
| Ana Bikic                  | 2,862   | Alison C. Chase               | 1,631  | Ashley T. Dubois         | 12,838 |
| Janice M. Billings         | 11,604  | Elizabeth A. Chase            | 2,216  | Joann S. Ducey           | 3,594  |
| Elizabeth R. Bingham       | 5,880   | Nancy F. Chase                | 35,294 | Mary Beth Dugan          | 25,684 |
| Carrie E. Blodgett         | 16,067  | Myles G. Chater               | 44,293 | Lloyd M. Dugger, III     | 13,616 |
| Valerie Bluhm              | 990     | Nelson C. Churchill, Jr.      | 1,892  | Janice W. Dunn           | 200    |
| Brenda L. Bolio            | 54,273  | Aldo M. Ciampi, Jr.           | 3,124  | Laura M. Dunwoody        | 6,358  |

|                              |         |                         |        |                            |         |
|------------------------------|---------|-------------------------|--------|----------------------------|---------|
| Sharyn E. Duplessis          | 19,672  | Eleanor M. Gowans       | 4,668  | Colleen F. Kresco          | 105     |
| Christina A. Ebersole        | 3,920   | Emily G. Goyette        | 15,904 | Eric A. Labor              | 2,079   |
| Jane S. Edwards              | 16,408  | Kelly A. Grey           | 16,349 | Richard T. Lachapelle      | 49,328  |
| Trees-ah M. Elder            | 47,243  | Gary M. Griffith        | 58,338 | William G. Laidlaw         | 48,008  |
| Jennifer S. Ellis            | 42,798  | Casey T. Grimes         | 8,494  | Julienne Lambre            | 16,024  |
| Emme D. Erdosy               | 44,392  | Barry Gruessner         | 11,741 | Andrew A. Lamdin           | 10,463  |
| Dawn M. Estes                | 626     | Christopher L. Guros    | 13,494 | James A. Landrum           | 30,618  |
| Christa J. Evans             | 560     | Sarah G. Guyette        | 16,732 | Judith K. Lang             | 280     |
| Peter Evans                  | 105,250 | Sarah A. Halpine        | 44,379 | Martha L. Lange            | 1,598   |
| Sylvia A. Fagin              | 41,466  | Elizabeth K. Hammond    | 42,755 | Barbara S. LaRosa          | 175     |
| Audrey Famette               | 21,066  | Jacie L. Hasenfus       | 560    | Elizabeth G. Lawson        | 7,135   |
| Katherine A. Fanelli         | 630     | Sara B. Hassard         | 490    | Margaret L. Lawson         | 2,520   |
| Erica B. Farnham             | 18,345  | Aaron D. Healy          | 630    | John P. Leach              | 7,046   |
| Jacob S. Feldman             | 350     | Michael Healy           | 30,720 | George P. Leal             | 40,362  |
| Kyle M. Ferguson             | 1,562   | Debra A. Hickey         | 45,644 | John P. LeClair            | 17,035  |
| Mackenzie K. Ferguson        | 1,828   | Erica M. Hildebrand     | 2,812  | Patrick S. Leene           | 2,090   |
| Christopher R. Ferris        | 1,225   | Terence L. Hodgdon      | 52,629 | Shawn E. Leene             | 1,788   |
| Joyce G. Ferris              | 18,344  | John H. Hollar          | 1,300  | Russell C. Leete           | 42,376  |
| Paulette Fiorentino-Robinson | 41,328  | Cynthia C. Hooker       | 34,551 | Daniel J. LeFebvre         | 36,642  |
| Nicholas B. Fischer          | 3,981   | Janet A. Houser         | 490    | Emily E. LeFebvre          | 36,048  |
| Barbara Fisk                 | 16,296  | Mary Hoyne              | 17,629 | Mary Catharine R. LeFebvre | 44,343  |
| Kimberly R. Fisk             | 341     | Caitlin R. Hussey       | 105    | Scott A. Lewins            | 420     |
| Joan H. Fitch                | 47,368  | Lindel G. James         | 3,045  | Colleen L. Linari          | 100     |
| Bonnie S. Flanagan           | 21,374  | Jeffrey W. Jarrad       | 48,190 | Kimberly B. Lipinski       | 490     |
| Gabriel R. Flanagan          | 1,050   | Karen Marielle Johnson  | 1,015  | Jessica B. Little          | 74,462  |
| Sheehan E. Flanagan          | 2,108   | Mary Ann Johnson        | 600    | Janet K. Lockyer           | 10,512  |
| Lois E. Flanders             | 15,523  | Mark W. Joy             | 3,971  | Debra Lorinovich           | 12,021  |
| Lucas M. Foley               | 245     | Beverly M. Keck         | 595    | Christopher M. Luce        | 11,437  |
| Timothy J. Francke           | 40,170  | William T. Keck         | 16,116 | Timothy J. Luce            | 25,010  |
| Anne O. Fraser               | 18,050  | Charles R. Keinath      | 1,654  | Kristin S. Lunde           | 1,667   |
| William C. French            | 17,975  | Carol A. Kelley         | 47,404 | Suzanne M. Lunden          | 2,009   |
| Carolyn Friberg              | 43,419  | Windy L. Kelley         | 49,929 | Alicia L. Lyford           | 30,903  |
| Gaia W. Fried                | 1,715   | Anita Kelman            | 6,860  | Michelle Y. Lynch          | 175     |
| Brian J. Gallagher           | 48,885  | Nancy R. Kennedy        | 9,020  | Linda C. MacDonald         | 58,584  |
| Tanina M. Garabedian         | 17,090  | Richard A. Kennison     | 34,231 | Patricia M. Magoon         | 60,253  |
| Debra S. Garrett             | 29,471  | Eric P. Kerin           | 3,128  | Mary J. Manahan            | 35      |
| Lance Garrett                | 2,261   | William D. Kerr, Jr.    | 2,131  | Dennis Maranville          | 44,730  |
| Patricia H. Gaston           | 77,250  | Michelle G. Kessler     | 6,993  | Barbara A. Marcouillier    | 32,705  |
| J. Gregory Gerdel            | 1,675   | Jenna L. Kidney         | 13,494 | Seth L. Marineau           | 24,725  |
| Paula E. Gervia              | 50,452  | Kimberly J. Kidney      | 21,087 | Adena B. Martin            | 300     |
| Donna M. Gibbs               | 18,357  | William D. Kidney       | 70     | Austin A. Martineau        | 2,428   |
| Katharine A. Gibson          | 175     | Amy L. Kimball          | 54,075 | Kolby L. Martineau         | 2,751   |
| Christine E. Gibson-Davis    | 9,547   | George J. Kingston, III | 1,840  | Mark R. Mason              | 103,015 |
| Theresa A. Giffin            | 63,721  | Sarah E. Knauss         | 47,341 | Jesi E. Massita-Silk       | 3,868   |
| Hilary L. Goldblatt          | 41,651  | Hannah M. Koch          | 1,500  | Susan M. Masters           | 13,076  |
| Alice R. Goltz               | 1,531   | Susan E. Koch           | 49,726 | Norma L. Maurice           | 27,093  |
| Diana C. Goodell             | 19,279  | Jamie M. Koehnlein      | 38,924 | Robert C. Maurice          | 30,767  |
| Linda L. Goodell             | 41,668  | Karlynn C. Koenemann    | 13,986 | Mary B. Maxfield           | 8,257   |
| Chloe W. Gordon              | 1,654   | Mark E. Koenemann       | 2,245  | Dana McCarthy              | 1,826   |
| Gail P. Gorman               | 54,714  | Mariah F. Krauss        | 1,483  | James B. McCarthy          | 2,360   |

|                            |        |                         |        |                              |        |
|----------------------------|--------|-------------------------|--------|------------------------------|--------|
| Kerrin A. McCadden         | 49,085 | Ann L. Nelson           | 45,811 | Vincent L. Rossano           | 70,195 |
| Ryan T. McCormick          | 490    | David M. Nelson         | 3,350  | Cynthia E. Rossi             | 82,209 |
| Jonathan E. McDonald       | 50,121 | John L. Nelson-Miles    | 20,889 | Dorothy J. Rowe              | 13,027 |
| Marita C. McDonald-Frey    | 24,359 | Elizabeth L. Nicholson  | 42,794 | Jessica A. Rubin             | 4,141  |
| David C. McGraw            | 66,087 | Britt Nielsen           | 43,192 | Caroline M. Rucker           | 980    |
| Jody B. McGraw             | 66,972 | Judith M. Nolan         | 8,089  | Marijke Russo                | 50,788 |
| Laura McKinstry            | 11,261 | Timothy J. Noonan       | 2,323  | Stuart F. Russo-Savage       | 36,150 |
| Brendan N. McLane          | 44,094 | Linda Normandeau        | 140    | Thomas J. Sabo, Jr.          | 49,235 |
| Matthew B. McLane          | 47,948 | Jessica L. Novak        | 555    | Mathew O. Safford            | 1,264  |
| Charlene R. McManis        | 210    | Mark S. Novin           | 2,863  | Victoria E. Sanderson        | 1,598  |
| Arne T. McMullen           | 57,282 | Salih Numanovic         | 34,627 | Geoffrey C. Sather           | 60,673 |
| Kaitlyn E. McMullen        | 166    | Carlyle M. Nunn         | 31,090 | Richard E. Scharf            | 10,054 |
| Marianne McNamara          | 43,653 | Josiah P. Nunn          | 2,925  | D. Andrew Scott              | 47,758 |
| Robert M. McNamara         | 18,632 | Anne M. O'Donnell       | 840    | Kimberly A. Scott            | 40,690 |
| Kimberly A. Means          | 7,032  | James N. Olmsted        | 16,366 | Holly V. Scudder-Chase       | 68,604 |
| Stephen A. Mears           | 70,355 | Mary Anderson Parento   | 760    | Kate B. Sease                | 1,540  |
| Mary Mello                 | 63,494 | Joslin A. Parker        | 2,229  | Mary Ellen Seaver-Reid       | 47,567 |
| Michael G. Mercadante      | 1,598  | Melissa M. Parker       | 46,491 | Michael L. Segale            | 2,016  |
| Amy B. Merriam             | 1,935  | Bonnie E. Parry         | 17,904 | Morgan R. Segale             | 2,752  |
| Barbara A. Merrill         | 3,029  | Joy L. Partridge        | 2,025  | Ellen C. Selkowitz           | 64,384 |
| Marcel J. Messier          | 3,710  | Brooke Pearson          | 46,736 | Alexandra Shear              | 17,530 |
| Heather J. Michaud         | 41,312 | Edward F. Pelkey        | 24,306 | Ellen A. Sholk               | 44,827 |
| Julie J. Michaud           | 20,328 | LaRissa R. Perks        | 4,410  | Kylie S. Slater              | 12,096 |
| Jason P. Miles             | 51,384 | Pascale Philibert       | 8,663  | Lara B. Slesar               | 46,711 |
| Karl S. Miller             | 173    | Charles S. Phillips     | 6,760  | Karen J. Smereka             | 22,565 |
| Daniel M. Miller-Arsenault | 52,481 | Katrina K. Phillips     | 22,450 | Andra A. Smith               | 35,427 |
| Teresa B. Milne            | 17,608 | Melissa J. Pierce       | 40,063 | Jessica G.A. Smith           | 4,651  |
| Judy A. Milstein           | 1,517  | Sharon L. Pine          | 43,034 | Nancy L. Smith               | 881    |
| Christina C. Molinaro      | 35,831 | Lois A. Polento-Jerome  | 1,050  | Richard T. Smith             | 23,052 |
| Susan M. Monmaney          | 44,026 | Irene Poulin-Farrar     | 38,327 | Anthony J. Spector           | 4,655  |
| Paige M. Montague          | 8,697  | Andrew G. Price         | 6,405  | Sybren A. Spensley           | 560    |
| Emmanuelle BA Monteith     | 1,855  | Corey C. Pulsifer       | 19,242 | Robin F. Spitzer             | 21,260 |
| Carlos E. Montero          | 20,567 | Shelby P. Quinn         | 14,093 | Sarah Squier                 | 52,784 |
| Amanda J. Monti            | 385    | Hope H. Rapaport        | 1,155  | Ann D. Stafford              | 10,214 |
| Elisabeth A. Moody         | 48,709 | Nancy G. Reagan         | 41,819 | Elizabeth A. Stafford        | 1,575  |
| Paula Mordini              | 413    | Dorothy A. Redmond      | 18,369 | Joan A. Stander              | 980    |
| Donald L. Morgan           | 10,713 | Mary C. Redmond         | 59,211 | Fred V. Stapenhorst          | 10,590 |
| Ann P. Morissette          | 280    | Brianna D. Reed         | 248    | Susan Steinhurst             | 21,568 |
| Robin Morissette           | 12,603 | Jane Ann Reese          | 37,341 | Isaac S. Sternbach           | 34     |
| James G. Morley            | 51,799 | Mark S. Remick          | 20,972 | Jean B. Stetter              | 16,616 |
| Shirley R. Morse           | 5,143  | Lynn M. Ribolini        | 58,404 | Carley Stevens-McLaughlin    | 5,785  |
| Richard F. Mosher          | 8,017  | Denise L. Ricker        | 1,655  | Elizabeth A. Strobell        | 22,518 |
| Andrew J. Mueller          | 70     | Robin L. Ricker-Lumsden | 19,564 | Christina B. Strobridge      | 485    |
| Christine L. Murphy        | 4,977  | Barbara G. Ripley       | 735    | Sandra E. Surrell            | 10,920 |
| Cynthia A. Murphy          | 48,797 | Ryan T. Robbins         | 207    | Douglas J. Surwilo           | 2,812  |
| Elizabeth M. Murphy        | 1,150  | Carolyn S. Roberge      | 52,256 | Joseph T. Sweeney            | 799    |
| John R. Murphy             | 7,954  | Steven P. Robinson      | 1,000  | Elizabeth J. Swenson         | 19,061 |
| Alexis Y. Murphy-Egri      | 34,666 | Anita W. Rogers         | 82     | Ernest J. Swenson            | 1,826  |
| Andrea H. Myotte           | 53,671 | Neil W. Rosenblad       | 58,694 | Samantha R.T.P. Talbot-Kelly | 3,640  |
| Carole J. Naquin           | 3,430  | Elizabeth Rossano       | 1,015  | Johnson K. Tata              | 490    |

|                         |        |                     |        |
|-------------------------|--------|---------------------|--------|
| Molly M. Taylor         | 2,746  | Susan Youngwood     | 1,371  |
| Donald H. Taylor        | 48,386 | Virginia Q. Zahner  | 65,821 |
| Christine A. Terry      | 38,876 | Jillian Zeilenga    | 28,265 |
| Cheryl Ann Tetreault    | 16,747 | Jennifer Zollner    | 92     |
| Kimberly C. Tewksbury   | 28,940 | Ethan J. Zorzi      | 3,156  |
| Nancy Ann Thein         | 19,059 | Timothy D. Zorzi    | 2,997  |
| Kelly S. Therrien       | 3,328  | Kerri B. Zurowski   | 40,461 |
| David R. Thomas         | 2,748  | Timothy W. Zurowski | 1,071  |
| Joy E. Thomas           | 31,488 |                     |        |
| Peggy A. Thompson       | 19,574 |                     |        |
| Donald Roy Thresher     | 27,627 |                     |        |
| Claudia G. Thurston     | 70     |                     |        |
| Diana M. Tierney        | 19,042 |                     |        |
| Jerry E. Tillotson      | 51,615 |                     |        |
| Phillip R. Tomasi       | 10,011 |                     |        |
| Pamela A. Towne         | 55,431 |                     |        |
| Alyssa K. Turley        | 2,992  |                     |        |
| Christopher A. Turley   | 2,513  |                     |        |
| Andrew C. Vachon        | 1,925  |                     |        |
| Nancy C. Vachon         | 11,362 |                     |        |
| Thomas H. Van Meter     | 3,115  |                     |        |
| Richard G. Vanden Bergh | 1,000  |                     |        |
| Lowell J. VanDerlip     | 1,000  |                     |        |
| Rosana Vestuti          | 10,025 |                     |        |
| Aimee L. Viens          | 10,220 |                     |        |
| Doris C. Viens          | 33,559 |                     |        |
| Jessica K. Viens        | 2,028  |                     |        |
| Brian G. Wagner         | 560    |                     |        |
| Jennifer Wall Howard    | 57,241 |                     |        |
| Krystal L. Walters      | 35     |                     |        |
| Kaitlin Waring          | 985    |                     |        |
| Shanna B. Waterman      | 660    |                     |        |
| Anne E. Watson          | 44,513 |                     |        |
| Barbara L. Watson       | 1,508  |                     |        |
| Bonnie J. Watson        | 1,218  |                     |        |
| Wendy C. Watson         | 2,360  |                     |        |
| Peter G. Watt           | 18,134 |                     |        |
| Nancy A. Webb           | 13,771 |                     |        |
| Patricia M. Welsh       | 22,501 |                     |        |
| Braiden E. White        | 2,360  |                     |        |
| Dylan Michaela Williams | 24,199 |                     |        |
| Rhett D. Williams       | 525    |                     |        |
| Ryan H. Wingate         | 1,620  |                     |        |
| Jesse P. Wolfe          | 15,178 |                     |        |
| Willow Wonder           | 280    |                     |        |
| Thomas K. Wood          | 3,983  |                     |        |
| Emily A. Wrigley        | 41,905 |                     |        |
| Clarissa M. Wynn        | 740    |                     |        |

**MONTPELIER PUBLIC SCHOOL SYSTEM**  
**AUDIT REPORT AND FINANCIAL STATEMENTS**

**JUNE 30, 2010**

**TABLE OF CONTENTS**

|                                                                                                                                                  |              | <u>Page #</u> |
|--------------------------------------------------------------------------------------------------------------------------------------------------|--------------|---------------|
| <b>INDEPENDENT AUDITOR'S REPORT</b>                                                                                                              |              | 1 - 2         |
| <b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b>                                                                                                      |              | 3 - 10        |
| <b>BASIC FINANCIAL STATEMENTS</b>                                                                                                                |              |               |
| GOVERNMENT-WIDE FINANCIAL STATEMENTS                                                                                                             |              |               |
| Statement of Net Assets                                                                                                                          | Exhibit A    | 11            |
| Statement of Activities                                                                                                                          | Exhibit B    | 12            |
| FUND FINANCIAL STATEMENTS                                                                                                                        |              |               |
| Balance Sheet – Governmental Funds and Reconciliation<br>to Statement of Net Assets                                                              | Exhibit C    | 13            |
| Statement of Revenues, Expenditures<br>and Changes in Fund Balances -<br>Governmental Funds                                                      | Exhibit D    | 14            |
| Reconciliation of the Governmental Funds<br>Statement of Revenues, Expenditures and<br>Changes in Fund Balance to the Statement<br>of Activities | Exhibit E    | 15            |
| Statement of Revenues, Expenditures<br>and Changes in Fund Balance Compared to<br>Budget – General Fund                                          | Exhibit F    | 16            |
| Statements of Fiduciary Net Assets and Changes in<br>Fiduciary Net Assets                                                                        | Exhibit G, H | 17            |
| NOTES TO FINANCIAL STATEMENTS                                                                                                                    |              | 18 – 34       |
| <b>SUPPLEMENTARY INFORMATION</b>                                                                                                                 |              |               |
| Combining Balance Sheet – All Nonmajor Funds                                                                                                     | Schedule 1   | 35            |
| Combining Schedule of Revenues, Expenditures and<br>Changes in Fund Balances – All Nonmajor Funds                                                | Schedule 2   | 36            |

FOTHERGILL SEGALE & VALLEY

*Certified Public Accountants*



John E. (Jeff) Fothergill, CPA  
Michael L. Segale, CPA  
Sheila R. Valley, CPA  
Teresa H. Kajenski, CPA  
Jane M. Burroughs, CPA  
Donald J. Murray, CPA

**INDEPENDENT AUDITOR'S REPORT**

December 6, 2010

To the School Board  
Montpelier Public School System  
Montpelier, Vermont

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Montpelier Public School System, as of and for the year ended June 30, 2010, 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 Montpelier Public School System, as of June 30, 2010, and the respective changes in financial position, and the 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 December 6, 2010, 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 on 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.

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

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. Schedules 1 and 2 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Respectfully submitted,

*Fothergill Segale & Valley, CPAs*

FOTHERGILL SEGALE & VALLEY, CPAs  
Vermont Public Accountancy License #110

MONTPELIER PUBLIC SCHOOL SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2010

Our discussion and analysis of Montpelier Public School System's financial performance provides an overview of the School System's financial activities for the fiscal year ended June 30, 2010. 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, which begin on Exhibit A, to enhance their understanding of the School System's financial status and performance.

**Financial Highlights**

- The School System's net assets increased by \$666,622 in fiscal year 2010, or 17%, as a result of this year's operations. The increase was due to capital acquisitions and favorable budget results.
- The cost of all of the School System's programs was \$17,151,273 this year compared to \$16,898,286 last year, an increase of \$252,987, or 1.5%.
- The General Fund had an increase in fund balance of \$296,172 this year compared to an increase of \$289,210 in the prior year. The increase in fund balance for fiscal year 2010 was \$384,918 better than what was budgeted.
- The total fund balance for the General Fund was \$972,956 as of June 30, 2010, of which \$246,724 is reserved for FY11 expenditures and \$726,232 is reserved for future expenditures.
- The Recreation Fund had a decrease in fund balance of \$79,800 this year compared to an increase of \$84,727 in the prior year. The fund balance of the Recreation Fund as of June 30, 2010 was \$221,828, of which \$15,281 is reserved for improvements.
- The Grants Fund had a zero year end fund balance because revenues are recognized as expenditures are incurred. During fiscal year 2010 revenues of \$747,995 were offset by expenditures and other uses of the same amount.
- The fund balance of the Capital Projects Fund was \$121,820 as of June 30, 2010. During fiscal year 2010 capital project expenditures were greater than revenues by \$125,098.
- The Food Service Fund ended the year with a balance of \$2,734. During fiscal year 2010 food service revenues and other sources exceeded expenditures by \$25,318.

**Using This Annual Report**

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities provide information about the activities of the School System as a whole and present a longer-term view of the School System's finances. Fund financial statements provide another level of detail. For governmental funds, 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 School System's operations in more detail than the government-wide statements by providing information about the School System's most significant funds. All other non-major funds are presented in total in a single column. The remaining statement provides financial information about activities for which the School System acts solely as a trustee or agent for the benefit of those outside the government.

MONTPELIER PUBLIC SCHOOL SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2010

*Reporting the School System as a Whole*

The financial statements of the School System as a whole are included on Exhibit A and B. One of the most important questions asked about the School System's finances is, "Is the School System 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 School System 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 revenue and expenses are taken into account regardless of when cash is received or paid.

These two statements report the School System's net assets and changes in them. You can think of the School System's net assets – the difference between assets and liabilities – as one way to measure the School System's financial health, or financial position. Over time, increases or decreases in the School System'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 School System's property tax base and the condition of the School System's capital assets, to assess the overall health of the School System.

All of the School System's basic services are governmental activities. They include regular and special education for Kindergarten through 12th grade, support services, administrative services, transportation, food services, interest on long-term debt and other activities. Act 68 state aid, property taxes, and state grants finance most of these activities.

*Reporting the School System's Most Significant Funds*

The financial statements of the School System's governmental funds are reflected on Exhibit C – Exhibit F. The fund financial statements provide detailed information about the most significant funds – not the School System as a whole. The School System 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 State of Vermont Department of Education). The School System's major funds are the General Fund, Recreation Fund and Grants Fund.

*Governmental Funds*

All of the School System's activities 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 School System'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 School System's programs. We describe the differences between governmental activities and governmental funds in Exhibits C and E that are included in the financial statements.

MONTPELIER PUBLIC SCHOOL SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2010

*The School System as Agent*

The School System is the fiscal agent for funds held for various school related activities. The School System's fiduciary activities include Agency Funds and Private Purpose Trust Funds and are reported in a separate Statement of Fiduciary Net Assets and Changes in Fiduciary Net Assets on Exhibit G and Exhibit H. We exclude these activities from the other financial statements because the School System cannot use these assets to finance its operations. The School System is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

**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 2010 and 2009.

Table 1 - Net Assets

|                                            | 2010         | 2009         | Change     |
|--------------------------------------------|--------------|--------------|------------|
| Current and other assets                   | \$ 2,761,421 | \$ 2,539,103 | \$ 222,318 |
| Capital assets                             | 8,313,103    | 8,124,348    | 188,755    |
| Total assets                               | 11,074,524   | 10,663,451   | 411,073    |
| Long-term liabilities                      | 4,967,052    | 5,324,033    | (356,981)  |
| Other liabilities                          | 1,503,202    | 1,401,770    | 101,432    |
| Total liabilities                          | 6,470,254    | 6,725,803    | (255,549)  |
| Net assets:                                |              |              |            |
| Invested in capital assets,<br>net of debt | 5,034,523    | 4,630,104    | 404,419    |
| Restricted                                 | 16,081       | 68,696       | (52,615)   |
| Unrestricted                               | (446,334)    | (761,152)    | 314,818    |
| Total net assets                           | \$ 4,604,270 | \$ 3,937,648 | \$ 666,622 |

The unrestricted net assets are negative due to the bond which was taken out to fund the retirement plan lump sum payment during 2009. The District does not own any assets related to this debt. Table 2 reflects the change in net assets for the fiscal years 2010 and 2009.

MONTPELIER PUBLIC SCHOOL SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2010

Table 2 - Change in Net Assets

|                                                           | 2010              | 2009                  | Change              |
|-----------------------------------------------------------|-------------------|-----------------------|---------------------|
| <b>REVENUES</b>                                           |                   |                       |                     |
| Program revenues:                                         |                   |                       |                     |
| Charges for services                                      | \$ 656,453        | \$ 644,638            | \$ 11,815           |
| Operating grants and contributions                        | 3,957,636         | 3,744,806             | 212,830             |
| Capital grants and contributions                          | 73,680            | 0                     | 73,680              |
| General revenues:                                         |                   |                       |                     |
| Act 68 State Aid                                          | 11,961,927        | 12,100,888            | (138,961)           |
| Property taxes                                            | 619,274           | 619,274               | 0                   |
| ARRA education spending                                   | 422,052           | 0                     | 422,052             |
| Other general revenues                                    | 126,873           | 115,188               | 11,685              |
| Total revenues                                            | <u>17,817,895</u> | <u>17,224,794</u>     | <u>593,101</u>      |
| <b>PROGRAM EXPENSES</b>                                   |                   |                       |                     |
| Instruction                                               | 6,490,107         | 6,337,590             | 152,517             |
| Special education                                         | 2,458,715         | 2,374,626             | 84,089              |
| Vocational                                                | 71,356            | 100,315               | (28,959)            |
| Co-curricular                                             | 284,949           | 295,781               | (10,832)            |
| Support services - student                                | 1,066,002         | 1,003,519             | 62,483              |
| Support services - staff                                  | 570,523           | 531,154               | 39,369              |
| School Board/Superintendent's office                      | 398,045           | 464,760               | (66,715)            |
| Building administration                                   | 969,740           | 951,696               | 18,044              |
| Business office                                           | 256,881           | 239,710               | 17,171              |
| Building maintenance                                      | 1,855,337         | 1,888,026             | (32,689)            |
| Transportation                                            | 144,380           | 156,130               | (11,750)            |
| Food service                                              | 469,389           | 500,342               | (30,953)            |
| Recreation programs                                       | 738,702           | 740,935               | (2,233)             |
| Grant programs                                            | 704,916           | 583,589               | 121,327             |
| Interest on long-term debt                                | 253,231           | 261,113               | (7,882)             |
| On behalf payments                                        | 419,000           | 469,000               | (50,000)            |
| Total program expenses                                    | <u>17,151,273</u> | <u>16,898,286</u>     | <u>252,987</u>      |
| Subtotal                                                  | 666,622           | 326,508               | 340,114             |
| Special items:                                            |                   |                       |                     |
| Retirement plan lump sum payment                          | 0                 | (1,466,788)           | 1,466,788           |
| Transfer of Senior Citizens Fund<br>to City of Montpelier | 0                 | (277,185)             | 277,185             |
| Increase (decrease) in net assets                         | <u>\$ 666,622</u> | <u>\$ (1,417,465)</u> | <u>\$ 2,084,087</u> |

MONTPELIER PUBLIC SCHOOL SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2010

Revenues increased by \$593,101, or 3.4%. Program Expenses increased by \$252,987, or 1.5%. Changes compared to fiscal year 2009 were as follows: 1) Two special items were reported in 2009 that resulted in a \$1,743,943 reduction in net assets. There were no special items to report in 2010. 2) Act 68 State aid increased by \$212,830 which impacted the tax rate for Montpelier residents. 3) The State used ARRA funds (Federal Stimulus Money) in the amount of \$422,052 to help fund education expenses that did not impact tax rates for residents. 4) Special education expenses increased by \$84,089 but was offset by increases in State aid for special education. 5) Instruction expenses increased by \$152,517 due to scheduled increases expected in the budget. 6) Grant expenses increased by \$121,327 but was offset by additional revenue.

Table 3 presents the cost of each of the School System's largest programs 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 School System's taxpayers by each of these functions.

Table 3

|                            | Total Cost<br>of Services<br>2010 | Net (Revenue)/<br>Cost of Services<br>2010 | Total Cost<br>of Services<br>2009 | Net (Revenue)/<br>Cost of Services<br>2009 |
|----------------------------|-----------------------------------|--------------------------------------------|-----------------------------------|--------------------------------------------|
| Instruction                | \$ 6,490,107                      | \$ 5,913,216                               | \$ 6,337,590                      | \$ 5,787,782                               |
| Special education          | 2,458,715                         | 408,373                                    | 2,374,626                         | 347,865                                    |
| Support services - student | 1,066,002                         | 1,066,002                                  | 1,003,519                         | 1,003,519                                  |
| Building maintenance       | 1,855,337                         | 1,855,337                                  | 1,888,026                         | 1,888,026                                  |
| Building administration    | 969,740                           | 969,740                                    | 951,696                           | 951,696                                    |
| All others                 | 4,311,372                         | 2,250,836                                  | 4,342,829                         | 2,529,954                                  |
| Totals                     | <u>\$17,151,273</u>               | <u>\$12,463,504</u>                        | <u>\$16,898,286</u>               | <u>\$12,508,842</u>                        |

*The School System's Funds*

As the School System completed the year, its governmental funds (as presented in the Balance Sheet on Exhibit C) reported a combined fund balance of \$1,319,338, which is more than last year's total of \$1,202,746 by \$116,592. The total fund balance for the General Fund was \$972,956 as of June 30, 2010, of which \$246,724 is reserved for FY11 expenditures and \$726,232 is reserved for future expenditures. The fund balance of the Recreation Fund as of June 30, 2010 was \$221,828, of which \$15,281 is reserved for improvements. The fund balance of the Capital Projects Fund was \$121,820 as of June 30, 2010. The Food Service Fund ended the year with a \$2,734 balance.

Included in this year's total change in fund balance of \$116,592 is an increase of \$296,172 in the General Fund, a decrease of \$79,800 in the Recreation Fund, a decrease of \$125,098 in the Capital Projects Fund, and an increase of \$25,318 in the Food Service Fund.

MONTPELIER PUBLIC SCHOOL SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2010

*General Fund Budgetary Highlights*

The General Fund had an increase in fund balance of \$296,172 which was \$384,918 better than what was budgeted. Exhibit F shows the budgetary information on the General Fund. The following are the major variances:

|                                         | <u>Budget</u> | <u>Actual</u> | Favorable<br>(Unfavorable)<br><u>Variance</u> |
|-----------------------------------------|---------------|---------------|-----------------------------------------------|
| <b>Revenues</b>                         |               |               |                                               |
| Act 68 State Aid                        | \$12,383,239  | \$ 11,961,927 | \$ (421,312)                                  |
| ARRA education spending                 | 0             | 422,052       | 422,052                                       |
| State special education reimbursements  | 1,578,361     | 1,605,993     | 27,632                                        |
| Tuition special education               | 0             | 45,615        | 45,615                                        |
| Non special ed. - state placed students | 0             | 91,592        | 91,592                                        |
| <b>Expenditures</b>                     |               |               |                                               |
| Instruction                             | 6,236,917     | 6,293,610     | (56,693)                                      |
| Special education                       | 2,208,491     | 2,324,928     | (116,437)                                     |
| Co-curricular                           | 330,945       | 284,949       | 45,996                                        |
| Support services - students             | 1,135,951     | 1,071,268     | 64,683                                        |
| School Board/Superintendent's office    | 497,067       | 404,713       | 92,354                                        |
| Building administration                 | 1,082,660     | 969,100       | 113,560                                       |
| Interest - bonds                        | 118,892       | 198,400       | (79,508)                                      |
| Capital outlays                         | 10,500        | 75,560        | (65,060)                                      |
| <b>Other financing sources</b>          |               |               |                                               |
| Insurance recovery                      | 0             | 65,000        | 65,000                                        |
| Lease proceeds                          | 0             | 65,060        | 65,060                                        |

Act 68 State Aid and ARRA education spending offset each other. The State made this determination which helped reduce tax rates for residents. Special education reimbursements, tuition for special education and the special education expenditures net out to an unfavorable variance of \$43,190. This variance occurred due to the complexities involved in setting the special education budget two years in advance of the actual activity. The reimbursement for non special education care and custody students is offset by the same amount of additional expenditure which is included in instruction. The favorable variance in the school board/superintendent office function is due to classification of the workers compensation expenditure and the turnover in the superintendent position. The budget for workers compensation for the entire School System was allocated to this function but the actual expenditure was allocated appropriately to different functions based on the allocation of wages. The favorable variance in building administration is due to turnover in the principal offices as well as the use of grant funds to cover some expenditures. The unfavorable variance in bond interest is due to the expenditure for the VMERS bond payment being budgeted by function but the actual expenditure is appropriately shown as a debt service expenditure. The unfavorable variance in the capital outlays is offset by the favorable variance for lease proceeds. The favorable variance for insurance proceeds reflects the money received related to the asbestos cleanup that was expended in fiscal year 2009.

MONTPELIER PUBLIC SCHOOL SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2010

**Capital Asset and Debt Administration**

*Capital Assets*

At June 30, 2010, the School System had \$8,313,103 invested in a broad range of capital assets, including school buildings, improvements, machinery and equipment, and vehicles. (See Table 4 below) This amount represents a net increase (including additions and deductions) of \$188,755 compared to last year.

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

|                            | 2010                | 2009                | Change            |
|----------------------------|---------------------|---------------------|-------------------|
| Construction in progress   | \$ 12,409           | \$ 0                | \$ 12,409         |
| Land improvements          | 887,979             | 748,599             | 139,380           |
| Buildings and improvements | 7,024,704           | 7,137,915           | (113,211)         |
| Machinery and equipment    | 359,459             | 219,151             | 140,308           |
| Vehicles                   | 28,552              | 18,683              | 9,869             |
| Totals                     | <u>\$ 8,313,103</u> | <u>\$ 8,124,348</u> | <u>\$ 188,755</u> |

This year's additions were:

|                                                 |                   |
|-------------------------------------------------|-------------------|
| Access door                                     | \$ 14,338         |
| Main Street School land improvements            | 20,673            |
| Union Elementary columns                        | 74,534            |
| Union Elementary ed room construction           | 13,940            |
| High School drivers ed car                      | 10,500            |
| High School auditorium                          | 8,000             |
| Recreation tennis courts                        | 164,689           |
| Recreation bridge                               | 17,945            |
| Recreation truck                                | 16,291            |
| Recreation pool aerator                         | 16,300            |
| Recreation pool filters                         | 82,000            |
| Central office relocation                       | 11,462            |
| Computer equipment                              | 79,861            |
| High School entrance - construction in progress | 12,409            |
| Total additions                                 | <u>\$ 542,942</u> |

MONTPELIER PUBLIC SCHOOL SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2010

*Debt Administration*

At June 30, 2010 the School System had \$4,870,400 in bonds and leases outstanding versus \$5,211,162 on June 30, 2009 – a decrease of \$340,762 – as shown in Table 5.

Table 5  
Outstanding Debt at Year-End

|                                                     | 2010                | 2009                | Increase<br>(Decrease) |
|-----------------------------------------------------|---------------------|---------------------|------------------------|
| Vermont Municipal Bond - MHS, MSMS Renovations      | \$ 1,120,000        | \$ 1,260,000        | \$ (140,000)           |
| Vermont Municipal Bond - Union Addition             | 90,000              | 135,000             | (45,000)               |
| Vermont Municipal Bond - 2009 various renovations   | 1,420,000           | 1,495,000           | (75,000)               |
| Vermont Municipal Bond - VMERS lump sum             | 1,470,000           | 1,470,000           | 0                      |
| Capital Leases - various equipment and improvements | 770,400             | 851,162             | (80,762)               |
| Totals                                              | <u>\$ 4,870,400</u> | <u>\$ 5,211,162</u> | <u>\$ (340,762)</u>    |

During fiscal year 2010, the School System made payments on bonds of \$260,000. Lease proceeds of \$65,060 were received and lease payments of \$145,822 were made.

**Current Issues**

Enrollment in the Montpelier School System declined to 927 for the 2009-10 school year compared to 944 in the prior 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 (CLA) was 58.94% for fiscal year 2010 which made the challenge even greater. During fiscal year 2009-10 the City completed a reappraisal of all real estate in the City. The CLA for fiscal year 2011 is 91.5%.

The School System has responded by reducing professional and support staff positions in those grades with lower enrollment. The School System is also continuing to focus on improving facilities, with a special focus on heating needs and energy efficiency.

**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 Mark Mason, Superintendent, Montpelier Public School System, 5 High School Drive, Unit 1, Montpelier, Vermont 05602.

MONTPELIER PUBLIC SCHOOL SYSTEM

EXHIBIT A

STATEMENT OF NET ASSETS

JUNE 30, 2010

|                                                                | <u>Governmental<br/>Activities</u> |                                |
|----------------------------------------------------------------|------------------------------------|--------------------------------|
| <b>ASSETS</b>                                                  |                                    |                                |
| Cash                                                           | \$ 2,552,847                       |                                |
| Accounts receivable - State                                    | 161,845                            |                                |
| Accounts receivable - other                                    | 34,326                             |                                |
| Inventory                                                      | 12,403                             |                                |
| Capital assets, net of accumulated depreciation of \$5,235,520 | <u>8,313,103</u>                   |                                |
| <br>Total assets                                               |                                    | <br>11,074,524                 |
| <b>LIABILITIES</b>                                             |                                    |                                |
| Accounts payable                                               | 99,061                             |                                |
| Accrued salary and benefits                                    | 1,006,289                          |                                |
| Deferred revenue                                               | 336,733                            |                                |
| Accrued interest                                               | 61,119                             |                                |
| Leases payable due in one year                                 | 130,591                            |                                |
| Bonds payable due in one year                                  | 260,000                            |                                |
| Termination benefit payable due in one year                    | 6,201                              |                                |
| Compensated absences                                           | 84,250                             |                                |
| Termination benefit payable due after one year                 | 6,201                              |                                |
| Leases payable due after one year                              | 639,809                            |                                |
| Bonds payable due after one year                               | <u>3,840,000</u>                   |                                |
| <br>Total liabilities                                          |                                    | <br><u>6,470,254</u>           |
| <b>NET ASSETS</b>                                              |                                    |                                |
| Unrestricted                                                   | (446,334)                          |                                |
| Restricted                                                     | 16,081                             |                                |
| Invested in capital assets, net of debt                        | <u>5,034,523</u>                   |                                |
| <br>Total net assets                                           |                                    | <br><u><u>\$ 4,604,270</u></u> |

MONTPELIER PUBLIC SCHOOL SYSTEM

EXHIBIT B

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2010

| Functions/Programs                   | Expenses             | Charge<br>for Services | Operating<br>Grants and<br>Contributions | Capital<br>Grants and<br>Contributions | Net (Expenses)<br>Revenues and<br>Changes<br>in Net Assets<br>Governmental<br>Activities |
|--------------------------------------|----------------------|------------------------|------------------------------------------|----------------------------------------|------------------------------------------------------------------------------------------|
| Governmental Activities:             |                      |                        |                                          |                                        |                                                                                          |
| Instruction                          | \$ 6,490,107         | \$ 63,099              | \$ 513,792                               | \$ 0                                   | \$ (5,913,216)                                                                           |
| Special education                    | 2,458,715            | 45,615                 | 2,004,727                                | 0                                      | (408,373)                                                                                |
| Vocational                           | 71,356               | 0                      | 13,231                                   | 0                                      | (58,125)                                                                                 |
| Co-curricular                        | 284,949              | 0                      | 0                                        | 0                                      | (284,949)                                                                                |
| Support services - students          | 1,066,002            | 0                      | 0                                        | 0                                      | (1,066,002)                                                                              |
| Support services - staff             | 570,523              | 0                      | 0                                        | 0                                      | (570,523)                                                                                |
| School Board/Superintendent's office | 398,045              | 0                      | 0                                        | 0                                      | (398,045)                                                                                |
| Building administration              | 969,740              | 0                      | 0                                        | 0                                      | (969,740)                                                                                |
| Business office                      | 256,881              | 0                      | 0                                        | 0                                      | (256,881)                                                                                |
| Building maintenance                 | 1,855,337            | 0                      | 0                                        | 0                                      | (1,855,337)                                                                              |
| Transportation                       | 144,380              | 0                      | 38,743                                   | 0                                      | (105,637)                                                                                |
| Food service                         | 469,389              | 328,210                | 166,582                                  | 0                                      | 25,403                                                                                   |
| Recreation programs                  | 738,702              | 219,529                | 53,566                                   | 73,680                                 | (391,927)                                                                                |
| Grant programs                       | 704,916              | 0                      | 747,995                                  | 0                                      | 43,079                                                                                   |
| Interest on long term debt           | 253,231              | 0                      | 0                                        | 0                                      | (253,231)                                                                                |
| On behalf payments                   | 419,000              | 0                      | 419,000                                  | 0                                      | 0                                                                                        |
| <b>Total governmental activities</b> | <b>\$ 17,151,273</b> | <b>\$ 656,453</b>      | <b>\$ 3,957,636</b>                      | <b>\$ 73,680</b>                       | <b>(12,463,504)</b>                                                                      |
| General Revenues:                    |                      |                        |                                          |                                        |                                                                                          |
|                                      |                      |                        |                                          |                                        | 11,961,927                                                                               |
|                                      |                      |                        |                                          |                                        | 619,274                                                                                  |
|                                      |                      |                        |                                          |                                        | 422,052                                                                                  |
|                                      |                      |                        |                                          |                                        | 11,194                                                                                   |
|                                      |                      |                        |                                          |                                        | (1,530)                                                                                  |
|                                      |                      |                        |                                          |                                        | 117,209                                                                                  |
|                                      |                      |                        |                                          |                                        | <u>13,130,126</u>                                                                        |
|                                      |                      |                        |                                          |                                        | 666,622                                                                                  |
|                                      |                      |                        |                                          |                                        | <u>3,937,648</u>                                                                         |
|                                      |                      |                        |                                          |                                        | <u>\$ 4,604,270</u>                                                                      |

MONTPELIER PUBLIC SCHOOL SYSTEM

EXHIBIT C

BALANCE SHEET - GOVERNMENTAL FUNDS  
AND RECONCILIATION TO STATEMENT OF NET ASSETS  
JUNE 30, 2010

|                                                                                                                                                                                                                                     | Major Fund<br>General<br>Fund | Major Fund<br>Recreation<br>Fund | Major Fund<br>Grants<br>Fund | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|----------------------------------|------------------------------|--------------------------------|--------------------------------|
| <b>ASSETS</b>                                                                                                                                                                                                                       |                               |                                  |                              |                                |                                |
| Cash                                                                                                                                                                                                                                | \$ 2,516,442                  | \$ 21,854                        | \$ 0                         | \$ 14,551                      | \$ 2,552,847                   |
| Accounts receivable - State                                                                                                                                                                                                         | 88,728                        | 16,000                           | 57,117                       | 0                              | 161,845                        |
| Accounts receivable - other                                                                                                                                                                                                         | 21,765                        | 10,794                           | 0                            | 1,767                          | 34,326                         |
| Inventory                                                                                                                                                                                                                           | 0                             | 0                                | 0                            | 12,403                         | 12,403                         |
| Due from other funds                                                                                                                                                                                                                | 0                             | 252,098                          | 260,313                      | 131,030                        | 643,441                        |
| Total assets                                                                                                                                                                                                                        | <u>\$ 2,626,935</u>           | <u>\$ 300,746</u>                | <u>\$ 317,430</u>            | <u>\$ 159,751</u>              | <u>\$ 3,404,862</u>            |
| <b>LIABILITIES AND FUND BALANCES</b>                                                                                                                                                                                                |                               |                                  |                              |                                |                                |
| <b>LIABILITIES</b>                                                                                                                                                                                                                  |                               |                                  |                              |                                |                                |
| Accounts payable                                                                                                                                                                                                                    | \$ 40,992                     | \$ 47,875                        | \$ 3,841                     | \$ 6,353                       | \$ 99,061                      |
| Accrued salary and benefits                                                                                                                                                                                                         | 966,145                       | 31,043                           | 3,755                        | 5,346                          | 1,006,289                      |
| Deferred revenue                                                                                                                                                                                                                    | 16,531                        | 0                                | 309,834                      | 10,368                         | 336,733                        |
| Due to other funds                                                                                                                                                                                                                  | 630,311                       | 0                                | 0                            | 13,130                         | 643,441                        |
| Total liabilities                                                                                                                                                                                                                   | <u>1,653,979</u>              | <u>78,918</u>                    | <u>317,430</u>               | <u>35,197</u>                  | <u>2,085,524</u>               |
| FUND BALANCES                                                                                                                                                                                                                       |                               |                                  |                              |                                | 1,319,338                      |
| Reserved for FY11 expenditures                                                                                                                                                                                                      | 246,724                       | 0                                | 0                            | 0                              | 246,724                        |
| Reserved for future expenditures                                                                                                                                                                                                    | 726,232                       | 0                                | 0                            | 0                              | 726,232                        |
| Reserved for capital projects                                                                                                                                                                                                       | 0                             | 15,281                           | 0                            | 121,820                        | 137,101                        |
| Reserved for food service equipment                                                                                                                                                                                                 | 0                             | 0                                | 0                            | 800                            | 800                            |
| Unreserved                                                                                                                                                                                                                          | 0                             | 206,547                          | 0                            | 1,934                          | 208,481                        |
| Total fund balances                                                                                                                                                                                                                 | <u>972,956</u>                | <u>221,828</u>                   | <u>0</u>                     | <u>124,554</u>                 | <u>1,319,338</u>               |
| Total liabilities and fund balances                                                                                                                                                                                                 | <u>\$ 2,626,935</u>           | <u>\$ 300,746</u>                | <u>\$ 317,430</u>            | <u>\$ 159,751</u>              |                                |
| <b>RECONCILIATION TO STATEMENT OF NET ASSETS</b>                                                                                                                                                                                    |                               |                                  |                              |                                |                                |
| Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is \$13,548,623, and the accumulated depreciation is \$5,235,520. |                               |                                  |                              |                                | 8,313,103                      |
| Long-term liabilities and accrued interest, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. These liabilities at year end consist of:            |                               |                                  |                              |                                |                                |
| Bonds and notes payable                                                                                                                                                                                                             |                               |                                  |                              | 4,100,000                      |                                |
| Leases payable                                                                                                                                                                                                                      |                               |                                  |                              | 770,400                        |                                |
| Termination benefit payable                                                                                                                                                                                                         |                               |                                  |                              | 12,402                         |                                |
| Accrued compensated absences                                                                                                                                                                                                        |                               |                                  |                              | 84,250                         |                                |
| Accrued interest                                                                                                                                                                                                                    |                               |                                  |                              | 61,119                         | (5,028,171)                    |
| TOTAL NET ASSETS - GOVERNMENTAL ACTIVITIES (EXHIBIT A)                                                                                                                                                                              |                               |                                  |                              |                                | <u>\$ 4,604,270</u>            |

MONTPELIER PUBLIC SCHOOL SYSTEM  
 STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
 YEAR ENDED JUNE 30, 2010

EXHIBIT D

|                                       | Major Fund<br>General<br>Fund | Major Fund<br>Recreation<br>Fund | Major Fund<br>Grants<br>Fund | Other<br>Governmental<br>Funds | Total               |
|---------------------------------------|-------------------------------|----------------------------------|------------------------------|--------------------------------|---------------------|
| <b>REVENUES</b>                       |                               |                                  |                              |                                |                     |
| Act 68 State Aid                      | \$ 11,961,927                 | \$ 0                             | \$ 0                         | \$ 0                           | \$ 11,961,927       |
| Property taxes                        | 0                             | 619,274                          | 0                            | 0                              | 619,274             |
| Intergovernmental - State             | 1,753,799                     | 0                                | 191,675                      | 196,235                        | 2,141,709           |
| Intergovernmental - Federal           | 1,041,707                     | 73,680                           | 448,582                      | 167,386                        | 1,731,355           |
| Medicaid                              | 0                             | 0                                | 94,761                       | 0                              | 94,761              |
| Investment earnings                   | 9,528                         | 22                               | 0                            | 1,644                          | 11,194              |
| Tuition                               | 108,714                       | 0                                | 0                            | 0                              | 108,714             |
| Program fees                          | 0                             | 219,529                          | 0                            | 0                              | 219,529             |
| Other revenue, private grants         | 46,943                        | 53,566                           | 12,977                       | 333,476                        | 446,962             |
| On-behalf payments                    | 419,000                       | 0                                | 0                            | 0                              | 419,000             |
| <b>Total revenues</b>                 | <b>15,341,618</b>             | <b>966,071</b>                   | <b>747,995</b>               | <b>698,741</b>                 | <b>17,754,425</b>   |
| <b>EXPENDITURES</b>                   |                               |                                  |                              |                                |                     |
| <b>Current Expenditures</b>           |                               |                                  |                              |                                |                     |
| Instruction                           | 6,293,610                     | 0                                | 0                            | 196,497                        | 6,490,107           |
| Special education                     | 2,324,928                     | 0                                | 0                            | 133,787                        | 2,458,715           |
| Vocational                            | 71,356                        | 0                                | 0                            | 0                              | 71,356              |
| Co-curricular                         | 284,949                       | 0                                | 0                            | 0                              | 284,949             |
| Support services - students           | 1,071,268                     | 0                                | 0                            | 0                              | 1,071,268           |
| Support services - staff              | 570,005                       | 0                                | 0                            | 0                              | 570,005             |
| School Board/Superintendent's office  | 404,713                       | 0                                | 0                            | 0                              | 404,713             |
| Building administration               | 969,100                       | 0                                | 0                            | 0                              | 969,100             |
| Business office                       | 257,847                       | 0                                | 0                            | 0                              | 257,847             |
| Building maintenance                  | 1,515,256                     | 0                                | 0                            | 0                              | 1,515,256           |
| Transportation                        | 144,380                       | 0                                | 0                            | 0                              | 144,380             |
| Food service                          | 0                             | 0                                | 0                            | 462,344                        | 462,344             |
| Recreation programs                   | 0                             | 737,648                          | 0                            | 0                              | 737,648             |
| Grant programs                        | 0                             | 0                                | 704,916                      | 0                              | 704,916             |
| On-behalf payments                    | 419,000                       | 0                                | 0                            | 0                              | 419,000             |
| <b>Debt service</b>                   |                               |                                  |                              |                                |                     |
| Interest - capital leases             | 40,156                        | 0                                | 0                            | 800                            | 40,956              |
| Principal - capital leases            | 141,733                       | 0                                | 0                            | 4,089                          | 145,822             |
| Interest - bonds                      | 198,400                       | 10,998                           | 0                            | 7,171                          | 216,569             |
| Principal - bonds                     | 260,000                       | 0                                | 0                            | 0                              | 260,000             |
| Capital outlays                       | 75,560                        | 297,225                          | 43,079                       | 127,078                        | 542,942             |
| <b>Total expenditures</b>             | <b>15,042,261</b>             | <b>1,045,871</b>                 | <b>747,995</b>               | <b>931,766</b>                 | <b>17,767,893</b>   |
| <b>EXCESS REVENUES (EXPENDITURES)</b> | <b>299,357</b>                | <b>(79,800)</b>                  | <b>0</b>                     | <b>(233,025)</b>               | <b>(13,468)</b>     |
| <b>OTHER FINANCING SOURCES (USES)</b> |                               |                                  |                              |                                |                     |
| Insurance recovery                    | 65,000                        | 0                                | 0                            | 0                              | 65,000              |
| Lease proceeds                        | 65,060                        | 0                                | 0                            | 0                              | 65,060              |
| Transfers from (to) other funds       | (133,245)                     | 0                                | 0                            | 133,245                        | 0                   |
| <b>Total other financing sources</b>  | <b>(3,185)</b>                | <b>0</b>                         | <b>0</b>                     | <b>133,245</b>                 | <b>130,060</b>      |
| <b>NET CHANGE IN FUND BALANCES</b>    | <b>296,172</b>                | <b>(79,800)</b>                  | <b>0</b>                     | <b>(99,780)</b>                | <b>116,592</b>      |
| <b>FUND BALANCES - JULY 1, 2009</b>   | <b>676,784</b>                | <b>301,628</b>                   | <b>0</b>                     | <b>224,334</b>                 | <b>1,202,746</b>    |
| <b>FUND BALANCES - JUNE 30, 2010</b>  | <b>\$ 972,956</b>             | <b>\$ 221,828</b>                | <b>\$ 0</b>                  | <b>\$ 124,554</b>              | <b>\$ 1,319,338</b> |

MONTPELIER PUBLIC SCHOOL SYSTEM

EXHIBIT E

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

YEAR ENDED JUNE 30, 2010

TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS \$ 116,592

Amounts reported for governmental activities in the statement of activities  
are different because:

Capital outlays are reported in governmental funds as expenditures. However,  
in the statement of activities, the cost of those assets is allocated over their  
estimated useful lives as depreciation expense. This is the amount by which  
capital outlays of \$542,942 exceed depreciation expense of \$352,657 and  
loss on disposal of capital assets of \$1,530. 188,755

Some of the capital assets acquired this year were financed with long-term debt.  
Lease proceeds are reported in the governmental funds as an other financing source.  
On the other hand, the lease proceeds are not revenue in the statement of activities,  
but rather constitute long-term liabilities in the statement of net assets. (65,060)

Repayment of bond and notes principal is an expenditure in the  
governmental funds, but the repayment reduces long-term liabilities  
in the statement of net assets. 405,822

In the statement of activities, termination benefits and compensated absences are  
measured by the amounts incurred during the year. In the governmental funds,  
however, expenditures for these items are measured by the amount of financial  
resources used (essentially, the amounts actually paid). This year, termination benefits  
and compensated absences used exceeded the amounts earned by \$16,219. 16,219

Interest on long-term debt in the statement of activities differs from the amount  
reported in the governmental funds because interest is recognized as an expenditure  
in the funds when it is due, and thus requires the use of current financial resources.  
In the statement of activities, however, interest expense is recognized as the  
interest accrues, regardless of when it is due. The reduction in interest reported  
in the statement of activities is because accrued interest on bonds and notes  
payable decreased by \$4,294. 4,294

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES \$ 666,622

**Montpelier 2011 / Annual Report / 120**

MONTPELIER PUBLIC SCHOOL SYSTEM  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE COMPARED TO BUDGET - GENERAL FUND  
YEAR ENDED JUNE 30, 2010

EXHIBIT F

|                                                 | Original<br>and Final<br>Budget | Actual            | Variance<br>Favorable<br>(Unfavorable) |
|-------------------------------------------------|---------------------------------|-------------------|----------------------------------------|
| <b>REVENUES</b>                                 |                                 |                   |                                        |
| Act 68 State Aid                                | \$ 12,383,239                   | \$ 11,961,927     | \$ (421,312)                           |
| Intergovernmental - State                       |                                 |                   |                                        |
| State Transportation Aid                        | 43,108                          | 38,743            | (4,365)                                |
| Special education - mainstream block grant      | 335,488                         | 335,336           | (152)                                  |
| Special education - intensive reimbursement     | 1,105,623                       | 1,022,937         | (82,686)                               |
| Special education - extraordinary reimbursement | 137,250                         | 168,224           | 30,974                                 |
| Special education - state placed students       | 0                               | 79,496            | 79,496                                 |
| Non special education - state placed students   | 0                               | 91,592            | 91,592                                 |
| Drivers education                               | 5,264                           | 4,240             | (1,024)                                |
| Vocational transportation                       | 15,720                          | 13,231            | (2,489)                                |
| Intergovernmental - Federal                     |                                 |                   |                                        |
| IDEIA B                                         | 256,345                         | 264,947           | 8,602                                  |
| Title I                                         | 327,774                         | 354,708           | 26,934                                 |
| ARRA education spending                         | 0                               | 422,052           | 422,052                                |
| Tuition - regular                               | 61,125                          | 63,099            | 1,974                                  |
| Tuition - special education                     | 0                               | 45,615            | 45,615                                 |
| Investment earnings                             | 10,000                          | 9,528             | (472)                                  |
| E-rate communications reimbursement             | 0                               | 18,588            | 18,588                                 |
| Rental income                                   | 12,000                          | 11,057            | (943)                                  |
| Other revenue                                   | 3,000                           | 17,298            | 14,298                                 |
| Total revenues                                  | <u>14,695,936</u>               | <u>14,922,618</u> | <u>226,682</u>                         |
| <b>EXPENDITURES</b>                             |                                 |                   |                                        |
| Current Expenditures                            |                                 |                   |                                        |
| Instruction                                     | 6,236,917                       | 6,293,610         | (56,693)                               |
| Special education                               | 2,208,491                       | 2,324,928         | (116,437)                              |
| Vocational                                      | 72,447                          | 71,356            | 1,091                                  |
| Co-curricular                                   | 330,945                         | 284,949           | 45,996                                 |
| Support services - students                     | 1,135,951                       | 1,071,268         | 64,683                                 |
| Support services - staff                        | 555,807                         | 570,005           | (14,198)                               |
| School Board/ Superintendent's office           | 497,067                         | 404,713           | 92,354                                 |
| Building administration                         | 1,082,660                       | 969,100           | 113,560                                |
| Business office                                 | 251,131                         | 257,847           | (6,716)                                |
| Building maintenance                            | 1,560,617                       | 1,515,256         | 45,361                                 |
| Transportation                                  | 148,436                         | 144,380           | 4,056                                  |
| Debt Service                                    |                                 |                   |                                        |
| Interest - capital leases                       | 40,156                          | 40,156            | 0                                      |
| Principal - capital leases                      | 141,733                         | 141,733           | 0                                      |
| Interest - bonds                                | 118,892                         | 198,400           | (79,508)                               |
| Principal - bonds                               | 260,000                         | 260,000           | 0                                      |
| Capital Outlays                                 | 10,500                          | 75,560            | (65,060)                               |
| Total expenditures                              | <u>14,651,750</u>               | <u>14,623,261</u> | <u>28,489</u>                          |
| EXCESS REVENUES OVER EXPENDITURES               | <u>44,186</u>                   | <u>299,357</u>    | <u>255,171</u>                         |
| <b>OTHER FINANCING SOURCES (USES)</b>           |                                 |                   |                                        |
| Insurance recovery                              | 0                               | 65,000            | 65,000                                 |
| Lease proceeds                                  | 0                               | 65,060            | 65,060                                 |
| Transfers to other funds                        | (132,932)                       | (133,245)         | (313)                                  |
| Transfers from other funds                      | 0                               | 0                 | 0                                      |
| Total other financing sources                   | <u>(132,932)</u>                | <u>(3,185)</u>    | <u>129,747</u>                         |
| NET CHANGE IN FUND BALANCE                      | <u>\$ (88,746)</u>              | 296,172           | <u>\$ 384,918</u>                      |
| FUND BALANCE - JULY 1, 2009                     |                                 | <u>676,784</u>    |                                        |
| FUND BALANCE - JUNE 30, 2010                    |                                 | <u>\$ 972,956</u> |                                        |

MONTPELIER PUBLIC SCHOOL SYSTEM  
STATEMENT OF FIDUCIARY NET ASSETS

EXHIBIT G

JUNE 30, 2010

|                                                    | Private Purpose<br>Trust Funds | Agency<br>Funds |
|----------------------------------------------------|--------------------------------|-----------------|
| <b>ASSETS</b>                                      |                                |                 |
| Cash                                               | \$ 232,740                     | \$ 103,626      |
| Investments                                        | 51,306                         | 0               |
| Total assets                                       | 284,046                        | 103,626         |
| <b>LIABILITIES</b>                                 |                                |                 |
| Due to student organizations                       | 0                              | 103,626         |
| <b>NET ASSETS</b>                                  |                                |                 |
| Held in Trust for Individuals and<br>Organizations | \$ 284,046                     | \$ 0            |

MONTPELIER PUBLIC SCHOOL SYSTEM

EXHIBIT H

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS

YEAR ENDED JUNE 30, 2010

|                                | Private Purpose<br>Trust Funds |
|--------------------------------|--------------------------------|
| <b>ADDITIONS</b>               |                                |
| Contributions and bequests     | \$ 44,312                      |
| Investment earnings:           |                                |
| Interest and dividends         | 3,973                          |
| Realized gain on investments   | 2,675                          |
| Unrealized loss on investments | (1,534)                        |
| Net investment loss            | 5,114                          |
| Total additions                | 49,426                         |
| <b>DEDUCTIONS</b>              |                                |
| Scholarships                   | 72,608                         |
| Other expenses                 | 552                            |
| Total deductions               | 73,160                         |
| CHANGE IN NET ASSETS           | (23,734)                       |
| NET ASSETS - JULY 1, 2009      | 307,780                        |
| NET ASSETS - JUNE 30, 2010     | \$ 284,046                     |

MONTPELIER PUBLIC SCHOOL SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2010

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 appoints a Superintendent, and provides education services for kindergarten through 12<sup>th</sup> grade in the City of Montpelier. The School System also manages the Recreation Department. The Recreation Department is responsible for general recreation activities in the City.

The School System, for financial reporting purposes, includes all of the funds relevant to the operations of the Montpelier Public School System. The financial statements presented herein do not include agencies which have been formed under applicable state laws or separate and distinct units of government apart from the Montpelier Public School System.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The School System's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is primarily responsible for establishing GAAP for state and local governments through its pronouncements (including Statements and Interpretations). The more significant accounting policies established in GAAP and used by the School System are discussed below.

*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

MONTPELIER PUBLIC SCHOOL SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2010

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Reporting Entity (Continued)*

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.

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.

*Basis of Presentation*

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

MONTPELIER PUBLIC SCHOOL SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2010

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Basic Financial Statements – 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. All the activities of the School System are governmental in nature and none are considered business-type activities.

The Statement of Net Assets presents all of the School System's activities on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The School System's net assets are reported in three parts – invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The School System first utilizes restricted resources to finance qualifying activities for which both restricted and unrestricted resources are available.

The Statement of Activities reports both the gross and net cost of each of the School System's governmental functions. The functions are also supported by general government revenue (assessments and other local revenue). The Statement of Activities reduces gross expenditures (including depreciation) by related program revenue, consisting of operating grants and contributions. Program revenue must be directly associated with the governmental function (regular education, special education, etc.). Operating grants include operating-specific and discretionary (either operating or capital) grants.

The net costs (by governmental function) are normally covered by general revenue (assessments, interest income, etc.).

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

*Basic Financial Statements – Fund Financial Statements*

The financial statements of the School System are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenue and expenditures/expenses. The various funds are reported by major funds within the financial statements. The School System has two categories of funds; governmental and fiduciary.

The emphasis in fund financial statements is on the major funds in either the governmental activities categories. GASBs No. 34 and No. 37 set forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures of either fund category or the governmental and enterprise funds combined) for the determination of major funds. The General Fund, Recreation Fund and Grants Fund are shown as major governmental funds of the School System. All other funds are Nonmajor and are combined in a single column in each of the respective fund financial statements.

MONTPELIER PUBLIC SCHOOL SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2010

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The School System reports on the following governmental funds:

General Fund is the main operating fund of the School System. It is used to account for all financial resources except those required to be accounted for in another fund.

Recreation Fund is used to account for the activities of the recreation department.

Grants Fund is used to account for the various activities funded with Federal, State and Local grants.

Other Governmental Fund is used to account for activities related to food service, early education program, capital projects and other minor funds.

Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support School System programs. The reporting focus is on net assets and changes in net assets are reported using accounting principles similar to proprietary funds.

The School System's fiduciary funds are presented in the fiduciary fund financial statements by type (private purpose and agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements. The School System's agency fund accounts for various student-managed activities.

*Basis of Accounting*

Basis of accounting refers to the point at which revenue or expenditures are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

MONTPELIER PUBLIC SCHOOL SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2010

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Basis of Accounting (Continued)*

The government-wide 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-exchange transactions, in which the School System 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.

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

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.

*Cash and Cash Equivalents*

The School System has defined cash and cash equivalents to include cash on hand, demand deposits, and cash with fiscal agent. Additionally, each fund's equity in the School System's investment pool is treated as a cash equivalent because the funds can deposit or effectively withdraw cash at any time without prior notice or penalty.

*Investments*

Investments are stated at fair value (quoted market price or the best available estimate).

MONTPELIER PUBLIC SCHOOL SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2010

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Inventory*

Inventories are determined by physical count and are valued at cost. Inventory represents food and supplies in the Food Service Fund.

*Capital Assets*

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. The School System does not capitalize its library books because they are considered a collection. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

|                            |               |
|----------------------------|---------------|
| Land improvements          | 15 – 50 years |
| Buildings and improvements | 15 – 50 years |
| Machinery and equipment    | 5 – 20 years  |
| Vehicles                   | 5 – 15 years  |

*Accrued Compensated Absences*

Government-Wide Financial Statements – All vested or accumulated vacation leave is reported as a liability and an expense on the government-wide financial statements.

Fund Financial Statements - Vested or accumulated vacation leave that has matured is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are not reported as a liability in the fund financial statements and no expenditure is reported for these accounts.

*Fund Equity*

The fund equity in the fund financial statements is classified into the following categories:

Unreserved - Indicates the portion of fund equity that is available for appropriation and expenditure in future periods.

Reserved Fund Balance - Indicates that a portion of fund equity that is legally segregated for a specific use by an agreement or other binding document or not available for appropriations and expenditures in future periods.

MONTPELIER PUBLIC SCHOOL SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2010

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Net Assets*

Net assets represent the difference between assets and liabilities in the statement of net assets. Net resources invested in capital assets are reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are legal limitations imposed on their use by School System legislation or external restrictions by creditors, grantors, laws or regulations of other governments.

*Budgets and Budgetary Accounting*

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

- 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.
- 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.
- The School Board then reviews the School budget and adopts it with or without change.
- 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 Recreation Fund and the Grants Fund are not legally required to adopt budgets.

*Interfund Activities*

Interfund activities are reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund activities are treated as transfers.

*Use of Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

MONTPELIER PUBLIC SCHOOL SYSTEM  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2010

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*On Behalf Payments*

On behalf payments are contributions made by the State of Vermont to the State Teachers' Retirement System on behalf of the School System's teaching employees. The General Fund budget does not include on behalf payments as a revenue or expense.

**NOTE 2 - DEPOSITS AND INVESTMENTS**

The School System invests excess cash according to policies set by the School Board.

*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. As of June 30, 2010, none of the School System's bank balances of \$3,203,676 was exposed to custodial credit risk as uninsured and uncollateralized.

*Investments*

The fair value of the investments at June 30, 2010 was \$51,306 and consisted of Mutual Funds. The School System does not have a formal investment policy.

**NOTE 3 – RECEIVABLES**

Receivables at June 30, 2010, consisted 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.

**NOTE 4 - INTERFUND RECEIVABLES AND PAYABLES**

The School System has combined the cash resources of its governmental funds for accounting and reporting purposes. That portion of the pooled cash balance is reported in the specific fund as an interfund balance. Interfund balances at June 30, 2010 are as follows:

|                               | <u>Receivable</u> | <u>Payable</u>   |
|-------------------------------|-------------------|------------------|
| General Fund                  | \$ 0              | \$630,311        |
| Recreation Fund               | 252,098           | 0                |
| Grants Fund                   | 260,313           | 0                |
| Nonmajor funds                |                   |                  |
| Early Education Program       | 1,703             | 0                |
| Regional Education Specialist | 2,170             | 0                |
| Food Service Fund             | 0                 | 13,130           |
| Capital Projects Fund         | 127,157           | 0                |
|                               | <u>\$ 643,441</u> | <u>\$643,441</u> |

MONTPELIER PUBLIC SCHOOL SYSTEM  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2010

**NOTE 5 - CAPITAL ASSETS**

The summary of capital assets as of June 30, 2010 is as follows:

|                                  | Balance<br>June 30, 2009 | Reclass. and<br>Additions | Disposals  | Depreciation | Balance<br>June 30, 2010 |
|----------------------------------|--------------------------|---------------------------|------------|--------------|--------------------------|
| Capital assets not depreciated:  |                          |                           |            |              |                          |
| Construction in progress         | \$ 0                     | \$ 12,409                 | \$ 0       | \$ 0         | \$ 12,409                |
| Capital assets depreciated:      |                          |                           |            |              |                          |
| Land improvements                | 851,715                  | 203,307                   | (33,200)   | 0            | 1,021,822                |
| Building & improvements          | 11,652,372               | 114,274                   | 0          | 0            | 11,766,646               |
| Machinery and equipment          | 486,380                  | 186,161                   | 0          | 0            | 672,541                  |
| Vehicles                         | 58,848                   | 26,791                    | (10,434)   | 0            | 75,205                   |
| Total capital assets depreciated | 13,049,315               | 530,533                   | (43,634)   | 0            | 13,536,214               |
| Accumulated depreciation:        |                          |                           |            |              |                          |
| Land improvements                | 103,116                  | 23,848                    | (33,200)   | 40,079       | 133,843                  |
| Building & improvements          | 4,514,457                | (23,848)                  | 0          | 251,333      | 4,741,942                |
| Machinery and equipment          | 267,229                  | 0                         | (8,904)    | 54,757       | 313,082                  |
| Vehicles                         | 40,165                   | 0                         | 0          | 6,488        | 46,653                   |
| Total accumulated depreciation   | 4,924,967                | 0                         | (42,104)   | 352,657      | 5,235,520                |
| Total capital assets             | \$ 8,124,348             | \$ 542,942                | \$ (1,530) | \$ (352,657) | \$ 8,313,103             |

Depreciation was charged to building maintenance (\$345,612) and food services (\$7,045).

**NOTE 6 – LONG-TERM DEBT AND LIABILITIES**

*Compensated absences*

The School System has agreed to permit support staff, custodians and administrators to accumulate earned but unused vacation days up to different limits based on longevity. Employees are not eligible to be paid for unused sick days upon termination. The liability as of June 30, 2010 was \$84,250 compared to \$94,268 as of June 30, 2009. None of the year end balance will be paid from current financial resources.

*Termination benefits*

In prior years, teachers who elected to take early retirement were eligible for a termination benefit that was paid over various terms. During fiscal year 2010 payments of \$6,201 were made related to termination benefits. The balance as of June 30, 2010 was \$12,402. \$6,201 is due each of the next two years.

MONTPELIER PUBLIC SCHOOL SYSTEM  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2010

**NOTE 6 – LONG-TERM DEBT AND LIABILITIES (Continued)**

*Bonds and Capital Leases payable*

The following is a summary of bonds and capital leases payable at June 30, 2010 for the School System:

|                                                                                                                                                                                                                                                                   | <u>Total</u> | <u>Due in<br/>One Year</u> |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|----------------------------|
| Bond payable with Vermont Municipal Bond Bank, interest between 5.05% and 5.4% paid semi-annually on 6/1 and 12/1, principal of \$140,000 due on December 1st of each year until 2017, for Montpelier High School and Main Street Middle School renovations.      | \$ 1,120,000 | \$140,000                  |
| Bond payable with Vermont Municipal Bond Bank, interest of 7.0% paid semi-annually on 6/1 and 12/1, principal of \$45,000 due on December 1st of each year until 2011, for Union Elementary School renovations.                                                   | 90,000       | 45,000                     |
| Bond payable with Vermont Municipal Bond Bank, interest between 1.9% and 4.65% paid semi-annually on 5/15 and 11/15, principal of \$75,000 due on November 15th of each year until 2028, for various renovations at all three schools.                            | 1,420,000    | 75,000                     |
| Bond payable with Vermont Municipal Bond Bank, interest of 6.5% paid semi-annually on 5/15 and 11/15, principal starting at \$10,000 on November 15, 2017 and increasing each year until 2032, used to fund the retirement plan lump sum payment.                 | 1,470,000    | 0                          |
| Capital lease with Sun Trust, interest at 4.29%, annual principal and interest payments that range from \$94,250 to \$111,600 through July 1, 2015 with a final payment of \$43,647 due on July 1, 2016, used to finance energy efficiency building improvements. | 571,777      | 72,505                     |
| Capital lease with Sun Trust, interest at 4.49%, annual principal and interest payments that range from \$17,000 to \$44,417 through July 1, 2016, used to finance energy efficiency building improvements and computer equipment.                                | 119,920      | 11,598                     |

MONTPELIER PUBLIC SCHOOL SYSTEM  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2010

**NOTE 6 – LONG-TERM DEBT AND LIABILITIES (Continued)**

|                                                                                                                                                         | <u>Total</u>        | <u>Due in<br/>One Year</u> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|----------------------------|
| Capital lease with Providence Capital Network, LLC., interest at 8.5%, annual principal and interest payments due \$13,735, maturity date of July 2011. | 24,095              | 11,658                     |
| Capital lease with HP Financial Services, interest at 5.39%, annual principal and interest payments of \$9,557 due, maturity date of July 2011.         | 17,673              | 8,604                      |
| Capital lease with Municipal Leasing Consultants, interest at 5.98%, annual principal and interest payments of \$4,889 due, maturity date of July 2011. | 8,949               | 4,341                      |
| Capital lease with Dell Computer, interest at 5.38%, annual principal and interest payments of \$12,522 due, maturity date of August 2011.              | 11,868              | 11,868                     |
| Capital lease with Apple Computer, interest at 12.8%, annual principal and interest payments of \$5,067 due, maturity date of July, 2010.               | 4,490               | 4,490                      |
| Capital lease with Apple Computer, interest at 10.5%, annual principal and interest payments of \$6,745 due, maturity date of July, 2011.               | 11,628              | 5,527                      |
| Total bonds and leases payable                                                                                                                          | <u>\$ 4,870,400</u> | <u>\$390,591</u>           |

Bonds and leases payable will mature approximately as follows:

|           | <u>Bond<br/>Principal</u> | <u>Bond<br/>Interest</u> | <u>Bond<br/>Total</u> | <u>Lease<br/>Principal</u> | <u>Lease<br/>Interest</u> | <u>Lease<br/>Total</u> |
|-----------|---------------------------|--------------------------|-----------------------|----------------------------|---------------------------|------------------------|
| 2011      | \$ 260,000                | \$ 209,433               | \$ 469,433            | \$ 130,591                 | \$ 36,006                 | \$ 166,597             |
| 2012      | 260,000                   | 196,923                  | 456,923               | 122,879                    | 29,051                    | 151,930                |
| 2013      | 215,000                   | 185,720                  | 400,720               | 97,233                     | 22,417                    | 119,650                |
| 2014      | 215,000                   | 175,880                  | 390,880               | 104,309                    | 18,211                    | 122,520                |
| 2015      | 215,000                   | 167,663                  | 382,663               | 114,799                    | 13,701                    | 128,500                |
| 2016-2020 | 837,000                   | 686,300                  | 1,523,300             | 200,589                    | 11,696                    | 212,285                |
| 2021-2025 | 620,000                   | 509,157                  | 1,129,157             | 0                          | 0                         | 0                      |
| 2026-2030 | 885,000                   | 308,657                  | 1,193,657             | 0                          | 0                         | 0                      |
| 2031-2035 | 593,000                   | 60,753                   | 653,753               | 0                          | 0                         | 0                      |
|           | <u>\$ 4,100,000</u>       | <u>\$ 2,500,486</u>      | <u>\$ 6,600,486</u>   | <u>\$ 770,400</u>          | <u>\$131,082</u>          | <u>\$ 901,482</u>      |

MONTPELIER PUBLIC SCHOOL SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2010

**NOTE 6 – LONG-TERM DEBT AND LIABILITIES (Continued)**

Changes of long-term liabilities for the year ended June 30, 2010 were:

|                      | Balance<br>June 30, 2009 | Increases        | Reductions         | Balance<br>June 30, 2010 | Due in<br>One Year |
|----------------------|--------------------------|------------------|--------------------|--------------------------|--------------------|
| Bonds payable        | \$ 4,360,000             | \$ 0             | \$(260,000)        | \$ 4,100,000             | \$260,000          |
| Capital leases       | 851,162                  | 65,060           | (145,822)          | 770,400                  | 130,591            |
| Compensated absences | 94,268                   | 6,799            | (16,817)           | 84,250                   | 0                  |
| Termination benefits | 18,603                   | 0                | (6,201)            | 12,402                   | 6,201              |
| <b>Total</b>         | <b>\$ 5,324,033</b>      | <b>\$ 71,859</b> | <b>\$(428,840)</b> | <b>\$ 4,967,052</b>      | <b>\$396,792</b>   |

**NOTE 7 - RECONCILIATION OF EXHIBIT D TO EXHIBIT F**

Amounts recorded in the Statement of Revenues, Expenditures and Changes in Fund Balance Compared to Budget – General Fund (Exhibit F) are reported on the basis budgeted by the School System. Amounts recorded in the Statement of Revenues, Expenditures and Changes in Fund Balances (Exhibit D) for the General Fund were adjusted for on behalf payments (see Note 8) as follows:

|                    | <u>Revenues</u>      | <u>Expenditures</u>  |
|--------------------|----------------------|----------------------|
| Exhibit D          | \$ 15,341,618        | \$ 15,042,261        |
| On behalf payments | (419,000)            | (419,000)            |
| Exhibit F          | <u>\$ 14,922,618</u> | <u>\$ 14,623,261</u> |

**NOTE 8 - PENSION AND RETIREMENT PLANS**

*Vermont State Teachers' Retirement System*

The teachers employed by the School System are covered by the Vermont State Teachers' Retirement System which is a single employer retirement system. Vermont State statutes provide the authority under which benefit provisions and the State's obligation to contribute are established. Required contributions to the System are made by the State of Vermont based upon a valuation report prepared by the System's actuary.

The contribution amount made by the State on behalf of the participants in the State Teachers' Retirement System is \$419,000. The amount is based on the prior year's contribution percentage.

All teachers become members of the retirement system upon employment. Teachers who became members before July 1, 1990 are Group A members. All other teachers are Group C members. Members who have Group A coverage are required to contribute at a rate of 5.5% of earnable compensation and members in Group C are required to contribute at a rate of 3.54% of earnable compensation. Vesting in both groups occurs upon reaching five years of creditable service. Of the School System's total payroll of \$9,669,882, \$6,534,433 was covered under the Vermont State Teachers' Retirement System.

MONTPELIER PUBLIC SCHOOL SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2010

**NOTE 8 - PENSION AND RETIREMENT PLANS (Continued)**

The State of Vermont issues an audited Financial Report that includes financial statements and required disclosures. This report may be obtained by writing the State Auditor of Accounts, 132 State Street, Montpelier, VT 05602.

*Vermont Municipal Employees Retirement System (VMERS)*

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.

Until December 31, 2004 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.

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. For Group B, employee contributions are 4.5% of gross pay and employer contributions are 5% of gross pay. For Group C, employee contributions are 9% of gross pay and employer contributions are 6% of gross pay. VMERS issues a publicly available financial report which may be obtained from the Vermont State Treasurer's Office, Montpelier, Vermont 05602.

The School System's contributions to VMERS for the years ended June 30, 2010, 2009, and 2008 were \$78,683, \$77,855, and \$74,208, respectively, equal to the required contributions for each year. Total covered payroll for fiscal year 2010 was \$1,533,091 out of a total payroll of \$9,669,882.

MONTPELIER PUBLIC SCHOOL SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2010

**NOTE 9 - DEFERRED REVENUE**

The deferred revenue at June 30, 2010 consisted of:

|                               |                   |
|-------------------------------|-------------------|
| General Fund:                 |                   |
| IDEA B                        | \$ 11,541         |
| Title I                       | 4,990             |
| Total General Fund            | <u>16,531</u>     |
| Grants Fund:                  |                   |
| Act 230                       | 3,187             |
| Act 176                       | 14,775            |
| EEI                           | 5,000             |
| Title III                     | 1,844             |
| AARP Innovations              | 543               |
| MHS Schools of Success        | 1,158             |
| Maizer Grant                  | 665               |
| Walk to school                | 3                 |
| Tobacco Prevention            | 25                |
| Standards Board               | 243               |
| ARRA                          | 30,046            |
| EPSDT                         | 51,392            |
| Medicaid                      | 200,953           |
| Total Grants Fund             | <u>309,834</u>    |
| Nonmajor Funds                |                   |
| Early Education Program       | 410               |
| Food Service student accounts | 7,788             |
| Regional Education Specialist | 2,170             |
| Total Nonmajor Funds          | <u>10,368</u>     |
| Total deferred revenue        | <u>\$ 336,733</u> |

MONTPELIER PUBLIC SCHOOL SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2010

**NOTE 10 - RESERVED FUND BALANCES AND RESTRICTED NET ASSETS**

The reserved fund balances and restricted net assets at June 30, 2010 consisted of:

|                               | Reserved<br>Fund<br>Balances | Restricted<br>Net<br>Assets |
|-------------------------------|------------------------------|-----------------------------|
| General Fund:                 |                              |                             |
| Fiscal year 2011 expenditures | \$ 246,724                   | \$ 0                        |
| Future year expenditures      | 726,232                      | 0                           |
| Recreation Fund:              |                              |                             |
| Tennis court project          | 15,281                       | 15,281                      |
| Nonmajor Funds:               |                              |                             |
| Food Service Fund - equipment | 800                          | 800                         |
| Capital Projects Fund         | 121,820                      | 0                           |
| Total reserved/restricted     | <u>\$1,110,857</u>           | <u>\$ 16,081</u>            |

**NOTE 11 - INTERFUND TRANSFERS**

During the year transfers occurred between funds. The various operating transfers were made in accordance with budgetary authorizations. Interfund transfers for the year ended June 30, 2010 consisted of \$133,245 from the General Fund to the Early Education Program.

**NOTE 12 – INSURANCE AND OTHER RECOVERIES**

An insurance recovery in the amount of \$65,000 related to an asbestos clean-up that occurred in fiscal year 2009 at the Middle School is reported as an other financing source on Exhibit F. Expenditures of approximately \$90,000 relating to this clean-up were charged to building maintenance in fiscal year 2009.

A recovery from the State of Vermont in the amount of \$28,256 related to an oil spill at Union School that occurred in fiscal year 2010 is recorded as a receivable as of June 30, 2010. The expenditures related to the oil spill were approximately \$46,500. The expenditures are shown net of the recovery under building maintenance.

**NOTE 13 – OPERATING LEASES**

The School System is leasing copiers under a three-year agreement that started in February 2009 and requires monthly payments of \$1,917. The School System paid \$23,004 during the fiscal year ended June 30, 2010 on the copier lease. The future minimum payments under this lease are \$23,004 in fiscal year 2011 and \$13,419 in fiscal year 2012.

The School System is leasing mailing system equipment under an agreement that requires seventeen quarterly payments of \$2,160 starting in July 2008. The School System paid \$8,640 during fiscal year 2010. The future minimum payments under this lease are \$8,640 in fiscal year 2011 and 2012 and \$2,160 in fiscal year 2013.

MONTPELIER PUBLIC SCHOOL SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2010

**NOTE 14 – CONTINGENCIES 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, 2010, 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 System entered into a transportation contract expiring June 30, 2011. Future minimum payments required under this contract as of June 30, 2010, are as follows:

2011 \$155,221 (before the 5% discount)

The School System receives a discount of 5% for paying before September 15<sup>th</sup>. This expenditure is offset by a transportation grant that covers 43% of the cost.

The School System 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 semiannual amounts starting with \$34,664 and increasing 3 % annually. The related expenditure in fiscal year 2010 was \$74,653.

The School System entered into contracts to complete the construction of a turnaround as well as other land improvements near the entrance of the High School. The total cost is expected to be approximately \$120,500 and \$12,408 was incurred through June 30, 2010. The project is being funded with the remainder of bond proceeds that are recorded in the capital projects fund.

**NOTE 15 - RISK MANAGEMENT**

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.

MONTPELIER PUBLIC SCHOOL SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2010

**NOTE 15 - RISK MANAGEMENT (Continued)**

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.

**NOTE 16 – CONCENTRATION OF REVENUE**

The School System receives approximately 78% of its General Fund revenue from Act 68 State Aid. The amount of Act 68 State Aid received by the School System is equal to the budgeted expenditures approved by the voters less expected other revenues for the year. Act 68 State Aid is funded with statewide property taxes. The State determines a different education property tax rate for homestead and non-homestead properties based on statewide information. The tax rate on homesteads in Montpelier is adjusted based on the amount of Act 68 State Aid in relation to the number of students in Montpelier. The tax rate for non-homestead property in Montpelier is not impacted by the amount of Montpelier's Act 68 State Aid. The State uses a common level of appraisal to equalize property values between communities.

In addition to Act 68 State Aid, the School System receives grants from the State of Vermont for special education, transportation and other programs.

**NOTE 17 – BUDGETED DEFICIT**

The School System elected to budget expenditures in excess of revenues by \$88,746 in the General Fund in order to reduce the prior year fund balance. This is reflected as a budgeted deficiency in revenues over expenditures on Exhibit F.

**NOTE 18 - SUBSEQUENT EVENTS**

Management has evaluated subsequent events through December 6, 2010, the date which the financial statements were available for issue. Management is not aware of any subsequent events which require disclosure.

MONTPELIER PUBLIC SCHOOL SYSTEM  
 COMBINING BALANCE SHEET  
 ALL NONMAJOR FUNDS  
 JUNE 30, 2010

SCHEDULE 1

|                                                | Special Revenue Funds         |                                     |                         |                             | Total<br>Nonmajor<br>Funds |
|------------------------------------------------|-------------------------------|-------------------------------------|-------------------------|-----------------------------|----------------------------|
|                                                | Early<br>Education<br>Program | Regional<br>Education<br>Specialist | Food<br>Service<br>Fund | Capital<br>Projects<br>Fund |                            |
| <b>ASSETS</b>                                  |                               |                                     |                         |                             |                            |
| Cash                                           | \$ 0                          | \$ 0                                | \$ 14,551               | \$ 0                        | \$ 14,551                  |
| Other receivables                              | 0                             | 0                                   | 1,767                   | 0                           | 1,767                      |
| Inventory                                      | 0                             | 0                                   | 12,403                  | 0                           | 12,403                     |
| Due from other funds                           | 1,703                         | 2,170                               | 0                       | 127,157                     | 131,030                    |
| <b>Total assets</b>                            | <b>\$ 1,703</b>               | <b>\$ 2,170</b>                     | <b>\$ 28,721</b>        | <b>\$127,157</b>            | <b>\$ 159,751</b>          |
| <b>LIABILITIES AND<br/>FUND BALANCES</b>       |                               |                                     |                         |                             |                            |
| <b>Liabilities</b>                             |                               |                                     |                         |                             |                            |
| Accounts payable                               | \$ 1,016                      | \$ 0                                | \$ 0                    | \$ 5,337                    | \$ 6,353                   |
| Accrued payroll                                | 277                           | 0                                   | 5,069                   | 0                           | 5,346                      |
| Due to other funds                             | 0                             | 0                                   | 13,130                  | 0                           | 13,130                     |
| Deferred revenue                               | 410                           | 2,170                               | 7,788                   | 0                           | 10,368                     |
| <b>Total liabilities</b>                       | <b>1,703</b>                  | <b>2,170</b>                        | <b>25,987</b>           | <b>5,337</b>                | <b>35,197</b>              |
| <b>Fund Balances</b>                           |                               |                                     |                         |                             |                            |
| Reserved                                       | 0                             | 0                                   | 800                     | 121,820                     | 122,620                    |
| Unreserved                                     | 0                             | 0                                   | 1,934                   | 0                           | 1,934                      |
| <b>Total fund balances</b>                     | <b>0</b>                      | <b>0</b>                            | <b>2,734</b>            | <b>121,820</b>              | <b>124,554</b>             |
| <b>Total liabilities and<br/>fund balances</b> | <b>\$ 1,703</b>               | <b>\$ 2,170</b>                     | <b>\$ 28,721</b>        | <b>\$127,157</b>            | <b>\$ 159,751</b>          |

MONTPELIER PUBLIC SCHOOL SYSTEM

SCHEDULE 2

COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
ALL NONMAJOR FUNDS

YEAR ENDED JUNE 30, 2010

|                                      | Special Revenue Funds         |                                     |                         |                             | Total<br>Nonmajor<br>Funds |
|--------------------------------------|-------------------------------|-------------------------------------|-------------------------|-----------------------------|----------------------------|
|                                      | Early<br>Education<br>Program | Regional<br>Education<br>Specialist | Food<br>Service<br>Fund | Capital<br>Projects<br>Fund |                            |
| REVENUES                             |                               |                                     |                         |                             |                            |
| Intergovernmental - Federal          | \$ 7,305                      | \$ 0                                | \$ 160,081              | \$ 0                        | \$ 167,386                 |
| Intergovernmental - State            | 55,947                        | 133,787                             | 6,501                   | 0                           | 196,235                    |
| Fees for service                     | 0                             | 0                                   | 328,210                 | 0                           | 328,210                    |
| Interest on investments              | 0                             | 0                                   | 182                     | 1,462                       | 1,644                      |
| Miscellaneous                        | 0                             | 0                                   | 4,748                   | 518                         | 5,266                      |
| Total revenues                       | <u>63,252</u>                 | <u>133,787</u>                      | <u>499,722</u>          | <u>1,980</u>                | <u>698,741</u>             |
| EXPENDITURES                         |                               |                                     |                         |                             |                            |
| Current                              |                               |                                     |                         |                             |                            |
| Instruction                          | 196,497                       | 0                                   | 0                       | 0                           | 196,497                    |
| Special education                    | 0                             | 133,787                             | 0                       | 0                           | 133,787                    |
| Food service                         | 0                             | 0                                   | 462,344                 | 0                           | 462,344                    |
| Debt Service                         |                               |                                     |                         |                             |                            |
| Interest - capital leases            | 0                             | 0                                   | 800                     | 0                           | 800                        |
| Interest - bonds                     | 0                             | 0                                   | 7,171                   | 0                           | 7,171                      |
| Principal - capital leases           | 0                             | 0                                   | 4,089                   | 0                           | 4,089                      |
| Capital outlays                      | 0                             | 0                                   | 0                       | 127,078                     | 127,078                    |
| Total expenditures                   | <u>196,497</u>                | <u>133,787</u>                      | <u>474,404</u>          | <u>127,078</u>              | <u>931,766</u>             |
| EXCESS EXPENDITURES OVER REVENUES    | <u>(133,245)</u>              | <u>0</u>                            | <u>25,318</u>           | <u>(125,098)</u>            | <u>(233,025)</u>           |
| OTHER FINANCING SOURCES (USES)       |                               |                                     |                         |                             |                            |
| Operating transfers in (out)         | <u>133,245</u>                | <u>0</u>                            | <u>0</u>                | <u>0</u>                    | <u>133,245</u>             |
| Total other financing sources (uses) | <u>133,245</u>                | <u>0</u>                            | <u>0</u>                | <u>0</u>                    | <u>133,245</u>             |
| NET CHANGE IN FUND BALANCE           | 0                             | 0                                   | 25,318                  | (125,098)                   | (99,780)                   |
| FUND BALANCE - JUNE 1, 2009          | 0                             | 0                                   | (22,584)                | 246,918                     | 224,334                    |
| FUND BALANCE - JUNE 30, 2010         | <u>\$ 0</u>                   | <u>\$ 0</u>                         | <u>\$ 2,734</u>         | <u>\$ 121,820</u>           | <u>\$ 124,554</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.

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*A Full Service Law Firm Since 1981*  
15 East State St., Montpelier  
223-6166

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Montpelier  
223-0016

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229-9001

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*Snowblowers, Snowmachines  
& Lawn Mowers  
Sales & Service*  
Upper Elm St. Montpelier  
223-3336

**CASELLA WASTE  
MANAGEMENT**  
U. S. Route 2  
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223-7045

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223-6611  
Open Every Day 6:03am-9:30pm

**FIRST IN FITNESS**  
*Good For Every Body*  
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223-1348

**JAN'S BEAUTY  
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*Hairstyling, Manicures,  
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78 Barre St. • Montpelier  
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Good, Affordable Automotive Repair  
**CARRIVEAU'S  
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57-59 Berlin St., Montpelier  
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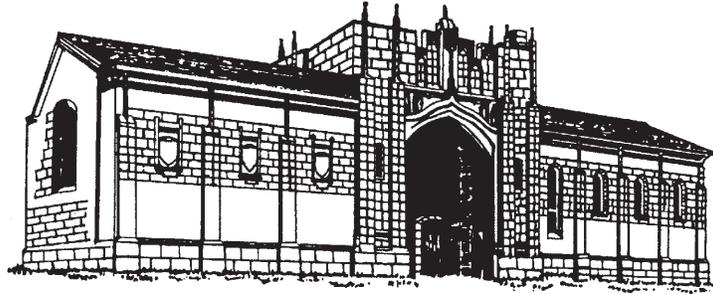


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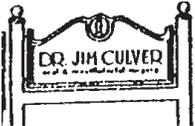
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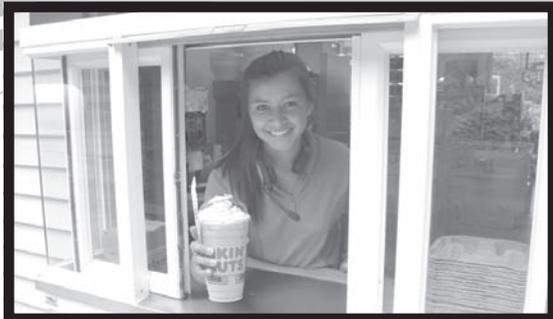
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# City of Montpelier Directory

**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](mailto:wfraser@montpelier-vt.org)

Assistant City Manager, *Beverlee Hill* ..... 223-9512  
[bhill@montpelier-vt.org](mailto:bhill@montpelier-vt.org)

City Clerk/Treasurer, *Charlotte Hoyt* ..... 223-9500  
[choyt@montpelier-vt.org](mailto:choyt@montpelier-vt.org)

City Assessor, *Stephen Twombly* ..... 223-9504  
[stwombly@montpelier-vt.org](mailto:stwombly@montpelier-vt.org)

Zoning Administrator, *Clancy DeSmet* ..... 223-9506  
[cdesmet@montpelier-vt.org](mailto:cdesmet@montpelier-vt.org)

Asst. Building Inspector, *Glenn Moore* ..... 229-4913  
Public Works Department ..... 223-9508

*Todd Law*, Director  
[tlaw@montpelier-vt.org](mailto:tlaw@montpelier-vt.org)

Planning & Development ..... 223-9506  
*Gwendolyn Hallsmith*, Director

[ghallsmith@montpelier-vt.org](mailto:ghallsmith@montpelier-vt.org)

Health Officer, *Gesualdo Schneider* ..... 229-4913

Finance Director, *Sandra Gallup* ..... 223-9514  
[sgallup@montpelier-vt.org](mailto:sgallup@montpelier-vt.org)

Emergency Management System ..... 229-4913  
*Gesualdo Schneider*, Coordinator

Green Mount Cemetery ..... 223-5352  
*Patrick Healy*, Director

[cemetery@montpelier-vt.org](mailto:cemetery@montpelier-vt.org)

Hubbard Park ..... 223-7335  
*Geoffrey Beyer*, Director

[gbeyer@montpelier-vt.org](mailto:gbeyer@montpelier-vt.org)

**POLICE/FIRE/AMBULANCE EMERGENCY** ..... 911  
Montpelier Police Dept. (Non-emergency) ..... 223-3445

*Anthony Facos*, Police Chief  
[afacos@montpelier-vt.org](mailto:afacos@montpelier-vt.org)

Montpelier Fire Department and  
Ambulance Service (Non-emergency) ..... 229-4913

*Gesualdo Schneider*, Fire Chief/Building Inspector  
[gschneid@montpelier-vt.org](mailto:gschneid@montpelier-vt.org)

**Other Departments:**

**MONTPELIER SCHOOL DEPARTMENT**  
5 High School Drive ..... 223-9796  
*Mark Mason*, Superintendent  
[mark@mpsvt.org](mailto:mark@mpsvt.org)

**MONTPELIER RECREATION DEPT**  
55 Barre Street ..... 223-5141  
*Arne McMullen*, Director  
[arne@mpsvt.org](mailto:arne@mpsvt.org)

**MONTPELIER SENIOR CITIZENS ACTIVITY CENTER**  
*Beverlee Pembroke Hill*, 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*

*Kevin O'Connell*, *Vice Chair*

*Alan Blakeman*

*John Lindley, III*

*Daniel Richardson*

*Roger Cranse*

*Sabina Haskell*

*Kenneth Matzner*, *Alternate*

*Ali Sarafzadeh*, *Alternate*

### Planning Commission

*Jesse Moormann*, *Chair*

*David Borgendale*

*Alan Goldman*

*John Bloch*

*Jon Anderson*

*Missa Aloisi*

*Tina Ruth*

*Anna Hartman*, *Youth Rep.*

*Meghan Wingate*, *Youth Rep.*

### Housing Authority

*John McCullough*, *Chair*

*Edward Larson*

*Paul Audy*

*Cristine Zern*

*Stephen Coble*

### Tree Warden: Geoff Beyer

## ELECTED OFFICIALS

### School Commissioners

*John Hollar*, *Chair*

*Sue Aldrich*, *Vice Chair*

*Charles Phillips*

*Carolyn Herz*

*Lowell vanDerlip*

*Rick Vanden Bergh*

*Steven Robinson*

### Cemetery Commissioners

*Meri Nielsen*, *Chair*

*Dan Richardson*

*Darragh Ellerson*

*Jake Brown*

*Charles Wiley*

### Park Commissioners

*Ethan Parke*, *Chair*

*Leigh Seddon*

*Stephen Bosserman*

*Cara Robechek*

*Aaron Brondyke*

## Justices of the Peace

*Barney Bloom*

*Cary Brown*

*Paul Carnahan*

*Conor Casey*

*Jane Sakovitz Dale*

*Esther Farnsworth*

*J. Paul Giuliani*

*Valerie Lewis*

*Margaret Lucenti*

*Nick Marro*

*John J. McCullough III*

*Marjorie Power*

*Claude Stone*

*William Steinhurst*

*Phil Zalinger*

## Elected Auditors

*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 75.**

## *Montpelier City Council – 2010*



Standing: (L/R) Assistant City Manager Beverlee Pembroke Hill, Council Member Alan Weiss, Council Member Nancy Sherman, Council Member Sarah Jarvis, Council Member Andy Hooper w/daughter Bea, Council Member Tom Golonka, Mayor Mary Hooper, Council Member Jim Sheridan, City Manager William Fraser.

Missing: City Clerk/Treasurer Charlotte Hoyt

## *Montpelier School Board – 2010*



Seated: (L/R) School Board Vice-Chair Sue Aldrich, School Board Chair John Hollar, Superintendent of Schools Mark Mason

Standing: (L/R) School Board Member Lowell vanDerlip, School Board Member Charles Phillips, School Board Member Steve Robinson, School Board Member Rick Vanden Bergh

Missing: School Board Member Carolyn Herz