



*City of
Montpelier, Vermont
Annual Report*



A review of fiscal year 2010-2011 including proposed budgets and articles to be voted on at Montpelier City Meeting March 6, 2012.

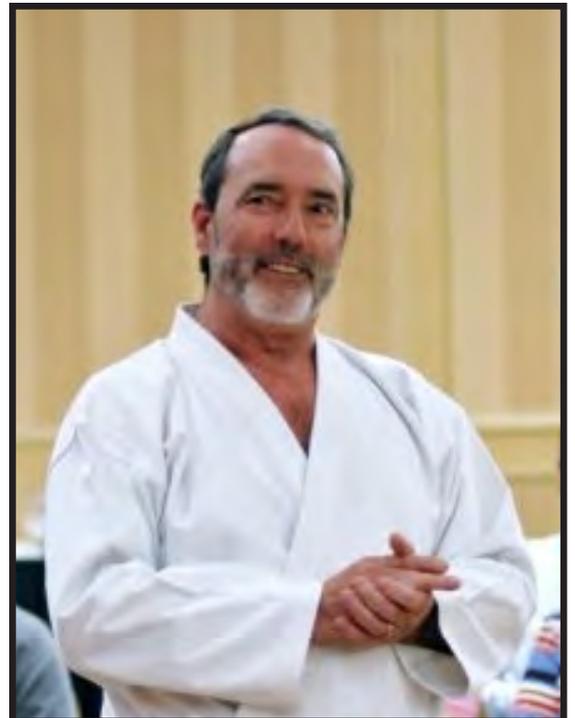


Dedication

The City gratefully acknowledges the dedicated service of City Clerk/Treasurer Charlotte Hoyt who is retiring after 21 years in her elected position and 39 total years with the city. Charlotte worked around the clock and was always willing to make accommodations in her schedule to assist people.

In Memoriam

Garth Genge was serving as the City's Community Development/Housing Specialist when he passed away at the age of 58. Garth's contributions to affordable housing in Montpelier and the region are many. He was a wonderful man with a positive attitude and "can do" spirit. He is sorely missed.



About the cover: Montpelier suffered two floods from an intense flash storm on May 26-27 and Tropical Storm Irene on August 28 in 2011. The cover images were all taken on the morning of May 27th - the more damaging of the two events. (Photos by Patrick Fraser)

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City Meeting Warning For March 6, 2012

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 6, 2012, at seven o'clock in the forenoon, and there and then to cast their ballot for the election of officers, matters that by law must be determined by ballot, and other matters as directed by the Council. The polls will be opened at 7:00 A.M. and shall be closed and the voting machine sealed at 7:00 P.M.

ARTICLE 1. To elect a mayor for a term of two years; a city clerk for a term of three years; 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 \$6,904,043 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, 2012 to June 30, 2013? (Requested by the City Council)

ARTICLE 3. Shall the voters appropriate the sum of \$16,153,790 necessary for the support of the public school system for the fiscal year July 1, 2012 to June 30, 2013? (Local budget of \$15,724,940 plus grant budget of \$428,850, for a total school budget of \$16,153,790.) (Requested by the School Board)

ARTICLE 4. Shall the voters appropriate the sum of \$575,230 for the support of the Recreation Department for the fiscal year July 1, 2012 to June 30, 2013? (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, 2012 to June 30, 2013? (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, 2012 to June 30, 2013? (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, 2012 to June 30, 2013? (Requested by the School Board)

ARTICLE 8. Shall the voters authorize the Board of School Commissioners to hold any audited fund balances as of June 30, 2012 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 authorize the City Council to borrow a sum not to exceed \$870,000 for street improvements including retaining walls, storm drains, culverts and street rehabilitation (\$377,800), fire truck purchase (\$207,500), facilities repairs and American Disabilities Act improvements (\$284,700)? If approved bonds for these capital items would be issued for a term of 20 years. With a 20 year bond, approximately \$23,500 would be required for the first year interest payment and approximately \$74,300 for the second year principal and interest payment and future payments declining each year as the principal is repaid. (Requested by the City Council)

ARTICLE 10. Shall the city amend Title XII – Section 2 of the city charter to allow for the assessment of a 1% local sales tax as per amendment language filed with the City Clerk on January 4, 2012? 20% of revenues received will be dedicated for business development and/or business promotion. 80% of all revenues received will be dedicated to offset property tax revenue. (Requested by the City Council)

ARTICLE 11. Shall the city amend Title XII – Section 2 of the city charter to allow for the assessment of 1% local rooms, meals and alcohol taxes as per amendment language filed with the City Clerk on January 4, 2012? 100% of revenues received will be dedicated for infrastructure improvements and maintenance. (Requested by the City Council)

ARTICLE 12. Shall the city amend Title V – Sections 1 and 3 and adding a new section 14 of the city charter (and renumber remaining sections accordingly) to change the signature requirement for legally binding petitions from 5% of registered voters to 10% of registered voters as per amendment language filed with the City Clerk on January 4, 2012? (Requested by the City Council)

ARTICLE 13. Shall the city continue to pursue the formation of a regional public safety (police, fire, EMS, dispatch) authority with the City of Barre, and the Towns of Barre and Berlin? (advisory only)

ARTICLE 14. Shall the voters appropriate the sum of \$41,000 to be placed in a special revenue account under the name of the Montpelier Housing Trust Fund? Such account, including interest and earnings thereon, shall be used exclusively by the City to award grants and loans to appropriate non-profit organizations to preserve, construct

and rehabilitate dwelling units affordable to households with incomes less than or equal to 80% of median income (with a priority for homeownership units) and which are subject to covenants or restrictions that preserve their affordability for a minimum of 15 years. (Requested by the City Council)

ARTICLE 15. Shall the voters appropriate the sum of \$293,975 to be used by the Kellogg-Hubbard Library for the fiscal year July 1, 2012 to June 30, 2013? (This amount is in addition to the \$43,937 for the library bond payment included in the City General Fund Budget, Article 2.)

ARTICLE 16. Shall the voters appropriate the sum of \$3,075 to be used by the CIRCLE (formerly Battered Women's Services and Shelter) for the fiscal year July 1, 2012 to June 30, 2013?

ARTICLE 17. Shall the voters appropriate the sum of \$2,000 to be used by the Central Vermont Community Action Council for the fiscal year July 1, 2012 to June 30, 2013?

ARTICLE 18. Shall the voters appropriate the sum of \$6,000 to be used by the Central Vermont Adult Basic Education Inc. for the fiscal year July 1, 2012 to June 30, 2013?

ARTICLE 19. Shall the voters appropriate the sum of \$5,000 to be used by the Central Vermont Community Land Trust for the fiscal year July 1, 2012 to June 30, 2013?

ARTICLE 20. 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, 2012 to June 30, 2013?

ARTICLE 21. Shall the voters appropriate the sum of \$18,000 to be used by the Central Vermont Home Health and Hospice for the fiscal year July 1, 2012 to June 30, 2013?

ARTICLE 22. Shall the voters appropriated the sum of \$6,000 to be used by Community Connections for programs at Union Elementary, Main Street Middle School and Montpelier High School for the fiscal year July 1, 2012 to June 30, 2013.

ARTICLE 23. Shall the voters appropriate the sum of \$3,500 to be used by the Family Center of Washington County for the fiscal year July 1, 2012 to June 30, 2013?

ARTICLE 24. Shall the voters appropriate the sum of \$2,500 to be used by the North Branch Nature Center for the fiscal year July 1, 2012 to June 30, 2013?

ARTICLE 25. Shall the voters appropriate the sum of \$500 to be used by the Friends of the Winooski River for the fiscal year July 1, 2012 to June 30, 2013?

ARTICLE 26. Shall the voters appropriate the sum of \$400 to be used by the Good Beginnings of Central Vermont for the fiscal year July 1, 2012 to June 30, 2013?

ARTICLE 27. Shall the voters appropriate the sum of \$1,500 to be used by the Green Mountain Youth Symphony for the fiscal year July 1, 2012 to June 30, 2013?

ARTICLE 28. Shall the voters appropriate the sum of \$5,000 to be used by the Montpelier Home Delivery Program (Meals on Wheels) for the fiscal year July 1, 2012 to June 30, 2013?

ARTICLE 29. Shall the voters appropriate the sum of \$1,500 to be used by the Montpelier Veterans Council for the fiscal year July 1, 2012 to June 30, 2013?

ARTICLE 30. Shall the voters appropriate the sum of \$1,250 to be used by the People's Health & Wellness Clinic for the fiscal year July 1, 2012 to June 30, 2013?

ARTICLE 31. Shall the voters appropriate the sum of \$2,000 to be used by the Project Independence-Adult Day Health Services for the fiscal year July 1, 2012 to June 30, 2013?

ARTICLE 32. Shall the voters appropriate the sum of \$3,000 to be used by the Retired Senior Volunteer Program for the fiscal year July 1, 2012 to June 30, 2013?

ARTICLE 33. Shall the voters appropriate the sum of \$2,000 to be used by the Sexual Assault Crisis Team for the fiscal year July 1, 2012 to June 30, 2013?

ARTICLE 34. Shall the voters appropriate the sum of \$500 to be used by the Vermont Association for the Blind & Visually Impaired for the fiscal year July 1, 2012 to June 30, 2013?

ARTICLE 35. Shall the voters appropriate the sum of \$5,000 to be used by the Vermont Center for Independent Living for the fiscal year July 1, 2012 to June 30, 2013?

ARTICLE 36. Shall the voters appropriate the sum of \$5,000 to be used by the Washington County Youth Service Bureau for the fiscal year July 1, 2012 to June 30, 2013?

ARTICLE 37. Shall the voters appropriate the sum of \$15,000 to be used by the Washington County Basement Teen Center for the fiscal year July 1, 2012 to June 30, 2013?

ARTICLE 38. Shall the voters appropriate the sum of \$1,950 to be used by the Washington County Diversion Program for the fiscal year July 1, 2012 to June 30, 2013?

ARTICLE 39. Shall the voters appropriate the sum of \$3,500 to be used by the Lost Nation Theater's Youth Educational program for the fiscal year July 1, 2012 to June 30, 2013?

ARTICLE 40. In light of the United States Supreme Court's Citizens United decision that equates money with speech and gives corporations rights constitutionally intended for natural persons, shall the city of Montpelier vote on March 6, 2012, to urge the Vermont Congressional Delegation

and the U.S. Congress to propose a U.S. Constitutional amendment for the States' consideration which provides that money is not speech, and that corporations are not persons under the U.S. Constitution, that the General Assembly of the State of Vermont pass a similar resolution, and that the town send its resolution to Vermont State and Federal representatives within thirty days of the passage of this measure? (By Petition)

ARTICLE 41. We, the Montpelier community, are concerned about our ability to grow, buy, sell, and eat local foods – our local food sovereignty. As growing uncertainty develops around industrial agriculture's ability to provide food that is safe, healthy, natural, humane, and compatible with the planet's changing environment, we as a community are choosing a different path of sourcing food:

We choose foods that are healthy and natural instead of those reliant on pesticides, fossil fuels, or genetic modification.

We choose a local food system that benefits our neighbors and communities, not the industrial food system that exploits local resources to benefit multinational corporations.

We choose food produced locally and diversely, instead of fossil fuel dependent, global, mono-cultured foods.

And whereas the Farm-to-Plate report highlights the local food shortfalls and a strategic plan to overcome these shortcomings, we as an individual community within Vermont need to exceed the current statewide local food consumption rate of only five percent.

Therefore, we the citizens of Montpelier declare our right to grow and process local foods. Furthermore, we assert our right to directly sell and purchase these foods both between and from our friends and neighbors. In recognition of Vermont's commitment to freedom and unity, we assert this vital right as the foundation of our local food sovereignty. (By Petition)

ARTICLE 42. Shall the City of Montpelier appropriate the sum of \$40,000 towards the Montpelier Circulator year-round bus route within the City of Montpelier? This \$40,000 will match approximately \$120,000 from GMTA to fully fund the service for a second year of operation. (This amount is in addition to the \$29,371 for other GMTA services which is included in the City General Fund Budget). (By Petition)

Detail Information Proposed Amendments to the City Charter March 6, 2012

ARTICLE 10. Shall the city amend Title XII – Section 2 of the city charter to allow for the assessment of a 1% local sales tax as per amendment language filed with the City Clerk on January 4, 2012? 20% of revenues received will be dedicated for business development and/or business promotion. 80% of all revenues received will be dedicated to offset property tax revenue. (Requested by the City Council)

Detail of proposed charter change:

Section 1211 shall be added to the City Charter (new material underlined) to read as follows:

Section 1211. Local Option Sales Tax.

- (a) Local option taxes are authorized under this section for the purpose of affording the City an alternative method of raising municipal revenues. Accordingly:
- (b) The City Council will assess a sales tax of one percent upon each sale or transaction occurring within the City which is subject to Vermont sales tax. Of revenues received from the sales tax imposed and collected under this section, twenty percent (20%) thereof will be dedicated for business development and/or business promotion.
- (c) Any tax imposed under the authority of this section shall be collected and administered by the Vermont department of taxes, in accordance with state law governing such state tax or taxes; provided however, that a sales tax imposed under this section shall be collected on each sale that is subject to the Vermont sales tax using a destination basis for taxation.
- (d) Of the sales taxes reported under this section, seventy percent (70%) shall be paid to the City of Montpelier. Such revenues may be expended by the City of Montpelier only for municipal services, and not for educational purposes. The remaining amount of the taxes reported shall be remitted monthly to the state treasurer for deposit in the PILOT special fund established in Sec. 89 of No. 60 of the Acts of 1997. Taxes due to the City of Montpelier under this section shall be paid by the State on a quarterly basis.

ARTICLE 11. Shall the city amend Title XII – Section 2 of the city charter to allow for the assessment of 1% local rooms, meals and alcohol taxes as per amendment language filed with the City Clerk on January 4, 2012? 100% of revenues received will be dedicated for infrastructure

improvements and maintenance. (Requested by the City Council)

Detail of proposed charter change:

Section 1212 shall be added to the City Charter (new material underlined) to read as follows:

Section 1212. Local Room, Meals and Alcohol Taxes.

- (a) Local option taxes are authorized under this section for the purpose of affording the City an alternative method of raising municipal revenues. Accordingly:
- (b) The City Council will assess rooms, meals and alcohol taxes of one percent, upon each transaction occurring within the City which is subject to Vermont room, meals and alcohol taxes. Of revenues received from the rooms, meals and alcohol taxes imposed and collected under this section, one hundred percent (100%) will be dedicated for infrastructure improvements and maintenance.
- (c) Any tax imposed under the authority of this section shall be collected and administered by the Vermont department of taxes, in accordance with state law governing such state tax or taxes.
- (d) Of the taxes reported under this section, seventy percent (70%) shall be paid to the City of Montpelier. Such revenues may be expended by the City of Montpelier only for municipal services only and not for educational purposes. The remaining amount of the taxes reported shall be remitted monthly to the state treasurer for deposit in the PILOT special fund established in Sec. 89 of No. 60 of the Acts of 1997. Taxes due to the City of Montpelier under this section shall be paid by the State on a quarterly basis.

ARTICLE 12. Shall the city amend Title V – Sections 1 and 3 and adding a new section 14 of the city charter (and renumber remaining sections accordingly) to change the signature requirement for legally binding petitions from 5% of registered voters to 10% of registered voters as per amendment language filed with the City Clerk on January 4, 2012? (Requested by the City Council)

Detail of proposed charter change:

Section 501 of the City Charter shall be amended as follows (new material underlined):

Section 501. City Meetings.

- (a) On the first Tuesday of March in each year, a meeting of legal voters of said city shall be held as designated on the warning for such meeting, at a place or places to be appointed by the city council of said city, and a warning shall be posted in at least three public places

within the limits of said city, and at least twelve days previous thereto, which warning shall be signed by the city clerk, or, in case of the city clerk's failure, by the mayor, provided that, if the annual meeting shall fail to be held for want of warning before mentioned, or for any other cause, the city shall not be thereby prejudiced, and the several officers hereinafter mentioned may, at any time thereafter, be elected at a special meeting, called for that purpose, as hereinafter provided; and provided, further, that any business required by this charter or the general law to be transacted at the annual city meeting may be transacted at such special meeting.

- (b) The warning for annual and special city meetings shall, by separate articles, specifically indicate the business to be transacted, to include the offices and the questions to be voted upon. The warning also shall contain any legally binding article or articles requested by ten percent (10%) of the registered voters of the city or any non legally binding article or articles requested by five percent (5%) of the registered voters of the city and filed with the city clerk not less than 40 days before the day of the meeting.
- (c) A vote taken at an annual or special meeting shall remain in effect unless rescinded or amended.

Section 503 of the City Charter shall be amended as follows (deleted material in [brackets]; new material underlined):

Section 503. Special city meeting.

The city clerk when directed by the city council, or [when requested in writing] upon written application by [five] ten percent (10%) of the legal voters of said city to do so, shall call a special meeting of the voters of the city in the same manner as is provided for the calling of the annual meeting; in case of the failure of the city clerk to call such special meeting as aforesaid, that duty shall be performed by the mayor, except that special meetings to authorize public improvements and the incurring of debt to pay for the same shall be warned as hereinafter provided in Subchapter 11. The city council shall call such special meeting within 60 days of the application is received by the city clerk. The city council may rescind the call of a special meeting initiated by it, but not a special meeting called on application of ten percent of the registered voters.

Section 514 shall be added to the City Charter (new material underlined) to read as follows:

Section 514. Reconsideration and Rescission.

- (a) Action taken on a warned article at an annual or special meeting may be submitted to the voters at a subsequent annual or special meeting on motion of the city

council or pursuant to a petition requesting reconsideration or rescission signed by not less than ten percent (10%) of the registered voters and filed with the city clerk within 30 days following the date of the annual or special meeting at which such action was taken.

(b) A majority vote in favor of reconsideration or rescission shall not be effective unless the number of votes in favor of reconsideration or rescission exceeds two-thirds of the number of votes cast for the prevailing side at the original meeting.

Message from the Mayor

A long hard winter followed by two floods will be the way I remember 2011. Your City staff knows what to do and does it well in emergencies. The seeming ease with which we withstood these catastrophes is a tribute to their work.

If it was helping out at the emergency shelters, mucking out stores, giving generously to flood fundraisers, shopping locally, or quietly going about supporting friends and neighbors who were hurt by the storms, Montpelier focused on helping her community. While overall, we fared remarkably well, these storms, on top of a rough economic climate have presented tough challenges to businesses as well as individuals and families. The hard times are not over for some. Please keep giving them your support.

This past year has continued the City Council's sharp focus on our fiscal house. Always attentive to our budget and expenditures, this year the Council established a debt management policy, a fund balance management policy, capital improvement plan policy and continued to work with staff on tight financial reporting and oversight. We have solid procedures in place to guide thoughtful investment in our City's future.

Many people were engaged in the City's budgeting process this year. Building the budget is one of consensus, but the Council is driven by the underlying principals of meeting the basic needs of the community—providing police, fire and ambulance services, taking care of the streets and other infrastructure, conducting the business of government.

For several years the Council presented the voters with budgets that increased the tax rate below the rate of inflation. Every year we looked hard at expenses. Some years we underfunded capital projects to lower expenses. This year, thanks to its work on debt, fund balance and capital improvement policies, the Council determined it would not underfund either the capital or the annual programs of the City.

Over the years dozens of groups have put requests for funding before the voters. Historically the council has agreed that if the voters approved funding once, we would include the requests

inside the city budget the next year—as long as no additional funds were requested. Frankly this is an effective way of holding down annual increases. We changed this practice this year—and you are going to have a very long set of requests on which to vote. The Council does not consider these items core services and wants you to make the decision about whether or not they should be funded by Montpelier. Read this annual report to learn about these organizations.

You will also find proposed charter changes on the ballot. One is to assess a 1% tax on rooms, meals and alcohol, another to assess a 1% tax on sales. How to equitably pay for the services the City of Montpelier is a significant policy issue. Please take the time to educate yourself about these two items. They are very important to our future.

In 1997 I volunteered for a City Council appointed committee to look at the vitality of our downtown. As a volunteer, later an employee of the downtown organization and then mayor I've been walking through the doors of City Hall for 15 years. Inside I always find people dedicated to the community—our staff who do good work and provide great service, volunteers who bring experience and dedication to their work, and friends and neighbors who come to meetings, write a letter, make a phone call because they care deeply about this community and want to see it always improving.

I have watched our staff respond to fires, rock slides, floods, snowstorms and ice storms as well as take care of the daily business of running a city and serving the community. We have people who know the heart and soul of our community, who have extraordinary professional expertise, who have work ethics which are above and beyond. There are too many people to acknowledge or recognize properly—but I must mention the core team I work with Bill Fraser, Bev Hill, Sandy Pitonyak, and Jane Aldrighetti. They are among the finest people I have ever worked with. Thank you for all you have done for me and for all you do for this community.

I have worked with 12 City Councilors. These people have brought a diversity of experience and expertise to their work on the Council. Our unifying quality is a deep and abiding love for the community we serve. We don't always agree, but we do always listen to each other—and to you. We have worked—together and hard—for what is best for Montpelier.

I am very proud of the role the City has played in rejuvenating Barre Street during my tenure. This street played a wonderful role in our City's history—home to families from all over Europe, it added immensely to the diversity of our community. As our economy changed, the street declined. In the past eight years we have seen a resurgence of housing—close to 80 units, improved streets and sidewalks, the soon to be completed renovation of our Senior Center.

We are seeing the final stage of the development of Stone Cutters Way. The Turntable Park was completed last summer, the last parcel is being developed now. What was an eye sore is now a vital part of our community.

A few years ago we started thinking about the role the city plays in hard economic times. Some of us spearheaded fund raising for heating fuel and food. Our Planning Department organized neighborhood groups and encouraged them to pay attention to their neighbors during the cold of the winter and heat of the summer. The Capital Area Neighborhood groups have become a place to be more neighborly, share information and assure we are safe. Seemingly small things, but core to who we are as a community.

We have made significant progress in the District Heating project. This project, unique in the country, is the culmination of more than 15 years of work. Our federal delegation, our Governor and our city staff have worked extraordinarily hard to create this opportunity for us. I'd be proud of this project if it were just about managing the City's heating costs and moving us away from oil to a renewable resource. The fact that we will create the same opportunities for buildings along the route of the distribution lines is what has driven my support of this project—helping our community control its energy future is enormously important.

As a community when we set our mind to accomplishing good things, we succeed.

Every year brings change. There are too many people to individually recognize—but I must acknowledge two. Garth Genge was with the city for just a few years, but he made an enormous impact—not because he brought the Senior Center reconstruction along in record time and completed other projects—but because of his wonderful positive spirit and can do attitude. We will miss him.

Charlotte Hoyt is retiring after an extraordinary 39 years of service in the City. She has overseen countless elections, boards of civil authority and abatement, council meetings and the daily functioning of the clerk and treasurer duties with professionalism, calm and grace. I've heard a few stories of amazing service she has provided to people in need—she has always been ready to help people, to serve this community. Thank you Charlotte.

It has been an enormous privilege and honor to serve this community as mayor. I look forward to serving Montpelier in other ways and hope that you will always be in touch. Thank you for your support.

Mary Hooper
882 North Street
223-2892



Photo courtesy of Larry Perry

Message from the City Manager

It is an honor and privilege to present my 17th annual report to you, the citizens of Montpelier.

Some of the key moments and of the year for our city government include:

The May 26-27 surprise storm which tore up roads, flooded the downtown, knocked down trees and power lines and caused over \$1 million in damage. This started as a heavy rain event and soon turned into the year's biggest emergency. This pushed all aspects of our emergency services and response to their limits.

The August 28 flood caused from Tropical Storm Irene. Unlike the May flood, the city, business community and residents had some lead preparation time although no one expected Vermont to bear the brunt of Irene in the way that it did. Using valuable lessons learned in May, our emergency response was ready and focused. Montpelier was extremely fortunate that we did not see the type of devastation that occurred in other neighboring communities but we still had some difficult situations to handle. The community rallied in both crisis events. Most businesses were able to re-open quickly and no one was permanently displaced from their homes.

The 2011 property tax rate was over 3% LOWER than the tax rate in 2010. The projected overall 2012 rate, based on the proposed city and school budgets, will still be lower than the 2010 rate although 1.9% higher than the 2011 rate.

On June 14, citizens passed a \$2.75 Million bond for the District Heat project. This followed the appropriation of \$7 Million from the State Legislature in May and the 2010 award of \$8 Million from the Federal Department of Energy. This unique project will tie the State's central wood fired heating plant into Montpelier's downtown to create an affordable and renewable heating source for the future. Final agreements have been worked out with the State government. Assuming project costs fall within available funds, the heating system is targeted for an October 1, 2013 start up.

The 58 Barre Street Senior Center and Housing project is underway. This has renovated the old inefficient school/office building into a modern fuel efficient building which will house a brand new Senior Center and will contain 6 units of Senior Housing on the upper floors. It is a wonderful downtown reclamation project.

In March of 2011, Montpelier residents approved a charter change which converted the Treasurer position from elected to appointed. The legislature approved this change and it takes effect this year. The city is integrating the treasurer's duties with the Finance Department and reorganizing functions within both operations. Emphasis will be on maintaining and

improving customer service, accountability and transparency.

The city launched several public information efforts, mostly through our web site at www.montpelier-vt.org. The city now provides web streaming and archiving of all city meetings, all documents which go to the City Council are posted on the web site for all to see, most key city documents such as contracts, public notices, check ledgers, assessing records and more. The city recently began accepting credit card payments via the web. The city's Facebook page (City of Montpelier, VT) and Twitter account (@vtmontpelier) grew in use during the year. These means of communication were very important during Tropical Storm Irene. The city is just now implementing a new electronic notification system called Blackboard Connect for emergency situations and other times when mass notices are needed.

More information about how to enroll in this system will be forthcoming soon. Effective public communications remains a very high priority.

The long running Carr Lot Transit Center and Downtown Revitalization Project has moved into active phase. After three years of seeking EPA approval for hazardous waste clean up and FEMA approval for floodway mapping, the project was cleared for approvals from its funding agencies – Federal Highway Administration (FHWA) and Federal Transit Administration (FTA). This has allowed the city to move into preliminary design and property appraisal work. The next phases will be property acquisition, public review of site plans, final design, permitting and construction eyed for 2013.

The City Council engaged a consulting firm named Matrix Consulting, Inc. to review city functions and costs. Matrix offered several operational recommendations and analyses of city departments. The Council and staff have gone through every single recommendation and incorporated most of them in the proposed budget.

The city has, for years, purchased employee health insurance through a municipal pool operated by the Vermont League of Cities and Towns Health Trust. Due to the volatility of the health insurance market, VLCT chose to change the pool from an insurance provider to an insurance broker. This meant that the city's present plan would not exist as of January 1, 2012. The quote to roll that plan over on our own would have increased costs by over 10%. Our city employees, for the second time in three years, formed a working group to look at alternatives and recommended a plan which only increased costs by 1%, saving the city more than \$100,000.

The City Council created summer sub-committees to look closely at issues of capital infrastructure and equipment needs, housing barriers, debt affordability, appropriate fund balance use and voter district apportionment. Reports, policies and

recommendations were issued in all areas.

The Council appointed a committee to study the possible use of tasers by the Police Department. That committee spent many long hours working on the topic and presented a comprehensive report in November.

The City reached contractual agreements with the Public Works and Police employee unions. In recognition of current economic times, both unions agreed to a 0% cost of living adjustment for 2011-12.

The Planning Commission has worked diligently to prepare a completely overhauled zoning ordinance which reflects the community goals articulated in the enVision Montpelier Master Plan.

Goals and Priorities

The City Council adopted a series of priorities for the year on April 27, 2011. This statement guides decisions, staff work, policy recommendations and budget proposals throughout the year. The following is a summary of those goals with an updated status report.

Review and take action on recommendations of the Senior Services Steering Committee: The Committee presented its report and council chose to move forward. A new director and staff assistant have been hired. Construction on the new senior center is well underway with opening set for 2012.. The Senior Center Director has been tasked with follow up on the remaining issues in the steering committee report.

Complete the ADA Transition Plan and implement improvements for accessibility: The building assessment reports are completed and work has been budgeted accordingly. The ADA committee is meeting regularly with completion of the transition plan as its highest priority. Funds for ADA improvements are included in the Capital plan.

Make decision on Taser Use: Council appointed a committee who presented their report on November 9th. The decision was made not to move forward with the taser request.

Move the Carr Lot/Transit Center Project forward: State and federal permits are in place. Land surveys have been completed, conceptual site planning and preliminary design is underway. Property appraisals are being done now which begins the land acquisition phase. Current project schedule anticipates construction starting in 2013.

Complete District Energy System assessment and make final decision: City voters passed a bond vote on June 14th. City approved Memorandum of Understanding with State on June 8, 2011 and approved final contracts for heat purchase, capacity and processing of funds on January 11, 2012. Contracts have been signed, State has placed boilers out to bid and City is in

preliminary design phase for distribution system. Assuming that bids fall within available funds, the project is expected to be completed in time for heat service on October 1, 2013.

Adopt a funding plan for paving/upgrading streets and sidewalks, conduct an infrastructure improvement needs assessment, begin development of water and sewer infrastructure funding options: Council formed three study committees who developed a comprehensive list of infrastructure and equipment needs. Bond has been proposed to address immediate backlog.

Address the water and sewer fund deficits: Sewer fund deficit was retired. Ongoing discussions with Berlin with regard to provision of water service to expand customer base. Water rate study has not yet begun.

Keep lines of communication open so that the new zoning regulations align with the council's priorities: Planning Commission is meeting regularly regarding the re-zoning effort. Some council members have been attending those meetings.

Continue efforts through technology and good practices to make city government (and related information) as open and accessible to the public as possible: This has been a high priority and is constantly being evaluated for improvements. City has implemented video streaming and archiving of meetings, all meeting documents are posted electronically, city has Facebook and Twitter accounts, new Blackboard Connect system is being implemented now. All facets of communications are being reviewed. Communications position was proposed but not included in the budget.

Review policy level recommendations from Matrix study, and implement as feasible and appropriate: Council met with every department to review the Matrix recommendations. Most recommendations have already been implemented or are addressed in the budget process.

Adopt a policy on fund balance use and debt limits, conduct an assessment of assets and liabilities, and the city's debt load: Council convened a subcommittee to look at these issues. Committee prepared recommended policies which were adopted by the Council on September 28th.

Decide whether and when to conduct a follow up National Citizen Survey: Council decided on May 25th not to conduct the survey this year and chose not to include funds in the budget to do the survey in 2012.

Work with city's committee and board members to ensure that citizens understand the committee and board's authority and to ensure that citizens are treated fairly and respectfully: These meetings were not held.

Analyze census data and begin district reapportionment, as appropriate: Council sub-committee presented a report indicating that there may be a slight imbalance in district

population. Council is forming a citizens committee to review data and recommend possible redistricting lines.

Identify barriers to new housing in the city: Report was presented at the November 9th meeting.

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: Army Corps study is in full swing. The wastewater outflow project is nearly completed. Debris on Bailey Avenue Bridge has been removed.

FY13 Budget:

Beginning in 2001, the City Council has presented municipal budgets which have held tax rate increases to an average of 1.52 cents per year. This represents an annual average increase of only 1.45% compared to the annual average inflation rate of 2.54% over the same time period. In total, these 12 annual budgets fall over 13% below the rate of inflation during the same years.

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. This has shown through the deteriorating roads and increased equipment breakdowns. A top priority of the FY13 budget was to begin reversing that trend.

Every year, Montpelier's budget contains 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 which make for very difficult decisions with few options.

This year falls into the same place. The combination of a stagnant economy resulted in no projected grand list growth whatsoever. Residents continue to adjust to the 2010 reappraised property values, tax bills and uncertain economic circumstances. An active resident group called these factors to the Council's attention.

The primary 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 FY13 General Fund budget totals \$10,635,878 which is an increase of \$117,475 (1.1%) from the comparable FY11 spending plan. This does not take into account the Recreation budget or ballot items. The Council shifted some items from the general budget to the ballot. As a result, ballot requests have grown from \$343,975 to \$474,150, an increase of \$130,175 or 37.8%. The Recreation budget has reduced its tax request by \$30,000 from \$605,230 to \$575,230. (5%)

- The combination of City Budget, Recreation Budget and Ballot Requests will require a total of \$7,953,423 in Municipal Property taxes. This is an increase of \$244,648 (3.2%) for all of these items in FY12. It will require a 2.9 cent property tax rate increase. When coupled with the School tax rate, the overall residential tax rate is expected to increase by 4.3 cents or 1.9% from last year. This rate is still 3 cents lower than the 2010 rate. The average residential property would pay \$97 more in 2012 than in 2011 but pay \$66 less in 2012 than paid in 2010.

- 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 1.5% to 3.0% (based on CPI) adjustment for Public Works Union employees and 1.0% for Police Union employees. We do not yet have a contract with the Fire Union for FY12. We have included sufficient funds for up to a 2.0% adjustment for non-union employees but no final decisions have been reached regarding wages except for the settled contracts.

- Uses \$74,500 of general fund balance to support ongoing expenses. The Council adopted a policy this year 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. This amount is half of what was used last year.

- Total number of Full Time Equivalent Employees is 110.38. We eliminated a 1.0 position at the Wastewater treatment plant, reduced the Clerk's office by 2.4 and reduced the Fire Department by 0.5. Finance (as part of the combination with the Treasurer was increased by 3.2.

- Includes the School Resource Officer in the City's budget with the School Department 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. The Wastewater fund has come out of its deficit. The Water fund has begun moving in the positive direction but is still carrying a deficit.

- The Affordable Housing Trust Fund has been removed from the budget and placed on the ballot at \$41,000. This is the same amount as FY12 and represents a 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 \$24,400.

- All community enhancement items have been included at the same funding level as FY12. 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 Equipment Funding uses the same amount of combined dollars as FY12. A bond for \$870,000 – which falls within the debt affordability policy - provides additional funding for capital items. Counting the bond, the combined plan puts an additional \$977,500 toward capital needs.

- 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 FY12. With the current grand list, \$83,000 equals one cent on the tax rate.

Ballot Items:

Articles 1-8 are the annual election and regular budget items.

Article 9 is for a bond for \$870,000. This is proposed for the city to take advantage of low interest rates and begin to catch up on infrastructure and equipment funding. The amount of the bond falls within the city's debt affordability policy. Bond proceeds will be used for a new Fire Truck (\$207,500 with an additional \$142,500 funded by a grant), Building Improvements including accessibility (\$284,667), Retaining Walls (\$140,000), Storm Drains/Culverts (\$50,000) and street rehabilitation (\$187,833). This funding is in addition to \$954,343 in the base city budget for infrastructure and equipment.

Article 10 is a charter change which would authorize a 1% local sales tax on all items subject to the state sales tax. If approved by the voters and legislature, this tax is estimated to generate \$484,000 in revenue and an additional \$28,000 in PILOT revenue. The proposal dedicates 20% of the sales tax receipts (estimated \$96,800) for local business promotion and development. The remaining funds (\$415,200) would be used in lieu of property taxes to support the city budget.

Article 11 is a charter change which would authorize a 1% local rooms, meals and alcohol tax on all items subject to the state rooms, meals and alcohol tax. If approved by the voters and legislature, this tax is estimated to generate \$183,000 in revenue and an additional \$10,500 in PILOT revenue. The

proposal dedicates 100% of the tax proceeds to be used for infrastructure improvements.

Article 12 is a charter change which would increase the amount of signatures required to place a binding article on the ballot from 5% to 10%. Currently 5% of registered voters, or approximately 325 signatures, are required for a petitioned item. If approved by the voters and legislature, 10% of registered voters, or approximately 650 signatures, would be required for a petitioned item.

Article 13 is an advisory item asking whether the City Council should continue discussions with Barre City, Barre Town and Berlin about the formation of a regional public safety (Police, Fire, EMS, Dispatch) agency. All four communities are placing this item on their ballots to gauge citizen interest in this idea.

Article 14 is for \$41,000 for the Housing Trust Fund. This item has been included in the city budget for the last few years. Given discussion about what constitutes core city services, the City Council chose to place this item on the ballot to determine whether there was continued public support for this funding.

Article 15 is for Kellogg-Hubbard Library funding. Two years ago, the City Council chose to place the full amount of the Library request on the ballot rather than splitting the request between the ballot and the budget. This decision was made because the Library is not a municipal department under the Council's oversight and therefore the Council has no influence on the budget request.

Articles 16-39 are for funding for local agencies. This funding has been included in the city budget in prior years.

Articles 40-42 were placed on the ballot by petition.

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 although Montpelier has more jobs per resident than any other Vermont community except Williston. The ballot includes \$41,000 for the Housing Trust Fund and the budget maintains funding for the Community Development/Housing Specialist position in the Planning Department. As mentioned before, the total municipal budget only requires a 1.4 cent tax rate increase on its own. With all ballot items included the municipal increase is 2.9 cents. Combined with the Schools, the total rate increase would be 4.3 cents or 1.1%. This rate is 3 cents lower than the 2010 rate.

It's my professional opinion that this property tax proposal can

only be significantly reduced by re-visiting policy choices in direct services or programs, the capital/equipment plan, more use of fund balance, or pursuing alternate 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 always a team effort from start to finish. The city's Department Heads worked diligently to meet our budget challenges. I would like to particularly recognize the efforts of Finance Director Sandy Gallup. This year's process was particularly difficult since we presented five different budget alternatives for consideration. I thank the City Council for carefully reviewing the budget and making important policy and priority decisions during several meetings throughout 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 2009 Citizen Survey showed that residents have very positive impressions of city 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, Fire Chief Robert Gowans, Planning & Development Director Gwendolyn Hallsmith, Cemetery Superintendent Patrick Healy, City Clerk/Treasurer Charlotte Hoyt, Public Works Director Todd Law and Assessor Steve 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.

As it is with every year, some city employees choose to retire or move on to other endeavors. We are grateful for their service

and contributions to the community. We wish them the very best in the next steps along their life's path. Those who left city employment in 2011 include Wastewater Treatment Plant Chief Operator Ron Mercier, Firefighter/EMT Brian Farnham, DPW Employee Tim Pond, DPW Employee Steve Baker, Wastewater Treatment Plant operator Harold Blake, DPW Stock Records Clerk Dee Codling, Senior Center Director Lucinda McCloud and Police Officer Jacqueline Adams.

I'd like to call specific attention to four employees who have left, or will soon be leaving, their positions. The first is Wastewater Treatment Plant Operator Gerald Smith who retired after 42 years of service. Gerry had quietly become the longest serving city employee in our ranks. He was the epitome of someone who did their job well, got along with people, sought no recognition and quietly made our wastewater treatment process run effectively.

The second is Fire Chief Gesualdo Schneider. Chief Schneider retires after 5 years as Chief, 10 years as Deputy Chief, 9 years as Assistant Chief and 32 years total with the Fire Department. In his various leadership roles, Chief Schneider was instrumental in the transition of our Fire Department into a modern, well trained, efficient and effective unit.

The third is City Clerk/Treasurer Charlotte Hoyt. Although Charlotte is still in the position until March, she has chosen not to run for re-election after 21 years in the position and 39 total years with the city. We hope to see Charlotte around City Hall in a different role but wish to recognize her service as the community's overseer of elections, land records, bank accounts, licenses and much more.

Finally, I'd like to take a moment to recognize Community Development Specialist Garth Genge. Garth passed away this fall at the too young age of 58. Although not with the city nearly as long as others mentioned here, Garth was instrumental to the development of the 58 Barre Street Senior Center and Housing Project. He was an incredible person to know and to work with, we miss him a great deal.

Although we hate saying goodbye to employees, we enjoy welcoming the new people who step in. We are fortunate to have such wonderful people joining our city government and look forward to all they have to offer to the community in the future. In 2011 we welcomed Accounting Manager Kristine Morande, Police Officer Michael Philbrick, Police Officer Benjamin Michaud, DPW Employee Chris Gray, DPW Street Supervisor Brian Tuttle, Senior Center Director Janna Clar, Firefighter/EMT Justin Redmond, Firefighter/EMT Chad Morse, Wastewater Treatment Plant operator Devin Hoagland, DPW Stock Records Clerk Todd Provencher, Senior Center Program Assistant Johanna Nichols and DPW Employee Peter Luce.

We also recognize the promotions of Robert Gowans to Fire Chief from Deputy Chief, James Quinn to Deputy Fire Chief from Lieutenant, Robert Fischer to Wastewater Treatment Plant Chief Operator from Asst. Chief Operator, and Doug Hull to Wastewater Asst. Chief Operator from Operator.

We greatly appreciated the efforts of Americorps participants Taylor Newton and Isaac Lawrence. They both completed their Americorps service. We have welcomed new Americorps participants Scott Humphrey and Hannah Snyder.

Montpelier has benefitted greatly from having many experienced employees who have spent distinguished careers with the city. We are beginning to see retirements with more to come in the near future which will literally change the face of city government. I'd like to recognize and thank individuals with 25 or more years of experience with the City of Montpelier. These 20 people represent over 18% of our total workforce!

Charlotte Hoyt, City Clerk/Treasurer	39 years
Sandra Pitonyak, City Manager's Office	38 years
Douglas Hull, Public Works Department	35 years
Sheila Pembroke, Fire Department	34 years
Sharon Blatchford, Finance Department	33 years
Dean Utton, Public Works Department	33 years
Mark Moody, Police Department	32 years
George Richardson, Public Works Department	32 years
Jane Aldrighetti, Assessor/City Manager Office	32 years
Michael Papineau, Public Works Department	32 years
Robert Gowans, Fire/EMS Department	32 years
Cheryl Goslant, Police Department	31 years
Glenn Moore, Fire/Code Enforcement Department	30 years
Thomas McArdle, Public Works Department	29 years
Scott Powers, Public Works Department	27 years
James Lee, Public Works Department	26 years
Loretta Bresette, City Clerk/Treasurer Department	26 years
Michael Bilodeau, Public Works Department	26 years
Dana Huoppi, Fire Department	26 years
Nathan Cowens, Public Works 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. Most people have no idea of the amount of time council members devote to what is often a thankless and stressful task. In 2011, Council Member Jim Sheridan stepped down after 12 years of service on the Council. Remarkably, Council Member Sheridan did not miss a single council meeting during that time. In March, Council Member Angela Timpone was elected marking the first time

in the city's history that a majority of Council members were women.

Mayor Mary Hooper announced that she is stepping down and the city will be electing a new Mayor in March. Mayor Hooper's 8 years in the seat matches the longest tenure of any Mayor in the City. As City Manager, I have been fortunate to have worked with both of those Mayors. I thank Mayor Hooper for her dedication, her unwavering love of Montpelier and her personal support for the staff and me. She has been wonderful to work with.

I extend a special thank you to the City Council and our Department Heads for making it possible for me to attend the Harvard Kennedy School's Senior Executives in State and Local Government program this summer. It was an incredible learning experience about leadership, governance and professional skills. I was honored to attend and am determined to bring those lessons to life for the benefit of Montpelier.

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 seventeen years I have worked daily with Sandy Pitonyak and Jane Aldrighetti in the City Manager's office. They exude the attitude, courtesy, dedication and efficiency that all public servants should follow. I owe them the deepest appreciation.

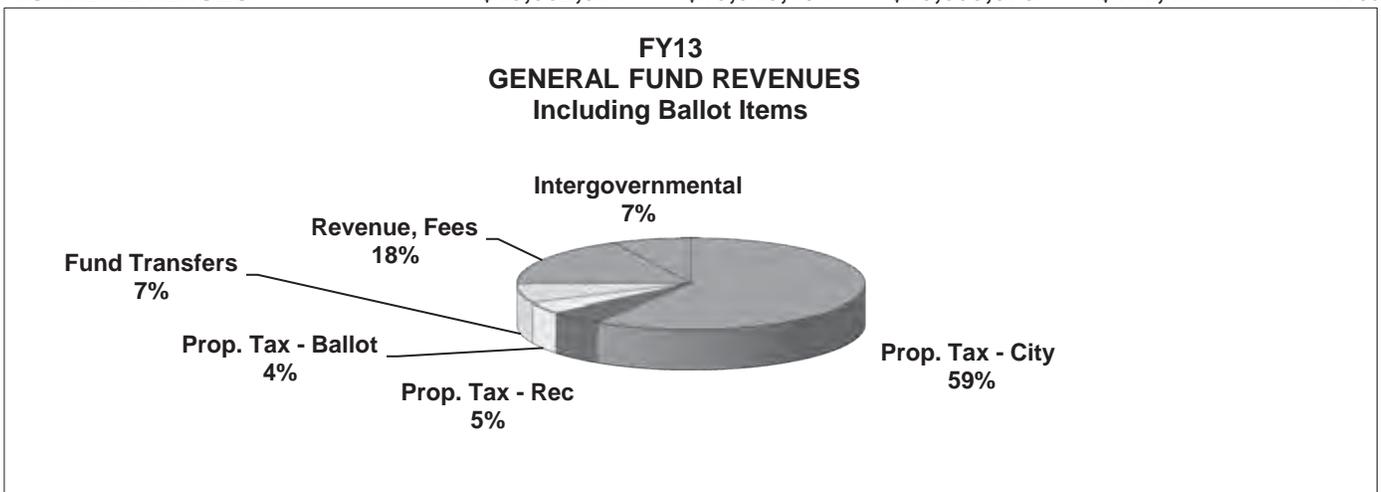
The biggest benefit to being City Manager for seventeen years is the great fortune of being a resident of this wonderful city. That alone is constant motivation for me to work for improvements. I've been privileged to raise four children in the community and watch them journey through our fine school system. I thank Olivia, Patrick, Claire and Angus for their own many contributions to our community and for managing to remain unfazed by their dad's public job. My final thanks are for my wife, Anne, who always provides good advice, offers an "out of City Hall" perspective, does her best to field comments and questions from people about city government and is my biggest supporter.

Respectfully submitted,

William J. Fraser, *City Manager*

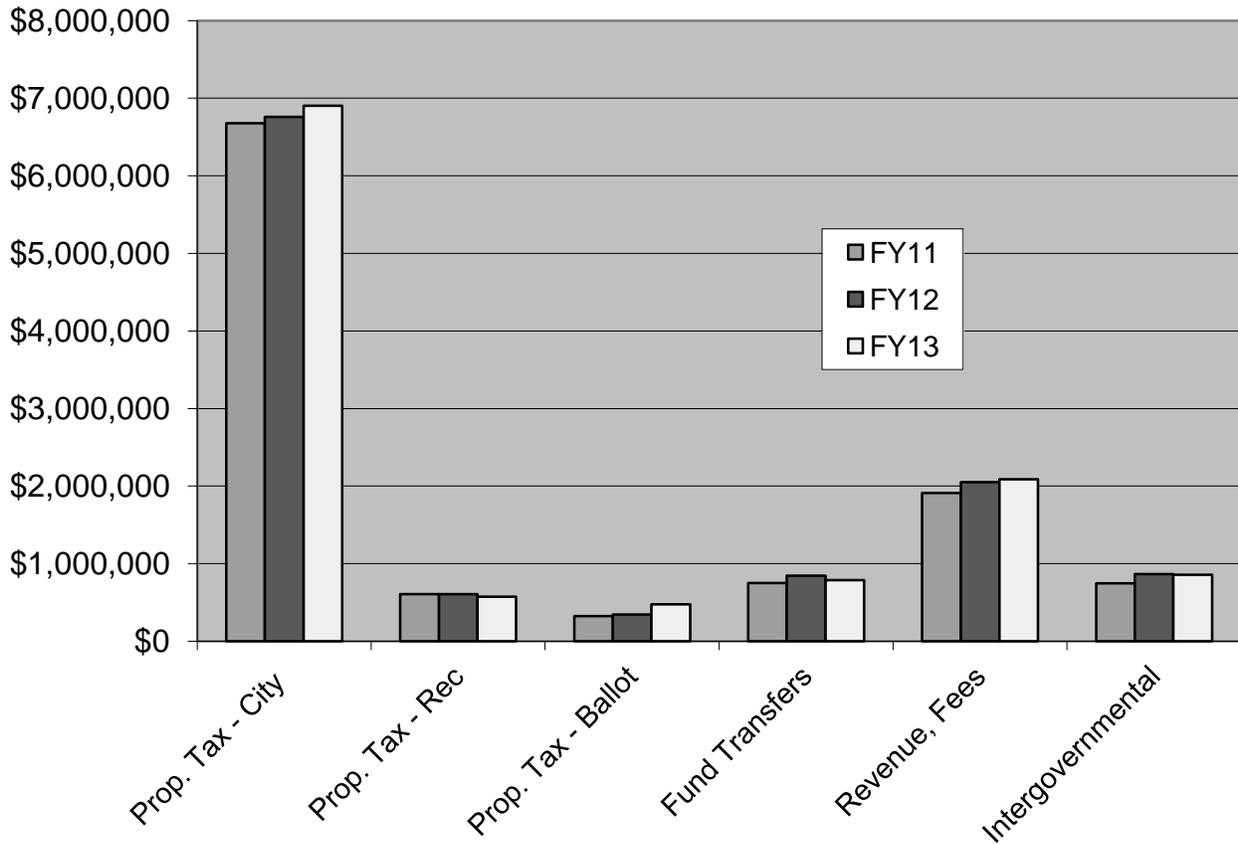
BUDGET COMPARISON - General Fund Revenue

Item	FY11	FY12	FY13	\$ Change	% Change
<i>Property Taxes - City Budget</i>	\$6,675,970	\$6,759,570	\$6,904,043	\$144,473	2.1%
<i>Other Tax Related Income</i>	\$711,620	\$862,716	\$914,912	\$52,196	6.1%
<i>Permits & Licenses</i>	\$83,500	\$86,700	\$82,600	-\$4,100	-4.7%
<i>Intergovernmental</i>	\$746,650	\$863,815	\$858,615	-\$5,200	-0.6%
<i>Fees & Charges for Service</i>	\$584,417	\$574,661	\$620,307	\$45,646	7.9%
<i>Rents & Commissions</i>	\$53,100	\$28,100	\$600	-\$27,500	-97.9%
<i>Fines & Forfeitures</i>	\$36,000	\$26,000	\$35,000	\$9,000	34.6%
<i>Equipment Revenues</i>	\$351,231	\$362,748	\$343,123	-\$19,625	-5.4%
<i>Interest Income</i>	\$50,000	\$58,000	\$38,230	-\$19,770	-34.1%
<i>Miscellaneous Revenue</i>	\$41,167	\$51,167	\$53,166	\$1,999	3.9%
<i>Fund Balance</i>	\$24,400	\$102,275	\$74,500	-\$27,775	0.0%
<i>Operating Transfers</i>	\$724,259	\$742,652	\$710,782	-\$31,870	-4.3%
TOTAL - Non Tax Revenues	\$3,406,344	\$3,758,834	\$3,731,835	-\$26,999	-0.7%
TOTAL REVENUES	\$10,082,314	\$10,518,404	\$10,635,878	\$117,474	1.1%



CATEGORIES	FY11	FY12	FY13	\$ Change	% Change
Prop. Tax - City	\$6,675,970	\$6,759,570	\$6,904,043	\$144,473	2.1%
Prop. Tax - Rec	\$605,230	\$605,230	\$575,230	-\$30,000	-5.0%
Prop. Tax - Ballot	\$324,475	\$343,975	\$474,150	\$130,175	37.8%
Fund Transfers	\$748,659	\$844,927	\$785,282	-\$59,645	-7.1%
Revenue, Fees	\$1,911,035	\$2,050,092	\$2,087,938	\$37,846	1.8%
Intergovernmental	\$746,650	\$863,815	\$858,615	-\$5,200	-0.6%
Total	\$11,012,019	\$11,467,609	\$11,685,258	\$217,649	1.9%
Grand List	\$829,293,153	\$831,227,310	\$831,227,310	\$0	0.0%
Property Tax Rate	\$0.92	\$0.93	\$0.96	\$0.029	3.2%
Avg Municipal Tax Bill	\$2,045.19	\$2,068.09	\$2,133.73	\$65.63	3.2%

General Fund Revenue Comparison

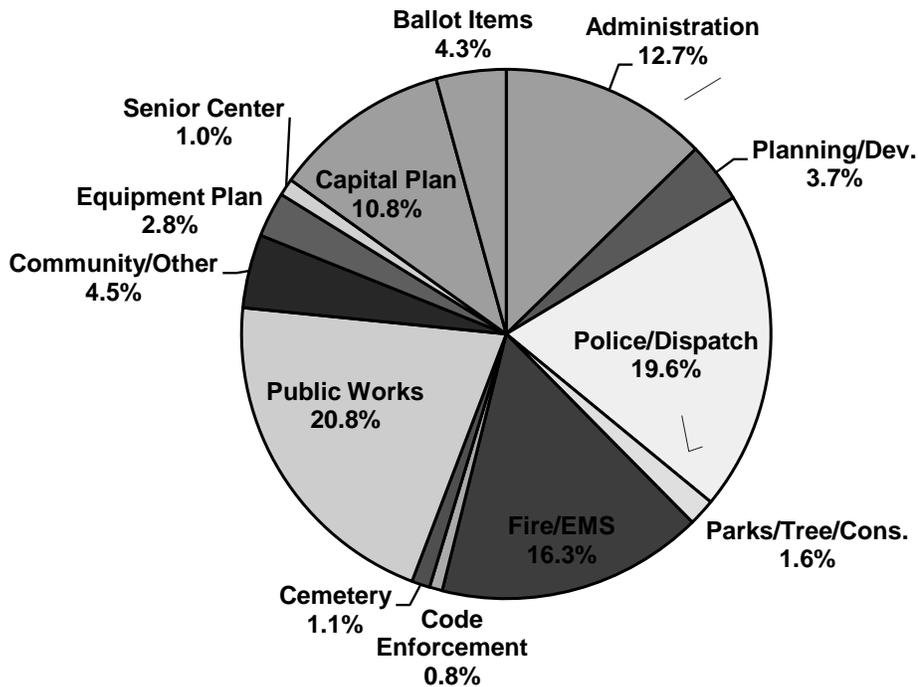


BUDGET COMPARISON - General Fund Expenditures

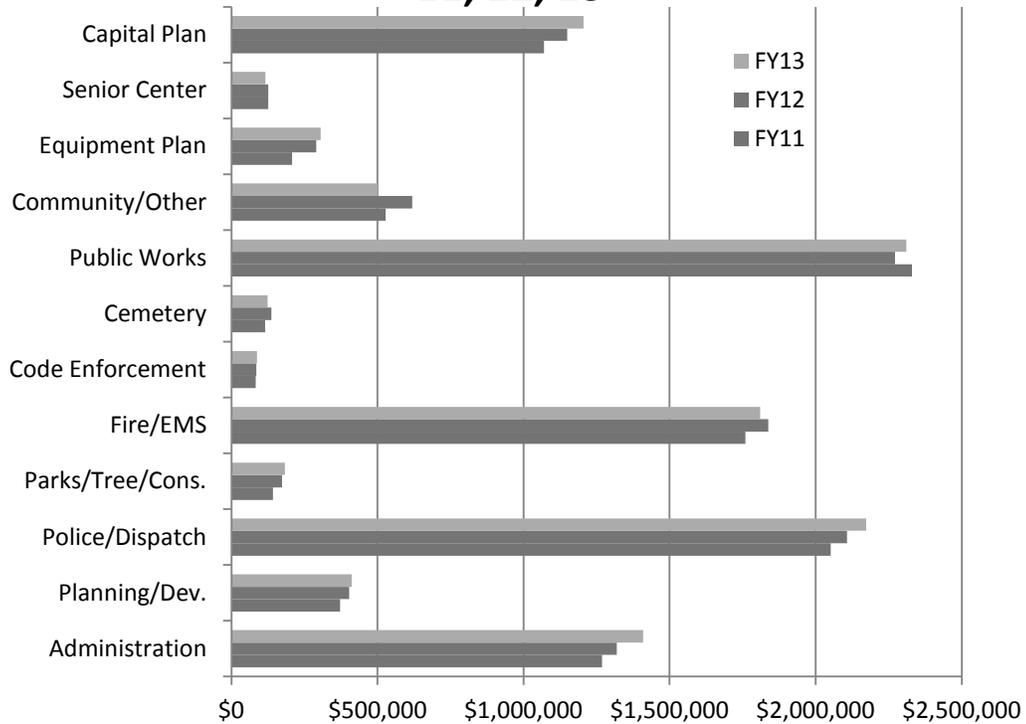
Item	FY11	FY12	FY13	\$ Change	% Change
City Council Operations	\$28,702	\$29,871	\$33,391	\$3,520	11.8%
City Manager's Office	\$301,294	\$316,704	\$333,791	\$17,087	5.4%
Clerk/Elections	\$226,869	\$233,135	\$187,252	-\$45,883	-19.7%
Finance/Treasurer	\$301,490	\$339,500	\$463,646	\$124,146	36.6%
Technology Services	\$195,186	\$209,884	\$221,278	\$11,394	5.4%
Property Assessment	\$214,799	\$190,286	\$170,051	-\$20,235	-10.6%
Planning & Development	\$371,936	\$403,420	\$411,982	\$8,562	2.1%
City Hall Maintenance	\$296,642	\$187,840	\$194,340	\$6,500	3.5%
Police - Operations	\$1,479,652	\$1,516,186	\$1,550,888	\$34,702	2.3%
Police - Communications	\$469,473	\$496,655	\$518,546	\$21,891	4.4%
Police- School Resource Off.	\$82,335	\$87,601	\$88,553	\$952	1.1%
Community Justice Center	\$137,548	\$230,895	\$239,065	\$8,170	3.5%
Fire & Ambulance	\$1,759,232	\$1,837,348	\$1,810,105	-\$27,243	-1.5%
Code/Health Enforcement	\$83,451	\$85,043	\$87,287	\$2,244	2.6%
Emergency Management	\$20,380	\$6,969	\$14,929	\$7,960	114.2%
DPW - Streets	\$1,462,165	\$1,502,562	\$1,560,796	\$58,234	3.9%
DPW - Fleet Operations	\$510,547	\$519,892	\$486,859	-\$33,033	-6.4%
DPW - Building Operations	\$60,350	\$61,150	\$68,020	\$6,870	11.2%
Wrightsville Beach	\$4,007	\$4,007	\$4,007	\$0	0.0%
Outside Agencies in Budget	\$88,175	\$88,675	\$0	-\$88,675	-100.0%
Community Enhancements	\$48,800	\$48,800	\$48,800	\$0	0.0%
Tree Management & Board	\$27,034	\$32,692	\$36,446	\$3,754	11.5%
Conservation Commission	\$6,250	\$5,750	\$6,750	\$1,000	17.4%
Debt Service	\$647,691	\$658,976	\$631,138	-\$27,838	-4.2%
Other Governmental Services	\$139,737	\$115,971	\$115,837	-\$134	-0.1%
Equipment Plan	\$207,498	\$289,998	\$305,790	\$15,792	5.4%
Sprinkler Tax Credit	\$50,000	\$53,000	\$56,000	\$3,000	5.7%
Capital Projects	\$422,509	\$491,024	\$573,843	\$82,819	16.9%
Cemetery	\$115,445	\$137,029	\$123,755	-\$13,274	-9.7%
Parks	\$104,383	\$130,507	\$136,035	\$5,528	4.2%
Energy Improvements Lease	\$37,126	\$40,326	\$40,326	\$0	0.0%
Housing Trust Fund.	\$26,000	\$41,000	\$0	-\$41,000	-100.0%
Senior Center	\$125,707	\$125,707	\$116,372	-\$9,335	-7.4%
Sub TOTAL CITY BUDGET	\$10,052,413	\$10,518,403	\$10,635,878	\$117,475	1.1%
<i>Library Ballot Item</i>	\$293,975	\$293,975	\$293,975	\$0	0.0%
<i>Other Ballot Items</i>	\$25,000	\$0	\$140,175	\$140,175	
<i>Petitioned Ballot Items</i>	\$5,500	\$50,000	\$40,000	-\$10,000	-20.0%
Sub TOTAL BALLOT ITEMS	\$324,475	\$343,975	\$474,150	\$130,175	37.8%
TOTAL GENERAL FUND	\$10,376,888	\$10,862,378	\$11,110,028	\$247,650	2.3%

Category	FY11	FY12	FY13	\$ Change	% Change
Administration	\$1,268,340	\$1,319,380	\$1,409,409	\$90,029	6.8%
Planning/Dev.	\$371,936	\$403,420	\$411,982	\$8,562	2.1%
Police/Dispatch	\$2,051,840	\$2,107,411	\$2,172,916	\$65,505	3.1%
Parks/Tree/Cons.	\$141,674	\$172,956	\$183,238	\$10,282	5.9%
Fire/EMS	\$1,759,232	\$1,837,348	\$1,810,105	-\$27,243	-1.5%
Code Enforcement	\$83,451	\$85,043	\$87,287	\$2,244	2.6%
Cemetery	\$115,445	\$137,029	\$123,755	-\$13,274	-9.7%
Public Works	\$2,329,704	\$2,271,444	\$2,310,015	\$38,571	1.7%
Community/Other	\$527,386	\$618,667	\$500,028	-\$118,639	-19.2%
Equipment Plan	\$207,498	\$289,998	\$305,790	\$15,792	5.4%
Senior Center	\$125,707	\$125,707	\$116,372	-\$9,335	-7.4%
Capital Plan	\$1,070,200	\$1,150,000	\$1,204,981	\$54,981	4.8%
Ballot Items	\$324,475	\$343,975	\$474,150	\$130,175	37.8%
Totals	\$10,376,888	\$10,862,378	\$11,110,028	\$247,650	2.3%

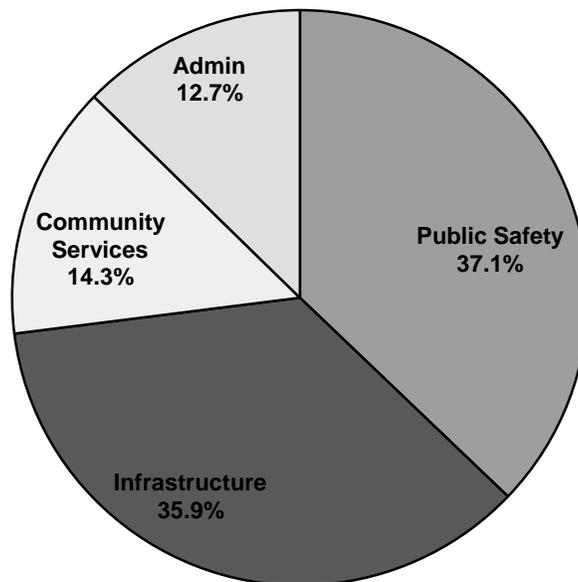
**FY13
General Fund Expenses
Including Ballot Items**



General Fund Comparison by Department FY 11, 12, 13

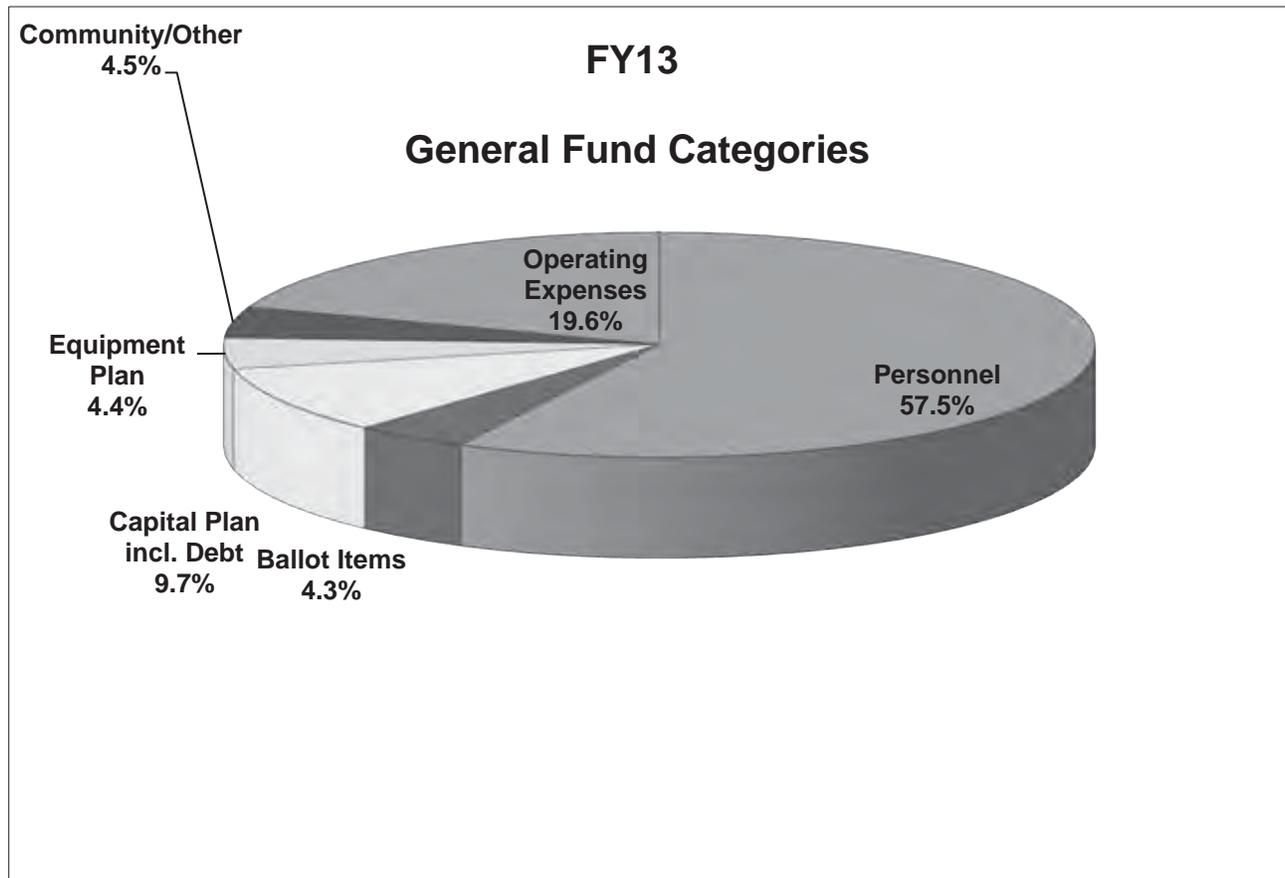


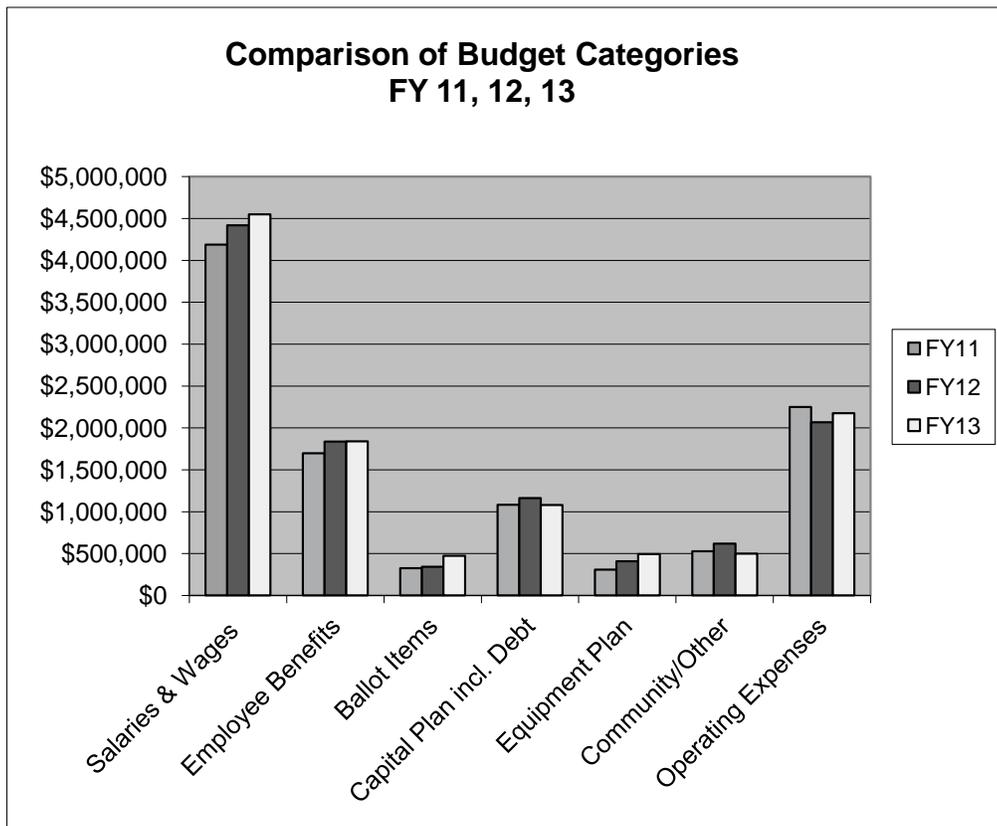
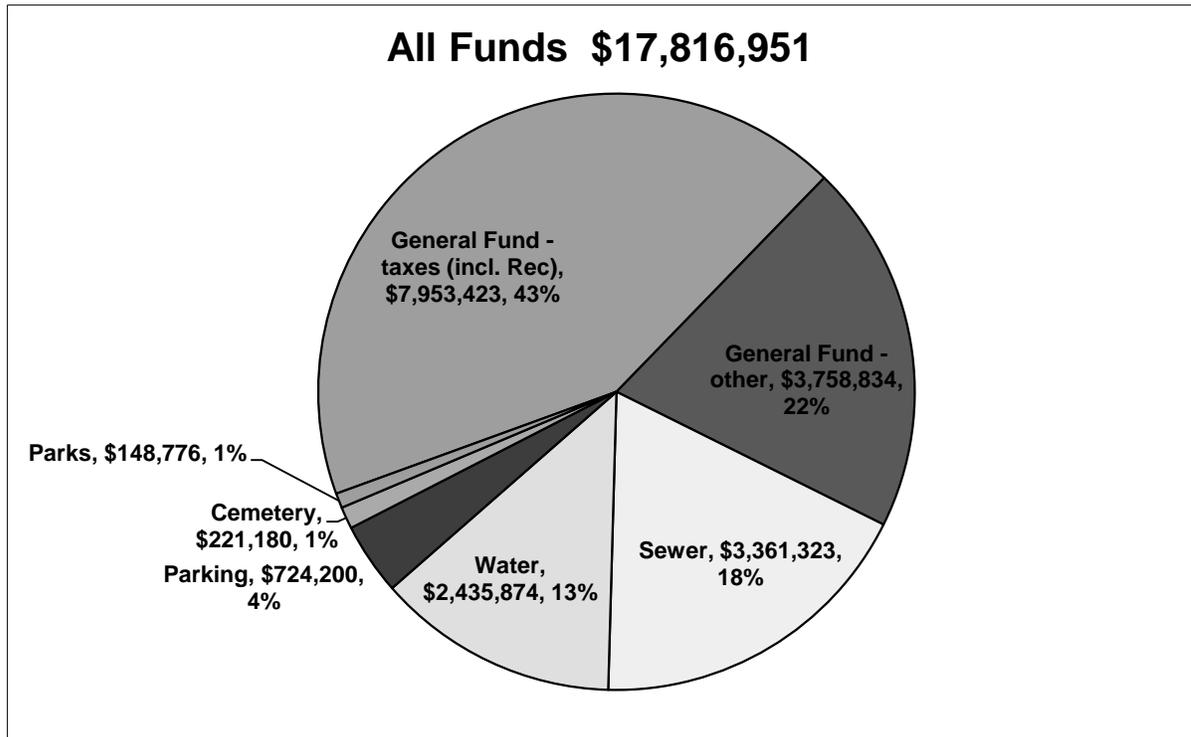
General Fund Expenses by Broad Category FY13



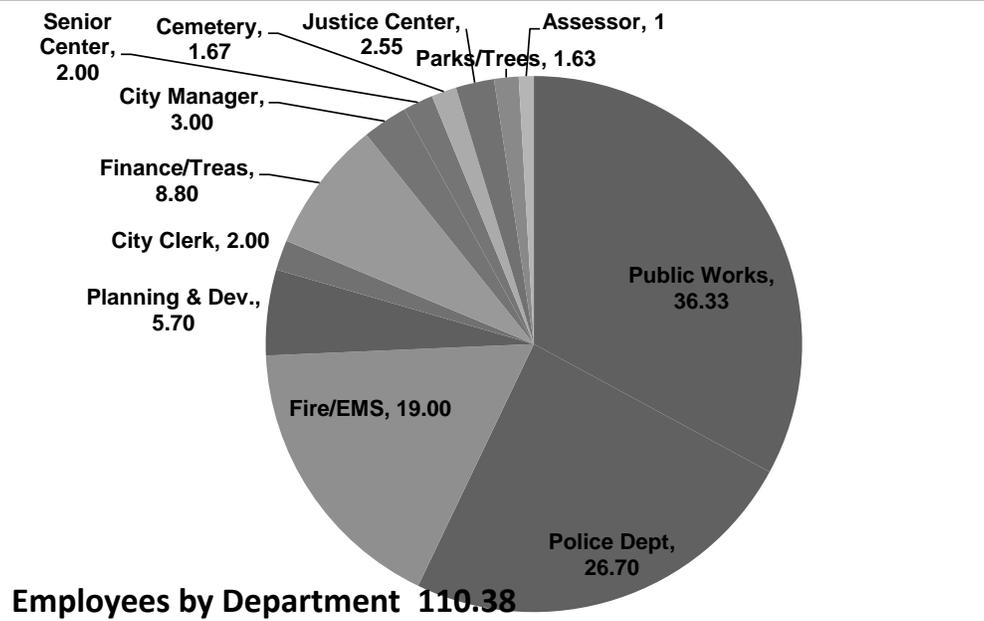
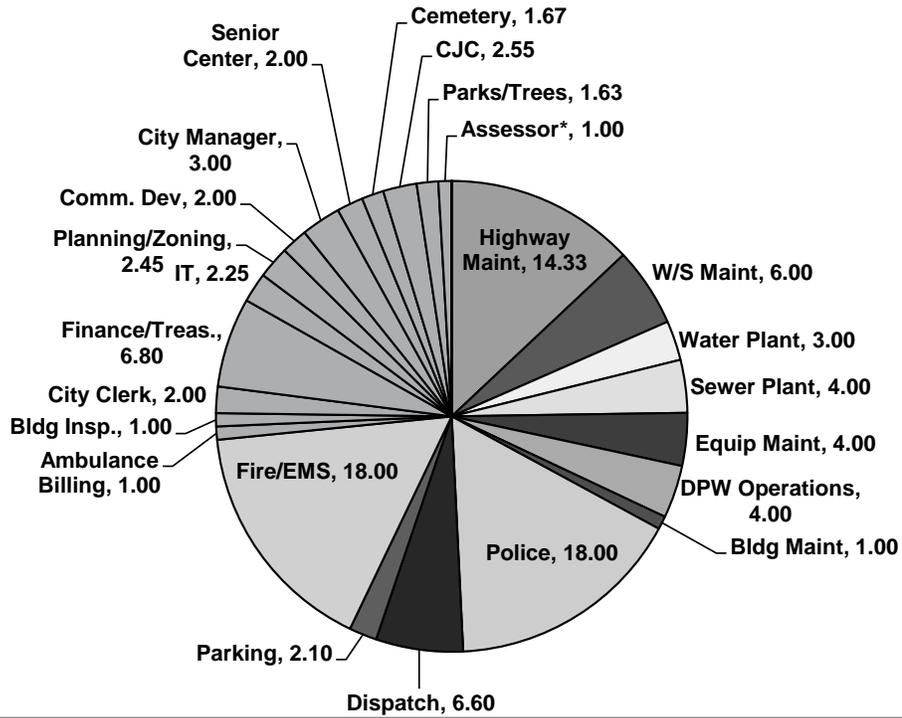
GENERAL FUND - Allocation by Category

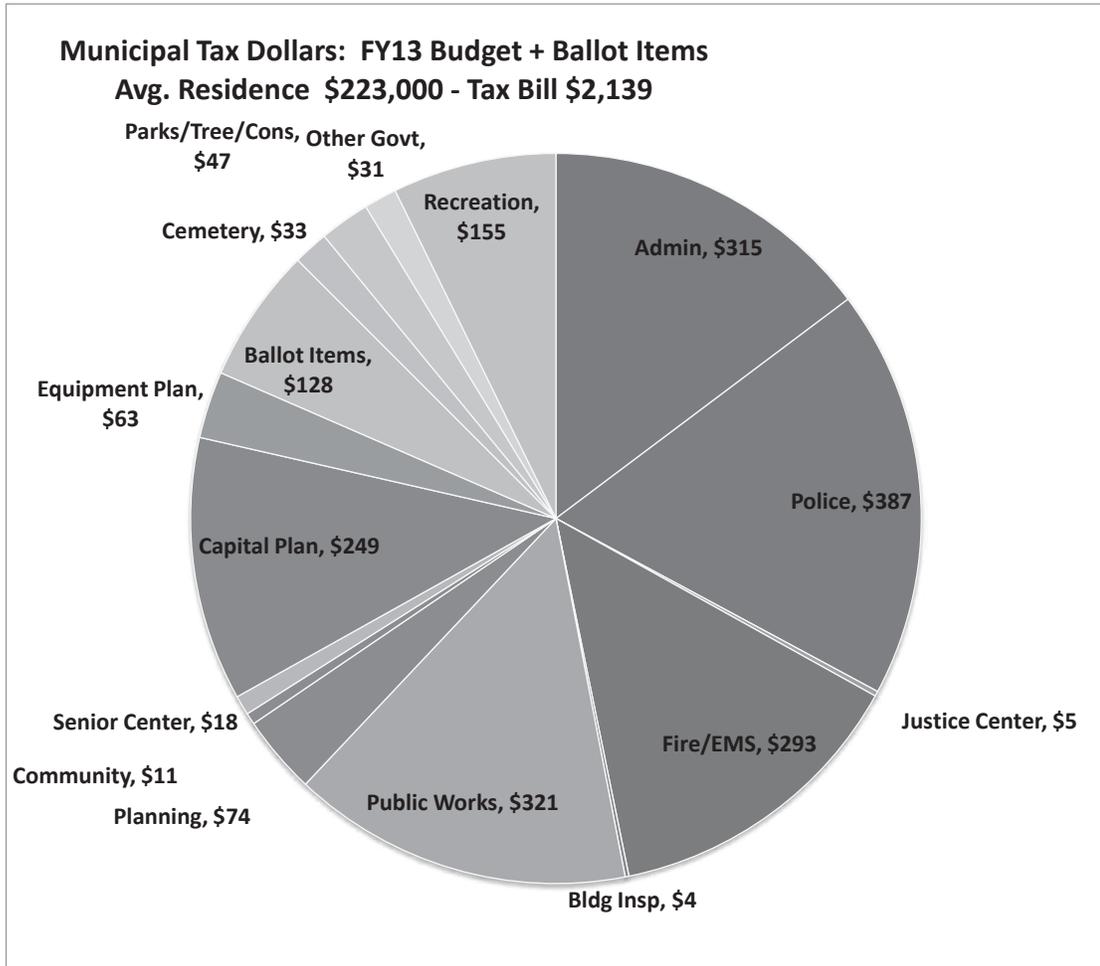
Category	FY11	FY12	FY13	\$ Change	% Change
<i>Salaries & Wages incl. OT</i>	\$4,188,970	\$4,420,024	\$4,548,487	\$128,463	2.9%
<i>Employee Benefits incl. FICA</i>	\$1,696,947	\$1,838,410	\$1,840,165	\$1,755	0.1%
Personnel	\$5,885,917	\$6,258,434	\$6,388,652	\$130,218	2.1%
Ballot Items	\$324,475	\$343,975	\$474,150	\$130,175	37.8%
Capital Plan incl. Debt	\$1,082,200	\$1,163,500	\$1,079,754	-\$83,746	-7.2%
Equipment Plan	\$308,275	\$408,904	\$492,650	\$83,746	20.5%
Community/Other	\$527,386	\$618,667	\$500,028	-\$118,639	-19.2%
Operating Expenses	\$2,248,635	\$2,068,898	\$2,174,794	\$105,896	5.1%
General Fund Budget	\$10,376,888	\$10,862,378	\$11,110,028	\$247,650	2.3%





Employees by Function 110.18



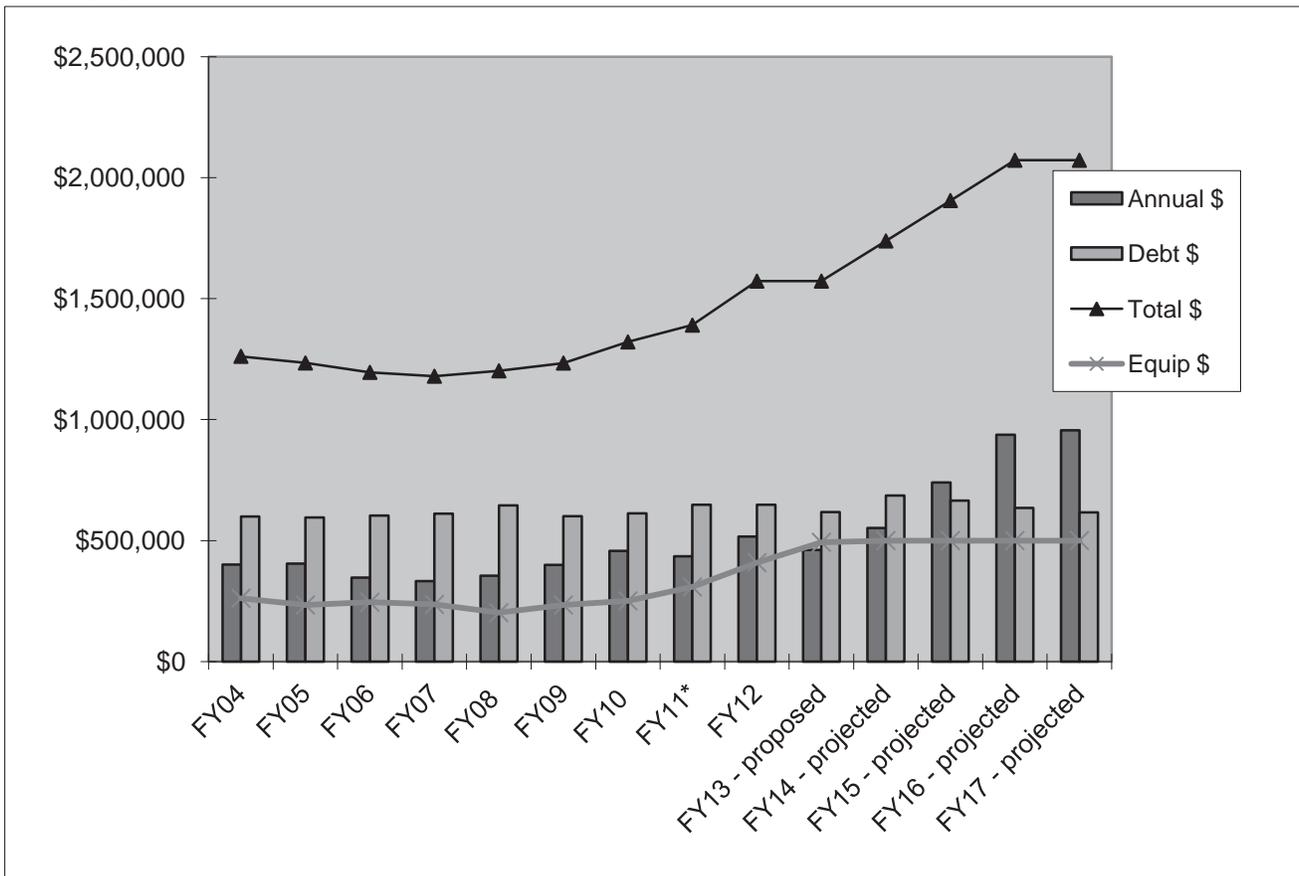


SUMMARY of ANNUAL and DEBT FUNDING for CAPITAL PROJECTS

SUMMARY of ANNUAL and DEBT FUNDING for CAPITAL PROJECTS & EQUIPMENT

General Fund

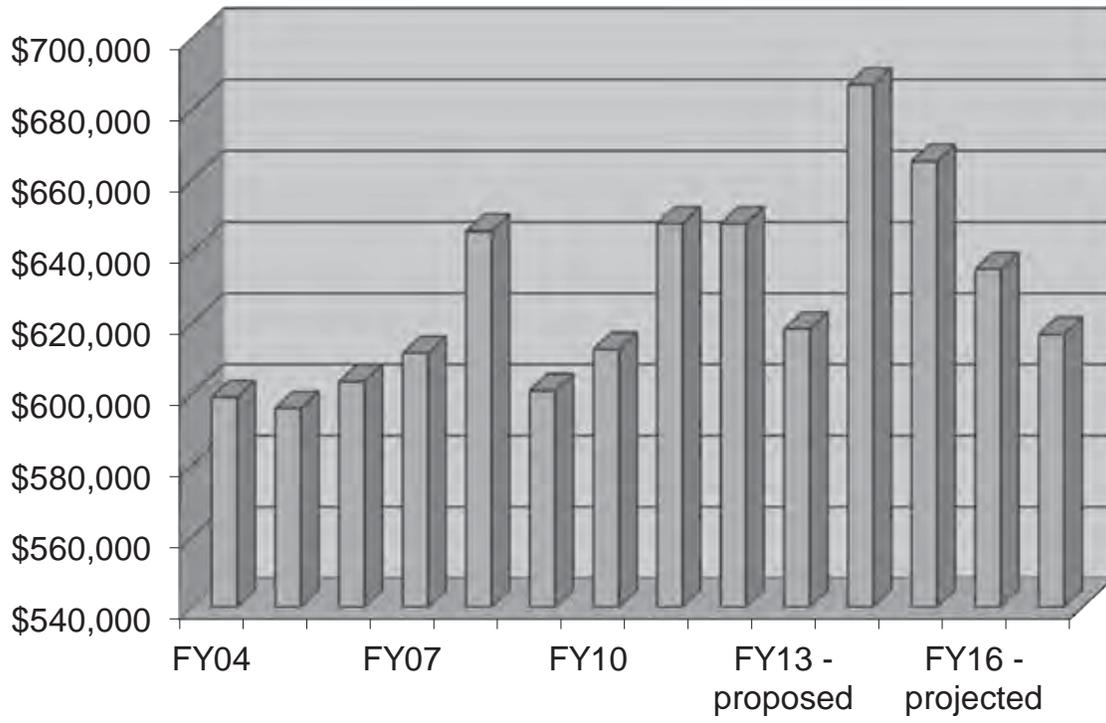
Fiscal Year	Annual \$	Debt \$	Equip \$	Total \$	\$ Change	% Change
FY04	\$401,100	\$598,900	\$261,565	\$1,261,565		
FY05	\$404,183	\$595,817	\$234,025	\$1,234,025	-\$27,540	-2.2%
FY06	\$346,699	\$603,301	\$245,250	\$1,195,250	-\$38,775	-3.1%
FY07	\$332,196	\$611,304	\$235,854	\$1,179,354	-\$15,896	-1.3%
FY08	\$354,510	\$645,490	\$201,581	\$1,201,581	\$22,227	1.9%
FY09	\$399,251	\$600,749	\$233,735	\$1,233,735	\$32,154	2.7%
FY10	\$457,811	\$612,389	\$250,847	\$1,321,047	\$87,312	7.1%
FY11*	\$434,509	\$647,691	\$308,275	\$1,390,475	\$69,428	5.3%
FY12	\$515,849	\$647,651	\$408,904	\$1,572,404	\$181,929	13.1%
FY13 - proposed	\$461,693	\$618,061	\$492,650	\$1,572,404	\$0	0.0%
FY14 - projected	\$551,846	\$686,654	\$500,000	\$1,738,500	\$166,096	10.6%
FY15 - projected	\$740,388	\$665,112	\$500,000	\$1,905,500	\$167,000	9.6%
FY16 - projected	\$937,147	\$634,853	\$500,000	\$2,072,000	\$166,500	8.7%
FY17 - projected	\$955,380	\$616,620	\$500,000	\$2,072,000	\$0	0.0%



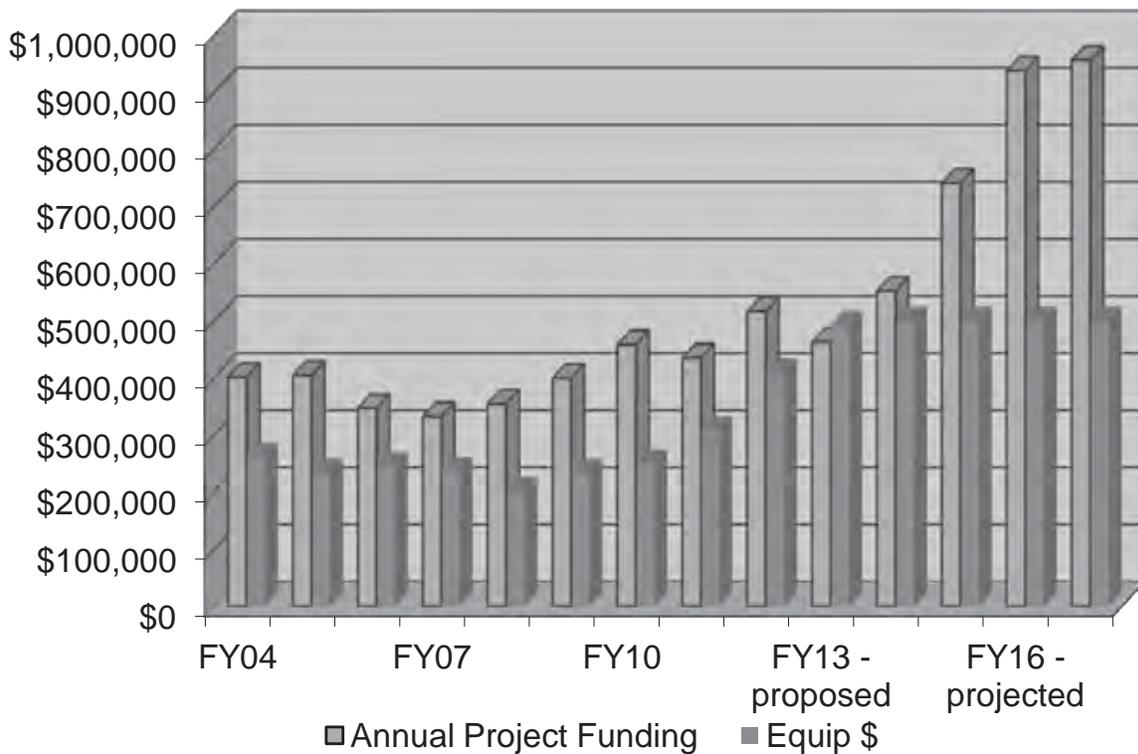
* equipment funds for parks/cemetery & lease payments included in department budgets before FY11

Annual Projects (including Bond)	FY11	FY12	FY13
Street Paving	\$66,690		\$134,558
Street Rehabilitation		\$203,000	\$91,167
Retaining Walls	\$80,000	\$73,000	
Sidewalks		\$15,000	\$115,000
Storm Drains/Culverts	\$30,000	\$62,000	
Buildings & Grounds	\$55,000	\$10,000	
Master Plan update	\$15,000		
Downtown Projects	\$5,000	\$10,000	\$10,000
Traffic Improvements		\$15,000	\$10,000
Flood Mitigation Army Corps Study	\$100,000	\$90,000	
Flood Mitigation Project	\$50,000		
Parks	\$6,000	\$3,500	\$13,935
Cemetery	\$6,000	\$10,000	\$22,000
Project Management	\$20,819	\$24,349	\$65,033
Total Annual Funding	\$434,509	\$515,849	\$461,693
Street Rehabilitation			\$187,833
Retaining Walls	\$80,000	\$73,000	\$140,000
Storm Drains/Culverts			\$50,000
Buildings & Grounds			\$284,667
Total Projects in Bond			\$662,500
Total Project Funding	\$434,509	\$515,849	\$1,124,193
Scheduled Debt Payments	FY11	FY12	FY13
Berlin St Reconstruction	\$5,525	\$5,175	\$0
Bridges	\$47,864	\$46,053	\$44,224
Fire Station	\$48,939	\$47,128	\$45,299
Kellogg-Hubbard Library	\$46,973	\$45,469	\$43,938
Police Station	\$115,768	\$112,008	\$108,179
Retaining Walls '96	\$6,948	\$6,655	\$6,359
Retaining Walls '98	\$64,243	\$62,067	\$59,858
Main St Lighting	\$15,001	\$14,577	\$14,141
Central Vt Bike Path	\$16,251	\$15,791	\$15,320
Capital District Master Plan - Carr Lot	\$0	\$28,571	\$28,573
City Hall/DPW Building Bond	\$75,755	\$74,212	\$72,374
Bridges/City Hall/DPW facilities	\$72,238	\$70,548	\$68,766
Sabins Pasture	\$45,554	\$35,004	\$0
District Heat '09	\$22,446	\$21,866	\$21,409
Retaining Walls	\$37,252	\$36,289	\$35,529
Bridges	\$26,934	\$26,238	\$25,688
Infrastructure/Equipment '12			\$28,404
Total Debt Payments	\$647,691	\$647,651	\$618,061
Total Capital Plan	\$1,082,200	\$1,163,500	\$1,742,254

Scheduled Debt Payments FY04-FY17



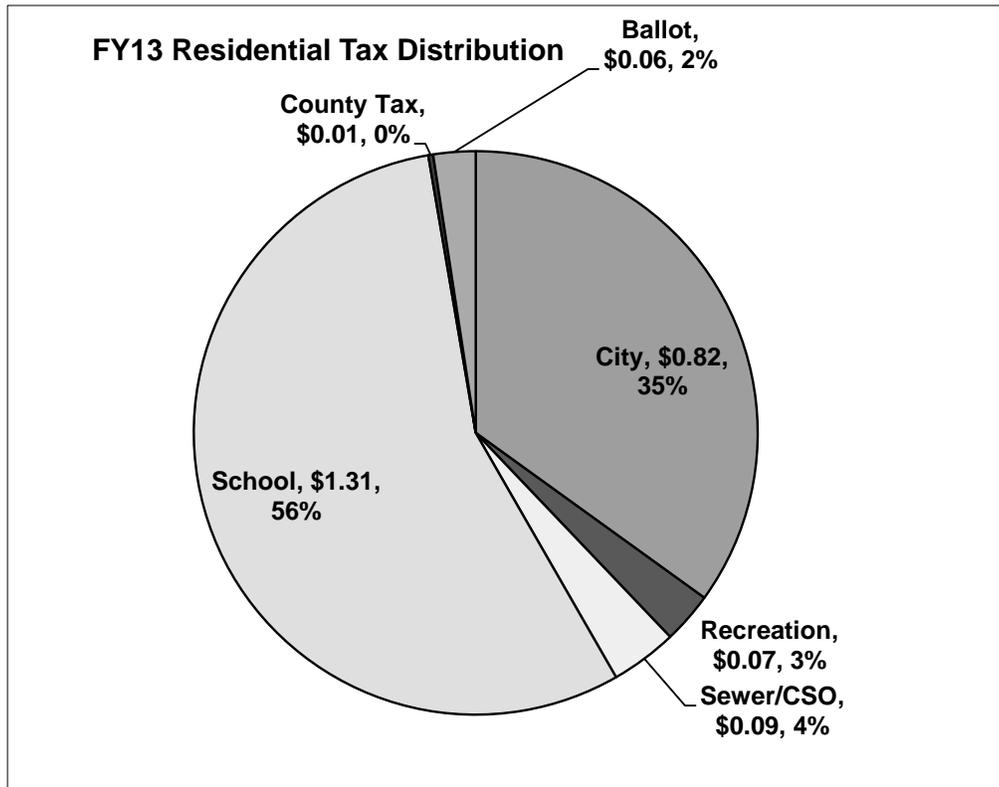
Annual Project and Equipment Funding FY04-FY17



PROJECTED TAX RATES

PROJECTED TAX RATES (99.63% Common Level of Appraisal)

	FY11 Taxes	FY11 Rate	FY12 Taxes	FY12 Rate	FY13 Taxes	FY13 Rate	Tax \$ Change	Rate Change	Pct. Change
MUNICIPAL									
City Budget	\$6,606,185	\$0.80	\$6,705,123	\$0.81	\$6,849,596	\$0.82	\$144,473	\$0.017	2.2%
Recreation Budget	\$605,230	\$0.07	\$605,230	\$0.07	\$575,230	\$0.07	-\$30,000	-\$0.004	-5.0%
County Tax	\$70,385	\$0.01	\$54,447	\$0.01	\$54,447	\$0.01	\$0	\$0.000	0.0%
Sub Total	\$7,281,800	\$0.88	\$7,364,800	\$0.89	\$7,479,273	\$0.90	\$114,473	\$0.014	1.55%
Ballot Items	\$323,875	\$0.04	\$343,975	\$0.04	\$474,150	\$0.06	\$130,175	\$0.016	37.8%
TOTAL MUNICIPAL	\$7,605,675	\$0.92	\$7,708,775	\$0.93	\$7,953,423	\$0.96	\$244,648	\$0.029	3.2%
SCHOOL									
Residential	\$6,052,833	\$1.38	\$5,944,044	\$1.30	\$6,008,220	\$1.31	\$64,176	\$0.014	1.1%
Non-residential	\$5,402,784	\$1.48	\$4,874,799	\$1.38	\$4,929,730	\$1.40	\$54,931	\$0.016	1.1%
TOTAL SCHOOL	\$11,455,617		\$10,818,843		\$10,937,950		\$119,107		1.1%
SUB-TOTAL	\$19,061,292		\$18,527,618	\$2.22	\$18,891,373	\$2.27	\$363,755	\$0.043	2.0%
Sewer Benefit	\$165,859	\$0.02	\$166,245	\$0.02	\$166,245	\$0.02	\$0	\$0.000	0.0%
CSO Benefit	\$580,505	\$0.07	\$581,859	\$0.07	\$581,859	\$0.07	\$0	\$0.000	0.0%
TOTAL - Res.	\$19,807,656	\$2.39	\$19,275,723	\$2.31	\$19,639,478	\$2.36	\$363,755	\$0.043	1.9%
Non -Res.		\$2.49		\$2.40		\$2.45		\$0.045	1.9%
Avg. Res. Value	\$223,000								
Avg Res Total Tax Bill	\$5,323		\$5,160	(\$163)	\$5,257	\$97	One Year Change	Two Year Change	
							1.9%	(\$66)	-1.2%



2011 Effective Property Tax Rates

source - 2012 Annual Report - Division of Property Valuation and Review

Vermont Department of Taxes

Municipality	School Residential	School Non-Residential	Municipal	Total Residential
Barre City	\$1.12	\$1.41	\$1.49	\$2.61
Barre Town	\$1.11	\$1.39	\$0.73	\$1.84
Berlin	\$1.40	\$1.38	\$0.42	\$1.82
Calais	\$1.48	\$1.49	\$0.56	\$2.04
East Montpelier	\$1.33	\$1.34	\$0.49	\$1.82
Middlesex	\$1.35	\$1.35	\$0.41	\$1.76
Moretown	\$1.42	\$1.41	\$0.28	\$1.70
Northfield	\$1.28	\$1.38	\$0.86	\$2.14
Plainfield	\$1.18	\$1.34	\$0.63	\$1.81
Waterbury	\$1.29	\$1.38	\$0.34	\$1.63
Worcester	\$1.34	\$1.36	\$0.49	\$1.84
CENTRAL VERMONT AVG.	\$1.30	\$1.38	\$0.61	\$1.91
Montpelier	\$1.29	\$1.38	\$1.01	\$2.31
Montpelier vs. Average	-\$0.01 -0.67%	\$0.00 -0.35%	\$0.40 66.25%	\$0.40 20.70%
Barre City	\$1.12	\$1.41	\$1.49	\$2.61
Brattleboro	\$1.52	\$1.40	\$1.11	\$2.64
Hartford	\$1.34	\$1.39	\$0.69	\$2.03
Middlebury	\$1.46	\$1.39	\$0.73	\$2.19
Newport	\$1.25	\$1.42	\$1.04	\$2.28
Rockingham	\$1.22	\$1.30	\$0.72	\$1.93
Rutland City	\$1.20	\$1.41	\$1.15	\$2.35
Springfield	\$1.57	\$1.42	\$1.28	\$2.85
St. Albans	\$1.31	\$1.45	\$0.83	\$2.14
St. Johnsbury	\$1.16	\$1.34	\$0.64	\$1.79
Windsor	\$1.26	\$1.37	\$1.11	\$2.37
AVG. OF SIMILAR TOWNS	\$1.31	\$1.39	\$0.98	\$2.29
Montpelier	\$1.29	\$1.38	\$1.01	\$2.31
Montpelier vs. Average	-\$0.02 -1.41%	-\$0.01 -0.81%	\$0.03 3.14%	\$0.02 0.71%

Estimated Municipal Property Taxes

Estimated Property Taxes - July 1, 2012 - June 30, 2013

Using Current Grand List 2011

\$ 831,273,310

Ballot Article	Item	Funds	Tax Rate per \$100 Value	Estimated Municipal Taxes due of various property values				
				\$100,000	\$200,000	\$223,000	\$300,000	\$400,000
				Median Resident				
2	City Budget (includes Senior Citizens Center & Washington County Tax)	\$ 6,904,043	\$ 0.8305	\$ 831	\$ 1,661	\$ 1,852	\$ 2,492	\$ 3,322
3	School Budget-Residential Tax Rate Est. 1/26	\$ 15,724,940	\$ 1.3110	\$ 1,311	\$ 2,622	\$ 2,924	\$ 3,933	\$ 5,244
4	Recreation Department	\$ 575,230	\$ 0.0692	\$ 69	\$ 138	\$ 154	\$ 208	\$ 277
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	Bond for Street Improvements/Fire Truck 20 yrs (included in Article 2)	\$ 23,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal City and School Articles		\$ 23,204,213	\$ 2.2107	\$ 2,211	\$ 4,421	\$ 4,930	\$ 6,632	\$ 8,843
14	Montpelier Housing Trust Fund	\$ 41,000	\$ 0.0049	\$ 5	\$ 10	\$ 11	\$ 15	\$ 20
15	Kellogg-Hubbard Library	\$ 293,975	\$ 0.0354	\$ 35	\$ 71	\$ 79	\$ 106	\$ 141
16	CIRCLE (Formerly Battered Women's Services & Shelter)	\$ 3,075	\$ 0.0004	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1
17	Central Vermont Community Action Council	\$ 2,000	\$ 0.0002	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1
18	Central Vermont Adult Basic Education Inc.	\$ 6,000	\$ 0.0007	\$ 1	\$ 1	\$ 2	\$ 2	\$ 3
19	Central Vermont Community Land Trust	\$ 5,000	\$ 0.0006	\$ 1	\$ 1	\$ 1	\$ 2	\$ 2
20	Central Vermont Council on Aging	\$ 5,000	\$ 0.0006	\$ 1	\$ 1	\$ 1	\$ 2	\$ 2
21	Central Vermont Home Health and Hospice	\$ 18,000	\$ 0.0022	\$ 2	\$ 4	\$ 5	\$ 6	\$ 9
22	Community Connections	\$ 6,000	\$ 0.0007	\$ 1	\$ 1	\$ 2	\$ 2	\$ 3
23	Family Center of Washington County	\$ 3,500	\$ 0.0004	\$ 0	\$ 1	\$ 1	\$ 1	\$ 2
24	North Branch Nature Center	\$ 2,500	\$ 0.0003	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1
25	Friends of the Winooski River	\$ 500	\$ 0.0001	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
26	Good Beginnings of Central Vermont	\$ 400	\$ 0.0000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
27	Green Mountain Youth Symphony	\$ 1,500	\$ 0.0002	\$ 0	\$ 0	\$ 0	\$ 1	\$ 1
28	Montpelier Home Delivery Program (Meals on Wheels)	\$ 5,000	\$ 0.0006	\$ 1	\$ 1	\$ 1	\$ 2	\$ 2
29	Montpelier Veterans Council	\$ 1,500	\$ 0.0002	\$ 0	\$ 0	\$ 0	\$ 1	\$ 1
30	People's Health & Wellness Clinic	\$ 1,250	\$ 0.0002	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1
31	Project Independence-Adult Day Service	\$ 2,000	\$ 0.0002	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1
32	Retired & Senior Volunteer Program	\$ 3,000	\$ 0.0004	\$ 0	\$ 1	\$ 1	\$ 1	\$ 1
33	Sexual Assault Crisis Team	\$ 2,000	\$ 0.0002	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1
34	Vermont Association for the Blind & Visually Impaired	\$ 500	\$ 0.0001	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
35	Vermont Center for Independent Living	\$ 5,000	\$ 0.0006	\$ 1	\$ 1	\$ 1	\$ 2	\$ 2
36	Washington County Youth Service Bureau	\$ 5,000	\$ 0.0006	\$ 1	\$ 1	\$ 1	\$ 2	\$ 2
37	Washington County Basement Teen Center	\$ 15,000	\$ 0.0018	\$ 2	\$ 4	\$ 4	\$ 5	\$ 7
38	Washington County Diversion Program	\$ 1,950	\$ 0.0002	\$ 0	\$ 0	\$ 1	\$ 1	\$ 1
39	Youth Programs of Lost Nation Theater	\$ 3,500	\$ 0.0004	\$ 0	\$ 1	\$ 1	\$ 1	\$ 2
42	Circulator Bus	\$ 40,000	\$ 0.0048	\$ 5	\$ 10	\$ 11	\$ 14	\$ 19
Subtotal Other Agencies' Articles		\$ 474,150	\$ 0.0570	\$ 57	\$ 114	\$ 127	\$ 171	\$ 228
TOTAL of Articles		\$ 23,678,363	\$ 2.2678	\$ 2,268	\$ 4,536	\$ 5,057	\$ 6,803	\$ 9,071
Sewer Benefit Charge			0.02	\$ 20	\$ 40	\$ 45	\$ 60	\$ 80
Sewer Separation Benefit Charge			0.07	\$ 70	\$ 140	\$ 156	\$ 210	\$ 280
Estimated Total Taxes			\$ 2.3578	\$ 2,358	\$ 4,716	\$ 5,258	\$ 7,073	\$ 9,431

City Department Reports

Public Safety & Protection Program

Police Department

The Montpelier Police Department is comprised of 17 full-time sworn officers, six (6) full-time emergency service dispatchers, one new half-time dispatcher, and one administrative assistant. The personnel break-down consists of the chief, four (4) Sergeants (one per shift, with one swing shift supervisor), one (1) Detective, (1) School Resource Officer, and ten (10) patrol officers (three (3) of whom are Corporals). The department had one officer resign in the fall of 2011 and that position will be filled in February 2012 when police recruit Kathryn Purcell-White (who is currently the half time dispatcher) begins basic training at the Vermont Police Academy. The department will also be training two officers in bike patrol tactics and procedures as the return of MPD's highly successful bike unit becomes fully operational once again. One bike officer will be on the day shift and the other on the evening shift.

The department is also pleased to have a four-legged crime fighter and rescuer among our ranks once again with our new K-9 "Jake" (Officer Kevin Moulton handler). Jake was a rescue puppy whose statistics for being on the road for less than nine months (2011) include arrests and seizures for the following:

- Marijuana—5 incidents with arrests associated
- Cocaine—2 incidents with 3 arrests associated
- Heroin—3 incidents with 2 arrests associated (one ongoing case—federal)
- Crack Cocaine—2 incidents (ongoing investigations)
- Ecstasy—1 incident with 1 arrest
- Hashish—1 incident with 1 arrest



Jake is MPD's fourth K-9 since 1980. It is also important to note that several area businesses and area residents have made direct financial contributions to support MPD's K-9 program. Additional funding comes from the use of federally forfeited assets as a result of drug cases that MPD was involved in.

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 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 hour Dispatch/Communications center that provides contractual fire/EMS dispatching to 16 towns in addition to Montpelier. MPD Dispatch also provides dispatch and operational support for the Capital Police at the State House through a contractual memorandum of understanding. The combined revenue (FY '12) for these the two contracts for this regional dispatch service is \$159,805.

The department continues to maintain strong working relationships with other agencies, including the Vermont Governor's Highway Safety Program, the U.S. Bureau of Alcohol, Tobacco and Firearms, the U.S. 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.

All of our crime data reporting is submitted to the Vermont Crime Information Center (VCIC), which then submits the state data to the FBI. The reporting system used is called NIBRS (National Information Based Reporting System). This is a standardized reporting system that breaks down types of crime into A and B offenses. NIBRS data is available to the public by logging onto the following Web address: http://www.dps.state.vt.us/cjs/crime_11/. There is a six month delay in the update of NIBRS data.

Year	A Offense	B Offense
2007	699	577
2008	796	405
2009	645	400
2010	645	394
2011	634	347

The department was responsible for the arrest of 331 individuals in 2011. In general, the department has experienced a significant increase in drug offenses, a trend that was anticipated and is consistent with what other jurisdictions are seeing around the state as well. Domestic violence continues to be a serious concern for the department and for the community. Our response and intervention in these cases will continue to be one of thoroughness and compassion.

The May storms and Tropical Storm Irene:

The City experienced major flooding during two weather events in 2011. The heavy storm rains in late May resulted in unexpected flooding in the City. Numerous challenges ranged from washed-out roads, compromised propane tanks, flooding in the police station, culminating with the National Weather Service informing the Montpelier Command Post that downtown was going to be flooded in a matter of hours. The combined evacuation task force comprised of both MPD officers and MFD firefighters had effectively evacuated the affected areas in less than two hours. Swift water rescue teams (Colchester Technical Rescue) were deployed to three separate rescues by Montpelier Incident Command. Remarkably, there were no fatalities or reported injuries as a result of this event.

The lessons learned and the tests of MPD, MFD, and the Department of Public Works strengthened the City's emergency response capability and expertise. These improvements were put to use three months later when Tropical Storm Irene struck Vermont. In the aftermath of Irene, MPD reached out and assisted our neighbors in Waterbury, Moretown, and Northfield who were less fortunate. MPD personnel were even called upon, along with other police departments all over the state to render assistance in a variety of duties, one of which included a security assignment for the washed out cemetery in Rochester, Vermont. Ironically, the Montpelier Police and Fire Departments had just received swift water rescue awareness training by Colchester Technical Rescue before these events occurred.

The Commendations of 2011:

In March 2011, SGT Richard Cleveland was recognized for his heroic response while interrupting an attempted murder in progress which directly saved the life of a young woman. That same month, Officer Kevin Moulton was also recognized for his heroic efforts which saved a man's life as the victim was on the verge of being swept under the ice in the North Branch River.

Dispatchers Andy Apgar, Cheryl Goslant, Tom Conneman, and Katy Purcell-White received commendations for the actions during the day and night shifts of Tropical Storm Irene. Their challenges were further compounded during the height of the storm when the Vermont's Emergency Operations Center

needed to be evacuated. These dispatchers directly helped first responders on scene mitigate multiple life threatening situations as local communities from Roxbury to Bolton were being devastated by Irene.

The Montpelier Police Department remains committed to prompt response to calls for service, to solve problems in concert with community members, 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 and Emergency Services

Committed to Professional Excellence

The members of the Fire and Emergency Services 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. This immediate response has been decisive in keeping a number of small fires from extending into much larger incidents. Many others were assisted in dealing with various health and other problems.

The mission of the Montpelier Fire and Emergency Services 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.

Mission Statement

The Mission of the Montpelier Fire and Emergency Services Department is the preservation of the Life, Health, Property, and the Environment for its residents and businesses at a reasonable and acceptable cost. We value the faith and trust of the Community and will continually work to deserve that confidence through our Conduct and Accomplishments.

The Montpelier Fire and Emergency Services Department shall develop expertise through innovation and progressive thinking to address change effectively and efficiently while providing fire suppression, fire prevention, building inspections, hazardous materials response, natural disaster response, multi-environmental rescues, public safety awareness programs, emergency medical care, transportation of the sick and injured, and emergency medical public education.

Commanded by the Fire Chief, this department shall be comprised of sufficient personnel and properly equipped to safely accomplish this mission. The Montpelier Fire and Emergency Services Department shall be augmented by a Mutual Aid Assistance Agreement with surrounding communities with the common goal of saving lives and protection of property. The Montpelier Fire and Emergency Services Department members shall be physically, mentally, and technologically prepared to meet the Mission requirements and shall maintain this level of readiness through a standardized training program while continually encouraging themselves to improve personally, and professionally.

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.

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 AND EMERGENCY 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 25% 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 2011 we received fire or ambulance mutual aid 40 times and provided it 77 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 2011

EMERGENCY RESPONSES

<u>Type Of Alarm Responded To</u>	<u>Montpelier</u>
-Structure Fires/Alarms	184
-Vehicle Fires	12
-Other Fires	21
-Power Lines	14
-Vehicle Accidents (Initial Fire Response)	86
-Other Rescues	36
-Flooding, Water Problem	26
-Collapse, Structural Problem	2
-CO Alarm Activation	53
-Electrical Problems	10
-Odor/Smoke Investigation	38
-Leak/Hazmat	35
-Entrapment	2
-Fire Alarm Problems	28
-Other Emergency / Personal Assist	109

EMS Emergency Response 938

NON EMERGENCY RESPONSES FOR SERVICE

Type Of Service Requested

-Burn Permits 72
 -Service Calls/Other Non Emergency 75

Ambulance Non Emergency Transfer 420

Total 2161

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 use 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 2011, 285 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 2011 there were 100 inspections done.

Of significant note, the efforts of the Building Inspector helped with the restoration of numerous rental units around the city. 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 .One major project this year has been the restoration of the Senior Center at 58 Barre St.

Of special note the Building Inspectors office has been moved

to the Planning Office in City Hall. This should make for a much more efficient permitting process.

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 Fire Chief, Police Chief and Public Works Director. 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 into the fire department operations.

In 2011, 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. Major weather events and flooding in May and August forced the Emergency Management team to declare an emergency and opened an Emergency Operations Center for both events. Other areas of concern include propane transport through the city.

CONTACT INFORMATION

Emergencies Dial 9-1-1
 Building Permit..... 223-9506
 Health Officer 229-4913
 Building Inspector..... 262-6170
 Other Fire/Ambulance Business 229-4913

Robert Gowans, *Fire Chief*
 Department 229-4913
 Cell 371-9633
 rgowans@montpelier-vt.org

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 building at 39 Main Street (City Hall).

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 Hebert Road and North Franklin Street. We were unable to perform any significant amount of sidewalk replacement due to the lack of funding in the Capital Improvements Program and with the lack of available contractors to perform the sidewalk replacement planned. The office was very busy this year with a substantial amount of oversight and project management of the multiple damage sites caused by the May storm event that brought flood waters to our City, as well as our other summer projects such as paving.

The Streets Division again had a very difficult year with excessive snowfall amounts and followed up by the May floods that caused a great deal of damage to our roads, culverts and ditches. The flooding took a great deal of time and effort to make the roads passable. We were able to hire a few contractors to perform some of the damage repairs that were necessary, which enabled the employees to start performing the normal

summer maintenance projects, such as pavement markings, street sweeping, catch basin repairs, etc. The Streets Division is continually tasked with ensuring that the roads and sidewalks are safe and passable while trying to keep overtime and salt usage to a minimum. This year, the winter was more taxing than the last, causing overruns in salt and overtime, which pushed us over our budgeted amounts.

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 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 one or more employees to the Streets Division to fully staff the equipment during winter operations periods.

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 mechanics also perform much needed assistance to the Wastewater Treatment plant staff with welding and other tasks to supplement their needs with the recent reduction in that division. 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. The staff has increased the efficiency of the processes in an effort of reducing costs and increasing revenues for the septage and leachate receiving. Daily operations include septage and leachate receiving, laboratory work, sludge pressing, de-watering, 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. The staff is continually performing preventative maintenance to the process equipment to extend the life of each piece. This Division also fulfills State reporting requirements, prepares the Consumer Confidence



Towne Hill Rd Culvert Replacement



Gallison Hill Rd Three-sided Box Culvert



Wastewater Treated Effluent Pump Station at DPW



Towne St Stream Channel Project



Safe Routes to School Project

Report every spring, and performs facility and grounds maintenance.

The Building Maintenance person has been very instrumental in the renovations that have occurred at City Hall. The first floor bathrooms have seen much needed rehabilitation which has also improved the accessibility of these bathrooms and received a much needed painting, as did the basement floor bathrooms. The Public Works office received some maintenance by removing the carpets and replacing it with tile and painting the walls, which will improve the air quality in the offices. This work, coupled with the additional work cited in the Capital Needs Assessment, will give the building a long overdue facelift to our wonderful building.

There has been a fairly sizeable turnover of employees in the Public Works Department this year. We would like to thank these employees and wish them well in their retirements or the new paths that they are following:

Steve Baker, Streets Division	10 year's service;
Harold Blake, Wastewater Treatment	15 year's service;
Dolores Codling, Equipment Division	5 year's service;
Ron Mercier, Wastewater Treatment	30 year's service;
Tim Pond, Streets Division	3 year's service;
Gerry Smith, Wastewater Division	42 year's service.

We are very fortunate in having a great group of dedicated employees working for the Public Works Department. The personnel of this department respond to snow storms, water and sewer breaks, treatment plant alarms, natural disasters, building alarms and more for the residents and customers of the City of Montpelier. I would also like to recognize the other departments and their department heads for the cooperation and support in times of need. I would like to thank Bill for his guidance and wisdom and also Ginny, Tom and Kurt for their support and teamwork that makes this department so successful.

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

Todd C. Law, PE, *Director*



Photo courtesy of Sandy Pitonyak

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 (includes some Town of Berlin users) 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 increased 5% each year on July 1, 2007, July 1, 2008 and on July 1, 2009 (no increase in 2010). On July 1, 2011 the fixed charge was increased from \$25 to \$30 per quarter. 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 \$30.00.

Annual water usage decreased more than 9 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.

Over the last six years the Water Fund accumulated a deficit due to high fixed costs (debt) and a reduction in billable usage due to conservation. For the 2011 fiscal year, this deficit trend ended with an unrestricted deficit reduction of \$44,000.

The Fiscal Year 2013 Budget Information about the proposed Water Department Budget can be found online at: <http://www.montpelier-vt.org>. For Budget questions, please contact the Finance Department at 223-9520. 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 were no increases in the rates on July 1, 2010 or July 1, 2011. Utility rates may 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 2012 to consider future rate structures and/or increases that may be necessary to cover operating and debt service costs.

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 \$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 FY13 which begins July 1, 2012.

Information about the proposed FY13 Sewer Department Budget can be found online at: <http://www.montpelier-vt.org>. For Budget questions, please contact the Finance Department at 223-9520. 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. The big news in parking for 2011 is the installation of three new solar powered parking permit vending machines located at Capital Plaza, 60 State Street, and Blanchard Court lots. These devices also allow the convenience of paying with credit/debit cards.

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. The planning functions, which include land use regulation, historic preservation, and floodplain management, are managed by the Director, the Planning and Zoning Administrator, Planning Assistant, and GIS specialist.

The housing, loan, and economic development activities are carried out through our role as the Community Development Agency (CDA) for the City of Montpelier. Staff in the department who is dedicated to this role includes the Community Development Specialist and at least half of the Director of Planning and Community Development's time and effort. The VISTA volunteers we have in the office are invaluable in terms of community engagement and providing

information and service to the public.

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 2011: The two youth positions are now filled by students at Montpelier High School – Emily Campbell and Reed Bingham. Eileen Simpson and Kim Cheney are also new appointments in 2011, taking the place of David Borgendale and Missa Aloisi. David Borgendale served on the Planning Commission for more than 15 years, and was most recently Chair of the Central Vermont Regional Planning Commission; his contributions to planning in the city and the region will be missed.

The full Planning Commission is as follows:

Members	Effective	Expires
Jesse Moorman, Chair	8/25/10	8/25/12
Jon Anderson, Vice Chair	10/12/11	10/12/13
Alan Goldman	8/25/10	8/25/12
Eileen Simpson	10/12/11	8/25/12
Kim Cheney	2/23/11	8/25/12
John Bloch	04/13/11	3/25/13
Tina Ruth	10/12/11	10/12/13
Emily Campbell, Youth Member	9/2011	8/2012
Reed Bingham, Youth Member	9/2011	8/2012

Zoning Revision: Since the Master Plan was adopted in 2010, our next major task is to revise the zoning so that it conforms to the new plan. This is required by state law, and makes the land use controls we have in place enforceable in court. The city has received two municipal planning grants from the State of Vermont that allow us to contract with staff from the Central Vermont Regional Planning Commission to assist with the revision. In 2011, we held over 25 meetings around the community to get citizen input into the zoning for their neighborhood, and have now moved into the final drafting phase of the initiative. We have prepared revised zoning maps in anticipation of the new ordinance. The maps are built on the neighborhoods in the city, to prepare zoning that reflects a sense of place for areas with similar functions, uses, and built form. The maps and all of the draft ordinance work can be found on the city web site at: <http://www.montpelier-vt.org/page/462/Work-in-Progress-Draft-and-Sample-Zoning.html>

Floodplain Management – Community Rating System (CRS): The Planning & Zoning Administrator serves as the Floodplain Manager and CRS Coordinator.

The City of Montpelier participates in the National Flood Insurance Program (NFIP), and as a participating community, the City is committed to the following minimum NFIP activities:

- Issuing or denying floodplain development permits.
- Inspecting all development to assure compliance with the local floodplain ordinance.
- Maintaining records of floodplain development.
- Assisting in the preparation and revision of floodplain maps.
- Helping and assisting residents obtain information on flood hazards, floodplain map data, and flood insurance and proper construction measures.

Additionally, the NFIP's Community Rating System (CRS) is a voluntary incentive program that recognizes and encourages community floodplain management activities that exceed the minimum NFIP requirements. As a result, flood insurance premium rates are discounted to reflect the reduced flood risk resulting from the community actions meeting the three goals of the CRS: (1) reduce flood losses; (2) facilitate accurate insurance rating; and (3) promote the awareness of flood insurance.

For CRS participating communities, flood insurance premium rates are discounted in increments of 5% - i.e., a Class 1 community would receive a 45% discount, while a Class 9 community would receive a 5% discount. The City of Montpelier is one of three communities in Vermont – including Bennington and Brattleboro – that participate in the CRS program. The City of Montpelier is currently a Class 9 community and we receive an insurance premium discount of 5%. The CRS classes for local communities are based on 18 creditable activities, organized under four categories:

1. Public information,
2. Mapping and Regulations,
3. Flood Damage Reduction, and
4. Flood Preparedness.

The Federal Emergency Management Agency (FEMA) embarked on an effort to digitize the Flood Insurance Rate Maps (FIRM) called the Digital Flood Insurance Rate Maps (DFIRM). Flooding events in 2007 stalled efforts for the adoption of these DFIRMs. Furthermore, the City of Montpelier prevailed in an appeal of the DFIRM and Preliminary Flood Insurance Study (FIS) for Washington County in 2009.

In the interim, the City has also revised and adopted its floodplain regulations to maintain minimum compliance with

the NFIP requirements – see 2008 and 2011 revisions.

Next steps: FEMA will issue a Letter of Final Determination (LFD), which will establish an effective date for the Preliminary FIS report and DFIRM. FEMA and VT ANR-River Management expect the FIS and DFIRM to be adopted by the end of 2012.

Floodplain information is available online: <http://www.montpelier-vt.org/community/344/Flood-Information.html>

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 received \$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 2012. 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/department/68.html>

The MHPC is comprised of 5 community members:

- Anthony Otis was reappointed and serves as chair – term expires 9/14/14.
- James Duggan – term expires 9/22/12.
- Eric Gilbertson – term expires 9/22/12.
- Helen Husher was appointed to fill an unexpired term – expires 9/22/13.
- Tim Senter – term expires 9/22/13.

DEVELOPMENT REVIEW – LAND USE REGULATION

The Planning & Zoning Administrator provides staff support to the Development Review Board and Design Review Committee. During 2011, approximately 140 zoning permits were issued.

Specifically, DRB approval was required for 55 of the 140 permits, 43 of these 55 permits also required DRC approval, 32 permits were for signs, and 85 permits were administratively approved. Approximately 6 variances were granted by the DRB. Finally, 9 dwelling units were added in 2011.

Development Review Board (DRB):

- Phil Zalinger continues to serve as chair – term expires 7/24/12.
- Kevin O’Connell was reappointed and continues to serve as vice chair – term expires 7/23/14.
- Elizabeth Koenig – term expires 8/10/14.
- Roger Cranse – term expires 7/24/12.
- John Lindley was reappointed – term expires 7/23/14.
- Dan Richardson – term expires 8/8/13.
- Brian Lane-Karnas – term expires 7/14/13.
- Alternates – Ali Sarafzadeh – term expires 12/9/12 – and James LaMonda – term expires 8/10/12.

Design Review Committee (DRC):

- Steve Everett was reappointed and continues to serve as chair – term expires 9/14/14.
- James Duggan continues to serve as vice chair – term expires 10/28/12.
- Jay White – term expires 4/8/12.
- Kate Coffey was reappointed – term expires 9/14/14.
- Eric Gilbertson was reappointed – term expires 9/14/14.
- Alternates – Zachary Brock – term expires 10/28/12 – and Tim Senter – term expires 10/28/12.

Development Review Board and Design Review Committee information is available online: <http://www.montpelier-vt.org/group/64/Development-Review-Board.html> <http://www.montpelier-vt.org/group/63/Design-Review-Committee.html>

COMMUNITY DEVELOPMENT

The Community Development office experienced a challenging year with the loss of Community Development Specialist, Garth Genge who shepherded through the construction of the Senior Center at 58 Barre Street and the completion of Turntable Park, two projects that have long been in the works. Happily, Garth had a moment of triumph late in his illness when he was able to attend the ribbon cutting for Turntable Park, an occasion attended by community members and municipal officials. Garth rode across the walkway that spanned the former roundhouse machinery and raised his fist in triumph.

Ken Russell has been serving as Interim Community Development Specialist in Garth’s absence, and the department is in the final stages of a hiring process for the permanent position. Moving forward the office hopes to continue to work on the development of economic opportunities and improved

housing for the city.

Economic Development

Shifting our energy use to renewable, low emissions alternatives and increasing energy efficiency will help the city stay economically viable for years to come. Adding alternative means of exchange and building community resilience are also vital parts of local economic health. Energy, food, water, and money are critical economic flows that need to be understood and re-localized in this new era of federal cutbacks, currency instability, and depleted resources.

Three initiatives that are critical for the economic health of our community are the District Energy plant, the Time Bank and Care Bank programs through REACH and the Onion River Exchange, and the Central Vermont Food Systems Council. The city contracted with the Community of Vermont Elders (COVE) in July to take over the management of the REACH program. We hope that COVE will be able to expand the program so that it has more of a statewide focus, and make it sustainable over the long term. As the annual report goes to print, the contracts we have with the State of Vermont for power purchase and capacity are being finalized. The Central Vermont Food Systems Council has been playing an active role in stabilizing and enhancing the local food producers, processors, and vendors through the Grow Local Festival and the development of a new food storage project.

Community Development staff also worked closely with members of the Montpelier Alive Economic Development Subcommittees on Infrastructure, Business Development, and Recruitment and Promotion to develop a unified and effective strategy for economic development in the city. Finding a way to move beyond historic obstacles and to shift the narrative within the city on economic development were key values.

Looking forward, we see great hope for significant achievements in a strong business development strategy for the town including maximizing the utility of the built structure in town, effective understanding and marketing of local resources, and implementation of an effective economic development strategy that reflects both the values and goal expressed in the City of Montpelier Master Plan and the significant momentum achieved in the committee processes.

Areas of growth and potential are the development of incubator spaces for new businesses downtown, the development of business support mechanisms and intellectual and social capital, and an ongoing strategy for maximizing the existing physical structure in the city. The need for a strategic marketing plan that builds on these development strategies was also emphasized. To that end, the department built a new Economic Development section on the city website and is in the process of examining further our marketing presence through collaboration with natural allies. We see the upcoming

Town Meeting on Economic Development as an important opportunity to build on this momentum and all of these good efforts.

58 Barre Street/MSAC: The Senior Center project at 58 Barre Street was well on its way to completion as this report went to press, on schedule to be complete by June 2012. 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 VCDP, USDA RD, VHCB, US 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 build-ing 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.

Barriers to Housing Report: Community Development

worked with the City Council summer committee on the Barriers to Housing report and will work with the Housing Task Force, the Planning Commission and the Housing Trust Fund committee in 2012 to find potential ways to implement the recommendations of the report including the developing a Design Competition inclusionary zoning, and means for preserving the existing housing stock. The committee work was assisted by the work of two Vermont Law School Land Use Clinic students.

Stormwater Efforts: In the wake of two strong flood events, the need for managing stormwater downtown has become especially evident. Community Development worked closely with Public Works and downtown building and business owners, as well as experts in the issue to explore means of managing storm water. With the expertise of storm water experts from the Vermont League of Cities and Towns, Stone Environmental, Friends of the Winooski, and special assistance from Antioch University of New England Graduate Student Sarika Tandon, we have moved forward towards meaningful solutions for upgrading antiquated infrastructure and protecting our watersheds.

Housing Trust Fund: In 2011 the Housing Trust Fund (HTF) completed the grant of \$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 City's 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 completed 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 2012. The total amount of funds still available is \$40,886.35. There are 2 active loans presently.

To date the program has assisted 114 homeowners and loaned over \$1,051,041.00. During this past year we supported important renovations in 2 homes for a total loan amount of \$11,547. There are still funds available for qualified homeowners. For more information, see <http://www.montpeliervt.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. Looking forward, the ADA Fund portion of the Revolving Loan fund is being examined to assist efforts with ADA compliance and the work of the ADA Committee.

AmeriCorps/VISTA Support

In 2011, the VISTA volunteers on the enVision Montpelier project changed, as Taylor Newton accepted the position of Zoning Administrator for the town of Milton, and Isaac Lawrence moved to North Carolina to pursue graduate education in Urban Planning. We are now fortunate to have Scott Humphrey and Hannah Snyder as VISTA staff helping us with the outreach for the zoning revision, supporting the CAN neighborhood associations and assisting Central Vermont Food Systems Council to reach its goal of a garden in every Washington County school and local food sovereignty. In November, VISTAs helped organize the inaugural Neighborhoods Day, an emergency planning and rezoning outreach event that took place during the Thanksgiving Farmers Market at Montpelier High School.

Website/GIS/E911

Geographic Information System: The City's GIS system is an important databank for information, and the GIS Specialist 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 Geospatial 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 2011, the GIS Specialist was responsible for creating and updating shapefiles and maps representing CAN neighborhoods and proposed zoning district boundaries for the Citywide rezoning initiative. He also worked with the City Parks Department to refine trails data in the City Parks, and completed a full revision of all of the City Parks maps. These are now available on the website at <http://www.montpelier-vt.org/page/459>. Working with members of the City Council, he used 2010 Census data and E911 site data to analyze the City's existing voting district boundaries to determine if reapportionment is necessary. He worked with the City Assessor on updates of the parcel maps, boundary determinations, and maintenance and formatting of parcel data for the City's interactive online parcel maps. These are located at <http://www.ivsgis.com/muniweb/montpelier/mainpage.asp>. He also performed ongoing software updates, as well as troubleshooting of GIS software and data issues, 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. He provided help as needed to the Public Works Department, with whom he has begun to create GIS shapefiles of City easements and will continue to do so in 2012.

E911: The E911 coordinator worked with landowners, the E911 board, and the US Postal Service, and relevant City departments to determine correct E911 numbering for new building sites, as well as existing sites. He worked with the E911 board to check existing E-site information and rectify numbering errors so that the state's E911 database is up-to-date, and responded to calls/emails from telecom/internet services to verify addresses for phone/cable/internet services.

Website: The webmaster works with various City departments and partners to develop, contribute content, and manage their sections of the website. The Planning Department works with the site programmer, the site hosting service and the IT department to make sure it runs smoothly and troubleshoot potential issues with its functionality. In 2011, an important focus of work on the website involved making city documents available to the public in an online format. We continued to add archival meeting minutes and agendas from the City's boards and commissions to the "Document Archive" section of the website. We also worked with the Planning Assistant to format and upload all recent Zoning documents (from 2007 to current) to the Document Archive. The document Archive can be found at this link: http://www.montpelier-vt.org/browse_historic_documents.html. In 2011 the City's website became integrated with Facebook and Twitter. When an update is posted to News, Notices or Events, it sends an update to Montpelier's Facebook and Twitter accounts. The website is moving towards meeting ADA standards for accessibility, but we still have some work to do. 2012 will see more progress towards this goal.

Gwendolyn Hallsmith, *Director*

Management & Support Program

Finance Department

Financial Management & Administrative Services

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

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

<http://www.montpelier-vt.org/group/390/Financial-Documents.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. Our Chart of Accounts has over 2200 accounts which is an indication of the complexity of our financial structure.

Our department is part of a major reorganization which began in 2011 when the city treasurer position became an appointed rather than elected position. Our plan is to combine the treasurer functions with the Finance Department to increase efficiencies and strengthen financial controls. Another important event is the announcement that Charlotte Hoyt, Clerk/Treasurer for many years, will retire from the City Clerk position in March, 2012. Charlotte works diligently to balance her clerk and treasurer responsibilities. She will be

an important contributor to the success of our restructuring. We will be consolidating employees with finance and treasurer duties in the FY 13 Budget. In addition to the reorganization, we have a goal to strengthen our human resource services as recommended in the Matrix Management Study.

At this time the department relies on Sharon Blatchford, Payroll and Human Resource Manager, and two Staff Accountants, Ruth Dockter and Kristine Morande to oversee daily financial activity and perform the responsibilities of the department. 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 strive to minimize the effects of ever increasing operating and infrastructure costs, unfunded state and federal regulations, and the extremes of Vermont's weather. The flood damages to the City's streets and Wastewater Treatment Plant caused by the May 27th storm and Hurricane Irene totaled over \$1,500,000. Also, financial difficulties are increased with the lingering economic downturn. Constant efforts are required to manage the cost of employee benefits. Our aging roads, drainage systems, buildings, sewer and water facilities all present immediate needs for improvements.

Our city staff actively pursues state and federal grants to help pay for flood damages, new programs, replace equipment and capital improvement projects. In FY11, the City expended more than \$2,000,000 in grant funds on 40 federal and state grant awards. Looking ahead, the City will receive an additional \$9 million dollars in grant awards for three new multi-year programs; the Bio-mass Energy Project, REACH (Rural Elder Assistance Care Bank), and the Justice Center's re-entry program. Our efforts to maximize non-property tax revenue and carefully manage expenditures become increasingly important as the City faces the financial challenges ahead.

I appreciate the support that the Finance Department receives from the City Council and William Fraser, City Manager and the City's management team. 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 2010 through June of 2011, provided several upgrades to existing technology over several departments. The most significant was an upgrade to the Fire Department Ambulance incident-billing reporting and mobile wireless system and associated hardware.

The City expanded the data storage capacity and availability. The expansion was used to facilitate the electronic archiving of municipal records, plans of buildings and utilities and evedinal video storage.

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, Wastewater Treatment Plant and Water Filtration Facility in Berlin is configured to enhance the secure management of the potable water and wastewater systems and radio communications between the garage and various remote units. All firewalls and gateways were upgraded both for security and reporting capabilities.

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*
fskeels@montpelier-vt.org

Assistant City Manager/ Delinquent Tax Collector's Report

Don't need to pay income taxes? You still need to file Form HS-145 if you want the State to help you pay your real estate taxes. Many Montpelier homeowners have found out too late that they would have qualified, but they did not file HS-145 by April 15th. In fact, if you don't have to pay income taxes, you probably are more apt to be qualified.

You can get the form HS-145 from the Vermont Income Tax Booklet, or on line by going to www.tax.vermont.gov and click on forms. Scroll down to Property Tax Forms at the bottom. Then click on HS-145. Or you can stop by the Vermont Tax Department and pick up the form and ask for help. You can also call 828-2865 and follow the instructions to have them send you Form HS-145. The Tax Department usually provides

the City with tax booklets containing the required forms, but as of the middle of January, 2012, they still have not arrived.

Think you make too much money to qualify for help with your taxes? Don't be so sure or you could find out that you, too, have missed out on help with your taxes. The help comes from an adjustment that is the difference between housesite school property tax and the maximum school property tax you should pay based on your income as established by law. Any help the State gives you with your taxes will be sent directly to the City and will be applied directly to your bill. You will receive a bill from the City for the difference due after the credit. Over 1200 property owners were given assistance with their Montpelier residential taxes this past year. It may be as little as a \$1 or as much as \$8,000. I would say the average in Montpelier is around \$2,000. Fill out Form HS-145 whether you think you qualify or not. The State can always say no, you don't qualify, but if you don't file HS-145, you will never know but what you might have qualified.

I believe the above assistance is one of the reasons that our tax delinquencies remain what the auditors consider low. At the end of the calendar year, we had approximately \$50,000 in outstanding taxes from last year on a total taxes billed of slightly over \$7 million. Most of these are on payment plans and, those that aren't will face a tax sale late next spring. Water and sewer delinquencies are higher than I believe they should be and people need to know that delinquent water and sewer bills can also result in a tax sale as they are a lien on the property. Again, we work to arrange payment plans that will get people caught up within a reasonable time so, please don't hesitate to call me. I will work with you. (223-9512).

While HS-145 MUST BE FILED EACH AND EVERY YEAR BY APRIL 15, FORM HS-131 (VERMONT HOMESTEAD DECLARATION) must be filed only when there is a change in the use of your current homestead or when you purchase a property that will be used as your homestead. If you filed a 2010 or 2011 Homestead Declaration on your property, you do not have to file another declaration until there is a change in the use of the property or a different property becomes your homestead.

You will need to file a HS-132 (NOTICE TO WITHDRAW VERMONT HOMESTEAD) if you have sold your homestead property; no longer being used as a homestead; the property is owned by an estate and it has been more than one year since the homeowner's death or rented; or the declaration was submitted in error.

OVERSIGHT OF THE SENIOR CENTER

My role in this capacity has changed substantially since Jana Clar was named Director and Johanna Nichols was hired as her assistant. They replace Lucinda McCloud, longtime program director and Kitty Langlois, office assistant and bookkeeper

who retired the first of September.

Jana and Johanna each were hired to work 32 hour flex weeks. Susie Gomez remains part time at 16 hours a week as an office assistant. Together we have the history that Susie brings to the Center and the enthusiasm and capabilities that Jana and Johanna bring. Together, they are a strong team that have taken many of administration headaches off my plate.

We anticipate the renovated Senior Center will reopen late spring or definitely by July 1st. The 14 housing units upstairs are under the direction of the Montpelier Housing Authority. They are not yet ready to take applications, but will notify the Senior Center as soon as they are. We hope to be able to have an open house before the housing units are opened up.

Check out the City website by going to www.montpelier-vt.org and then going to the heading COMMUNITY. Under that it will bring up MSAC and their blog. It has their monthly newsletter and calendar as well as a blog which narrates the Capital Campaign (click on Capital Campaign blog) to see the rebuilding of the Center since the fire. The Seniors have raised approximately \$150,000 toward their \$200,000 goal. They were aided in this endeavor by the pledges of \$30,000 by the Community National Bank; \$10,000 by VSECU, \$10,000 by the Montpelier Foundation and \$7,500 by the MacLeay Foundation along with smaller ones, just as significant to the end result. Every \$5 is important at this point and the Seniors would welcome your contributions which are tax deductible. If you call the Center at 223-2518, they will get a contribution form to you. You can also pledge over a couple of years.

PILOT

While this was an important part of my role for such a long time, the formulas I worked on to put in place under ACT 60 result in automatic payments to the City for property owned by the State in Montpelier each year. Those formulas which provided increase revenue to the State and thus the City each year come from local option taxes charged by various municipalities throughout the State. The PILOT formula receives 30% of the local option taxes collected and the town charging the local option gets to keep 70%.

If Montpelier adopts any local option taxes, we will get to keep 70% and in addition, will receive a percentage of the 30% as a PILOT municipality. Last year Montpelier received \$780,912 plus an additional \$184,000 in statute because we are the capital city and provide many public safety resources to the capital complex. The \$780,912 was approximately \$47,000 over the previous year. As you can see, together these two figures are closing in on a million dollars. Back in the early 90's when the first pilot payment was made to the City it was for \$25,000. We have come a long way, obviously, local option taxes have been the major factor. The current contributions by

the State PILOT reflect a reduction in what our tax rate would be of approximately 11.5 cents.

Many of you have asked me what does the role of Assistant Manager consist of. It is different each and every day. In addition to the above, the Manager will often assign me to projects as they start out, for example the Carr Lot, the bike path, the Pioneer Bridge public relations, etc., till they need more expertise. Over the years, I have worked for other departments, when a department head is out or they are short on personnel. As noted above, when the City took the administration of the Senior Center back from the School Department in 2009, City Manager Fraser appointed me to handle the transition.

On a daily basis, I handle numerous calls that come in from our residents with various issues and then work with the departments responsible for the issue arising from the call. These can be about debris under the bridges, potholes, monies available for loans from the City. This saves the Manager to work on more complex issues, most recently, the BioMass project. The manager does deal with a lot of the same issues I referred to above and has an "open door" to all residents.

I attend lots of meeting around the community and State representing either formally or informally the City and Manager. Currently, I am serving as Chair of the Central Vermont Economic Development Corporation which plays an important role for the City since we don't have a full fledge Economic Department, though our Community Development Office and the Community Development Specialist which is joined with the Planning Office does work on various programs that are certainly economic related. I have worked closely with this department over the years. Housing and grant programs such as REACH are economic drivers in our City.

Bottom line, I spend lots of hours each week making sure a big portion of our revenues are collected – taxes, water and sewer. The importance of keeping revenues current needs no explanation.

Hopefully, I have given you an idea of what I do and that you can feel the enjoyment I get from dealing with all of you on our City's needs. Please feel free to call me at any time.

BEVERLEE PEMBROKE HILL,
Assistant City Manager, Delinquent Tax Collector

Montpelier City Clerk & Treasurer's Office

The City Clerk & Treasurer's Office handles the processing of all payments and fees for all city entities, as well as preparing and mailing the property tax and utility bills. We also record

and process all land record documents and vital records for the City of Montpelier. The voter checklist is maintained in this office. We make preparations for, send absentee ballots, and supervise the local, primary and general elections.

This year we have worked on implementing the availability of using electronic check payments, credit/debit cards, via the internet and/or IVR system. This would be used for the payment of property taxes, water & sewer bills, tickets and other municipal charges. Because the City is a municipal government, there is a convenience fee charged for using this service. This service is available through Official Payments and there is a link set up on the City's website.

We have also been working on making the land records available through an internet connection. This should be up and running by March Meeting. This will allow for the research of the City's land records back to 1993 from your home or office computer. We have also contracted to have the land records prior to 1993 uploaded and indexed and when that project is completed, those will also be available through an internet connection.

The City Clerk-Treasurer Office staff has enjoyed serving you in the past and look forward to serving you in the future.

I have decided not to run for the office of City Clerk in March, 2012. I would like to take a moment and let the residents of the City of Montpelier know that I have enjoyed working for you and with you. I would also like to thank the Mayors, City Council Members, City Managers, Board of Civil Authority Members, Election Workers and all city staff for their help during my years at City Hall.

It has truly been a pleasure.

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 as of April 1 each year and filed in late June. Building and zoning permits, property transfer tax returns, surveys and field inspections are used to update assessments.

Appeals to the State Appraiser from the 2010 Reappraisal have all been heard and decisions rendered. This leaves only the appeal by National Life Insurance Company to the Superior Court still pending.

I would again 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.

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 1/1/2012, is 99.63. This means that, on average, Montpelier properties are assessed at approximately 99.63% 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.

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

The 2011 Grand List includes 2,922 taxable real properties and 502 personal property accounts, plus cable and exempt properties. The final figures in the 2011 Municipal Grand List (except State Appraiser ordered changes) for taxable properties are as follows:

Property type	Number of parcels	% of Grand List Value
Residential	2,118	58.5%
Commercial	266	24.5%
Commercial Apartments	76	5.0%
Industrial	8	0.3%
Utilities- Electric	3	1.1%
Condominiums	385	7.5%
Misc- Land	66	0.6%
Cable	2	0.1%
Personal Property	502	2.4%

Total taxable property value by category:

Residential	\$489,011,900
Commercial	205,266,200
Commercial Apartments	40,987,100
Condominiums	62,774,300
Industrial	2,697,900
Utilities	9,337,400
Miscellaneous	<u>4,943,900</u>
TOTAL Real Property	\$815,018,700
Cable	846,587
Personal Property	<u>19,856,557</u>
TOTAL TAXABLE PROPERTY	\$835,721,844

From the above, almost \$4.5 million in exemptions for Veterans, tax stabilization agreements and Current Use are subtracted, resulting in a Total Municipal Grand List of \$8,312,733.10.

Despite declining property values in many parts of the country, values in Montpelier appear to be holding quite steady after leveling off in 2007. We will continue to monitor value trends

as we approach April 1, 2012.

Jane Aldrighetti, my 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, Thursdays and Fridays. If you have questions or concerns regarding the valuation of real property in the City, please feel free to contact our office. The telephone number is 223-9504.

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

STEPHEN TWOMBLY, *City Assessor*

Montpelier Senior Activity Center

A Gathering Place for Healthy Aging and Lifelong Learning

During FY 2011, Montpelier Senior Activity Center (MSAC) continued to make its temporary home at 46 Barre St. as plans progressed to renovate its permanent home at 58 Barre Street for the Senior Activity Center. The upper floors are being renovated into apartments which will be managed by the Montpelier Housing Authority. MSAC staff continued to work with other city staff, advisory board members, and Capital Campaign members to make plans and raise funds. We are happy to report that as of December 2011, most of the funding was in place for the renovation. Renovation is well underway, and we hope to be back in 58 Barre Street by summer 2012. Our Capital Campaign continues in order to close the remaining financing gap of approximately \$58,000 as of late December 2011.

Our membership grew by 4% during FY 2011 to 625 paid members. People 50 years and over are eligible to join. 61% of our members are from the City of Montpelier, 18% are from Barre Town and Barre City, 13% are from the U-32 school district (Berlin, Calais, East Montpelier, Middlesex and Worcester), and the remaining 8% come from other Vermont communities. We received contributions from U-32 district towns totaling \$1049 and are hoping to increase this amount in the coming year. We received \$125,707 through the City of Montpelier appropriation, which was overwhelmingly approved by the City voters. Many Barre residents join only for the purpose of belonging to our bowling league and/or taking trips with MSAC, as Barre has its own Senior Center. Recently their Center hired a highly qualified administrator and received a substantial gift from a community member.

Looking at the end-of-year budget report, it appears that MSAC had an un-budgeted deficit of over \$17,000, but this was actually offset by the MSAC Endowment Fund. Montpelier City Council approved just under \$17,000 to be used as

matching funds for a State of Vermont Planning grant for improvements at 58 Barre St. The Council has also approved another \$200,000 from the Endowment to be spent on construction funding in FY 2012.

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 are playing a substantial part in financing the renovations of 58 Barre Street. Our operating expenses for Food Services were minimal during FY 2011 since we were not operating our own kitchen for congregate meals. We have kept seniors together through weekly meals at the Montpelier High School, the Montpelier Elks Club in the summer, and special catered monthly meals at St. Augustine's Church. While MSAC has saved money through these arrangements, we look forward to 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, through the efforts of our staff and volunteers.

Trips continue to be popular and are facilitated by the use of our 12 passenger van. We have several paid drivers for our day trips throughout Vermont and New England. This small van has allowed us to provide very affordable, comfortable, and safe trips for seniors. Some of the most popular day trips in Vermont were the Lake Champlain Ferry ride and trip to the Maritime Museum, trips to Hildene, Perennial Pleasures, the Quechee Scottish Festival. Regionally, members traveled to Ausable Chasm, the Boston Flower Show, and the Boston Museum. Our extended domestic trips were to Alaska and Hawaii, and we also had an international trip to Ireland. Trips are financially self-supporting and are mentioned by many seniors as a priority. Getting out and about rather than being homebound is important for many seniors who may no longer be able or comfortable driving or traveling to new places on their own.

The Center is busy with about 30 different weekly classes appealing to all ages and interests. Our regular classes range from painting to tap dancing, living strong exercise programs to yoga in many forms, bowling to swimming, and French, Italian and Spanish conversation classes. In addition, there are popular series about classic films, and a newly formed Current Events discussion group. Many people play bridge, mah jongg and billiards at the Center. Others take advantage of discounted privileges at a local fitness center. Over a dozen MSAC members make up the Swingin' Over Sixty Dance Band, and they play weekly at Tuesday lunches. Other members have been studying ukulele, so now there is an MSAC Ukulele group as well. MSAC plays an important role in keeping seniors active, healthy and involved in our community!

MSAC charges Montpelier residents lower class fees (typically \$17 for a 12-week class) and give Montpelier residents priority in signing up for all classes. Members from other towns pay

higher membership dues (\$25 compared with \$10) and class fees (usually \$25). Efforts are made to ensure that all are able to participate, and a scholarship fund is in development. There are also many activities each month that are free and open to the public, such as presentations by community partners and talks by specialists in fields of interest to seniors (including health care and Social Security). MSAC is a place where seniors connect with many community resources that can assist them in maintaining independence and health.

MSAC has a Mac and five Dell computers, a copying machine, WiFi and a Wii Game System available for members to use. A local high school student comes weekly to offer drop-in assistance and training with technology. We have many classes available in late afternoons and evenings for those seniors who still work during the day. There is a monthly foot clinic with required fee which members may sign up for ½ hour appointments, annual flu clinics, periodic cholesterol and blood pressure screening clinics and free assistance with income tax preparation provided by trained volunteers.

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 3600 hours during the last year. Volunteer opportunities are available helping in the coffee room, leading groups, driving people to the Center, helping people on the computers or Wii, cleaning, decorating, preparing the mailing of the monthly newsletter, helping in fundraising activities, and other tasks according to need and interest. We are grateful to all of our volunteers for their generous commitments of time and energy that keep MSAC a vibrant place.

Early in FY 2012, two long-time staff members retired from MSAC. Program Director, Lucinda McCloud and Bookkeeper, Kitty Langlois, both finished working at the beginning of September, 2011. Both job descriptions were redesigned and a new Director, Janna Clar, was hired. In November, Johanna Nichols, daughter of former Montpelier Mayor Charlie Nichols, was hired to fill the assistant position. A longtime, familiar face, Susie Gomez remains part time as a membership assistant in the office.

Information about MSAC is available through our monthly printed newsletter, Action Times, and is available on our website, www.montpelier-vt.org/msac. More information and photos can be found on the blog of the MSAC Capital Campaign: msacblog.wordpress.com. MSAC 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, *Assistant City Manager*

Janna Clar, *Director*

Listed below are our current Advisory Board Members and

staff.

Advisory Board (2011-2012)

Elizabeth Dodge (Chair), Tina Muncy (Vice Chair), Brenda Snetsinger (Secretary), Frank Woods, Ann Wilson, Fran Krushenick, Mary-Alice Bisbee, Peter Harris, Jane Osgatharp, and alternate Barbara Smith.

Staff (two at 32 hours and one at 16 hours, for a total of 2 FTE)

Janna Clar, Director; Johanna Nichols, Program Assistant; Susie Gomez, Membership Assistant.





Montpelier Community Justice Center

The Montpelier Community Justice Center (MCJC) improves outcomes for crime victims, offenders, and the communities where they live and helps people in conflict find workable solutions. People who have committed crimes are referred to the MCJC by either law enforcement, the State's Attorney, the Court or the Department of Corrections. Citizens experiencing conflict with neighbors can self-refer for conflict assistance services. In all cases, the MCJC models a restorative approach, inviting dialogue with all affected parties, including the community at large, and striving for a consensually-developed resolution that identifies and mitigates the harm to victims, community, or disputants. The goal is to develop the most positive, healing outcome possible from a negative situation.

In response to non-violent crimes Reparative Boards comprising ordinary citizens guide conversations between the person who offended and those affected by the offense. This meeting results in a legally binding contract that requires the person who offended to complete specific activities that deepen the understanding of the harm, make amends, create a positive connection with community and support better choices in the future. This program gives crime victims a voice in the resolution of an offense, keeps young people and low-level offenders out of the criminal justice system and mandates others, who are convicted by the court, to return to their community and learn from their mistakes.

The MCJC operates a different program for serious and violent offenders who have been incarcerated. As these people invariably return to live in the community, the MCJC's Restorative Reentry Program works to increase the probability of a successful transition where the former inmate is supported in making better choices and contributing to community in a positive way. Each participant is provided a Circle of Support and Accountability (COSA) that is made of up three people from the community who give of their time to provide group mentorship to the COSA participant through his first year back in the community.

The MCJC's Conflict Assistance Program provides readily available assistance to the citizens of Montpelier to help them learn to manage conflict effectively, talk about decisive community issues productively, and resolve disputes collaboratively. The program is designed for neighbor and

community-based conflict. People can call the MCJC directly for a confidential consultation and no-cost assistance from a professional mediator.

The MCJC is staffed by a Director (1 FTE), a Programs Coordinator (.875 FTE), and a Reentry Specialist (.675 FTE)—all experienced mediators. The full-time Director reports to the City Manager and receives community input through its Citizen's Advisory Board.

The MCJC programs give ordinary citizens a role in the resolution of crime. The extent to which people volunteer to fill this role is a testament to the community's engagement and belief in restorative practices. Forty-six volunteers provided 1003.25 hours of service in FY '11 to help shape the programs, provide office support, and deliver services.

DATA for FY '11

Reparative and Restorative Justice Alternative Program Forty-one Reparative Board meetings were held. There were 61 active cases, 33 with direct victims. Amends-making to community included 3639 hours of community service, worth \$3,635 when valued at minimum wage. Of the 39 active cases that closed in FY '11, 72% completed their contracts successfully

Types of offenses included DUI #1 and #2; unlawful mischief; petit larceny; marijuana possession; providing alcohol to a minor; forgery; passing bad checks; vehicle operation, careless or negligent; false information to a LE officer; embezzlement. graffiti (unlawful mischief); retail theft; false personation/false pretense; simple assault; and PMB.

Victims and offenders who respond to surveys continue to confirm that in almost all cases the Reparative Boards are achieving their goals of providing a restorative process that gives victims a voice and helps those who offend appreciate the harm and try to make things better. At the request of the MCJC, the Department of Corrections conducted an analysis of its cases from 2006-2008 to determine how many people have been free of reconviction during the three years since their participation in the reparative process. Of the 105 cases for which they could obtain data, 60% (78 people) have remained crime free. This is a very good rate when compared to offenders generally (see Department of Corrections website for statistics).

Restorative Reentry / COSA Program Seven new participants joined the three active in the program at the beginning of the fiscal year, all receiving long-term group mentoring balancing support and accountability. Two of these people have completed the program and are successfully living in the community, two were returned to jail (one for repeated violations of conditions and one because of a new charge), one extended his participation beyond the one-year mark, and the others continue to be active. While the program is young and has not been formally evaluated, it is proving promising

in terms of lowering the rates of offenders committing new offenses, which translates into a safer community.

The Conflict Assistance Program had 23 referrals, up from 16 the previous year. A variety of services was provided from consultation with one party to face-to-face mediation with multiple parties.

SUMMARY OF ACTIVITIES AND ACCOMPLISHMENTS FY'11

Notable Accomplishments

- The Reparative without Probation program was developed and memorialized in an MOU between the CJs, the State's Attorney and the Washington County District Court outlining a process by which people can be sentenced to a reparative process without being placed on probation.
- The MCJC received overwhelmingly positive evaluations from participants in all program areas.

Initiatives with Community Partners

- The MPD, City personnel, City Council, local agencies and residents referred Conflict Assistance Program cases to the MCJC.
- Membership in the Community Justice Network of Vermont added the MCJC's voice to that of the other CJs as they worked together on issues of common interest, especially securing ongoing state funding and grant money.
- The MCJC Director served on a planning committee with other members of the CJ Network of Vermont to organize and host a grant-funded conference in collaboration with Vermont Bar Association on Community Conflict Assistance. The conference, promoting partnerships between CJs and law enforcement to provide community conflict assistance, was attended by Justice Center volunteers and staff, law enforcement officers, city managers and legal professionals from around Vermont.
- The MCJC joined others in Coordinated Community Response to Domestic Violence efforts
- With a group of professional mediators volunteering their time, the MCJC offered people half-hour consultations about conflict at the Hunger Mountain Coop Food and Wellness Expo.

Training and Educational Programs Offered

- MCJC staff delivered 71 hours of training to volunteers, including advanced training for Reparative Board volunteers and COSA trainings on various topics.

Several volunteers responded with "Great Job!" on evaluations. They always offer suggestions for ways to make the training more meaningful, which the MCJC responds to with changes in

curriculum to address the needs identified.

- MCJC delivers Insights Into Conflict, to teach people non-violent and productive ways to address conflict. In FY'11, MCJC held three Insights into Conflict sessions, each comprising two, 2½ hour classes for 16 total participants. Washington County Court Diversion and the Barre Community Justice Center refer cases to the Insights into Conflict class and help to fund the class.

One young participant reported having "an epiphany" when he realized he had a choice in how to respond to conflict.

- MCJC staff created and delivered two parts of a three-part workshop series on criminal thinking entitled "Breaking Down The Walls: Skills for COSA and Reparative Board Volunteers to Encourage Adaptability and Change" which was hosted by the MCJC and GBCJC.

One volunteer stated "I always learn something—something I didn't even know I didn't know!"

- MCJC collaborated with the GBCJC and Circle to create and deliver a 10-class (20-hour) program for men who had committed domestic violence called "Parenting with Respect."
- One staff member received a scholarship to attend a four-day training "Learning to Listen, Learning to Teach," a course on workshop design.



MCJC staff pictured with several of the many volunteers who make our programs possible.

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.

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

The redevelopment of 58 Barre Street into a commercial condominium including the Senior Center, fourteen units of housing for the elderly and persons with disabilities and play ground, began in July and is expected to be completed next June. The housing will be owned by 58 Barre Street Housing Limited Partnership with CCHF as the general partner. The

housing condominium will pay full property taxes to the City adding approximately \$14,000 to the City coffers.

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 \$103,745.96 property taxes and sewer benefits for the 2010-11 tax year.

Pioneer Apartments paid \$2,465.91 in sewer benefit and \$12,234.76 in PILOT. Gould paid \$481.59 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*

Green Mount Cemetery

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 with special emphasis on the May flooding cleanup.

May Rains – Starting Thursday evening, May 26 without a lot of warning, heavy rains poured down on Montpelier and created enormous road washouts through the cemetery especially at the Western end. This is the area where much of the drainage from the hill behind the cemetery flows. Rain continued again on Sunday evening May 29 and destroyed much of the repair work that was completed with a great deal of assistance from the Department of Public Works from Saturday. On Memorial Day, Monday, May 30, the Commissioners held an emergency meeting at 9:00am. At this time, it was decided to close the cemetery to vehicular traffic until further notice. Work continued on fixing the roads and removing many yards of displaced gravel and debris. Not one monument or gravesite was damaged or lost. Just a lot of gravel and debris washed onto the grass. Only the roads suffered the blunt of the damage.

By June 8th, 99 % of the roads were drivable. We continued to work on the roads well into July. Flowers that we normally plant for Memorial Day were planted on July 1. Needless to say this storm postponed much of our annual work in the cemetery to next year.

Hurricane Irene - Due to the fact that this storm came during the day and was very well publicized in advance, we were able to minimize road damage within the cemetery. This was done by having our Grounds Supervisor Rick Lee manage the road drainage by digging multiple water bars in the roads – redirecting the water to more favorable areas. This preventative work was done with our Mini Excavator and took over 10 hours.

Burial and Memorial Lots Available – There is a wide selection of lots available including family estate lots, mausoleum lots, and 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.

Rules and Regulations – Before planning any work on your family’s lot including the installation of a monument, 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.

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 related 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

This year’s advice - In order to purchase the correct location for your gravesite, one should have the answers to the following

three basic questions: 1. How many burials will there eventually be? 2. Type and number of Burials – Cremation and/or Casket 3. Size and type of memorial. Knowing the answers to these questions will greatly assist anyone in purchasing a cemetery lot here at Green Mount or at any other cemetery.

Patrick Healy, *Director*

Statistics 2011

Burials – 26, (11 Cremations, 13 Casket, 12 Winter burials, 2 babies)

Lots Sold – 12 full burial graves, 4 Cremation Lots

Removals – none

New Monuments installed - 8

Markers installed - 10

Monuments washed - 12

Monuments repaired – 4

Flower/wreath Placement - 12

Mausoleum cleaned - 1

East Central Vermont Community Fiber Network

ECFiber was formed in 2008 through an inter-local agreement between 23 towns in east central Vermont, including Montpelier. ECFiber’s mission is to provide open-access, universal broadband services to all residents, businesses and institutions in its member towns, through a fiber-optic network owned by the towns.

After the unsuccessful pursuit of numerous avenues for financing its network, the ECFiber Governing Board voted to “bootstrap” the effort by raising funds in the form of investments from ECFiber town residents.

On January 1, 2011 ECFiber Holding LLC closed its Phase I offering of Promissory Notes, having raised \$912,000. With these funds, during 2011, ECFiber built a Network Operating Center (NOC) in leased space on Waterman Road in Royalton, just off I-89 Exit 3, and 24 miles of fiber-optic cable strung mostly on utility poles. The Phase 1 network runs from Royalton through Bethel to Barnard and back. A map of the route is posted on the website, www.ecfiber.net. As of the end of November more than 100 premises’ have subscribed to ECFiber service.

ECFiber offers high-speed symmetrical (same speed for upload and download) Internet service tiers of 5, 7 and 10 megabits per second, with higher speeds available on request. It also offers a comprehensive package of telephone services, including

unlimited calling throughout North America. ECFiber is also introducing additional services including automatic anti-virus protection and remote document back-up. All of these are offered at very competitive prices, which can be seen on the website www.myecifber.net.

In June, 2011, in response to requests from Barnard residents, the ECFiber Governing Board approved a second round of capital-raising, focused specifically on extending the existing network to Barnard residents. That effort closed on December 1, 2011 at which time local investors and friends purchased an additional \$357,000 in promissory notes.

As it became clear that ECFiber's second offering of promissory notes proved popular and enabled significant additions to the network, several other towns began similar initiatives. Thus, ECFiber expects to have a Phase III and subsequent closings for the towns of Tunbridge, Strafford, Vershire, and others, during the first quarter of 2012. The funds raised in each town are dedicated to building out the fiber-optic network in that town. The ECFiber Governing Board also required that 24% of funds raised in each town be allocated to funding necessary capital investment in the NOC, and also to assisting the build-out of towns that might not be able to raise sufficient funds from their own residents.

ECFiber is committed to 100% coverage for all 23 towns. It checks the capital markets regularly to determine when it will be feasible to seek funding for the full build out. ECFiber believes that the town-based initiatives described here will form a solid basis for such capital-raising when the financial markets are restored to greater stability.

Parks, Conservation & Recreation Programs

Parks Commission

2011 Overview

Our Staff

Full-time Parks Director Geoff Beyer, and Part-time Parks & Trees Assistant David Brunell completed several major park improvements this year, with the help of numerous volunteers, Vermont Department of Labor trainees, and 2 full-time (temporary) AmeriCorps and AmeriCorps VISTA members.

VISTA Member

After a two-year hiatus, the Parks Department was again able to secure federal grant funding for a full-time position through the AmeriCorps VISTA Program (Volunteers in Service to America). Greg White was hired to serve in this 12-month position, which

is split between the Conservation Commission and the Parks Commission. Greg's work will focus on river and riverbank protection, invasive plant management, developing community gardens in underserved areas of the City, and leading trainees and volunteers in maintaining and improving the parks.

AmeriCorps Member

The Parks Department was also successful in securing funding for a new AmeriCorps member. Byron Garcia started in a summer position last June, and was awarded an 11-month position in September. Byron has assisted with numerous projects, including storm damage restoration projects, invasive species management, tree work, and construction of the new National Life Trail. Byron's position extends through July of 2012.

Two Major Storms

This year has seen many new opportunities and challenges for Montpelier's Parks system. The parks were not spared from the damages wrought by spring flooding and Tropical Storm Irene. Twice this year, the Peace Park and adjacent bike path were under 4 feet of water, and more than 100 cubic yards of the Peace Park were simply washed away. The sudden surge of rain on already rain-soaked ground washed out more than 30 culverts and two bridges throughout the parks system. Over 40 downed trees blocked access to trails and roads. Park crews spent many hours restoring the parks in 2011, and restoration work will likely extend through next summer as well.

Invasive Plant Management

In 2011, park staff and volunteers continued ongoing efforts to eradicate and control invasive plants in both Hubbard and North Branch Parks. After years of hard work, Hubbard Park's invasives are now nearly under control. Bishop's weed remains a problem, but Japanese barberry and non-native bush Honeysuckle have nearly been eliminated from within the park boundaries. Invasives continue to maintain a large presence in North Branch Park, but with help, we are making progress. A new source of volunteer assistance this year came from the students at River Rock School, who set up research projects on controlling invasives. In 2012, we plan to secure funding for educational signs that describe the problem and educate park users about our efforts to control invasive species and what landowners can do to help prevent their spread.

Partnering with Schools

Fourth and Fifth-grade teachers at Union Elementary School, with assistance from parents and Parks staff, continued a program in Hubbard Park this year to educate students about natural history and involve them in community service. This program provides a great opportunity for students to learn about the ecology of our parks, what it takes to manage a park, and take part in service projects to help improve the parks, including trail and road maintenance and litter removal.

National Life Trail

Late last winter, National Life Group granted approval for construction of a new pedestrian trail starting at the intersection of Northfield Street and Memorial Drive, crossing some City land, and eventually terminating near the large parking lot at National Life's hilltop business campus. Not only does this new trail provide a useful and popular link between National Life and downtown for thousands of National Life and State employees, but it also connects to an extensive network of popular walking trails that already exist on National Life property. Therefore, it will provide a useful recreation and transportation link for residents of the City's southwest corner. Vital assistance for this project came from the Vermont Department of Labor (who provided numerous job trainees), the International Volunteers for Peace, and the Vermont Youth Conservation Corps (VYCC). This monumental project involved moving tons of stone and gravel up a steep hillside to create a durable, functional, and beautiful stone stairway. Work on the trail will continue in 2012.

National Life Community Garden

National Life has also given the go-ahead for creation of a new community garden space on their property off Northfield Street. This approval was granted to Apple Corps and the Parks Commission / Conservation Commission's joint "Garden Park" initiative, which is working to provide community gardens to more neighborhoods citywide. Gardeners interested in signing up for a plot at the new community garden, especially residents of the Northfield Street and Berlin Street neighborhoods, should call the Parks Office at 223-7335.

Permaculture Planning

Last spring, the Apple Corps working group of Transition Town Montpelier brought a proposal to the Parks Commission to establish a permaculture orchard on the lawn surrounding the Hubbard Park Tower. Geoff and the Commission have an interest in maintaining low-growing trees and shrubs around the Tower to preserve the impressive views from the top. The proposal from Apple Corps was seen as a potential way to help accomplish this goal. This proposal received support from many community members, but also met some resistance from others. After a public meeting on the topic, the Parks Commission formed a subcommittee to evaluate the concerns that were raised, as well as to explore other possible designs that might incorporate both native and domestic fruits and nuts for the benefit of both people and wildlife, without blocking views from the Tower. The subcommittee's work is ongoing, and interested residents are encouraged to get involved.

Other Projects

With a broad volunteer labor base this year, we were able to complete an impressive and wide variety of projects, including a substantial amount of trail restoration in the north end of

Hubbard Park, rebuilding a section of wall on the Statehouse Path, sponsoring the Enchanted Forest event in October, and installing updated park trail maps on new welcome signs at several Hubbard Park entrances.

Park Planning

In August, the Parks Commission began a new initiative to comprehensively examine the City's landscape, and identify priority areas for the potential creation of new parks, trails, and greenways. The Commission has created a GIS map and drafted a written document that identifies and describes these priority areas. We hope that these documents can guide future decision making as the City considers where to make investments in new parks and park-related infrastructure. Our overarching goal is to ensure that all residents have easy access to nature-based outdoor recreation.

Stonewall Meadows area park

Late in 2010, the City Council approved the acceptance of 7 acres at the end of Hebert Road from the Stonewall Meadows Recreation Association as a new City Park. This property consists of a 1-acre flat mowed field, and approximately 6 acres of abandoned pasture and early successional forest. The property includes an existing small network of walking trails that has been used for many years by residents of the local neighborhood. For the immediate future, the Parks Department plans to maintain this new park in more or less its current condition, with a focus on low-impact outdoor recreation.

Park Commission

In March of 2011, Emily Boedecker began a 5-year term on the Parks Commission. In March of 2012, Leigh Seddon will be stepping down from the Parks Commission after 15 years of dedication to protecting and improving Montpelier's parks. The Commission would like to thank Leigh for his years of leadership and careful guidance, and for founding the Friends of Montpelier Parks in 1997.

Volunteers

The Commission would also like to thank the many volunteers and organizations that helped us to accomplish so much this year. These partners included another great group from the International Volunteers for Peace, a number of classes from local schools, a summer VYCC crew, a school VYCC group, the Vermont Department of Labor, and numerous individual citizens who contributed their time and expertise.

Citizen support for Montpelier's parks is always appreciated, and donations help us to 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 Parks 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.

Aaron Brondyke, *Chair*
Emily Boedecker, *Commissioner*
Lyn Munno, *Commissioner*
Cara Robeck, *Commissioner*
Leigh Seddon, *Commissioner*

Conservation Commission

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

Zoning Revisions

The Conservation Commission has been engaged in the ongoing zoning revisions throughout the year. Most recently we are working with the Planning Commission to create a map of conservation priority areas and a summary of important conservation values for the zoning process. This work has included collaboration with the Parks Commission. Other activities include attendance at most of the neighborhood meetings to represent a balance between conservation and development values. This work will carry over into 2012 and the Conservation Commission will continue to draw from the new Master Plan adopted in 2010 moving forward.

High School Students Continue Service on the Conservation Commission

Megan Hoyne-Wingate is the current student representative on the Commission for the 2010-2011 school year. Megan previously served as a student representative on the Planning Commission. Past student members include Liam McSweeney, Caitlin Paterson, and Joshua Klavens. The students continue to be active participants in meetings and bring unique perspectives to deliberations about a variety of issues. We are currently seeking an additional student representative and 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 and Water Quality Monitoring Program

The air quality monitoring program continued in its second year with participation by chemistry and environmental science classes at Montpelier High School and the Pacem Learning Community. The Commission is working with the students to make the results of their monitoring studies available on the City website. Thanks especially to science teachers Anne Watson and Lexi Shear for continuing to engage their students in environmental issues close to home. We also heard an interesting presentation by U-32 students on snow and water quality near snow storage areas.

Invasive Species

The Commission continues its role educating the public, completing projects, and participating in events to reduce the spread of invasive and exotic plant species that threaten our local forests and riparian areas. Commission members attended North Branch Cooperative Invasive Species Management Area (CISMA) recently formed by the Worcester Conservation Commission and the Winooski River Natural Resources Conservation District. This group will be assessing invasives and completing projects in the North Branch Winooski River watershed.

The Commission also co-sponsored a presentation by Sharon Plumb of the Vermont Chapter of the Nature Conservancy about invasive plant species in the early summer. The Commission has copies of the recently published "Best Management Practices for the Prevention and Treatment of Terrestrial Invasive Plants in Vermont Woodlands" and an accompanying pocket field guide. Extra copies are available from the Nature Conservancy.

VISTA Position Restored!

The Conservation and Parks VISTA Position that had been "frozen" for two years was restored this August with financial support of the Conservation Commission. Greg White was hired for this position and has already worked with some local classrooms to do invasive plant research and control. Greg also collaborated with AppleCorp on another conservation initiative to bring more community gardens to unserved neighborhoods in Montpelier. Greg's position and efforts are split between the Conservation Commission and Park Commission. He will likely be working on river and riverbank protection and leading trainees and volunteers to care for the parks and make park improvements. We are excited that National Life has given the go ahead for a new community garden space on their property along Route 12, and Greg has already helped rototill this new garden space to prepare for spring planting.

Conservation Commission Website

<http://www.montpelier-vt.org/group/62/Conservation-Commission.html>

The Commission is currently working to tune its website to make all information current and provide easy access to past documents such as project reports, annual reports, agendas, and meeting minutes. The objective of this project is to better utilize the website as an electronic archive to make our activities more available and transparent to the public.

Members

Commission members, alternates, and liaisons during all or part of the year included the following people (listed alphabetically).

- Geoff Beyer
- Erik Esselstyn
- Bill Finnegan
- Karen Freeman
- Kris Hammer
- Alex Hoffmeier
- Christopher Hilke
- Roy Schiff, Chair
- Megan Hoyne-Wingate

This year marks the end of 10 years of service on the Commission by Kris Hammer who has served as chair for the past 7 years. Kris has made important and meaningful contributions to the Commission and has personally developed a wide range of projects that the entire City has benefited from. He will be missed at the Commission, but we know where he lives, works, and skis so we have a suspicion that he may continue to be involved in some of the Commission's projects. Thanks for the years of outstanding service to the City Kris!

The Conservation Commission is a group of 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 Roy Schiff at 223-7214 or roy.schiff@aya.yale.edu. We welcome the participation and input of each and every resident.

Roy Schiff, *Chair*



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 Hoffmeier, Carole Naquin, John Snell and John Van Deren. We are grateful to Geoff Beyer, who serves as Tree Warden, and

the other 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:

- Urban Tree Canopy Assessment complete

The UVM Spatial Analysis Lab completed the Urban Tree Canopy Assessment for the City of Montpelier. The Assessment was funded by the Vermont Community and Urban Forestry Program. Highlights of the Assessment include: 62% of the City has existing tree canopy, 31% of the City has the potential of new tree canopy, and the Tree plantings in the City core, particularly commercial lands in the River zoning district and institutional and public lands in the downtown area, would help provide a more consistent distribution of canopy in Montpelier.

- Municipal Street Tree Plan near completion

The Tree Board is in the final stages of completing the updated Municipal Tree Plan, last written in 1999. The Plan will help guide the work of the Tree Board and also provide other city boards and committees, plus City residents, with information about the health of our trees, best tree planting techniques and tree maintenance practices.

- Street Tree Inventory efforts continue

The Tree Warden has continued to coordinate the completion of the Street Tree Inventory. 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. Nearly 1,000 of the City's 4,000-5,000 street trees have been inventoried so far. About 83% were documented to be in good condition, 12.5% in fair condition and 3% were designated as weak and 2% were dead. 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 City-wide inventory is a multi-year project, as the undertaking is quite extensive. The Tree Board is looking at ways to maintain and update the inventory in a user friendly format.

The Tree Board has also started a localized downtown tree inventory to better track trees planted with the downtown core. This inventory is envisioned to help the Tree Board and other downtown groups better understand and plan for new and replacement trees

- Table at Winter Farmer's Market

For the second year, the Tree Board staffed a table at a Winter

Market to share tree info and engage market goers.

- 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 allow easier access to Federal and State matching grant funds. Thank you board member, Abby Colihan, for ensuring we continue to receive this recognition.

- Mazer Grant Funding for trees

With Mazer funding, the Tree Board purchased 15 small trees (Ashworth burr oak, burr oak, hazelberts, black walnut, and Amer. chestnut) which were planted in the Tree Nursery. Two larger trees have been purchased for planting downtown. These will not be planted until spring 2012.

- 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 Board continues to tend young saplings which will be planted in City neighborhoods in the coming years.

- Planting and maintaining downtown trees

Our downtown trees are subject to a variety of abuses that attribute to decline and necessitate replacement. Some tree decline can be attributed to limited tree root growing space and harsh winter conditions. In other cases, tree decline can be attributed to human causes such as de-icing products, tobacco waste, animal excrement, lawn mower damage, bicycle parking, and vandalism. This year replacement trees were planted on Main Street in front of the City Center and on State Street in front of Delish.

- Grant from American Forests

Geoff Beyer and the Tree Board secured a grant from American Forests. This will cover some larger sized tree plantings downtown as well as some plantings in residential areas.

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.

Volunteers are also always welcome for short or long-term projects. Regular meetings are scheduled the first Thursday of each month at 5:30PM in the Memorial Room 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 and Clare Rock, *Co-chairs*

Montpelier Recreation Department

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

In 2011, the Recreation Department ran its yearly programs; Youth Soccer, Youth Basketball, Youth Baseball, Capital Kids Summer Day Camp and Capital Kids Vacation Day Camps, Swimming and Tennis Lessons, Baby Sitting Classes, Hunter Safety, Yoga, Sugarbush Sunday Ski Program, Scottish Country Dancing and more. We also ran our Special Events including the Rotten Sneaker Contest, Family Fun Day at the pool, during the July 3rd celebration, Father/Daughter Valentines Dance, Mother/Son Bowling, Ski & Skate Sale, Halloween Party, Easter Egg Hunt and more.

The Recreation Department is always looking for new ways to provide "constructive use of leisure time". New programs this past year consisted of Adult Kickboxing, Adult Cricket, Zumba, Adult Drawing, Adult Sunday Basketball, Girls on the Run and Fitness Hooping just to name a few.

The Montpelier Swimming Pool once again had a successful summer. Special events at the Pool were well attended. We had a Bar-b-que night, a Pizza Night and our Ice Cream Social. Other activities at the pool were swimming lessons, tiny tot lessons, lifesaving classes, moonlight swim and swim team. Thanks to all of our very qualified pool staff for a terrific and accident free summer.

Once again, our outdoor facilities saw constant use. The Tennis Courts, Outdoor Basketball Courts, and our Skate Park were very popular. Our athletic fields were very busy with the loss of Dog River this year. We plan to get that fixed this year to be ready for the 2013 outdoor season. Weather conditions for ice-skating at the pool did not cooperate this year. When conditions cooperate, there is free skating from 9:00 AM to 9:00 PM.

The Vermont Mountaineers had another successful season this year. The baseball camps also continue to be very popular. The Montpelier Recreation Department is proud to be able to play a role in providing the field and maintenance support that is needed to make this program successful. Our maintenance staff does a great job at keeping this field looking it's best. With the addition of a new double batting cage and Little League back-stop, baseball/softball opportunities are growing in our city. This truly is a great opportunity for summer time activity in our great city.

Many of our programs rely on volunteers in order to make them

run smoother. We at the Recreation Department would like to express our gratitude to these many, committed people. Without dedicated people and organizations like the VFW, many of our programs would be impossible to run with the staff alone. Along with the volunteers, the cooperation among school and city departments helps us to run some of our programs with the sharing of equipment and facilities, which help keep costs down.

We hope that you will take advantage of your Recreation Department in 2012. We are here to help you find “constructive use for your leisure time”.

If you know of a program you would like to see offered, know of an instructor to teach a class for us, or if you have any questions, please call us at 225-8699 or stop by our office at of 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 keep secrets.

ARNE MCMULLEN, *Director of Recreation*
 JENNY BARTLETT, *Program Coordinator/Pool Director*
 JUDY COLOMBO, *Administrative Secretary*
 NORMA MAURICE, *Office Assistant*
 RICK LACHAPELLE, *Maintenance Forman*
 MIKE HEALY, *Maintenance Worker*
 JESSICA SMITH, *Capital Kids Day Camp Director*

RECREATION ADVISORY BOARD MEMBERS:

James Surwilo, *Chair*
 Bill Brooks
 Karlynn Koenemann
 Brian Murphy
 Courtney Parento
 Sue Aldrich-School Board Representative

Below is the Proposed FY 13 Budget for the Montpelier Recreation Department. The Recreation Appropriation will be decreased \$30,000.00 dollars. Thank you and we look forward to serving our community.

FY13 Recreation Department Budget					
Account	Description	Budget FY12	Proposed Budget FY 13	Difference	% Change
06-1570	Administration	296,888	297,944	1,056	0.36%
06-1571	Recreation Indoor	71,191	75,341	4,150	5.83%
06-1572	Recreation Outdoor	320,202	314,508	-5,694	-1.78%
06-1573	Swimming Pool	122,497	122,763	266	0.22%
06-1574	Indoor Skating	2,027	2,027	0	0.00%
	Fund Balance	25,256	3,000	-22,256	-88.12%
	Totals	838,061	815,583	-22,478	-2.68%
FY13 Recreation Department Revenue					
Account	Description	Budget FY12	Proposed Budget FY 13	Difference	% Change
06-1000	Rec Appropriation	605,230	575,230	-30,000	-4.96%
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	7,000	500	7.69%
06-2731	Program Fees - Rec. Center	38,000	38,000	0	0.00%
06-2732	Program Fees - Outdoor Fac.	95,025	103,496	8,471	8.91%
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	7,000	500	7.69%
06-2752	Rentals - Outdoor Fac.	8,000	8,000	0	0.00%
06-2798	Ski & Skate Sales	7,450	8,500	1,050	14.09%
06-2990	Miscellaneous Revenue	7,000	7,000	0	0.00%
06-5900	Rec. Fund Balance	25,256	22,257	-2,999	-11.87%
	Totals	838,061	815,583	-22,478	-2.68%

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 camps (scholarships available), programs for school groups, nature walks, field trips and workshops for all ages, a regular preschool program series and much more.

In 2011, NBNC partnered with the Union Elementary School to offer the Nature Adventure Program (NAP) for all children in kindergarten and first grade. The nature center also offers a youth birding program, an annual winter lecture series and volunteer opportunities. To find out about upcoming programs, call us for a listing of public events or find us on the web at www.NorthBranchNatureCenter.org.

The North Branch Nature Center serves as a convenient trail head for a walk at the nature center or a more extended hike in North Branch River Park or Hubbard Park. There is also an exhibit room with live turtles, salamanders, snakes and more.

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.

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*

Cross Vermont Trail Association

Imagine a multi-use, four-season off-road trail across the width of Vermont following the Winooski River & Wells River valleys, a 90 mile greenway for cyclists, skiers and walkers connecting communities, their schools, and the natural areas between. This vision has steadily moved toward reality through the quiet work of the Cross Vermont Trail Association.

The Cross Vermont Trail Association, formed in 1999, is an incorporated, private non-profit organization that is member-based and volunteer-driven. We are funded by winning

competitive grants and through individual donations from trail users. With two part-time staff and donated office space, we are large enough to get things done, but small enough to be cost efficient. We work in partnership with community organizations across the state to develop and expand local trails. Already 30 miles of Cross Vermont Trail are signed and open to the public. These 30 miles are complemented by our 60 miles of "on-road" route signs that identify the best roads people can use to link together existing trail sections. Meanwhile, we continue to work towards the ultimate goal of connecting all local trails into a continuous, statewide, off-road network.

Maps and guidebook to the trail route are available free at www.crossvermont.org, or call us at 802-498-0079.

2011 was a challenging year for trails, as it was for many people. The historic floods of both May and August directly impacted our trail. Most of the trail was reopened by Fall 2011, and in 2012 we will be working to not only finish repairs, but to improve all existing sections of trail to be more sustainable as well as more inviting to users. In addition, we are working together with interested land owners to establish right of way for many miles of new trail at locations across the state, including what will be a watershed project in the history of the Cross Vermont Trail, a new 200 foot bridge over the Winooski River in East Montpelier.

Residents of all towns through which the trail route passes are invited to get involved in the CVTA. Right now we are seeking to establish an active membership in every town. Contact us at 802-498-0079 or at www.crossvermont.org.

Eric Scharnberg, *Executive Director*

Greg Western, *Trail Programs Coordinator*

P.S. We also host numerous recreational outings throughout the year. Mark your calendar for the next Central Vermont Cycling Tour, June 24, 2012, in East Montpelier and for the Fall Foliage Ride the last Saturday in September Groton, Ryegate and Newbury.

Wrightsville Beach Recreation District

The summer of 2011 was a challenging one for the Wrightsville Beach Day Use Area. The season started out with the highest ever recorded water level at the beach which delayed opening by almost three weeks. Once the floodwaters receded and clean-up finished, a mild but very pleasant summer persisted right into August. Late August brought Tropical Storm Irene and our second flood at the beach. This flood produced the second highest water level ever recorded and put an end to our 2011 season.

Although the beach season was punctuated with flooding at its start and end, it still provided a low cost, high quality and diverse recreation experience for residents of its member towns (Montpelier, East Montpelier, Middlesex, and Worcester) and the broader region. Beach manager Collin O’Neil and his staff undertook a massive cleanup effort to remove debris, rehabilitate the site, and salvage equipment. Despite the shortened season, the District did some improvements this year including the construction of the last five holes of the disk golf course and improved and expanded hiking trails.

The WBRD District also continued its popular canoeing and kayaking program, improved and expanded hiking trails, and hosted a variety of day camps and community programs, including hosting the 2nd annual Wrightsville Beach Disk Golf Tournament and the 3rd annual Green Mountain Water Skiers Tournament.

The Board of Directors is committed to maintaining and improving the overall recreation experience for all beachgoers. This required continuing investment in the facility for maintenance, operations and capital improvements. The following figures summarize the District’s financial operations from January 1, 2011 through year’s end:

Revenue

Washington Electric	\$ 9,500
Municipal Assessments	\$ 6,683
Season’s User Fees	\$16,871
Prior year’s carryover	\$ 7,511
Prior year’s reserves	\$ 2,000
Flood insurance reimbursement	<u>\$ 4,202</u>
Total Revenue	\$46,767

Expenditures

Personnel	\$24,203
Maintenance	\$ 3,179
Operating	\$ 5,232
Flood repairs	\$ 4,015
Contribution to reserves	<u>\$ 2,000</u>
Total Expenditures	\$38,629

The District has tried to set aside a reserve contribution each year of \$2,000 to use for capital improvements and the purchase of equipment, as needed. The balance in this account at the end of 2011 is \$4,000.

Any carryover from operating revenue and expenditures that is realized in any year is used to fund the next year’s operating expenses. Since a successful beach season is contingent on the weather, it is difficult to predict what the user fees will be and whether there will be a carryover from one year to the next.

When there is a carryover, however, funds are used for the next year’s operations thereby keeping the town dues at \$.50 per capita.

The District’s FY 2012 budget calls for revenue of \$30,198 and an FY 2011 carryover of \$8,138 with expenditures at \$32,342. The Board thanks 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, Beach Manager

Montpelier Community Connections

In 2012, Community Connections begins its eleventh 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 103 Union Elementary students, 107 Main Street Middle students, and 149 students from Montpelier High.** In addition, 53 Montpelier students came to summer camps and 63 came to in-service day 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.” MSMS CC Coordinator

Drew McNaughton says, “CC has an intensive focus on community building, leadership, and support. Integral to our program is the idea of peer mentorship and modeling positive support. Our rule: All words will pull us forward; no words will put us down.”

Youth Outreach and High School Completion

The **Alternative Path to Diploma** program graduated 24 students – 16 from Montpelier High and 8 from U-32 in June 2011. Those graduates represented 14.8% and 5.6% respectively of the total graduates this year. Currently, Danny Hendershot has a caseload of around 30 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 partners with the Central Vermont New Directions Coalition to bring you **Girls/Boyz First Mentoring, which served over 125 children** last year including 19 Montpelier mentees and 21 Montpelier mentors. Under the guidance of Wendy Farber, 47 pairs of adult mentors and youth mentees met weekly to provide a consistent adult presence for selected youth. Wendy also helps support Montpelier High School’s P.L.A.Y. peer mentoring which pairs over 80 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. Mentors encourage, offer perspective, help their mentees develop decision making and leadership skills, and offer meaningful ways for their mentees to experience engagement in their communities. Some of our mentoring relationships continue until the young person graduates from high school – and unofficially, some continue beyond graduation! Mentoring can help turn young lives around and strengthen both aspiration and achievement.

Some **Girls/Boyz First Mentoring** highlights: skiing at Morse Farm, baking holiday pies with NECI, day-long retreats, celebrating National Mentoring Month with a dance at Capitol Plaza Hotel. Mentor pairs volunteered helping flood victims, and they 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 2011!

Over 48% 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.



MCC Students on an overnight winter camping trip at Lonesome Lake in the White Mountains.

Area Agencies Social Services

Central Vermont Home Health and Hospice

Central Vermont Home Health and Hospice (CVHHH) is a 100 year-old full service, not-for-profit Visiting Nurse Association governed by a local voluntary Board of Directors. Serving the residents of 23 Central Vermont towns 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, geographic remoteness or complexity of health care needs. The agency also promotes the general welfare of local community members with long term care and health promotion activities including flu and pneumonia vaccinations, health screenings, foot care clinics, international travelers' health and caregiver support. In addition to direct patient care, our hospice program offers comprehensive bereavement services and volunteer training.



Twelve Month Report of CVHHH Services to the City of Montpelier
January 1, 2011 – December 31, 2011 *

Program	# of Visits
Home Health Care	6,813
Hospice Care	819
Long Term Care	7,474
Maternal Child Health	94
TOTAL VISITS/CONTACTS	15,200
TOTAL PATIENTS	373
TOTAL ADMISSIONS	507

*Audited figures not available at the time of report submission. Preliminary figures are not expected to vary significantly.

Town funding will help ensure CVHHH continues these services in Montpelier through 2012 and beyond. For more information contact

Judy Peterson, President/CEO, or Lindsay Kurrle, Community Relations Coordinator, at 223-1878.

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 2011, the People's Health & Wellness Clinic provided 2308 patient interactions, including 1255 visits to 567 individual patients, a 19% increase over 2010. 311 of these individuals came to the Clinic for the first time.

Our services include screening all patients for eligibility in a variety of health insurance and assistance programs. Of the 567 individuals, we were successful in enrolling many of them in a total of 248 programs including, VHAP, Medicaid, Catamount, Ladies First, Medicare, Healthy Vermonters, Affordable Meds, and Central Vermont Medical Center's patient financial assistance program.

As a result, average annual patient visits dropped from 2.9 per patient to 2.2. This means patients are uninsured a shorter period of time, giving them access to comprehensive care and improving their overall health, while saving the health care system money.

Montpelier residents visited the Clinic 139 times during 2011, representing 63 unduplicated individuals. 35 lab tests were provided at no charge to the patients, and 40 free prescriptions were given. Consults and wellness education was provided, and we assisted 33 patients to enroll in health insurance programs.

Volunteer practitioners are the heart of our service model. In 2011, over 65 volunteers gave over \$86,000 worth of their time serving our patients. We also provided over \$51,000 worth of pharmaceuticals to our patients, paid for \$15,000 of diagnostic testing, and got another \$23,000 of tests donated.

2011 was our second year of providing special Women's Clinics, in collaboration with Central Vermont Medical Center, and funded by the Susan G. Komen Foundation and Ladies First. Complete women's physicals, self-examination techniques, and access to free mammograms, other diagnostic tests, and insurance coverage have brought comprehensive and preventive care to another group of central Vermont's uninsured residents. We doubled the number of Women's Clinics from 6 to 12.

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 50 Vermont towns. While our income guidelines go up to 300% of the Federal Poverty Level (FPL), over 86% of our patients fall under 185% FPL (\$20,446

gross a year for an individual - \$27,483 for a couple).

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'11 (Oct. 2010–Sept. 2011) show VCIL responded to over 2,000 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 424 individuals to help increase their independent living skills (including 29 peers who were served by our AgrAbility Program). VCIL assisted 185 households with financial and/or technical assistance to make their bathrooms and/or entrances accessible and provided 228 individuals with assistive technology. 541 individuals had meals delivered 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 '11, 88 residents of Montpelier received services from the following programs:

- Home Access Program (HAP)
(\$10,550 spent on Modifications)
- Meals on Wheels Program (MOW)
(over \$14,200 spent on meals for residents)
- Peer Advocacy Counseling Program (PAC)
(over \$2,000 spent in PAC hours)
- Sue Williams Freedom Fund (SWFF)
- 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



Founded in 1975, Project Independence (PI) is the oldest Adult Day Health Services Center in Vermont, and is the only Adult Day Care Center serving the 23 towns of Central Vermont. We serve the frail elderly population, adults 18 years of age and older who have physical and/or mental disabilities, and those with dementia . . . enabling them to remain living at home and maintain the highest level of independence possible.

With a philanthropic mission to serve any eligible community member regardless of their financial status or ability to pay, Project Independence turns away no one who needs the services of Adult Day Care. Rather, we believe in honoring their lives as well as their past and current contributions to our community.

From January through December 2011, we served 17 individuals from the City of Montpelier.

Project Independence offers a safe, friendly, familiar and loving "home away from home" during the day and much-needed social, cognitive, physical and medical support. Each day our staff provides services so our participants can improve their health, maintain their ability to remain independent and be active members of our community. These services result in physical strength, mental stimulation, multigenerational interaction, community connection, and overall happiness.

For participants' family members, we are a place of respite, enabling them to leave the house and continue their professional and personal lives knowing their loved ones are safe and well cared for. Many of the people who come to Project Independence have primary caregivers who work outside the home. Without PI providing a safe place for our participants to come, their family caregivers would not be able to keep their jobs to provide family income.

Project Independence offers an integrated medical and social model Adult Day program. Of the 47 participants currently attending PI's Adult Day Care Center, 68% are Medicaid-eligible and living in poverty, with an additional 26% living just above poverty level and attending Adult Day on a sliding fee basis. It costs Project Independence \$23/hour to provide Adult Day services for each of our participants. However, given that 94% of our participants are living at or below the poverty level, they are able to reimburse us at an average of only \$8.50/hour.

In today's economic environment, we must do more with less

as Adult Day is faced with the following challenges:

- * in the past two years, Vermont Adult Days have had a 14% decrease in funding from DAIL (Department of Aging and Independent Living),
- * in addition to the recent 14% funding reductions, there are more looming Medicaid cuts and reduced state funding on the horizon,
- * the demand for more services as the Adult Day population is becoming frailer and comes to us with higher needs,
- * the demand for more services as other healthcare providers such as Home Health are cutting their services and Adult Day must pick up the slack (i.e. increased need for showers, foot care, etc.),
- * the demand for greater services for a longer period of time as more families delay or eliminate nursing home care as an option due to high costs and/or the preference to keep seniors at home to age in place and keep families intact.

There are no other organizations providing Adult Day Care services in our community.

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 2011, VABVI served 1,310 clients from all 14 counties in Vermont, including twenty-six (26) adult clients and three (3) children 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.

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 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 2010-2011 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 2010-2011 SACT received 1798 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 2010-2011 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 2010-2011 fiscal year, SACT provided shelter for 52 people, including 26 adult females and 13 adult males and 10 female children and 3 male children for a total of 655 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



Fiscal Year 2011 has proven to be a year of growth and innovation for Circle. We have continued to advertise and promote the organization's name change; we have developed new prevention programming in collaboration with community partners that is reaching new audiences; we have continued to work with law enforcement to provide enhanced first response; and we launched our first-ever website (www.circlevt.org)!! The website is still under construction, but the site already contains a lot of information on all of Circle's services and programs, so feel free to browse and share your comments with us! In addition to all of these new initiatives, Circle advocates were also kept extremely busy providing the following core services:

- Over the past year, staff and volunteer advocates responded to 4,422 hot line calls, an average of 368 calls per month, and an increase of 7% from last year.
- Shelter services were provided to 23 women and 15 children for a total of 1,796 bed nights. We had to refer 19 women to other shelters because ours was at capacity.
- Our prevention based programs in schools reached a total of 1,630 students in Washington County through the 98 presentations and long-term support groups held during this fiscal year.
- Circle provided community presentations to 1,129 people through the 57 presentations offered to individuals and professionals in Washington County.
- Advocates provided support to 124 plaintiffs during Final Relief from Abuse Hearings, and assisted 103 individuals

file for temporary orders.

- Court Education Program was presented to 261 individuals, and our Court Hour Program, which offers one-on-one support to plaintiffs as they prepare for their final hearings, was offered to 69 individuals.
- Circle offered numerous evening support groups, reaching a total of 9 women.
- Over 1,500 people received direct services from Circle, which are maintained by trained staff and volunteer advocates.
- Our organization continues to rely heavily on the vast support of its many dedicated volunteers; Board Members, Hotline Advocates, Group Facilitators, and Shelter Support have all contributed over 6,000 hours to the work of Circle.

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 and TRAININGS: 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.



Photo courtesy of Sandy Pitonyak

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**:

- ➔ **240 Teens** participated in the **Basement Teen Center** in Montpelier that provides supervised drop-in time, leadership opportunities, and many activities & events.
- ➔ **57 Teens** were served by the **Community Assistance Program** that helps youths avoid substance abuse or make connections with treatment services.
- ➔ **26 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.
- ➔ **41 Teens** were provided with **Substance Abuse Treatment**.
- ➔ **6 Family Members** (3 teens and 3 children) participated in the **Teen Parent Program** that helps teen parents build parenting and life skills, continue their education, and create healthy homes.
- ➔ **14 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.
- ➔ **192 Community Members** were served through the **38th Community Thanksgiving Dinner** organized by the Bureau (83 of these were provided with home-delivered meals).
- ➔ **10 Youths** were served through the **VT Green Youth Program** that helps youth living in difficult circumstances in central VT access trainings and certifications that lead to successful employment in the green jobs field.

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.

For Information and Assistance Call

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



Photo courtesy of Sandy Pitonyak

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 2011 (July 1, 2010 - June 30, 2011):

- We received 246 referrals to Diversion and 257 referrals to ASP, for a total of 503 clients served in the period.
- Our clients performed 5682 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 \$ 7,671.00, while donations to charities amounted to \$3,916.00, which comes to \$11,587.00 for the year.

FUNDING

As a community based, non-profit program FY 2011, Diversion got 50% of its funds from the Attorney General's office; 40% from client fees, and the remaining 10% from other local sources like grants and towns and cities. Our total cost per case last year was about \$325.00 for each of the 503 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 help people build better lives for themselves, their families and their communities. This year, Central Vermont Community Action Council served 18,057 people in 9,320 Vermont households through Head Start and Early Head Start, business development, financial education, food shelves and nutrition resources, housing counseling, tax preparation, teen parent education, emergency heating assistance, home weatherization, green jobs training and more.

Program and services accessed by 525 Montpelier families with 977 residents include:

- 376 households with 785 people found emergency help with food, heating or housing assistance, as well as referrals to other community resources to address critical needs.
- When their family could not afford groceries, 426 adults and children accessed food through our food shelves.
- Our housing counselors helped 29 families to find and keep affordable, safe housing.
- 115 households with 279 family members were able to keep heating their homes with help from our Crisis & Supplemental fuel programs.
- 81 households received professional, free tax preparation

and filing, ensuring the full benefit of refunds, credits and rebates which were due. \$75,606 in tax refunds helped families stretch their budget, build savings or invest in their families and communities.

- 6 people used our Low Income Taxpayer Clinic to resolve IRS controversies and learn about their rights and responsibilities as taxpayers.
- 17 children were in Head Start and Early Head Start programs that supported 36 additional family members. 2 children with disabilities participated.
- 2 pregnant and parenting teens and their children gained literacy skills through our Family Literacy Center.
- 5 homes were weatherized at no charge, making them warmer and more energy efficient for 8 residents.
- 2 people attended do-it-yourself Weatherization Skillsshops, gaining hands-on training and the building science background to make energy-saving home improvements on their own.
- 2 families learned new energy efficiency habits and practices through Sustainable Energy Resources for Consumers (SERC) program which also installs solar thermal water systems, solar hot air and programmable thermostats.
- 4 homes had faulty heating systems repaired at no charge.
- 4 people found jobs with help from our work support and re-entry programs.
- 2 people found and maintained reliable transportation with support from the Vermont Car Coach, including 1 car purchase.
- 9 people attended classes or met one-on-one with a financial counselor to be better able to manage and grow family finances.
- 49 entrepreneurs received counseling and technical assistance on starting or growing a business.
- 16 women received training, counseling and technical assistance from the Vermont Women's Business Center to pursue dreams of business ownership.
- 2 child care providers received nutrition education and were reimbursed for the cost of serving nutritious meals and snacks to the children in their care.
- 9 people saved towards an asset that will provide long-term economic security. With savings, 2 businesses were capitalized and 1 person enrolled in higher education or training.
- 26 people worked with a career counselor to prepare for a job in the green economy, attended training to build green job skills and received industry credentials or certification to get or keep 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.

Eighty-three Montpelier residents enrolled in CVABE's free programs last year and twenty-seven 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

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Central Vermont Adult Basic Education

Barre Learning Center (and administrative office)

46 Washington St.—Suite 100

Barre, Vermont 05641

(802) 476-4588

**For information about CVABE's learning sites and services throughout Washington, Lamoille and Orange Counties, please call CVABE headquarters in Barre: (802) 476-4588 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 assisted 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 health insurance counseling; community and home delivered meals; case management; transportation to essential destinations; family caregiver support and respite grants; mental health services; legal services; food stamp and fuel assistance outreach; companionship; and help with household tasks. Programs sponsored by CVCOA include Senior Companions and Neighbor to Neighbor AmeriCorps.

Older residents 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. CVCOA served 641 residents of Montpelier in fiscal year 2010-11.

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, 2010 and ending June 30, 2011, RSVP was able to involve 76 residents of Montpelier as RSVP volunteers. Those residents gave 3,839 hours of

service to 23 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.

RSVP members also have played an important part in the recovery from the spring floods and Hurricane Irene by staffing recovery centers and helping in the original response to the damage.

If one uses the State average wage, it means that RSVP volunteers donated the equivalent of \$75,551 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).

Respectfully,

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.



**Among the 964 individuals in Montpelier who benefited from the Family Center's programs and services from July 1, 2010 – June 30, 2011 were:**

\* **250** 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.

\* **73** families who received **assistance paying for child care.**

\* **21 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.

\* **115 children and 91 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.

\* **20 adults and 17 children** who participated in **Parent Education Workshops** and related activities for children.

\* **42 children** who attended our **nationally accredited Early Childhood Program**.

\* **193 children and parents** who attended our **community events**.

\* **93 individuals** who were served by one of our specialized **Home Visiting** services, providing parent and family education and support.

\* **25 community members or child care professionals** who planned local and regional **Building Bright Futures Council activities**.

\* **8 children** who received **transportation assistance** through our bus.

\* **16 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



The need for emergency meals remains consistent for residents of the Montpelier area. In 2011 The Montpelier Food Pantry served 78,858 meals. These included 145 holiday baskets and additional meals for those who were impacted by Tropical Storm Irene.

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.

While food rescue continues to be at the heart of our programming, we also rely on food drives and local donations to keep our shelves stocked throughout the year. We also purchase staples from local business and farms.

For more information on the Montpelier Food Pantry please visit:

[justbasicsvt.org](http://justbasicsvt.org) or call Kimberley at 229-9158.

## Green Mountain Transit Agency



The mission of GMTA is to operate safe, convenient, accessible, innovative, and sustainable public transportation services in northwest and central Vermont that reduce congestion and pollution, encourage transit oriented development, and enhance the quality of life for all.

### 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 the 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 FY11 GMTA provided individual Medicaid and Elderly and Disabled transportation service

to 274 Montpelier residents totaling 19,772 trips

equaling 72,039 miles driven!

### Health Care

GMTA offers Montpelier residents medical transportation service to local health care facilities for services or in some cases, vital acute care transportation for radiation and dialysis treatments. GMTA travels to local medical facilities within the Central VT Medical Center hill area, as well as to places like Dartmouth Hitchcock, Fletcher Allen, Boston medical centers and beyond. We also provide free shuttle service to the Health Center in Plainfield allowing residents direct access to

an affordable and multi-service federally qualified health care center provider along with free shuttle service to health care providers outside of the regular hospital hill route.

### Social Service

In addition to our medical services, GMTA collaborates with AHS and area agencies to support the needs of transit dependent residents. 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 care services, GMTA provides individual transportation to Project Independence in Barre City.

### FY11 GMTA Ridership Fixed Route/Commuter/Demand Response Service

For FY11, overall GMTA ridership increased by 29.2%, clearly demonstrating the growing demand and use of public transportation within the region. The following routes are GMTA services within the Montpelier area. Regular fares are .50/one way or .25/discount. Commuter routes are \$1/one way and the LINK Express is \$4/one way with additional cost saving passes available.

- **City Commuter/City Route Mid Day-** The City Route travels between Montpelier, Berlin and Barre 23 times each weekday, and 16 times on Saturday.

**For FY11, the City Commuter served 53,181 riders (increase of 20.3%) and 35,510 riders on the City Route Mid Day (increase of 57.4%).**

- **Montpelier Hospital Hill-** This route travels to Central Vermont Medical Center, Berlin Mall and surrounding locations through deviation requests.

**For FY11, the Montpelier Hospital Hill Route served 24,446 riders (increase of 8.4%).**

- **Montpelier LINK Express-** The LINK provides direct service each weekday from Montpelier to Waterbury and Burlington during peak commuting hours and one mid day service. The LINK also offers connections to services in Burlington, Montpelier and Waterbury. The LINK is jointly operated between GMTA and CCTA in Burlington.

**For FY11, the Montpelier LINK Express served 89,260 riders (increase of 21.4%).**

- **US2 Commuter-** In April of 2010, GMTA and RCT began operating the new US 2 Commuter, providing transportation during peak commuting hours between St. Johnsbury and Montpelier.

**For FY11, the US2 Commuter served 12,772 riders. Within the first two months of FY12 (July and August), the**

**US2 Commuter ridership had increased by 69.4%!**

- **Waterbury Commuter-** The Waterbury Commuter offers service between Montpelier and Waterbury during peak commuting hours each week day along with connecting service to the Route 100 Stowe/Morrisville route.

**For FY11, the Waterbury Commuter served 15,339 riders (increase of 30.6%).**

- **Health Center in Plainfield Free Shuttle-**The Health Care Shuttle provides free direct service for central Vermont residents, including Montpelier, to the multi-service federally qualified health care center provider in Plainfield.

**For FY11, the Health Care Shuttle served 1,011 riders.**

- **Montpelier Circulator-** In July of 2011, GMTA began operating the new Montpelier Circulator service. The Circulator is a free service which operates Monday-Saturday throughout the Montpelier downtown area to provide individuals with easy access to local businesses and daily needs. **Within the first few months of service, average ridership was 35+ per day.**

### Thank You

Thank you to the residents of Montpelier for your continued support of GMTA. And to the numerous Montpelier residents who have dedicated their time as volunteer drivers and employees, along with all those who use our service, thank you for your commitment to community transportation.

### Information

Please feel free to contact us with questions or to request additional information on GMTA services at 802.223.7287 or [gmtaride.org](http://gmtaride.org)

## Community Development

### Montpelier Alive

*Revitalizing Downtown Montpelier since 1999*

**Vision:** Montpelier is a vibrant community center with a thriving downtown and unique sense of place.

**Mission:** To achieve our vision, Montpelier Alive will:

- Collaborate with Montpelier businesses, civic and governmental organizations and the wider community to enhance the city's position as a preferred location for business.
- Focus on keeping Montpelier an accessible and pedestrian-friendly working downtown with aesthetically pleasing streetscapes and design.

- Support compact, land-efficient development that enhances the city's environment and preserves its historic character and unique sense of place.
- Develop Montpelier as a center for social, cultural, retail and culinary experiences.

#### Redesignation

Montpelier's Designated Downtown District was redesignated for another five years in August of 2010, with a slight change in boundaries to coincide with the City's existing zoning boundaries. The Designated Downtown provides benefits such as tax credit incentives, tax stabilization and qualifications for grant funding for projects in the district. The Designated Downtown and its benefits are made possible because Montpelier Alive exists to manage it. Montpelier Alive is a member of the Vermont Downtowns Program and the National Main Streets Program.

#### Awards Received

- **Green Mountain Award** from Vermont Agency of Commerce and Community Development for Best Retail Campaign in recognition of the MBA's "Meet Me in Montpelier" cooperative ad series. Received at the Preservation Trust of Vermont's annual meeting in April 2011.

#### Board of Directors and Officers (ratified November 11, 2011)

Greg Guyette, President  
Shawn Bryan, Past President  
Andrew Brewer, Vice President  
Claire Benedict, Secretary  
Peter Ricker, Treasurer  
Jon Anderson  
Justin Bourgeois  
Pinky Clark  
Gregg Gossens  
Rob Hitzig  
Sarah Jarvis  
Bill Kaplan  
Linn Syz

#### Downtown Business Activity

Montpelier Alive continues to support the Montpelier Business Association (MBA) during its monthly meetings, communicating their issues with City staff and by coordinating retail promotions.

#### **Openings, Closings, Expansions**

A few downtown businesses expanded their operations by opening sister locations in places like Berlin, Middlebury,

and upstate New York. One closed their Barre location to focus on Montpelier. Others expanded their service options or reinvested by renovating. Net business loss of one business in 2011, with one moving out of the downtown core and two moving from upper floor spaces to street level. Tenancy rates remain stable.

#### **Capital City Cash**

The universal downtown gift certificate kept over \$21,000 circulating among Montpelier businesses in 2011—a 50% increase in local investment over 2010 and 2009 sales figures. Capital City Cash is redeemable at over 60 Montpelier businesses and is as good as cash, backed by Peoples United Bank.

#### **Retail Activity**

- Moonlight Madness – included pumpkin carving contest, October 2011
- Montpelier Gives Back – \$3,000+ donated to Vermont Food Bank's Irene efforts
- Bag that Bag – 24,000+ disposable bags saved from landfills
- Flannel Friday – Montpelier's version of Black Friday
- Holiday promotions – includes family activities, Santa, tree lighting, two weeks free parking

The MBA continues to meet monthly on the first Wednesday of the month at 8:30 in City Hall. Special meetings have been held for flood management and local options taxes, and workshops on marketing, energy efficiency, and strategic planning.

#### Downtown Promotional Activities

The Promotions Committee focused on executing its regular schedule of events, as well as supporting the festivals coordination of July 3rd and First Night and hosting Green Up Day.

#### **Marketing**

The Promotions Committee maintains the Montpelier Alive website and Facebook page, and writes and distributes press releases and PSAs to print, radio, TV and online outlets.

Montpelier Alive continues to purchase \$3,000 worth of rack space in area welcome centers to attract tourists to Montpelier with a comprehensive fold-out map and guide.

Mike Dunphy of OneNewEngland.com wrote a three-part series on visiting Montpelier in the fall of 2011, which was shared widely. The MBA and the Times Argus are partnering in 2012 to distribute a weekly note to the legislators to welcome them back to session.

The MBA continued cooperative advertising. The following

outlets have donated considerable space to Montpelier: WDEV, The Point, The Time Argus, The Bridge, and Seven Days, among others.

### Events

In addition to everything mentioned above, Montpelier Alive created the following programs in whole or in partnership to bring people into downtown Montpelier.

- **Art Walk** – Art Walks occur regularly in February, April, June, Sept/Oct and December of every year, with a different theme each session. Michelle Barber stepped in as the new Art Walk coordinator and oversaw an increase in participation as well as a booklet redesign.
- **Green Up Day** – 150+ volunteers
- **Brown Bag 2011 Concert Series** – The 8-week free concert series held in the Christ Church Courtyard (July – August) was well attended and netted 75 to 150 audience members per show.
- **July 3rd Festival** – hosted 20,000 visitors
- **First Night Montpelier** – hosted 3,000 visitors
- **Poetry Alive!** – In partnership with the Kellogg Hubbard Library, participation increased 100%. 200+ poets represented 40 Vermont cities and towns in 70+ venues. 50% of participants were from Washington County, 72% of all participants traveled to Montpelier to view the poems or take part in the programming. The 2012 effort is renamed PoemCity.
- **Montpelier Home Show** – Organized by the Montpelier Chamber Orchestra, Montpelier Alive volunteers staffed a house as part of the Montpelier Home Show in October 2011 and sold tickets to benefit the effort. Estimated 300 viewers.
- **24 Hour Comics** – Montpelier's 2nd 24 Hour Comics event was held at City Hall, in partnership with Trees and Hills Comics Group. 20 participants (mostly Montpelier residents) ranging from 13 years of age to 70 years took part in this all-night creative spree. The result was documented on the official site with comics viewable at [www.treesandhills.org](http://www.treesandhills.org). The following Art Walk also hosted sample pages from the event.

### Downtown Flood Management

The flood emergency contact list was updated March – April 2011 and alerts were passed along when received from the City. Montpelier Alive provided volunteers for flood cleanup, fundraised to assist recovery efforts, and served as liaison between the business community and the City and other officials. The resulting talks lead to investment in updated emergency notifications systems by the City and individuals. Information on both flooding events is included here.

### Flood of May 2011

- \$300,000+ reported in damages by 1/3 of the membership. Actual loss exceeded estimates.
- Coordinated with FEMA for reporting and assessments of damage to businesses.
- \$29,808.40 raised for Flood Relief Fund, spearheaded by Todd Bailey, a portion of which was matched by KSE Partners and VCFA. Administered by Montpelier Loan Fund Committee to 20 businesses.
- Most businesses back in operation within a few weeks.

### Flood of August 2011 –

- Collected \$1,150 in funds on behalf of business owners Sean Ward and Mike Raymond
- Volunteers gave 100+ hours for downtown flood clean up.
- 8 Ways to Manage Your Downtown Through Disaster, distributed widely and used by many Vermont communities during their recovery efforts. It can be read here: [www.phayvanh.com/2011/08/8-ways-to-manage-your-downtown-through-disaster/](http://www.phayvanh.com/2011/08/8-ways-to-manage-your-downtown-through-disaster/)

### Streetscape and Design

The Design Committee focused mostly on Capital Improvement Projects (CIP), with various volunteers taking on other work.

### Capital Improvements

City Council approved CIP funds for a place marker sign for City Hall, which should be installed in 2012. The rest of the CIP allocation will be used for improvements on the parking lot side of the Blanchard Block. A design charette was held in September 2010 for public comment, resulting in designs for permanent and temporary public parks. The projects are in the estimation and permitting process to date.

### Plantings

\$1,500 was raised to plant flowers, though the rainy summer season meant that a few barrels were flooded and needed replanting while others grew wildly in the following heat. Public Works worked closely with Pinky Clark to install and remove barrels, benches, trash and recycling receptacles.

For three weeks in August 2011, volunteers contributed 100+ hours to weeding tree wells and sidewalks throughout downtown in coordination with the Parks Commission. This also resulted in a flower garden at the corner of State and Elm streets donated by Sarah Jarvis and Jesse Jacobs.

### Public Art

- City Hall Plaza Art Contest winner Marisa DiPaola's "fiddleheads" installation June-Oct 2011

- Art Walk reception for Sofia Shatkivska's "Communication", a Sculptcycle piece, October 2011
- HighLow Project in partnership with the Vermont Coalition of Runaway and Homeless Youth Programs and Washington County Youth Service Bureau, June – October 2011

#### Citizen Participation

Montpelier Alive is a volunteer-run organization with only one staff member to support all its activity. The organization is able to offset its small budget with the donation of human capital in all aspects of work, from planning through execution.

#### **Montpelier Volunteer Program (MVP)**

MVP was formalized in July 2011, with an e-newsletter and two volunteer coordinators as well as yellow volunteer t-shirts. Volunteers who commit to 20 hours or more per year earn a t-shirt to wear during volunteer sessions. Montpelier Alive supports the work of 30 volunteers who contribute 150 – 500 hours of support per month. During the July 3rd and First Night festivities, the number of contributors swelled to almost 200, with each giving at least 2 hours of time.

Volunteer work included office help, committee meetings, event staffing, promotional activities and fundraising. Organizational partners included Onion River Exchange and National Life Group.

#### **Committee Composition**

All committees welcome new and returning members, as well as able volunteers. If interested, contact either a committee chair or the Montpelier Alive office.

- **Design Committee** is tasked with maintaining the look and feel of downtown Montpelier, to include capital improvements, streetscape and public art projects. Chair: Paul Carnahan.
- **Economic Development Committee** is tasked with monitoring the economic health of downtown by supporting and promoting the marketplace as well as working on recruitment and retention issues. Chair: Sarah Jarvis.
- **Organization Committee** is tasked with maintaining the organization through developing and sustaining partnerships, funding sources, human capital, and brand identity. Chair: Justin Bourgeois.
- **Promotions Committee** is tasked with promoting downtown Montpelier as a destination by creating and promoting cultural programming, creating and distributing marketing materials, and maintaining the image of Montpelier. Chair: Pinky Clark.

#### From the Director

I have been honored and privileged to serve as your downtown manager this year, and look forward to a 2012 full of activity

and liveliness. Our crew welcomes your participation, at whatever level you'd like to give. Please give me a call or stop by my office in City Hall to discuss how you'd like to contribute to our mission.

Lastly, Montpelier Alive's work could not succeed as well without the full support of the City and its staff, who contribute expertise, time, and in-kind support. We are ever grateful for the generosity that the City and its residents give to support our unique sense of place.

Respectfully submitted,

Phayvanh Luekhamhan, *Executive Director*

## **Montpelier Green Up Committee**

Montpelier Alive organized Green Up Day on Saturday, May 7, 2011, involving over 100 volunteer participants. Volunteer registration took place at the entrance of the Farmer's Market on State Street on its first day of the summer season. Activities included trash pickup, tree planting, and exchange of art banners in City Hall Plaza. As a thank you, all volunteers received a sheet of coupons offered by local businesses, generously organized by Carrie Baker Stahler of Onion River Sports and printed by the Times Argus.

On Friday April 29th, 35 volunteers from National Life Group got a head start on Green Up Day by cleaning up the area around the National Life building. Other corporate groups that participated in Green Up activities were Union Mutual, Blue Cross Blue Shield, and Three Penny Taproom. The Main Street Middle School also organized efforts on their campus.

All volunteers were supported by the Department of Public Works, Casella Waste Management, and Subway, which provided the DPW workers with lunch. Green Up Day Montpelier is organized by Montpelier Alive's Promotions Committee. For more information, or if you'd like to get involved, please contact the Montpelier Alive office: 223-9604 or [director@montpelieralive.org](mailto:director@montpelieralive.org). Enormous thanks to Pinky Clark and Linn Syz for coordinating the 2011 effort.

Phayvanh Luekhamhan, *Executive Director*  
Montpelier Alive

## 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 140 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 23 workshops and 25 on-site training sessions that attracted more than 1,600 people. Handbooks produced by MAC may be purchased or accessed free of charge on our website at our Resource Library. The Library also contains nearly 1,000 other electronic documents, including technical papers, model polices and newsletter articles that are 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 in the 2012 legislature, assuring that they have the financial resources and authority to recover from the effects of Tropical Storm Irene.
- 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 substantial municipal damages resulting from Tropical Storm Irene made the value of **VLCT Property and Casualty Intermunicipal Fund (PACIF)** to all our members painfully clear, as members benefitted from the broad coverage, excellent re-insurance, and prompt service and claims payments. These two trusts, with the addition of the VLCT Unemployment Trust, were responsible in 2010 for \$43 million in municipal tax dollars spent for insurance and risk management services.

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.

Although the national recession affected all of Vermont, the Central Vermont region had been making steady progress towards recovery. Unfortunately, Tropical Storm Irene interrupted that progress with several communities severely devastated by the storm. Since Tropical Storm Irene, CVEDC has been working diligently with the affected businesses and impacted municipalities by partnering with the State and Federal entities, to bring assistance to those victims of the flooding. We anticipate that work will continue for some time to come.

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 Development Board (CVWDB) on both the Executive Committee and the Board, as well as on project committees. This year CVEDC will not only be the CVWDB coordinator but also supervise the TIPS Program Coordinator. Among the projects and initiatives planned for this coming year are; the 3rd 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 past year's Career & Job Fair had 51 businesses participated in the day-long event. Six hundred and seventy-five students from 14 area schools attended the morning program and eight hundred and thirty-two 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 200 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 another USDA RBEG/RBOG grant in our region. We have secured funds for a small value-added agri-business that produces specialty meat products. The funding will be used to improve the marketing and web-presence of the business as well as contribute to the costs for additional training as the business launches new meat products.

CVEDC also held a Service Provider Expo in conjunction with our Annual Meeting in October. Business service providers displayed their programs and services to the one hundred and twenty 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 continued its focus 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 hazard mitigation plans, population and housing growth, and river and stream assessments to support transportation and water quality improvements. The Commission has also been actively involved in assisting towns with the development or updates of BEOP's (Basic Emergency Operations Plans). Continuing with its energy work from 2010,

CVRPC is providing assistance to local energy committees with implementing the building energy audit recommendations for weatherization of municipal buildings. The Commission's work expanded this year to include assistance to towns on flood issues from Tropical Storm Irene. Assessment and mapping services were provided to those towns impacted, and work is ongoing as it relates to procuring grant funds for repairs to local infrastructure. CVRPC received a grant to develop a regional broadband plan that will direct where infrastructure is needed to support the technology and provide access.

This year, the Commission supported the efforts of the City by providing administrative support to the Wrightsville Beach Recreation District, conducting a boundary study and analysis, conducting the intersection study at Gallison Hill and Route 2, training Public Works personnel on GIS software for mapping, conducting traffic counts, performing an environmental assessment at 46 Barre Street, assessing flood damage and mitigation measures, continuing work on the Central Vermont bike and pedestrian path, and making funding available for weatherization of municipal 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, you can reach us at (802) 229-0389, or visit our website [www.centralvtplanning.org](http://www.centralvtplanning.org).

Susan M. Sinclair, *Executive Director*  
Tina Ruth, *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. Since adopting this goal, the zero waste approach has become the accepted industry "best-practice" for management of solid waste.

CVSWMD is made up of 17 member cities and towns and the approximately 52,000 residents that live within them. The district's five full-time and two part-time office staff, plus two full-time field staff implement the organizational programming, services, and events for these 17 communities. **Montpelier is represented on the CVSWMD Board of Supervisors by Mia Moore (Alternate - Andy Hooper).**

FY11 was a year of stabilization for CVSWMD. After the transfer of depot operations to private haulers and changes in the organization's staffing structure and leadership changes within the organization and on the Board of Supervisors, CVSWMD undertook fiscal rebalancing measures. These measures were successful and enabled the organization to conclude the year exhibiting financial stability and reduced debt. To assist the CVSWMD in promoting program activities to residents and businesses in our member towns, one additional full-time staff member was added to the CVSWMD staff. The district was pleased to offer Flood Relief Grant Funds, which were awarded to assist residents and small businesses in covering the costs of disposal of flood-damaged property. This emergency assistance to our member towns, including residents of Montpelier, was well-received and provided opportunities to partner with other organizations in the community to enhance our services and build collaborative relationships.

The district continues to provide and enhance award-winning and innovative programming to meet the needs of our member towns and residents. Ongoing CVSWMD programs included the following:

- **Composting Programs:** Since food scraps comprise about 21% of the waste Vermonters produce every year, capturing and composting that organic matter is a major focus of CVSWMD's waste reduction programming. Diverting food scraps substantially reduces the pressure on our rapidly filling landfills. Additionally, the three area composting facilities that CVSWMD hauls food scraps to turn the scraps into compost, a soil amendment, which then is used to enrich the soils of Central Vermont. The district's three-pronged approach continues to engage those who have the biggest impact on this area of the waste stream; residents, businesses/institutions, and schools.

- **Residential Composting Program:** This program supports residents who wish to manage their food scraps at home. In FY11, the district continued to offer: its popular composting booklet "The Dirt on Composting" free to residents; online plans for building several types of compost bins; Green Cone food digesters and Soilsaver composting units for sale at a reduced cost to member town residents.

Additionally, three raffles were held to give away several Green Cones and Soilsavers. We continue to offer technical support and assistance to residents composting at home throughout the district.

- **Business Composting Program:** CVSWMD has 63 participating businesses and institutions throughout the Central Vermont region. Participating businesses and institutions diverted an estimated **2,500,144 lbs. or 1250 tons** (more than **2.5 million lbs.!**) of food scraps to composting facilities.

- **School Composting Program(now part of our School Zero Waste Program):** During FY11, CVSWMD staff trained 5 additional schools to divert food scraps through the school composting program. All 28 public schools in the CVSWMD are now participating in this program. The schools diverted an estimated 147.7 tons (294,819 lbs.) of high quality food

- **Union Elementary School** has diverted approximately **46.2 tons** (92,390 lbs.) of food scraps since they joined the program in **April 2004**. CVSWMD estimates the school diverted **7.86 tons** in FY11 alone!

- **Main Street Middle School** has diverted approximately **30.38 tons** (**60,740 lbs.**) since they joined the program in **November 2004**. During FY11 MSMS students, faculty and staff diverted **5.5 tons** of food scraps from the landfill!

- **Montpelier High School** has diverted approximately **36.02 tons** (**72,005 lbs.**) since they joined the program in **April 2004**. During FY11 MHS students, faculty and staff diverted **6.87 tons** of food scraps from the landfill!

- **School Zero Waste Program:** The School Zero Waste Program began full implementation in FY2011. This program includes our already successful School Composting Program, but also provides a means for schools to determine the content of their waste streams and ways that they can reduce the amount of waste they create and how to save money by making smart purchases. Waste audits were conducted in several schools and will be continuing throughout the district in FY12.

- **Special Collections: 850 households and 15 small businesses** accessed our collection events in FY11. Items collected at the events included hazardous waste, electronics, textiles, tires and books. A total of **115,236 lbs.** of materials were diverted from VT landfills. The safe disposal of these materials cost the CVSWMD **\$84,700**. Pesticides were collected at our events at no charge for attendees. The Montpelier Hazardous Waste & Electronics Collection was the single largest event of the season.

**Electronics:** 27,353 lbs.

**Textiles:** 2,478 lbs.

**Books:** 12,182 lbs.

**Hazardous Waste:** 22,336 lbs.

**Paint (oil based):** 40,174 lbs.

**Batteries:** 1,128 lbs.

**Latex Paint** (recycled into new paint): 8,428 lbs.

**Fluorescent Bulbs:** 1157.40 lbs.

**Highlights:**

- **Hazardous Waste:** Keeping hazardous waste out of our landfills and educating residents about alternatives to hazardous products continues to be one of the highest priorities of CVSWMD. Outreach about events was provided to all member towns and educational materials were distributed at the events to help residents reduce the quantity of hazardous materials and waste in the coming year.

- **Electronics:** E-waste is the fastest growing category of waste in Vermont and the nation. In order to help residents and small businesses safely recycle their e-waste, CVSWMD offers special collections of unwanted electronics. Collections were held throughout the district. Collections prior to July 1, 2011, offered members a reduced rate for recycling their electronics. After July 1, the State of Vermont implemented the VT E-Cycles Program, which requires electronics manufacturers to fund e-waste recycling. This program assisted CVSWMD in being able to offer recycling of e-waste for free at all electronics collections after July 1, 2011. CVSWMD participated in state planning efforts for the VT E-Cycles Program.

- **Textiles and Books:** The district seeks to offer collection of other items that may be difficult to get rid of, while not replicating services or undermining area businesses. To that end, 4 events in FY11 offered collection of textiles and books, including unusable curtains, sheets, cushions, etc. and many books that may not otherwise be donated for reuse, such as encyclopedias and outdated textbooks.

- **Mercury Candy Thermometers:** In partnership with the VT Dept. of Agriculture, our offices serve as a year-round collection location for mercury containing candy thermometers, such as those used in sugaring operations. As part of the state program, we supply digital thermometers as a replacement at no cost to district members.

- **Cell Phone and Battery Boxes:** Those towns who worked with CVSWMD in FY10 to set up free collection of these items through call2recycle continued to collect these items at most locations. The district also worked with Hunger Mt. Coop to set up permanent cell phone and battery collection at their location in Montpelier. The CVSWMD office and special collections continue to collect used cell phones and rechargeable batteries for free. The City of Montpelier is not a registered collection site; however, CVSWMD offices are located in Montpelier and offer a convenient drop-off location.

- **Green Up Day Grants:** This service to our member communities was reinstated for Green Up Day 2010 and continued this year. Towns were offered the opportunity to request up to \$500 in FY11 to assist them in covering costs of waste collected during GUD. A total of \$4121 was distributed to the 9 member towns that requested grants. The City of Montpelier did not apply for Green Up Day funds in 2011.
- **CVSWMD E-News:** CVSWMD publishes a monthly e-newsletter and regularly sends e-mail notices about special events to town clerk offices, select board chairs, legislators, and interested residents. In FY11 the newsletter was redesigned and the content included stories of local interest, our monthly Zero Hero, and reuse resources available to residents. The contact list for the newsletter nearly quadrupled this year as well. All residents from member towns are welcome to receive the e-newsletter. (<http://www.cvswwmd.org/newsletter.html>)
- **Web Site:** The district built a completely new website in FY11 in order to better serve the residents and businesses in our district with current, fresh information. The result is a much more user friendly, stimulating experience for users. At present, the popular “A to Z Guide” is being reformatted and will be posted to the website when complete. Visit the new site at [www.cvswwmd.org](http://www.cvswwmd.org).
- **Educational materials:** CVSWMD provides a number of educational and informational materials to district members through outreach activities and by request from our office. In FY11, many of these materials were updated or redesigned. We continued to provide brochures and handouts on the district and its work, handling of hazardous materials, year-round recycling options, information on the mandatory recycling list, etc. These materials are made available to any district resident or member town. Call 802-229-9383 to request materials.

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

CVSWMD's latest annual report is available online at [www.cvswwmd.org](http://www.cvswwmd.org). Please contact us with questions or concerns—802-229-9383 or [comments@cvswwmd.org](mailto:comments@cvswwmd.org)

## Culture and Recreation

### 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 have produced 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 have offered 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.

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.

After more than a quarter of a century on the campus of Vermont College, we are moving the gallery to another location in Montpelier by mid-year. We will maintain an office at Vermont College and will continue to hold Summer Art Camp on the Green of the College. We currently have approximately fifty pieces from the Collection at the State House and will be exhibiting other work by our founder at Burlington College.

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*

### 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 seventeen 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 850 visitors per day in 2011, along with an average daily circulation of 975. 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.



The library provides programs for children of all ages. Our three story times each week entertain children birth to age 5 with music, finger plays, stories, puppets and crafts. “It’s so nice

to be able to come to the library and see other moms, dads and children. We even sing the story time songs at home! Thank you for making our weekly outings so much fun,” we heard from one parent. 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. Tweens and teens too, gather at the library for social as well as educational pursuits. The library’s Teen Advisory Group (TAG), comprised of over a dozen energetic library lovers, meets on a regular basis to hang out as well as advise the library about what teens want. Their efforts led to a Harry Potter lock-in and monthly themed Young Adult Nights. Recent activities have included “Roll Your Own Sushi and Watch Spirited Away” and a Fondue Fiesta. Our TAG group’s volunteer efforts have also helped ensure the success of other Children’s Department programs such as the Fall Carnival where over 300 individuals and families came for a day of games and fun. “We get to help out, hang out and have fun. It’s awesome!” a TAG’er recently said.

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, 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 the last two years. This year the library is requesting a two-percent increase, which is under the rate of inflation, and the first change in three years. 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, over 8,000 Montpelier residents have registered for library cards, nearly 1500 of them 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, 2011 follow. KHL’s year-end December 31, 2011 statements will be available at City Hall and the Library prior to Town Meeting Day.



KELLOGG-HUBBARD LIBRARY  
STATEMENT OF FINANCIAL POSITION  
SEPTEMBER 30, 2011

EXHIBIT A

ASSETS

|                                         |                            |
|-----------------------------------------|----------------------------|
| Cash - checking & petty cash            | \$ 56,362                  |
| Cash - money market                     | 176,583                    |
| Total cash and cash equivalents         | <u>232,945</u>             |
| Investments, at fair value              | 4,098,176                  |
| Total current assets                    | <u>4,331,121</u>           |
| Building, furniture and equipment       |                            |
| Building                                | 2,593,369                  |
| Furniture and equipment                 | 161,881                    |
| Bookmobile                              | 97,314                     |
| Accumulated depreciation                | <u>(911,800)</u>           |
| Total building, furniture and equipment | <u>1,940,764</u>           |
| Total assets                            | <u><u>\$ 6,271,885</u></u> |

LIABILITIES AND NET ASSETS

|                                                      |                            |
|------------------------------------------------------|----------------------------|
| Liabilities                                          |                            |
| Accounts payable                                     | \$ 13,126                  |
| Unearned grant income                                | 5,975                      |
| Accrued wages and withholdings                       | 20,000                     |
| Accrued compensated leave                            | <u>55,700</u>              |
| Total liabilities                                    | <u>94,801</u>              |
| Net assets - unrestricted                            |                            |
| Designated - investment in property - beg. balance   | 1,992,395                  |
| Designated - investment in property - current period | <u>(51,631)</u>            |
| Total designated - investment in property            | <u>1,940,764</u>           |
| Designated - investments - beg. balance              | 1,925,714                  |
| Designated - investments - current period            | -                          |
| Total designated - investments                       | <u>1,925,714</u>           |
| Undesignated - beg. balance                          | 2,219,103                  |
| Undesignated - current period                        | <u>(312,773)</u>           |
| Total undesignated                                   | <u>1,906,330</u>           |
| Total net assets - unrestricted                      | 5,772,808                  |
| Net assets - permanently restricted                  | <u>404,276</u>             |
| Total net assets                                     | <u>6,177,084</u>           |
| Total liabilities and net assets                     | <u><u>\$ 6,271,885</u></u> |

KELLOGG-HUBBARD LIBRARY  
 STATEMENT OF ACTIVITIES  
 NINE MONTHS ENDED SEPTEMBER 30, 2011  
 (With Comparative Actual Totals for September 30, 2010)

EXHIBIT B

|                                              | 2011               |                           |                    | (Memo Only)<br>2010 |
|----------------------------------------------|--------------------|---------------------------|--------------------|---------------------|
|                                              | Unrestricted       | Permanently<br>Restricted | Total              |                     |
| <b>REVENUES</b>                              |                    |                           |                    |                     |
| Investment distribution                      | \$ 140,071         | \$ -                      | \$ 140,071         | \$ 192,500          |
| Contributions                                | 63,203             | -                         | 63,203             | 108,547             |
| Bequests                                     | -                  | -                         | -                  | -                   |
| City/Town contributions                      | 405,600            | -                         | 405,600            | 405,600             |
| Program revenue and fees                     | 50,210             | -                         | 50,210             | 58,498              |
| Grant revenue                                | 68,608             | -                         | 68,608             | 95,632              |
| Interest income                              | 447                | -                         | 447                | 840                 |
| Miscellaneous                                | 8,560              | -                         | 8,560              | 5,475               |
| <b>Total revenues</b>                        | <b>736,699</b>     | <b>-</b>                  | <b>736,699</b>     | <b>867,092</b>      |
| <b>EXPENSES</b>                              |                    |                           |                    |                     |
| Program                                      | 582,210            | -                         | 582,210            | 532,055             |
| Supporting Services                          |                    |                           |                    |                     |
| Fundraising                                  | 89,041             | -                         | 89,041             | 87,865              |
| Management & general                         | 77,440             | -                         | 77,440             | 73,831              |
| <b>Total expenses</b>                        | <b>748,691</b>     | <b>-</b>                  | <b>748,691</b>     | <b>693,751</b>      |
| <b>NET REVENUES OVER (UNDER) EXPENSES</b>    | <b>(11,992)</b>    | <b>-</b>                  | <b>(11,992)</b>    | <b>173,341</b>      |
| <b>NONOPERATING REVENUE (EXPENSES)</b>       |                    |                           |                    |                     |
| Investment income                            | 74,984             | -                         | 74,984             | 44,747              |
| Investment management expenses               | (13,197)           | -                         | (13,197)           | (20,606)            |
| Net realized gain (loss) on investments      | 75,969             | -                         | 75,969             | 99,677              |
| Net unrealized gain (loss) on investments    | (293,625)          | -                         | (293,625)          | (29,353)            |
| Investment distribution to operating         | (140,071)          | -                         | (140,071)          | (192,500)           |
| Depreciation                                 | (56,472)           | -                         | (56,472)           | (57,611)            |
| <b>Total nonoperating revenue (expenses)</b> | <b>(352,412)</b>   | <b>-</b>                  | <b>(352,412)</b>   | <b>(155,646)</b>    |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>     | <b>(364,404)</b>   | <b>-</b>                  | <b>(364,404)</b>   | <b>17,695</b>       |
| <b>NET ASSETS - BEG. OF PERIOD</b>           | <b>6,137,212</b>   | <b>404,276</b>            | <b>6,541,488</b>   | <b>6,293,401</b>    |
| <b>NET ASSETS - END OF PERIOD</b>            | <b>\$5,772,808</b> | <b>\$404,276</b>          | <b>\$6,177,084</b> | <b>\$6,311,096</b>  |

## Lost Nation Theater



"What a treasure to have Lost Nation Theater in Montpelier. We not only love the amazing productions LNT presents year after year, but we are also so grateful for LNT focus on Theater education.

Our daughter has grown a passion for the Theater directly because of LNT Youth Theater labs. She lives for each production and her involvement has **helped her grow, not only as an actress, but as a person as well.** We feel so fortunate and honored to have our daughter learning from the very same professional performers that grace the main stage productions. **LNT is truly the cultural Mecca for Vermont."**

- Jami & Chris Robertson, parents, LNT Student participant, Montpelier

Thanks in part to a \$3500 cash contribution from the taxpayers of Montpelier, Lost Nation Theater greatly expanded its youth education programs in 2011:

- **11** different Youth Theater Camps and/or Classes serving 130 students age 7-17
  - \$6,825 in scholarship assistance** distributed (with \$4,125 going to Montpelier families);
  - Additionally, LNT "bartered" skills with parents or more experienced/older students to further defray costs for families
  - added technical theater program and master-classes in stage combat & physical comedy
  - total program cost (for these 11): \$41,000 [\$29,360 (cash); \$11,640 (in-kind)]
- **5** middle/high school students received long-term in-depth mentoring internships (for free)
- **12** special school matinees (with pre/post shows discussions with cast and crew and some interactive workshops) – including MPSS, MSMS, & UES were conducted
- **2** LNT professional productions (*To Kill a Mockingbird* and *Midsummer Night's Dream*) provided acting and technical roles for 15 students (age 10-16)

### Additional 2011 highlights:

- Lost Nation Theater produces its 23rd season as Montpelier's Resident Professional Theater!
- Named Vermont Arts Council "Community Partner".
- After losing much of our prop and costume stock in the flooding, LNT donates \$1000 (raised through benefit production of *Bully! An Adventure with Teddy Roosevelt*) to Irene Recovery efforts.
- Partnered with Vermont Humanities Council for Vermont Reads & the Big Read: *To Kill A Mockingbird*

- People Fly in Aerial Silks for the first time ever at City Hall (in *Metamorphoses*)!
- Winner: Best Theater, *The Times Argus* and *Seven Days* Readers Choice Award
- Again named "one of the best regional theaters in America" by the NYC Drama League
- LNT's "Theater for Kids by Kids" summer show *Willy Wonka* sells out all shows, and has a record number of students involved.
- LNT produces 6 other groups/artists for their special events.

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:

LNT is one of the state's "original" year-round professional theater companies.

Artistic Director Kim Bent founded Lost Nation Theater in 1977 in Bristol, Vermont.

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. LNT's work now includes musicals, a host of education and professional training programs, and many partnerships with social service and other arts organizations.

In 1989, LNT's annual budget was under \$20,000.

In 2011 its cash budget was approximately \$285,000 (our matching in-kind budget is more).

LNT's annual economic contribution is approximately three-quarters of a million dollars.

LNT donates more than \$25,000 in goods and services each year 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
- 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 Classes & Camps* — summer & winter break day camps for ages 7-16; winter/spring skill development classes – includes technical and performance
- 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*
- 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

**2011 LNT Staff**

Kim Bent and Kathleen Keenan –*Producing Artistic Directors*  
 Dona Bate – *Outreach Development & Bookkeeping*  
 Tara Lee Downs – *Education Coordinator/Company Manager*  
 Laura Krouch – *Production Stage Managers*  
 Casey Covey – *Technical Director/CHAC Facilities Manager*

**2011 LNT Board of Directors & Advisors**

Dona Bate, Dan Jones, George Hallsmith, Bob Johnson, Warren Kitzmiller, Ted Richards - *Secretary*

Dona Bate, Joan Black, Jon Buddington, Jim Catone, John Fricke, Nancy Graff, Linda Henzel, Ann & Bob Johnson, Betty Lord, Rick Mastelli, Eric Michaels, 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*



**Willy Wonka Jr.**

Theater for Kids by Kids production of Willy Wonka Jr. Aug. 2011, about 40 students age 8-18 were involved Directed by 9 professionals - plus LNT admin staff Photos courtesy of Francis Moran Photography



**"FairyLand"**  
in Shakespeare's *Midsummer Night's Dream*  
Pictures are from LNT Mainstage (professional productions which offered opportunities for youth roles.)  
Photos courtesy of Francis Moran Photography

**Metamorphoses - By Mary Zimmerman**  
Directed by Kim Bent. Design by Clay Coyle.  
Costumes by Nancy Smith  
Photos courtesy of Francis Moran Photography



**To Kill a Mockingbird**  
Photos courtesy of Kim Bent





### Midsummer Night's Dream

Directed by Kim Bent. Musical direction by Dan Bruce.  
Set design by Donna Stafford. Lighting by Jeffery Salzberg.  
Costumes by Cora Fauser. Projections by Susan Bero.



### Woody Guthrie's American Song

By Peter Glazer (also featured opportunities for young performers) Directed by Kim Bent. Musical direction by Dan Bruce. Set design by Donna Stafford. Lighting by Jeffery Salzberg. Costumes by Cora Fauser. Projections by Susan Bero.



### Moonlight & Magnolias

Directed by Tara Lee Downs. Design by Mark Evancho.  
Costumes by Shawn A. Sturdevant. Pictures by Kelsey Brennan

## Committees Appointed by City Council

### Conservation Commission

Roy Schiff, *Chair*  
Bill Finnegan  
Alex Hoffmeir  
Christopher Hilke  
Meghan Hoyne Wingate, *Student Rep*  
Erik Esselstyn  
Karen Freeman  
Geoff Beyer, *Parks*

### Tree Board

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

### Design Review Committee

Stephen Everett, *Chair*  
Eric Gilbertson  
Kate Coffey  
Jay White  
James Duggan  
Zachary Brock, *Alternate*  
Tim Senter, *Alternate*

### Central Vermont Regional Planning Commission

Tina Ruth, *Representative of the City of Montpelier*

### Montpelier Loan Fund Committee

Kim Phalen  
Stephen Klein  
Claude Stone  
Beth Boutin  
Jo Ann Gibbons

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

**Phone 802- 223-9505.**

## Tax Exempt Parcels

| <u>Property Owner</u>                                             | <u>Exempt Value</u> | <u>Payment in Lieu of Taxes as of 1/2012</u> | <u>Property Owner</u>                                                                                   | <u>Exempt Value</u> | <u>Payment in Lieu of Taxes as of 1/2012</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           | --                                           | 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>39 properties                                                                      | 117,123,900         | 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. | 780,912.00          |                                              |
| 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>13 properties                              | 11,963,300          | --                                           | Washington County<br>Mental Health                                                                      | 421,400             | --                                           |
| Montpelier Elderly Housing Project<br>155 Main Street             | 2,739,900           | 12,235.00                                    | 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 2011 Compensation

| Employee                | Department/Office               | 2011 Wage | Employee                 | Department/Office        | 2011 Wage |
|-------------------------|---------------------------------|-----------|--------------------------|--------------------------|-----------|
| ADAMS, JACQUELINE       | Police                          | \$ 50,304 | HUOPPI, DANA L           | Fire                     | \$ 85,970 |
| ALDRIGHETTI, JANE P     | Assessor's                      | \$ 50,640 | JARVIS, SARAH R          | City Council             | \$ 1,100  |
| ALEXANDER, NANCY A      | Election Clerks                 | \$ 471    | JASMAN, DOUGLAS C        | Fire                     | \$ 60,272 |
| ALEXANDER, PRISCILLA L  | Election Clerks                 | \$ 314    | JENNINGS, WILLIAM M      | Police                   | \$ 20,372 |
| AMARAL, MICHELLE F      | Police                          | \$ 41,423 | JOYAL, CHRISTINE A       | Finance & Technology     | \$ 2,030  |
| AMELL, ANTHONY          | Public Works                    | \$ 5,058  | KACHAJIAN, DAVID W       | Police                   | \$ 60,829 |
| APGAR, ANDREW P         | Police                          | \$ 49,881 | KING (UTTON), ANNETTE    | Police                   | \$ 56,105 |
| AROS, HEATHER L         | Call Force                      | \$ 2,537  | KNISLEY, MATTHEW         | Police                   | \$ 60,327 |
| BAGG, SCOTT             | Police                          | \$ 1,457  | LADD, ERIC R             | Public Works             | \$ 67,868 |
| BAKER, BURTIS W         | Public Works                    | \$ 35,016 | LANGLOIS, KATHERINE      | Senior Center            | \$ 4,061  |
| BAKER, STEVEN P         | Public Works                    | \$ 18,857 | LARRABEE, JACOB          | Fire                     | \$ 63,402 |
| BALSEIRO, BARBARA       | Election Clerks                 | \$ 444    | LAW, TODD C              | Public Works Director    | \$ 77,662 |
| BEAN, CHAD              | Police                          | \$ 51,240 | LEE, JAMES G             | Public Works             | \$ 42,902 |
| BEYER, GEOFFREY         | Parks Director                  | \$ 53,992 | LEE, RICHARD             | Cemetery/Public Works    | \$ 46,732 |
| BILODEAU, MICHAEL J     | Public Works                    | \$ 47,236 | LEWIS, JEREMY A.         | Public Works             | \$ 36,642 |
| BLAKE, HAROLD H JR      | Public Works                    | \$ 36,811 | LUCE, PETER C            | Public Works             | \$ 2,701  |
| BLATCHFORD, KATE M      | Finance & Technology            | \$ 153    | LUCENTI, SALVATORE J     | Election Clerks          | \$ 157    |
| BLATCHFORD, SHARON A    | Finance & Technology            | \$ 55,467 | MACKAY, VIRGINIA G       | Public Works             | \$ 44,516 |
| BLODGETT, ZACHARY R     | Public Works                    | \$ 15,329 | MACURA, JOSHUA J         | Police                   | \$ 56,593 |
| BLOUIN, TYSON J         | Public Works                    | \$ 51,348 | MARINEAU, ANDREW         | Fire                     | \$ 44,074 |
| BOLDUC, MARGUERITE A    | City Clerk & Treasurer's        | \$ 42,928 | MAROLD, GLEN M           | Fire                     | \$ 56,686 |
| BOUCHER, CONRAD         | Community Justice Center        | \$ 590    | MARTEL, NEIL E           | Police                   | \$ 84,654 |
| BOUSQUET, JEFFREY S     | Public Works                    | \$ 38,267 | MCARDLE, THOMAS J        | Public Works             | \$ 66,650 |
| BREAKSTONE, LESLIE A    | Senior Center                   | \$ 6,975  | MCCLLOUD, LUCINDA B      | Senior Center            | \$ 28,709 |
| BRESETTE, LORETTA       | City Clerk & Treasurer's        | \$ 43,889 | McKAIN, DIANE            | Community Justice Center | \$ 2,359  |
| BRESETTE, NICHOLAS P    | Fire                            | \$ 57,630 | MCLANE, MATTHEW B        | Parks                    | \$ 2,880  |
| BROWN, AUDRA K          | Planning & Development          | \$ 44,940 | MERCADANTE, MICHAEL      | Public Works             | \$ 43,010 |
| BRUNELL, DAVID          | Parks                           | \$ 19,807 | MERCIER, RONALD W        | Public Works             | \$ 3,670  |
| BYRD, S. YVONNE         | Community Justice Ctr Director  | \$ 59,071 | MICHAUD, BENJAMIN R      | Call Force               | \$ 38,749 |
| CHARRON, PAUL R         | Fire                            | \$ 62,696 | MILLS, ALFRED S          | Community Justice Center | \$ 27,442 |
| CHASE, CRYSTAL A        | City Clerk & Treasurer's        | \$ 40,821 | MOODY, MARK L            | Police                   | \$ 64,552 |
| CHRISTMAN, KENNETH J    | Police                          | \$ 46,594 | MOORE, GLENN A           | Building                 | \$ 55,473 |
| CIAPPARA, SUSAN DIANE   | REACH                           | \$ 4,789  | MOORE, THOMAS            | Call Force               | \$ 508    |
| CLACK, JOAN             | City Clerk & Treasurer's        | \$ 20,033 | MORANDE, KRISTINE M      | Finance & Technology     | \$ 41,965 |
| CLAR, JANNA M           | Senior Center Director          | \$ 10,902 | MORSE, CHAD M            | Call Force               | \$ 15,932 |
| CLARK, MARY ALICE       | Police                          | \$ 19,728 | MOTYKA, KURT             | Public Works             | \$ 61,203 |
| CLEVELAND, RICHARD D    | Police                          | \$ 91,701 | MOULTON, KEVIN T         | Police                   | \$ 70,051 |
| CLIFFORD, WILLIAM       | Fire                            | \$ 56,106 | NAIKUS, VYAS J           | Public Works             | \$ 39,737 |
| COCHRAN, WADE R         | Police                          | \$ 80,233 | NICHOLS, JOHANNA         | Senior Center            | \$ 2,913  |
| CODLING, DOLORES B      | Public Works                    | \$ 23,531 | NOLAN, STEPHEN P         | Police                   | \$ 63,274 |
| CONNEMAN, THOMAS M      | Police                          | \$ 62,870 | NORDENSON, ERIC W        | Police                   | \$ 77,815 |
| COWENS, NATHAN J        | Public Works                    | \$ 55,056 | OLSON, SHARON K          | Police                   | \$ 51,938 |
| DANIELS, NICHOLAS M     | Finance & Technology            | \$ 38,970 | PAPINEAU, MICHAEL V      | Public Works             | \$ 56,983 |
| DAY, SUZANNE G          | Election Clerks                 | \$ 431    | PEARSON, JEFFREY A       | Police                   | \$ 55,941 |
| DESMET, CLANCY I        | Planning & Development          | \$ 53,617 | PELLETIER, CHARLES E     | Police                   | \$ 12,021 |
| DION, RONALD C JR       | Police                          | \$ 3,111  | PEMBROKE, SHEILA         | Fire                     | \$ 44,009 |
| DOCKTER, RUTH A         | Finance & Technology            | \$ 39,954 | PERRY, DANIEL            | Public Works             | \$ 46,917 |
| DURGIN, STEVEN          | Public Works                    | \$ 52,258 | PERSONS, ALBERT C        | Public Works             | \$ 41,147 |
| EGGLESTON, LEON         | Fire                            | \$ 68,242 | PHILBRICK, MICHAEL B     | Police                   | \$ 42,088 |
| ELLIS, FRANK P          | Public Works                    | \$ 66,097 | PITONAK, SANDRA JUNE     | City Manager's           | \$ 48,500 |
| EMERY, ANGELA           | REACH                           | \$ 6,164  | POTTER, MICHAEL T        | Public Works             | \$ 51,926 |
| FACOS, ANTHONY JOHN     | Police Chief                    | \$ 76,125 | POULIN, MARC             | Police                   | \$ 267    |
| FARNHAM, BRIAN D        | Fire                            | \$ 3,705  | POWERS, SCOTT V          | Public Works             | \$ 50,124 |
| FARNHAM, MICHAEL        | Public Works                    | \$ 48,229 | PROVENCHER, TODD R       | Public Works             | \$ 6,765  |
| FISCHER, ROBERT K       | Public Works                    | \$ 68,460 | PURCELL WHITE, KATHRYN A | Police                   | \$ 23,183 |
| FISK, JOHN              | Public Works                    | \$ 45,295 | QUINN, JAMES             | Fire                     | \$ 57,240 |
| FRASER, WILLIAM J       | City Manager                    | \$ 98,206 | REDMOND, JUSTIN P        | Fire                     | \$ 44,813 |
| GALLUP, SANDRA J        | Finance Director                | \$ 68,108 | REDMOND, PAULINE B       | Election Clerks          | \$ 471    |
| GENGE, GARTH G          | Planning & Development          | \$ 32,714 | RICE, RACHAEL I          | REACH                    | \$ 23,135 |
| GIBSON, JUDITH A        | Community Justice Center        | \$ 42,206 | RICHARDSON, GEORGE W JR  | Public Works             | \$ 51,063 |
| GIDNEY, JANE C          | Election Clerks                 | \$ 235    | ROUSSEAU, FRANCES M      | Fire                     | \$ 32,067 |
| GOLONKA, THOMAS         | City Council                    | \$ 1,100  | RUGGLES, DANIEL J        | Fire                     | \$ 47,347 |
| GOMEZ, MARIA A          | Senior Center                   | \$ 11,562 | RUGGLES, DONALD E        | Call Force               | \$ 855    |
| GOSLANT, CHERYL C       | Police                          | \$ 78,819 | RUSSELL, KENNETH G       | Planning & Development   | \$ 25,368 |
| GOWANS, ROBERT A JR     | Fire Chief                      | \$ 74,391 | SCHARNBERG, ERIC         | Planning & Development   | \$ 25,211 |
| GRAY, CHRISTOPHER C     | Public Works                    | \$ 18,685 | SCHNEIDER, GESUALDO C    | Fire                     | \$ 20,531 |
| HALLSMITH, GWENDOLYN    | Planning & Development Director | \$ 64,218 | SHAW, MELISSA            | Senior Center            | \$ 319    |
| HAYDEN, DOROTHY         | Election Clerks                 | \$ 157    | SHAW, RICHARD            | Police                   | \$ 9,110  |
| HEALY, PATRICK R        | Green Mount Cemetery Director   | \$ 57,644 | SHERIDAN, JAMES F        | City Council             | \$ 167    |
| HECHT, DANIEL A. M.     | REACH                           | \$ 13,954 | SHERMAN, NANCY G         | City Council             | \$ 1,100  |
| HIGGINS, THERESE M      | Election Clerks                 | \$ 235    | SKEELS, FREDERICK H      | Finance & Technology     | \$ 53,197 |
| HILL, BEVERLEE P        | Asst City Manager/Tax Collector | \$ 69,250 | SMITH, GERALD            | Public Works             | \$ 53,576 |
| HOAGLAND, DEVIN F       | Public Works                    | \$ 9,773  | SMITH, LESLIE E          | Public Works             | \$ 55,982 |
| HOOD, GEORGE E          | Public Works                    | \$ 48,891 | SNETSINGER, ROBERT W     | Public Works             | \$ 4,125  |
| HOOPER, MARY S          | City Council                    | \$ 2,850  | SPEER, ELLA MAY S        | Election Clerks          | \$ 183    |
| HOOPER, TIMOTHY A       | City Council                    | \$ 1,100  | TAYLOR, SAMUEL W         | Fire                     | \$ 45,779 |
| HOROWITZ-MCCADDEN, EMMA | Parks                           | \$ 866    | TEDESCO, PATRICIA L      | City Clerk & Treasurer's | \$ 931    |
| HOTCHKISS, BONNIE L     | Police                          | \$ 41,600 | THEREAULT, GALEN         | Fire                     | \$ 48,117 |
| HOYT, CHARLOTTE L       | City Clerk/Treasurer            | \$ 64,461 | THURSTON, RICHARD W      | Call Force               | \$ 1,138  |
| HULL, DOUGLAS R         | Public Works                    | \$ 65,336 | TILLINGHAST, MARK A      | Fire                     | \$ 62,120 |
| HUNTSMAN, WILLIAM T     | Call Force                      | \$ 119    | TIMPONE, ANGELA M        | City Council             | \$ 933    |
|                         |                                 |           | TRUHAN, CHRISTOPHER M    | Police                   | \$ 57,998 |
|                         |                                 |           | TUTTLE, BRIAN L          | Public Works             | \$ 28,555 |
|                         |                                 |           | UTTON, MICHAEL D         | Public Works             | \$ 65,130 |
|                         |                                 |           | WEISS, ALAN H            | City Council             | \$ 1,100  |
|                         |                                 |           | WILSON, GEOFFREY P       | Public Works             | \$ 60,809 |



*Photo courtesy of Sandy Pitonyak*

CITY OF MONTPELIER, VERMONT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2011

Love, Cody and Company, CPAs conducted an audit of the financial statements for the fiscal year ended June 30, 2011. 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, 2011 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 the 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 or email Sandra Gallup, City Finance Director at 223-9520, [sgallup@montpelier-vt.org](mailto:sgallup@montpelier-vt.org).

**CITY OF MONTPELIER, VERMONT  
Management's Discussion and Analysis  
For the Year Ended June 30, 2011**

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, 2011. 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 \$2,148,106 or 14 percent. Net assets of the business-type activities increased by \$577,388 or 3 percent. The City's total net assets increased by \$2,725,494 as a result of this year's operations. This increase is primarily related to unspent fire insurance proceeds for 58 Barre Street property and the large amount of capital grant, operating grant and contribution revenue.

The cost of all of the City's programs was \$16,541,165 in fiscal year 2011 compared to \$15,598,109 in fiscal year 2010, which is approximately a 6% increase. Total revenue for all the City's programs also increased from \$18,293,928 in 2010 compared to \$18,607,279 in 2011, which is a 2% increase from the previous year. These increases in costs and revenue are related to the capital and operating grant activities in public safety, public works, culture and recreation and community development.

***Fund Statements***

Governmental Auditing Standards for fund balance reporting and governmental fund type definitions changed for the fiscal year ending June 30, 2011. The Governmental Standards Board issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* to address issues related to how fund balance was being reported.

For the Governmental Activities, fund balances that had previously been identified as reserved, designated and undesignated will be classified in five new categories. These new classifications are based on the relative strength of the spending constraints placed on the purposes for which the resources can be used. The new classifications are nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance and unassigned fund balance. Unassigned fund balances are reported only in the general fund.

Another significant change that is occurring with Statement No. 54 is in the reporting of special revenue funds. Some governments may not be able to continue to report some of their special revenue funds under the new, clarified fund type definitions.

During fiscal year 2011, the General Fund reported a net increase in the fund balance of \$154,635.

The General Fund balances totaled \$1,643,045 as of June 30, 2011. The unassigned fund balance for the General Fund was \$1,116,401. The fund balances that are nonspendable, restricted, committed and assigned totaled \$526,644 as of June 30, 2011. These fund balances are either nonspendable or have spending constraints placed on the purposes for which they can be used. This leaves an unassigned fund balance of \$1,116,404 which is \$342,017 higher than the prior year's unrestricted and undesignated fund balance.

The Community Development Fund ended the year with a reserved fund balance of \$422,087, which was \$59,049 higher than the prior year fund balance of \$363,038. This fund balance is reserved by various sources for Community Development programs and activities.

The Capital Projects Fund ended the year with fund balances of \$1,969,272 which was \$553,111 higher than the prior year fund balances of \$1,416,161. \$816,893 of these funds are restricted by bonding constraints and impact fee ordinances. This leaves an assigned fund balance of \$1,152,379 for various capital improvement projects. Much of

**CITY OF MONTPELIER, VERMONT  
Management's Discussion and Analysis  
For the Year Ended June 30, 2011**

this increase in the Capital Projects fund balance is related to the fire insurance proceeds for 58 Barre Street property.

Other nonmajor governmental funds ended the year with a fund balance of \$1,462,771, which was \$99,736 higher than the prior year fund balance of \$1,363,035. \$444,822 of these funds are nonspendable for Trustees of public funds. \$872,642 of these funds are restricted by donations and permanent funds.

The Water Fund ended the year with net assets of \$8,735,856 which was \$29,878 less than the prior year balance of \$8,765,734. Of the total net asset balance, \$9,355,089 is invested in property and equipment. This leaves an unrestricted deficit of \$619,233 to be recovered in future periods. This unrestricted deficit is \$43,776 less than the \$663,009 unrestricted deficit as of June 30, 2010. \$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 \$10,926,482, which was \$618,359 higher than the prior year balance of \$10,308,123. Of the total net asset balance, \$11,067,351 is invested in property and equipment. This leaves an unrestricted deficit of \$140,869 to be recovered in future periods. Included in this deficit is \$402,500 in 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 \$317,872, which was \$11,093 lower than the prior year balance of \$328,965. Of the total net asset balance, \$324,901 is invested in property and equipment and \$41,170 is restricted for various projects. This leaves a deficit of \$48,199 to be recovered in future periods. Included in this deficit is \$192,500 in 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:

**CITY OF MONTPELIER, VERMONT  
Management's Discussion and Analysis  
For the Year Ended June 30, 2011**

**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 (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 \$2,725,494 from a year ago - increasing from \$34,746,966 to \$37,472,460. 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.

**CITY OF MONTPELIER, VERMONT**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2011**

**Table 1**  
**Net Assets**

|                             | June 30, 2011              |                             |                       | June 30, 2010              |                             |                       |
|-----------------------------|----------------------------|-----------------------------|-----------------------|----------------------------|-----------------------------|-----------------------|
|                             | Governmental<br>Activities | Business-type<br>Activities | Total                 | Governmental<br>Activities | Business-type<br>Activities | Total                 |
|                             |                            |                             | Primary<br>Government |                            |                             | Primary<br>Government |
| Current and other assets    | \$ 8,179,945               | 397,502                     | 8,577,447             | 6,434,870                  | 26,555                      | 6,461,425             |
| Capital assets              | 18,594,888                 | 36,759,161                  | 55,354,049            | 18,117,248                 | 37,433,836                  | 55,551,084            |
| <b>Total assets</b>         | <b>26,774,833</b>          | <b>37,156,663</b>           | <b>63,931,496</b>     | <b>24,552,118</b>          | <b>37,460,391</b>           | <b>62,012,509</b>     |
| Long term liabilities       | 8,008,432                  | 16,875,937                  | 24,884,369            | 8,562,209                  | 17,681,909                  | 26,244,118            |
| Other liabilities           | 1,274,151                  | 300,516                     | 1,574,667             | 645,765                    | 375,660                     | 1,021,425             |
| <b>Total liabilities</b>    | <b>9,282,583</b>           | <b>17,176,453</b>           | <b>26,459,036</b>     | <b>9,207,974</b>           | <b>18,057,569</b>           | <b>27,265,543</b>     |
| <b>Net assets:</b>          |                            |                             |                       |                            |                             |                       |
| Invested in capital assets, |                            |                             |                       |                            |                             |                       |
| net of debt                 | 14,683,993                 | 20,747,341                  | 35,431,334            | 13,879,218                 | 20,528,951                  | 34,408,169            |
| Restricted                  | 2,358,725                  | 41,170                      | 2,399,895             | 1,981,162                  | 41,220                      | 2,022,382             |
| Unrestricted                | 449,532                    | (808,301)                   | (358,769)             | (516,236)                  | (1,167,349)                 | (1,683,585)           |
| <b>Total net assets</b>     | <b>\$ 17,492,250</b>       | <b>19,980,210</b>           | <b>37,472,460</b>     | <b>15,344,144</b>          | <b>19,402,822</b>           | <b>34,746,966</b>     |

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

Net assets of the City's governmental activities increased by \$2,148,106 (\$17,492,250 compared to \$15,344,144 or 14%). This increase is primarily related to \$851,846 in fire insurance proceeds for 58 Barre Street property and capital and operating grant receivables.

Net assets of the business-type activities increased by \$577,388 (\$19,980,210 compared to \$19,402,822, or 3 percent). This increase is primarily related to Federal ARRA/Stimulus Funds that were received for Sewer Fund projects.

**CITY OF MONTPELIER, VERMONT**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2011**

**Table 2**  
**Change in Net Assets**

|                                             | June 30, 2011              |                             |                       | June 30, 2010              |                             |                       |
|---------------------------------------------|----------------------------|-----------------------------|-----------------------|----------------------------|-----------------------------|-----------------------|
|                                             | Governmental<br>Activities | Business-type<br>Activities | Total                 | Governmental<br>Activities | Business-type<br>Activities | Total                 |
|                                             |                            |                             | Primary<br>Government |                            |                             | Primary<br>Government |
| <b>REVENUES:</b>                            |                            |                             |                       |                            |                             |                       |
| Program revenues:                           |                            |                             |                       |                            |                             |                       |
| Charges for services                        | \$ 966,684                 | 6,371,444                   | 7,338,128             | 1,173,482                  | 6,184,445                   | 7,357,927             |
| Operating grants and contributions          | 1,573,857                  | 0                           | 1,573,857             | 834,357                    | 0                           | 834,357               |
| Capital grants and contributions            | 983,264                    | 435,646                     | 1,418,910             | 1,938,249                  | 124,176                     | 2,062,425             |
| General Revenues:                           |                            |                             | 0                     |                            |                             | 0                     |
| Property taxes, penalties and interest      | 7,846,012                  | 0                           | 7,846,012             | 7,618,724                  | 0                           | 7,618,724             |
| Payment in lieu of taxes                    | 184,000                    | 0                           | 184,000               | 184,000                    | 0                           | 184,000               |
| Unrestricted investment earnings            | 138,241                    | 0                           | 138,241               | 141,959                    | 0                           | 141,959               |
| Gain (loss) on sale of capital assets       | 22,616                     | 0                           | 22,616                | (88,384)                   | 0                           | (88,384)              |
| Other revenues                              | 79,630                     | 0                           | 79,630                | 175,680                    | 0                           | 175,680               |
| Contributions to permanent endowments       | 5,885                      | 0                           | 5,885                 | 7,240                      | 0                           | 7,240                 |
| <b>Total revenues</b>                       | <b>11,800,189</b>          | <b>6,807,090</b>            | <b>18,607,279</b>     | <b>11,985,307</b>          | <b>6,308,621</b>            | <b>18,293,928</b>     |
| <b>PROGRAM EXPENSES:</b>                    |                            |                             |                       |                            |                             |                       |
| General government                          | 1,744,867                  | 0                           | 1,744,867             | 1,874,052                  | 0                           | 1,874,052             |
| Public safety                               | 4,252,181                  | 0                           | 4,252,181             | 4,033,759                  | 0                           | 4,033,759             |
| Public works                                | 2,520,455                  | 0                           | 2,520,455             | 1,964,525                  | 0                           | 1,964,525             |
| Culture and recreation                      | 1,222,259                  | 0                           | 1,222,259             | 1,093,533                  | 0                           | 1,093,533             |
| Community development                       | 164,086                    | 0                           | 164,086               | 54,094                     | 0                           | 54,094                |
| Cemetery                                    | 178,350                    | 0                           | 178,350               | 181,319                    | 0                           | 181,319               |
| MontpelierNet                               | 2,664                      | 0                           | 2,664                 | 21,332                     | 0                           | 21,332                |
| Interest on long-term debt                  | 248,767                    | 0                           | 248,767               | 243,760                    | 0                           | 243,760               |
| Water                                       | 0                          | 2,353,052                   | 2,353,052             | 0                          | 2,432,394                   | 2,432,394             |
| Sewer                                       | 0                          | 3,183,746                   | 3,183,746             | 0                          | 3,088,840                   | 3,088,840             |
| Parking                                     | 0                          | 670,738                     | 670,738               | 0                          | 610,501                     | 610,501               |
| <b>Total program expenses</b>               | <b>10,333,629</b>          | <b>6,207,536</b>            | <b>16,541,165</b>     | <b>9,466,374</b>           | <b>6,131,735</b>            | <b>15,598,109</b>     |
| Excess before special item<br>and transfers | 1,466,560                  | 599,554                     | 2,066,114             | 2,518,933                  | 176,886                     | 2,695,819             |
| Fire Insurance Proceeds                     | 851,846                    | 0                           | 851,846               | 0                          | 0                           | 0                     |
| Property transfer to Housing LP             | (180,000)                  | 0                           | (180,000)             | 0                          | 0                           | 0                     |
| Capital Asset Impairment                    | 0                          | (12,466)                    | (12,466)              | (155,000)                  | 0                           | (155,000)             |
| Transfers                                   | 9,700                      | (9,700)                     | 0                     | 9,700                      | (9,700)                     | 0                     |
| <b>Increase (decrease) in net assets</b>    | <b>\$ 2,148,106</b>        | <b>577,388</b>              | <b>2,725,494</b>      | <b>2,373,633</b>           | <b>167,186</b>              | <b>2,540,819</b>      |

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

**Governmental Activities**

The City's tax rate decreased to \$.8359 from \$1.2506 per \$100 of assessed value from fiscal year 2010 to fiscal year 2011. The decrease is the result of a city-wide property reappraisal which increased the city's grand list to reflect market value and therefore decreased the tax rate.

**CITY OF MONTPELIER, VERMONT  
Management's Discussion and Analysis  
For the Year Ended June 30, 2011**

Table 3 presents the cost of each of the City's seven largest programs - general government, public safety, highways and streets, culture and recreation, community development, 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  
Costs of Programs**

|                        | <i>June 30, 2011</i>      |                       |                           |                       | <i>June 30, 2010</i>      |                       |                           |                       |
|------------------------|---------------------------|-----------------------|---------------------------|-----------------------|---------------------------|-----------------------|---------------------------|-----------------------|
|                        | Governmental Activities   |                       | Business-type Activities  |                       | Governmental Activities   |                       | Business-type Activities  |                       |
|                        | Net Revenues              |                       | Net Revenues              |                       | Net Revenues              |                       | Net Revenues              |                       |
|                        | Total Cost<br>of Services | (Cost)<br>of Services |
| General government     | \$ 1,744,867              | (1,348,242)           | 0                         | 0                     | 1,874,052                 | (1,335,889)           | 0                         | 0                     |
| Public safety          | 4,252,181                 | (3,392,280)           | 0                         | 0                     | 4,033,759                 | (3,275,865)           | 0                         | 0                     |
| Public works           | 2,520,455                 | (1,070,715)           | 0                         | 0                     | 1,964,525                 | 167,823               | 0                         | 0                     |
| Culture and recreation | 1,222,259                 | (682,986)             | 0                         | 0                     | 1,093,533                 | (686,606)             | 0                         | 0                     |
| Community development  | 164,086                   | 109,251               | 0                         | 0                     | 54,094                    | 9,999                 | 0                         | 0                     |
| Water                  | 0                         | 0                     | 2,353,052                 | (30,178)              | 0                         | 0                     | 2,432,394                 | (196,815)             |
| Sewer                  | 0                         | 0                     | 3,183,746                 | 630,825               | 0                         | 0                     | 3,088,840                 | 305,676               |
| Parking                | 0                         | 0                     | 670,738                   | (1,093)               | 0                         | 0                     | 610,501                   | 68,025                |
| All others             | 429,781                   | (399,852)             | 0                         | 0                     | 446,411                   | (399,748)             | 0                         | 0                     |
| <b>Totals</b>          | <b>\$ 10,333,629</b>      | <b>(6,784,824)</b>    | <b>6,207,536</b>          | <b>599,554</b>        | <b>9,466,374</b>          | <b>(5,520,286)</b>    | <b>6,131,735</b>          | <b>176,886</b>        |

**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 \$5,497,175, which is above last year's total of \$4,630,644. Included in this year's total change in fund balance are an increase of \$154,635 in the City's General Fund; an increase of \$59,049 in the Community Development Fund; an increase of 553,111 in the Capital Projects Fund and an increase of \$99,736 in Other Governmental Funds. The increase in the Capital Projects Fund fund balance is primarily due to the insurance proceeds for the fire damage to the 58 Barre Street property.

**General Fund Budgetary Highlights**

Revenue exceeded the budget by \$256,762. A significant part of the unbudgeted revenue is \$157,213 in unanticipated State Payment in Lieu of Taxes revenue. Other notable revenue exceeding budget are Fire/EMS federal grant revenue of \$71,930 and additional Ambulance Call Charges of \$49,263.

Expenditures exceeded the budget by \$92,804. Some of the significant unbudgeted expenditures are \$56,977 for Fire/EMS grant expense which is offset by unbudgeted grant revenue. Also, the City Council authorized \$39,742 of previous year fund balance to be spent on management and capital needs assessment studies. Other notable expenditures that exceeded the budget are City Manager Legal Services, Finance Salaries, Department of Public Works Operating Supplies and Small Equipment. Expenditures that were significantly less than the budgeted amount were 58 Barre Street Building Maintenance and Finance Professional Accounting Services. Planning Department Salaries were under the budgeted amount due to time spent on federal grant management.

Other Financing Sources (Uses) exceeded the budget by \$9,323. This variance was due to \$13,000 proceeds for the sale of land and the use of \$22,823 in Park Impact Fees for the Turntable Park project.

**CITY OF MONTPELIER, VERMONT  
Management's Discussion and Analysis  
For the Year Ended June 30, 2011**

A major flooding event occurred in the City of Montpelier on May 27, 2011 which caused substantial damage to the City streets, culverts and drainage systems. The event qualifies for Federal Highway, Federal Emergency Management Agency and State grant funding. As of June 30, 2011, it is estimated that the City's share of the cost of flood damage repairs may be as high as \$150,000. The actual amount of local funding is subject to future grant agreements with federal and state agencies.

**Capital Asset and Debt Administration**

**Capital Assets**

At June 30, 2011, the City has \$55,354,049 compared to \$55,551,084 at June 30, 2010 invested in a broad range of capital assets, including police fire, department of public works equipment, buildings, park facilities, roads, bridges, and sewer lines. (See Table 4 below) This amount represents a net decrease (including additions and deductions) of \$197,035, over last year. Depreciation of water and sewer infrastructure was the significant cause of this decrease in capital assets. Also, the City transferred a portion of the 58 Barre Street property to Capital City Housing Foundation, Inc. during the 2011 fiscal year.

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

|                                       | <i>June 30, 2011</i>       |                             |                                | <i>June 30, 2010</i>       |                             |                                |
|---------------------------------------|----------------------------|-----------------------------|--------------------------------|----------------------------|-----------------------------|--------------------------------|
|                                       | Governmental<br>Activities | Business-type<br>Activities | Total<br>Primary<br>Government | Governmental<br>Activities | Business-type<br>Activities | Total<br>Primary<br>Government |
| Land                                  | \$ 742,050                 | 250,672                     | 992,722                        | 922,050                    | 250,672                     | 1,172,722                      |
| Capital improvements<br>and equipment | 16,758,785                 | 36,508,489                  | 53,267,274                     | 15,544,726                 | 36,951,442                  | 52,496,168                     |
| Construction in progress              | 1,094,053                  | -                           | 1,094,053                      | 1,650,472                  | 231,722                     | 1,882,194                      |
| <b>Totals</b>                         | <b>\$ 18,594,888</b>       | <b>36,759,161</b>           | <b>55,354,049</b>              | <b>18,117,248</b>          | <b>37,433,836</b>           | <b>55,551,084</b>              |

**CITY OF MONTPELIER, VERMONT  
Management's Discussion and Analysis  
For the Year Ended June 30, 2011**

This year's major additions included:

|                                    |                     |
|------------------------------------|---------------------|
| Senior Center Building Renovations | \$ 148,762          |
| Computer equipment                 | 32,229              |
| Police vehicle                     | 26,425              |
| Fire - Equipment                   | 59,588              |
| Infrastructure                     | 1,299,672           |
| DPW vehicles                       | 101,577             |
| Parks - Vehicle                    | 5,000               |
| Water - computer equipment         | 27,906              |
| Sewer treatment improvements       | 8,000               |
| Sewer - CSO/Solar Panels           | 440,371             |
| Sewer - computer equipment         | 23,487              |
| Parking - computer equipment       | 1,273               |
| Parking - equipment                | 27,400              |
|                                    | <u>\$ 2,201,690</u> |

**Long Term - Debt**

At June 30, 2011, the City has \$24,459,616 in bonds and notes outstanding versus \$25,856,011 on June 30, 2010 - a decrease of \$1,396,395 - as shown in Table 5.

**Table 5  
Outstanding Debt at Year-End**

|                                                 | Balance at    |           |           | Balance at    |
|-------------------------------------------------|---------------|-----------|-----------|---------------|
|                                                 | June 30, 2010 | Additions | Payments  | June 30, 2011 |
| <i>Notes, capital leases and bonds payable:</i> |               |           |           |               |
| Governmental activities                         | \$ 8,270,175  | 0         | 582,687   | 7,687,488     |
| Proprietary Funds                               | 17,585,836    | 320,739   | 1,134,447 | 16,772,128    |
| Totals                                          | \$ 25,856,011 | 320,739   | 1,717,134 | 24,459,616    |

New debt resulted from Combined Sewer Overflow upgrades in the Sewer Fund.

**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 2012 budget, tax rates, and fees that will be charged for the business-type activities. With the national and regional economy suffering, inflation running very low, Montpelier's high property taxes rates, the 2012 Budget was guided by a firm desire to keep the tax rate increase at or below the inflation rate for 2010. The other guiding force was resident opinion obtained through the 2009 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 5.3% (July 2010) compared with 6% (July 2009). This compares with the State's unemployment rate in June 2010 of 6.1%. Also considered was the Consumer Price Index percent change over one year (July 2009-July 2010) which was 1.5%.

**CITY OF MONTPELIER, VERMONT  
Management's Discussion and Analysis  
For the Year Ended June 30, 2011**

The 2012 budget maintained funding and staffing levels in Police, Planning, Parks and Roads while increasing the capital plan for infrastructure improvements. The municipal budget requires a one cent tax rate increase which, at 1.2% is below the 1.5% inflation rate for 2010.

Looking ahead, the City is partnering with federal and state agencies to study flood mitigation measures to alleviate the threat of damages due to ice-jam 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, the fixed quarterly charge increased \$10 (per quarter) for Water Fund users effective July 1, 2011. Sewer charges did not increase. The combination of users' water conservation and the lack of growth in numbers of users provide 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.

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 \$35.00.

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, 2010 - June 30, 2011*

**Taxes & Charges Billed**

|                               |                            |
|-------------------------------|----------------------------|
| Real Estate/Personal Property | \$19,087,984               |
| Sewer Benefit/CSO             | 856,834                    |
| Delinquent Taxes - Total      |                            |
| As of June 30, 2010           | 169,101                    |
| <b>TOTAL TAXES/ CHARGES</b>   | <b><u>\$20,113,919</u></b> |

**Accounted For As Follows:**

|                                    |                            |
|------------------------------------|----------------------------|
| Collections/Adjustments/Abatements | \$19,972,773               |
| Delinquent as of June 30, 2011     | 141,146                    |
| <b>TOTAL TAXES/CHARGES</b>         | <b><u>\$20,113,919</u></b> |



*Photo courtesy of Sandy Pitonyak*

## 2011 City Meeting Results – March 1, 2011

**ARTICLE 1. CANDIDATES**

| POSITION                          | TERM    | CANDIDATES           | VOTES | RESULTS |
|-----------------------------------|---------|----------------------|-------|---------|
| Green Mount Cemetery Commissioner | 5 Years | Darragh M Ellerson   | 1378  | Elected |
| Park Commissioner                 | 5 Years | Emily Boedecker      | 1327  | Elected |
| School Commissioner               | 3 Years | Jennifer Cahill Bean | 773   |         |
|                                   |         | Ken Jones            | 802   | Elected |
|                                   |         | Carol Paquette       | 915   | Elected |
| Council Person                    | 2 Years |                      |       |         |
| District 1                        |         | Tom Golonka          | 420   | Elected |
| District 2                        |         | Sarah Jarvis         | 525   | Elected |
| District 3                        |         | Angela Macdonald     |       |         |
|                                   |         | -Timpone             | 278   | Elected |
|                                   |         | James P Merriam      | 188   |         |

**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)

**APPROVED YES 1309 NO 434**

**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)

**APPROVED YES 1245 NO 517**

**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)

**APPROVED YES 1408 NO 342**

**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)

**APPROVED YES 1317 NO 444**

**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)

**APPROVED YES 1373 NO 388**

**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)

**APPROVED YES 1337 NO 423**

**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)

**APPROVED YES 1320 NO 394**

**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.)

**APPROVED YES 1379 NO 396**

**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)

**APPROVED YES 1424 NO 322**

**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.)

**DEFEATED YES 835 NO 857**

**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.)

**APPROVED YES 1285 NO 476**

**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)

**APPROVED YES 1373 NO 390**



Photo courtesy of Sandy Pitonyak

## School Superintendent's Report

When I began the Superintendency in July of 2011, I was struck by the *excellence* in Montpelier Public Schools. As I reflect on the first six months in service to this District, the word that continues to surface is again *excellence*. It is a challenging, yet exciting time, to work in the profession of education. With the present commitment to the Common Core timeline and the student-centered Smarter Balanced Assessment that is on the horizon, there is a tremendous amount of work to be done to prepare our teachers for changes in how we instruct, differentiate, and assess our students.

Make no mistake about it, our teachers are the greatest asset in our schools. They work tirelessly on behalf of their students and the majority of the work that is done happens behind the scenes. A great deal of time goes into planning, collaborating, grading, and preparing engaging student-centered lessons. Our teachers demand and model excellence from all of our students and I am proud to be the educational leader in this District where I regularly visit classrooms and observe excellence.

The Montpelier Board of School Commissioners thoughtfully guides the Administrative Team as we work to accomplish the Ends Policies in our District. Our Business Manager, Cindy Rossi, carefully and effectively oversees the operational budget that is more than \$15 million. Director of Curriculum, Instruction & Assessment, Patricia Gaston, has established an ambitious but realistic timeline that will implement the Common Core successfully into the Montpelier Public Schools. Director of Support Services, Jessica Little, leads the careful work of our special educators, meeting the educational goals of our students who are most in need. Principal Peter Evans earned a grant from the Vermont League of Innovative Schools, designed to expand the opportunities for high school students. Principal Pamela Arnold is working to assess and improve the reporting system on the standards-based report cards that were implemented at Main Street Middle School. Principal Owen Bradley led the implementation of the Positive Behavior Intervention System at Union Elementary School. As a group, they embody excellence; they are mission-driven and student centered, whether budgeting for FY13 or reviewing the Action Plan. I am honored to work with such dedicated educational leaders, advocating for all of Montpelier's students.

We continue to advocate for excellence, despite challenging economic times. We aim for fiscal responsibility within a school district that has less and less in terms of federal grants and yet demands the high quality educators that those grants funded. To make this balance work, we must do more, with less, and always with our students first and foremost in our thinking.

Our students are the reason for our work. With the goal that all students "will be capable, motivated contributors to their local, national, and world communities," each member of the Montpelier Public Schools faculty and staff arise in the morning and set about fulfilling their portion of that mission. Whether that means providing administrative support in an office, caring for and maintaining the facilities, preparing meals in our cafeterias, providing guidance and behavioral support, teaching and assessing – or some combination of all of these – the adults in our schools work on behalf of our students. We strive to model life-long learning and educate the students of Montpelier to live the mission of our District.

DR. BRIAN G. RICCA, *Superintendent*



*Photo courtesy of Sandy Pitonyak*

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PRELIMINARY

## Three Prior Years Comparisons - Format as Provided by DOE

ESTIMATES ONLY

| District: <b>Montpelier</b>                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                | <b>T129</b>                                                                   |              |                                                                                             |              |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|--------------|---------------------------------------------------------------------------------------------|--------------|
| County: <b>Washington</b>                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                | <b>Montpelier</b>                                                             |              |                                                                                             |              |
|                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                | Enter your choice for FY13 base education amount. See note at bottom of page. |              | Enter your choice for estimated homestead base rate for FY2013. See note at bottom of page. |              |
|                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                | <b>8,723</b>                                                                  |              | <b>0.89</b>                                                                                 |              |
| <b>Expenditures</b>                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                |                                                                               |              |                                                                                             |              |
| 1.                                                                                                                                                                                                                                                                                                                      | <b>Budget</b> (local budget, including special programs, full technical center expenditures, and any Act 144 expenditures)                                                                                                                                     | \$15,320,916                                                                  | \$15,579,403 | \$15,400,250                                                                                | \$16,153,790 |
| 2.                                                                                                                                                                                                                                                                                                                      | plus Sum of separately warned articles passed at town meeting                                                                                                                                                                                                  | -                                                                             | -            | -                                                                                           | -            |
| 3.                                                                                                                                                                                                                                                                                                                      | minus Act 144 Expenditures, to be excluded from Education Spending                                                                                                                                                                                             | -                                                                             | -            | -                                                                                           | -            |
| 4.                                                                                                                                                                                                                                                                                                                      | minus Act 68 locally adopted or warned budget                                                                                                                                                                                                                  | \$15,320,916                                                                  | \$15,579,403 | \$15,400,250                                                                                | \$16,153,790 |
| 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>                                                                                                                                                                                                                                     | \$15,320,916                                                                  | \$15,579,403 | \$15,400,250                                                                                | \$16,153,790 |
| 8.                                                                                                                                                                                                                                                                                                                      | S.U. assessment (included in local budget) - informational data                                                                                                                                                                                                | -                                                                             | -            | -                                                                                           | -            |
| 9.                                                                                                                                                                                                                                                                                                                      | Prior year deficit reduction (if included in expenditure budget) - informational data                                                                                                                                                                          | -                                                                             | -            | -                                                                                           | -            |
| <b>Revenues</b>                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                |                                                                               |              |                                                                                             |              |
| 10.                                                                                                                                                                                                                                                                                                                     | Local revenues (categorical grants, donations, tuitions, surplus, etc., including local Act 144 tax revenues)                                                                                                                                                  | \$2,937,677                                                                   | \$3,497,163  | \$3,248,640                                                                                 | \$3,669,163  |
| 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)                                                                                                                                                           | -                                                                             | -            | -                                                                                           | na           |
| 13.                                                                                                                                                                                                                                                                                                                     | minus All Act 144 revenues, including local Act 144 tax revenues                                                                                                                                                                                               | -                                                                             | -            | -                                                                                           | -            |
| 14.                                                                                                                                                                                                                                                                                                                     | <b>Total local revenues</b>                                                                                                                                                                                                                                    | \$2,937,677                                                                   | \$3,497,163  | \$3,248,640                                                                                 | \$3,669,163  |
| 15.                                                                                                                                                                                                                                                                                                                     | <b>Education Spending</b>                                                                                                                                                                                                                                      | \$12,383,239                                                                  | \$12,082,240 | \$12,151,610                                                                                | \$12,484,627 |
| 16.                                                                                                                                                                                                                                                                                                                     | Equalized Pupils (Act 130 count is by school district)                                                                                                                                                                                                         | 989.71                                                                        | 985.77       | 971.32                                                                                      | 975.39       |
| 17.                                                                                                                                                                                                                                                                                                                     | <b>Education Spending per Equalized Pupil</b>                                                                                                                                                                                                                  | \$12,511.99                                                                   | \$12,510.47  | \$12,510.41                                                                                 | \$12,800     |
| 18.                                                                                                                                                                                                                                                                                                                     | minus Less net eligible construction costs (or P&I) per equalized pupil                                                                                                                                                                                        | \$382.83                                                                      | \$387.12     | \$372.03                                                                                    | \$313        |
| 19.                                                                                                                                                                                                                                                                                                                     | minus Less share of SpEd costs in excess of \$50,000 for an individual                                                                                                                                                                                         | \$25.84                                                                       | \$12.98      | \$19.24                                                                                     | \$35         |
| 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 or amount paid in tuition for those students | -                                                                             | -            | -                                                                                           | -            |
| 21.                                                                                                                                                                                                                                                                                                                     | minus Less SpEd costs if excess is solely attributable to new SpEd spending if district has 20 or fewer equalized pupils                                                                                                                                       | -                                                                             | -            | -                                                                                           | -            |
| 22.                                                                                                                                                                                                                                                                                                                     | minus Estimated costs of new students after census                                                                                                                                                                                                             | -                                                                             | -            | -                                                                                           | -            |
| 23.                                                                                                                                                                                                                                                                                                                     | minus Less planning costs for merger of small schools                                                                                                                                                                                                          | -                                                                             | -            | -                                                                                           | -            |
| 24.                                                                                                                                                                                                                                                                                                                     | plus Excess Spending per Equalized Pupil over threshold (if any)                                                                                                                                                                                               | -                                                                             | -            | -                                                                                           | -            |
| 25.                                                                                                                                                                                                                                                                                                                     | Per pupil figure used for calculating District Adjustment                                                                                                                                                                                                      | \$12,512                                                                      | \$12,510     | \$12,510                                                                                    | \$12,800     |
| 26.                                                                                                                                                                                                                                                                                                                     | <b>District spending adjustment</b> (minimum of 100%)<br>(\$12,800 / \$8,723)                                                                                                                                                                                  | 146.442%                                                                      | 146.424%     | 146.423%                                                                                    | 146.734%     |
| <b>Prorating the local tax rate</b>                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                |                                                                               |              |                                                                                             |              |
| 27.                                                                                                                                                                                                                                                                                                                     | Anticipated district equalized homestead tax rate to be prorated (146.734% x \$0.890)                                                                                                                                                                          | \$1.2594                                                                      | \$1.2592     | \$1.2739                                                                                    | \$1.3059     |
| 28.                                                                                                                                                                                                                                                                                                                     | Percent of Montpelier equalized pupils not in a union school district                                                                                                                                                                                          | 100.000%                                                                      | 100.000%     | 100.000%                                                                                    | 100.000%     |
| 29.                                                                                                                                                                                                                                                                                                                     | Portion of district eq homestead rate to be assessed by town (100.000% x \$1.31)                                                                                                                                                                               | \$1.2594                                                                      | \$1.2592     | \$1.2739                                                                                    | \$1.3059     |
| 30.                                                                                                                                                                                                                                                                                                                     | <b>Common Level of Appraisal (CLA)</b>                                                                                                                                                                                                                         | 58.94%                                                                        | 91.49%       | 98.24%                                                                                      | 99.63%       |
| 31.                                                                                                                                                                                                                                                                                                                     | Portion of actual district homestead rate to be assessed by town (\$1,306 / 99.63%)                                                                                                                                                                            | \$2.1367                                                                      | \$1.3763     | \$1.2967                                                                                    | \$1.3107     |
| <p>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.</p> |                                                                                                                                                                                                                                                                |                                                                               |              |                                                                                             |              |
| 32.                                                                                                                                                                                                                                                                                                                     | Anticipated income cap percent to be prorated (146.734% x 1.80%)                                                                                                                                                                                               | 2.64%                                                                         | 2.64%        | 2.64%                                                                                       | 2.64%        |
| 33.                                                                                                                                                                                                                                                                                                                     | Portion of district income cap percent applied by State (100.000% x 2.64%)                                                                                                                                                                                     | 2.64%                                                                         | 2.64%        | 2.64%                                                                                       | 2.64%        |
| 34.                                                                                                                                                                                                                                                                                                                     | Percent of equalized pupils at union 1                                                                                                                                                                                                                         | -                                                                             | -            | -                                                                                           | -            |
| 35.                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                | -                                                                             | -            | -                                                                                           | -            |

- Following current statute, the base education amount would be \$8,891. That would require base education tax rates of \$0.89 and \$1.38. The administration has stated that tax rates could remain flat at \$0.87 and \$1.36 if statewide education spending is level and the base education amount is set at \$8,723. Final figures will be set by the Legislature during the legislative session and approved by the Governor.

- The base income percentage cap is 1.80%.

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## 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/>

### FY2011 School Level Data

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

Cohort Rank by Enrollment (1 is largest)  
9 out of 27

| School level data |                                    | Grades Offered | Enrollment    | Total Teachers | Total Administrators | Stu / Tchr Ratio | Stu / Admin Ratio | Tchr / Admin Ratio |
|-------------------|------------------------------------|----------------|---------------|----------------|----------------------|------------------|-------------------|--------------------|
| Smaller →         | Founders Memorial School           | 3 - 5          | 357           | 25.45          | 2.00                 | 15.21            | 193.50            | 12.73              |
|                   | Montstown Elementary Schools       | K - 5          | 368           | 26.73          | 1.00                 | 14.62            | 388.00            | 26.73              |
|                   | Middlebury JD #4 School            | K - 6          | 358           | 35.25          | 2.00                 | 11.29            | 199.00            | 17.63              |
|                   | <b>Union Elementary School</b>     | <b>K - 5</b>   | <b>410</b>    | <b>37.40</b>   | <b>1.00</b>          | <b>10.96</b>     | <b>410.00</b>     | <b>37.40</b>       |
|                   | Neshobe School                     | PK - 6         | 418           | 24.40          | 1.00                 | 17.13            | 418.00            | 24.40              |
|                   | Essex Elementary School            | PK - 2         | 428           | 31.40          | 2.00                 | 13.63            | 214.00            | 15.70              |
|                   | Witcher Brook Primary USD #45      | PK - 4         | 450           | 30.20          | 2.00                 | 14.24            | 215.00            | 15.10              |
|                   | <b>Averaged SCHOOL cohort data</b> |                | <b>406.41</b> | <b>32.67</b>   | <b>1.62</b>          | <b>12.44</b>     | <b>250.64</b>     | <b>20.15</b>       |

School: Main Street School  
S.U.: Montpelier S.D.

A list of schools and school districts in each cohort may be found on the DOE website under "School Data and Reports":  
<http://www.state.vt.us/educ/>

### FY2011 School Level Data

Cohort Description: Middle school  
(25 schools in cohort)

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

| School level data |                                    | Grades Offered | Enrollment    | Total Teachers | Total Administrators | Stu / Tchr Ratio | Stu / Admin Ratio | Tchr / Admin Ratio |
|-------------------|------------------------------------|----------------|---------------|----------------|----------------------|------------------|-------------------|--------------------|
| Smaller →         | Twin Valley Middle School          | 6 - 8          | 119           | 13.30          | 1.16                 | 8.95             | 102.59            | 11.47              |
|                   | Winooski Middle School             | 6 - 8          | 140           | 17.37          | 0.80                 | 8.06             | 155.56            | 19.30              |
|                   | Harwood Union Middle UHSD #19      | 7 - 8          | 142           | 18.20          | 1.40                 | 7.80             | 101.43            | 13.00              |
|                   | <b>Main Street School</b>          | <b>6 - 8</b>   | <b>183</b>    | <b>20.05</b>   | <b>1.00</b>          | <b>9.13</b>      | <b>183.00</b>     | <b>20.05</b>       |
|                   | Woodstock Union Middle School      | 7 - 8          | 187           | 16.40          | 1.00                 | 11.40            | 187.00            | 16.40              |
|                   | Peoplas Academy Middle School      | 6 - 8          | 209           | 18.43          | 1.00                 | 11.34            | 209.00            | 18.43              |
|                   | Bellevue Falls Middle School       | 5 - 8          | 246           | 23.40          | 2.00                 | 10.51            | 123.00            | 11.70              |
|                   | <b>Averaged SCHOOL cohort data</b> |                | <b>313.32</b> | <b>29.33</b>   | <b>1.71</b>          | <b>10.68</b>     | <b>183.61</b>     | <b>17.19</b>       |

School: Montpelier High School  
S.U.: Montpelier S.D.

A list of schools and school districts in each cohort may be found on the DOE website under "School Data and Reports":  
<http://www.state.vt.us/educ/>

### FY2011 School Level Data

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

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

| School level data |                                             | Grades Offered | Enrollment    | Total Teachers | Total Administrators | Stu / Tchr Ratio | Stu / Admin Ratio | Tchr / Admin Ratio |
|-------------------|---------------------------------------------|----------------|---------------|----------------|----------------------|------------------|-------------------|--------------------|
| Smaller →         | Windsor High School                         | 9 - 12         | 254           | 23.90          | 1.00                 | 10.63            | 254.00            | 23.90              |
|                   | Winooski High School                        | 9 - 12         | 266           | 25.41          | 2.32                 | 10.47            | 114.66            | 10.95              |
|                   | Peoples Academy                             | 9 - 12         | 325           | 26.17          | 1.00                 | 12.42            | 325.00            | 26.17              |
|                   | <b>Montpelier High School</b>               | <b>9 - 12</b>  | <b>330</b>    | <b>38.09</b>   | <b>1.00</b>          | <b>8.66</b>      | <b>330.00</b>     | <b>38.09</b>       |
|                   | Bellevue Falls UHSD #27 (School)            | 9 - 12         | 346           | 44.20          | 2.00                 | 7.83             | 173.00            | 22.10              |
|                   | Bellevue Free Academy High School (Fairfax) | 9 - 12         | 359           | 30.71          | 1.00                 | 11.89            | 359.00            | 30.71              |
|                   | Woodstock Senior UHSD #4                    | 9 - 12         | 373           | 42.10          | 2.60                 | 8.86             | 143.46            | 16.19              |
|                   | <b>Averaged SCHOOL cohort data</b>          |                | <b>687.46</b> | <b>55.86</b>   | <b>2.87</b>          | <b>11.95</b>     | <b>232.68</b>     | <b>19.47</b>       |

School District: Montpelier  
LEA ID: T129

Special education expenditures vary substantially from district to district and year to year. Therefore, they have been excluded from these figures.

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, FY11, and FY12.

### FY2010 School District Data

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

Grades offered in School District: PK-12  
Student FTE enrolled in school district: 820.19  
Current expenditures per student FTE EXCLUDING special education costs: \$12,369  
Cohort Rank by FTE (1 is largest): 8 out of 33

School district data (local, union, or joint district)

| LEA ID    | School 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                             | 820.19                                  | \$12,369                                                               |                                   |
|           | Fairfax                                     | PK-12                             | 877.05                                  | \$9,441                                                                |                                   |
|           | Montstown                                   | K-12                              | 882.85                                  | \$10,884                                                               |                                   |
|           | <b>Montpelier</b>                           | <b>K-12</b>                       | <b>917.16</b>                           | <b>\$13,219</b>                                                        |                                   |
|           | Springfield                                 | K-12                              | 1,383.74                                | \$13,500                                                               |                                   |
|           | Hartford                                    | PK-12                             | 1,610.04                                | \$13,862                                                               |                                   |
|           | Milton                                      | PK-12                             | 1,679.00                                | \$10,481                                                               |                                   |
|           | <b>Averaged SCHOOL DISTRICT cohort data</b> |                                   | <b>804.66</b>                           | <b>\$12,444</b>                                                        |                                   |

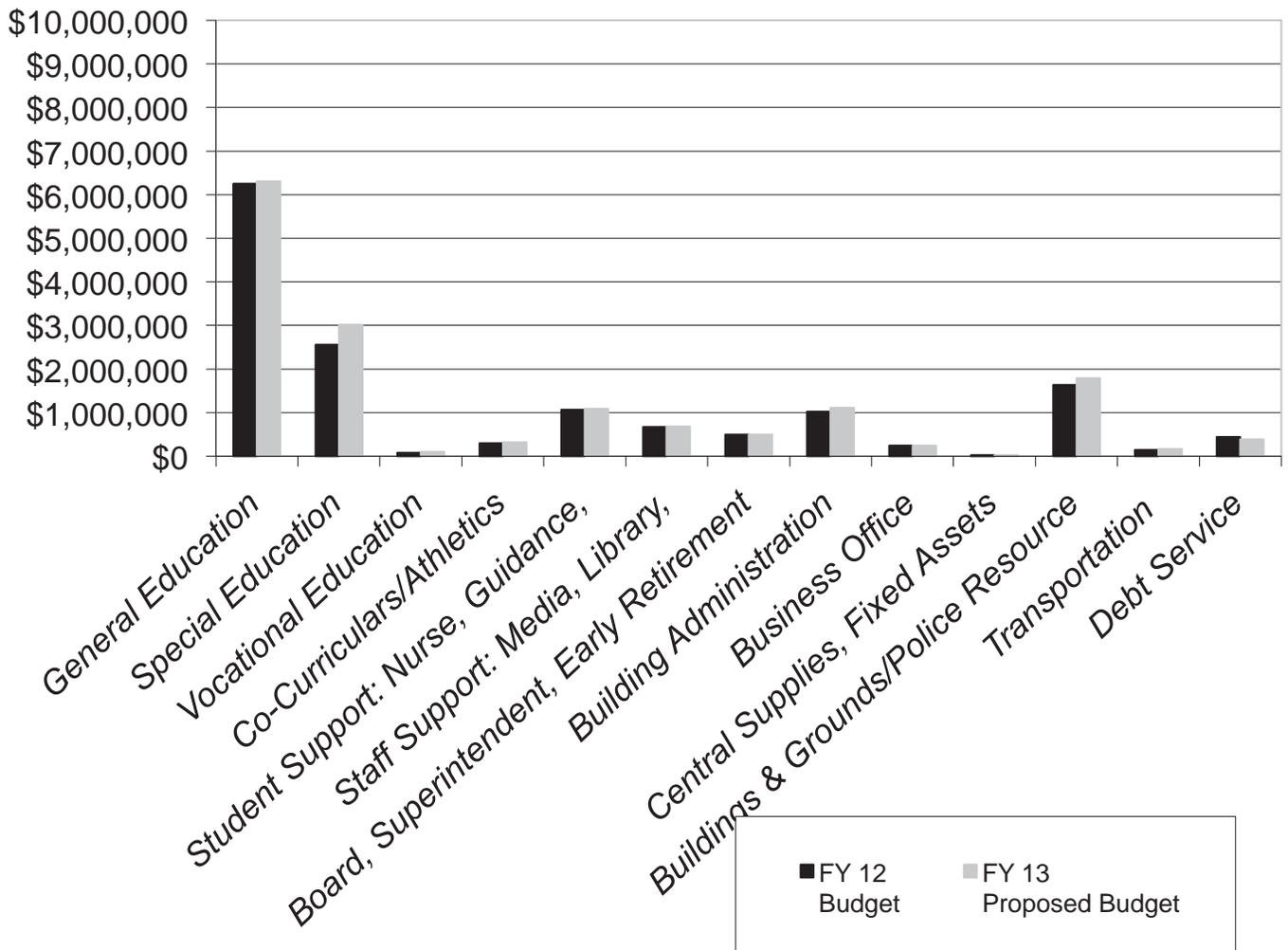
Current expenditures are an effort to calculate an amount per FTE spent by a district on students enrolled in that district. This figure excludes tuition and assessments paid to other providers, construction and equipment costs, debt service, adult education, and community service.

### FY2012 School District Data

| LEA ID | School District | Grades offered in School District | School district tax rate |                                        |                                 | Total municipal tax rate, K-12, consisting of prorated member district rates |                               |                                  |
|--------|-----------------|-----------------------------------|--------------------------|----------------------------------------|---------------------------------|------------------------------------------------------------------------------|-------------------------------|----------------------------------|
|        |                 |                                   | Equalized Pupils         | Education Spending per Equalized Pupil | Equalized Homestead Ed tax rate | MUN Equalized Ed tax rate                                                    | MUN Common Level of Appraisal | MUN Actual Homestead Ed tax rate |
|        | T071            | Fairfax                           | 772.86                   | 10,495.04                              | 1.0687                          | 1.0687                                                                       | 0.9264                        | 1.1338                           |
|        | T132            | Montstown                         | 820.39                   | 10,417.35                              | 1.0608                          | 1.0608                                                                       | 0.9452                        | 1.1223                           |
|        | T249            | Winooski ID                       | 937.83                   | 10,717.41                              | 1.0913                          | 1.0913                                                                       | 0.9754                        | 1.1186                           |
|        | <b>T129</b>     | <b>Montpelier</b>                 | <b>971.32</b>            | <b>12,510.41</b>                       | <b>1.2739</b>                   | <b>1.2739</b>                                                                | <b>0.9824</b>                 | <b>1.2967</b>                    |
|        | T193            | Springfield                       | 1,391.18                 | 14,726.20                              | 1.4995                          | 1.4995                                                                       | 1.0102                        | 1.4844                           |
|        | T093            | Hartford                          | 1,506.43                 | 12,878.78                              | 1.3114                          | 1.3114                                                                       | 0.9422                        | 1.3918                           |
|        | T126            | Milton                            | 1,733.92                 | 11,189.02                              | 1.1393                          | 1.1393                                                                       | 1.0283                        | 1.1079                           |

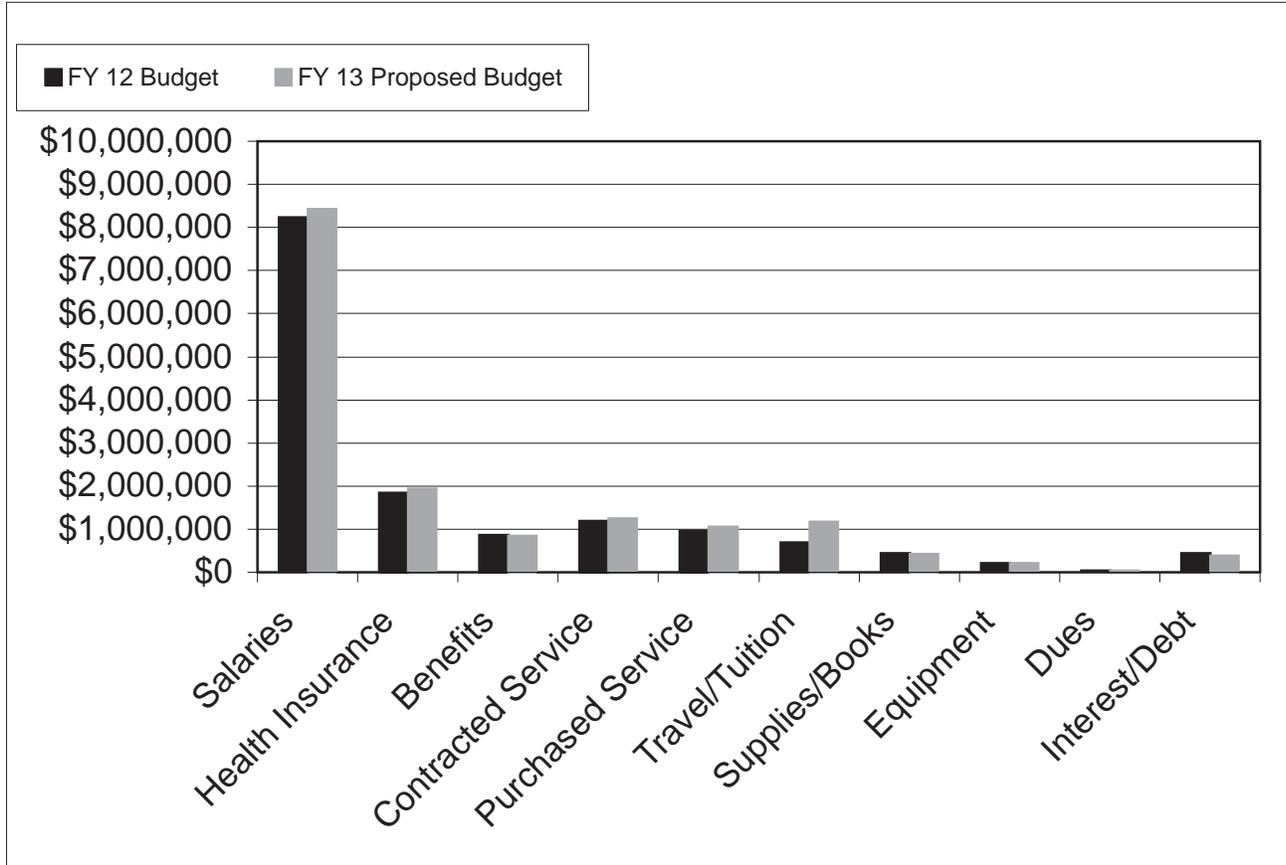
# Budget Overview FY13 - Program Analysis

| Program                                                 | FY 12<br>Budget     | FY 13<br>Proposed<br>Budget | Dollar<br>Increase/<br>Decrease | Percent<br>Increase/<br>Decrease |
|---------------------------------------------------------|---------------------|-----------------------------|---------------------------------|----------------------------------|
| General Education                                       | \$6,244,841         | \$6,304,910                 | \$60,069                        | 0.96%                            |
| Special Education                                       | 2,558,872           | 3,011,041                   | 452,169                         | 17.67%                           |
| Vocational Education                                    | 79,689              | 100,818                     | 21,129                          | 26.51%                           |
| Co-Curriculars/Athletics                                | 294,617             | 321,822                     | 27,205                          | 9.23%                            |
| Student Support: Nurse, Guidance, Speech                | 1,062,589           | 1,089,308                   | 26,719                          | 2.51%                            |
| Staff Support: Media, Library, Professional Development | 674,223             | 684,992                     | 10,769                          | 1.60%                            |
| Board, Superintendent, Early Retirement                 | 500,119             | 492,630                     | -7,489                          | -1.50%                           |
| Building Administration                                 | 1,025,430           | 1,108,307                   | 82,877                          | 8.08%                            |
| Business Office                                         | 244,321             | 241,827                     | -2,494                          | -1.02%                           |
| Central Supplies, Fixed Assets                          | 23,886              | 26,650                      | 2,764                           | 11.57%                           |
| Buildings & Grounds/Police Resource Officer             | 1,637,554           | 1,789,944                   | 152,390                         | 9.31%                            |
| Transportation                                          | 146,668             | 170,128                     | 23,460                          | 16.00%                           |
| Debt Service                                            | 438,766             | 382,563                     | -56,203                         | -12.81%                          |
| <b>Total General Fund</b>                               | <b>\$14,931,575</b> | <b>\$15,724,940</b>         | <b>\$793,365</b>                | <b>5.31%</b>                     |
| <b>Total Grant Funds</b>                                | <b>\$468,675</b>    | <b>\$428,850</b>            | <b>-\$39,825</b>                | <b>-8.50%</b>                    |
| <b>Total General Fund &amp; Grant Funds</b>             | <b>\$15,400,250</b> | <b>\$16,153,790</b>         | <b>\$753,540</b>                | <b>4.89%</b>                     |



# Category Analysis Budget FY13

| Category                                    | FY 12 Budget        | FY 13 Proposed Budget | Dollar Increase/Decrease | Percent Increase/Decrease |
|---------------------------------------------|---------------------|-----------------------|--------------------------|---------------------------|
| Salaries                                    | \$8,242,512         | \$8,431,036           | \$188,524                | 2.29%                     |
| Health Insurance                            | 1,842,321           | 1,930,801             | 88,480                   | 4.80%                     |
| Benefits                                    | 864,573             | 845,564               | -19,009                  | -2.20%                    |
| Contracted Service                          | 1,192,875           | 1,244,346             | 51,471                   | 4.31%                     |
| Purchased Service                           | 965,255             | 1,048,376             | 83,121                   | 8.61%                     |
| Travel/Tuition                              | 695,402             | 1,163,207             | 467,805                  | 67.27%                    |
| Supplies/Books                              | 437,552             | 427,355               | -10,197                  | -2.33%                    |
| Equipment                                   | 211,794             | 218,092               | 6,298                    | 2.97%                     |
| Dues                                        | 40,525              | 33,600                | -6,925                   | -17.09%                   |
| Interest/Debt                               | 438,766             | 382,563               | -56,203                  | -12.81%                   |
| <b>Total General Fund</b>                   | <b>\$14,931,575</b> | <b>\$15,724,940</b>   | <b>\$793,365</b>         | <b>5.31%</b>              |
| <b>Total Grant Funds</b>                    | <b>\$468,675</b>    | <b>\$428,850</b>      | <b>-\$39,825</b>         | <b>-8.50%</b>             |
| <b>Total General Fund &amp; Grant Funds</b> | <b>\$15,400,250</b> | <b>\$16,153,790</b>   | <b>\$753,540</b>         | <b>4.89%</b>              |



# Budget Summary FY13

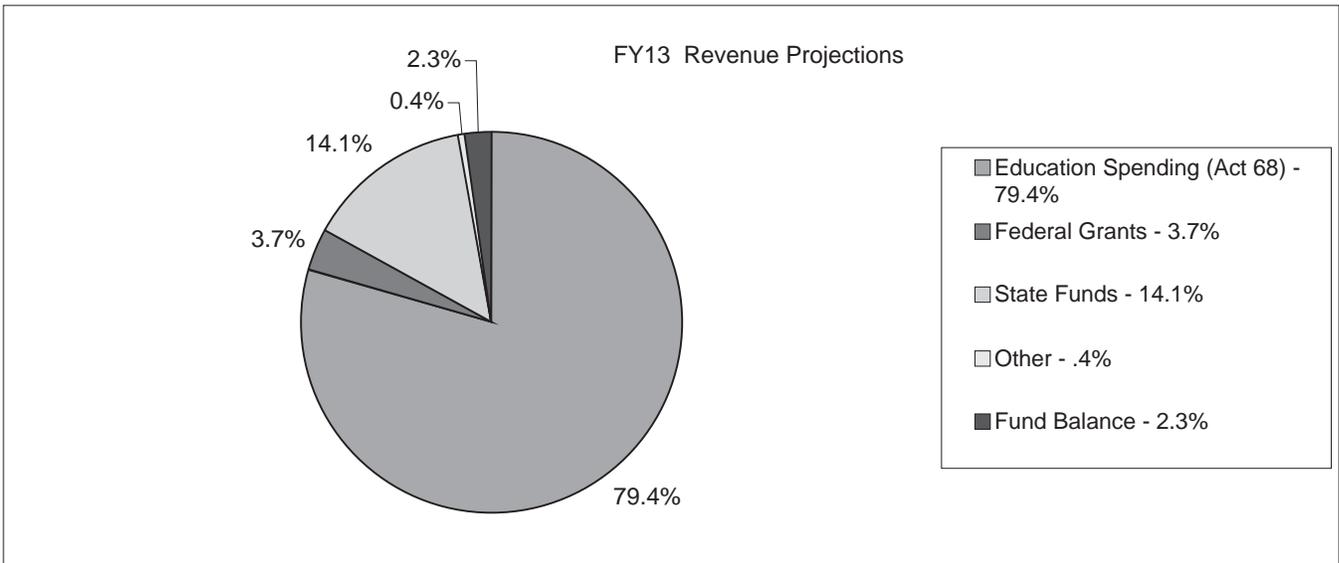
| Program                                 | FY12 Budget | FY13 Proposed Budget | Dollar Increase/Decrease | Percent Increase/Decrease |
|-----------------------------------------|-------------|----------------------|--------------------------|---------------------------|
| General Fund                            | 540,918     | 518,826              | -22,092                  | -4.08%                    |
| Multiple Pathways                       | 159,081     | 164,181              | 5,100                    | 3.21%                     |
| Art                                     | 206,627     | 208,121              | 1,494                    | 0.72%                     |
| Driver Education                        | 71,775      | 73,022               | 1,247                    | 1.74%                     |
| English (7-12)                          | 374,713     | 359,039              | -15,674                  | -4.18%                    |
| Foreign Language                        | 325,920     | 315,886              | -10,034                  | -3.08%                    |
| Family and Consumer Science             | 33,569      | 67,135               | 33,566                   | 99.99%                    |
| Tech Education                          | 82,439      | 84,215               | 1,776                    | 2.15%                     |
| Math                                    | 381,120     | 385,004              | 3,884                    | 1.02%                     |
| Music                                   | 270,188     | 239,683              | -30,505                  | -11.29%                   |
| Science                                 | 350,134     | 347,881              | -2,253                   | -0.64%                    |
| Social Studies                          | 265,362     | 258,052              | -7,310                   | -2.75%                    |
| Physical Education                      | 322,480     | 335,987              | 13,507                   | 4.19%                     |
| Health                                  | 20,251      | 20,603               | 352                      | 1.74%                     |
| Title 1 - Reading and Math Support      | 332,579     | 314,024              | -18,555                  | -5.58%                    |
| Literacy                                | 0           | 7,250                | 7,250                    | 100.00%                   |
| Kindergarten                            | 330,139     | 322,711              | -7,428                   | -2.25%                    |
| Grade 1                                 | 324,847     | 260,761              | -64,086                  | -19.73%                   |
| Grade 2                                 | 251,262     | 308,258              | 56,996                   | 22.68%                    |
| Grade 3                                 | 265,622     | 269,727              | 4,105                    | 1.55%                     |
| Grade 4                                 | 205,875     | 218,109              | 12,234                   | 5.94%                     |
| Grade 5                                 | 194,758     | 199,760              | 5,002                    | 2.57%                     |
| Grade 6                                 | 221,117     | 226,192              | 5,075                    | 2.30%                     |
| UES Science                             | 4,100       | 19,600               | 15,500                   | 378.05%                   |
| Computer Technology                     | 179,428     | 182,144              | 2,716                    | 1.51%                     |
| 504 Accommodations                      | 5,000       | 7,000                | 2,000                    | 40.00%                    |
| ELL                                     | 168,605     | 118,098              | -50,507                  | -29.96%                   |
| Regular Education Support               | 0           | 59,050               | 59,050                   | 100.00%                   |
| Team Multi-Age (Grades 7 & 8)           | 130,277     | 133,267              | 2,990                    | 2.30%                     |
| Team Sirius (Grades 7 & 8)              | 226,655     | 281,324              | 54,669                   | 24.12%                    |
| Special Education Tuition               | 217,098     | 649,369              | 432,271                  | 199.11%                   |
| Idea B - Special Education              | 45,402      | 42,308               | -3,094                   | -6.81%                    |
| Special Education                       | 1,306,313   | 1,378,458            | 72,145                   | 5.52%                     |
| Special Education IA's                  | 990,059     | 940,906              | -49,153                  | -4.96%                    |
| Vocational Education                    | 79,689      | 100,818              | 21,129                   | 26.51%                    |
| Co-Curriculars/Athletics                | 294,617     | 321,822              | 27,205                   | 9.23%                     |
| Guidance                                | 346,874     | 360,595              | 13,721                   | 3.96%                     |
| Student Records                         | 71,232      | 71,435               | 203                      | 0.28%                     |
| Nurses                                  | 185,404     | 182,570              | -2,834                   | -1.53%                    |
| Physical Therapy                        | 32,800      | 35,000               | 2,200                    | 6.71%                     |
| Occupational Therapy                    | 50,800      | 50,000               | -800                     | -1.57%                    |
| Social Workers/Evaluations/Psychologist | 107,217     | 105,193              | -2,024                   | -1.89%                    |
| Speech/Language                         | 258,162     | 274,115              | 15,953                   | 6.18%                     |
| Graduation/Assemblies                   | 10,100      | 10,400               | 300                      | 2.97%                     |
| Curriculum Coordinator                  | 119,983     | 104,774              | -15,209                  | -12.68%                   |
| Professional Development/Inservice      | 40,000      | 50,000               | 10,000                   | 25.00%                    |
| Library                                 | 230,012     | 244,490              | 14,478                   | 6.29%                     |
| Media                                   | 1,700       | 1,800                | 100                      | 5.88%                     |
| Technology                              | 282,528     | 283,928              | 1,400                    | 0.50%                     |

## Budget Summary FY13

| Program                               | FY12<br>Budget      | FY13 Proposed<br>Budget | Dollar<br>Increase/<br>Decrease | Percent<br>Increase/<br>Decrease |
|---------------------------------------|---------------------|-------------------------|---------------------------------|----------------------------------|
| School Board                          | 12,688              | 12,888                  | 200                             | 1.58%                            |
| Early Retirement                      | 6,201               | 0                       | -6,201                          | -100.00%                         |
| Legal                                 | 30,000              | 30,000                  | 0                               | 0.00%                            |
| Audit                                 | 14,000              | 14,500                  | 500                             | 3.57%                            |
| Insurance                             | 165,910             | 154,718                 | -11,192                         | -6.75%                           |
| Superintendent's Office               | 271,320             | 280,524                 | 9,204                           | 3.39%                            |
| Principal's Office                    | 848,486             | 926,817                 | 78,331                          | 9.23%                            |
| Special Education Administration      | 176,944             | 181,490                 | 4,546                           | 2.57%                            |
| Business Office                       | 243,671             | 241,827                 | -1,844                          | -0.76%                           |
| Fixed Asset                           | 650                 | 650                     | 0                               | 0.00%                            |
| Central Supplies                      | 23,886              | 26,000                  | 2,114                           | 8.85%                            |
| Buildings & Grounds                   | 1,563,095           | 1,714,994               | 151,899                         | 9.72%                            |
| Crossing Guards                       | 31,719              | 32,059                  | 340                             | 1.07%                            |
| Police Resource Officer               | 42,740              | 42,891                  | 151                             | 0.35%                            |
| Special Ed Transportation             | 30,416              | 52,628                  | 22,212                          | 73.03%                           |
| Transportation                        | 116,252             | 117,500                 | 1,248                           | 1.07%                            |
| Debt Service                          | 438,766             | 382,563                 | -56,203                         | -12.81%                          |
| <b>TOTAL LOCAL BUDGET</b>             | <b>\$14,931,575</b> | <b>\$15,724,940</b>     | <b>\$793,365</b>                | <b>5.31%</b>                     |
| <b>Other Grant Funds</b>              | <b>\$468,675</b>    | <b>\$428,850</b>        | <b>-\$39,825</b>                | <b>-8.50%</b>                    |
| <b>TOTAL BUDGET &amp; Grant Funds</b> | <b>\$15,400,250</b> | <b>\$16,153,790</b>     | <b>\$753,540</b>                | <b>4.89%</b>                     |

# Revenue Projections FY13

| Revenue                                | FY12 Budget         | FY13 Proposed       | Difference       | Explanation                                                                                   |
|----------------------------------------|---------------------|---------------------|------------------|-----------------------------------------------------------------------------------------------|
| Education Spending (Act 68 definition) | 12,151,610          | 12,484,627          | 333,017          | Amount from state to fund education spending.                                                 |
| Title 1 Grant                          | 334,746             | 314,024             | (20,722)         | Federal funds for remedial programs.                                                          |
| Special Ed Intensive                   | 1,119,939           | 1,257,090           | 137,151          | State special education funding estimated at 56% for reimbursement of costs exceeding grants. |
| Special Ed Block Grant                 | 336,702             | 339,141             | 2,439            | State provides sum of money based on enrollment and core special ed staffing.                 |
| Special Ed Excess Costs                | 54,516              | -                   | (54,516)         | Sp Ed Costs paid for by another LEA.                                                          |
| Special Ed Extraordinary               | 278,375             | 561,929             | 283,554          | State provides sum of money for extraordinary costs.                                          |
| IDEA B Grant                           | 277,171             | 275,064             | (2,107)          | Reflects level funding for Federal Gran.                                                      |
| Tuition                                | 26,600              | 38,130              | 11,530           | Tuition estimate from other LEA's and private sources.                                        |
| Rentals                                | 11,250              | 15,000              | 3,750            | Income received for use of facilities.                                                        |
| Vocational Transportation              | 13,943              | 13,667              | (276)            | State reimbursement for transportation expenses.                                              |
| Driver Education                       | 4,250               | 5,225               | 975              | State reimbursement for driver education expenses.                                            |
| Miscellaneous                          | 2,000               | 3,500               | 1,500            | Miscellaneous revenue and donations received.                                                 |
| Transportation Aid                     | 42,973              | 43,482              | 509              | State reimbursement for K-12 transportation expenses (45%).                                   |
| Interest                               | 10,000              | 5,000               | (5,000)          | Anticipated interest earned.                                                                  |
| Balance Forward                        | 267,500             | 369,061             | 101,561          | Fund Balance to reduce taxes                                                                  |
| <b>Total General Fund</b>              | <b>\$14,931,575</b> | <b>\$15,724,940</b> | <b>\$793,365</b> | <b>5.31%</b>                                                                                  |
| <b>Other Grant Funds</b>               | <b>\$468,675</b>    | <b>\$428,850</b>    | <b>-\$39,825</b> | <b>-8.50%</b>                                                                                 |
| <b>Total General &amp; Grant Funds</b> | <b>\$15,400,250</b> | <b>\$16,153,790</b> | <b>\$753,540</b> | <b>4.89%</b>                                                                                  |



## Salaries for 2011 -- 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      | \$5,600 | Brenda L. Bolio               | 56,305 | Jill A. Closter             | 38,346 |
| Jesse P. Abess             | 25,536  | Jennifer L. Bones             | 4,810  | Danielle L. Cloutier-Simons | 175    |
| Susan R. Abrams            | 66,419  | Daniel H. Boomhower           | 1,323  | Dena T. Cody                | 48,047 |
| Blanche E. Adamski         | 280     | Ariel G. Borgendale           | 3,700  | Sidney E. Collier           | 1,230  |
| Ellen L. Adams             | 9,652   | Alexis H. Boucher             | 1,893  | Judy U. Colombo             | 19,464 |
| Tess A. Adams              | 1,639   | Jennifer B. Boucher           | 795    | Jean L. Commito             | 62,519 |
| William L. Adams           | 175     | Rhonda M. Brace               | 31,364 | Gregory J. Conk             | 44,651 |
| Gabriel J. Aguilar         | 2,884   | Owen R. Bradley               | 87,653 | Carol M. Conley             | 2,100  |
| Wendy J. Albert            | 13,839  | David A. Brigham              | 1,418  | Michael J. Conley           | 1,995  |
| Suzanne Kennedy Aldrich    | 900     | Margaret E. Brigham           | 19,859 | Margaret E. Connors         | 838    |
| Ronald L. Allen            | 16,799  | Matthew D. Brittenham         | 38,266 | Carrie S. Cook              | 47,180 |
| Derrek B. Anderson         | 210     | William C. Brooks             | 1,853  | George A. Cook              | 32,690 |
| Cameron I. Arnold          | 35      | Kevin M. Brown                | 17,762 | Sarah D. Cooper             | 988    |
| Pamela J. Arnold           | 84,419  | Cassandra H. Brush            | 50     | Lorna L. Corbett            | 100    |
| Crystal G. Aube            | 49      | Cindy P. Bubrouski            | 24,234 | Sarah Freddie Cousins       | 39,628 |
| Barbara J. Austin-Hutchins | 68,468  | Geraldine Bucci               | 1,150  | Maurice E. Cowan            | 10,001 |
| Mary Jane Austin-Reynolds  | 1,273   | William H. Bugbee             | 9,155  | Nathan J. Cowens            | 2,208  |
| Roxie L. Bador             | 8,156   | Ludovic A.A. Buret            | 15,473 | Chandrakala T. Cranse       | 1,100  |
| Sabrina E. Bador-Morse     | 10,456  | Janet G. Burke                | 19,387 | Roland E. Cross             | 3,515  |
| Michael R. Baginski        | 59,449  | William G. Burrell            | 28,806 | Colby O.W. Cunningham       | 1,485  |
| Eric R. Bagley             | 2,360   | Kristie W. Bush               | 65,027 | Patricia F. Curran          | 6,510  |
| Shannon M. Baker           | 40,512  | Anthony H. Bushway            | 13,160 | Suzanne J. Da Via           | 52,970 |
| Erin E. Bancroft           | 700     | Cathleen Butterfield-Heitmann | 55,360 | Wendy P. Dale               | 980    |
| Danielle N. Baroudi        | 2,803   | Jo-Ann L. Buzzi               | 34,548 | Beth Damon                  | 805    |
| Anthony J. Barrows         | 290     | Esther M. Byam                | 11,488 | Anna W. Davis               | 105    |
| Jenny L. Bartlett          | 33,994  | Brian A. Cain                 | 1,782  | Charles H. Davis            | 30,661 |
| John H. Bate               | 41,014  | Ayse Emel Cambel              | 210    | Gabriele A. Davis           | 66,848 |
| Ashley M. Beach            | 37,274  | Dorothy N. Canas              | 1,610  | Laura A. Delcore            | 18,447 |
| Elizabeth J. Beaugh        | 140     | Tara P. Cancio-Bello          | 320    | Michael D. Dellipriscoli    | 1,979  |
| Linda C. Beaupre           | 63,899  | Phillip B. Carr               | 16,942 | Dana N. DeMartino           | 5,485  |
| Bobbie D. Beauregard       | 1,338   | Carolyn S. Casagrande         | 750    | Jaden A. Dickinson          | 420    |
| Andrew J. Becker           | 2,136   | Duane Lyman Castle            | 45,691 | Mary E. Diego               | 99     |
| Susan N. Beem              | 53,190  | Jamie E. Catchpaw             | 608    | Stephanie J. DiLena         | 53,562 |
| Elmira Behzadikia          | 750     | Guy Mark Catlin               | 3,730  | Linda S. Dostie             | 15,076 |
| Kevin A. Belanger          | 420     | Farrah Cattaneo               | 2,708  | Patricia Dow Collier        | 61,279 |
| Valerie W. Belanger        | 36,327  | Linnea M. Cecere              | 12,095 | Penny L. Dowen              | 14,862 |
| Kate L. Berrio             | 414     | Toni L. Ceckler               | 65,698 | Matthew R. Dowling          | 2,473  |
| Timothy R. Bertram         | 35      | Lauren P. Chabot              | 43,741 | Katherine D. Drew           | 1,392  |
| Josee C. Bevington         | 27,971  | Jo-Anne H. Chaloux            | 37,084 | Ashley T. Dubois            | 38,002 |
| Timothy M. Bianchi         | 1,749   | Elizabeth A. Chase            | 10,097 | Lloyd M. Dugger, III        | 38,455 |
| Ana Bikic                  | 3,867   | Nancy F. Chase                | 35,698 | Laura M. Dunwoody           | 16,478 |
| Janice M. Billings         | 9,731   | Myles G. Chater               | 45,332 | Sharyn E. Duplessis         | 20,782 |
| Elizabeth R. Bingham       | 5,040   | Carrie A. Childs              | 1,520  | Jane S. Edwards             | 16,777 |
| Carrie E. Blodgett         | 39,425  | Aldo M. Ciampi                | 1,617  | Trees-ah M. Elder           | 47,493 |
| Valerie Bluhm              | 630     | Pinky Clark                   | 9,661  | Jennifer S. Ellis           | 28,267 |
| Paul C. Boffa              | 13,790  | Catherine H. Clements         | 17,836 | Emme D. Erdossy             | 45,251 |

|                              |        |                         |        |                            |        |
|------------------------------|--------|-------------------------|--------|----------------------------|--------|
| Christa J. Evans             | 2,415  | Elizabeth K. Hammond    | 42,947 | Eric A. Labor              | 2,131  |
| Kaitlyn A. Evans             | 560    | Kayla D. Harvey         | 1,570  | Richard t. Lachapelle      | 53,471 |
| Peter Evans                  | 95,995 | Janet L. Hatch          | 875    | Rebecca E. LaFay           | 3,876  |
| Sylvia A. Fagin              | 36,245 | Aaron D. Healy          | 560    | Jennifer Lahr              | 12,068 |
| Audrey Famette               | 20,024 | Michael Healy           | 31,886 | William G. Laidlaw         | 50,160 |
| Peter B. Farber              | 385    | Kara M. Hebert          | 70     | Julienne Lambre            | 30,747 |
| Erica B. Farnham             | 42,863 | Amy M. Herrick          | 15,021 | James A. Landrum           | 3,933  |
| Kyle M. Ferguson             | 2,609  | Debra A. Hickey         | 46,276 | Barbara S. LaRosa          | 1,190  |
| Mackenzie K. Ferguson        | 2,322  | Terence L. Hodgdon      | 44,448 | Elizabeth G. Lawson        | 17,974 |
| Christopher R. Ferris        | 1,715  | John H. Hollar          | 325    | George P. Leal             | 26,864 |
| Joyce G. Ferris              | 18,918 | Cynthia C. Hooker       | 34,534 | John P. LeClair            | 4,653  |
| Paulette Fiorentino-Robinson | 37,467 | Sam J. Horchler         | 525    | Shawn E. Leene             | 2,093  |
| Nicholas B. Fischer          | 18,177 | Mary Hoyne              | 17,081 | Kristi N. Leet             | 10,784 |
| Barbara Fisk                 | 17,673 | Caitlin R. Hussey       | 350    | Russell C. Leete           | 38,266 |
| Joan H. Fitch                | 43,556 | Acacia A. Jackson-Vance | 6,546  | Daniel J. LeFebvre         | 36,525 |
| Bonnie S. Flanagan           | 22,395 | Brandi M. Jagemann      | 910    | Emily E. LeFebvre          | 37,986 |
| Brendan Y. Flanagan          | 742    | Lindel G. James         | 35     | Mary Catharine R. LeFebvre | 44,202 |
| Sheehan E. Flanagan          | 2,472  | Jeffrey W. Jarrad       | 49,110 | Matthew Lieb               | 338    |
| Lucas M. Foley               | 525    | Hannah B. Johnson       | 1,371  | Kimberly B. Lipinski       | 700    |
| Richard A. Forcier           | 105    | Mary Ann Johnson        | 200    | Daniel R. Liptak           | 70     |
| Krista I. Franks             | 245    | Kenneth C. Jones        | 500    | Jessica B. Little          | 76,697 |
| Serena P. Franks             | 1,330  | Sharon A. Joslyn        | 3,378  | Morgan E. Lloyd            | 14,281 |
| Anne O. Fraser               | 18,832 | Mark W. Joy             | 3,845  | Janet K. Lockyer           | 29,745 |
| William C. French            | 14,479 | Rachael J. Keaton       | 17,581 | Christopher M. Luce        | 27,790 |
| Laura H. Gabriel             | 630    | Beverly M. Keck         | 70     | Jeneane Lunn               | 2,240  |
| Brian J. Gallagher           | 50,371 | Charles R. Keinath      | 827    | Nicole I. Lussier          | 423    |
| Debra S. Garrett             | 30,202 | Todd A. Keller          | 41,890 | Michelle Y. Lynch          | 315    |
| Lance Garrett                | 57     | Carol A. Kelley         | 49,230 | Linda C. MacDonald         | 61,068 |
| Patricia H. Gaston           | 82,284 | Windy L. Kelley         | 51,160 | Gretchen E. Mack           | 280    |
| J. Gregory Gerdel            | 3,463  | Anita Kelman            | 595    | Patricia M. Magoon         | 61,189 |
| Paula E. Gervia              | 53,842 | Torrey P. Kelty         | 1,957  | Laxmi Malraj               | 2,706  |
| Donna M. Gibbs               | 20,356 | Nancy R. Kennedy        | 8,345  | Dennis Maranville          | 46,544 |
| Christine E. Gibson-Davis    | 10,427 | Richard A. Kennison     | 36,101 | Gerald L. Maranville       | 428    |
| Theresa A. Giffin            | 63,364 | Eric P. Kerin           | 17,405 | Adena B. Martin            | 300    |
| Anne E. Giroux               | 10,171 | William D. Kerr         | 2,607  | Austin A. Martineau        | 2,416  |
| Hilary L. Goldblatt          | 36,848 | Jenna L. Kidney         | 39,732 | Kolby L. Martineau         | 3,742  |
| Alice R. Goltz               | 3,658  | Kimberly J. Kidney      | 21,194 | Maurice H. Martineau       | 1,053  |
| Diana C. Goodell             | 22,228 | Christopher M. Kilian   | 1,305  | Mark R. Mason              | 68,200 |
| Linda L. Goodell             | 41,634 | Amy L. Kimball          | 54,201 | Susan M. Masters           | 29,621 |
| Chloe W. Gordon              | 2,127  | George J. Kingston, III | 12,556 | Norma L. Maurice           | 27,908 |
| Margaret L. Gordon           | 670    | John Klimenok           | 420    | Robert C. Maurice          | 32,159 |
| Gail P. Gorman               | 55,899 | Sarah E. Knauss         | 49,012 | Kerrin A. McCadden         | 49,413 |
| Eleanor M. Gowans            | 4,341  | Hannah M. Koch          | 1,943  | Dana McCarthy              | 1,826  |
| Corinne M. Gretch            | 3,055  | Susan E. Koch           | 52,127 | James B. McCarthy          | 2,360  |
| Kelly A. Grey                | 16,850 | Zachary A. Koch         | 1,418  | Jonathan E. McDonald       | 51,209 |
| Gary M. Griffith             | 59,669 | Jamie M. Koehnlein      | 23,435 | Marita C. McDonald-Frey    | 38,773 |
| Barry Gruessner              | 35,442 | Karlynn C. Koenemann    | 13,955 | David C. McGraw            | 68,476 |
| Christopher L. Guros         | 41,872 | Mark E. Koenemann       | 1,749  | Jody B. McGraw             | 68,787 |
| Sarah G. Guyette             | 17,055 | Mathew J. Koenemann     | 728    | Priscilla R. McGuire       | 2,275  |
| Sarah A. Halpine             | 52,430 | Mariah F. Krauss        | 1,730  | Brendan N. McLane          | 43,471 |

|                            |        |                         |        |                        |        |
|----------------------------|--------|-------------------------|--------|------------------------|--------|
| Matthew B. McLane          | 48,477 | Salih Numanovic         | 35,483 | Anita W. Rogers        | 96     |
| Arne T. McMullen           | 56,656 | Carlyle M. Nunn         | 32,094 | Eli S. Rosenberg       | 18,258 |
| Kaitlyn E. McMullen        | 2,770  | Josiah P. Nunn          | 3,649  | Neil W. Rosenblad      | 60,671 |
| Mehgan M. McMullen         | 65     | Anne M. O'Donnell       | 175    | Rachel E. Rosenbloom   | 1,680  |
| Seth T. McMullen           | 2,404  | Thomas C. O'Grady       | 595    | Elizabeth Rossano      | 140    |
| Marianne McNamara          | 41,068 | Susan V. O'Regan        | 140    | Vincent L. Rossano     | 72,309 |
| Kimberly A. Means          | 18,793 | James N. Olmsted        | 16,727 | Cynthia E. Rossi       | 84,684 |
| Stephen A. Mears           | 70,196 | Carol Paquette          | 500    | Dorothy J. Rowe        | 19,818 |
| Mary Mello                 | 65,936 | Mary Anderson Parento   | 1,423  | Marijke Russo          | 52,727 |
| Amy B. Merriam             | 2,530  | Melissa M. Parker       | 47,375 | Thomas J. Sabo, Jr.    | 49,184 |
| Heather J. Michaud         | 43,057 | Bonnie E. Parry         | 18,344 | Judith H. Safford      | 420    |
| Julie J. Michaud           | 20,087 | Joy L. Partridge        | 10,360 | Mathew O. Safford      | 4,163  |
| Jason P. Miles             | 55,333 | Brooke Pearson          | 46,833 | Adam F. Sainz          | 3,810  |
| DeAnn N. Miller            | 1,151  | Edward F. Pelkey        | 20,286 | Hilary Sales           | 14,204 |
| Karl S. Miller             | 32     | Bonnie J. Pepin         | 350    | Geoffrey C. Sather     | 62,695 |
| Daniel M. Miller-Arsenault | 52,761 | Danielle R. Pepin       | 595    | Richard E. Scharf      | 27,919 |
| Teresa B. Milne            | 18,088 | Pascale Philibert       | 9,572  | Adam M. Schersten      | 805    |
| Judy A. Milstein           | 536    | Charles S. Phillips     | 6,510  | Patrick C. Schlott     | 413    |
| Christina C. Molinaro      | 2,060  | Katrina K. Phillips     | 21,138 | Kristina L. Schultz    | 13,839 |
| Kerry L. Monahan           | 1,506  | Melissa J. Pierce       | 48,670 | Anna C. Schwarz        | 175    |
| Susan M. Monmaney          | 45,223 | Sharon L. Pine          | 43,761 | Kevin D. Sciba         | 280    |
| Paige M. Montague          | 10,064 | Andrew S. Pitt          | 3,251  | D. Andrew Scott        | 48,380 |
| Emmanuelle BA Monteith     | 70     | Michelle Pitzner        | 7,936  | Kimberly A. Scott      | 44,402 |
| Carlos E. Montero          | 21,018 | James A. Plummer        | 1,575  | Linda M. Scoville      | 385    |
| Amanda J. Monti            | 1,190  | Michael P. Podhaizer    | 1,207  | Holly V. Scudder-Chase | 46,169 |
| Elisabeth A. Moody         | 49,361 | Vanessa S. Powers       | 2,794  | Molly G. Sease         | 70     |
| Stephen R. Moore           | 245    | Andrew G. Price         | 1,681  | Mary Ellen Seaver-Reid | 31,690 |
| Donald L. Morgan           | 10,193 | Corey C. Pulsifer       | 19,839 | Michael L. Segale      | 2,056  |
| Robin C. Morissette        | 13,133 | Colleen K. Purcell      | 13,166 | Tiffany S. Seitz       | 805    |
| James G. Morley            | 34,487 | Shelby P. Quinn         | 37,299 | Ellen C. Selkowitz     | 65,598 |
| Carolyn R. Morris          | 373    | Nancy G. Reagan         | 42,712 | Reuben S. Sherman      | 1,050  |
| Shirley R. Morse           | 4,660  | Dorothy A. Redmond      | 19,010 | Ellen A. Sholk         | 30,365 |
| Julie A. Morton            | 9,051  | Mary C. Redmond         | 60,468 | Marianne Signorino     | 18,540 |
| Richard F. Mosher          | 315    | Paul C. Reed            | 420    | Jeffrey D. Simonds     | 298    |
| Matthew J. Mulligan        | 490    | Allison N. Reilly       | 6,400  | Josephine G. Slade     | 597    |
| Cynthia A. Murphy          | 49,692 | Lynn M. Ribolini        | 18,812 | Lara B. Slesar         | 47,960 |
| Elizabeth M. Murphy        | 300    | Brian G. Ricca          | 47,500 | Andra A. Smith         | 37,907 |
| John R. Murphy             | 4,963  | Leif L. Richardson      | 385    | Jacob E. Smith         | 452    |
| Alexis Y. Murphy-Egri      | 38,304 | Denise L. Ricker        | 3,064  | Jessica G.A. Smith     | 5,211  |
| Henry O. Murray            | 3,535  | Robin L. Ricker-Lumsden | 21,213 | Nancy L. Smith         | 6,791  |
| Andrea H. Myotte           | 54,922 | Theodore F. Riggen      | 315    | Suzanne D. Smith       | 230    |
| Carole J. Naquin           | 2,216  | Mary M. Ritze           | 4,131  | Gabriel J. Sortino     | 140    |
| Colin J. Nealon            | 1,820  | Meghan E.R. Ravis       | 1,715  | Aaron P. Southworth    | 735    |
| Ann L. Nelson              | 48,738 | Ryan T. Robbins         | 2,759  | Anthony J. Spector     | 245    |
| David M. Nelson            | 3,350  | Carolyn S. Roberge      | 52,517 | Robin F. Spitzer       | 18,561 |
| John L. Nelson-Miles       | 21,012 | Jeffrey W. Robie        | 1,931  | Sarah Squier           | 53,870 |
| Britt Nielsen              | 42,147 | Norman E. Robinson      | 1,712  | Susan Steinhurst       | 13,414 |
| Christopher Noel           | 1,085  | Steven P. Robinson      | 750    | Jean B. Stetter        | 17,139 |
| Judith M. Nolan            | 9,621  | Tucker S. Robinson      | 579    | Elizabeth A. Strobell  | 23,633 |
| Timothy J. Noonan          | 2,360  | Leda M. Rodis           | 1,470  | Morgan C. Strojny      | 2,485  |

|                              |        |                       |        |
|------------------------------|--------|-----------------------|--------|
| Kara A. Sullivan             | 875    | Patricia M. Welsh     | 23,343 |
| Sandra E. Surrell            | 5,485  | Devin J. Wendel       | 12,068 |
| Carol R. Sweeney             | 630    | Braiden E. White      | 10,227 |
| Elizabeth J. Swenson         | 19,310 | Justin C. White       | 1,197  |
| Ernest L. Swenson            | 2,363  | Amanda L. Whitehead   | 1,435  |
| Samantha R.T.P. Talbot-Kelly | 1,015  | Ryan H. Wingate       | 1,805  |
| Johnson K. Tata              | 140    | Jesse P. Wolfe        | 22,297 |
| Donald H. Taylor             | 49,090 | Willow Wonder         | 140    |
| Molly M. Taylor              | 2,854  | Paige M. Wood         | 1,081  |
| Cheryl Ann Tetreault         | 9,425  | Thomas K. Wood        | 49,204 |
| Nancy Ann Thein              | 37,523 | Dakota J.A. Woodworth | 2,475  |
| Otto Niclas Thein            | 420    | Emily A. Wrigley      | 42,704 |
| Eliza Thomas                 | 1,598  | Virginia Q. Zahner    | 67,403 |
| Joy E. Thomas                | 33,511 | Ivy Zeller            | 15,914 |
| Peggy A. Thompson            | 20,338 | Ethan J. Zorzi        | 3,125  |
| Richard I. Thompson          | 12,650 | Timothy D. Zorzi      | 3,077  |
| James W. Thurber             | 70     | Kerri B. Zurowski     | 41,897 |
| Claudia G. Thurston          | 1,570  | Timothy W. Zurowski   | 2,435  |
| Diana M. Tierney             | 21,134 |                       |        |
| Jerry E. Tillotson           | 51,877 |                       |        |
| Devon M. Tomasi              | 587    |                       |        |
| Phillip R. Tomasi            | 11,205 |                       |        |
| Pamela A. Towne              | 55,275 |                       |        |
| Michele A. Turcotte          | 1,120  |                       |        |
| Alyssa K. Turley             | 2,689  |                       |        |
| Christopher A. Turley        | 3,197  |                       |        |
| Chet C. Tyrol                | 760    |                       |        |
| Andrew C. Vachon             | 875    |                       |        |
| Nancy C. Vachon              | 9,728  |                       |        |
| Thomas H. Van Meter          | 3,605  |                       |        |
| Richard G. Vanden Bergh      | 250    |                       |        |
| Lowell J. VanDerlip          | 750    |                       |        |
| Paula J. Verrastro           | 6,790  |                       |        |
| Rosana Vestuti               | 2,520  |                       |        |
| Aimee L. Viens               | 21,124 |                       |        |
| Doris C. Viens               | 34,631 |                       |        |
| Jessica K. Viens             | 2,479  |                       |        |
| Jillyan A. Viens             | 4,782  |                       |        |
| Norburga M. von Trapp        | 210    |                       |        |
| Jennifer Wall Howard         | 56,629 |                       |        |
| Anne E. Watson               | 47,801 |                       |        |
| Barbara L. Watson            | 1,218  |                       |        |
| Bonnie J. Watson             | 1,190  |                       |        |
| Brian R. Watson              | 160    |                       |        |
| Wendy C. Watson              | 2,360  |                       |        |
| Peter G. Watt                | 19,592 |                       |        |
| Nancy A. Webb                | 13,416 |                       |        |
| Scott R. Weigand             | 4,262  |                       |        |

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

**JUNE 30, 2011**

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## 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

November 30, 2011

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, 2011, 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, 2011, 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 November 30, 2011, 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, 2011

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, 2011. 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 \$319,834 in fiscal year 2011, compared to an increase of \$666,622 in the prior year. The increase was mostly due to favorable budget results.
- The cost of all of the School System's programs was \$17,568,260 this year compared to \$17,151,273 last year, an increase of \$416,987, or 2.4%.
- The General Fund had an increase in fund balance of \$223,671 this year compared to an increase of \$296,172 in the prior year. The increase in fund balance for fiscal year 2011 was \$470,395 better than what was budgeted.
- The total fund balance for the General Fund was \$1,196,627 as of June 30, 2011, of which \$267,500 is assigned for FY12 revenues, \$112,119 is committed for capital expenditures and \$817,008 is assigned for future revenues after FY12.
- The Recreation Fund had a decrease in fund balance of \$9,412 this year compared to a decrease of \$79,800 in the prior year. The fund balance of the Recreation Fund as of June 30, 2011 was \$212,416, of which \$7,832 is restricted for improvements, \$25,256 is assigned for fiscal year 2012 and \$179,328 is assigned for future recreation fund expenditures.
- The Grants Fund had a zero year end fund balance because revenues are recognized as expenditures are incurred. During fiscal year 2011 revenues of \$911,562 were offset by expenditures of the same amount.
- The fund balance of the Capital Projects Fund was \$3,454 as of June 30, 2011. During fiscal year 2011, capital project expenditures were greater than revenues by \$118,366.
- The Food Service Fund ended the year with a fund balance of \$25,378, of which \$12,833 is non-expendable due to inventory. During fiscal year 2011, food service revenues and other sources exceeded expenditures by \$22,644.

**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

MONTPELIER PUBLIC SCHOOL SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2011

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.

*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

MONTPELIER PUBLIC SCHOOL SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2011

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.

*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 2011 and 2010.

Table 1 - Net Assets

|                                            | 2011         | 2010         | Change     |
|--------------------------------------------|--------------|--------------|------------|
| Current and other assets                   | \$ 2,802,829 | \$ 2,761,421 | \$ 41,408  |
| Capital assets                             | 8,169,742    | 8,313,103    | (143,361)  |
| Total assets                               | 10,972,571   | 11,074,524   | (101,953)  |
| Long-term liabilities                      | 4,631,174    | 4,967,052    | (335,878)  |
| Other liabilities                          | 1,417,293    | 1,503,202    | (85,909)   |
| Total liabilities                          | 6,048,467    | 6,470,254    | (421,787)  |
| Net assets:                                |              |              |            |
| Invested in capital assets,<br>net of debt | 5,163,384    | 5,034,523    | 128,861    |
| Restricted                                 | 7,832        | 16,081       | (8,249)    |
| Unrestricted                               | (247,112)    | (446,334)    | 199,222    |
| Total net assets                           | \$ 4,924,104 | \$ 4,604,270 | \$ 319,834 |

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 2011 and 2010.

MONTPELIER PUBLIC SCHOOL SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2011

Table 2 - Change in Net Assets

|                                      | 2011              | 2010              | Change              |
|--------------------------------------|-------------------|-------------------|---------------------|
| <b>REVENUES</b>                      |                   |                   |                     |
| Program revenues:                    |                   |                   |                     |
| Charges for services                 | \$ 711,353        | \$ 656,453        | \$ 54,900           |
| Operating grants and contributions   | 4,405,039         | 3,957,636         | 447,403             |
| Capital grants and contributions     | 0                 | 73,680            | (73,680)            |
| General revenues:                    |                   |                   |                     |
| Act 68 State Aid                     | 11,669,953        | 11,961,927        | (291,974)           |
| Property taxes                       | 605,230           | 619,274           | (14,044)            |
| ARRA education spending              | 412,287           | 422,052           | (9,765)             |
| Other general revenues               | 84,232            | 126,873           | (42,641)            |
| Total revenues                       | <u>17,888,094</u> | <u>17,817,895</u> | <u>70,199</u>       |
| <b>PROGRAM EXPENSES</b>              |                   |                   |                     |
| Instruction                          | 6,263,027         | 6,490,107         | (227,080)           |
| Special education                    | 2,671,019         | 2,458,715         | 212,304             |
| Vocational                           | 60,300            | 71,356            | (11,056)            |
| Co-curricular                        | 280,782           | 284,949           | (4,167)             |
| Support services - student           | 968,668           | 990,438           | (21,770)            |
| Support services - staff             | 678,188           | 646,087           | 32,101              |
| School Board/Superintendent's office | 399,528           | 398,045           | 1,483               |
| Building administration              | 1,007,063         | 969,740           | 37,323              |
| Business office                      | 279,538           | 256,881           | 22,657              |
| Building maintenance                 | 1,847,837         | 1,855,337         | (7,500)             |
| Transportation                       | 218,964           | 144,380           | 74,584              |
| Food service                         | 471,430           | 469,389           | 2,041               |
| Recreation programs                  | 817,645           | 738,702           | 78,943              |
| Grant programs                       | 865,110           | 704,916           | 160,194             |
| Interest on long-term debt           | 236,661           | 253,231           | (16,570)            |
| On behalf payments                   | 502,500           | 419,000           | 83,500              |
| Total program expenses               | <u>17,568,260</u> | <u>17,151,273</u> | <u>416,987</u>      |
| Increase (decrease) in net assets    | <u>\$ 319,834</u> | <u>\$ 666,622</u> | <u>\$ (346,788)</u> |

Revenues increased by \$70,199, or .4%. Program Expenses increased by \$416,987, or 2.4%.

MONTPELIER PUBLIC SCHOOL SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2011

Changes compared to fiscal year 2010 were as follows: Act 68 State aid decreased by \$219,974 which favorably impacted the tax rate for Montpelier residents compared to the prior year. The State used ARRA funds (Federal Stimulus Money) in the amount of \$412,287 to help fund education expenses that did not impact tax rates for residents. Special education expenses increased by \$212,304 but was offset by increases in State aid for special education. Instruction expenses decreased by \$227,080 due to scheduled decreases expected in the budget as well as better than expected results for various expenses. The increase in transportation expenses was related to special education and was reimbursed by the State. Grant expenses increased by \$160,194 but were offset by additional revenue. On behalf payment, which represents the amount that the State pays teacher's retirement for the benefit of the School System, increased by \$83,500 but was offset by the same amount of 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><u>2011</u> | Net (Revenue)/<br>Cost of Services<br><u>2011</u> | Total Cost<br>of Services<br><u>2010</u> | Net (Revenue)/<br>Cost of Services<br><u>2010</u> |
|----------------------------|------------------------------------------|---------------------------------------------------|------------------------------------------|---------------------------------------------------|
| Instruction                | \$ 6,263,027                             | \$ 5,695,610                                      | \$ 6,490,107                             | \$ 5,913,216                                      |
| Special education          | 2,671,019                                | 410,867                                           | 2,458,715                                | 408,373                                           |
| Support services - student | 968,668                                  | 968,668                                           | 990,438                                  | 990,438                                           |
| Building maintenance       | 1,847,837                                | 1,776,687                                         | 1,855,337                                | 1,855,337                                         |
| Building administration    | 1,007,063                                | 1,006,763                                         | 969,740                                  | 969,740                                           |
| All others                 | 4,810,646                                | 2,593,273                                         | 4,386,936                                | 2,326,400                                         |
| Totals                     | <u>\$17,568,260</u>                      | <u>\$12,451,868</u>                               | <u>\$17,151,273</u>                      | <u>\$12,463,504</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 \$1,437,875, which is more than last year's total of \$1,319,338 by \$118,537. The total fund balance for the General Fund was \$1,196,627 as of June 30, 2011, of which \$267,500 is assigned for FY12 revenues, \$112,119 is committed for capital expenditures and \$817,008 is assigned for future revenues after FY12. The fund balance of the Recreation Fund as of June 30, 2011 was \$212,416, of which \$7,832 is restricted for improvements, \$25,256 is assigned to reduce fiscal year taxes, and the remainder of \$179,328 is assigned for future recreation fund expenditures. The fund balance of the Capital Projects Fund was \$3,454 as of June 30, 2010. The Food Service Fund ended the year with a \$25,378 fund balance.

Included in this year's total change in fund balance of \$118,537 is an increase of \$223,671 in the General Fund, a decrease of \$9,412 in the Recreation Fund, a decrease of \$118,366 in the Capital Projects Fund, and an increase of \$22,644 in the Food Service Fund.

MONTPELIER PUBLIC SCHOOL SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2011

*General Fund Budgetary Highlights*

The General Fund had an increase in fund balance of \$223,671 which was \$470,395 better than what was budgeted. Exhibit F shows the budgetary information on the General Fund. The following are the major variances:

|                                         | Budget       | Actual       | Favorable<br>(Unfavorable)<br>Variance |
|-----------------------------------------|--------------|--------------|----------------------------------------|
| <b>Revenues</b>                         |              |              |                                        |
| State special education reimbursements  | \$ 1,609,317 | \$ 1,912,918 | \$ 303,601                             |
| Tuition special education               | 50,509       | 83,434       | 32,925                                 |
| Energy rebate and E-rate reimbursements | 0            | 82,576       | 82,576                                 |
| <b>Expenditures</b>                     |              |              |                                        |
| Instruction                             | 6,075,269    | 5,976,179    | 99,090                                 |
| Special education                       | 2,338,162    | 2,671,019    | (332,857)                              |
| Co-curricular                           | 314,044      | 280,782      | 33,262                                 |
| Support services - students             | 1,054,010    | 908,341      | 145,669                                |
| School Board/Superintendent's office    | 521,851      | 405,729      | 116,122                                |
| Transportation                          | 155,087      | 201,667      | (46,580)                               |

Special education reimbursements, tuition for special education and the special education expenditures net out to a favorable variance of \$3,669. The favorable variance in instruction had many different reasons. The largest single item was that the preschool program cost \$61,996 less than budget. The energy rebate and the E-rate communication reimbursement were both unexpected revenue sources. The favorable variance in co-curricular was pretty widespread. The largest individual category was boy's hockey that had a \$11,361 favorable variance. The favorable variance for the support services – students included the guidance department that showed a \$70,591 favorable variance due to turnover in staff, and less psychology services of \$40,079 and less speech services of \$20,860. The favorable variance in the school board/superintendent office function is mostly due to workers compensation expenditure budgeted in this category but the actual expenditure was allocated to different functions which created an \$88,449 favorable variance and actual legal fees being less than budget by \$24,316. The additional costs related to transportation were due to special education transportation.

**Capital Asset and Debt Administration**

*Capital Assets*

At June 30, 2011, the School System had \$8,169,742 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 decrease (including additions and deductions) of \$143,361 compared to last year.

MONTPELIER PUBLIC SCHOOL SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2011

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

|                            | 2011                | 2010                | Change              |
|----------------------------|---------------------|---------------------|---------------------|
| Construction in progress   | \$ 0                | \$ 12,409           | \$ (12,409)         |
| Land improvements          | 965,830             | 887,979             | 77,851              |
| Buildings and improvements | 6,843,276           | 7,024,704           | (181,428)           |
| Machinery and equipment    | 334,532             | 359,459             | (24,927)            |
| Vehicles                   | 26,104              | 28,552              | (2,448)             |
| Totals                     | <u>\$ 8,169,742</u> | <u>\$ 8,313,103</u> | <u>\$ (143,361)</u> |

This year's additions were:

|                                     |                   |
|-------------------------------------|-------------------|
| Food service van                    | \$ 5,899          |
| Special education room improvements | 33,551            |
| 48 computerized notebooks           | 18,480            |
| Auto Scrubber                       | 5,500             |
| School entrance                     | 112,532           |
| Central office renovations          | 5,834             |
| 20 Ipads                            | 12,901            |
| Little league back stop             | 6,400             |
| Roof improvement - rec center       | 32,976            |
| Tennis court improvements           | 7,448             |
| Total additions                     | <u>\$ 241,521</u> |

*Debt Administration*

At June 30, 2011, the School System had \$4,479,812 in bonds and leases outstanding versus \$4,870,400 on June 30, 2010 – a decrease of \$390,588 – as shown in Table 5.

Table 5  
Outstanding Debt at Year-End

|                                                     | 2011                | 2010                | Increase<br>(Decrease) |
|-----------------------------------------------------|---------------------|---------------------|------------------------|
| Vermont Municipal Bond - MHS, MSMS Renovations      | \$ 980,000          | \$ 1,120,000        | \$ (140,000)           |
| Vermont Municipal Bond - Union Addition             | 45,000              | 90,000              | (45,000)               |
| Vermont Municipal Bond - 2009 various renovations   | 1,345,000           | 1,420,000           | (75,000)               |
| Vermont Municipal Bond - VMERS lump sum             | 1,470,000           | 1,470,000           | 0                      |
| Capital Leases - various equipment and improvements | 639,812             | 770,400             | (130,588)              |
| Totals                                              | <u>\$ 4,479,812</u> | <u>\$ 4,870,400</u> | <u>\$ (390,588)</u>    |

During fiscal year 2011, the School System made payments on bonds of \$260,000 and lease payments of \$130,588. There were no loan or lease proceeds in fiscal year 2011.

MONTPELIER PUBLIC SCHOOL SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2011

**Current Issues**

Enrollment in the Montpelier School System was 922 for the 2010-11 school year compared to 927 in the prior year. Under the formula employed by the State of Vermont to determine the local tax rate, 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 91.55% for fiscal year 2011. During fiscal year 2009-10 the City completed a reappraisal of all real estate in the City. The CLA for fiscal year 2012 is 98.2%. This means that property values in Montpelier are close to 100% of fair market value.

The School System has responded to budget challenges 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 Brian Ricca, 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, 2011

|                                                                | <u>Governmental<br/>Activities</u> |                     |
|----------------------------------------------------------------|------------------------------------|---------------------|
| <b>ASSETS</b>                                                  |                                    |                     |
| Cash                                                           | \$ 2,390,796                       |                     |
| Accounts receivable - State                                    | 311,068                            |                     |
| Accounts receivable - other                                    | 88,132                             |                     |
| Inventory                                                      | 12,833                             |                     |
| Capital assets, net of accumulated depreciation of \$5,600,674 | <u>8,169,742</u>                   |                     |
| Total assets                                                   |                                    | 10,972,571          |
| <b>LIABILITIES</b>                                             |                                    |                     |
| Accounts payable                                               | 95,154                             |                     |
| Accrued salary and benefits                                    | 925,798                            |                     |
| Deferred revenue                                               | 344,002                            |                     |
| Accrued interest                                               | 52,339                             |                     |
| Leases payable due in one year                                 | 122,879                            |                     |
| Bonds payable due in one year                                  | 260,000                            |                     |
| Termination benefit payable due in one year                    | 20,294                             |                     |
| Compensated absences                                           | 102,879                            |                     |
| Termination benefit payable due after one year                 | 28,189                             |                     |
| Leases payable due after one year                              | 516,933                            |                     |
| Bonds payable due after one year                               | <u>3,580,000</u>                   |                     |
| Total liabilities                                              |                                    | <u>6,048,467</u>    |
| <b>NET ASSETS</b>                                              |                                    |                     |
| Unrestricted                                                   | (247,112)                          |                     |
| Restricted                                                     | 7,832                              |                     |
| Invested in capital assets, net of debt                        | <u>5,163,384</u>                   |                     |
| Total net assets                                               |                                    | <u>\$ 4,924,104</u> |

MONTPELIER PUBLIC SCHOOL SYSTEM

EXHIBIT B

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2011

| <u>Functions/Programs</u>            | <u>Expenses</u>      | <u>Charge<br/>for Services</u> | <u>Operating<br/>Grants and<br/>Contributions</u> | <u>Net (Expenses)<br/>Revenues and<br/>Changes<br/>in Net Assets<br/>Governmental<br/>Activities</u> |
|--------------------------------------|----------------------|--------------------------------|---------------------------------------------------|------------------------------------------------------------------------------------------------------|
| Governmental Activities:             |                      |                                |                                                   |                                                                                                      |
| Instruction                          | \$ 6,263,027         | \$ 20,499                      | \$ 546,918                                        | \$ (5,695,610)                                                                                       |
| Special education                    | 2,671,019            | 83,434                         | 2,176,718                                         | (410,867)                                                                                            |
| Vocational                           | 60,300               | 0                              | 13,464                                            | (46,836)                                                                                             |
| Co-curricular                        | 280,782              | 0                              | 0                                                 | (280,782)                                                                                            |
| Support services - students          | 968,668              | 0                              | 0                                                 | (968,668)                                                                                            |
| Support services - staff             | 678,188              | 0                              | 0                                                 | (678,188)                                                                                            |
| School Board/Superintendent's office | 399,528              | 0                              | 0                                                 | (399,528)                                                                                            |
| Building administration              | 1,007,063            | 0                              | 300                                               | (1,006,763)                                                                                          |
| Business office                      | 279,538              | 0                              | 2,268                                             | (277,270)                                                                                            |
| Building maintenance                 | 1,847,837            | 71,150                         | 0                                                 | (1,776,687)                                                                                          |
| Transportation                       | 218,964              | 0                              | 41,836                                            | (177,128)                                                                                            |
| Food service                         | 471,430              | 335,895                        | 170,250                                           | 34,715                                                                                               |
| Recreation programs                  | 817,645              | 200,375                        | 39,223                                            | (578,047)                                                                                            |
| Grant programs                       | 865,110              | 0                              | 911,562                                           | 46,452                                                                                               |
| Interest on long term debt           | 236,661              | 0                              | 0                                                 | (236,661)                                                                                            |
| On behalf payments                   | 502,500              | 0                              | 502,500                                           | 0                                                                                                    |
| <br>                                 |                      |                                |                                                   |                                                                                                      |
| Total governmental activities        | <u>\$ 17,568,260</u> | <u>\$ 711,353</u>              | <u>\$ 4,405,039</u>                               | <u>(12,451,868)</u>                                                                                  |
| <br>                                 |                      |                                |                                                   |                                                                                                      |
| General Revenues:                    |                      |                                |                                                   |                                                                                                      |
|                                      |                      |                                |                                                   | 11,669,953                                                                                           |
|                                      |                      |                                |                                                   | 605,230                                                                                              |
|                                      |                      |                                |                                                   | 412,287                                                                                              |
|                                      |                      |                                |                                                   | 7,026                                                                                                |
|                                      |                      |                                |                                                   | 77,206                                                                                               |
|                                      |                      |                                |                                                   | <u>12,771,702</u>                                                                                    |
|                                      |                      |                                |                                                   | 319,834                                                                                              |
|                                      |                      |                                |                                                   | <u>4,604,270</u>                                                                                     |
|                                      |                      |                                |                                                   | <u>\$ 4,924,104</u>                                                                                  |

MONTPELIER PUBLIC SCHOOL SYSTEM

EXHIBIT C

BALANCE SHEET - GOVERNMENTAL FUNDS  
AND RECONCILIATION TO STATEMENT OF NET ASSETS  
JUNE 30, 2011

|                                                                                                                                                                                                                                     | General<br>Fund     | Major Funds<br>Recreation<br>Fund | Grants<br>Fund    | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-----------------------------------|-------------------|--------------------------------|--------------------------------|
| <b>ASSETS</b>                                                                                                                                                                                                                       |                     |                                   |                   |                                |                                |
| Cash                                                                                                                                                                                                                                | \$ 2,346,198        | \$ 21,401                         | \$ 0              | \$ 23,197                      | \$ 2,390,796                   |
| Accounts receivable - State                                                                                                                                                                                                         | 229,276             | 8,250                             | 71,343            | 2,199                          | 311,068                        |
| Accounts receivable - other                                                                                                                                                                                                         | 77,451              | 9,619                             | 0                 | 1,062                          | 88,132                         |
| Inventory                                                                                                                                                                                                                           | 0                   | 0                                 | 0                 | 12,833                         | 12,833                         |
| Due from other funds                                                                                                                                                                                                                | 0                   | 223,970                           | 267,123           | 19,941                         | 511,034                        |
| Total assets                                                                                                                                                                                                                        | <u>\$ 2,652,925</u> | <u>\$ 263,240</u>                 | <u>\$ 338,466</u> | <u>\$ 59,232</u>               | <u>\$ 3,313,863</u>            |
| <b>LIABILITIES AND FUND BALANCES</b>                                                                                                                                                                                                |                     |                                   |                   |                                |                                |
| <b>LIABILITIES</b>                                                                                                                                                                                                                  |                     |                                   |                   |                                |                                |
| Accounts payable                                                                                                                                                                                                                    | \$ 51,632           | \$ 21,151                         | \$ 3,706          | \$ 18,665                      | \$ 95,154                      |
| Accrued salary and benefits                                                                                                                                                                                                         | 895,742             | 29,673                            | 383               | 0                              | 925,798                        |
| Deferred revenue                                                                                                                                                                                                                    | 0                   | 0                                 | 334,377           | 9,625                          | 344,002                        |
| Due to other funds                                                                                                                                                                                                                  | 508,924             | 0                                 | 0                 | 2,110                          | 511,034                        |
| Total liabilities                                                                                                                                                                                                                   | <u>1,456,298</u>    | <u>50,824</u>                     | <u>338,466</u>    | <u>30,400</u>                  | <u>1,875,988</u>               |
| <b>FUND BALANCES</b>                                                                                                                                                                                                                |                     |                                   |                   |                                |                                |
| Nonspendable - inventory                                                                                                                                                                                                            | 0                   | 0                                 | 0                 | 12,833                         | 12,833                         |
| Restricted - capital improvements                                                                                                                                                                                                   | 0                   | 7,832                             | 0                 | 3,454                          | 11,286                         |
| Committed for capital expenditures                                                                                                                                                                                                  | 112,119             | 0                                 | 0                 | 0                              | 112,119                        |
| Assigned for fiscal year 2012 revenue                                                                                                                                                                                               | 267,500             | 25,256                            | 0                 | 0                              | 292,756                        |
| Assigned for future years revenues                                                                                                                                                                                                  | 817,008             | 0                                 | 0                 | 0                              | 817,008                        |
| Assigned for food service                                                                                                                                                                                                           | 0                   | 0                                 | 0                 | 12,545                         | 12,545                         |
| Assigned for recreation fund                                                                                                                                                                                                        | 0                   | 179,328                           | 0                 | 0                              | 179,328                        |
| Total fund balances                                                                                                                                                                                                                 | <u>1,196,627</u>    | <u>212,416</u>                    | <u>0</u>          | <u>28,832</u>                  | <u>1,437,875</u>               |
| Total liabilities and fund balances                                                                                                                                                                                                 | <u>\$ 2,652,925</u> | <u>\$ 263,240</u>                 | <u>\$ 338,466</u> | <u>\$ 59,232</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 \$13,770,416, and the accumulated depreciation is \$5,600,674. |                     |                                   |                   |                                | 8,169,742                      |
| 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                                                                                                                                                                                                             |                     |                                   |                   | 3,840,000                      |                                |
| Leases payable                                                                                                                                                                                                                      |                     |                                   |                   | 639,812                        |                                |
| Termination benefit payable                                                                                                                                                                                                         |                     |                                   |                   | 48,483                         |                                |
| Accrued compensated absences                                                                                                                                                                                                        |                     |                                   |                   | 102,879                        |                                |
| Accrued interest                                                                                                                                                                                                                    |                     |                                   |                   | 52,339                         | (4,683,513)                    |
| TOTAL NET ASSETS - GOVERNMENTAL ACTIVITIES (EXHIBIT A)                                                                                                                                                                              |                     |                                   |                   |                                | <u>\$ 4,924,104</u>            |

See Notes to Financial Statements.

MONTPELIER PUBLIC SCHOOL SYSTEM  
 STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
 YEAR ENDED JUNE 30, 2011

EXHIBIT D

|                                             | Major Funds         |                   |                | Other              | Total               |
|---------------------------------------------|---------------------|-------------------|----------------|--------------------|---------------------|
|                                             | General Fund        | Recreation Fund   | Grants Fund    | Governmental Funds |                     |
| <b>REVENUES</b>                             |                     |                   |                |                    |                     |
| Act 68 State Aid                            | \$ 11,669,953       | \$ 0              | \$ 0           | \$ 0               | \$ 11,669,953       |
| Property taxes                              | 0                   | 605,230           | 0              | 0                  | 605,230             |
| Intergovernmental - State                   | 1,973,444           | 0                 | 246,363        | 191,423            | 2,411,230           |
| Intergovernmental - Federal                 | 1,030,146           | 0                 | 490,786        | 169,028            | 1,689,960           |
| Medicaid                                    | 0                   | 0                 | 141,833        | 0                  | 141,833             |
| Investment earnings                         | 6,827               | 51                | 0              | 148                | 7,026               |
| Tuition                                     | 103,933             | 0                 | 0              | 0                  | 103,933             |
| Program fees                                | 0                   | 200,375           | 0              | 326,449            | 526,824             |
| Other revenue, private grants               | 123,730             | 39,223            | 32,580         | 9,446              | 204,979             |
| On-behalf payments                          | 502,500             | 0                 | 0              | 0                  | 502,500             |
| <b>Total revenues</b>                       | <b>15,410,533</b>   | <b>844,879</b>    | <b>911,562</b> | <b>696,494</b>     | <b>17,863,468</b>   |
| <b>EXPENDITURES</b>                         |                     |                   |                |                    |                     |
| <b>Current Expenditures</b>                 |                     |                   |                |                    |                     |
| Instruction                                 | 5,976,179           | 0                 | 0              | 239,861            | 6,216,040           |
| Special education                           | 2,671,019           | 0                 | 0              | 0                  | 2,671,019           |
| Vocational                                  | 60,300              | 0                 | 0              | 0                  | 60,300              |
| Co-curricular                               | 280,782             | 0                 | 0              | 0                  | 280,782             |
| Support services - students                 | 908,341             | 0                 | 0              | 56,001             | 964,342             |
| Support services - staff                    | 647,617             | 0                 | 0              | 0                  | 647,617             |
| School Board/Superintendent's office        | 405,729             | 0                 | 0              | 0                  | 405,729             |
| Building administration                     | 998,071             | 0                 | 0              | 300                | 998,371             |
| Business office                             | 268,714             | 0                 | 0              | 10,824             | 279,538             |
| Building maintenance                        | 1,519,526           | 0                 | 0              | 0                  | 1,519,526           |
| Transportation                              | 201,667             | 0                 | 0              | 17,297             | 218,964             |
| Food service                                | 0                   | 0                 | 0              | 465,692            | 465,692             |
| Recreation programs                         | 0                   | 796,477           | 0              | 0                  | 796,477             |
| Grant programs                              | 0                   | 0                 | 865,110        | 0                  | 865,110             |
| On-behalf payments                          | 502,500             | 0                 | 0              | 0                  | 502,500             |
| <b>Debt service</b>                         |                     |                   |                |                    |                     |
| Interest - capital leases                   | 35,459              | 0                 | 0              | 550                | 36,009              |
| Principal - capital leases                  | 126,247             | 0                 | 0              | 4,341              | 130,588             |
| Interest - bonds                            | 191,275             | 10,990            | 0              | 7,167              | 209,432             |
| Principal - bonds                           | 260,000             | 0                 | 0              | 0                  | 260,000             |
| Capital outlays                             | 23,980              | 46,824            | 46,452         | 124,265            | 241,521             |
| <b>Total expenditures</b>                   | <b>15,077,406</b>   | <b>854,291</b>    | <b>911,562</b> | <b>926,298</b>     | <b>17,769,557</b>   |
| <b>EXCESS REVENUES (EXPENDITURES)</b>       | <b>333,127</b>      | <b>(9,412)</b>    | <b>0</b>       | <b>(229,804)</b>   | <b>93,911</b>       |
| <b>OTHER FINANCING SOURCES (USES)</b>       |                     |                   |                |                    |                     |
| Insurance recovery                          | 24,626              | 0                 | 0              | 0                  | 24,626              |
| Transfers from (to) other funds             | (134,082)           | 0                 | 0              | 134,082            | 0                   |
| <b>Total other financing sources (uses)</b> | <b>(109,456)</b>    | <b>0</b>          | <b>0</b>       | <b>134,082</b>     | <b>24,626</b>       |
| <b>NET CHANGE IN FUND BALANCES</b>          | <b>223,671</b>      | <b>(9,412)</b>    | <b>0</b>       | <b>(95,722)</b>    | <b>118,537</b>      |
| <b>FUND BALANCES - JULY 1, 2010</b>         | <b>972,956</b>      | <b>221,828</b>    | <b>0</b>       | <b>124,554</b>     | <b>1,319,338</b>    |
| <b>FUND BALANCES - JUNE 30, 2011</b>        | <b>\$ 1,196,627</b> | <b>\$ 212,416</b> | <b>\$ 0</b>    | <b>\$ 28,832</b>   | <b>\$ 1,437,875</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, 2011

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                   |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | \$ 118,537        |
| 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 depreciation expense of \$384,882 exceeds capital outlays of \$241,521.                                                                                                                                                                                                                          | (143,361)         |
| 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.                                                                                                                                                                                                                                                                                                                                                                         | 390,588           |
| 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 earned exceeded the amounts used by \$54,710.                                                                                                                               | (54,710)          |
| 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 \$8,780. | <u>8,780</u>      |
| CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <u>\$ 319,834</u> |

MONTPELIER PUBLIC SCHOOL SYSTEM  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE COMPARED TO BUDGET - GENERAL FUND  
 YEAR ENDED JUNE 30, 2011

EXHIBIT F

|                                                 | Original<br>and Final<br>Budget | Actual              | Variance<br>Favorable<br>(Unfavorable) |
|-------------------------------------------------|---------------------------------|---------------------|----------------------------------------|
| <b>REVENUES</b>                                 |                                 |                     |                                        |
| Act 68 State Aid                                | \$ 11,669,953                   | \$ 11,669,953       | \$ 0                                   |
| Intergovernmental - State                       |                                 |                     |                                        |
| State Transportation Aid                        | 42,506                          | 41,836              | (670)                                  |
| Special education - mainstream block grant      | 338,722                         | 338,722             | 0                                      |
| Special education - intensive reimbursement     | 1,105,575                       | 1,050,029           | (55,546)                               |
| Special education - extraordinary reimbursement | 165,020                         | 306,507             | 141,487                                |
| Special education - state placed students       | 0                               | 217,660             | 217,660                                |
| Drivers education                               | 5,980                           | 5,226               | (754)                                  |
| Vocational transportation                       | 13,500                          | 13,464              | (36)                                   |
| Intergovernmental - Federal                     |                                 |                     |                                        |
| IDEIA B                                         | 256,345                         | 263,800             | 7,455                                  |
| Title I                                         | 359,363                         | 354,059             | (5,304)                                |
| ARRA education spending                         | 412,287                         | 412,287             | 0                                      |
| Tuition - regular                               | 26,000                          | 20,499              | (5,501)                                |
| Tuition - special education                     | 50,509                          | 83,434              | 32,925                                 |
| Investment earnings                             | 10,000                          | 6,827               | (3,173)                                |
| E-rate communications reimbursement             | 0                               | 31,934              | 31,934                                 |
| Rental income                                   | 12,000                          | 20,508              | 8,508                                  |
| Energy rebate                                   | 0                               | 50,642              | 50,642                                 |
| Other revenue                                   | 1,000                           | 20,646              | 19,646                                 |
| Total revenues                                  | <u>14,468,760</u>               | <u>14,908,033</u>   | <u>439,273</u>                         |
| <b>EXPENDITURES</b>                             |                                 |                     |                                        |
| Current Expenditures                            |                                 |                     |                                        |
| Instruction                                     | 6,075,269                       | 5,976,179           | 99,090                                 |
| Special education                               | 2,338,162                       | 2,671,019           | (332,857)                              |
| Vocational                                      | 55,689                          | 60,300              | (4,611)                                |
| Co-curricular                                   | 314,044                         | 280,782             | 33,262                                 |
| Support services - students                     | 1,054,010                       | 908,341             | 145,669                                |
| Support services - staff                        | 643,908                         | 647,617             | (3,709)                                |
| School Board/ Superintendent's office           | 521,851                         | 405,729             | 116,122                                |
| Building administration                         | 987,399                         | 998,071             | (10,672)                               |
| Business office                                 | 255,260                         | 268,714             | (13,454)                               |
| Building maintenance                            | 1,535,499                       | 1,519,526           | 15,973                                 |
| Transportation                                  | 155,087                         | 201,667             | (46,580)                               |
| Debt Service                                    |                                 |                     |                                        |
| Interest - capital leases                       | 35,459                          | 35,459              | 0                                      |
| Principal - capital leases                      | 126,247                         | 126,247             | 0                                      |
| Interest - bonds                                | 191,236                         | 191,275             | (39)                                   |
| Principal - bonds                               | 260,000                         | 260,000             | 0                                      |
| Capital Outlays                                 | 23,980                          | 23,980              | 0                                      |
| Total expenditures                              | <u>14,573,100</u>               | <u>14,574,906</u>   | <u>(1,806)</u>                         |
| <b>EXCESS REVENUES OVER EXPENDITURES</b>        | <u>(104,340)</u>                | <u>333,127</u>      | <u>437,467</u>                         |
| <b>OTHER FINANCING SOURCES (USES)</b>           |                                 |                     |                                        |
| Insurance recovery                              | 0                               | 24,626              | 24,626                                 |
| Transfers to other funds                        | (142,384)                       | (134,082)           | 8,302                                  |
| Total other financing sources (uses)            | <u>(142,384)</u>                | <u>(109,456)</u>    | <u>32,928</u>                          |
| <b>NET CHANGE IN FUND BALANCE</b>               | <u>\$ (246,724)</u>             | <u>223,671</u>      | <u>\$ 470,395</u>                      |
| FUND BALANCE - JULY 1, 2010                     |                                 | <u>972,956</u>      |                                        |
| FUND BALANCE - JUNE 30, 2011                    |                                 | <u>\$ 1,196,627</u> |                                        |

MONTPELIER PUBLIC SCHOOL SYSTEM  
STATEMENT OF FIDUCIARY NET ASSETS

EXHIBIT G

JUNE 30, 2011

|                                                    | Private Purpose<br>Trust Funds | Agency<br>Funds |
|----------------------------------------------------|--------------------------------|-----------------|
| ASSETS                                             |                                |                 |
| Cash                                               | \$ 212,959                     | \$ 63,740       |
| Investments                                        | 61,513                         | 0               |
| Total assets                                       | 274,472                        | 63,740          |
| LIABILITIES                                        |                                |                 |
| Due to student organizations                       | 0                              | 63,740          |
| NET ASSETS                                         |                                |                 |
| Held in Trust for Individuals and<br>Organizations | <u>\$ 274,472</u>              | <u>\$ 0</u>     |

MONTPELIER PUBLIC SCHOOL SYSTEM

EXHIBIT H

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS

YEAR ENDED JUNE 30, 2011

|                                | Private Purpose<br>Trust Funds |
|--------------------------------|--------------------------------|
| ADDITIONS                      |                                |
| Contributions and bequests     | <u>\$ 49,143</u>               |
| Investment earnings:           |                                |
| Interest and dividends         | 4,055                          |
| Unrealized gain on investments | 6,392                          |
| Net investment income          | <u>10,447</u>                  |
| Total additions                | <u>59,590</u>                  |
| DEDUCTIONS                     |                                |
| Scholarships                   | <u>69,164</u>                  |
| Total deductions               | <u>69,164</u>                  |
| CHANGE IN NET ASSETS           | (9,574)                        |
| NET ASSETS - JULY 1, 2010      | <u>284,046</u>                 |
| NET ASSETS - JUNE 30, 2011     | <u>\$ 274,472</u>              |

MONTPELIER PUBLIC SCHOOL SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011

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, 2011

**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, 2011

**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, 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, 2011

**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 Funds are 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, 2011

**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, 2011

**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*

Beginning with fiscal year 2011, the School System implemented GASB Statement 54 “Fund Balance Reporting and Governmental Fund Type Definitions”. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government’s fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable fund balances - Indicates the portion of fund equity that cannot be spent due to their form (e.g. inventories and prepaids) or funds that legally or contractually must be maintained intact.

MONTPELIER PUBLIC SCHOOL SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011

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

Restricted fund balances - Indicates the portion of fund equity that is mandated for a specific purpose by external parties, constitutional provisions, or enabling legislation (e.g. federal and state grants, bondholders, trust and trustee accounts).

Committed fund balances - Indicates the portion of fund equity that is set aside for a specific purpose by the School Board. Formal action must be taken prior to the end of the fiscal year (e.g. capital projects, compensated absences). The same formal action must be taken to remove or change the limitations placed on the funds.

Assigned fund balances - Indicates the portion of fund equity that is set aside with the intent to be used for a specific purpose by the School Board or body or official that has been given the authority to assign funds (e.g. encumbrances, subsequent budgets). Assigned funds cannot cause a deficit in unassigned fund balance.

Unassigned fund balances - Indicates the portion of fund equity that has not been classified in the previous four categories. All funds in this category are considered spendable resources. This category provides the resources necessary to meet unexpected expenditures and revenue shortfalls.

The School Board establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as special incentives). Assigned fund balance is established by the School Board through adoption or amendment of the budget as intended for specific purposes (such as the purchase of fixed assets, construction, debt service or other purposes).

When an expenditure is incurred that would qualify for payment with either restricted or unrestricted funds, it will be paid from restricted funds.

When an expenditure is incurred that qualifies for payment from either of the three unrestricted fund balance categories, it will be applied in the following order:

1. Committed
2. Assigned
3. Unassigned

*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.

MONTPELIER PUBLIC SCHOOL SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011

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

*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.

*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.

MONTPELIER PUBLIC SCHOOL SYSTEM  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2011

**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, 2011, none of the School System's bank balances of \$2,588,473 was exposed to custodial credit risk.

*Investments – Trust Fund*

The fair value of the investments at June 30, 2011 was \$61,513 with a cost of \$55,358 and consisted of a cash money market account of \$3,814, and mutual funds of \$57,699. The School System has an investment policy related to these investments. The policy allows for the investments in mutual funds that are either equity, balanced or fixed income that have a track record of at least ten years and net assets of at least \$500 million. Investment income for fiscal year included interest and dividends of \$4,055 and unrealized gains of \$6,392.

**NOTE 3 – RECEIVABLES**

Receivables at June 30, 2011, 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, 2011 are as follows:

|                               | <u>Receivable</u> | <u>Payable</u>   |
|-------------------------------|-------------------|------------------|
| General Fund                  | \$ 0              | \$508,924        |
| Recreation Fund               | 223,970           | 0                |
| Grants Fund                   | 267,123           | 0                |
| Nonmajor funds                |                   |                  |
| Early Education Program       | 0                 | 2,110            |
| Regional Education Specialist | 9,726             | 0                |
| Capital Projects Fund         | 10,215            | 0                |
|                               | <u>\$ 511,034</u> | <u>\$511,034</u> |

MONTPELIER PUBLIC SCHOOL SYSTEM  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2011

**NOTE 5 - CAPITAL ASSETS**

The summary of capital assets as of June 30, 2011 is as follows:

|                                  | Balance<br>June 30, 2010 | Reclass. and<br>Additions | Disposals | Depreciation | Balance<br>June 30, 2011 |
|----------------------------------|--------------------------|---------------------------|-----------|--------------|--------------------------|
| Capital assets not depreciated:  |                          |                           |           |              |                          |
| Construction in progress         | \$ 12,409                | \$ (12,409)               | \$ 0      | \$ 0         | \$ 0                     |
| Capital assets depreciated:      |                          |                           |           |              |                          |
| Land improvements                | 1,021,822                | 132,388                   | 0         | 0            | 1,154,210                |
| Building & improvements          | 11,766,646               | 72,362                    | 0         | 0            | 11,839,008               |
| Machinery and equipment          | 672,541                  | 43,281                    | 0         | 0            | 715,822                  |
| Vehicles                         | 75,205                   | 5,899                     | (19,728)  | 0            | 61,376                   |
| Total capital assets depreciated | 13,536,214               | 253,930                   | (19,728)  | 0            | 13,770,416               |
| Accumulated depreciation:        |                          |                           |           |              |                          |
| Land improvements                | 133,843                  | 0                         | 0         | 54,537       | 188,380                  |
| Building & improvements          | 4,741,942                | 0                         | 0         | 253,790      | 4,995,732                |
| Machinery and equipment          | 313,082                  | 0                         | 0         | 68,208       | 381,290                  |
| Vehicles                         | 46,653                   | 0                         | (19,728)  | 8,347        | 35,272                   |
| Total accumulated depreciation   | 5,235,520                | 0                         | (19,728)  | 384,882      | 5,600,674                |
| Total capital assets             | \$ 8,313,103             | \$ 241,521                | \$ 0      | \$ (384,882) | \$ 8,169,742             |

Depreciation was charged to building maintenance (\$322,700), food services (\$5,738), recreation programs (\$21,168), support services – staff (\$30,571), and instruction (\$4,705).

**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, 2011 was \$102,879 compared to \$84,250 as of June 30, 2010. 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 2011, payments of \$6,201 were made related to termination benefits and two teachers elected to take early retirement that totaled \$42,282. The balance as of June 30, 2011 was \$48,483. \$20,294 is due in fiscal year 2012, \$14,094.50 is due each of the next two years.

MONTPELIER PUBLIC SCHOOL SYSTEM  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2011

**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, 2011 for the School System:

|                                                                                                                                                                                                                                                                   | Total      | Due in<br>One Year |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--------------------|
| 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.      | \$ 980,000 | \$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.                                                   | 45,000     | 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.                            | 1,345,000  | 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. | 499,273    | 78,542             |
| 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.                                | 108,322    | 12,120             |

MONTPELIER PUBLIC SCHOOL SYSTEM  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2011

**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. | 12,437              | 12,437                     |
| Capital lease with HP Financial Services, interest at 5.39%, annual principal and interest payments of \$9,557 due, maturity date of July 2011.         | 9,068               | 9,068                      |
| Capital lease with Municipal Leasing Consultants, interest at 5.98%, annual principal and interest payments of \$4,889 due, maturity date of July 2011. | 4,608               | 4,608                      |
| Capital lease with Apple Computer, interest at 10.5%, annual principal and interest payments of \$6,745 due, maturity date of July, 2011.               | <u>6,104</u>        | <u>6,104</u>               |
| Total bonds and leases payable                                                                                                                          | <u>\$ 4,479,812</u> | <u>\$382,879</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> |
|-----------|---------------------------|--------------------------|-----------------------|----------------------------|---------------------------|------------------------|
| 2012      | \$ 260,000                | \$ 196,923               | \$ 456,923            | \$ 122,879                 | \$ 29,050                 | \$ 151,929             |
| 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      | 215,000                   | 157,484                  | 372,484               | 132,869                    | 8,731                     | 141,600                |
| 2017-2021 | 728,000                   | 648,914                  | 1,376,914             | 67,723                     | 2,965                     | 70,688                 |
| 2022-2026 | 675,000                   | 475,600                  | 1,150,600             | 0                          | 0                         | 0                      |
| 2027-2031 | 900,000                   | 267,275                  | 1,167,275             | 0                          | 0                         | 0                      |
| 2032-2036 | 417,000                   | 27,923                   | 444,923               | 0                          | 0                         | 0                      |
|           | <u>\$ 3,840,000</u>       | <u>\$ 2,303,382</u>      | <u>\$ 6,143,382</u>   | <u>\$ 639,812</u>          | <u>\$ 95,075</u>          | <u>\$ 734,887</u>      |

MONTPELIER PUBLIC SCHOOL SYSTEM  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2011

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

Changes of long-term liabilities for the year ended June 30, 2011 were:

|                      | Balance<br>June 30, 2010 | Increases        | Reductions          | Balance<br>June 30, 2011 | Due in<br>One Year |
|----------------------|--------------------------|------------------|---------------------|--------------------------|--------------------|
| Bonds payable        | \$ 4,100,000             | \$ 0             | \$ (260,000)        | \$ 3,840,000             | \$ 260,000         |
| Capital leases       | 770,400                  | 0                | (130,588)           | 639,812                  | 122,879            |
| Compensated absences | 84,250                   | 25,683           | (7,054)             | 102,879                  | 0                  |
| Termination benefits | 12,402                   | 42,282           | (6,201)             | 48,483                   | 20,294             |
| Total                | <u>\$ 4,967,052</u>      | <u>\$ 67,965</u> | <u>\$ (403,843)</u> | <u>\$ 4,631,174</u>      | <u>\$ 403,173</u>  |

**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:

|                    | Revenues             | Expenditures         |
|--------------------|----------------------|----------------------|
| Exhibit D          | \$ 15,410,533        | \$ 15,077,406        |
| On behalf payments | (502,500)            | (502,500)            |
| Exhibit F          | <u>\$ 14,908,033</u> | <u>\$ 14,574,906</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 \$502,500.

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 \$9,327,732, \$6,492,423 was covered under the Vermont State Teachers' Retirement System.

MONTPELIER PUBLIC SCHOOL SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011

**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.

Vermont 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, 2011, 2010, and 2009 were \$71,922, \$78,683, and \$77,855 respectively, equal to the required contributions for each year. Total covered payroll for fiscal year 2011 was \$1,380,915 out of a total payroll of \$9,327,732.

MONTPELIER PUBLIC SCHOOL SYSTEM  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2011

**NOTE 9 - DEFERRED REVENUE**

The deferred revenue at June 30, 2011 consisted of:

|                               |            |
|-------------------------------|------------|
| Grants Fund:                  |            |
| Act 230/ BEST grant           | \$ 896     |
| Act 176                       | 25,890     |
| Title IID                     | 904        |
| Title III                     | 744        |
| Title IV                      | 950        |
| MHS Schools of Success        | 2,117      |
| VSBIT Wellness                | 33,595     |
| Gardens grant                 | 671        |
| America's promise grant       | 833        |
| Medicaid EPSDT                | 49,540     |
| Medicaid IEP                  | 218,237    |
| Total Grants Fund             | 334,377    |
|                               |            |
| Nonmajor Funds                |            |
| Food Service student accounts | 9,625      |
|                               |            |
| Total deferred revenue        | \$ 344,002 |

**NOTE 10 - INTERFUND TRANSFERS**

During the year one transfer occurred between funds. The operating transfer was made in accordance with budgetary authorizations. Interfund transfers for the year ended June 30, 2011 consisted of \$134,082 from the General Fund to the Early Education Program.

**NOTE 11 – INSURANCE AND OTHER RECOVERIES**

A recovery from the State of Vermont in the amount of \$24,626 related to an oil spill at Union School that occurred in fiscal year 2010 is recorded as an other financing source in fiscal year 2011. The expenditures related to the oil spill were expended in fiscal year 2010.

**NOTE 12 – 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 fiscal year 2011 on the copier lease. The future minimum payments under this lease are \$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 2011. The future minimum payments under this lease are \$8,640 in fiscal year 2012 and \$2,160 in fiscal year 2013.

MONTPELIER PUBLIC SCHOOL SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011

**NOTE 13 – CONTINGENCIES AND COMMITMENTS**

The School System participates in a number of federally and state assisted grant programs, principal of which are the ESEA Title 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, 2011, 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 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 2011 was \$76,893.

**NOTE 14 - 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.

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 15 – CONCENTRATION OF REVENUE**

The School System receives approximately 76% 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.

MONTPELIER PUBLIC SCHOOL SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011

**NOTE 15 – CONCENTRATION OF REVENUE (Continued)**

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 16 – BUDGETED DEFICIT**

The School System elected to budget expenditures in excess of revenues by \$246,724 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 17 - SUBSEQUENT EVENTS**

Management has evaluated subsequent events through November 30, 2011, the date which the financial statements were available for issue. Management is not aware of any subsequent events which require disclosure.

In May 2011 and then again in August 2011, heavy rains caused flooding of property operated by the School System, especially one of the fields operated by the Recreation Department. The School System is still assessing the extent of the damage, and filing claims with FEMA. The extent of the monetary damage to the School System is expected to be approximately \$10,000.

MONTPELIER PUBLIC SCHOOL SYSTEM  
 COMBINING BALANCE SHEET  
 ALL NONMAJOR FUNDS  
 JUNE 30, 2011

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                                | \$ 23,197               | \$ 0                        | \$ 23,197                  |
| Accounts receivable - State                    | 2,199                         | 0                                   | 0                       | 0                           | 2,199                      |
| Accounts receivable - other                    | 0                             | 0                                   | 1,062                   | 0                           | 1,062                      |
| Inventory                                      | 0                             | 0                                   | 12,833                  | 0                           | 12,833                     |
| Due from other funds                           | 0                             | 9,726                               | 0                       | 10,215                      | 19,941                     |
| <b>Total assets</b>                            | <u>\$ 2,199</u>               | <u>\$ 9,726</u>                     | <u>\$ 37,092</u>        | <u>\$ 10,215</u>            | <u>\$ 59,232</u>           |
| <b>LIABILITIES AND<br/>FUND BALANCES</b>       |                               |                                     |                         |                             |                            |
| <b>Liabilities</b>                             |                               |                                     |                         |                             |                            |
| Accounts payable                               | \$ 89                         | \$ 9,726                            | \$ 2,089                | \$ 6,761                    | \$ 18,665                  |
| Due to other funds                             | 2,110                         | 0                                   | 0                       | 0                           | 2,110                      |
| Deferred revenue                               | 0                             | 0                                   | 9,625                   | 0                           | 9,625                      |
| <b>Total liabilities</b>                       | <u>2,199</u>                  | <u>9,726</u>                        | <u>11,714</u>           | <u>6,761</u>                | <u>30,400</u>              |
| <b>Fund Balances</b>                           |                               |                                     |                         |                             |                            |
| Nonspendable - inventory                       | 0                             | 0                                   | 12,833                  | 0                           | 12,833                     |
| Restricted - capital improvements              | 0                             | 0                                   | 0                       | 3,454                       | 3,454                      |
| Assigned - food service                        | 0                             | 0                                   | 12,545                  | 0                           | 12,545                     |
| <b>Total fund balances</b>                     | <u>0</u>                      | <u>0</u>                            | <u>25,378</u>           | <u>3,454</u>                | <u>28,832</u>              |
| <b>Total liabilities and<br/>fund balances</b> | <u>\$ 2,199</u>               | <u>\$ 9,726</u>                     | <u>\$ 37,092</u>        | <u>\$ 10,215</u>            | <u>\$ 59,232</u>           |

MONTPELIER PUBLIC SCHOOL SYSTEM

SCHEDULE 2

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

YEAR ENDED JUNE 30, 2011

|                                       | 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>REVENUES</b>                       |                               |                                     |                         |                             |                            |
| Intergovernmental - Federal           | \$ 5,945                      | \$ 0                                | \$ 163,083              | \$ 0                        | \$ 169,028                 |
| Intergovernmental - State             | 57,499                        | 126,757                             | 7,167                   | 0                           | 191,423                    |
| Fees for service                      | 0                             | 0                                   | 326,449                 | 0                           | 326,449                    |
| Interest on investments               | 0                             | 0                                   | 148                     | 0                           | 148                        |
| Miscellaneous                         | 0                             | 0                                   | 9,446                   | 0                           | 9,446                      |
| Total revenues                        | <u>63,444</u>                 | <u>126,757</u>                      | <u>506,293</u>          | <u>0</u>                    | <u>696,494</u>             |
| <b>EXPENDITURES</b>                   |                               |                                     |                         |                             |                            |
| Current                               |                               |                                     |                         |                             |                            |
| Instruction                           | 115,672                       | 124,189                             | 0                       | 0                           | 239,861                    |
| Support services - students           | 56,001                        | 0                                   | 0                       | 0                           | 56,001                     |
| Building administration               | 0                             | 300                                 | 0                       | 0                           | 300                        |
| Business office                       | 8,556                         | 2,268                               | 0                       | 0                           | 10,824                     |
| Transportation                        | 17,297                        | 0                                   | 0                       | 0                           | 17,297                     |
| Food service                          | 0                             | 0                                   | 465,692                 | 0                           | 465,692                    |
| Debt Service                          |                               |                                     |                         |                             |                            |
| Interest - capital leases             | 0                             | 0                                   | 550                     | 0                           | 550                        |
| Interest - bonds                      | 0                             | 0                                   | 7,167                   | 0                           | 7,167                      |
| Principal - capital leases            | 0                             | 0                                   | 4,341                   | 0                           | 4,341                      |
| Capital outlays                       | 0                             | 0                                   | 5,899                   | 118,366                     | 124,265                    |
| Total expenditures                    | <u>197,526</u>                | <u>126,757</u>                      | <u>483,649</u>          | <u>118,366</u>              | <u>926,298</u>             |
| EXCESS EXPENDITURES OVER REVENUES     | <u>(134,082)</u>              | <u>0</u>                            | <u>22,644</u>           | <u>(118,366)</u>            | <u>(229,804)</u>           |
| <b>OTHER FINANCING SOURCES (USES)</b> |                               |                                     |                         |                             |                            |
| Operating transfers in (out)          | <u>134,082</u>                | <u>0</u>                            | <u>0</u>                | <u>0</u>                    | <u>134,082</u>             |
| Total other financing sources (uses)  | <u>134,082</u>                | <u>0</u>                            | <u>0</u>                | <u>0</u>                    | <u>134,082</u>             |
| NET CHANGE IN FUND BALANCE            | 0                             | 0                                   | 22,644                  | (118,366)                   | (95,722)                   |
| FUND BALANCE - JULY 1, 2010           | <u>0</u>                      | <u>0</u>                            | <u>2,734</u>            | <u>121,820</u>              | <u>124,554</u>             |
| FUND BALANCE - JUNE 30, 2011          | <u>\$ 0</u>                   | <u>\$ 0</u>                         | <u>\$ 25,378</u>        | <u>\$ 3,454</u>             | <u>\$ 28,832</u>           |

## Notes

## Notes

## Notes



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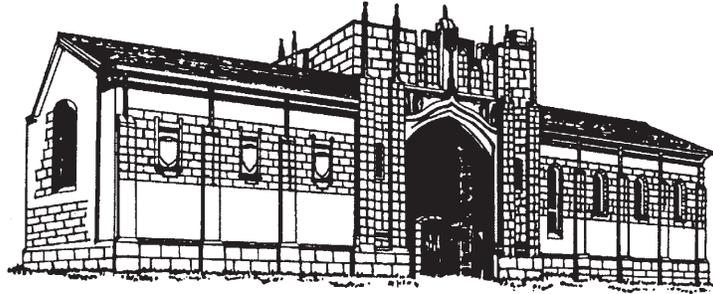
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# City of Montpelier Directory

**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  
 Angela Timpone ..... (Home) 225-5901  
 Council Member, District 3  
 Alan Weiss ..... (Home) 229-0068  
 Council Member, District 3

**City Hall:**

39 Main Street  
 8:00 AM - 4:30 PM, Monday - Friday  
 City Manager, *William Fraser* ..... 223-9502  
 wfraser@montpelier-vt.org  
 Assistant City Manager, *Beverlee Hill* ..... 223-9512  
 bhill@montpelier-vt.org  
 City Clerk/Treasurer, *Charlotte Hoyt* ..... 223-9500  
 choyt@montpelier-vt.org  
 City Assessor, *Stephen Twombly* ..... 223-9504  
 stwombly@montpelier-vt.org  
 Zoning Administrator, *Clancy DeSmet* ..... 223-9506  
 cdesmet@montpelier-vt.org  
 Asst. Building Inspector, *Glenn Moore* ..... 262-6170  
 Public Works Department ..... 223-9508  
*Todd Law*, Director  
 tlaw@montpelier-vt.org  
 Planning & Development ..... 223-9506  
*Gwendolyn Hallsmith*, Director  
 ghallsmith@montpelier-vt.org  
 Health Officer, *Robert Gowans* ..... 229-4913  
 Finance Director, *Sandra Gallup* ..... 223-9514  
 sgallup@montpelier-vt.org  
 Emergency Management System ..... 229-4913  
*Robert Gowans*, Coordinator  
 Green Mount Cemetery ..... 223-5352  
*Patrick Healy*, Director  
 cemetery@montpelier-vt.org  
 Hubbard Park ..... 223-7335  
*Geoffrey Beyer*, Director  
 gbeyer@montpelier-vt.org  
 Montpelier Senior Activity Center ..... 223-2518  
*Janna Clar*, Director  
 jclar@montpelier-vt.org

**POLICE/FIRE/AMBULANCE EMERGENCY 911**

Montpelier Police Dept. (Non-emergency) ..... 223-3445  
*Anthony Facos*, Police Chief  
 afacos@montpelier-vt.org  
 Montpelier Fire Department and  
 Ambulance Service (Non-emergency) ..... 229-4913  
*Robert Gowans*, Fire Chief/Building Inspector  
 rgowans@montpelier-vt.org

**Other Departments:**

**MONTPELIER SCHOOL DEPARTMENT**

5 High School Drive ..... 223-9796  
*Brian Ricca*, Superintendent  
 brian@mpsvt.org

**MONTPELIER RECREATION DEPT**

55 Barre Street ..... 223-5141  
*Arne McMullen*, Director  
 arne@mpsvt.org

**MONTPELIER HOUSING AUTHORITY**

155 Main Street  
*JoAnn Troiano*, Executive Director

**APPOINTED OFFICIALS**

Development Review Board  
 Phil Zalinger, *Chair*  
 Kevin O'Connell, *Vice Chair*  
 Liz Koenig  
 John Lindley, III  
 Daniel Richardson  
 Roger Cranse  
 Brian Lane-Karnas  
 James LaMonda, *Alternate*  
 Ali Sarafzadeh, *Alternate*

**Planning Commission**

Jesse Moormann, *Chair*  
 Jon Anderson, *Vice Chair*  
 Alan Goldman  
 John Bloch  
 Kim Cheney  
 Eileen Simpson  
 Tina Ruth  
 Emily Campbell, *Youth Rep.*  
 Reed Bingham, *Youth Rep.*

**Housing Authority**

John McCullough, *Chair*  
 Edward Larson  
 Paul Audy  
 Cristine Zern  
 Stephen Coble

**Tree Warden:** Geoff Beyer

**ELECTED OFFICIALS**

**School Commissioners**

Sue Aldrich, *Chair*  
 Steven Robinson, *Vice Chair*  
 Charles Phillips  
 Carolyn Herz  
 Lowell vanDerlip  
 Ken Jones  
 Carol Paquette

**Cemetery Commissioners**

Meri Nielsen, *Chair*  
 Dan Richardson  
 Darragh Ellerson  
 Jake Brown  
 Charles Wiley

**Park Commissioners**

Aaron Brondyke, *Chair*  
 Leigh Seddon  
 Cara Robecheck  
 Lyn Munno  
 Emily Boedecker

**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

**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 and are also located  
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**SCHOOL BOARD**

Meetings held first and third  
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School Board meetings are  
 televised  
 on Channel 16.

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Front cover photos by Patrick  
 Fraser.

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**Additional boards and  
 committees are listed on  
 page 85.**

## Montpelier City Council - 2011



Sitting (left to right): Council Member Nancy Sherman, Council Member Tom Golonka, City Clerk/Treasurer Charlotte Hoyt, Council Member Andy Hooper.  
Standing (left to right): Council Member Alan Weiss, Assistant City Manager Beverlee Pembroke Hill, Mayor Mary Hooper, City Manager William Fraser, Council Member Sarah Jarvis, Council Member Angela Timpone.

## Montpelier School Board - 2011



Sitting (left to right): School Board Vice Chair Steve Robinson, School Board Member Lowell vanDerlip, School Board Member Charles Phillips, School Board Member Ken Jones.  
Standing (left to right): School Board Member Carolyn Herz, School Board Chair Sue Aldrich, School Board Member Carol Paquette, Superintendent Brian Ricca.