

**ANNUAL REPORT  
TOWN AND TOWN SCHOOL DISTRICT**

**Stowe**

**FISCAL YEAR**

**July 1, 2017 – June 30, 2017**

**Bring This Copy to Town Meeting**

# DEDICATION



The Selectboard dedicates this Annual Report and wishes to express our appreciation to the members of the Stowe Public Safety Departments: Stowe EMS (a.k.a. Stowe Rescue), Stowe Fire, Stowe Police, Stowe Mountain Rescue, and Stowe Emergency Management.

We ask a lot of our emergency service providers. They take care of us when we need them the most and sometimes put their personal safety at risk in order to do so. Some members of these departments fulfill these duties as their career, many more volunteer. In addition to their regular jobs, our volunteers are called upon to spend their time training or responding to calls. In all, our emergency volunteers spent 1,920 hours in training and 6,217 hours responding to calls in calendar year 2017. On top of this, volunteers make themselves available "on call" for thousands of hours standing by waiting to help.

Stowe couldn't have the vibrant community we do without their services. The next time you see someone in uniform serving your community, please join us in thanking them for their service.



**Many thanks to Orah Moore for our cover photo!**

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*Please Bring This Copy To Town Meeting*

## ELECTED TOWN OFFICERS

### Town Moderator:

Leighton C. Detora                      Term Expires 2018 (1 year term)

### Selectboard:

Lisa Hagerty	Term Expires 2018 (3 year term)
Cornelius Van Dyke	Term Expires 2018 (2 year term)
William Adams II	Term Expires 2019 (3 year term)
Morgan Nichols	Term Expires 2019 (2 year term)
William Noyes	Term Expires 2020 (3 year term)

### Listers:

Ellen Thorndike	Term Expires 2018 (3 year term)
Paul E. Percy	Term Expires 2019 (3 year term)
Leo V. Clark	Term Expires 2020 (3 year term)

### School District Moderator:

Leighton C. Detora                      Term Expires 2018 (1 year term)

### School Directors:

Emily Bradbury	Term Expires 2018 (3 year term)
Emily Rosenbaum	Term Expires 2018 (2 year term)
Cara Zimmerman	Term Expires 2019 (3 year term)
James Brochhausen	Term Expires 2019 (2 year term)
Tiffany Donza	Term Expires 2020 (3 year term)

### Justices of the Peace:

All terms are for two years and expire January 31, 2019

Mary Black	Elizabeth Lackey
Marshall Faye	Arnold Ziegel
Richard Bland	Mitzi McInnis
Kermit R. Spaulding	Leighton C. Detora
Susie Connerty	Pall D. Spera
Lyndall P. Heyer	Marina Meerburg

**APPOINTED TOWN OFFICIALS**

*All terms are for three years and expire on April 30<sup>th</sup> of the year listed*

**Cemetery Commissioners:**

Claire "Skeeter" Austin	Term Expires 2018
Judy Demeritt	Term Expires 2019
Nancy LaVanway	Term Expires 2019
Gerry Griffin	Term Expires 2019
Karin Gottlieb	Term Expires 2019
Donna Adams	Term Expires 2020
Barbara Allaire	Term Expires 2020

**Conservation Commissioners:**

Darsey Moon	Term Expires 2018
Catherine Drake	Term Expires 2018
Andre Blaise	Term Expires 2019
Gar Anderson	Term Expires 2019
Robert Moore	Term Expires 2020
David Jaqua	Term Expires 2020
Christine McGowan	Term Expires 2020

**Development Review Board Members:**

Chris Walton	Term Expires 2018
Nick Lizotte	Term Expires 2018
Drew Clymer	Term Expires 2018
Michael Diender	Term Expires 2019
Peter Collotta (Alternate)	Term Expires 2019
Tyler Mumley	Term Expires 2020
Douglas White	Term Expires 2020
Tom Hand	Term Expires 2020
Andrew Volansky (Alternate)	Term Expires 2020
Paco Amund (Alternate)	Term Expires 2020
Peter Roberts (Alternate)	Term Expires 2020

**Historic Preservation Commissioners:**

Gordon Dixon	Term Expires 2018
Cindy McKechnie (Alternate)	Term Expires 2018
Sam Scofield	Term Expires 2018
Barbara Baraw	Term Expires 2019
George Bambara (Alternate)	Term Expires 2019
McKee MacDonald	Term Expires 2020
Sarah McLane	Term Expires 2020

**APPOINTED TOWN OFFICIALS**

*All terms are for three years and expire on April 30<sup>th</sup> of the year listed*

## Library Trustees:

Kim Kaufman	Term Expires 2018
Charlotte Maison Kastner	Term Expires 2018
Darla Witmer	Term Expires 2019
David Bryan	Term Expires 2019
Barbara Fox	Term Expires 2019
Charles Lusk	Term Expires 2020
Richard Johannesen, Jr.	Term Expires 2020

## Planning Commissioners:

Robert Davison	Term Expires 2018
Neil Percy	Term Expires 2018
Mila Lonetto	Term Expires 2019
Chuck Ebel	Term Expires 2019
Arnold Ziegel	Term Expires 2019
Charles Baraw, Jr.	Term Expires 2020
Brian Hamor	Term Expires 2020

## Recreation Commissioners:

Brett Loomis	Term Expires 2018
Walter Levering	Term Expires 2018
Lynn Altadonna	Term Expires 2018
Vacant	Term Expires 2018
Michael Loughran	Term Expires 2019
Adam Rice	Term Expires 2020
Vacant	Term Expires 2020

## Stowe Electric Utility Commissioners:

Richard C. Marron	Term Expires 2018
Denise Gutstein	Term Expires 2019
Larry Lackey	Term Expires 2020



## TOWN DEPARTMENTS

### Administration:

Town Manager.....Charles Safford  
 Executive Assistant & Clerk to Selectboard.....Abigail Earle  
 Recording Secretary to Recreation, Cemetery Commissions and  
 Development Review Board.....Barbara Allaire

### Electric Department:

General Manager.....Ellen Burt  
 Controller.....Denise Sullivan  
 Director of Operations.....Dave Kresock  
 Business & Customer Care.....Patricia Waugh  
 Office Manager.....Lily Burgess  
 Systems Administrator.....James Brewster  
 Mgr. of Regulatory Compliance.....Matt Rutherford  
 Accountant.....Tracy West  
 Billing Clerk.....Bethany Hackwell  
 Customer Representative.....Tammy Hammond  
 Working Foreman.....Silas Powers  
 Linemen: Adam Fortunati, Evan Bilodeau, Willie McAllister, Tim  
 Percy  
 Meter Reader.....Randall Mandigo

### Emergency Medical Services:

EMS Director.....Scott Brinkman  
 Administrative Assistant/EMS Provider.....Larry (Duke) Rhodes  
 Training Officer/EMS Provider.....Tim Lambert  
 CQI Coordinator/EMS Provider.....Brooke O'Steen  
 Per Diem Paramedics: Brian Aylward, Christopher Bowles, Luana  
 Boyle, Michael Brigati, Nicholas Chegwidden, Kris Halliwell,  
 Michael Jolly, Bryon Keiser, Randall Lanier, Jason McLean,  
 Michael Mulcahy, Jeffrey Reed, Galen Thereault, Jonathan  
 Thereault  
 Volunteers: Emily Benning, Joanne Bradley, Anthony Carniglia,  
 Edward Cinque, Seth Couto, Elizabeth Davin, Daniel Doynow, Jon  
 Dubick, Angelina Erbmman, Jonathan Erbmman, Jeffrey Fountain,  
 William Ganter, Jaqueline Goss, Sebastian Groskin, Gilbert  
 Helmkin Jr, Margaret Higgins, Sherri Hoadley, Rebecca Jocek,  
 Sarah Kost, Charles Lee Jr, Thomas Mendes, Dakota Meteyer,  
 Bryan Munch, Nicolas Nunez, Tracey Olson, Jeffrey Parco,  
 Matthew Pek, David Talley, Laura Walker, Nicholas Warren,  
 Elizabeth Williams

## Finance Department:

Finance Manager.....Cindy Fuller  
 Assistant Finance Manager.....Linda Kelly  
 Payroll/Accounts Payable Specialist.....Robert McCarthy

## Fire Department:

Fire Chief.....Mark Sgantas  
 First Assistant Chief.....Kyle Walker  
 Second Assistant Chief.....John Schnee  
 Captains.....Shane Walker & Scott Reeves  
 Fire Director.....Wendall Mansfield  
 Lieutenants.....Dan Pike, Jan Michael Sgantas, Pete Hall  
 Engine Capitan.....Steve Demeritt  
 Firefighters: Bruce Bonyun, Steve Berlin, Tim Bryan, Tony  
 Carniglia, Mike Ganz, Nick Hall, Brian Lemery, Duane Lowell,  
 Jason McDonald, Brian Murphy, Connor O’Grady, Les Pike, John  
 Steele, Sean Villandry, Chris Walker, Mark Walker  
 Junior Firefighters: Joshua McDonald, Fiona Reed, Schyler  
 Walker

## Library:

Library Director.....Cindy Weber  
 Children’s Librarian/Assistant Director.....Julie Pickett  
 Program and Systems Librarian.....Jessica Psaros  
 Technical Services Librarian.....Margot O’Connell  
 Circulation Librarian.....Cynthia Stafford

## Parks &amp; Recreation Department:

Director of Parks & Recreation.....Matt Frazee  
 Program Director.....Emily Boek  
 Administrative Assistant.....Kelli Millick  
 Parks Superintendent.....Bruce Godin  
 Parks Foreman.....Mike Manning  
 Arena Superintendent.....Tony Whitaker  
 Arena Foreman.....Steve Demeritt  
 Arena Attendant/Goundskeepers..... Sam Black & Jeff Bauman

Director of Planning.....Tom Jackman

Police Department:

Police Chief.....Donald B. Hull  
 Patrol Sergeants: .....Steve Stewart & Bruce Merriam  
 Sergeant/Detective.....Fred Whitcomb  
 Patrol Corporals.....David Knight & Christopher Rogers  
 Technology Officer.....Darron Tabor  
 Patrol Division: Bruce Emerson, Kyle Walker, Ryan Cashin, Scott Keene, James Sawyer, Anthony Mazzilli, Daniel Weirzbicki  
 Part Time Officers: Matthew Andrews, Francis Gonyaw, David Selby, Jon Zygmuntowicz, Andre Labier, Steve Holbrook, Christian Mellen, Scott Kirkpatrick, Brooke O’Steen, Chris Jones, Adam Pockette, Howard Alden Jr, Matthew Fudala

Public Works Department:

Public Works Director/Town Engineer/Acting Wastewater Superintendent.....Harry Shepard III, PE  
 Assistant Public Works Director/Water Superintendent.....Richard Grogan  
 Assistant Town Engineer.....Chris Jolly  
 Road Commissioner.....Charles Safford  
 Highway Superintendent.....Stephen J. Bonneau  
 Highway Foreman.....Daren Small  
 Road Crew: John Allen, Eric Bates, Todd Barup, Archie Hodgdon, Joe Martin, Jasson Wells, Melvin Wells  
 Town Mechanic.....Greg Adams  
 Chief Sewer Plant Operator.....Bryan Longe  
 Assistant Chief Sewer Plant Operator.....Jesse Wilkesman  
 Sewer Plant Operator.....Mark Stirewalt  
 Sewer Lab Technician.....Gwyn Wilkins-Mandigo  
 Assistant Chief Water Plant Operator.....Allen Ross  
 Water Plant Operator.....Richard Griffin

Town Clerk’s Office:

Interim Town Clerk/Treasurer/  
 Delinquent Tax Collector..... Lisa Walker  
 Assistant Town Clerk/Treasurer.....Teresa Hoadley  
 Assistant Town Clerk/Treasurer.....Gary Anderson  
 Deputy Registrars: Chris Palermo, Mark Faith

Zoning Director.....Richard Baker  
 Acting Zoning Administrator.....Tom Jackman

Akeley Memorial Bldg/Public Safety Facility Custodian Robert Hoadley

Other Appointments:

Lamoille Regional Solid Waste Management

District Supervisor.....William Noyes  
 Health Officer.....Richard Baker  
 Deputy Health Officer.....Tom Jackman  
 State Public Health Veterinarian.....Natalie Kwit, DVM, MPH  
 802-863-7240 or [Natalie.Kwit@Vermont.gov](mailto:Natalie.Kwit@Vermont.gov)

Constable.....Donald Hull  
 Agent to Convey Real Estate.....Charles Safford  
 Fence Viewers..... David Bryan, Bud McKeon, William Kelk  
 Tree Warden.....Charles T. Lusk  
 Town Fire Warden.....Mark Walker  
 Deputy Fire Warden.....Kyle Walker  
 Appraiser for the Board of Listers.....Tim Morrissey  
 Town Service Officer.....Vacant  
 Lamoille County Planning Commission Representatives.....  
 .....Brian Leven & Madeline Motta  
 LCPC Transportation Advisory Committee.....Tom Jackman  
 (Alternate) Chris Jolly  
 LCPC Brownfields Committee Representative.....Tom Jackman  
 LCPC Lamoille Energy Planning Committee.....Ed Stewart  
 (Alternate) Derek Libby  
 Stowe Land Trust Representative.....Tom Jackman  
 Green Up Day Coordinator.... Tom Jackman/Conservation Comm.  
 Emergency Management Coordinator.....Ed Stewart  
 E 9-1-1 Address Contact Person.....Richard Baker  
 Sheriff’s Advisory Board Representative.....Lisa Hagerty

### **Contact Us**

The email address for Town of Stowe employees has now changed! Our new format will be first initial, last name @stowevt.gov.

For example John Smith's address would be [JSmith@stowevt.gov](mailto:JSmith@stowevt.gov)

The Town has also consolidated mailboxes so that all mail coming to the Akeley Memorial Hall offices (Administration, Finance, Town Clerk, Listers, Zoning, Planning, Public Works) will be addressed to:

PO Box 730, Stowe VT 05672

Additionally, in the coming year the Town of Stowe webpage will be transitioning to [www.stowevt.gov](http://www.stowevt.gov). A final date for this transition has not yet been set, but please look out for announcements in 2018!

### **Stowe Community Vision**

*“Stowe is a small New England resort town that exhibits a pride of place and sense of community characterized by a healthy natural environment including forested mountains, an agrarian landscape and historic compact village settlements; a tradition of hospitality; a respect for historic precedent; a dedication to protect and enhance its scenic resources by maintaining the unique context, scale and visual patterns that define the landscape; a vibrant recreation-based economy which maintains the town's historic character and traditional standards of quality; a strong community spirit reflective of the town's sense of security and diverse population; and a wealth of educational, cultural and social opportunities which sustain an enviable way of life.”*

(2015 Town Plan)

The 2015 Town Plan can be obtained at [www.townofstowevt.org](http://www.townofstowevt.org) or by calling the Planning Office at 253-2705.

**OFFICIAL WARNING**  
**AUSTRALIAN BALLOT VOTING**

TOWN OF STOWE, VERMONT

MARCH 6, 2018

The inhabitants of the Town of Stowe who are legal voters in Town Meeting and in School District Meeting of said Stowe, respectively, are hereby notified and warned to vote by Australian Ballot on Tuesday, March 6, 2018, at the Stowe High School Gym. The polls shall open at seven o'clock in the morning, (7:00 a.m.), and shall close at seven o'clock in the evening, (7:00 p.m.), during which time the following articles are to be acted upon:

Article 1: To elect a Moderator of the Town Meetings and Moderator of the School District Meetings, respectively.

Australian Ballot

Article 2: To elect all Town officers as required by law, to wit:  
a. One Selectboard member for a three (3) year term  
b. One Selectboard member for a two (2) year term  
c. One Town Lister for a three (3) year term

Australian Ballot

Article 3: To elect all School Directors of the Stowe Town School District:

- a. One School Director for a term of three (3) years.
- b. One School Director for a term of two (2) years.

Australian Ballot

Article 4: Shall the voters of the school district approve the school board to expend \$12,079,275, which is the amount the school board has determined to be necessary for the ensuing fiscal year? It is estimated that this proposed budget, if approved, will result in education spending of \$14,939 per equalized pupil. This projected spending per equalized pupil is 0.45% lower than spending for the current year.

Australian Ballot

Article 5      Shall bonds of the Town of Stowe in an amount not to exceed FIVE HUNDRED THOUSAND and 00/100 DOLLARS (\$500,000.00), for the benefit of Stowe Electric Department and payable from the net revenues of the Stowe Electric Department, be issued to acquire, replace or construct municipal electric plant improvements?  
Australian ballot

ATTEST:  
The Selectboard, Town of Stowe,  
Vermont, dated this 25<sup>th</sup> day of  
January, 2018.

ATTEST:  
The School Directors, Stowe  
School District, Vermont, dated  
this 25<sup>th</sup> day of January 2018.

LISA HAGERTY  
WILLIAM W. ADAMS, II  
WILLIAM NOYES  
CORNELIUS VAN DYKE  
MORGAN NICHOLS

CARA ZIMMERMAN  
TIFFANY DONZA  
EMILY BRADBURY  
EMILY ROSENBAUM  
JIM BROCHHAUSEN

**OFFICIAL WARNING**  
**ANNUAL TOWN MEETING AND SCHOOL DISTRICT**  
**MEETING**  
**STOWE VERMONT**  
**MARCH 6, 2018**

The legal voters of the Town of Stowe and the legal voters of the Stowe School District are hereby notified and warned to meet at the Stowe High School Auditorium on TUESDAY, MARCH 6, 2018 at 8:00 AM to act upon any of the following articles not involving Australian Ballot:

**SCHOOL DISTRICT MEETING:**

- Article: 1 Will the voters accept the annual report of the School Directors as presented?
- Article : 2 Will the voters authorize the School Directors to borrow money to pay current expenses and debts of said District, in anticipation of the collection of taxes and receipt of returns from the State for such purposes, evidenced by notes of the District for that purpose?
- Article : 3 Will the voters authorize the payment of its School Directors and other elected officials for the ensuing fiscal year, and if so, the amount?
- Article : 4 Will the voters authorize the Stowe School Board of Directors to apply three hundred thousand (\$300,000) of the school district's current fund balance as revenue for the 2018-2019 school year budget, three hundred thousand (\$300,000) for the school district's capital projects fund for the purpose of building improvement and repairs, and establish a reserve fund for the purpose of defraying future educational expenses utilizing all carry forward exceeding the above amounts?
- Article : 5 To do other business that may legally come before said meeting.



**TOWN MEETING:**

Article 1: Shall the voters approve the Selectboard's proposed General Fund Budget of eleven million eight hundred twenty one thousand three hundred twenty nine dollars (\$11,821,329) of which nine million one hundred sixty nine thousand nine hundred twenty dollars (\$9,169,920) is to be raised by property taxes and two million six hundred fifty one thousand four hundred nine dollars (\$2,651,409) is to be funded by non-tax revenues?

<b>Department</b>	<b>Budget Request</b>
Accounting	\$ 272,547
Administration	\$ 415,076
Akeley Memorial Bldg	\$ 210,202
Annual Leave Reserve Fund Transfer	\$ 120,000
Cemetery	\$ 30,219
Clerk/Treasurer	\$ 307,415
Community Affairs	\$ 134,672
Cultural Campus	\$ 32,359
Debt Management	\$ 1,139,821
Elections	\$ 2,807
Emergency Management	\$ 2,619
EMS	\$ 658,587
Equipment Reserve Fund Transfer	\$ 420,000
Fire	\$ 219,900
General Government	\$ 546,589
Highway	\$ 2,268,511
Insurance	\$ 191,326
Library	\$ 557,860
Listers	\$ 112,571
Mountain Rescue	\$ 23,759
Parks	\$ 520,937
Planning	\$ 160,495
Police	\$ 1,779,001
Public Safety Building	\$ 171,718
Public Works Administration	\$ 347,957
Recreation	\$ 483,476
Solid Waste	\$ 596
Stowe Arena	\$ 531,236
Street Lights	\$ 18,354
Zoning	\$ 140,719

Article 2: Shall the voters approve the Selectboard allocating five hundred ninety thousand dollars (\$590,000) of the accumulated Capital Fund for the following capital projects:

Class 1 Highway Village Sidewalk Reconstruction Final Design	\$ 370,000
Rec Path Gables Bridge Underpass Scoping Study	\$ 45,000
Memorial Park Tennis Courts, Fencing & Lighting Replacement	\$ 175,000

Article 3: Shall the voters approve compensating each of its five (5) Selectboard members three thousand dollars (\$3,000) for their service in the ensuing year, each of the three (3) Listers two hundred fifty dollars (\$250) for their service in the ensuing year, and the Moderator one hundred dollars (\$100) for each annual or special town meeting over which the moderator presides?

Article 4: Shall the voters at Town Meeting adopt the 350VT Renewable Energy Town Meeting Day Resolution on page 19 of the Annual Report?

Article 5: To hear and to act on the report of the Town officers and the Auditor’s report for the budget period July 1, 2016 to June 30, 2017.

Public Discussion of Non-Binding Town Business

ATTEST:  
The Selectboard, Town of Stowe,  
Vermont, Dated this 25<sup>th</sup> day of  
January, 2018.

ATTEST:  
The School Directors, Stowe  
School District, Vermont, dated  
this 25<sup>th</sup> day of January, 2018.

LISA HAGERTY  
WILLIAM W. ADAMS, II  
WILLIAM NOYES  
CORNELIUS VAN DYKE  
MORGAN NICHOLS

CARA ZIMMERMAN  
TIFFANY DONZA  
EMILY BRADBURY  
EMILY ROSENBAUM  
JIM BROCHHAUSEN

**350VT RENEWABLE ENERGY TOWN MEETING DAY**  
**ADVISORY RESOLUTION**

Whereas climate change is affecting our state, nation, and the world as evidenced by extreme and erratic temperature swings, damaging wind storms, unpredictable snowfalls, rising sea levels, and the increased severity of hurricanes in 2017;

Whereas the town of Stowe's economy heavily relies on outdoor recreation, whether in the summer or winter;

Whereas the State of Vermont has a goal in the Comprehensive Energy Plan to achieve 90% of its energy from renewable sources by 2050, yet it is making insufficient progress towards achieving that goal;

Now, therefore, be it resolved:

1. That the Town urges the State of Vermont to:
  - a. Halt any new or expansion of fossil fuel infrastructure, including but not limited to pipelines; and
  - b. Firmly commit to at least 90% renewable energy for all people in Vermont; and,
  - c. Ensure that the transition to renewable energy considers the impact on all residents.
2. That the Town will do our part to meet these demands by committing to efforts such as:
  - a. Reducing transportation emissions by enhancing public transportation and bike lanes, increasing opportunities for usage of electric vehicles, and providing commuter parking area;
  - b. Weatherizing town buildings and schools where applicable;
  - c. Identifying sites for solar panels including town and school building rooftops;
  - d. Supporting initiatives for the reduction of personal energy consumption.

## **TOWN & SCHOOL DISTRICT ANNUAL MEETING** **INFORMATION NOTICE TO VOTERS**

Here is some basic information about the Town and School District Meeting. If you have other questions, ask your Town Clerk (802)253-6133 or call the Secretary of State's office at (800) 439-8683.

**REGISTER TO VOTE!** Go to your Town Clerk's office.

**NO PARTY REGISTRATION IS NECESSARY!** You don't have to tell anyone which party you favor. The only time you will be asked to affiliate with a party will be at the primary elections. You will be asked to choose a party ballot to establish a slate for the general election.

**ABSENTEE BALLOTS ARE AVAILABLE!** If you will be out of town on Town and School District Meeting Day, are ill or disabled, (or if you reside in an institution, are in school or the military), apply at your Town Clerk's office by 4:30 p.m. March 5, 2018.

**SAMPLE BALLOTS WILL BE POSTED!** You can see the ballot ahead of time. Sample ballots will be posted no later than **SATURDAY, FEBRUARY 24, 2018.**

### **INSTRUCTIONS FOR VOTERS**

#### **Check-In:**

1. Go to an entry checklist table.
2. Give your name and residence, if asked; speak to the election official in a clear, audible voice.
3. Wait until your name is repeated and checked off by the official.

#### **Enter:**

1. Enter within the guardrail and do not leave until you have voted.
2. An election official will hand you a ballot.
3. Go to a vacant booth.

#### **Mark Your Ballot:**

Darken the oval to the right of the choice you want to vote for. Follow the directions on the ballot as to how many persons to vote for. (EXAMPLE: "Vote for not more than two.)

#### **Write-Ins:**

To vote for someone whose name is not printed on the ballot, use the blank "Write-In" lines on the ballot. Also darken the oval to the right of the name you have written in so that it may be tallied.

**Check-Out:**

1. Go to the exit checklist table.
2. Give your name to the election official in a clear, audible voice.
3. Wait until your name is repeated and checked off by the official.

**Vote, then Exit:**

1. Deposit your ballot in the "Voted Ballots" box or the Vote Tabulator.
2. Leave the voting area by passing outside the guardrail.

**WHAT TO DO IF:**

**YOU ARE NOT ON THE CHECKLIST:** If your name has been dropped from the checklist and you think it was in error, explain it to your Town Clerk and ask that your name be put back on.

If the problem isn't cleared up to your satisfaction, have the Town Clerk, Board of Civil Authority, or other election officials call an immediate meeting of the members of your local Board of Civil Authority who are present at the polls. They should check thoroughly and correct any error. If you are still not satisfied, call the Secretary of State's office at (800) 439-8683.

**YOU SPOIL YOUR BALLOT:** Ask an election official for another. Three ballots are the limit.

**YOU ARE DISABLED, VISUALLY IMPAIRED OR CANNOT READ:** Have a friend tell an election official. A ballot may be brought out to your car by two officials if you so choose to vote there.

**IT IS ILLEGAL TO:**

1. Knowingly vote more than once, either in the same town or in different towns.
2. Try to tell another person how to vote once you are inside the building where voting is taking place.
3. Mislead the Board of Civil Authority as to your or another person's eligibility to vote.
4. Show your marked ballot to others so as to let them know how you voted.
5. Make a mark on your ballot which would identify it as yours.

**PLEASE DO NOT:**

1. Socialize in the voting area, especially when others are in the process of voting.
2. Bring in or leave brochures, buttons or other campaign materials in the polling place.

## ANNUAL MEETING FY19 FAST FACTS

**Net FY'19 Budget:** The net budget increased from \$8,946,836 in FY'18 to \$9,169,920 in FY'19, an increase of \$223,084 or 2.49%.

**Tax Rate:** The projected FY'19 tax rate is \$0.4128, which is no increase over the existing FY'18 tax rate.

**Grand List:** For budgeting purposes, the Grand List has been projected to increase 2.50% from \$21,672,149 to \$22,213,953. One cent on the tax rate is projected to raise \$222,139 in property taxes.

**Undesignated Surplus:** The undesignated surplus at the end of FY'17 was \$563,838, which included an assignment of \$159,000 for FY'18 to reduce property taxes. In FY'19, the Selectboard is proposing the use of an additional \$166,783 to reduce property taxes, leaving a projected undesignated surplus of \$397,055 which is 3.36% of the proposed FY'19 general fund operating expenditures.

**Employment Levels:** No changes in employment levels for full time employees are proposed.

**Pay:** Employees who fall under the Personnel Regulations, Police Association Contract, and the IBEW Agreement are scheduled to receive a 1.5% pay increase, plus any step increase they may be eligible for. The cost of living for these employees is tied to the change in the CPI-U from October 2016 to October 2017.

**Capital Fund:** The FY'19 capital budget is comprised of \$590,000 in proposed projects. The funding for these projects comes from \$550,000 in projected FY'19 local options taxes and \$40,000 from unallocated capital reserves. The proposed projects are:

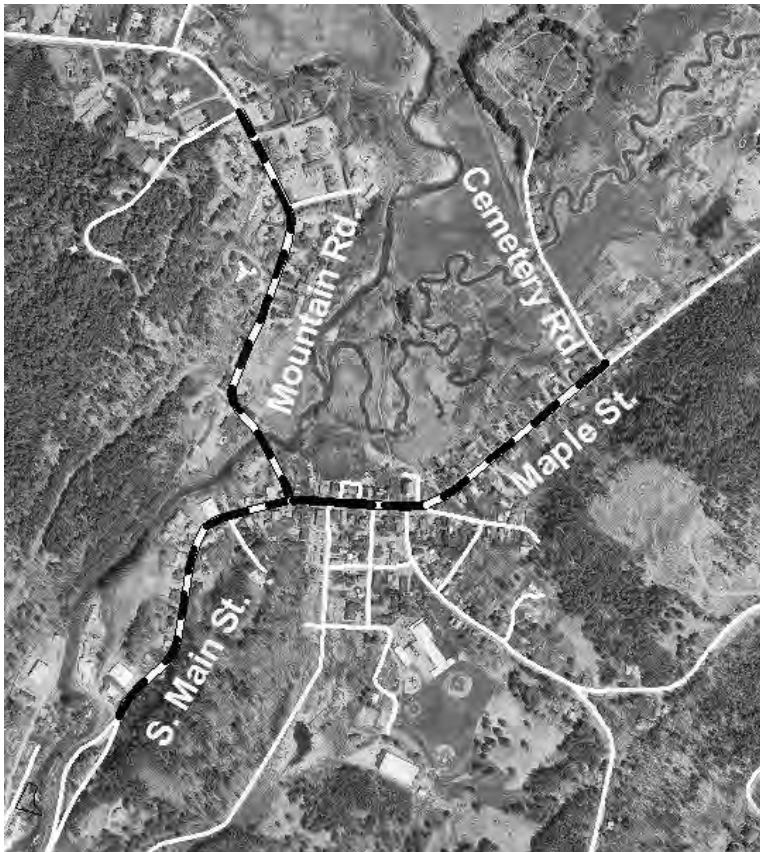
○ Rec Path Gables Bridge Underpass Feasibility & Conceptual Design	\$ 45,000
○ Memorial Park Tennis Courts	\$175,000
○ Class 1 Highway Sidewalk/Curb Semi-final Design	<u>\$370,000</u>
Total	\$590,000

**Equipment Fund:** The following pieces of equipment are scheduled to be replaced through the Equipment Fund in FY'19:

○ Fire Utility Truck	\$60,000
○ Highway Dump Truck	\$170,000
○ Mountain Rescue Snow Machine	\$16,000
○ Police Patrol SUV	<u>\$48,805</u>
Total	\$294,805

## FY19 PROPOSED CAPITAL PROJECTS

**Class 1 Highway Village Sidewalk Final Design \$370,000:** This phase of the project involves survey and engineering to develop semi-final plans for the replacement of curbs and sidewalks along the Class 1 highways (See Map of Class 1 Highways). The Town and consulting engineering firm will also evaluate storm water issues with the goal of improving storm water drainage. The intent is to prepare the semi-final design plans prior to November of 2018 in order to prepare a bond vote at that time. If approved, the Town intends to put the project out to bid that winter to put us in position to undertake construction in 2019 before the State paves the Class 1 Highways in 2020.



## FY19 PROPOSED CAPITAL PROJECTS

**Rec Path Gables Bridge Underpass Scoping Study \$45,000:** This project is intended to improve safety and mobility by reducing pedestrian / motorist conflict. There is currently an at-grade cross across Route 108 (Mountain Road). When the Gables Bridge was replaced the abutments were built to potentially accommodate the Rec Path going under the road in order to avoid the users of it having to cross the road. An at-grade crosswalk would remain for non-users of the Rec Path looking to cross the road. The project will evaluate moving the crosswalk across from Mountain Road at the Cape Cod Intersection from the Eastern side. This phase of the project will include an examination of existing conditions using topographic survey data and a natural resources field assessment, an evaluation of alternatives, and an identification of a preferred alternative for the path extension.



**Memorial Park Tennis Courts, Fencing & Lighting Replacement \$175,000:** The intent of this project is to replace the entire tennis court area (2 courts) including the subsurface, the lighting, and the fencing in their existing location.

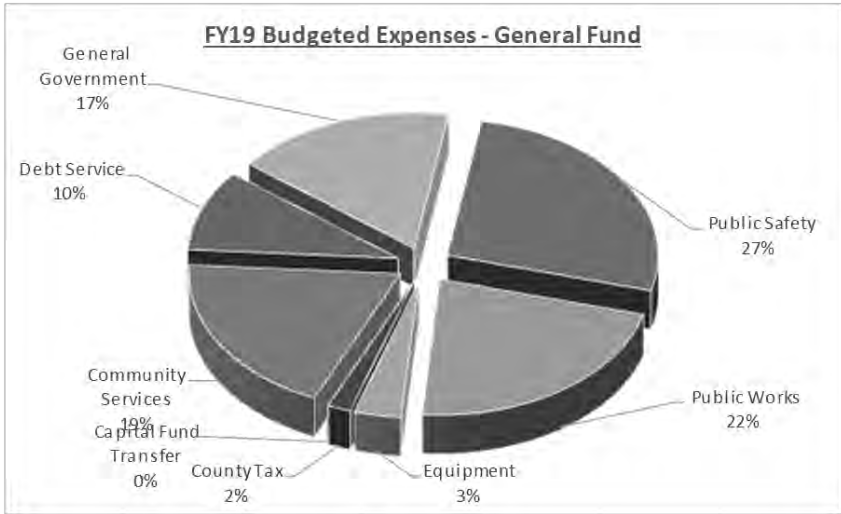


**Comparative Budget Summary**

Total Operating Expenditures		FY17	FY17	FY18	FY19	FY 18 - FY 19	FY 18 - FY 19
Departments	Adopted	Actual	Adopted	Budget Request	Change (Decrease)	Change (Decrease)	
Accounting	255,653	133,163	263,956	272,547	8,591	3.25%	
Administration	438,775	251,157	439,594	415,076	(24,518)	-5.58%	
Akeley Memorial Building	167,483	105,609	167,730	210,202	42,472	25.32%	
Annual Leave Transfer	120,000	120,000	120,000	120,000	-	0.00%	
Capital Fund Transfer	-	-	-	-	-		
Cemetery Commission	15,731	10,885	31,304	30,219	(1,085)	-3.47%	
Community Affairs	100,522	68,512	133,022	134,672	1,650	1.24%	
Cultural Campus	75,262	24,031	79,248	32,359	(46,889)	-59.17%	
Debt Management	1,188,128	983,444	1,164,740	1,139,821	(24,919)	-2.14%	
Elections	6,229	2,026	2,972	2,807	(165)	-5.55%	
Emergency Management	2,382	1,071	1,965	2,619	654	33.28%	
EMS	545,584	283,233	650,811	658,587	7,776	1.19%	
Equipment Reserve Fund Transfer	400,000	400,000	410,000	420,000	10,000	2.44%	
Fire	221,577	95,295	222,425	219,900	(2,525)	-1.14%	
General Government	527,447	392,798	528,618	546,589	17,971	3.40%	
Highway	2,119,122	1,135,649	2,129,318	2,268,511	139,193	6.54%	
Insurance	188,224	136,174	191,189	191,326	137	0.07%	
Library	571,358	300,618	587,537	557,860	(29,677)	-5.05%	
Listers	110,807	48,398	109,839	112,571	2,732	2.49%	
Mountain Rescue	20,138	15,492	20,400	23,759	3,359	16.47%	
Parks	522,166	294,019	505,243	520,937	15,694	3.11%	
Planning Department	144,039	75,101	148,278	160,495	12,217	8.24%	
Police	1,708,370	869,049	1,756,166	1,779,001	22,835	1.30%	
Public Safety Building	139,269	65,925	147,101	171,718	24,617	16.73%	
Public Works - Administration	327,189	132,359	338,976	347,957	8,981	2.65%	
Recreation	477,675	245,194	465,255	483,476	18,221	3.92%	
Solid Waste	550	323	596	596	-	0.00%	
Stowe Arena	499,534	242,967	504,957	531,236	26,279	5.20%	
Street Lights	18,294	6,037	18,086	18,354	268	1.48%	
Town Clerk & Treasurer	324,578	167,361	337,113	307,415	(29,698)	-8.81%	
Zoning	136,107	61,645	140,640	140,719	79	0.06%	
<b>Expenditure Total:</b>	<b>11,372,193</b>	<b>6,667,535</b>	<b>11,617,079</b>	<b>11,821,329</b>	<b>204,250</b>	<b>1.76%</b>	

**Comparative Budget Summary**

Total Operating Revenues	FY17	FY17	FY17	FY18	FY19	FY 18- FY 19	FY 18- FY 19
Departments	Adopted	Actual	Budget Request	Adopted	Budget Request	Change (Decrease)	Change (Decrease)
Accounting	20,000	20,958	20,000	20,000	20,000	-	0.00%
Administration	745,433	690,846	762,804	762,804	786,437	23,633	3.10%
Akeley Memorial Building	-	194	-	-	-	-	-
Annual Leave Transfer	-	-	-	-	-	-	-
Capital Fund Transfer	-	-	-	-	-	-	-
Cemetery Commission	1,200	-	1,200	1,200	1,200	-	0.00%
Community Affairs	-	-	-	-	-	-	-
Cultural Campus	1,524	125	1,881	1,825	1,881	56	3.07%
Debt Management	350,000	350,000	350,000	350,000	350,000	-	0.00%
Elections	-	-	-	-	-	-	-
Emergency Management	-	-	-	-	-	-	-
EMS	192,505	73,871	206,030	206,030	209,305	3,275	1.59%
Equipment Reserve Fund Transfer	-	-	-	-	-	-	-
Fire	750	660	750	750	750	-	0.00%
General Government	-	-	-	-	-	-	-
Highway	183,800	90,887	184,800	184,800	184,615	(185)	-0.10%
Insurance	-	-	-	-	-	-	-
Library	27,000	30,837	28,464	28,464	28,240	(224)	-0.79%
Listers	7,500	16,930	4,500	4,500	4,600	100	2.22%
Mountain Rescue	-	-	-	-	-	-	-
Parks	41,780	16,732	47,600	47,600	45,020	(2,580)	-5.42%
Planning Department	3,500	-	3,500	3,500	3,500	-	0.00%
Police	115,200	50,290	114,800	114,800	103,400	(11,400)	-9.93%
Public Safety Building	-	-	-	-	-	-	-
Public Works - Administration	47,000	44,600	45,500	45,500	45,500	-	0.00%
Recreation	172,105	81,214	151,950	151,950	142,080	(9,870)	-6.50%
Solid Waste	-	-	-	-	-	-	-
Stowe Arena	416,605	165,173	368,250	368,250	337,990	(30,260)	-8.22%
Street Lights	-	-	-	-	-	-	-
Town Clerk & Treasurer	161,071	81,300	166,760	166,760	170,278	3,518	2.11%
Zoning	56,010	22,225	52,510	52,510	49,830	(2,680)	-5.10%
Revenue:	2,542,983	1,736,841	2,511,243	2,511,243	2,484,626	(26,617)	-1.06%
Add Surplus Carry Forward:	227,674	131,170	159,000	159,000	166,783	7,783	4.90%
Total Revenue:	2,770,657	1,868,011	2,670,243	2,670,243	2,651,409	(18,834)	-0.71%
Net Budget	8,601,536	4,799,524	8,946,836	8,946,836	9,169,920	223,084	2.49%
Town Grand List	21,241,675	21,241,675	21,672,149	21,672,149	22,213,953	541,804	2.50%



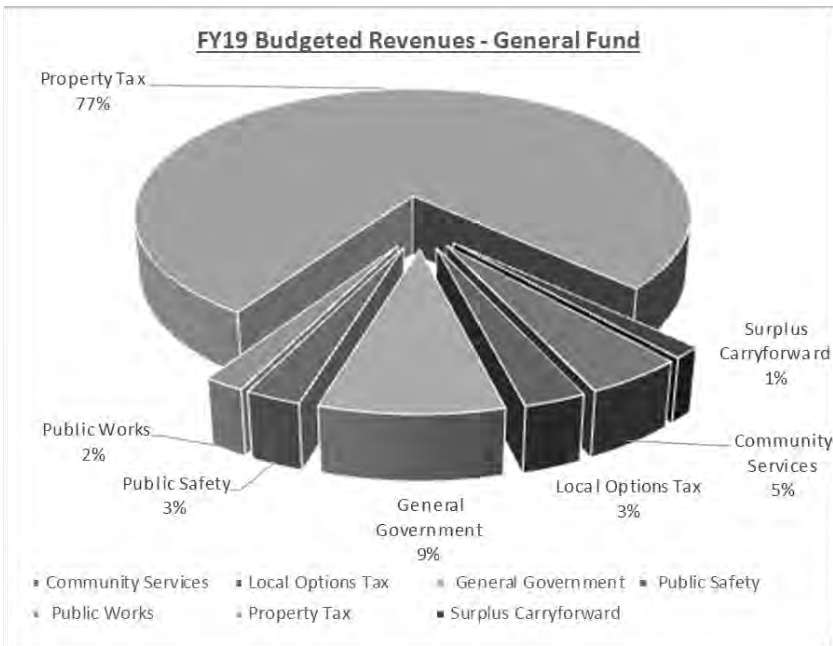
#### CATEGORY KEY

**General Government:** Accounting, Administration, Akeley, Annual Leave, Elections, General Government, Miscellaneous, Insurance, Lists, Planning, Town Clerk, Zoning

**Public Safety:** Emergency Management, Emergency Medical Services, Fire, Mountain Rescue, Police, Public Safety Building, Dispatch Services

**Public Works:** Highway, Public Works Administration, Solid Waste, Street Lights

**Community Services:** Arena, Community Affairs, Cultural Campus, Library, Parks, Recreation



**FY19 PROPOSED SOCIAL SERVICES BUDGET**

Central Vermont Adult Education	\$3,500
Central Vermont Council on Aging	\$3,000
Children's Room	\$500
Clarina Howard Nichols Center	\$2,750
Central Vermont Community Action Council	\$500
Good Samaritan Haven	\$750
Home Share Now	\$500
Lamoille County Court Diversion	\$1,250
Lamoille County Mental Health	\$5,000
Lamoille Family Center	\$3,000
Lamoille Food Share	\$7,000
Lamoille Home Health & Hospice	\$12,942
Meals on Wheels	\$3,500
North Central Vermont Recovery Center	\$1,000
Retired Senior Volunteer Program	\$660
Rural Community Transportation	\$2,200
Vermont Association for the Blind	\$500
Vermont Center for Independent Living	\$420

**FY19 PROPOSED ECONOMIC DEVELOPMENT & COMMUNITY SERVICES BUDGET**

American Red Cross	\$500
Friends of the Waterbury Reservoir	\$500
Helen Day Art Center	\$15,000
Lamoille County Special Investigations Unit	\$1,000
Lamoille Economic Development Corporation	\$3,000
North Country Animal League	\$1,000
Stowe American Legion	\$350
Stowe Area Association	\$20,000
Stowe Historical Society	\$4,000
Stowe Land Trust	\$6,000
Stowe Mountain Bike Club	\$7,500
Stowe Nordic	\$2,500
Stowe Performing Arts	\$2,000
Stowe Vibrancy	\$20,000
Stowe Youth Baseball/Softball	\$2,000
Vermont Rural Fire Protection Task Force	\$100



5 YEAR EQUIPMENT FUND

DEPT	VEHICLE	MAKE	PURCHASE YEAR	NEXT REPLACMENT FISCAL YEAR	REPLACEMENT VALUE	LIFE CYCLE	FY17 Actual	FY18 Budget	FY19 Budget	FY20 Budget	FY21 Budget	FY22 Budget	FY23 Budget
PARKS	72" EMARK MOWER R11	EMARK	2017	2025	\$14,000	8	15,283	-	-	-	-	-	-
PARKS	72" EMARK MOWER R10	EMARK	2017	2025	\$14,000	8	12,294	-	-	-	-	-	-
PARKS	72" EMARK MOWER R12	EMARK	2017	2025	\$14,000	8	12,280	-	-	-	-	-	-
PARKS	72" EMARK MOWER R13	EMARK	2017	2025	\$14,000	8	12,280	-	-	-	-	-	-
PARKS	72" EMARK MOWER R6	EMARK	2012	2020	\$14,000	8	-	-	-	14,000	-	-	-
PARKS	KUBOTA UTILITY		2008	2020	\$20,000	12	-	-	-	20,000	-	-	-
PARKS	SKID STEER	BOBCAT	2017	2027	\$25,000	10	46,174	-	-	-	-	-	-
PARKS	F-250 PICKUP	FORD 2 wheel drive	2016	2026	\$25,000	10	-	-	-	-	-	-	-
PARKS	F-350 PICKUP	FORD 2 wheel drive	2017	2027	\$25,000	10	28,886	-	-	-	-	-	-
PARKS	F-350 PICKUP - 4x4	FORD 4x4	2008	2018	\$40,000	10	116	40,000	-	-	-	-	-
PARKS	F-350 DUMP 4x4	FORD 4x4	2017	2027	\$40,000	10	37,918	-	-	-	-	-	-
PARKS	F-250 PICKUP - 4x4	FORD	2015	2025	\$40,000	10	-	-	-	-	-	-	-
PARKS	F-350 DUMP 4x4	FORD	2013	2023	\$40,000	10	-	-	-	-	-	-	40,000
PARKS	SNOWMACHINE & GROOMER	SKANDIC SWT	2012	2022	\$17,000	10	-	-	-	-	-	17,000	-
ARENA	ZAMBONI 546	ZAMBONI	2014	2022	\$97,000	18	-	-	-	-	-	-	-
POLICE 1	UNMARKED CRUISER	FORD	2014	2022	\$48,805	8	-	-	-	-	-	48,805	-
POLICE 2	CHIEF SMALL SUV	FORD	2017	2025	\$48,805	8	-	-	-	-	-	-	-
POLICE 3	PATROL SUV (SUPERVISORS)	FORD	2017	2023	\$48,805	6	45,165	-	-	-	-	-	48,805
POLICE 4	PATROL SUV	CHEVY	2014	2018	\$48,805	4	-	48,805	-	-	-	48,805	-
POLICE 5	PATROL SUV	FORD	2016	2020	\$48,805	4	-	-	48,805	-	-	-	-
POLICE 6	PATROL SUV	CHEVY	2015	2019	\$48,805	4	-	-	48,805	-	-	-	48,805
POLICE 7	PATROL SUV	FORD	2016	2021	\$48,805	4	-	-	48,805	-	-	-	-
RESCUE 1	AMBULANCE -1	International/Osage	2020	2021	\$186,000	9	-	-	-	-	186,000	-	-
RESCUE 2	AMBULANCE -2	FORD	2018	2027	\$230,000	9	35,018	194,982	-	-	-	-	-
RESCUE 3	ALS1	CHEVY	9/17/2014	2024	\$50,000	9	-	-	-	-	-	-	-
Total Fleet Value					\$6,033,635								
Annual Expense:					447,670	343,787	294,805	217,610	797,000	698,610	207,610		
Beginning Fund Balance:					143,054	193,513	259,726	384,921	597,311	240,311	460,000		
General Fund Transfer:					400,000	410,000	420,000	430,000	440,000	450,000	460,000		
Other Expenditures													
Other Revenue:					522								
Insurance Settlements					97,606								
Ending Fund Balance:					193,513	259,726	384,921	597,311	240,311	460,000	244,091		

## **SELECTBOARD REPORT**

2017 proved to be an extremely busy year for the Town of Stowe.

There continues to be considerable private and public sector investment in the Town from the bottom of Main Street to the top of the Mountain. With this increased development comes increased vitality and increased Local Option Tax revenues to help fund our ongoing need for capital improvements. With this growth also comes increased demand on the town's infrastructure and all of the services provided by our employees and volunteers. We are pleased to be able to put forth a budget with no projected increase in the FY 19 Tax Rate.

The most notable transaction in Stowe during 2017 was the purchase of Stowe Mountain Resorts by Vail Resorts. Upon announcement of the transaction, the Vail transition team began working closely with the Town to effect some immediate improvements to the traffic and parking problems that permeated the town last season. As a result, the Cross Country Center parking lot has been expanded by 127 spots for employee use, the Midway Lodge parking has been expanded by 140 spots for visitor use and the GMT shuttle schedule has been expanded during peak and vacation periods. Early indications are that the traffic flow is improved so far this season.

In addition to the initiatives mentioned above, significant resources have been devoted to studying and developing the preferred improvements to the major intersections that restrict traffic flow and pose safety threats at both ends of town on Route 100 and at the major access points of The Mountain Road. These are expensive projects that will have a long-term impact on the overall experience of living in and visiting Stowe. The Selectboard, Town Staff, a Task Force and the State are working hard to get it right.

The preferred alternatives identified through conceptual studies and public hearings are a traffic light at West Hill Road, a roundabout at Moscow Road and a likely traffic signal at the Luce Hill Road intersection. The traffic signal at West Hill Road has been approved by the State and is anticipated to be advanced as part of the Route 100 repaving project. The long awaited Lower Village Sidewalk extension will also be advanced as part of the route 100 repaving project.

We have studied and deliberated The Village Sidewalk Conceptual study and are recommending a capital appropriation of \$370,000 to complete the Final Design phase. We anticipate bringing the final design and financing

to a vote this November 8<sup>th</sup> with the intention of being shovel ready to coincide with the State's Route 100 paving schedule anticipated for 2020. In addition, we expect to have the Conceptual Study presentation for the relocation/undergrounding of the Village Power Lines prior to Annual Meeting. Should we recommend advancement of this project we would plan to have final costs and plans in place for the November 8<sup>th</sup> vote and give you, the voters, the opportunity to vote on this initiative at the same time. At this time, the Selectboard does not have a position on the undergrounding of the power lines due to limited information, but we fully expect to be advocating a "yes" on the Sidewalk project come next November. This is a project that we have been preparing for over several years for the dual purposes of bringing our downtown sidewalk system back into repair as well as making our downtown accessible and safe for all who live, work and visit here. Beyond the cost of these projects, there will be significant disruption to our roads, sidewalks and access to businesses. We need to be proactive about the plan to make this work for everyone. This will truly be a community effort at all levels.

We have reviewed the Route 108 Roadway Master Plan for the Mountain Road Village including the Luce Hill Road intersection, sidewalk extensions and the Recreation Path Gables Bridge Underpass. At this time we are asking for an appropriation to advance the feasibility and conceptual design of the underpass, which we believe to be important to the safety of those enjoying the Recreation Path and well as to the drivers trying to avoid them. We will make recommendations on the rest of that plan after we have more complete information on the Village Sidewalk and Powerline projects.

Parking at each end of the Mountain Road is a key element of smooth traffic flow and we continue to be both pragmatic and creative in looking for solutions. We approved universal parking signage in and around the village to make our parking areas easier to find and also designated Park Street as a One-Way street to increase the number of easily accessible on-street parking spots in the Village.

In addition to preparing for these large infrastructure projects, The Selectboard continued to work on the creation of policy guidelines to aid in our evaluation of both general fund and capital appropriations. This year we adopted a Debt Management Policy to create a recommended but non-binding ceiling for the Town's long-term indebtedness and/or debt service as a percentage of the total budget. In addition we adopted a Social, Economic and Community Appropriations Policy to provide more transparency and consistency to the application process as well as a



guideline on the recommended amount that the town should be allocating to these requests.

Stowe's development of and adherence to its Planning and Zoning regulations help to preserve the Town's character as expressed in the Town Plan while encouraging solid economic development. In addition to updating to the Zoning Regulations, the Planning Commission began the development of an "enhanced energy plan" as an update of the Energy section of the Stowe Town Plan. This work will allow our Town Plan to receive "substantial deference" in Public Service Board proceedings in the siting of renewable energy projects. The Selectboard took positions not in favor of the siting of two projects involving the Public Service Board this year. The North Hill Cell Tower project was denied and a Cady Hill Solar project, although initially dismissed by the Public Service Board, is back under review after a successful appeal by the project sponsors.

The Recreation Commission in conjunction with The Mayo Farm Recreation Zone Task Force undertook a study to test the feasibility of relocating the Mayo Farm Recreation Zone (Fields J,K, L & Polo Fields) to a different portion of the Farm (Fields D and E). The goal was to create additional, consolidated and higher quality athletic fields. We were in favor of the outcomes but felt that this particular plan could not reasonably be implemented prior to 2028 when "The Grant of Development Rights and Conservation Restrictions" can be revisited. The Recreation Commission was encouraged to continue looking for other possible opportunities for the Town to consider. In the meantime, we are advancing a capital appropriations request to completely replace the court surface, fencing and lighting at the Memorial Park Tennis Courts in an effort to continue to provide excellent community recreational facilities.

The Response by Stowe Electric, Highway, Parks and our emergency management officials was very much appreciated in the aftermath of the October Windstorm. We are reminded during these events of just how important these organizations are to our ability to respond and recover from any type of unexpected occurrence be it weather, crime or accidents. We are thankful for the dedicated professionals and volunteers that we have in place and remain challenged by the decline in emergency management volunteers going forward. If you would like to consider volunteering you can contact Tony Carniglia, Stowe EMS Recruitment and Retention Officer [TCarniglia@stowefire.org](mailto:TCarniglia@stowefire.org). As a volunteer you get paid while on call or at training and this year the hard work of our volunteers is being specially honored in the dedication of this year's annual report.

The Town of Stowe continues to benefit from the many events held each year by Stowe Vibrancy, The Helen Day Arts Center and the many other non-profits that help to make Stowe such a wonderful place to live and visit. The Selectboard would like to acknowledge those organizations as well as all of our skilled and committed Town employees for helping to make this community such a special place for all of us.

We are honored to serve this great community.

Respectfully,  
Lisa G. Hagerty, Chair  
Billy Adams  
Morgan Nichols  
Willy Noyes  
Neil Van Dyke

## **STOWE BOARD OF LISTERS**

The State of Vermont's equalization study of Stowe's 2017 Grand List determined that the Common Level of Appraisal (CLA) for Stowe is 96.22%. In simple terms, if your property is currently assessed at \$96,200 the State estimates that it would sell for \$100,000.

The CLA is very important because it is used to determine education property tax rates. The 2017 study has been reviewed by the Listers and is accurate under the current methodology used by the State. This year's decrease in the CLA from 96.90% to 96.22% shows a slight increase in the average property values in Stowe compared to the 2016 study.

Last year the Grand List assessments grew by 2.03% (\$43,047,400) and it is estimated to grow by 2.50% for 2018 (\$54,180,400). Stowe's Grand List is the 4<sup>th</sup> highest in the state behind Burlington, South Burlington and Colchester.

For the 2017 Grand List, equity adjustments were made to Copley Woodlands Condominiums, Trapp's Time Shares and the Stowe Mountain Lodge Time Shares because sales showed that these properties were being over assessed compared to other condominium projects in Stowe. Equity adjustments were also made to the Stowe Mountain Cabins because sales showed that this neighborhood was under-assessed compared to other residential properties in Stowe. The Listers will continue to monitor assessments and make equity adjustments when market trends so warrant.

The Board of Listers and Town Appraiser Tim Morrissey constantly strive to maintain equity in the Grand List and to further that cause we continually monitor Stowe's real estate market prior to setting the annual Grand List values. Our property records are available for review by the public during regular office hours.

We have an open door policy and are happy to assist with any questions you may have about your property assessment.

Stowe Board of Listers  
Paul Percy, Chairman  
Ellen Thorndike  
Leo V Clark

**BREAKDOWN OF GRAND LIST BY PROPERTY CATERGORY**

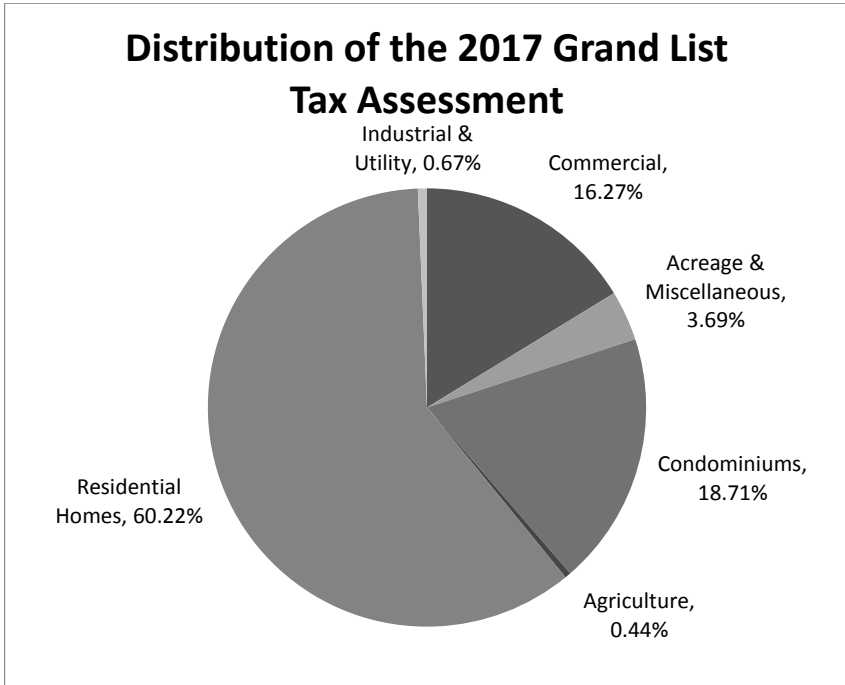
(Taxable properties only - State and Non-tax status properties are not listed below)

REAL ESTATE Category/Code	Parcel Count	Municipal Listed Value	Homestead Ed Listed Value	Non-Resl Ed. Listed Value	Total Education Listed Value
Residential I R1	1,636	748,638,000	324,723,700	423,894,300	748,638,000
Residential II R2	534	603,870,100	173,519,400	430,350,700	603,870,100
Mobile Homes-U MHU	2	58,800	0	58,800	58,800
Mobile Homes-I MHI	8	1,251,000	568,100	682,900	1,251,000
Seasonal I S1	7	1,173,600	870,200	303,400	1,173,600
Seasonal II S2	6	3,243,000	0	3,243,000	3,243,000
Commercial C	241	351,529,800	3,764,800	347,765,000	351,529,800
Commercial Apts CA	27	15,307,400	1,535,000	13,772,400	15,307,400
Industrial I	2	1,034,800	0	1,034,800	1,034,800
Utilities-E UE	4	13,663,700	0	13,663,700	13,663,700
Utilities-D UD	6	320,500	0	320,500	320,500
Farm F	9	9,893,100	5,630,000	4,263,100	9,893,100
Other O	1,084	421,892,300	23,774,500	398,117,800	421,892,300
Woodland W	18	3,674,900	0	3,674,900	3,674,900
Miscellaneous M	247	79,610,900	0	79,610,900	79,610,900
<b>TOTAL LISTED REAL</b>	<b>3,831</b>	<b>2,255,141,900</b>	<b>534,385,700</b>	<b>1,720,756,200</b>	<b>2,255,141,900</b>
P.P. Cable	1	368,400		368,400	368,400
P.P. Equipment	0	0		0	0
P.P. Inventory	0	0		0	0
<b>TOTAL LISTED P.P.</b>	<b>1</b>	<b>368,400</b>		<b>368,400</b>	<b>368,400</b>
<b>TOTAL LISTED VALUE</b>		<b>2,255,510,300</b>	<b>534,385,700</b>	<b>1,721,124,600</b>	<b>2,255,510,300</b>
<b>EXEMPTIONS</b>					
Veterans 10K	12/12	120,000	120,000	0	120,000
Veterans >10K		360,000			
<b>Total Veterans</b>		<b>480,000</b>	<b>120,000</b>	<b>0</b>	<b>120,000</b>
P.P. Contracts	1	368,400			
Contract Apprv VEPC	0/0	0	0	0	0
Grandfathered	0/0	0	0	0	0
Non-Apprv(voted)	8/8	6,161,400			
Owner Pays Ed Tax	0/0	0			
<b>Total Contracts</b>	<b>9/8</b>	<b>6,529,800</b>	<b>0</b>	<b>0</b>	<b>0</b>
FarmStab Apprv VEPC	0/0	0	0	0	0
Farm Grandfathered	0/0	0	0	0	0
Non-Apprv(voted)	0/0	0			
Owner Pays Ed Tax	0/0	0			
<b>Total FarmStabContr</b>	<b>0/0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Current Use	119/119	81,135,100	13,089,800	68,125,300	81,135,100
Special Exemptions	5		0	15,617,300	15,617,300
Partial Statutory	1/1	90,000	0	90,000	90,000
<b>Sub-total Exemptions</b>		<b>80,234,900</b>	<b>13,139,800</b>	<b>83,832,600</b>	<b>96,962,400</b>
<b>Total Exemptions</b>		<b>88,234,900</b>	<b>13,139,800</b>	<b>83,832,600</b>	<b>96,962,400</b>
<b>TOTAL MUNICIPAL GRAND LIST</b>		<b>21,672,754.00</b>			
<b>TOTAL EDUCATION GRAND LIST</b>			<b>5,212,559.00</b>	<b>16,372,920.00</b>	<b>21,585,479.00</b>
<b>NON-TAX</b>					

66 NON-TAX PARCELS ARE NOT INCLUDED ON THE 411

YEAR	Year to Year Comparison of Grand List Totals, Budgets and Tax Rates										TAX RATE Homestead	TAX RATE Non Homestead
	GRAND LIST HOMESTEAD	GRANDLIST NON HOMESTEAD	RATIO TO HOMESTEAD	FMV	BUDGET	SCHOOL TAX RAISED	TOWN BUDGET	HOMESTEAD TAX RAISED	NON HOMESTEAD TAX RAISED	TAX RATE Homestead		
1977	132,917,100		100%	630,833		1,288,000				1.44		
1978	138,127,700		95%	676,826		1,256,963				1.40		
1979	143,687,400		88%	787,407		1,339,167				1.48		
1980	150,217,500		83%	941,864		1,446,595				1.59		
1981	157,978,100		78%	1,034,756		1,540,286				1.63		
1982	173,020,100		70%	1,200,892		1,808,990				1.74		
1983	182,434,800		65%	1,311,392		1,842,100				1.73		
1984	327,917,100		100%	1,690,226		2,095,170				1.16		
1985	340,685,500		97%	1,707,190		2,272,500				1.17		
1986	362,297,300		92%	2,006,031		2,387,000				1.22		
1987	383,100,000		80%	2,270,215		2,779,815				1.32		
1988	403,015,000		70%	2,570,285		3,159,634				1.43		
1989	426,135,700		62%	2,850,687		3,508,586				1.50		
1990	437,801,000		64%	2,976,547		3,993,591				1.60		
1991	446,500,300		65%	3,036,078		4,378,404				1.67		
1992	452,171,300		65%	3,079,764		4,603,450				1.70		
1993	461,886,200		64%	3,140,826		4,849,805				1.73		
1994	469,544,100		64%	3,145,945		5,071,076				1.75		
1995	480,519,700		63%	3,073,667		5,110,876				1.704		
1996	743,047,600		100%	3,470,728		5,292,400				1.179		
1997	754,068,800		98%	3,564,544		5,330,900				1.178		
1998	746,664,300		97%	3,403,415		7,893,032				1.513		
1999	763,519,500		96%	3,491,112		8,441,295				1.562		
2000	787,212,900		93%	3,732,303		8,712,858				1.577		
2001	816,277,400		88%	3,860,228		9,286,024				1.611		
2002	842,922,200		82%	4,629,625		10,125,159				1.750		
2003	852,293,300		73%	5,175,631		11,260,846				1.9104		
2004	294,701,666	578,982,773	64%	5,648,150		6,115,942		12,162,692		2.7209	2.7463	
2005	545,798,515	1,215,950,084	100%	5,963,286		6,154,970		14,102,588		1.4653	1.4974	
2006	547,831,800	1,271,743,000	96%	5,974,533		7,162,353		17,008,290		1.6395	1.6695	
2007	540,551,500	1,359,506,800	89%	6,308,143		7,458,530		19,215,269		1.7107	1.7443	
2008	522,063,200	1,451,267,200	82%	6,870,370		7,789,183		22,218,901		1.8388	1.8778	
2009	542,931,100	1,449,557,600	82%	7,008,620		8,577,225		23,777,093		1.9358	1.9663	
2010	542,119,200	1,449,638,100	83%	7,100,615		8,463,023		23,827,701		1.9176	2.0002	
2011	560,926,000	1,424,848,300	94%	7,221,375		7,926,445		20,634,653		1.7755	1.8106	
2012	561,574,900	1,454,700,400	100%	7,313,749		8,019,290		20,949,140		1.7922	1.8043	
2013	525,465,200	1,505,173,600	100%	7,702,577		7,756,917		22,485,788		1.8585	1.8762	
2014	516,537,100	1,524,123,300	100%	8,094,349		7,689,171		23,174,295		1.8885	1.9204	
2015	503,502,400	1,566,303,600	99%	8,392,254		7,542,466		24,052,158		1.9068	1.9339	
2016	519,650,600	1,595,520,500	97%	8,601,551		7,923,563		24,861,400		1.9369	1.9679	
2017	505,220,600	1,653,326,900	96%	8,946,836		7,701,583		26,348,761		1.9420	2.0017	

1977, 1984, 1996, 2005 and 2012 were base reappraisal years in which the Grand List increased to 100% of Fair Market Value. State law requires that a Town's Grand List not fall below 80% of FMV or it must do a reappraisal. For this reason most towns will do a reappraisal every 7 to 10 years. The year 2004 up shows Homestead and Non Homestead Grand List, taxes collected & tax rates to reflect Act 68.



Residential Homes: 36.8% are Homestead Property and 63.2% are Non Residential Property

CLA - 96.9



**TAX RATE CERTIFICATE**

**BE IT KNOWN BY ALL PERSONS PRESENT**, the Selectboard of the Town of Stowe finds the TOWN GRAND LIST to be **\$21,672,149** and Town General Fund Tax Rate to be \$0.4128 to raise **\$8,946,836** for the Town General Fund Taxes and pursuant to VSA Title 17, Section 2264, Title 16, Section 428 and 32 VSA Section 5402 (b)(1), hereby certifies the Tax Rate for the period July 1, 2017 through June 30, 2018 (FY 18) to be as follows:

**Homestead Tax Rate:**

\$0.4128	Town General Fund Tax
\$1.5244	State and Local Education Taxes
\$0.0048	Voter Approved Tax Exemptions

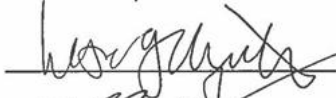

**\$1.9420 Total Tax Rate**

**Non-Residential Tax Rate:**

\$0.4128	Town General Fund Tax
\$1.5841	State and Local Education Taxes
\$0.0048	Voter Approved Tax Exemptions

**\$2.0017 Total Tax Rate**

Given under our hands in Stowe, Vermont this 1st of July 2017 by Selectboard of the Town of Stowe, Vermont. ATTEST:

UNDER SEAL OF THE TOWN, received, filed and recorded this 25<sup>th</sup> day of August, 2017 at 11 a. m. before me.

  
\_\_\_\_\_  
Town Clerk

## **STOWE CEMETERY COMMISSION**

The Stowe Cemetery Commission is a volunteer board of seven members appointed by the Selectboard. Current members are Gerry Griffin, Nancy Lavanway, Judy Demeritt, Skeeter Austin (Treasurer), Barbara Allaire (Secretary), Karin Gottlieb (Vice-Chair) and Donna Adams (Chair). Several commission members attended educational meetings sponsored by the Vermont Cemetery Association to network with other towns and explore common problems and solutions. The commission is fortunate to have Bruce Godin, Superintendent of Stowe Cemeteries, overseeing the maintenance of buildings, fences, lawns and trees that are a part of the town's cemeteries as well as being the liaison between the commission and funeral directors/contractors who work in the various cemeteries. Bruce and his crew do a marvelous job of keeping the cemeteries groomed and beautiful.

The commission is also responsible for approving the placement of memorials on gravesites. We review work orders, update fees, forms and Rules and Regulations as needed. The sale of lots and issuing interment orders is handled by the Town Clerk's office as mandated by state law.

Memorial restoration is the leading challenge for the commission and remains the largest part of the annual budget. This work is done by outside contractors hired by the town. We concentrated on West Branch this year, but still have some more to do there. Some trees have been replaced there as well as completing the replacement of the fence around the cemetery. We will move on to other smaller historic cemeteries in the future. The commission oversees seven cemeteries in Stowe: Old Ivory Luce, Thomas Luce, Sterling, Mansfield, West Branch, and Riverbank, the only cemetery where lots are now sold.

In 2017 Riverbank Cemetery sustained some damage from wind, toppling several trees, and we also elected to remove some of the white pines along the border of the cemetery to prevent damage to memorials in the older sections. The cleanup will continue with stump grinding, and possible tree replacement. Also, some older memorials have been restored in Riverbank. Design work continues for the entrance to Riverbank.

The commission maintains kiosks at Old Yard and Riverbank with brochures outlining the history of each cemetery and a synopsis of the rules and regulations. We sponsored a book by Patricia Haslam that is for sale through the Town Clerk's office: "The Annotated Cemetery Book II, Stowe, Vermont 1798-1915: Four Record Books" for further knowledge of Stowe cemetery history. It is also available on the town website along with the Rules and Regulations and other pertinent documents and forms. The commission meets the first Tuesday of the month at the Akeley Memorial Building and welcomes the public to attend.

Respectfully submitted,  
Donna Adams, Cemetery Commission Chair



## **CONSERVATION COMMISSION**

Among its roles and responsibilities, the Stowe Conservation Commission is actively involved in the stewardship of town-owned conserved properties. These include:

- Sterling Forest (1,530 acres)
- Cady Hill Forest (320 acres, including what was formerly known as Macutchan Forest)
- Mayo Farm (235 acres)
- Sunset Rock (32 acres)
- Sterling Gorge Conservation Lot (3.7 acres) (provides a buffer for Sterling Gorge)
- Moscow Recreation Field (4.7 acres)
- Faunce Lot (2 acres) (Public Access to Gold Brook at the bottom of Gold Brook Rd.)

In addition, the Town also co-holds conservation easements with Stowe Land Trust on the following properties:

- Adams Camp (513 acres)
- Bingham Falls (73 acres)
- Nichol's Field (37 acres)
- Burnham Farm public access easement (107 acres)

Even though they are not owned by the Town, as co-holder of the easements, we have a shared responsibility with SLT to steward these properties.

The Commission was involved in the following activities in 2017:

### **Conservationist of the Year Award**

At the annual Town Meeting in March, the Commission presented its Conservationist of the Year award to Willard Hunnewell in recognition of his family's generous donation of a conservation easement on Hunnewell Meadow next to Mayo Farm just north of the March of Dimes monument.

### **Green-up Day**

The Commission coordinated another successful Green-Up Day on May 6, with over 300 people participating. Nearly 1,500 pounds of trash was picked up. We look forward to continuing this effort and invite everyone to join us on Saturday, May 5, 2018 at the Sunset Grille and Taproom, starting at 8:00 AM.

### **Village Street Tree Strategic Plan**

With support from the Vermont Urban and Community Forest Program the Commission began developing a Stowe Village Tree Strategic Plan to provide clear direction and achievable goals for the preservation, protection, and enhancement of community street trees throughout Stowe Village. This plan will provide the foundation for proper tree care and policies to guide decision-makers and support high quality management, planting, and preservation of the Stowe's downtown street trees. The plan will also include an Emerald Ash Borer Preparedness Plan to anticipate the possibility of this invasive insect moving into Vermont.

### **Cady Hill Forest**

The Commission had a very successful year working to stop the spread of the invasive Japanese barberry plant in Cady Hill Forest. The Commission hired a crew from the Intervale Conservation Nursery that worked with volunteers to pull over 2,000 plants.

On September 16, Vail Resorts sponsored a volunteer work day in CHF with nearly 80 of its Stowe Mountain Resort employees. One crew continued the barberry work and another crew made substantial improvements to the Eagle Ridge Trail. In all, about 10 acres was cleared of the invasive plant.



**Cady Hill Forest (Continued)**

On October 29, a major wind storm resulted in thousands of blow-downs in CHF, significantly impacting the trail system, causing it to be shut down indefinitely. In order to deal with the massive amount of wind damage, a timber salvage and harvest plan was developed by Allan Thompson, the Town's consulting forester, with help from Rick Dyer, the Lamoille County Forester and Kristen Sharpless from Stowe Land Trust. The Town contracted with two loggers to harvest timber from the most heavily damaged areas of the forest. 2018 will involve a significant effort to address what the loggers could not and to restore the heavily damaged trail system.

**Moscow Recreation Field**

The Commission, working with the Stowe Recreation Commission, completed a comprehensive update of the Moscow Recreation Field Management Plan. The purpose of the Plan is to specify management practices and permitted public uses for the property. The Plan is focused primarily on maintaining existing recreational uses, improving riparian habitat and halting the advance of invasive species on the property.

**Sterling Forest**

As Phase 3 of a 3-phase forest management plan, the Commission has been working with the Vermont Department of Forests, Parks and Recreation (FPR), Vermont Land Trust and Audubon Vermont to plan a timber harvest in a roughly 100-acre area in the southern section of the forest, between Maple Run Lane and the Catamount Trail. The project involves creating a number of "patch cuts" ranging in size from ½ acre to 1 acre with the intention of creating songbird habitat as well as browse for moose and deer. About 2/3 of the project was completed in February 2017 and it is scheduled to be completed by the end of winter 2018.

**Sunset Rock**

Two small bridges were installed near the bottom of the Sunset Rock Trail across 2 perpetually wet waterbars.

Conservation Commission members in 2017 included:

Rob Moore, Chair, Christine McGowan, Vice-chair, David Jaqua, Darsey Moon, Gar Anderson, Catherine Drake and Andre Blais.

Respectfully submitted,  
Tom Jackman, Planning Director

## **DEVELOPMENT REVIEW BOARD**

In 2017 the Development Review Board reviewed and issued decisions for 14 new or amended subdivisions, 20 conditional uses, 4 Ridge and Hillside Overlay projects, and 1 Notice of Violation appeals.

Administratively, Richard Baker continues to serve as the Zoning Administrative Officer. As the Administrative Officer Rich helps applicants get ready for the Board's review, prepares warnings and agendas, writes draft decisions, and provides technical assistance to the Board.

Once again this year, Barbara Allaire has served as the Board's secretary. We appreciate her many years of continued service.

Respectfully Submitted,  
Douglas White, Development Review Board Chair

Drew Clymer  
Michael Diender  
Chris Walton  
Tyler Mumley  
Nick Lizotte  
Tom Hand  
Peter Collotta (alternate)  
Peter Roberts (alternate)  
Andrew Volansky (alternate)  
Paco Aumand (alternate)

## **HISTORIC PRESERVATION COMMISSION**

The Stowe Historic Preservation Commission (SHPC) performs design review for exterior alterations, demolition and relocation of historic buildings and for any development within the Stowe Historic Overlay District (SHOD). In addition, the SHPC promotes town projects that foster historic preservation. The Commission is proud of its record of helping promote development that is aesthetically compatible with the existing historic character of the Stowe Village and Lower Village and with other historic buildings outside of the SHOD.

In 2017, the Commission reviewed 30 applications. Richard Baker, Zoning Director, serves as staff to the SHPC for design review. Tom Jackman, Planning Director, serves as staff to the SHPC for town historic preservation projects.

Respectfully Submitted,  
Sarah Noelle McLane, Historic Preservation Commission Chair

Barbara Baraw  
Gordon Dixon  
McKee Macdonald  
Sam Scofield  
Lucinda B. McKechnie (alternate member)  
George Bambara (alternate member)

## **STOWE LIBRARY TRUSTEE REPORT**

To Welcome ..... To Inspire..... To Enrich

Over this past year the trustees, a board of seven volunteers, have continued with our role in setting library policies, creating and updating by-laws, and managing the endowment funds. The Stowe Free Library Strategic Plan for 2016-2020, finalized last year, set specific goals of Creating Young Readers, Connecting to the Online World, and Satisfying Curiosity. The librarians and board have been hard at work to begin attaining the goals for this time frame. An example of Connecting to the Online World has been the implementation of a CCV student to assist the public in learning computer skills for employment opportunities online. She works two days a week helping with writing resumes and cover letters, applying for jobs online, and exploring training and educational programs. The innovative ideas of our library staff are continually impressive. The public has been quite supportive and welcoming to these ideas.

We have new member to the library staff, Cindy Stafford, who has been received positively. She is a local woman, whose family is well known to the community. She is a great addition to keep the library functioning smoothly.

The building itself got some sprucing up in October with the installation of the new carpeting, which was long overdue.

Lastly I want to thank the library staff, the volunteers, the Friends of the library, and the trustees for all their dedication and hard work to keep this institution such a vital part of this community.

Sincerely,

Darla Witmer, Stowe Free Library Board of Trustees Chair

**STOWE FREE LIBRARY ASSETS**

June 30, 2017

## CASH

Checking Account.....	\$19,912
Development Account.....	\$17,824
Cash Drawer.....	\$75
Total Cash Accounts.....	\$37,811

## ENDOWMENT FUNDS

*Montanari Fund*

Restricted. Income to be used for books, materials and supplies. Principal can only be used by agreement with Selectboard.	
Sentinel Balanced Fund.....	\$584,520

*Susan W. Downer and Mrs. A. H. Slayton Fund*

Unrestricted. Income can be used as desired. Principal should remain untouched.	
Union Bankshare Common Stock.....	\$342,000
Fidelity Short-term Bond Fund.....	\$15,182
Total.....	\$357,182

*Roger and Emily Adams Fund*

Restricted. Can be used for books and materials only, specifically not for furniture and maintenance. Principal can be drawn down to \$200. Designed as a receptacle for other gifts.	
Fidelity Asset Manager: 20%.....	\$18,324

*Doris Houston Fund*

Restricted. Income to be used for library expenses. Principal to remain untouched.	
Dodge & Cox Balanced Fund.....	\$60,213
Dodge & Cox International Fund.....	\$5,753
Total.....	\$65,966

Total Endowment Funds.....	\$1,026,022
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**STOWE FREE LIBRARY INCOME SUMMARY**  
**FISCAL YEAR ENDING JUNE 20,2017**

Book Sale Share from Friends.....	\$6,000
Copier Fees.....	\$1,583
Registration Fees.....	\$5,989
Fines.....	\$1,480
Material Replacement.....	\$1,332
Bank Account Interest.....	\$40
Donations.....	\$3,837
Endowment Income.....	\$15,894
Other Income.....	\$152
Income Total Before Grants/Bequests.....	\$36,307
 Total Grant Income.....	 \$3,523



## STOWE ELECTRIC DEPARTMENT



The Town of Stowe Electric Department spent much of 2017 focusing on improvements:

Stowe Electric was honored to receive two awards from the Northeast Public Power Association (“NEPPA”) at their annual conference, August 22<sup>nd</sup> in Newport, RI. NEPPA represents and works for over 80 Public Power systems in the six New England States. I was overwhelmed to accept, as General Manager of Stowe Electric, the 2017 NEPPA Person of the Year Award for sustained, outstanding service and contributions to NEPPA and to public power. In addition to that prestigious commendation, Stowe Electric Department received the Special Recognition Award for our accomplishments in reducing carbon output by the advancement of an electric vehicle (“EV”) charging station program. Stowe Electric views its EV charging station program as a model for how to approach new and innovative program offerings for its customers. Partnering with Vermont Energy Investment Corporation (“VEIC”) allowed us to capitalize on their experience and design an efficient and effective project. Further, seeking a grant from the Vermont Low Income Trust for Electricity (“VLite”) means that the project costs were minimal for Stowe customers.



In late October, Stowe Electric was honored to be chosen as the host town for the American Public Power Associations (“APPA”) Fall Board meeting. Fifty seven individuals from around the country associated with Public Power ascended upon the Town of Stowe for a tour and presentation of our 1 MW solar farm and EV Charging station program.



Guests were greeted with sunny and unusually warm weather for the day of the tour. Stowe Electric employees and myself also entertained the out of town guests with events at Stowe Kitchen, Bath & Linens as well as the Trapp Family Lodge. Many of the guests were in awe of our beautiful town and the surrounding landscape and vowed to return again with family to vacation.

During 2017 Stowe Electric continued its information technology enhancements relying on infrastructure improvements laid down in 2016. Through server virtualization and a colocation facility, Stowe Electric has been able to reduce IT costs while at the same time improving the system: security, resiliency and redundancy. In addition, the upgraded infrastructure allowed for the installation of a new IP phone system. In early spring, Stowe Electric finished its 2016 migration to a new billing system. This transition to the new system allowed us to integrate our financial department with our billing



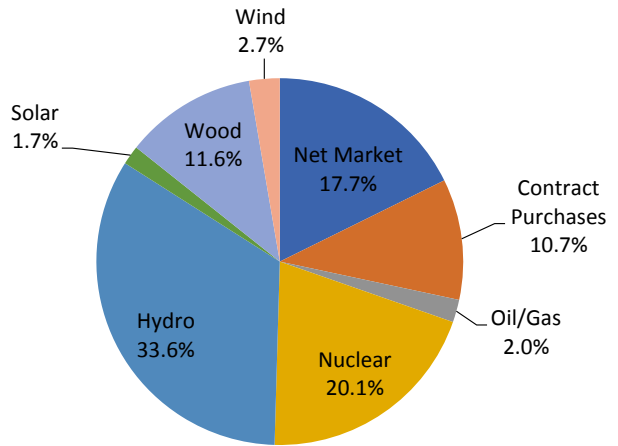
department, further streamlining our processes and saving our customers time and money. Customers using the new online Portal to view and pay invoices are now able to see a “live” picture of what their account balances are. In addition, this upgrade allows customers to view their usage from the same log-in. As with any new technology, there were some minor difficulties during the transition that we have overcome, and we will continue working on improving and enhancing our system to ensure a pleasurable and informational experience for our customers.

In addition to the savings we were able to achieve through our IT improvements, Stowe Electric reviewed and renegotiated existing debt to a lower interest rate which will save \$310,000 in interest expense over the next ten years.

2017 marked the first year that all of Vermont’s electric utilities were tasked with meeting the new Renewable Energy Standard (“RES”), enacted into law in 2015. The RES established three categories: (1) a total energy requirement that 55% of the utility’s sales are met with renewable energy in 2017, increasing to 75% in 2032; (2) a distributed renewable generation requirement of 1% of the utility’s sales in 2017 that increases to 10% in 2032 that can only be met by projects smaller than 5 MW and are sited in Vermont; and (3) an energy transformation category that rises from 2% in 2019 to 10.66% in 2032 and is achieved by helping electric utility customers transition off of fossil fuels and reduce their greenhouse gas emissions.

This chart represents the source of Stowe Electric’s power by the fuel type. However, this chart does not represent the renewability of our electric supply.

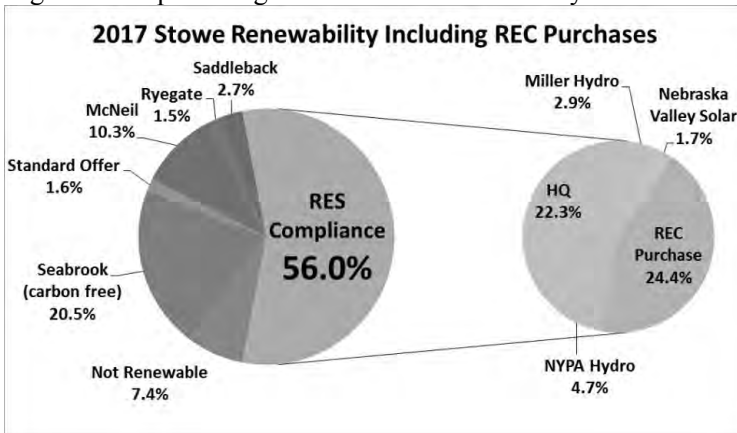
**2017 Stowe Energy Chart by Fuel Type**



Stowe Electric’s power portfolio was 56% renewable in 2017. Much of our contracted power comes with Renewable Energy Credits (RECs) which are used to track renewability in electric

markets. Some were high-value, Class I RECs which we sold (e.g. McNeil and Ryegate biomass plants). We then offset those sales by purchasing lower-value Class II RECs which we use to meet the Vermont RES targets. This way, we can continue to increase our renewable power supply while also limiting the impact on cost.

Stowe Electric is committed to attaining these targets every year and to exceeding them when cost-effective. We recognize the importance of meeting the State’s desire for carbon-free electricity while also remaining responsive to our customers’ cost concerns. We believe that these priorities can work quite well together as Stowe Electric can readily take advantage of the rapid changes in the renewable industry.





The Nebraska Valley Solar Farm is an example of how renewables can be developed without neglecting the community's concern over maintaining the low cost of electricity. The Project was funded using the Federal Clean Renewable Energy Bonds ("CREBs") program. CREBs provides a tax rebate on the

interest Stowe Electric pays on the borrowing to fund the Project, which meant that we paid an effective interest rate of 0.975% in 2017. The Project was completed in August of 2016 and is projected to generate enough energy to cover our Tier 2 mandate through 2023. Leasing the town-owned property also provides additional revenues for the Town and furthermore helps to offset other costs which Stowe Electric would have had to pay if the project was located elsewhere in Vermont.

The Public Utility Commission instituted new rules to govern net metering in Vermont. The state program is designed to allow customers to own renewable generation projects to offset their consumption from the electric grid. Among other changes, the new rules eliminated the cap on the number of net metering projects that can be built in Stowe Electric territory and instituted a bi-annual review of the status of net metering statewide to ensure that it continues to work in the best interest of Vermonters. On Stowe Electric's distribution grid, 12 new net metering systems were installed in 2017 for a total of 70 systems. The majority of installations are sized to generate enough electricity to cover an average home's usage. We also had 3 larger group systems installed on rooftops this year, where multiple customers can all benefit from the generation of one system. On average, a typical net metering system in Stowe is roughly 10 kW in size. For comparison, the Nebraska Valley Solar Farm is 1,000 kW and generates roughly enough energy to power 200 Stowe homes.

Mother nature was not kind to many this past year and our thoughts and prayers are still with the residents affected by the hurricanes Harvey, Irma and Maria. The U.S. Virgin Islands were hit by two category five hurricanes (Irma and Maria) within the span of a two week period. Homes, roads, access to fresh water and the electric grid were destroyed. Stowe Electric was honored to be among the three Vermont Public Power Utilities to offer assistance to the area. Organized by the Northeast Public Power Association (NEPPA), we joined twenty-three other NEPPA utilities to aid in the restoration efforts on St. Thomas. Crews braved adverse conditions, impassable roads and impossible odds for over eight weeks to help restore power to the island.



Meanwhile, on the home front, Stowe felt the wrath of Mother Nature as well. In the early morning hours of October 30<sup>th</sup>, winds that registered as high as 115 mph on Mount Mansfield, whipped through Stowe and the surrounding area causing severe damage to the electrical system by uprooting trees and snapping poles. By 2:30 a.m. 75% of Stowe Electric customers were without power and the Stowe Electric line crew had been deployed.



By 3:00 a.m., administrative staff were arriving at the office to answer phones. Operations personnel immediately went to work assessing the damage and developing a plan. At that time only one of our substations was still operational, feeding approximately 977 customers in downtown Stowe from Pike's Farm to Foxfire Inn on Route 100 heading north.

Monday afternoon saw the arrival of much needed help from fellow municipal utilities: Hyde Park, Johnson and Burlington Electric. By the end of the day that Monday, we had three more circuits back on, restoring power to an additional 733 customers.

On Tuesday October 31<sup>st</sup>, we had a total of eleven additional line crews and tree trimmers from Vermont, Massachusetts and New Hampshire. Tuesday evening, 1,300 more customers had their power restored. By Wednesday afternoon, with the exception of a couple of services, power was restored from Topnotch down to Luce Hill.



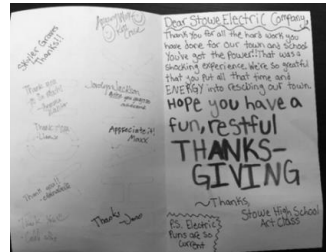


By Thursday, November 2<sup>nd</sup>, we had 15 crews working in the field. We were now able to reach some of the more devastated areas like Barnes Hill Rd, Trapp Hill Rd and Nebraska Valley Rd to name a few. Friday morning we added an additional five crews to our force for a total of twenty crews working throughout the entire day into

early evening. By Friday night we were able to release all but two of the mutual aid crews when power was restored to all but 20 customers.

Working around the clock from the time of the initial deployment, members of the administrative staff stayed overnight in the office to ensure customers always had a knowledgeable and caring Stowe Electric employee to speak to, be it in person or on the phone. Emergency restoration work was completed by the end of the day on Saturday, November 4<sup>th</sup>.

Members of the Stowe Electric staff would like to once again thank all of the residents of Stowe for your understanding and patience during the storm. We greatly appreciated all of the warm thoughts, Thank You notes, bagels, cookies, coffee and cheers of encouragement. It was a great feeling knowing that we came together as a community and were able to accomplish such a daunting task in so little time.



The Commissioners and I would like to thank the Stowe Electric staff for all the hard work and dedication they displayed during this unprecedented event. In addition, we would also like to express our deepest gratitude to the customers and residents of Stowe for being so supportive of the Department during this time. We are very grateful to live in and work for such a wonderful community.

Respectfully submitted,  
 Ellen L. Burt, General Manager  
 Richard Marron, Chairman  
 Larry Lackey, Vice-Chairman  
 Denise Gutstein, Commissioner  
 Town of Stowe Electric Department

## EMERGENCY MEDICAL SERVICES



Providing Emergency Medical Services to the Town, its visitors and guests.



A Non-profit organization providing support to Stowe EMS

With the creation of Stowe Rescue Squad, Inc. in 1975, Stowe was “on the map” having a dedicated in-town agency for Emergency Medical Services. The overall responsibility of operations and management of that agency became the responsibility of the Town in 2006 when the Town’s Department of EMS was formed and took over the responsibility for providing this care; however, volunteers continue to be a cornerstone of the service.

For the year July 1, 2016 – June 30, 2017 (FY2017) Stowe EMS handled 647 calls for service. Stowe EMS averages a departure time to the scene in less than 6 minutes on 75% of calls. The department is staffed with four full-time employees and has 14 Per-Diem staff (working professionally elsewhere in an EMS role but occasionally for the department); in addition, our volunteer roster remains strong at approximately 30 volunteers, most of which are active regularly. The department’s staff and Per Diem employees help augment the volunteers without whom we would not be able to meet the demands of call volume such that we have. Each year, through natural attrition, we lose a few volunteers and gain a few. During FY17 and into early FY18 the department has re-doubled efforts focusing on the recruitment and retention of volunteers and we are seeing more growth.

Our volunteers are certified at the following levels: CPR/Driver, EMR, EMT, AEMT (Advanced EMT), and Paramedic. Our volunteers’ years of service range from 1 year to 30+ years of service. As our volunteers continue to serve and give their scarce free time, we are ever more thankful for their dedication, and to the support of their families and employers; without this support we would not have the robust service we do. All paid staff members are certified at the AEMT or Paramedic level.



## EMERGENCY MEDICAL SERVICES

The following table illustrates hours spent on call:

<b>Work Group</b>	<b>Hours on Call</b>
Volunteers	8,573
Per Diem Staff (14)	8,548
Full Time Staff (4)	5,921
<b>Total Hours of On-Call time</b>	<b>23,042</b>
<i>(there are 8,760 hours in one calendar year)</i>	

The following table illustrates some information on our call volume:

<b>Location of Call</b>	<b>Number for year</b>
Town of Stowe	490
Stowe Mountain Resort	82
Mutual Aid	75
<b>Total</b>	<b>647</b>

The following table breaks the call volume data down by type/transport destination:

<b>Type of Call/ Transport Destination</b>	<b>Number for year</b>
No Transport, Cancelled, Stand-By, Paramedic Intercept	271
Transport to Copley Hospital	296
Transport to Central Vt. Med Ctr	28
Transport to Univ. Vt. Med. Ctr	52
<b>Total</b>	<b>647</b>

Stowe EMS enjoys a close working relationship with the Stowe Fire Department, Stowe Mountain Rescue, Stowe Emergency Management, and the Stowe Police Department. The work of Public Safety does not get done without the dedication of many—no matter if employed or volunteering what is required is dedicating a large portion of one's time to the service of others. I personally would like to thank each volunteer for their commitment and dedication, as well as the families of volunteers who endure so much while our volunteers serve.

Respectfully submitted,  
Scott Brinkman, EMS Chief

## **FINANCE DEPARTMENT**

The Finance Department works to support all departments with the processing of payments for services and goods with vendors, paychecks for all town employees and volunteers, monthly financial reporting of expenditures and revenues, and the development of yearly budgets. All financial reporting is prepared and analyzed by the team for submission to the Selectboard, Town Manager, Auditors, State and Federal Government, and other agencies for the purposes of review, compliance and oversight. Finance handles the accounting for water and sewer loans, grants, and capital and equipment fixed assets. We perform the reconciliations of all bank accounts that are managed by the Town Treasurer. We handle the benefit administration for all employees.

The Finance team produced another successful financial audit working with our auditors Sullivan & Powers. We worked with Interim Town Clerks to support them during transitions in the Town Clerk office. We continue to work on projects to streamline reporting and analysis to improve oversight of budgets and the budget development process.

Finance worked with an IT management firm to upgrade security and backup of database information, consolidate all digital files onto a central server, upgrade network and internet connections to fiber optics for increased speed of internet and internal networks, replace internal network wiring for specific departments and installed public and private Wi-Fi at the Akeley Building.

We are looking forward to another year with new challenges.

Respectfully submitted,  
Cindy Fuller, Finance Director

**FIRE DEPARTMENT**



**STOWE FIRE DEPARTMENT**

The Stowe Fire Department would like to thank the community of Stowe for its support and caring for its professional volunteer fire department. It has been a busy 2017 calendar year. We presently have twenty-eight members on our roster.

For the calendar year 2016 we responded to 290 calls, for the calendar year 2017 we responded to 305 calls. We actually have had more calls and doing the work with less people, considering we have allocation for forty-five members. We continue to work with our mutual aid departments in surrounding communities to get the job completed. We also work with many departments within the Town of Stowe, vital to our success, Stowe Police, Stowe Rescue, Highway Department, Water and Light to name a few.

This past year a small group has worked on a recruitment and retention committee to look at ways to attract new members and keep our present members engaged over time. As a result, there is a recruitment and retention officer, Tony Carniglia, working as an outreach for the department to new and potential members. Also in the works is a new public safety website and we are looking into some health and wellness benefits for members.

**Calls for 2016 Calendar Year:**

Fire Alarm – unintentional	96
Fire Alarm – Malfunction	46
Carbon Monoxide Malfunction	22
Brush Fire	8
Structure Fire	15
Carbon Monoxide Problem	7
Chimney Fire	5
Dispatch and Cancel	6
Motor Vehicle Accident	19
Hazardous Condition	36
Fire – Other	6
Other	24
<b>Total</b>	<b>290</b>

**Calls for 2017 Calendar Year:**

Fire Alarm – unintentional	88
Fire Alarm – Malfunction	54
Carbon Monoxide Malfunction	22
Brush Fire	3
Structure Fire	14
Carbon Monoxide Problem	14
Chimney Fire	5
Dispatch and Cancel	21
Motor Vehicle Accident	14
Hazardous Condition	27
Fire – Other	10
Other	33
<b>Total</b>	<b>305</b>

In closing, I would like to thank all of our Stowe Fire Department members for their hard work, training, response to calls and their 100% commitment to the fire service, and protecting all of the people in Stowe, regardless of living here or visiting. My thanks extends to all the family members that support their loved ones who respond, protect and serve their community.

A special thanks and recognition to 1<sup>st</sup> assistant chief Mark Walker, who has been a Stowe Fire Department line officer for the past thirty-five years and unselfishly serves the Town of Stowe.

Respectfully,  
Mark Sgantas, Chief, Stowe Fire Department



### **To Welcome ... To Inspire ... To Enrich the Mind**

“The only thing that you absolutely have to know is the location of the library.” - Albert Einstein.

The Stowe Free Library continued to expand its offerings and had tremendous success in the services provided this past year. (See statistics on next page.) Registered adult patrons increased 5%, and the juvenile patron count increased by 10%. Library materials sent to other libraries increased 62%, and incoming library materials borrowed from other libraries increased 57%. Adult programs increased 33%, and attendance at these events increased 7%. Juvenile programs increased 5% with attendance increasing 30%. Technical assistance provided to patrons increased 189%.

On behalf of the library staff and myself, I would like to thank you, the residents of Stowe and all of our library patrons, for allowing us to serve you and to be an integral part of this great community. And thank you to the following: the Town of Stowe Select Board, the Stowe Free Library Board, the Friends of the Stowe Free Library, the Library Staff and Volunteers, the Town Employees, the Copley-Munson Foundation, the Oakland Foundation, the Ashgate Foundation, the Vermont Department of Libraries, the Green Mountain Library Consortium, the Green Mountain Messenger, the Stowe Garden Club, the Helen Day Art Center, and the Stowe Historical Society.

Respectfully submitted,  
Cindy Weber, Library Director



## **STOWE FREE LIBRARY**

### **FY2017 STATISTICS:**

Adult cardholders: 5,406

Juvenile cardholders: 783

Print materials: 28,196

Video materials: 4,082

Audio materials: 1,870

Library material checkouts: 75,085

Consortia owned electronic books: 8,515

Consortia owned electronic audiobooks: 4,658

Electronic material checkouts: 2,715

Adult public access computers: 5

Juvenile public access computers: 3

Adult public access computer sessions: 4,217

Juvenile public access computer sessions: 1,170

Wireless connection sessions (February – June):  
1,380

Adult programs offered / Attendees: 24 / 626

Juvenile programs offered / Attendees: 188 / 3,612

Librarian visits to community organizations: 12

Items lent to other libraries (ILL service): 1,199

Items borrowed from other libraries (ILL service): 1,141



## **PARKS & RECREATION**

*Mission: Promoting Healthy Living and Community Vitality through Public Recreation*

### **STOWE ARENA**

The Arena has proven to be a tremendous asset to the community, the school district and athletics, Stowe Youth Hockey, NAHA and many others. The Arena offers a diversity of programming and activities for all ages, promotes healthy lifestyles, promotes community collaboration, provides economic impact, enhances an already strong hockey community presence, and adds to a sense of place here in Stowe.

Stowe Arena has carried on the tradition of Jackson Arena with the success of the teams and programs of the arena. The arena has not only been about hockey. Programs offered at the Arena include: Baseball, Field Hockey, Soccer, Tot's on the Turf, Figure Skating Club and lessons, Skate Date Nights, Broomball, Skate with Santa, and much more! The community room is regularly utilized by groups including, Recreation Commission, Green Mountain Toasters, Stowe Youth Hockey Board, VAHSA coaching clinics, VAHSA referee clinics, JoMotion, and private birthday parties. The community room and the arena offer a safe place for non-skating kids to do homework, watch friends/siblings play hockey, and a place of pick up for parents.

- 1356 ice rental hours, 210 turf rental hours in 2017
- Public Skating and Stick Time continue to be popular offerings. In 2017 there were more than 4200 visits for Public Skate and more than 1200 for Stick Time.
- Stowe High School boys have gone to the State Championships in 2014, 2015 & 2016, winning the State Title in 2014 and 2015. The semi-final games held at the rink saw large numbers of fans that filled the arena to capacity.



- Stowe Youth Hockey has won 3 State Championships, two of them here at Stowe Arena in 2017 during the State Finals, as well as 2 runner-up's.
- Tournaments are growing at Stowe Arena featuring events hosted by CHE, VT Glades, VT Flames, NAHA, Hockey Fights MS, and VT Stars. Local tournaments, the Hyde Cup and Women's Hockey both had another strong and successful year. NAHA's Labor Day tournament brought visitors to Stowe from 21 different States and Canada. Stowe Youth Hockey's Winter Carnival tournament featured 16 teams from Vermont, Maine, Massachusetts, New Hampshire, and Connecticut.
- Tots on the Turf has been growing every year. In 2017 there have been up to 60 kids and parents at some of the sessions.
- Turf has seen greater usage by Stowe Youth Lacrosse, Women's Field Hockey, Stowe Youth Soccer, and Stowe Youth Baseball. Overall turf rentals were increased in 2017.
- Capital Soccer provides youth clinics, Coed Adult Soccer league play, and Women's Adult Soccer league play

Here are a few things our customers had to say in 2017:

*"Accommodating staff...people were impressed with the rink...Stowe community obviously has a lot to offer out of state visitors."*

*"The first impression of an incredibly well cared for arena is noticed by those from out of town."*

*"The quality of the ice is 2nd to none."*

*"Best arena, ice, and lighting in all of Vermont, one of the best rinks in all of New England."*

*"Matt, Tony and their staff are extremely professional and thorough. They make running events at the arena smooth, including registration, field preparation, and regular communication. The facility is great - clean, organized, and an overall excellent environment for our events."*

*"Wonderful staff, Tony & Steve are super helpful and have simply the best ice I've skated on anywhere. (And I've seen many.)"*

*"The rink is one specific reason we enjoy vacationing in Stowe."*

*"One of the best assets in our town. Both my kids did learn to skate programs and one played hockey all thru high school and still plays when back in town."*





## RECREATION

In 2017, the Parks and Recreation Department offered a total of 56 programs and 10 events. Some new programs to make note of include Youth Basketball, Mini Milers, Horseback Riding, Outdoor Adventures, Skate Date Night, and Figure Skating Club. Participation statistics show that these programs have proven to be successful offerings for our community.



The Youth Summer Camp had a total of 111 unique participants in 2017. The Teen Summer Camp had 17 unique participants. Daily participation averaged at about 60 campers per day. When parents were evaluated about the camp, they indicated the following: *“Love all the things you do. It is a great program.”*; *“Loved the obstacle courses and the water play :)”* and *“Bike Day was amazing!”* Overall, 2017 was a successful camp year.

Our events ran as scheduled and were well attended this year. Fourth of July was a highlight of summer with vendors, carnival games, live music from the Leslie Grant band, a climbing wall, hay rides, a juggler and the grandest display of fireworks in Northern Vermont. Family Night in the Park gained a new twist by providing large group games for all who attended. Adults and children of all ages were playing kickball, participating in sack races and having fun in the community.

The Afterschool Program is vibrant with new and returning children. We’ve had an incredible time playing outside, bowling, swimming, ice skating, building with Legos, making crafts, baking and more! Participation for this program averages at about 12 participants per day. Our department graciously welcomed Megan Mallory as our new Afterschool Assistant this year. Her knowledge and expertise of youth development have become a huge asset to the department. Kelli Millick was hired as the department’s Administrative

Assistant after previously serving as the Recreation Supervisor, and has done an excellent job and has brought valuable knowledge and experience to the position.



## **PARKS**

Another year has come and gone for The Parks Dept. This is a highlight of what our dept. has done this past season.

### **Recreation Path**

- Bridges 6, 7 & 10 have been re-decked by our staff, one ahead of schedule. The remaining two bridges will be completed this spring.
- Signs have been replaced as needed along the path.
- New split rail fence has been installed after bridge 5 in two areas.
- Repainted lines and arrows.
- Different sections brush hogged.
- Quiet Path Bridge redone after beavers landed a tree on it, obviously upset with the location of the bridge.
- Gardens redone after a few years of no maintenance in 8 locations.



### **Cemeteries**

- Continue to remove white pines in Riverbank and recycle the wood.
- West Branch Cemetery fence completed along Fox Hill Road.
- Cremation garden walls and steps re-stained.
- Roads graded and parking areas improved.
- Gardens all redone in 5 locations.
- Over 20 burials this past year.

### **Memorial Park**

- Little League drain inlets redone after 40 years, finish work to be done.
- New scoreboard installed.
- Batting cage removed from upper field, will be replaced at some point.
- Brush hog Marshall Hill.
- Finished drainage and landscaping at Parks garage.
- Back area cleaned up of down trees and pruning.
- Both garages and storage unit repainted.
- Recreation Center repainted by staff.

**Buildings and Grounds**

- Library grounds reseeded after winter damage.
- Bark delivered for flower beds at Library, Historical and Bloody Brook buildings for volunteer group.
- Dog waste stations installed in Sterling.
- Areas brush hogged at High school, Rec. area, Polo fields, Events.
- All fields have been aerated and over seeded at least twice.
- All fields were rolled, some twice.
- Tent set up and removed for Rec. dept.
- October wind storm did a lot of damage which has been taken care of.
- Normal mowing, twice weekly on athletic fields.
- Fields lined for high school sports, little league baseball, flag football, co-ed softball.

**Winter**

- We continue to plow 11 parking lots, clean sidewalks from the Arena to the front of Helen Day, Recreation Center and other buildings, road to the Arena, and road through Riverbank.
- Throughout the year we have 45 garbage cans, 15 dog stations, 11 hanging baskets, 6 whiskey barrels, 13 porta-lets that are maintained daily, or weekly as needed.



In closing there is no shortage of work your Parks Dept. is doing, and without a great staff and support from this staff and you, we could not do it. Thank you to Mike, Sam, Jeff, Deb, Wendy, Davey, Rob, Chris, Joe, and Tyler.

Thank you,

Bruce Godin, Parks Superintendent



I want to thank all of our staff, volunteers and sponsors for their contributions to our department and community. Also would like recognize our Arena advertisers and sponsors: ***Stowe Mountain Resort, Commodities, Stowe Red Barn Realty, North Country Credit Union, 802Mobile, Union Bank, Copley Hospital, Mansfield Orthopedics, Irving Energy, Malt Shop,***

***Sushi Yoshi, Trapps Family Lodge, Copley Professional Services Group, Harvest Market, Bourne Energy, Power Play Sports, Fred's Energy, Breadloaf, Top Notch Resort, Ben & Jerry's, Loomis Property Services, Stowe Motel, McCarthy's, Commodores Inn, Stowe Country Homes, Real Bounce, Community Health Services of Lamoille County, The Country Store on Main, and Stowe Vet.***

Finally, thanks to all the Recreation Commission members for their contributions over the past year: Terrie Wehse, Adam Rice, Lynn Altadonna, Brett Loomis, Walt Levering, Michael Loughran, and Father Rick Swanson.

As always, you can find information regarding our parks, facilities, and programs on our website at [www.Stowerec.org](http://www.Stowerec.org) or stop by the David Gale Recreation Center or Stowe Arena to pick up one of our Program Guides. Scholarships are available through our Financial Assistance Program. Thank you to all those who help support this program.

Respectfully submitted,

Matt Frazee, Park & Recreation Director



## **PLANNING COMMISSION/PLANNING DEPARTMENT**

The Stowe Planning Commission has a number of roles and responsibilities that are defined by state statute. These include:

- Preparing revisions to the Town Plan for consideration by the Selectboard.
- Preparing revisions to the Stowe zoning and subdivision regulations.
- Undertaking capacity studies and making recommendations on matters of land development, urban renewal, transportation, economic and social development, rural beautification and design improvements, historic and scenic preservation, capital planning, the conservation of energy and the development of renewable energy resources and wetland protection.
- Having party status in all Public Service Board proceedings involving energy production or distribution projects.

One of the Commission's main tasks in 2017 was to begin developing an "enhanced energy plan" as an update of the Energy section of the Stowe Town Plan in order for the Plan to receive "substantial deference" in Public Service Board proceedings in the siting of renewable energy projects. This process will continue in 2018 along with updating other sections of the Town Plan.

The Commission completed a long process of developing a package of zoning revisions, the purpose of which was to implement the recommendations of the 2015 Stowe Town Plan, to clarify issues that had arisen during the development review process and to update the sign regulations to bring them into conformance with U.S. Supreme Court case law. The Selectboard adopted the proposed revisions on June 12<sup>th</sup>.

The Commission also held a series of public meetings to receive input on the issue of Short-Term Rentals (STRs). STRs include houses, condos and apartments that are rented on a nightly basis, most of which are advertised on sites like Airbnb and VRBO. There are over 400 listings in Stowe and most of them currently are in violation of the zoning regulations. This process resulted in the Commission recommending proposed zoning revisions that would allow STR's as a residential accessory use in all zoning districts as long as they meet certain conditions, including meeting fire safety codes and providing proof of submitting meals and rooms taxes. The Selectboard will begin discussing the proposed regulations in March.

The Planning Commission consists of the following members: Mila Lonetto, Chair, Brian Hamor, Vice Chair, Chuck Ebel, Chuck Baraw, Bob Davison, Arnie Ziegel and Neil Percy.

Stowe's Planning Director provides staff support to the Planning Commission and Conservation Commission (see Conservation Commission report). In addition, the Planning Director represents the Town on the following boards and committees:

- Stowe Vibrancy Design and Economic Development Committee
- Lamoille County Transportation Advisory Committee
- MRV/Rte 100 Master Plan Steering Committee
- Green Mt. Byway Steering Committee
- Lamoille County Brownfields Steering Committee
- Stowe Land Trust Board of Directors
- Smuggler's Notch Partnership
- Shutesville Hill Wildlife Corridor Partnership

The Planning Director's work in 2017 also included:

- Providing GIS mapping services
- Serving as acting Zoning Administrator
- Serving as Deputy Health Officer
- Town liaison with the Stowe Trails Partnership
- Coordinating the salvage timber harvest in Cady Hill Forest
- Coordinating Green-up Day
- Grant writing and administration

## STOWE POLICE DEPARTMENT



The officers of the Stowe Police Department continue to serve the citizens, business owners and visitors of Stowe by providing professional, compassionate and effective police services.

Law enforcement and the criminal justice environment is constantly changing. The officers of the Stowe Police Department strive to deliver excellent service and provide public safety to our community.

Providing public safety to the Town is a team effort and we work closely with all of the Town Public Safety Departments to meet all of the public safety objectives for the Town. The Stowe Police Department also has a close partnership with other law enforcement agencies in our region.

The Stowe Police Department is very appreciative of the support received from the community throughout the year. It is a joint effort between the police and the public, and the community must be an active participant in public safety.

Highway safety is a high priority for the Stowe Police Department. Every driver has a responsibility to drive safely. We encourage everyone to obey the speed limits, wear your seat belts, do not drink and drive and do not operate a vehicle while distracted.



The Stowe Police Department had 5274 incidents in 2017. A summary of those incidents included:

251	Motor Vehicle Crashes	498	Alarms
1291	Motor Vehicle Stops	3	Death Investigations / Untimely
140	Animal Complaints	11	Drug / Narcotics
29	Fraud / Embezzlement	10	Assaults
18	Burglary	73	Theft
1	Robbery	58	Parking Problem / Violations
28	Driving Under Influence	7	Juvenile Incidents
158	Medical / Rescue	204	Motor vehicle Complains
7	Missing Persons	145	Fire / Fire Department Assists
250	Suspicious Person /Circumstance	61	Noise Disturbance
75	Traffic Hazards	63	Citizen Disputes
13	Threats / Harassment	7	Trespassing
3	Sex Offense / Sexual Assaults	164	Assist Public / Motorists
14	Unlawful Mischief/Vandalism	6	Intoxication / Alcohol Offense
736	Directed Patrols	35	Suicide / Suicide Attempt

Officers issued 432 Traffic Citations and 1202 Warnings.

I would like to personally thank and praise the dedicated and professional employees of the Stowe Police Department for their continued commitment to meeting the objectives of law enforcement and providing public safety services to all residents, visitors and businesses of the Stowe Community.

Respectfully Submitted,  
 Donald B. Hull, Chief of Police



(Officer Scott Keene, Chief Donald Hull, Officer Kyle Walker)



## **PUBLIC WORKS DEPARTMENT**

The Public Works Department oversees the Highway, Sewer and Water Departments, provides technical assistance to other departments, and is responsible for the development and implementation of the Town's capital projects. In addition to our normal day-to-day operations and involvement with the Public Works aspects of a significant number of private development projects underway or being considered, 2017 was a year of planning and study for the future. These included efforts on the Moscow Road and West Hill Road intersections with Rte. 100, the Mountain Road Village Corridor including the Luce Hill Road/Rte 108 intersection, the Village Sidewalk Replacement, Main Street Utility Relocations, a large culvert replacement under Stowe Hollow Road and the forthcoming VTrans reconstruction of Rte 100 from Stowe Village to Exit 10 in Waterbury, which now includes our South Main Street Sidewalk and River Road Reconstruction Projects. Bids were recently received for this major project and hopefully construction will commence this spring. We also successfully completed emergency streambank stabilizations along the North Branch at West Hill Road and the West Branch along Rec Path north of Bridge 7, carpet replacement at the Library and are in progress with the rehabilitation of the historic Ski Museum windows.

Stowe's Highway Department continues to do an excellent job operating, maintaining and repairing approximately 100 miles of roads, 24 bridges, 600+ culverts and our existing and expanding sidewalk network. We accomplished paving reconstruction projects on Trapp's Hill Road and a portion of Cape Cod Road and the storm water system reconstruction projects on Sugarbush Lane and Robinson Springs Road with state grant funds for compliance with new VT Clean Water Act 64.



The Sewer Department operates, maintains and repairs our wastewater treatment plant and approximately 19 miles of sewer collection system with 3 pump stations. We currently have an average daily discharge of 340,000 gallons/day with an excellent water quality that substantially exceeds our permit requirements.

The Water Department is responsible for the operations, maintenance and repair of the Town water system which consists of 2 supply wells and treatment facilities, 9 storage tanks, 11 pump stations and 18 miles of distribution system. We also supply water to and undertake various levels of operational responsibility for private consecutive systems. We continue to make great progress on addressing many of our operational challenges including significant reductions in distribution system leaks and meter replacements. After significant effort, we convinced VTDEC to allow for the installation of a redundant supply well at our Village Green Treatment facility which is currently under construction and planned to provide increased supply capacity in the future.

Sincerely,

Harry J Shepard III, PE, Public Works Director/Town Engineer



Stowe Water Department with the help of Stowe Electric airlifting a new pump through a roof access hatch at a Mountain Road pump station.



Water Department employees Al Ross and Richard Griffin flushing hydrants.

## **Capital Projects Update**

**Lower Village Sidewalk / River Road Intersection:** New sidewalk on the east side of South Main Street in the Lower Village from Sylvan Park Road (north) to River Road and the existing River Walk. Project includes the reconstruction of the River Road intersection. This will include pedestrian safety improvements that will incorporate crosswalks through the intersection and eliminate the existing Y-type intersection and center island with a utility pole. This project is scheduled to be implemented in the next couple of years when the State reconstructs Rt. 100 from the Stowe Public Safety Building to the Waterbury roundabout.

**Mountain Road Village Sidewalks-Phase II to the Intersection of Cottage Club Road:** Final design and permitting in progress for possible future implementation when a traffic signal is installed at the Luce Hill/Mtn. Rd. Intersection.

**West Hill / Rt. 100 Traffic Signal:** The State has committed to the installation of a traffic signal at this location. It is currently planned to occur when the State reconstructs Rte 100 from Stowe Village to Morrisville which currently in the initial design phase.

**Village Center Sidewalk:** Voters at Annual Meeting are being asked to fund semi-final design of the replacement of curb/sidewalks along Stowe's Class 1 Highways. This includes those roads that are within the former village limits of state designated highways (From the flashing speed sign at the top of Pucker Street by the Brass Lantern Inn to the Public Safety Facility on Rt. 100 and up to the Field Guide Hotel & Restaurant on Rt. 108.). The intent is to hold a bond vote in November of 2018 to consider funding construction before VTrans paves the roads in 2020.

**Main Street Utility Line Relocation Study:** A conceptual Plan for electrical relocations has been developed by Stowe Electric. Public Works is in progress with furthering this concept development with all other affected utility companies and property owners in conjunction with the Village Center Sidewalks Study. The intent is to hold a bond vote in November of 2018 to consider funding construction.

## STOWE MOUNTAIN RESCUE

Mountain Rescue had a busy year, responding to 45 calls in 2017.

The missions are delineated accordingly:

<b>TYPE OF CALL</b>	<b>TOTAL</b>
SEARCH	10
LITTER CARRY	9
ASSIST SUBJECT	13
HIGH ANGLE/ROPE	4
STAND BY	0
SNOWMACHINE	1
WATER	0
RESCUE	4
EVENT/PUBLIC SERVICE	1
CANCEL BEFORE ARRIVAL	3

Mountain Rescue has implemented a new annual application process for candidates to be considered for membership. We have also incorporated a training schedule for new members which has enabled new members to learn the basic mountain rescue skills, including rope rescue techniques, knots, land navigation, water rescue and ATV/snow machine operations.

One member retired from service. David Palmer brought strong mountaineering and solid backcountry skills to the team. We thank him for his dedication and contributions to the Team.

Mountain Rescue applied for and was awarded a grant through the Vermont Department of Public Safety (Federal Homeland Security Funding) enabling us to obtain new swift water rescue gear at no cost to the Town.

Doug Veliko, Chief and Training Officer

Rory Burke

Nick Chegwiddden

Tracey Elykelhoff

Graham Govoni

Jason McLean

Andrew Millick

Ed Miller

David Raybould

Dennis Reinhardt

Tom Rogers

Andrew Ruschp

Greg Speer

Ed Stewart

Nick Warren

Todd Westervelt

Jonathan Wehse

Neil Van Dyke

## TOWN CLERK & TREASURER

The Town Clerk's Office is a leading point of contact for people with questions about our community. Whether its property tax questions, how to research your real estate records, and even how to get a passport or marriage license, we are always willing and able to assist.

Services remain the same as in years past – Fish & Game licensing, vehicle registration renewals, issuance of marriage licenses, dog licensing and passport services. The Clerk's Office is also the point of contact for most cemetery services such as lot purchase or burial information.

The following is a comparison of 2016 vs. 2017 statistics for some of the services we offer:

	<u>2016</u>	<u>2017</u>
Dog Licenses Issued	471	427
Fish & Wildlife Licenses Sold	29	21
Land Records Processed	10,810 pages	9,318 pages
Land Record Office Visits	over 2,000	over 2,000
Liquor Licenses/App. Processed	167	212
Marriage Licenses Issued	131	148
Motor Vehicle Reg. Renewals	135	34
Passports Issued	189	226
Passport Photos Issued	366	473

In addition to the services listed above, the Clerk/Treasurer's Office is responsible for the billing and collection of over 4,000 tax bills four times per year, along with monthly follow-up on past due accounts.

We are constantly looking for ways to improve service and accessibility to information. Currently, you can find many municipal documents, such as election results, contracts and Town Meeting minutes in a searchable database on our website.

In addition, you are now able to pay for many municipal services via credit card or electronic check (e-check) in our office or through the Town's web site. Visit [www.townofstowevt.org](http://www.townofstowevt.org) for a complete list.

Above all, we remain committed to serving our citizens to the best of our abilities.

Respectfully Submitted,  
 Lisa A. Walker, Town Clerk & Treasurer  
 Teresa E. Hoadley, Assistant Clerk/Treasurer  
 Gary Anderson, Assistant Clerk/Treasurer

## **COLLECTOR OF DELINQUENT TAXES**

The Collector of Delinquent Taxes' sole responsibility is to collect past due Town and School taxes listed on the Treasurer's Warrant following the installment due dates in August, November, February and May of each year. The following chart shows the delinquent amount immediately following the deadline.

In order to offset the cost of collecting delinquent taxes and in order to stimulate timely payment, Title 32 of the Vermont Statutes Annotated and Chapter 9 of the Town Charter provide for interest charges to be assessed against all delinquent accounts. These revenues are turned over to the Town's General Fund.

The Town of Stowe follows a firm, consistent and fair policy of collecting delinquent taxes. All taxes are required to be in the hands of the Treasurer by the deadline. Postmarks by the appropriate due date are acceptable.

Delinquent taxes are billed monthly, and every effort is made to accommodate people who try to satisfy their obligation. The Town's policy is to send all accounts with any portion due, one year or more in arrears to the Town Attorney for tax sale. Although this may seem harsh to some, experience has shown that those few accounts that remain delinquent after one year will be paid only if the Town follows this avenue. After all, the collection of delinquent taxes has a direct bearing on the Town's financial condition. In most tax sale cases, full payment is made before the tax sale actually becomes final.

Respectfully submitted,  
Lisa A. Walker, Collector of Delinquent Taxes

<u>Warrant Date</u>	<u>Amount Billed</u>	<u>Delinquent Warrant Amount</u>	<u>% Delinquent of Total Billed</u>	<u>Remaining Delinquent Amount</u>	
				<u>6/30/2017</u>	
September, 2012	\$9,489,489	\$294,472	3.10%		\$0
November, 2012	\$9,489,489	\$781,642	8.24%		\$0
February, 2013	\$9,489,489	\$777,514	8.19%		\$0
May, 2013	\$9,489,489	\$650,174	6.85%		\$0
<b>TOTAL</b>	<b>\$37,957,956</b>	<b>\$2,503,802</b>	<b>6.60%</b>		
August, 2013	\$9,525,734	\$640,779	6.73%		\$0
November, 2013	\$9,525,734	\$667,498	7.01%		\$0
February, 2014	\$9,525,734	\$801,391	8.41%		\$0
May, 2014	\$9,525,734	\$717,748	7.53%		\$0
<b>TOTAL</b>	<b>\$38,102,936</b>	<b>\$2,827,416</b>	<b>7.42%</b>		
August, 2014	\$9,739,969	\$685,446	7.04%		\$13
November, 2014	\$9,739,969	\$714,833	7.34%		\$13
February, 2015	\$9,739,969	\$873,665	8.97%		\$13
May, 2015	\$9,739,969	\$801,266	8.23%		\$13
<b>TOTAL</b>	<b>\$38,959,877</b>	<b>\$3,075,210</b>	<b>7.89%</b>		
August, 2015	\$9,998,594	\$726,878	7.27%		\$13
November, 2015	\$9,998,594	\$786,592	7.87%		\$13
February, 2016	\$9,998,594	\$675,483	6.76%		\$13
May, 2016	\$9,998,594	\$748,352	7.48%		\$13
<b>TOTAL</b>	<b>\$39,994,374</b>	<b>\$2,937,305</b>	<b>7.34%</b>		
August, 2016	\$10,344,478	\$720,553	6.97%		\$2,788
November, 2016	\$10,349,465	\$728,198	7.04%		\$52,977
February, 2017	\$10,346,973	\$769,555	7.44%		\$77,655
May, 2017	\$10,346,973	\$799,998	7.73%		\$191,775
<b>TOTAL</b>	<b>\$41,387,889</b>	<b>\$3,018,304</b>	<b>7.29%</b>		
<b>TOTAL OUTSTANDING DELINQUENCIES AS OF 6/30/2017</b>					<b>\$325,299</b>

## DOG LICENSES

Dog licenses and tags are available at the Town Clerk's office Monday through Friday from 8:00am to 4:30pm. All dogs that are more than six months old must be registered in accordance with the provisions of the Stowe Dog Ordinance.

A person keeping a dog contrary to license provisions of the Ordinance shall be guilty of a misdemeanor. The deadline for licensing is April 1st. A copy of the rabies certificate and alteration should be provided at the time of licensing.

427 dogs were licensed in 2017.

### Dog License Fee Schedule

<b>On or Before April 1st</b>	<b>FEE</b>
Spayed/Neutered	\$11.50
Un-Altered	\$15.50
<b>After April 1st</b>	
Spayed/Neutered	\$13.50
Un-Altered	\$19.50

**SPECIAL LICENSES** - Issued for **un-altered** dogs only that are kept for owner's breeding purposes (not for sale). The fee is \$31.00 for up to ten dogs. Additional dogs over 10, cost \$3.00 each.





## **IMPORTANT TAX INFORMATION**

**Method of Payment:** Currently dated checks should be made payable to TOWN OF STOWE, P.O. Box 730, Stowe, Vermont 05672. Payments mailed from foreign countries may either be paid by check or International Money Order, but must be payable in U.S. DOLLARS drawn on a U.S. bank. Checks not meeting these requirements will immediately be returned to the sender and penalties will be attached if applicable. All checks returned by the bank, for any reason, will cause the payment to be cancelled, any receipt for that payment to be void, and fees, penalties and interest added where applicable. Receipt will be mailed if a stamp is supplied.

**Taxes/Special Assessments:** The tax bill covers taxes and special assessments, if any, for the fiscal year July 1 through June 30. The total of the individual tax amounts shown in the breakdown may not equal the “total amount” because of the lost mill factor in computing each extension.

**Installment Payments/Delinquent Dates:** Taxes on real property are payable in four (4) equal payments. One quarter of the annual tax bill is due on each installment due date:

<b>1<sup>st</sup> Installment</b>	<b>August 10</b>
<b>2<sup>nd</sup> Installment</b>	<b>November 10</b>
<b>3<sup>rd</sup> Installment</b>	<b>February 10</b>
<b>4<sup>th</sup> Installment</b>	<b>May 10</b>

Any taxes not paid when due will be deemed delinquent and payable to the collector of delinquent taxes. **An additional charge** of two percent (2%) of the unpaid taxes will be imposed for each month or fraction thereof as interest on any tax not paid on or before the dates due. If the installment due date falls on a Saturday, Sunday or legal holiday, the time of delinquency will be on the next business day. **POSTMARKS WILL BE ACCEPTED.**

**Property Ownership/Statements:** Taxes are levied on real property as it exists in the name of the owner of record on the lien date of April 1<sup>st</sup>, prior to the July 1<sup>st</sup> tax year start date.

**Property Owner's Responsibility:** By law, tax bills are mailed to the owner of record as of April 1<sup>st</sup> at the address on file with the Assessor's Office on or about July 1<sup>st</sup>. **Failure to receive a bill DOES NOT relieve the taxpayer from the responsibility to pay the taxes when they become due and payable; nor does it relieve the addition of penalties and interest as required by law.** The Assessor's Office must be notified in writing of any address changes.

**Transfer of Property:** If all or a portion of the taxed property is sold it is the Seller's responsibility to forward the tax bill to the new owner. It is the **new owner's** responsibility to take note as to when the tax installments are due and payable. **The Town Clerk's office is willing to provide a copy of the current year tax bill at no charge.**

## **THE NEW VITAL RECORDS LAW (ACT 46)** **AND WHAT IT MEANS FOR YOU**

The Vermont Legislature passed Act 46 in May 2017, which significantly changes the state laws that govern vital records – namely, birth and death certificates. The new law and rules will enhance the safety and security of birth and death certificates, provide better protection against misuse of these legal documents, and reduce the potential for identity theft. Additionally, the changes streamline the entire statewide system for creation, storage and tracking of birth and death certificates. Act 46 will impact anyone who seeks a copy of a Vermont birth or death certificate. The changes go into effect on July 1, 2018.

The most notable changes are:

- Only family members (as defined in Act 46), legal guardians, certain court-appointed parties or legal representatives of any of these parties can apply to obtain a certified copy of a birth or death certificate. In the case of a death certificate only, the funeral home or crematorium handling disposition may apply for a certified copy.
- An individual must complete an application and show valid identification when applying for a certified copy of a birth or death certificate.
- An individual who refuses to complete the application or cannot provide valid identification will be ineligible and referred to the Vital Records Office.
- Certified copies of birth and death certificates can be ordered from any town, not just where the birth or death occurred or where the person was a resident.
- Certified copies will be issued on anti-fraud paper.
- Access to non-certified copies (previously called “informational” copies) is not significantly changed by the new law or rules.
- Marriage, civil union, divorce or dissolution certificate copies and processes are not affected by the new law or rules.

For text of Act 46, go to:

<https://legislature.vermont.gov/assests/documents/2018/docs/acts/act046/act046%20as%20enacted.pdf>

## **ZONING DIRECTOR AND HEALTH OFFICER REPORT**

In 2017 the Zoning Director issued 174 zoning permits that included construction of 17 new single-family dwellings. In addition, staff assistance to the Development Review Board was provided for 39 applications involving conditional use reviews, subdivisions, and Ridge and Hillside Overlay reviews. Staff assistance was also provided to the Stowe Historic Preservation Commission who reviewed 30 applications involving historic renovations. The number of permits issued over the last six years has averaged around 166 permits per year with 148 permits in 2012; 161 permits in 2013; 149 permits in 2014; 173 permits in 2015; and 193 in 2016; and 174 in 2017.

Permits for new residential houses in 2017 have varied in size from 1656 square feet of heated space to 7432 square feet of heated space. The average new house approved in 2017 had approximately 3,841 square feet of heated.

A zoning permit is required for any development project involving:

- New buildings (except certain smaller accessory buildings)
- Building additions
- Porches, decks, ponds, pools
- Accessory apartments
- Projects that increase the gross floor area
- Changes in driveway locations
- Major grading
- Changes in use
- Fences and walls in the Stowe Historic District (SHOD)
- Facade alterations if in the Stowe Historic District (SHOD) and for historic buildings
- Projects in the Ridge Hillside Overlay District (RHOD)

The Zoning Director serves as the Stowe 9-1-1 coordinator. New addresses are assigned when permits for new buildings are obtained. All questions about new and existing addressing should be directed to the Zoning Director.

Sewer and water allocations for new development are also coordinated through the Zoning Department. Information on previous allocations and requests for new allocations should also be directed to the Zoning Director.

Last, the Zoning Director also serves as the Stowe Health Officer. The Health Officer is charged with investigating certain public health hazards and risks within the municipality. He also is charged with enforcement of the Vermont Rental Code which establishes minimum housing standards for all rental units.

The Stowe Zoning Department is available to assist you with your development approvals. Assistance includes review of existing zoning records, review of applicable regulations, and guidance regarding other approvals that may need to be obtained. A preliminary project review is available and can save time and costs before proceeding with final design work. The Stowe Zoning Ordinance, Development Application, and other materials are available at the Zoning Office and at <http://www.townofstowevt.org/zoning> . The Zoning Department web page also includes useful links to DRB decisions, recently issued zoning permits, searchable wastewater and well permit databases, 911 address mapping, and natural resource mapping.

Richard Baker  
Zoning Director/Administrator  
Health Officer  
911 Coordinator  
PO Box 216  
Stowe VT 05672  
802-253-6141

[rbaker@stowevt.gov](mailto:rbaker@stowevt.gov)

## **AMERICAN RED CROSS**

### New Hampshire and Vermont Region

The American Red Cross of New Hampshire and Vermont is on call to help our community 24 hours a day, 7 days a week and 365 days a year. A local Red Cross volunteer is often the first "neighbor on the scene" after a disaster strikes – offering a hot cup of coffee, a warm blanket, and a glimmer of hope to those in need. Supported primarily by volunteers, the Red Cross provides emergency support for victims of fire, flood, and other disasters as well as instruction in health, safety, and aquatics courses. Whether we are helping one family recover from a devastating home fire, providing emergency shelter and supplies to hundreds of families after a major disaster, or food and water for first responders, we have historically been a vital part of the local community.

It was our privilege to continue to serve the residents of Stowe and surrounding communities in 2017. In the past fiscal year, we have:

- Responded to 254 disaster incidents in our region, providing essential support to 1,139 individuals. While Stowe did not experience any disasters this year, we responded to 1 incident and served 14 individuals in Lamoille.
- Collected 92,469 pints of blood and blood products at over 3,200 drives. 10 of these drives were in Stowe, where we collected 202 pints of life-saving blood.
- Empowered 1,100 trained volunteers to assist their neighbors during times of need. Seven of our volunteers call Stowe home.
- Trained 29,482 people in our various health and safety courses, including 110 courses in Lamoille where 406 people were taught lifesaving skills, including First Aid and CPR.
- Installed more than 2,200 free smoke detectors in homes and worked with families to create fire-evacuation plans. 357 of these smoke detectors were installed for your friends and neighbors throughout Northern Vermont.
- Connected 628 military members with their families and loved ones with the help of our Service to the Armed Forces department, including 6 Lamoille County residents who have served, are currently serving, or have a relative in the armed forces.
- Proudly maintained an efficiency rating of 91%, meaning .91 cents of every dollar goes directly to support the programs and services provided by the American Red Cross.

Since the Red Cross is not a government agency, we rely on individuals, businesses and local communities to support our efforts in helping to prevent, prepare for, respond to, and recover from emergencies. Toward that end, we are asking each community for a donation to support our work. Your partnership will help ensure that the American Red Cross has the resources to support communities throughout Vermont and New Hampshire when they need it most.

If you or someone you know experiences a fire, flood or other disaster and needs assistance, please call (802) 660-9130 option 1, anytime 24/7.

Sincerely,  
Rachel Zellem, Development Specialist

## **CAPSTONE COMMUNITY ACTION**

Since 1965, Capstone Community Action (formerly known as 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, Capstone Community Action served 14,460 people in 8,162 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, workforce training, healthcare navigation, and more.

Programs and services accessed by 107 Stowe households representing 167 individuals this past year included:

- 71 individuals in 36 households accessed nutritious meals and/or meal equivalents at the food shelf.
- 5 households with 18 family members were able to keep heating their homes with help from our Crisis & Supplemental fuel programs as well as other utility costs.
- 8 individuals in 3 households worked with housing counselors to find and retain affordable, safe, secure housing.
- 2 children were in Head Start and Early Head Start programs that supported 1 additional family member.
- 1 household was weatherized at no charge, making them warmer and more energy efficient for 6 residents, including 1 resident with disabilities.
- 4 people found and maintained reliable transportation with support from the Capstone Transportation Project, including car purchases.
- 6 people attended classes or met one-on-one with a financial counselor to be better able to manage and grow family finances.
- 1 entrepreneur received counseling and technical assistance on starting or growing a business.
- 35 residents had their taxes prepared at no charge by Capstone's IRS certified volunteers ensuring them all the refunds and credits they were due.
- 2 people saved towards an asset that will provide long-term economic security. With savings, homes were purchased; businesses were capitalized and people enrolled in higher education or training.
- 10 people received information and assistance for signing up for Vermont Health Connect.
- 2 residents received a referral for the Jobs for Independence program.

**Capstone thanks the residents of Stowe for their generous support this year!**



## **CENTRAL VERMONT ADULT BASIC EDUCATION**

### *Local Partnerships in Learning*



Central Vermont Adult Basic Education (CVABE) is a community-based nonprofit organization serving the adult education and literacy needs of Stowe residents for more than fifty years. CVABE serves as central Vermont's resource for free, individualized academic tutoring for individuals (ages 16- 90+) in:

- Basic skills programs: reading, writing, math, computer literacy
- English Language Learning and preparation for U.S. citizenship
- High school diploma and GED credential programs
- Academic skill readiness for work, career training and/or college

CVABE has six welcoming learning centers located throughout the organization's tri-county service region, including a Learning Center in downtown Morrisville and one in downtown Waterbury. We collaborate closely with schools, libraries, employers, and a great number of other community resources to make our unique service locally accessible. Our welcome extends to everyone.

CVABE provides education services to an average of 13 Stowe residents annually, and last year 13 Stowe residents enrolled. Teachers instruct students one-to-one and/or in small groups. Each student has a personalized education plan to address his/her learning goals. These goals might include: getting or improving one's job, earning a high school credential, helping one's children with homework, budgeting and paying bills, reading important information, obtaining a driving license, preparing for college, gaining citizenship, and more. As parents gain literacy, their children are twice as likely to grow up literate themselves.

CVABE provides free instruction to 450-500 people annually in its overall service area of Washington, Orange and Lamoille Counties. Nearly all students are low income. It currently costs CVABE \$3,145 per student to provide a full year of instruction. Over 125 community volunteers, including 7 volunteers from Stowe, work with CVABE's professional staff to meet the large need for these services while keeping overhead low.

We are deeply appreciative of Stowe's voter-approved past support. This year, your level support is again critical to CVABE's free, local education services. Only a portion of CVABE's budget is comprised of state and federal support. Funding is needed each year from the private sector and from the towns and cities we serve, or we could not help many of the neighbors who need education for a better life.

For more information regarding CVABE's basic education and literacy instruction for students, or volunteer opportunities, contact:

CVABE's Morrisville Learning Center  
52 Portland Street, PO Box 478  
Morrisville, VT 05661  
(802) 888-5531

or

CVABE's Waterbury Learning Center  
31 North Main Street  
Waterbury, Vermont 05676  
(802) 244-8765  
[www.cvabe.org](http://www.cvabe.org)

## **CENTRAL VERMONT COUNCIL ON AGING**

Central Vermont Council on Aging is a private, nonprofit organization that is dedicated to the mission of supporting elders and family caregivers in leading self-determined, healthy, interdependent, meaningful and dignified lives in their homes and communities.

For more than 40 years, CVCOA has assisted older Vermonters aged 60 and up to remain independent for as long as possible. We connect the elders in our communities to the network of benefit programs and services that they need to thrive. All services are made available to our clients at no charge without regard to health, income or resources.

Some of the options we make available include:

- Senior Help Line - (800) 642-5119 - has the answers to hundreds of common questions from elders, families and caregivers.
- Information & Assistance staff counsel elders and families on the many available benefit programs and services, such as 3SquaresVT, seasonal fuel assistance, and more.
- Case Managers work with clients in their homes to assess needs and develop, implement and coordinate individualized long-term care plans.
- Nutrition Services oversees the menu development for home-delivered and community meals and provides the largest source of funding for the 14 meal sites that prepare and deliver these meals.
- State Health Insurance Program (SHIP) provides personalized Medicare counseling, group training, and enrollment assistance for Medicare Part D plans.
- Family Caregiver Support promotes the well-being of the family members who help to make it possible for seniors to remain in their home.

During the last year, Central Vermont Council on Aging provided one or more of the above services to 73 Stowe residents. Case Managers, Bonnie Hanson and Penny Walker-Reen were designated to work directly with the seniors in Stowe. Central Vermont Council on Aging devoted a total of 742 hours of service to Stowe seniors.

All of us at CVCOA extend our gratitude to the residents of Stowe for their ongoing commitment to the health, independence, and dignity of those who have contributed to making the Central Vermont communities what they are today.

## THE CHILDREN'S ROOM



The Children's Room, The Early Education Resource Center of Waterbury, has deeply appreciated the support of the people of Stowe over the past 34 years. In addition to various fundraising events, we depend on generous grants from local businesses and user donations for our sustainability.

The mission of The Children's Room is to support children, their families, and caregivers by providing opportunities for playing, learning, and gathering with other community members. We are a non-profit, volunteer-run organization that serves the families and caregivers of children from birth to age six. Our warm and welcoming drop-in center, located within Thatcher Brook Primary School, is a support facility and hub of area parenting and care-giving resources. Our goal is to promote children's intellectual, emotional, social and physical development through highly accessible programming options.

The town's support will be essential in helping us to maintain our quality programming. As the higher-cost private programs become even further out of the economic reach of many families in our community, we've seen an increased demand for our free learning enrichment programs. These include weekly story and music hours, nature programs, daily gym time, field trips to local attractions, parenting forums, and special educational events. In addition, The Children's Room sponsors many special events throughout the year to promote strong family and community relationships while supporting local businesses and organizations. Our monthly special events calendar includes our Annual Barn Dance, Halloween Party, Big Toy Night, Kids Fest, First Aid and CPR courses, and the Wallace Farm field trip. Our play space is also a welcoming resource for other local children's organizations.

The Children's Room is an active participant in early child development in Central Vermont and Lamoille County. Our sign-in sheets indicate we served over 350 families last year, consisting of 2,645 child visits and 1,984 adult visits. Of those, 26 Stowe families utilized our free services during the year on many different occasions. These numbers do not include attendance at our special events, attracting upward of 50 families per event.

It's been a pleasure providing such a valuable resource to Stowe families, and we look forward to future years of service. We deeply appreciate your support and thank you for your consideration.

Best Regards,  
Anne Latulippe, Executive Director

## **CLARINA HOWARD NICHOLS CENTER**



*“I honestly feel that someone has my back and generally wants us to succeed in all aspects of our lives. She is more than just an advocate to me, she's like an angel sent to help us through the dark times in my family's life and I could never thank her enough for everything she is doing for all of us.” - Survivor*

Founded in 1981, the Clarina Howard Nichols Center works to end domestic and sexual violence in Lamoille County. A violence free tomorrow is our vision today. During the past year Clarina served 328 individuals, including:

- Provided shelter to 54 individuals (32 adults and 22 children)
- Provided criminal court advocacy to 88 individuals
- Provided Relief from Abuse Order advocacy to 63 individuals
- Received 970 hotline calls

### Our Services:

- 24-hour hotline - support, information and options from a trained advocate including access to emergency shelter and assistance with filing emergency Relief from Abuse Orders.
- Vermont's only companion pet friendly shelter – a safe environment in which to explore options and identify next steps toward a life free of violence.
- Advocacy - legal (criminal and civil), housing, community/general, and medical.
- Outreach and Education - presentations and trainings to groups, organizations and schools in Lamoille County to raise awareness about domestic/sexual violence and Clarina's services.
- Children's Services - support for survivors to sustain healthy relationships with their children and support and skill building for children who have experienced or witness violence.
- Supervised Visitation - a safe, supervised environment for children to engage with their non-custodial parent when unsupervised visits are not a safe option.

## **FRIENDS OF WATERBURY RESERVOIR**



Friends of Waterbury Reservoir (FWRes) is a Vermont-registered 501(c)(3) non-profit organization committed to protecting, improving and enhancing the ecological, recreational, and community values of the Waterbury Reservoir. We are grateful for the support of the people of Stowe through their individual contributions and for your town appropriation last year.

We are an all-volunteer organization, with the exception of a part-time employee who works for our Boat Access Greeter Program, which has the goal to prevent the spread of aquatic invasive species. We have successfully managed our program for the past two years in cooperation with the Vermont State Parks to educate recreational boaters about the harmful effects of invasive species and what they can do to prevent them from spreading. Our greeters provided courtesy boat inspections to help boaters "do the right thing" to prevent the spread. We have seen some success in stopping invasive species introductions and our greeters are welcomed by boaters and state employees.

Our volunteers supplement the work of the paid Greeter, as well as participate in cleaning up trash throughout the season. We work with state agencies and other groups to maintain the reservoir despite the increased number of visitors putting increased pressures on the resource, such as:

- Noise from users of shoreline areas and the reservoir itself, which disrupts campers at Little River State Park.
- Degradation of popular shoreline areas including compaction and erosion, tree cutting, inappropriate disposal of human waste, and littering.
- Intrusion on wildlife habitat, particularly common loons.
- Law enforcement issues such as high-speed motorboat operation within the no-wake zone areas, user conflicts, and unattended fires.
- Safety concerns due to a lack of precise shoreline mapping to help locate people who are in need of emergency rescue.
- Degradation of the boat launches and the canoe access plus inadequate resources to maintain and improve those areas.

Our core mission is to maintain an attractive and clean reservoir to provide year-round opportunities for all Stowe residents and visitors to recreate. This also provides a benefit for town businesses and taxpayers. There are an average of over 67,000 visitors to the Little River and Waterbury Center State Parks each year, spending an estimated \$8 million in durable and non-durable goods in Vermont. This provides an economic boost to Stowe and the surrounding area.

We are committed to working for the health of the Waterbury Reservoir through stewardship, research, community involvement, collaboration with all stakeholders, and connecting people and place. We appreciate the support of the Town of Stowe and thank you.

Prepared by John Bauer, President  
802-279-7222 [bauervt@gmail.com](mailto:bauervt@gmail.com)

# GOOD SAMARITAN HAVEN

## 2016 IMPACT REPORT

### GOOD SAMARITAN HAVEN

**SHELTER+SUPPORT** GOOD SAMARITAN HAVEN PROVIDES SUPPORT SERVICES TO HELP CLIENTS FIND STABLE HOUSING AND EMPLOYMENT.



**82%**  
Received Case Management Services



**71%**  
Found Employment, Enrolled In An Education Or Training Program, Or Qualified For Benefits



**30% STABLE**

Moved Into Stable Housing Within 90 Days Of Entry



**37 DAYS**

Average length of stay in Good Samaritan Haven's Emergency Shelter Program.



**177 NIGHTS**

Number of nights the shelter was full and operating at capacity.

**10,110 CHARITABLE MEALS SERVED**



Good Samaritan Haven remodeled the shelter's kitchen and increased its capacity to provide charitable meals with the help of the Walmart Foundation this year.

**FAMILY SUPPORTIVE HOUSING**



Good Samaritan Haven helped launch the Family Supportive Housing Program to end family homelessness in Washington County.



**29 CHRONIC**

Number of guests who have been chronically homeless for more than one year.

**224** NUMBER OF UNIQUE INDIVIDUALS EXPERIENCING HOMELESSNESS SHELTERED AND SUPPORTED BY GOOD SAMARITAN HAVEN



**110**

**MENTAL ILLNESS**



**66**

**PHYSICAL DISABILITY**



**62**

**SUBSTANCE ABUSE**



**58**

**DOMESTIC VIOLENCE**

25 Clients Were Veterans • 88% Were White • 67% Were Male • 47% Were Ages 25-44

Learn more at [www.GoodSamaritanHaven.org](http://www.GoodSamaritanHaven.org)



## **HELEN DAY ARTS CENTER**

Helen Day Art Center's mission is to enhance the human experience through the visual arts. 2017 was defined by continued innovation in exhibitions, and improved quality and quantity in education offerings at the Art Center. We are fortunate to have the support of the Town of Stowe, this community, and that of many other residents and visitors.

The new year kicked off with *Natalie Jeremijenko: A solo exhibition* in the galleries in conjunction with her Artist-in-Residence site-specific installation at Spruce Peak. Accompanying her exhibition, Jeremijenko held free workshops for the public throughout the duration of the show. Over 356 visitors of all ages came to view and participate with Jeremijenko's work.

May featured our annual *Student Art Show* featuring works from Stowe Elementary School, Stowe Middle School, Stowe High School plus guest schools Peoples Academy Middle Level and High School. July through October celebrated our 26th Annual Exposed. outdoor sculpture exhibition. A favorite time of the year for locals and visitors to enjoy the local beauty of Stowe elevated with monumental artworks by world renowned artists such as Mark diSuvero, Victoria Palermo, and Lionel Smit.

This summer we were pleased to exhibit the fourth biennial exhibition *Best of the Northeast Masters of Fine Arts* group exhibition featuring recent or current Master of Fine Art students from New England and New York which was guest curated by Gabriel Sosa.

In the fall we were proud to show the group exhibit *Art of the Selfie*, guest curated by Sarah McCutcheon Greiche, which featured historically influential artists such as Andy Warhol, Carrie Mae Weems, Cindy Sherman, Marina Abramovic, Suzy Lake, and Christopher Makos. In the East Gallery we exhibited the work of Michael Rocco Ruglio-Misurell in conjunction with *Art of the Selfies*. Nearly 670 students and art viewers came to view the artwork throughout these eight weeks, including participants who attended public interactive talks and activities for school tours.

We closed the year with our annual Members' Art Show and Festival of Trees & Light. So far, four elementary school tours have visited the show and participated in scavenger hunts. We project to have around 900 visitors who will come for this exhibit to see our member's artwork and festival decor by the end of the show.

Susan Holliday, Education Director, led the programming to new levels of excellence and increased our outreach and engagement with underserved students - awarding over \$6500 in youth & adult scholarships during the year. We offered 61 classes, camps, and workshops to youth, teens, and adults. Other education programs included five annual family events which engaged over 170 members of our community. We added two new programs in 2017; weekly Art Play for 1-4 year olds and a free Teen Drop-In Studio.

In December, 2017 we welcomed Jen Schoeberlein as our new Deputy Director. Throughout the year, we mentored interns from UVM and Champlain College and 115 volunteers helped us with exhibits, programming, education, and graphic design.

The Art Center's Board of Trustees is instrumental to our success. Thanks to the following Board members who served in 2017: Diane Arnold, Adam Blue, Ellisa Doiron, Greg Popa, Kim Dreslin, Giulia Eliason, Jay Ericson, Brian Hamor, Remy Joseph, Diane Looney, Lisbeth Bruce, Molly Triffin, Lance Violette, Yu-Wen Wu, Jill Zborovancik; Emerita/us: Ted Lockwood, Ginny Neel, Annie Strobel.

We are very proud of our accomplishments and contributions in 2017. Don't miss the opportunity to be creative and inspired; visit the Helen Day Art Center in 2018!

Yours,  
Rachel Moore, Executive Director

Helen Day Art Center  
90 Pond Street, PO Box 411  
Stowe, VT 05672  
802.253.8358  
[www.helenday.com](http://www.helenday.com)

Gallery Hours: Tuesday - Saturday 10:00-5:00 during exhibits

## HOME SHARE NOW

Since 2003, Home Share Now has been facilitating home sharing, typically between people who need affordable housing and older adults. Instead of market rent, services and/or a stipend are delivered by vetted home seekers. Home Share Now is the only organization offering this service in central Vermont; we serve Orange, Washington, and Lamoille County and nine adjacent towns.

Our mission—cultivating relationships to expand the possibilities for living—is a means to many ends: stabilized housing, extra income, reduced rent, nursing home diversion, enhanced sense of community, respite for adult children caring for aging parents, and at-home, non-medical services.

Our goal is to enable our target audience (seniors in need of in-home assistance, seniors living in subsidized housing, adults living with disability, the financially insecure sharing housing in an effort to maintain stability, and people in transition) to live where and how they would like.

	FY13	FY14	FY15	FY16	FY17
<b>Unique home sharers</b>	47	49	90	107	115
<b>Hours of assistance provided</b>	No data	6,500 hours	10,200 hours	12,800 hours	12,125 hours
<b>% of home seekers paying \$0</b>	35%	35%	25%	37%	31%
<b>Average monthly rent exchanged</b>	\$244	\$340	\$304	\$323	\$290
<b>Nursing home savings</b>	\$290,000	\$229,000	\$425,000	\$631,000	\$354,423
<b>Housing units created</b>	49 units	61 units	76 units	94 units	99 units
<b>Rental savings</b>	\$75,000	\$81,780	\$122,558	\$168,696	\$157,996
<b>Potential new construction cost</b>	\$9.6 million	\$12 million	\$15 million	\$18 million	\$19 million
<b>% of low-income participants</b>	74%	74%	80%	86%	85%
<b>HSN's Operating Budget</b>	\$198,751	\$234,945	\$259,373	\$269,843	\$277,642

Here's how our overall population served stacks up over the last few years:

In FY18 we expect to secure housing for 120 people via home sharing while providing another 650 people with housing assistance. Thanks to the support of the voters in Stowe:

- 100% of matched home seekers worry less about money
- 59% of matched home providers feel safer at home
- 62% of matched home providers feel less lonely
- 70% of all matched home sharers live where and how they want thanks to Home Share Now
- 98% of matched home sharers would recommend Home Share Now to family and friends
- 98% of matched home sharers are satisfied with Home Share Now's services
- 94% of matches completing the Outcome Survey reported an increase in their quality of living, be it sleeping better, worrying less, or feeling healthier.

**Home Share Now**  
**105 North Main Street, Suite 103**  
**Barre, VT 05641**  
**802-479-8544**

## LAMOILLE COMMUNITY FOOD SHARE



Lamoille Community Food Share is a locally funded, volunteer powered 501c3 non-profit corporation. Our mission is to help support and improve the physical well-being of individuals who might otherwise go hungry. To this end, we provide supplemental food, free of charge, in a supportive environment, striving to offer healthy choices within our budget. We help all those who ask, but our main service area consists of the towns of Eden, Elmore, Hyde Park, Morristown, Stowe and Wolcott. We are open 6 mornings a week.

As of November 15, 2017, we have seen 201 individuals from Stowe visit our pantry, that's an increase of 1% over last year. We have served 77 families including 116 adults, 16 seniors and 69 children. 38 of the families had at least one family member who was working but they still could not make ends meet. The support we receive from our community allows us to keep our doors open 6 mornings a week for those in need. More than ever, we appreciate the help we have received in the past and look forward to continued support from our friends and neighbors in Stowe. Your support of LCFS ensures that the citizens of Stowe have access to healthy nutritious food. Thank you!

Board of Directors:

Joan Greene – President

Caroline Ballard

Pam Hammel

Karen Loh

Pete Monaco

Darsey Moon

Jan Tichansky

Trudy Trombley

Ellen Waldman

Josh Ziegler

## LAMOILLE COUNTY MENTAL HEALTH SERVICES



Lamoille County Mental Health Services has always strived to provide the highest quality services and support to our community to enhance independence and quality of life. Over the past year we provided quality services to Lamoille Valley residents with all of our programs including a 24 hour 365 day a year Mobile Crisis Team (MCT) responding to requests from children, families, and individuals as well as local police, EMT, Copley Hospital ER, Lamoille Valley school districts and other providers. The MCT also provides Critical Incident Stress Debriefing for first responders, families, and work colleagues coping with the aftermath of a traumatic event. This is the only full time mental health emergency crisis response service in the region. For the fiscal year ended June 30, 2017, we served sixty-six (66) Stowe individuals.

We have been collaborating with our community partners on our Crisis Bed stabilization program named Oasis House. This two-bed program opened in February 2013, and the program has been of tremendous help in preventing and/or diverting Emergency Room visits and/or hospital stays. This unit will serve our local consumers and when room is available, will support the state's effort at making available more care in the community. In the past year, we have created a community CADRE team to support individuals who are experiencing a difficult time to have someone to talk to while sitting in the emergency room. This resource has allowed other community resources to be used more appropriately. We are currently working on a police social worker liaison to assist law enforcement divert individuals from the corrections system, when that is possible.

Your continued contribution and support is always valued but is more important than ever as the state wrestles with healthcare reform. In these times, the people at the local level must do what we can to support our families and friends who find themselves in need. Our commitment to you is that when there is need we will be there.

Sincerely,  
Savi Van Sluytman, Executive Director

72 Harrel Street | Morrisville, VT 05661 | Voice: (802) 888-5026 |  
Fax: (802) 888-6393 | [www.lamoille.org](http://www.lamoille.org)

## LAMOILLE COUNTY PLANNING COMMISSION



The Lamoille County Planning Commission (LCPC) is a multi-purpose governmental organization formed by municipalities and serving Lamoille County. LCPC is governed by appointed representatives from each town and village and five elected County Directors.

Lamoille County Planning Commission implements a variety of projects and programs tailored to local, regional and statewide needs. The revised Lamoille County Regional Plan was adopted in November 2015. This year, the Commission adopted an amendment to the Plan redefining Substantial Regional Impact (SRI) criteria. This previous SRI criteria included in the Lamoille Regional Plan had not been updated since 1991 and we believe that this update will be crucial to further improving LCPC's Act 250 review process and enhancing development in the county.

### Projects and Programs

- **Municipal Plan and Bylaw Updated & Related Technical Assistance:** Focus on predictable and effective local permitting through education, training, bylaw modernization, and plan updates.
- **Brownfields Revitalization:** Complete environmental site assessments and clean-up planning so properties can be sold or re-developed to benefit the economy, create/protect jobs, enhance quality of life, and increase housing opportunities.
- **Transportation Planning:** Coordinate local involvement in transportation decisions, represents Lamoille County municipalities on Rural Community Transportation and Green Mountain Transit Boards; facilitate and provide administrative support to the Green Mountain Byway Committee; coordinate outreach and training through the Transportation Advisory Committee (TAC); provide services such as intersection studies, corridor plans, road foremen network, Municipal Road Permits and the Orange Book workshops, and traffic counts; and coordinate with other entities such as Agency of Natural Resources for compiling county-wide lists of potential projects to consider for implementation.
- **Emergency Response Planning:** Better prepare our region and state for disasters by coordinating with local volunteers and the State on emergency response planning, exercises and trainings. Assist communities with planning and implementing of hazard mitigation projects to reduce damages from future disasters.

- Watershed Planning and Project Development: Implement water quality projects and programs to protect water resources, ensure safe water supplies, enhance recreational opportunities, and address known sources of pollution. Provide Vermont Clean Water Fund Outreach and Assistance. Assisted in the development of the Lamoille Tactical Basin Plan.
- Regional Plan: Coordinate infrastructure, community development and growth at the regional level through the development, adoption, and administration of a comprehensive regional plan.
- Geographic Information Service: Provide municipalities, state agencies, and regional groups mapping assistance and data analysis in support of their projects.
- Special Projects: Complete special projects such as downtown revitalization, recreational paths, farmland preservation, forest stewardship, economic development, and affordable housing.
- Grants: Provide assistance identifying appropriate funding sources, defining project scope, and writing applications.
- Board Development: LCPC is comprised of a Board of Directors with 18 Directors appointed by municipalities and five County Directors representing regional interests. For FY17, County Directors were: Howard Romero, Ralph Monticello, Linda Martin, Valerie Valcour and Caleb Magoon. In FY 18, County Directors are: Caleb Magoon, George Gay, Howard Romero, Linda Martin, and Brandon Fowler.

### **FY17 Municipal Assistance for Stowe**

- Oversaw design of the Boardwalk at Barnes Camp – a 620-foot-long accessible boardwalk trail in Smugglers Notch.
- Assisted with drafting of Enhanced Energy Plan compliant with Act 174 relating to improving of siting of energy generation facilities.
- Facilitated Green Mountain Byway Steering Committee and provided mapping assistance.
- Developed 2017-2022 Local Hazard Mitigation Plan and revised Plan to incorporate Federal Emergency Management Agency (FEMA) comments.
- Updated Hazard Mitigation Plan map.
- Assisted LEPC#11 in conducting a Tabletop Exercise to prepare for responding to local hazards in Lamoille County. The scenario presented was a hypothetical dam breach at Stowe Mountain Resort during heavy rains.
- Assisted in updating the Stowe hydrants and E-911 maps to aid emergency response navigation.



- Provided information and technical support, including site visits upon request with VTrans and ANR staff consultations with highway department and town staff regarding Municipal Road General Permit.
- Conducted town-wide road erosion inventory.
- Provided assistance in updating the Local Emergency Operations Plan.
- Conducted two traffic counts on Moscow Road, one count each on Luce Hill and Maple Street and one turning movement count at Luce Hill – VT 108 intersection.
- Conducted two bike-pedestrian counts in Cady Hill Forest trails, near the VT 108 trailhead, one in winter and one in summer.
- Served as project manager of two intersection safety improvement studies, West Hill-VT 100 and Moscow Road-VT 100.
- Facilitated and participated in a Road Safety Audit by VTrans staff on the Stagecoach Road-VT100 intersection.
- Provided information about Vermont Agency of Transportation (VTrans) grant programs and other available funds such as the Transportation Alternatives, Bike-Ped, Better Roads and Park-n-Ride grant programs. Provided support and technical assistance for Better Roads grant program.
- Reviewed Act 250 applications for Alpine Modern Homes and Section 248 applications for Moscow Road Solar and Cady Hill Solar and certified them for conformance to Regional Plan.

**LCPC Board Members:**

Brian Leven  
Madeline Motta

**Transportation Advisory Committee Members:**

Tom Jackman  
Chris Jolly (alternate)

## **LAMOILLE COUNTY SHERIFF'S DEPARTMENT** **2017 Annual Report**

The Lamoille County Communication's Center received 16,633 E911 calls this past year, which is down from 17,988 in 2016. In May, the Franklin County Sheriff's Department left the Lamoille County Communication's Center resulting in a loss of \$25,000 of revenue. We hired a total of five new dispatchers with two of them coming to us with prior dispatching and 911 call taking experience. We are currently fully staffed with 11 dispatchers.

<b>Fire Agency</b>	<b>Total Calls</b>	<b>Ambulance Agency</b>	<b>Total Calls</b>	<b>Police Agency</b>	<b>Total Calls</b>
Barre Town	220	Barre Town	3728	Barre Town	6131
Elmore	40	Hardwick	548		
Hardwick	58	NEMS	750	LCSD	6283
Johnson	129	Cambridge	383	Stowe PD	5277
North Hyde Park /Eden	62	Morristown	737	Hardwick PD	2706
Wolcott	38	Stowe	701	Morristown PD*	4229
Cambridge	218				
Greensboro	30			FCSO**	1744
Hyde Park	100				
Morristown	216				
Stowe	305				
<b>Total</b>	<b>1416</b>	<b>Total</b>	<b>6847</b>	<b>Total</b>	<b>26370</b>

\* Total number of calls dispatched by LCSD & department's own part-time dispatch

\*\*Total dispatched calls from January 1<sup>st</sup> – April 30<sup>th</sup>

In 2017, the Lamoille County Sheriff's Department responded to a total of 6,283 calls for service, which includes our patrol calls, mental health sit watches and various transports. Significant calls and investigations this year included 15 drug investigations and 7 sexual assaults. As a proactive and safety-oriented Department, LCSD Patrol Deputies and supervisors conducted frequent foot patrols, directed patrols for areas reported areas of criminal activity, and requested property watches. Deputies also made 14 DUI arrests, issued 518 traffic tickets for witnessed motor vehicle violations, investigated 225 motor vehicle collisions, and responded to 220 reported motor vehicle complaints.

Going forward, the focus of the Patrol Division continues to be on the opiate drug crisis, and increasing the volume of directed roadway patrols, in an attempt to reduce the number of traffic crashes and increase safety for the motoring public.

Respectfully,  
Roger M. Marcoux Jr., Lamoille County Sheriff

## LAMOILLE COUNTY SPECIAL INVESTIGATIONS UNIT



*“Justice and support for survivors of abuse”*

The Lamoille County Special Investigation Unit/Child Advocacy Center is a non-profit organization dedicated to investigating, prosecuting and providing victim advocacy services for victims of sexual violence, child physical and sexual abuse, and crimes against vulnerable adults. The LCSIU/CAC represents a collaborative partnership between the Lamoille County State’s Attorney’s Office, Vermont State Police, the Lamoille County Sheriff’s Department, Morristown Police Department, Stowe Police Department, the Clarina Howard Nichols Center, Copley Hospital and the Department of Children and Families, as well as various therapeutic service providers.

In fiscal year 2017, the LCSIU/CAC was involved in 60 incidents throughout Lamoille County, including 53 investigations related to allegations of physical and sexual abuse against children and 7 investigations related to allegations of sexual violence against adult victims. Town funds supplement our state funds and help us to support our investigators in effectively investigating incidents, our victim advocate in helping victims through this very difficult process, and the State’s Attorney’s office in attaining justice. Our goal is to prevent further trauma to the victims by providing a safe, non-threatening, family friendly space to meet and explore allegations of abuse. Members of our Team receive specialized training to investigate these sensitive cases.

The LCSIU/CAC is an associate member with the National Children’s Alliance (NCA). As the accrediting agency for Children’s Advocacy Centers (CAC) across the country, NCA awards various levels of accreditation and membership to centers responding to allegations of child sexual and severe physical abuse. This designation means we meet rigorous national standards that ensure these allegations are investigated and prosecuted effectively and efficiently, while providing coordinated support services to victims and their families.

Thank you for your continued support.

## **LAMOILLE ECONOMIC DEVELOPMENT CORPORATION**

The LEDC continues to provide a full range of economic and business support services to businesses, municipalities and other organizations with the view toward creating and retaining jobs in the County.

We do so by providing consulting and matchmaking services, providing a one-stop portal for businesses and entrepreneurs seeking assistance from various state and federal programs, housing the Vermont Small Business Development Center in our offices, making small business loans through our own revolving loan fund (the LEDC made \$135,000 in small business loans this past year) as well as through the Morristown Development Fund for which we are the Administrator, putting on eight workshops per year in our Business Skills workshop series and sponsoring other business oriented forums as well.

In addition, our Executive Director serves on the local Workforce Investment Board, is the co-chair of the Planning Commission's Transportation Advisory Board and Brownfields Advisory Commission, is also the co-chair of the Farm to Plate Education and Workforce Development Working Group, serves on the Working Lands Enterprise Board as well as the Hunger Council of the Lamoille Valley. He is also an ex-officio member of the boards of the Lamoille County Planning Commission and Lamoille Chamber of Commerce and serves as the co-chair of the Northern Vermont Economic Development District.

As always, the LEDC remains very grateful for the financial support we receive from the residents of Stowe.

## **LAMOILLE FAMILY CENTER**

*...affirms the right of all children to grow up in an environment that enables them to become healthy adults by encouraging, educating and celebrating families.*

The Lamoille Family Center is celebrating 41 years of service to children, youth and families! Since 1976, thousands of individuals throughout the Lamoille Valley have received our services, including home visiting, parent education, playgroups, child-care resource and referral, youth services, and emergency assistance. The families we serve face the overwhelming challenges of isolation, poverty, substance abuse, violence and much more. Our staff work with families to set realistic goals and celebrate together as each step is achieved.

In fiscal year 2017, our caring and dedicated staff reached more than 4,000 children, youth, parents and caregivers throughout the Lamoille Valley.

Examples of Stowe residents served include:

- Our Children's Integrated Services team made home visits, providing family support and early intervention, for 24 participants.
- 7 families with 14 children received toys, games, books and stocking stuffers through the Holiday Project.
- 11 families with 16 children received emergency assistance including funding for rent and fuel and goods such as diapers, clothing and furniture.
- 23 families with 39 children attended a weekly playgroup.
- On any given day approximately 27 families received support in affording child care through the Child Care Financial Assistance Program.
- Dozens of families and child care providers received child care support services including assistance with referral to regulated programs, professional development for child care staff, and participation in the Child and Adult Care Food Program.

Countless children are stronger, safer and more confident as a result of their involvement with the Family Center. Together, we strive to help families become healthy, strong and independent.

Support through volunteer time, donation of goods and services, and financial contributions remain vital to the sustainability of the Lamoille Family Center. We cannot do this work without you. We invite you to stop by for a visit, meet some of our staff, and see a glimpse of what happens each day at the Family Center.

Scott Johnson, Executive Director  
Lamoille Family Center  
480 Cadys Falls Road, Morrisville, VT 05661  
(802) 888-5229 ext. 124  
Sjohnson@lamoillefamilycenter.org  
[www.lamoillefamilycenter.org](http://www.lamoillefamilycenter.org)

**LAMOILLE HOME HEALTH AND HOSPICE**

*54 Farr Avenue, Morrisville, VT 05661 (802)888-4651*

2018 marks the 46<sup>th</sup> year of this Agency’s service to Lamoille County residents and also marks its 47<sup>th</sup> year of support from the ten towns spread across the Lamoille Valley. As we look back, it is town support that has remained the dependable constant. Area residents give us the energy to forge ahead, whatever the circumstances in the health care industry, in federal legislation or in state government.

365 days of the year LHH&H provides home care to anyone in Lamoille County who qualifies and who needs us – regardless of their ability to pay. Our population is aging. Lamoille County is poised to expand its population of people over the age of 65 by as many as 5000 additional seniors by the year 2030.

A snapshot of services provided in Lamoille County this past fiscal year (July 1, 2016 – June 30, 2017) is as follows:

**Hours of Service:**

PCA/Homemaker = 14,084  
 Hi Tech Nursing = 1,813  
 Housing & Supportive Services (HASS) = 692  
 Senior Housing Wellness (SASH) = 407  
 Case Management = 1,401  
 Volunteers = 913  
 Total Hours = 19,310

**Staff (70)**

RN/LPN = 18  
 PT/OT/ST = 10  
 MSW = 1  
 LNA = 10  
 PCA = 12  
 Case Mgrs = 3  
 Office = 16

**Hospice Care**

Total Days of Care = 2,934  
 Average Daily Census = 8  
 Annual Census = 58 clients  
 Avg Length of Stay = 51 days  
 Volunteer Cost Savings = 13.49%  
 (Medicare Requirement = 5%)

**Total Visits:**

Nursing ~ 9,768  
 Therapy (PT, OT & ST) ~ 5,968  
 Medical Social Worker ~ 723  
 Licensed Nursing Aide ~ 5,887  
 Total Visits = 22,346  
 Unduplicated Census = 875

**Patient Revenue Mix**

Medicare = 62%  
 Medicaid = 19%  
 Third Party/Private = 10%  
 Grants/Contracts/Town = 5%  
 Donations/Investments = 4%

**On the Road**

Employee = 289,676  
 Volunteer = 8,812  
 Total Miles Driven = 298,488

Thank you for your long history of commitment to home care and hospice. Your continued support makes a world of difference to so many in Lamoille County.

Kathy Demars, Executive Director

## **LAMOILLE HOUSING PARTNERSHIP**

Lamoille Housing Partnership (LHP) serves Lamoille County, including: Stowe, Morrisville, Johnson and Jeffersonville. We also serve the Town of Hardwick in Caledonia County.

### **Our Mission Statement:**

The Lamoille Housing Partnership develops, rehabilitates and maintains safe, decent, energy efficient affordable housing through rental, home ownership, or other means to low and moderate income persons and families living within Lamoille County and the Town of Hardwick. LHP provides such assistance without discrimination or prejudice using a combination of private and public funding partnerships.

**Housing Needs:** Collaborating with local partners on an up to date and comprehensive housing needs assessment of Lamoille County and Hardwick covering homelessness, affordable housing, workforce housing, rentals and purchase property availability. LHP owns and operates 270 units and 13 Rental Homes, 39 of these units are located in Stowe VT.

Approximate population served within the Stowe Community: 75 people

Sylvan Woods HLP:

Sylvan Woods Drive / 28 apartments and 8 condos

Pucker Street 1621 Pucker Street / 3 apartments

In our Stowe Properties we have 3 handicapped adaptable units and both of the properties are also Senior Friendly.

PO Box 637 Morrisville, VT 05661

802 888 5714

[info@lamoillehousing.org](mailto:info@lamoillehousing.org)

## **LAMOILLE RESTORATIVE CENTER**



Lamoille Restorative Center empowers people to make good choices and connect positively to their community. Our mission is to address unlawful behaviors and support victims of crime, while promoting healthy families and communities within the Lamoille Valley.

Last year, we helped:

- 354 kids attend school.
- 178 people stay out of the justice system with the help of 35 volunteers; meeting each week to repair the harm caused by their crime.
- 40 children and 25 parents and caregivers overcome the negative consequences of incarceration.
- 12 men and women reenter their community from jail, establishing positive relationships and working to avoid re-offense.
- 30 people get drug, alcohol and mental health treatment. They avoided court involvement and many avoided jail.
- 83 young people prepare for the world of work. 8 found and maintained a steady job.

These interventions save tax dollars, reduce recidivism and help people address issues that often lead to crime in the first place - addiction, mental health and poverty.

Community support is critical for us to continue serving more than 800 people each year. We rely on financial contributions from individuals and communities – like this town’s appropriation. We are grateful for your town’s continued support.

Sincerely,

*Heather Hobart, Executive Director*

Lamoille Restorative Center

221 Main St.

Hyde Park, VT 05655

[www.lrcvt.org](http://www.lrcvt.org)

(802) 888-5871

To learn more about Lamoille Restorative Center and its programs or how to volunteer, please contact me at 888-0614 or [hhobart@lrcvt.org](mailto:hhobart@lrcvt.org).



## MEALS ON WHEELS OF LAMOILLE COUNTY

P.O. Box 1427  
24 Upper Main Street  
Morrisville, VT 05661



Phone: (802)888-5011  
E-mail: [meals@mowlc.org](mailto:meals@mowlc.org)  
Website: [www.mowlc.org](http://www.mowlc.org)

Meals on Wheels of Lamoille County (MOWLC) is a community based, non-profit organization that works hard to make seniors healthier and happier by providing nutritious and delicious home delivered meals and senior community meal sites. Our daily meals and well check visits help seniors to live independently in their own homes and communities. Proper nutrition is critical to keeping seniors healthy and decreases hospital visits and readmissions.

We provide meals to seniors in need for a variety of reasons, including but not limited to: inability to prepare own meals, not getting proper nutrition, lack of income that makes purchasing food difficult, lack of transportation to the store, hospital/nursing home discharge, illness or injury.

Our work is only possible because of support from communities throughout Lamoille County! In fact, community support through town funding, United Way funding, grants, fundraising activities and client contributions makes up 64% of our budget and offsets the difference between our Federal/State funding and the cost to provide the meals. MOWLC has to raise \$5.00 per meal over and above the federal funding! Volunteers from the community are also crucial to our success, 7 out of 8 delivery routes are covered by volunteers, Monday-Friday, traveling nearly 300 miles per day! Volunteers also work in our kitchen each day helping us prepare locally gleaned vegetables. We are truly YOUR community Meals on Wheels program!

During our last fiscal year, October 1, 2016 to September 30, 2017, MOWLC provided 41,367 meals to 457 individuals.

Through a survey of our recipients we learned that our program provides recipients with different benefits. Some of our results showed that:

- 93% of recipients feel that home delivered meals help them stay in their homes.
- 92% eat a healthier variety of food as a result of the meals.
- 91% feel more secure because of the well check visit from the volunteer.

On behalf of the staff, Board of Directors, volunteers and recipients of MOWLC, I thank you for your ongoing support. For more information on our services or to become a volunteer, please call 888-5011.

Respectfully submitted,

Nicole Fournier-Grisgraber, Executive Director

## **NORTH CENTRAL VERMONT RECOVERY CENTER**



North Central Vermont Recovery Center is a non-profit organization providing a supportive, welcoming, safe, substance-free environment for individuals and families on their paths to lasting recovery from alcohol and other drugs.

Through education, referrals, support, and encouragement, our vision is to enrich the social and spiritual lives of individuals, families, and communities who have been impacted by addictions to alcohol and other drugs.

We are open 365 days a year, 49 hours per week. According to our sign-in system, during FY 2016-17 we received approximately 11,760 recorded visits. Our staff and volunteers are individuals with lived experience with addictions, allowing us to provide powerful, effective insight to the issues facing our guests. All of our services are free of charge.

### We provide multiple pathways for recovery, including:

- Recovery Coaching (individual support and goal setting)
- Opiate addiction recovery assistance
- Recovery Coaching for family members
- SMART Recovery and All Recovery
- Refuge Recovery (Buddhist-based recovery meeting)
- Alcoholics Anonymous
- Al-anon (for family members)
- Families Anonymous (for family members)
- Yoga for 12 step Recovery (in Stowe)
- Workshops (writing/art)
- G.Y.S.T. Get Your Stuff Together (for young men)
- G.Y.S.T. Pync (for young women)
- Substance free social activities
- Volunteer Services Program
- A safe space to visit and meet others in a substance free environment, including the free use of computers, television, and a full kitchen to prepare meals.

We collaborate with our many community partners, providing referrals and resources to assist with barriers and challenges connected with addiction, such as housing, healthcare, food, employment, parenting, transportation, inpatient and outpatient treatment, and legal issues.

Some of our community partnerships include:

- Lamoille Restorative Center
- Lamoille Family Center
- Clarina Howard Nichols Center
- Copley Hospital
- Healthy Lamoille Valley
- Lamoille Chamber of Commerce
- Lamoille Sherriff's Dept.
- Morrisville Police Dept.
- Lamoille County Mental Health
- Community Health Services of Lamoille Valley
- Lamoille Housing Partnership

We use all funds contributed to operate our organization wisely, ensuring ethical and prudent financial fitness. In addition to fundraising events, we depend on generous grants from local businesses and individual donations. Volunteer time and financial contributions are crucial to our ability to serve our community members.

Some of our funders include:

VT Dept. of Health	National Life
Vermont Community Foundation	Vermont Mutual
Tarrant Foundation	Catholic Charities
United Way	North Country Credit Union
Ben & Jerry's Foundation	Private Individuals
Concept 2	Bari and Peter Driessigacker
Wilkens Family Foundation	

On Behalf of the Board of Directors, we greatly appreciate and thank the people of Stowe for supporting North Central Vermont Recovery Center.

Sincerely,

Stefani Capizzi, Executive Director

275 Brooklyn St. Suite 2  
 Morrisville, VT 05661  
[recovery@ncvrc.com](mailto:recovery@ncvrc.com)  
 (802)851-8120  
[www.ncvrc.com](http://www.ncvrc.com)

## **NORTH COUNTRY ANIMAL LEAGUE**

Thank you so much for the support we receive from the Town of Stowe each year. Your support is invaluable in helping us meet our mission.

### **Mission Statement**

North Country Animal League promotes compassionate and responsible relationships between humans and animals through sheltering of homeless animals, adoptions, education, spay/neuter programs and support of cruelty prevention.

### **Programs**

- Sheltering of homeless animals in our Pet Adoption Center with the philosophy of a commitment to providing any animal in the shelter a warm and friendly environment with nutritious food and training to prepare them for their new homes.
- Adoption of homeless animals with an average of 700 animals per year from 1998 through 2017 finding new homes through the assistance of professional adoption counselors who help families and individuals make the perfect match.
- Education and outreach through humane education in classrooms, off-site presentations, open houses, Reading Buddies project, dog bite prevention workshops, high school mentoring programs and children's programs.
- Spay/Neuter of all animals adopted out by NCAL and low cost spay/neuter days throughout the year.
- Support of cruelty prevention with NCAL serving as lead agency in Lamoille County for the Cruelty Response System, a collaboration between agencies and individuals in the county working to protect animals from cruelty; the general public can report animal cruelty by calling NCAL or entering an online submission at [www.reportanimalcruelty.com](http://www.reportanimalcruelty.com)

### **Stowe Town Statistics January 1-December 1, 2017**

- 8 surrendered animals and 9 strays for a total of 17 animals from Stowe
- \$12,325 average cost for NCAL to care for Stowe animals (\$750/animal average three-week stay)
- 48 Stowe residents adopted dogs or cats from NCAL so far in 2017

Respectfully submitted,  
Tracy Goldfine, Executive Director  
Phone: 802-888-5065 x106

[Tracyg@ncal.com](mailto:Tracyg@ncal.com)

## **RETIRED SENIOR VOLUNTEER PROGRAM**

The logo for the Retired Senior Volunteer Program (RSVP) features the letters 'RSVP' in a large, stylized, serif font. The letters are dark and have a slightly shadowed or 3D effect.

of Central Vermont and the Northeast Kingdom  
109 Professional Drive Morrisville, VT 05680 802-888-2190

RSVP's mission is to provide volunteer opportunities that ensure the healthy futures of Vermont's seniors. With a focus on companionship, transportation, and home-delivered meals, RSVP volunteers also: process firewood which helps people heat their homes, and lead senior exercise classes like Bone Builders and Tai Chi that help prevent falls, increase mobility, and improve health. RSVP volunteers organize the Osher lecture series at the Town and Country in Stowe for a community of adult learners who enjoy year-round courses that are diverse and interesting.

There is more to volunteering than the outcomes achieved in service to others. A recent study by the Corporation for National and Community Service that spanned nearly two decades indicated that volunteering provides individual health benefits in addition to social ones. This research has established a strong relationship between volunteering and health: those who volunteer have lower mortality rates, greater functional ability and lower rates of depression later in life than those who do not volunteer.

For more information, or to volunteer here in your community, please contact us at 802-479-1953, email [acolavito@cvcoa.org](mailto:acolavito@cvcoa.org) or visit [www.cvcoa.org/rsvp](http://www.cvcoa.org/rsvp). RSVP is your invitation to serve. Sponsored by the Central Vermont Council on Aging, it is a national program designed to provide opportunities to individuals who continue to remain actively involved in the life of their community. Offices are located in Morrisville, Barre, and St. Johnsbury.

Respectfully Submitted,  
Dan Noyes, Program Director

## RURAL COUNTY TRANSPORTATION



**RURAL COMMUNITY  
TRANSPORTATION, INC.**

*The Ruby in The Kingdom!*



### **Rural County Transportation (RCT) Vision**

It is the vision of RCT to establish a solid foundation for regional development of a safe, efficient public transportation system.

### **RCT Mission Statement**

It is the mission of RCT to:

1. Encourage the use, development and support of safe public transportation
2. Provide coordinated, consolidated, non-duplicative transportation services
3. To promote the planning and development of public transportation

Rural Community Transportation, Inc. (RCT) is a private, non-profit organization incorporated in November 1991.

RCT is a transportation brokerage that uses all modes of transportation including buses, cars, taxis, and volunteer drivers. We service a wide range of passengers through several programs as well as providing rides to the general public. As the Medicaid broker for Caledonia, Essex, Lamoille, Orange and Orleans counties, RCT coordinated medical trips for Medicaid eligible residents with trips for other local agencies.

RCT Provides transportation services for the Northeast Kingdom Council on Aging, Adult Day Health Services, Northeast Kingdom Human Services, Central VT Council on Aging, Lamoille Day Health Services, and Northeast Kingdom Community Action Agencies under the Elderly and Disabled programs, funded through the VT Agency of Transportation. Through all of our programs in FY17, RCT logged over 266,766 rides.

81 individuals were provide with 3,124 trips traveling 80,260 miles, at a cost of \$71,704 for Elderly and Disabled, low income individuals and general public that have no other means of transportation to life sustaining appointments such as dialysis, cancer treatments, other medical appointments, as well as shopping. This is an average cost of \$22.95 per trip, which includes long distance trips utilizing volunteer drivers, wheelchair accessible vans and local taxis.

Respectfully,  
Mary Grant, Executive Director

## STOWE AREA ASSOCIATION



2017 was an energizing year for Stowe Area Association (SAA). The staff and trustees worked to enhance and promote the unique character and experience of Stowe as a world-renowned mountain resort town and to represent, serve and perpetuate the common interest and character of its membership and community. As one of the premier destination marketing organizations in New England, we are committed to the long-term development and vibrancy of the Stowe community.

Tourism plays an important role in the overall economic health of our community, and SAA provides a portfolio of public benefits for residents, businesses and visitors. Destination marketing, which is a core function of the organization, plays an integral and indispensable role in the competitiveness of the local and national visitor economy, and acts as a catalyst for economic development. Promoting travel and tourism provides a public benefit and supports economic development, in part, because the industry cuts across and is linked to many other industries in the Stowe economy, generating additional demand in a wide range of services and professions.

Each of the strategic initiatives of SAA provides a tangible public benefit to the community. The report below highlights key milestones and achievements that our organization accomplished on behalf of our community over the last year.

### **Taxable Receipts**

Travel and tourism enhances the quality of life for our local community by providing jobs, bringing in tax dollars for improvement of services and infrastructure for residents and visitors, and attracting and retaining businesses and amenities that cater to both visitors and locals alike. Our marketing investments and guest service initiatives help drive taxable receipts and revenues to the municipality. Analyzing taxable receipts provides a statistical view of our economic results – how we are doing as a tourist destination. Stowe has experienced a 15% increase in meals, rooms and alcohol taxable receipts (key tourism indicators) over the last five years, and 11% growth year-over-year. Additionally, our taxable receipts are almost double that of any other mountain town destination in Vermont.

**Partners**

Stowe Area Association is a strong partner with the Town of Stowe, Stowe Mountain Resort, the Vermont Department of Tourism and Marketing, the Vermont Chamber of Commerce, Stowe Vibrancy, Stowe Trails Partnership (formerly Stowe Mountain Bike Club) and many other key businesses and community groups in Stowe.

Over the last year, Stowe Area Association has served as a marketing education resource for the Town of Stowe Parks & Recreation staff, and provided marketing support and exposure for municipal events and offerings, including tournaments and events at Stowe Arena. As an active partner with Stowe Vibrancy and Stowe Trails Partnership, Stowe Area Association staff have served as community volunteers onsite at events and assisted with marketing efforts for signature events such as B3 Fest, A Traditional Christmas in Stowe, Chowderpalooza and Art on Park. Marketing efforts include, but are not limited to: social media posts, gostowe.com inclusion, exposure through our consumer email marketing (80,000+ opt-in subscribers), paid digital marketing and public relations outreach. In the coming year we will continue our collaborative efforts to attract and promote world-class events that reflect the beauty and character of Stowe.

Furthermore, we have focused on building our partnership with Stowe Mountain Resort. Our relationship is stronger, more collaborative and more productive than ever. We are working to increase collaboration on marketing strategies, have launched a booking widget on stowe.com and worked together in an effort to enhance the efficiency and reliability of the Mountain Road Shuttle service for the 2017/18 winter season. Working together with our partners a considerable amount has been accomplished, and we will continue to work together with the common goal of improving our community.

**Guest Services**

In addition to serving as a key driver for the local economy, Stowe Area Association also operates the Stowe Visitor Information Center. Open seven days a week, the Stowe Visitor Information Center provides public restrooms and serves as a distribution center for local information and activities.

As the brick and mortar extension of Stowe Area Association, the Information Center is the primary point of contact with a visitor's in-town experience, and SAA staff members provide exceptional guest service to visitors and residents. We have expanded hours of operation, remaining open seven days a week, and implemented a visitor tracking and call



accounting system to ensure we are open to service guests and residents during key periods. Stowe Area Association staff have fielded over 10,000 calls and assisted over 30,000 guests onsite at the Stowe Visitor Information Center.

### **Marketing and Sales**

The Stowe brand is our competitive identity, and our marketing and sales efforts elevate the brand through an effective content strategy that connects travelers and stakeholders with iconic, inspirational experiences and information.

Stowe Area Association's content strategy unifies how we talk about Stowe in each channel through a combination of earned, owned and paid media. Our core content marketing goals are to: 1.) create a consistent and engaging communication to position Stowe as the premiere vacation destination; 2.) differentiate Stowe by showcasing all that Stowe has to offer; 3.) increase brand awareness of Stowe as a vacation destination; and 4.) generate website traffic and bookings.

The amplification of the Stowe brand is evident in the extensive media coverage Stowe receives annually. A selection of major print outlets that have covered Stowe include: *The Boston Globe*, *The Boston Herald*, *Business Insider*, *CNN.com*, *CNN Travel*, *Forbes*, *Huffington Post*, *New York Times*, *Powder Magazine*, *Travel + Leisure*, *The Wall Street Journal*, *Washington Post* and *Yankee Magazine*. There has also been strong television coverage on local and national networks including: WCAX, CBS Boston, NBC Boston, and ABC (*Good Morning America*).

The tourism sector is growing and becoming more competitive, and a number of changes were implemented to strengthen the marketing of our most relevant, compelling and differentiated experiences to drive conversions. In recognition our strong marketing efforts, the American Advertising Federation awarded Stowe Area Association with a Best of Show and Gold Addy Award for our 'A Land of Winter Wonders' project.

Continuing our forward momentum, we engaged Vermont-based Mondo Mediaworks as our digital marketing agency and to redevelop and redesign [gostowe.com](http://gostowe.com) midway through 2017. Today's travelers want to a rich, personalized online experience, and a strong website is a critical hub for marketing efforts. Our website, [gostowe.com](http://gostowe.com), is used to track our marketing efforts year-over-year. The new website will deliver an inspirational message through heavy visuals, and has been designed to optimize organic traffic and user engagement.

The conversation rate on gostowe.com has increased by 6%, and Stowe Area Association's central reservations team currently books for 28 lodging properties and nine retailers, activities and attractions. Implementing an integrated approach with our owned channels (website, Facebook, Instagram, Twitter and Pinterest) we have seen marked improvements in engagement as well. On Facebook alone there has been a 19% increase in likes, 49% increase in impressions and a 20% increase in engagements over the last year.

In addition to driving visitors, we create and market promotional events that support our local community including Dine Stowe and the popular Reindeer Quest. Tourism is the economic engine of Stowe, and we work hard to drive awareness, inspire tourism and manage the guest experience.

### **Looking Ahead**

In 2016 Stowe Area Association completed an extensive member and community survey and drafted a Strategic Action Plan. We have made great strides and accomplished many of the goals that were outlined and identified via member and community feedback. In the upcoming year we will be creating a three to five-year Strategic Plan that will address each of our operational units.

We are very fortunate to have a strong and dedicated Board of Trustees, a committed and proactive staff and an engaged community. Together, we make Stowe a desirable place to live, work and play. We look forward to the continued success of Stowe through community partnership and collaboration.

Respectfully submitted,  
Amy Morrison, Executive Director

## STOWE HISTORICAL SOCIETY



The normally quiet months of January and February were different in 2017. Last minute corrections, final approval of the cover design and the publication of the long awaited “**The Stowe I’ve Grown to Know**” by Chuck Dudley was our focus. It’s a memoir, it is a history from early days to the middle of the 20<sup>th</sup> century. The 250 plus pages are filled with pictures, genealogical information, and tidbits as well. One does not need be a life-long resident to enjoy and learn about Stowe’s past.

The early summer was filled with creating and mounting our focus exhibit: “**Stowe Guide and Magazine: Covers 1984-2017**” Covering two plus walls, the 73 colorful covers with titles and artists, brighten the museum. Pat Haslam started this project several years ago when she removed covers and tables of contents from her collection of guides and put them in a guide to contents. In collaboration with the Stowe Reporter, missing guides were found. Thanks to the efforts of Stowe Reporter staff, all the covers were rescanned at a better resolution than we were able to scan. Greg Popa, Stowe Reporter publisher, was the key-note speaker at our annual meeting in September. Don’t miss this very special part of Stowe’s recent history.

Dr. Lichtenthaler’s desk from her medical office on Pleasant St. was a donation from the Robert Rohr family collection. It has a prominent place in our “Home Sweet Home” vignette, as are several seamstress mannequins from the early 20<sup>th</sup> C. Stowe. The dress forms have been part of the SHS collection for many years, but were long forgotten in the upper attic of the Akeley Memorial building.

Our “pump log” from the Lackey collection and the wooden pump from the Charlie Gale’s “Rocky River” farm are the primary items in our new side exhibit. William Pratt and his wife lived on a farm in “Michigan” south of Nebraska Valley. He had a career of auguring and fitting logs to make water pipes for Stowe families. It is likely Mr. Pratt used the auger that is part of the display. He would stay, several weeks at a time, with the families for whom he was creating pipes from the logs.

Dick and Nancy Collins donated a complete set of Vermont Life magazines. Only the first 20 years are indexed. *We are looking for one good volunteer to identify Stowe in the remaining issues.*

“Digital Vermont” is a collaborative with Vermont Historical and Library of Congress in which SHS is participating. Photos of the 19 school districts are being scanned, images described (metadata recorded) and added to the collection at VHS.

Our Instagram, Facebook and e-news participation is increasing slowly. Recently a c.1951 photo of the students of North Hollow School has generated more than 600 comments, our most popular post.

We look forward to participating in “ART ON PARK”, sponsored by Stowe Vibrancy as we have in the past few years. This year we focused on sale of “The Stowe I’ve Grown to Know” and historic post cards.

Three 4<sup>th</sup> grade classes visited “Bloody Brook Schoolhouse” and the museum, then returned to their class to describe one of the items seen in the museum. This is a tradition that was started more than 20 years ago, and we look forward to working with the teachers each year.

We encourage anyone interested in Stowe History to join us Thursday afternoons at about 2:30pm for conversation and projects. One of our focus projects for 2018 is identifying restaurants, taverns, pubs and other eateries - current, recent past and as early as possible.

We appreciate the support of the town and community as we endeavor to preserve and share the history of Stowe.

Respectfully submitted,  
Barbara Baraw, president

## **STOWE LAND TRUST**

Stowe Land Trust (SLT) works to conserve and care for significant scenic, recreational and productive farm and forest land for the benefit of the greater Stowe community.

2017 marked Stowe Land Trust's 30<sup>th</sup> anniversary! The effort that started with a few community members gathering together to protect the Mayo Farm has blossomed into a trusted organization with deep community roots, a dedicated board of 22 and a staff of 3. Over the years the community has helped grow the organization into one that oversees 3,500 acres of protected land and engages a broad range of community members – young or old – in hands-on stewardship work each year. Thank you for your support!

Stowe Land Trust owns and manages over 300 acres of land at 5 locations in Stowe. We make sure the land is being cared for in a way that upholds our conservation values and each property is open to the public and has trails. These trails require maintenance and care over time. Fortunately, we have a dedicated army of volunteers who help us maintain the trails and care for their properties. In 2018 our fantastic crew of volunteer Land Stewards will be keeping an eye on all of our conserved lands, helping to ensure that we keep our promise to care for these lands forever.

2017 was another successful year for SLT's Summer Naturalist Program. Our staff collectively worked with nearly 600 people and provided over 100 hours of programming for youth, families, and volunteers. We're looking forward to 2018 when we will again bring on an AmeriCorps member in early spring to begin planning our spring and summer programming. We also have a number of great stewardship projects lined up for the coming year. We've already begun working with our consulting forester to start marking trees to cut and keep at Kirchner Woods as part of a multi-year project to improve timber and songbird habitat quality; this effort will continue the working forest tradition on the property while also providing opportunities for education and demonstration of best management practices. We'll also be improving public access to the West Branch of the Little River at the Mill Trail property – a project which will include removing the old Blacksmith shop, cleaning up the site and creating a naturalized picnic area for visitors of all ages to enjoy.

While SLT has completed 33 projects to date, there is still forest, farm and recreational land that is valued by the community, but remains unprotected.

With your support, we can continue to protect key habitat for wildlife, protect working farms, and ensure public access and recreational opportunities that help keep the community health and connected to the land.

Respectfully,  
Caitrin Maloney, Executive Director

Stowe Land Trust  
PO Box 284  
Stowe, VT 05672  
802-253-7221  
[www.stowelandtrust.org](http://www.stowelandtrust.org)



Students from Mountain River School help with trail maintenance at Weissner Woods after the October 30 windstorm.

One of Stowe Elementary Schools 1<sup>st</sup> Grade classes learns about turkeys from SLT's summer naturalist.



## **STOWE NORDIC**

Stowe Nordic is a non-profit club that has been active in Stowe, VT for the past 21 years. The club's mission is to promote participation in and increased availability of cross-country skiing in the Stowe area. In addition we help local residents learn to ski or become better skiers, improve their fitness, and increase their enjoyment of this lifetime sport. To those ends we provide:

- Subsidized training programs for youth (ages 5-14), "masters" (30+), as well as a new women's only group
- Coordination of volunteers for backcountry trail maintenance (tree/brush clearing, blazing, etc.) in the greater Stowe area
- Online resources covering just about all skiable terrain in the area on our website ([www.stowenordic.org](http://www.stowenordic.org))
- Free social outings (on skis)
- And last, but not least, grooming and maintenance of the snow surface on Stowe's Recreation Path as well as an additional 3K on Mayo Farm fields

For the past 2 years Stowe Nordic has received \$2500 from the Town of Stowe specifically to help offset the cost of grooming the free public trails on the Rec Path and Mayo Farm. This typically includes: 250-300 hours of either early morning or late night grooming time (to avoid interfering with skiers/walkers and to create a better snow surface), snowmobile/groomer maintenance/gas/etc., and trail marking. The Town's support is invaluable to help us afford and maintain this service which benefits so many town residents, visitors and businesses.

## **STOWE PERFORMING ARTS**

### **MISSION STATEMENT**

*Stowe Performing Arts is a non-profit community organization with a volunteer Board of Directors dedicated to bringing high quality performances and opportunities for cultural enrichment through the performing arts to the community and surrounding areas.*

Stowe Performing Arts began in 1976 with a small series of concerts in Whisker's Field. With a move to the Trapp Family Lodge Concert Meadow in the early 80s, these concerts became known as the *Music in the Meadow* concerts.

Stowe Performing Arts has continued to expand its offerings to the community in keeping with its mission statement. Sponsorships and proceeds from the immensely popular Meadow concerts have allowed the organization to weather difficult financial times while expanding our efforts to present high-quality and diverse performing arts programs for the Stowe community. These include the *Noon Music in May* concert series and the mid-summer *Gazebo Concerts*.

Thanks to many special gifts, we expanded our Music in the Meadow series to five concerts in 2017. We will return to the four-concert schedule in 2018.

On behalf of the Board of Directors, I wish to thank the members of this community and the Town of Stowe for your past support of our efforts.

It is our hope that you will approve our request for a grant of \$2,000, to be divided equally between Noon Music in May and Gazebo Concerts, both of which bring visitors and entertainment to the heart of the village of Stowe.

Respectfully submitted,

Lynn Paparella, Executive Director



## **STOWE TRAILS PARTNERSHIP**

The Stowe Trails Partnership (STP, formerly Stowe Mountain Bike Club) is a 501c3 non-profit organization that manages and maintains much of the single track trail network in Stowe. Our mission is to partner with the community in building and maintaining a world class trail network.

Each year we aim to not only maintain Stowe trails to the highest degree possible, but to also sustainably increase its size and scope while engaging the community. 2017 saw a marked increase in both volunteer hours and general maintenance efforts. As such, we were able to accomplish our primary trail maintenance and building goals, the biggest of which being the construction of Callagy's trail in Sterling Forest.

Callagy's trail was built in honor of Mr. Callagy Ross, a Stowe resident who passed away in 2015. The entirety of STP's 2017 Social, Economic, & Community Services Appropriation was put toward the construction of this trail (in addition to funds raised by STP). Thanks to the massive efforts of a very diverse group of volunteers, we completed the trail in time for autumn riding and significantly under budget as well; volunteers from all over New England and Canada participated in our trail work days throughout the year, in turn minimizing costs and expediting the work process.

Callagy's, as well as the two nearby trails that were constructed as part of this project, are each a part of STP's plan to create a more cohesive and accessible trail network in Stowe. Reports from riders that were able to test out the new trails this fall before the weather forced their closure were all universally positive.

It's close to impossible to know the exact number of Stowe residents this project has served so far or will serve. However, STP began using trail counters at several of the trailheads in Stowe this year and early estimates point to an annual total of nearly 25,000 visits for the season -- this number includes all user groups at Cady Hill Forest, not solely mountain bikers. Due to its location, Sterling Forest is not as frequently visited as Cady Hill, but many riders did report having experienced Sterling Forest for the first time solely as a result of the construction of Callagy's trail.

On behalf of the entire mountain bike community I would like to offer my personal thanks for the Town's support of our ongoing efforts and the financial contributions that make projects like Callagy's possible.

With kindest regards,

Evan Chismark, Executive Director Stowe Trails Partnership

[StoweMTB@gmail.com](mailto:StoweMTB@gmail.com) 802.999.9489

## STOWE VIBRANCY



In 2007, at the behest of the Town of Stowe Select Board, a dedicated group of Stowe residents and businesses came together to brainstorm efforts to ensure the continued success and vibrancy of Stowe Village.

Two years later, as a result of this work, Stowe Vibrancy, Inc. was formed, and has since become an important public-private partnership for the Town of Stowe.

**VIBRANCY** Stowe Vibrancy is a Vermont non-profit corporation with a mission to increase the vibrancy of the Town of Stowe through the enhancement of social, recreational, cultural, economic, and physical characteristics of the Village. And, since our inception, we have done just that.

In 2017, Stowe Vibrancy, Inc. continued its efforts to bring ongoing vitality to the Village of Stowe through its production and co-production of more than 25 community events throughout the spring, summer, fall and early winter! These included Memorial Day weekend's Chowderpalooza and Spring Art on Park, our 1<sup>st</sup> Annual "Garden's of Stowe" garden tour, the Art on Park and Friday Night Flix Summer Series, Stowe's Fourth of July Celebration (our largest one to date), the British Invasion Block Party (unfortunately, bad weather forced the cancellation of the Antique Car Show Street Dance), our Columbus Day weekend Foliage Art on Park, featuring the 2<sup>nd</sup> Annual Blue Ribbon Apple Pie Contest, and the Traditional Christmas in Stowe with the stunning professional lighting display throughout the Village. All in all, Stowe Vibrancy is proud that literally thousands of residents and visitors alike came to the Village, and the wider community of Stowe this past year, to experience our community and to stay, shop, eat, and enjoy these events.

In addition to our events, Stowe Vibrancy Inc. continues to be a key partner of the Town and supporter of many local businesses through our work on infrastructure improvements, beautification, and economic development tools for the Village. As you are aware, almost two years ago, Stowe was awarded a Downtown Designation by the State of Vermont for our historic Village center. This designation offers the Town and businesses within the downtown perimeter the ability to apply for special state and federal funding grants and tax benefits. We have already benefitted a great deal from this designation, as it has allowed us access to very useful classes and seminars

focusing on the vitality of downtowns. We are confident that our community will benefit even more as time passes.

Additionally, we partnered this past year with Stowe Cable Systems to provide free Wi-Fi in the downtown, and we continue to be in discussions with the Town and with the Stowe Community Church about enhancing the Parsonage Park. Lastly, we are pleased that in January we will be launching a new website (designed by Vermont Web Marketing), [www.stoweibrancy.com](http://www.stoweibrancy.com), which, in addition to our social media presence, will be a great avenue to keep people informed about events and issues of interest.

Stowe Vibrancy, Inc. is proud of the incredible progress made in our community and very appreciative of the support of the Town and its many involved volunteers and generous businesses. We promise to continue to work to enhance the quality of life of the village, and thereby the Town, in the years to come.

Sincerely,  
Stowe Vibrancy Board of Directors

Stowe Vibrancy  
PO Box 482  
Stowe, VT 05672  
[info@stoweibrancy.com](mailto:info@stoweibrancy.com)  
[www.stoweibrancy.com](http://www.stoweibrancy.com)  
802-585-5131

**Board of Directors**

Elise McKenna, President-Elect; Leslie Anderson, Vice-President;  
Christopher Vigneau, Treasurer; Mary Curtis Skelton, Secretary  
Tom Barnes; Ashley Getty; Brian Hamor; Paul Louviere; Morgan Nichols;  
Carol Schaal; Heidi Scheuermann; Ed Stahl; Charlene Walker

## **STOWE YOUTH BASEBALL/SOFTBALL**

It is with great pleasure that I report that Stowe Youth Baseball had one of its best years both on and off the field. Our participation numbers are still on the rise with close to 70 boys and girls from Stowe participating in baseball. We had full rosters at the T-Ball, Coach Pitch, Minors and Majors level.

The level of success that the program is having speaks for itself. Both Minors & Majors teams won the Stowe Invitational Tournament for the first time together. Stowe was able to place 11 players on the two Lamoille County All Star teams. Most importantly the kids are having a great time and parents are engaged. We have had more parent volunteer participation throughout the ranks than at any time I have seen since my involvement with Stowe Youth Baseball. We continue to support the Stowe Arena each spring by purchasing turf time which has helped the growth and development of these kids tremendously. Also our Season Kick Off Mini Camp continues to be a huge attraction to the kids to come and jump start their season. The Lake Monsters continue to be a great support to local youth sports as they send CHAMP to the camp every season.

From an infrastructure standpoint we were able to purchase some new helmets which were needed along with a new scoreboard to replace the broken one on the little league field. Parents have pitched in to help do small items while the Stowe Public Works Department headed up by Bruce Godin has continued to do an excellent job at making the fields look topnotch. We continue to be asked by the district to host the 10-11 All Star Tournament, which is something we may consider this summer as well.

With the continued strong support we get from the Town, you can see youth baseball is alive and well here again in Stowe. With the continued development of the Club Cooperative team between Morrisville & Stowe at the Middle School level the kids now have a clear path to continue their baseball careers throughout high school and the youth players now have those role models to follow. We appreciate your continued support and as you can see have done our best to utilize the resources the town has been graciously providing. This year due to a recently announced change in Little League International requirements we will be needing to replace most all of the bats as they will no longer meet regulation requirements so your support is greatly appreciated again.

Thank you all again for your support and we hope we get to see you at a game!

Regards,  
Ian S. Lanpher, Stowe Youth Baseball

## **VERMONT ASSOCIATION FOR THE BLIND** **AND VISUALLY IMPAIRED**

In our 2017 Fiscal Year we served more clients than ever before. The Vermont Association for the Blind and Visually Impaired (VABVI) will play a critical role in the lives of many Vermonters well into the future.

### **PALS (Peer Assisted Learning and Support) Groups**

PALS Groups are held in 14 counties throughout the state, where members meet each month to discuss the practical, social and emotional challenges of vision loss. They also share coping strategies with each other on how maintain their independence. This past year, PALS Groups held events such as Dining in the Dark and Bowling in the Dark where they raised over \$1,000 and awareness for VABVI's services.

### **HAPI (Helping Adolescents Prepare for Independence)**

The HAPI program enables Teachers of the Visually Impaired (TVIs) and Certified Vision Rehabilitation Therapists (CVRTs) to work one-on-one with students to practice daily living skills. The transition aged student will be able to improve their abilities to complete many day to day activities such as preparing and cooking meals, shopping independently at the grocery store, organizing, matching and washing clothes, cleaning in the home, managing finances, exploring careers and so much more.

### **IRLE Summer Camp (Intensive Residential Life Experience)**

This summer, VABVI brought the students sailing on Lake Champlain and they learned how to steer a sail boat for the first time. Students also went bowling, and for many it was their very first experience! While staying at University of Vermont, students explored career options by interviewing various UVM staff and inquiring about their roles. IRLE participants also had the opportunity to practice their independent living skills away from home, and establish new friendships with others through group challenges and activities.

During Fiscal Year 2017, VABVI served 1,731 clients from all 14 counties in Vermont, including 7 adults and 1 student in Stowe and 25 adults and 14 students in Lamoille County.

For more information about VABVI's services, or to volunteer, please contact Katie Shappy at (800) 639-5861 ext. 219, or at [kshappy@vabvi.org](mailto:kshappy@vabvi.org) or visit us our website at [www.vabvi.org](http://www.vabvi.org).

## **VERMONT CENTER FOR INDEPENDENT LIVING**

Since 1979, The Vermont Center for Independent Living (VCIL) has been teaching people with 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 (85% of whom have a disability) conduct public education, outreach, individual advocacy and systems change advocacy to help promote the full inclusion of people with disabilities into community life.

Final numbers for our FY17 (10/2016-9/2017) show VCIL responded to over 3,000 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 358 individuals to help increase their independent living skills and 13 peers were served by the AgrAbility program. VCIL's Home Access Program (HAP) assisted 165 households with information on technical assistance and/or alternative funding for modifications; 84 of these received financial assistance to make their bathrooms and/or entrances accessible. Our Sue Williams Freedom Fund (SWFF) provided 98 individuals with information on assistive technology; 45 of these individuals received funding to obtain adaptive equipment. 534 individuals had meals delivered through our Meals on Wheels (MOW) program for individuals with disabilities under the age of 60. We are also now home to the Vermont Telecommunications Equipment Distribution Program (VTEDP) which served 49 people and provided 22 peers with adaptive telecommunications enabling low-income deaf, deaf-blind, hard of hearing and individuals with disabilities to communicate by telephone.

VCIL's central office is located in downtown Montpelier and we have five branch offices in Bennington, Chittenden, Lamoille, Rutland and Windham counties. Our Peer Advocate Counselors and services are available to people with disabilities throughout Vermont. Our Windham County office also houses the Vermont Interpreter Referral Services (VIRS) (previously under the VT Center for the Deaf and Hard of Hearing) and provides statewide interpreter referral services for sign language, spoken English and CART services for assignments in medical, legal, mental health, employment, educational, civil and recreational settings.

During FY17, 10 residents of Stowe received services from the follow programs: Meals on Wheels (over \$1,700 spent on meals for residents); Sue Williams Freedom Fund (over \$1,500 spend on modifications for residents); Peer Advocacy Counseling Program; 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 website at [www.vcil.org](http://www.vcil.org).

## **VERMONT LEAGUE OF CITIES AND TOWNS**

The Vermont League of Cities and Towns (VLCT) is a nonprofit, nonpartisan organization, owned by its member municipalities and directed by a 13-member Board of Directors elected by the membership and comprising municipal officials from across the state.

VLCT's mission is to serve and strengthen Vermont local government. All 246 Vermont cities and towns are members of VLCT, along with 138 other municipal entities, including villages, solid waste districts, regional planning commissions, and fire districts.

Local governments in Vermont provide essential services to residents and visitors alike. From maintaining roads to providing safety services, recreational programs, water and sewer infrastructure, street lighting, and libraries, the work carried out by appointed and elected officials and community volunteers is both critical and challenging. The demands on local government are complex and require resources that are not always available in every city, town or village in the state.

VLCT is the only statewide organization devoted solely to delivering a wide range of services to local officials who serve municipalities of varying populations and geographic regions but face similar requirements with disparate resources. The organization provides legal, consulting, and education services to its members, offering important advice and responses to direct inquiries, as well as training programs on specific topics of concern to officials as they carry out the duties required by statute or directed by town meeting voters. VLCT represents cities and towns before the state legislature and state agencies, ensuring that municipal voices are heard collectively and loudly, and also advocates at the federal level, primarily through its partner, the National League of Cities.

VLCT offers opportunities to purchase risk management products and services that directly meet the specific and specialized needs of local government through the VLCT Employee Resource and Benefit (VERB) Trust and the VLCT Property and Casualty Intermunicipal Fund (PACIF).

During the 2017 calendar year, in addition to providing responses to more than 3,700 telephone inquiries, holding 16 training sessions, and following approximately 300 separate pieces of legislation, 13 summer study committees, and developing VLCT's legislative platform with five municipal policy committees, VLCT celebrated its 50<sup>th</sup> anniversary. Throughout the year, VLCT recognized local officials and employees who have served a number of communities for 50 years, and highlighted some of the many successes of the organization and local government during the last 50 years. It was also an important year to look ahead, to consider new ideas, and to think about new programs and ways of delivering services to members that will address their changing needs in the coming years. VLCT launched a new website in June 2017 that, despite a few initial glitches, has functioned well and serves as a better connection point for members, thanks to consistent updates, new information, and easier navigation tools. VLCT has also moved the majority of its mission-critical IT systems to the "cloud" in an effort to provide more security for member information, greater protection against hacking attempts, and greater redundancy of access that will help the organization remain operational following a disaster scenario. The move to the cloud also reduces the need to acquire, maintain, and replace costly capital equipment.

At the heart of all these activities is VLCT's commitment to serving as a good steward of member assets, and we are proud of the continued progress being made in that effort. Members are welcome to visit the VLCT office anytime to review the operations of the organization, to ask questions, and to access resources that can help each individual official and employee carry out the important work of local government.

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).



## VERMONT RURAL PROTECTION TASK FORCE

*Vermont Association of Conservation Districts (VACD)*  
 14 Crab Apple Ridge, Randolph, VT 05060  
 (802) 828-4582 | [dryhydrantguy@yahoo.com](mailto:dryhydrantguy@yahoo.com) | [www.vacd.org](http://www.vacd.org)



The Rural Fire Protection (RFP) program helps Vermont communities protect lives, property and natural resources by enhancing fire suppression resources. Program Manager and Engineering Technician Troy Dare helps local fire departments identify appropriate sites for dry hydrants and other rural water supply systems, design installations, and find financial support to support the costs of construction. During the **19 years** of the program, **1054 grants** totaling **\$2.32 million** have been provided to Vermont towns for installation of new rural fire protection systems, as well as for replacements and repairs. Over the past several years, the Rural Fire Protection Program has made a successful transition from the Northern Vermont and George D. Aiken Resource Conservation and Development (RC&D) Councils to the Vermont Association of Conservation Districts (VACD). VACD is the membership association of Vermont's fourteen Natural Resources Conservation Districts, whose mission is to work with landowners and communities to protect natural resources and support the working landscape throughout the state.

We have made several adjustments to the Rural Fire Protection Grant Program in recent years, including changing the name from Dry Hydrant Grant Program to Rural Fire Protection Program to better reflect the diverse range of projects we support. In 2017 we increased the maximum grant award amount from \$4,000 to \$5,000 per project. New Rural Fire Protection systems along with repair, replacement, relocation, and upgrades of existing RFP systems are eligible for grant funding on an ongoing basis. In 2015 we began considering applications from Vermont towns and fire departments on a revolving basis throughout the year rather than just once a year. Please be on the look-out for the grant announcement post-card in March 2018.

The annual budget of the Rural Fire Protection Program is \$190,000 per year, \$110,000 of which is awarded in grants to Vermont communities for construction costs. The remaining budget covers site assessments, project design and program oversight. Most of our funding comes from the Vermont Department of Public Safety through annual appropriations by the Vermont Legislature.

In addition, the program receives support from the US Forest Service through the Vermont Department of Forests, Parks and Recreation. Unfortunately, these grants do not completely cover the costs of the program. Therefore, we are respectfully requesting that you include a \$100 appropriation in your 2018 town budget to support the Rural Fire Protection Program. Since last year's appropriation request, we have received almost **\$10,000** in town appropriations from almost **100** towns, with contributions still coming in. We are deeply grateful for this ongoing support. **214** Vermont communities have benefitted from the Rural Fire Protection program. Our goal is to extend this support to all Vermont towns and continue to assist local fire departments in reducing the risk of injury, loss of life, and damage to property and natural resources, thereby improving the safety and welfare of Vermont communities.

Sincerely,

Tom Maclay, Chair Rural Fire Protection Task Force  
(802) 426-3265 | [83creameryst@fairpoint.net](mailto:83creameryst@fairpoint.net)

Troy Dare, Program Manager & contact person Town Appropriation  
(802) 828-4582 | [dryhydrantguy@yahoo.com](mailto:dryhydrantguy@yahoo.com)

Jill Arace, Executive Director Vermont Association of Conservation Districts (VACD) (802) 496-5162 | [jill.arace@vacd.org](mailto:jill.arace@vacd.org)

Rural Fire Protection Task Force Members:

Tom Maclay, Chair, Marshfield VFD

Bill Sanborn, Vice-Chair, Town of Maidstone

Bill Barry, Berlin VFD

Tess Greaves, Vermont Forest Parks & Recreation

Tyler Hermanson, VT Enhanced 9-1-1

Jenny Nelson, Senator Bernie Sanders' Office

Mike Greenia, Vermont Division of Fire Safety

Christine Kaiser, Kaiser Farm, Stowe VT

TOWN OF STOWE, VERMONT

AUDIT REPORT

JUNE 30, 2017

TOWN OF STOWE, VERMONT  
AUDIT REPORT  
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**Sullivan, Powers & Co., P.C.**  
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Independent Auditor's Report

Board of Selectmen  
 Town of Stowe, Vermont  
 P.O. Box 730  
 Stowe, Vermont 05672

*Report on the Financial Statements*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Stowe, Vermont, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Town of Stowe, Vermont's basic financial statements as listed in the Table of Contents:

*Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

*Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Electric Fund, which is a major fund, and represents fifty-five percent (55%), thirty-two percent (32%) and seventy-eight percent (78%), respectfully, of the assets, net position and revenues of the business-type activities. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Electric Fund, is based on the report of the other auditors. 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 from material misstatement.

Members of The American Institute and Vermont Society of Certified Public Accountants

*Town of Stowe, Vermont*

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Town of Stowe, Vermont's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Stowe, Vermont's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

*Opinions*

In our opinion, based on our audit and the report of other auditors dated September 8, 2017, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Stowe, Vermont, as of June 30, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

*Other Matters**Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 4 through 12, the budgetary comparison information on Schedule 1, the Schedule of Proportionate Share of the Net Pension Liability on Schedule 2 and the Schedule of Contributions on Schedule 3 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.

Town of Stowe, Vermont

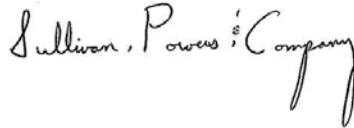
***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Stowe, Vermont's basic financial statements. The combining fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. These schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

***Other Reporting Required by "Government Auditing Standards"***

In accordance with "Government Auditing Standards", we have also issued our report dated January 30, 2018 on our consideration of the Town of Stowe, Vermont's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with "Government Auditing Standards" in considering the Town of Stowe, Vermont's internal control over financial reporting and compliance.

January 30, 2018  
Montpelier, Vermont  
VT Lic. #92-000180

A handwritten signature in cursive script that reads "Sullivan, Powers & Company". The signature is written in dark ink and is positioned to the right of the printed text.



TOWN OF STOWE, VERMONT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2017

Our discussion and analysis of the Town of Stowe, Vermont's financial performance provides an overview of the Town's financial activities for the fiscal year ending June 30, 2017. The Town of Stowe Electric Fund has been audited separately as of and for the year ended June 30, 2017 and is incorporated into this report. Their financial statements are included in the Town Report.

This document has been prepared pursuant to Statement No. 34 of the Governmental Accounting Standard Board (GASB 34). GASB 34 requires the inclusion of the Government-wide financial statements on a full accrual basis including the cost of capital assets and the related depreciation. These statements are intended to present the Town's financial reports on the same basis as the private sector. Please read it in conjunction with the Town's financial statements, which begin in Exhibit A.

#### **Financial Highlights**

##### Government-Wide (Exhibits A and B)

- The Town's assets exceeded liabilities on June 30, 2017 by \$54,670,874 (Total Net Position). Of this amount, \$24,638,261 represents governmental activities and \$30,032,613 represents our water, sewer and electric departments (business-type activities). Of these amounts, \$1,082,044 of governmental activities funds and \$10,770,080 of business type activities funds are unrestricted net assets and may be used to meet the Town's future obligations.
- The net position of governmental activities increased by \$1,263,930 in FY 17. The increase is due mainly to the addition of capital assets above depreciation and a reduction to long term debt through principal payment. The Business-Type activities increased their net position by \$2,415,833, with contributions by Water \$1,282,602, Sewer \$107,420 and Electric \$1,025,811.

##### Fund Financial Statements (Exhibits C, D, F, and G)

- The General Fund fund balance increased \$33,245. The General Fund fund balance at the end of FY 17 was \$1,016,672, of which \$452,834 being either non spendable, restricted, committed or assigned and not available for current expenditures, leaving an unassigned surplus of \$563,838.
- The Capital Fund fund balance increased by \$388,761 in FY 17. The total amount in this fund at year-end was \$839,124 and the entire amount is committed for future projects.
- The Water Fund ended the fiscal year with a net position balance of \$5,759,269 an increase of \$1,282,602.

- The Sewer Fund ended the fiscal year with a net position balance of \$14,657,330, an increase of \$107,420.
- The Electric Fund ended the fiscal year with a net position balance of \$9,616,014, an increase of \$1,025,811.

### Overview of the Town's Financial Statements

The annual financial report consists of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the Town of Stowe's finances, in a manner similar to a private sector business.

The *Statement of Net Position* presents information on all of the Town of Stowe's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference between the two reported as Total Net Position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The *Statement of Activities* presents information showing how the Town's net position changed during the fiscal year. The *Statement of Activities* is on the full accrual basis (i.e. all changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows) whereas the *Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds* is on the modified accrual basis (i.e. revenue is recognized when it becomes measurable and available as net current position, expenditures are recognized when the related liability is incurred). Thus in the *Statement of Activities*, revenues and expense are reported for some items that will only result in cash flows in future fiscal periods. (e.g. uncollected taxes and earned but unused vacation leave.)

Both of the government-wide financial statements combine information from governmental funds (which are supported primarily by tax dollars) with information from enterprise funds which are supported by user fees and charges (*business-type activities*). The governmental activities of the Town of Stowe include general government, public works, public safety, community development, cemeteries and culture and recreation.

The government-wide financial statements can be found in Exhibits A and B of this report.

**Fund Financial Statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town has two types of funds: governmental funds and proprietary funds. The proprietary funds of the Town are Enterprise Funds (business activities). These cover our water, sewer and electric departments. Fund financial statements can be found in Exhibits C through H of this report.

**Notes to the financial statements.** The notes provide additional information that is necessary for an understanding of the information in the government-wide and fund financial statements. The notes to the financial statements follow the basic financial statements in this report.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *supplementary information*. This supplementary information includes combining statements for various funds and budgetary comparison statements for funds other than the Town's General Fund. The supplementary information can be found immediately following the notes to the financial statements in schedules I through II.

**Government-wide Financial Analysis  
Town of Stowe, Vermont  
Statement of Net Position**

Assets	Governmental Activities		Business Type Activities		Total	
	FY 2017	FY 2016	FY 2017	FY 2016	FY 2017	FY 2016
Current & Other Assets	4,643,919	4,413,155	34,929,496	35,092,909	39,573,415	39,506,064
Capital Assets	32,458,719	32,242,527	36,397,893	34,859,722	68,856,612	67,102,749
<b>Total Assets</b>	<b>37,102,638</b>	<b>36,655,682</b>	<b>71,327,389</b>	<b>69,952,631</b>	<b>108,430,027</b>	<b>106,608,813</b>
<b>Deferred Outflows of Resources</b>	<b>1,021,594</b>	<b>612,603</b>	<b>79,152</b>	<b>49,794</b>	<b>1,100,746</b>	<b>662,397</b>
<b>Liabilities</b>						
Current Liabilities	508,969	770,724	1,578,434	1,599,093	2,087,403	2,369,727
Long Term Liabilities	12,850,045	13,033,961	39,529,357	40,416,040	52,379,402	53,450,001
<b>Total Liabilities</b>	<b>13,359,014</b>	<b>13,804,685</b>	<b>41,107,791</b>	<b>42,015,043</b>	<b>54,466,805</b>	<b>55,819,728</b>
<b>Deferred Inflows of Resources</b>	<b>126,957</b>	<b>89,269</b>	<b>266,137</b>	<b>370,602</b>	<b>393,094</b>	<b>459,871</b>
<b>Net Position</b>						
Invested in Capital Assets Net of Related Debt	21,940,969	20,929,027	19,262,533	19,274,427	41,203,502	40,213,454
Restricted	1,615,248	1,456,587	-	-	1,615,248	1,456,587
Unrestricted	1,082,044	978,717	10,770,080	8,342,353	11,852,124	9,321,020
<b>Total Net assets</b>	<b>24,638,261</b>	<b>23,374,331</b>	<b>30,032,613</b>	<b>27,616,780</b>	<b>54,670,874</b>	<b>50,991,111</b>

As stated above, total net position was \$54,670,874 at the end of fiscal year 2017. This figure can be used as a way to calculate whether or not the financial condition of the Town is improving or deteriorating.

The largest portion of the Town's total net position is in its investment in capital assets \$41,203,502 (75.4%). These assets are used to provide services to its citizens (e.g. land, buildings, equipment, and infrastructure). These assets are not available for future spending.

At the end of fiscal year 2017, the Town of Stowe has positive balances in all three categories of total net position for the entire government and all individual funds.

**Town of Stowe, Vermont  
Statement of Activities**

	Town of Stowe - Statement of Activities					
	Governmental Activities		Business Type Activities		Total	
	FY 2017	FY 2016	FY 2017	FY 2016	FY 2017	FY 2016
<b>Revenues</b>						
<b>Program Revenues</b>						
Charges for Services	1,235,828	1,226,598	16,112,460	15,418,998	17,348,288	16,645,596
Operating Grants & Contributions	493,556	1,041,660	-	-	493,556	1,041,660
Capital Grants & Contributions	219,790	625,553	383,452	3,088	603,242	628,641
<b>General Revenues</b>						
Property Taxes	8,591,469	8,407,738	-	-	8,591,469	8,407,738
Penalties & Interest on Delinquent Taxes	168,641	149,197	-	-	168,641	149,197
Local Options Tax	859,906	789,519	-	-	859,906	789,519
General State Grants	400,066	386,181	-	-	400,066	386,181
Investment Earnings	200,205	120,691	573,121	567,505	773,326	688,196
LCP Equity Dividends	-	-	1,080,704	1,080,704	1,080,704	1,080,704
Gain on Sale of Land/Equipment	-	-	6,379	12,900	6,379	12,900
Grand List Settlement	150,000	-	-	-	150,000	-
Insurance Proceeds	308,068	-	-	-	308,068	-
Other Revenue	3,778	17,341	-	-	3,778	17,341
<b>Total Revenues</b>	<b>12,631,307</b>	<b>12,764,478</b>	<b>18,156,116</b>	<b>17,083,195</b>	<b>30,787,423</b>	<b>29,847,673</b>
<b>Expenditures</b>						
<b>Governmental Activities</b>						
General Government	2,416,063	2,342,033	-	-	2,416,063	2,342,033
Public Safety	3,175,890	2,867,272	-	-	3,175,890	2,867,272
Public Works	2,818,330	3,333,777	-	-	2,818,330	3,333,777
Culture & Recreation	2,583,593	2,414,564	-	-	2,583,593	2,414,564
Cemeteries	17,992	32,167	-	-	17,992	32,167
Interest	397,509	443,888	-	-	397,509	443,888
<b>Business Type Activities</b>						
Water	-	-	905,967	989,298	905,967	989,298
Sewer	-	-	1,709,355	1,729,411	1,709,355	1,729,411
Electric	-	-	13,082,961	13,168,702	13,082,961	13,168,702
<b>Total Expenditures</b>	<b>11,409,377</b>	<b>11,483,701</b>	<b>15,698,283</b>	<b>15,887,411</b>	<b>27,107,660</b>	<b>27,321,112</b>
Transfers In/(Out)	42,000	33,000	(42,000)	(33,000)	-	-
Changes in Net Position	1,263,930	1,363,777	2,415,833	1,162,784	3,679,763	2,526,561
Net Position - Beginning of Year	23,374,331	22,010,554	27,616,760	26,453,996	50,991,111	48,464,550
Net Position - End of Year	24,638,261	23,374,331	30,032,613	27,616,780	54,670,874	50,991,111

**Governmental activities:** Governmental activities increased the Town's net position by \$1,263,930 in FY17. The Town added \$216,192 to its inventory of capital assets net of current year depreciation (funded with \$219,790 of capital contributions and grants). Major additions included the streambank stabilization projects, and various other public works infrastructure projects, and the purchase of vehicles and equipment.

**Business-type activities:** Business-type activities increased the Town's net position by \$2,415,833 in FY17, with contributions by Water \$1,282,602, Sewer \$107,420, and Electric \$1,025,811.

### Financial Analysis of Major Funds

#### General Fund

The General Fund balance increased by \$33,245 during the year. The total fund balance at year-end was \$1,016,672. Of this amount, \$150,266 is nonspendable inventory and prepaid expenses and 17,824 is restricted for library development expenses. There is \$105,337 committed for annual leave reserves, \$159,000 assigned to reduce property taxes in fiscal year 2018, \$9 for recreation scholarship expenses, and \$20,398 for library operations, leaving \$563,838 available for future expenses.

Actual Revenues were higher by \$243,772 compared to budgets. Revenues coming in over budget included: Property Taxes, \$37,633, collection of prior period taxes and current year Property Tax Abatements, (\$9,785 less than planned) Administration, \$186,795, because of increased Act 68 Collection Agent Fees, Delinquent Tax Interest and Grand List Settlement with State of Vermont, \$150,000; EMS, \$15,845 for increased collections on billings; Highway, \$11,330, Insurance claims; Mountain Rescue, \$4,793 provided additional services to State of Vermont; Planning, \$5,381, Logging revenue from Trail maintenance of Sterling Forest; Police, \$25,347, non-federal grants and donations and sales of reports; Town Clerk, \$14,669, increased recording and photocopy fees; Parks and Grounds, \$61,715 from Insurance Proceeds from Parks Garage Fire, Memorial Building, \$12,294, for grants for building efficiency and safety. Revenues coming in under budget included: Arena,(\$84,610), due to missed budget on turf and ice time rentals and skate rentals; Recreation, (\$48,308) due to declining attendance of Summer Camp and After School program; Zoning, (\$9,306), lower than expected application fees.

Expenditures were \$50,840 over budget. Expenditures coming in under budget were due to the following departments: Administration, \$5,006, reduced legal costs; Cultural Campus, \$34,834, transferred (\$31,800) Ski Museum window restoration funds to Capital Fund; Library, \$34,064, staffing transitions; Recreation, \$49,052, seasonal staffing and program services downsized to meet program attendance; and Zoning, \$6,818, lower legal costs. Expenditures coming in over budget were, Akeley Building (\$18,610) for building efficiencies and safety which were offset with grant revenue; Arena, (\$16,477) for system maintenance; Highway, (\$66,001) for necessary use of salt and sand for icy winter; Parks and Grounds (\$30,190) Parks Garage fire related costs offset by seasonal staff shortages. Mountain Rescue (\$6,650) for rescue calls reimbursed by State; Town Clerk, (\$15,421) for increased cost for recording and preserving land records due to higher number of property transfers.

**Capital Fund**

The Capital fund ended with a balance of \$839,124 in FY 17. This Fund balance increased \$388,761 and was funded with \$859,906 of local option taxes, \$321,610 of grants, General Fund Transfer of \$31,800, Insurance claim for Parks Garage Fire of \$143,830, and \$398 of interest. The capital expenditures and transfers out totaled \$968,783 which included Quiet Path Bridge, Parks Garage Rebuild, Moscow Road Bridge Repairs, Luce Hill Culvert, Village Sidewalk Paver Replacement, Ski Museum Siding Repairs, Fire Dept SCBA (Self Contained Breathing Apparatus), and Design work on Lower Village Sidewalk.

**Water Fund**

The Water Fund had operating income of \$825,966, non-operating revenue connection fees of \$175,779, non-cash capital contribution of \$383,452 and interest expense of (\$102,595) resulting in an increase in net position of \$1,282,602.

**Sewer Fund**

The Sewer Fund had an operating loss of (\$132,494) which when added to non-operating revenues of connection fees \$235,398 plus investment income of \$4,516, resulted in an increase to Net position of \$107,420.

**Electric Fund**

The Electric Fund had operating income of \$267,070. Operating revenues were up \$120,083 and expenditures were down \$119,105 between FY17 and FY16, which improved operating income by \$239,188. Non-operating revenues and expenses increased the net position by \$800,741 less a transfer of \$42,000 between Electric Fund and General Fund, to an overall increase in net position of \$1,025,811.

**Other Non-Major Governmental Funds**

<b>Police DEA Fund</b>	\$	20,533
<b>Appraisal Fund</b>		139,564
<b>Records Preservation Fund</b>		63,466
<b>Equipment Fund</b>		193,514
<b>Rink Renovation Fund</b>		18,189
<b>Cemetery Fund</b>		487,388
<b>Library Endowment Fund</b>		<u>1,025,037</u>
<b>Total</b>	\$	<u>1,948,691</u>

**Capital Asset Administration**

The Town of Stowe's investment in capital assets for its governmental activities as of June 30, 2017 totaled \$32,458,719 (net of depreciation) and \$36,397,893 for the business type activities. These assets include land, buildings and building improvements, roads and bridges, vehicles, machinery, equipment, antiques and furniture, and utility distribution and collection systems.

**Major general fund capital asset transactions during the year included the following additions:**

Bridge - Bridge St. Recon Phase II  
 Bridge - Heyer Bridge Reconstruction  
 Bridge - Moscow Rd Bridge Rail Replacement  
 Building - Ski Museum Repairs  
 Building - Parks Garage Reconstruction - Fire  
 Building - Akeley Memorial Repairs  
 Cemetery - Old Yard Cemetery Restoration  
 Culvert - Luce Hill Rd Culvert Rehabilitation  
 Rec Path - Quiet Path Bridge  
 Rec Path - Reconstruction  
 Rec Path - Staircase - Village  
 Rec Path - Bridge 4 Streambank  
 Riverbank Stabilization - Construction  
 Safety - Fire Dept. SCBA Self Contained Breathing Apparatus  
 Sidewalk - Repairs Depot&S.Main  
 Sidewalk - Repairs Village Replace Pavers  
 Equipment - Parks F-350 Pickup  
 Equipment - Parks F-350 4x4 Dump Truck  
 Equipment - Highway Excavator  
 Equipment - Parks Exmark Mowers - 4  
 Equipment - Parks Kubota Tractor  
 Equipment - Parks Bobcat Skidsteer  
 Equipment - Police SUV

**General Fund capital assets disposed of during the year included the following deletions:**

Sold, Retired or Traded:  
 2001 Highway Volvo Excavator  
 2002 Fire SCBA Packs  
 2002 Parks Fire Gravely 60" Mower  
 2004 Fire Thermal Imager  
 2006 Parks Ford F-350  
 2007 Parks Ford F-350  
 2008 Parks Fire Gehl Skid Loader  
 2009 Parks Fire Exmark Mower  
 2009 Parks Fire Kubota Tractor w/backhoe  
 2010 Parks Fire Exmark Mower  
 2010 Police Chevy Tahoe  
 2015 Parks Fire Exmark Mower  
 2016 Parks Fire Exmark Mower  
 Parks Fire Maintenance Garage

The Water fund had \$42,173 of capital asset additions, which includes Notchbrook Pump Replacement and SCADA system upgrades.

The Sewer fund had \$39,856 of capital asset additions, which includes Weeks Hill Pump Station improvements, and ATAD Pump rebuild.

The Electric fund had capital asset additions of \$2,651,725, which was primarily the Nebraska Valley solar farm.

#### **Debt Administration**

As of June 30, 2017, long-term debt of governmental activities of the Town of Stowe was \$10,517,750. As of June 30, 2016, the governmental activities debt was \$11,303,500. During the year, the Town paid \$785,750 on older bonds and notes, and issued no new bonds in FY 2017.

The Business type activities had bonds and notes outstanding with a total principal debt of \$39,181,079. At the beginning of the fiscal year there was \$40,087,106 in outstanding debt. During the year the Town paid \$1,706,027 on older bonds and notes and a new bond was issued in the amount of \$800,000 to acquire, replace, or construct municipal electric plant improvements, including substation transformers, CIS billing system and IT improvements, and vehicles.

#### **Economic Factors and FY 18 Budgets and Rates**

- The Town of Stowe growth for the Grand List has averaged 1.35% over the last 5 years. We estimated a growth rate of 1.75% for the 2017 Grand List, used in FY'18, the actual was 2.03%. With several residential construction projects underway, the 2018 Grand List, used for FY'19, we are estimating a growth rate of 2.50%, which is higher than the average.
- Employees who fall under the Personnel Regulations, Police Association Contract, and the IBEW Agreement are scheduled to receive a 1.6% pay increase, plus any step increase they may be eligible for in FY 18.
- Health insurance rates have been budgeted to increase around 5.4% for Blue Cross VIIP plan and decrease 7.1% for Blue Cross VFP plan for first half of FY'18 and second half of FY'18 is based on 5.9% increase, based three year premium changes for FY 2018. All employees pay a portion of the health care premiums, 10% for Blue Cross Blue Shield VIIP plan or 5% for VFP plan.
- Dental insurance and Short Term/Long Term disability insurance are not expected to increase from FY17 rates. All employees contribute 5% toward their dental coverage.
- Prices for #2 fuel oil, diesel fuel, liquid and gasoline were estimated using a three year average price at October 31st.



These factors were taken into consideration in preparing the fiscal year 2018 budgets. The General Fund expense for FY 18 is \$11,617,079, an increase of 2.22%. Non-tax revenues have been budgeted at \$2,511,243, a 1.25% decrease, leaving an amount to be raised by taxation of \$8,946,836. In addition, The Town reduced the amount raised by taxation with the use of \$159,000 of surplus carry forward from the General Fund.

The Town of Stowe continues to experience growth in the residential and commercial sectors of town. Stowe Cider converted and moved into an existing warehouse space on the Mountain Road. Stowe Mountain Resorts expanded parking lots for cross country center and Midway Lodge, along with Mountain Haus apartment 36 unit completion and Spruce Peak Triplexes opening 6 units. The Town is adding a redundant well at our Cape Cod Road water plant. Vail Resorts completed the purchase of Stowe Mountain Resorts ski operations in the fall of 2017.

The Town of Stowe suffered from a severe wind storm October 2017 which led to downed trees, power lines, and road closures due to debris. The event was declared a federal disaster in January 2018, allowing the Town and Stowe Electric to qualify for FEMA disaster relief funds.

#### **Requests for Information**

This financial report is designed to provide a general overview of the Town of Stowe, Vermont's financial condition. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Town Manager's office or the Finance Office.

TOWN OF STOWE, VERMONT  
STATEMENT OF NET POSITION  
JUNE 30, 2017

Exhibit A

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash	\$ 3,937,301	\$ 3,081,883	\$ 7,019,184
Investments	2,012,795	0	2,012,795
Deposits with Insurance Company	3,600	0	3,600
Receivables (Net of Allowance for Uncollectibles)	619,316	2,453,756	3,073,072
Loans Receivable	0	3,328,639	3,328,639
Internal Balances	(2,079,359)	2,079,359	0
Prepaid Expenses	15,746	3,486	19,932
Inventory	134,520	245,696	380,216
Restricted Cash	0	546,885	546,885
Investment in Associated Companies	0	23,171,202	23,171,202
Deferred Charges	0	17,890	17,890
Capital Assets:			
Land and Easements	6,283,294	52,525	6,335,819
Construction in Progress	259,384	981,009	1,240,393
Antiques	80,000	0	80,000
Other Capital Assets, (Net of Accumulated Depreciation)	23,836,041	35,364,359	61,200,400
Total Assets	37,102,638	71,327,389	108,430,027
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Outflows of Resources Related to the Town's Participation in VMERS	1,021,594	79,152	1,100,746
Total Deferred Outflows of Resources	1,021,594	79,152	1,100,746
<b>LIABILITIES</b>			
Accounts Payable	237,764	1,097,966	1,335,670
Accrued Payroll and Benefits Payable	131,833	64,932	196,765
Other Accrued Expenses	0	274,162	274,162
Unearned Revenue	85,033	21,994	107,027
Accrued Interest Payable	54,399	119,380	173,779
Noncurrent Liabilities:			
Due within One Year	785,750	1,786,343	2,572,093
Due in More than One Year	12,064,295	37,743,014	49,807,309
Total Liabilities	13,359,014	41,107,791	54,466,803
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Prepaid Property Taxes	111,234	0	111,234
Deferred Contribution for Capital Assets	0	220,000	220,000
Deferred Gain on Hedge Sale	0	44,919	44,919
Deferred Inflows of Resources Related to the Town's Participation in VMERS	15,723	1,218	16,941
Total Deferred Inflows of Resources	126,957	266,137	393,094
<b>NET POSITION</b>			
Net Investment in Capital Assets	21,940,269	19,262,533	41,202,802
Restricted:			
Culture and Recreation	1,043,861	0	1,043,861
Cemetery	487,388	0	487,388
Other	83,999	0	83,999
Unrestricted	1,082,044	10,770,080	11,852,124
Total Net Position	\$ 24,638,261	\$ 30,032,613	\$ 54,670,874

The accompanying notes are an integral part of this financial statement.

Exhibit B

TOWN OF SIOUX VALLEY  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2017

	Program Revenues				Net (Expense) Revenue and Change in Net Position		
	Expenses	Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Particular Programs:</b>							
<b>Principally Governmental</b>							
<b>Governmental Activities</b>							
General Government	\$ 2,418,663	\$ 306,546	\$ 110,918	\$ 0	\$ (1,998,199)	\$ 0	\$ (1,998,199)
Public Safety	3,175,880	375,667	89,546	0	(2,709,677)	0	(2,709,677)
Public Works	2,818,310	17,585	260,013	219,700	(2,311,242)	0	(2,311,242)
Culture and Recreation	2,583,591	328,133	12,989	0	(2,042,469)	0	(2,042,469)
Deerley	17,592	9,025	100	0	(8,477)	0	(8,477)
Interest on Long-term Debt	697,569	0	0	0	(697,569)	0	(697,569)
<b>Total Governmental Activities</b>	<b>11,809,513</b>	<b>1,736,956</b>	<b>493,566</b>	<b>219,700</b>	<b>(9,460,201)</b>	<b>0</b>	<b>(9,460,201)</b>
<b>Business-type Activities</b>							
Water	805,867	1,805,117	0	389,452	0	1,282,602	1,282,602
Sewer	1,709,155	1,812,249	0	0	0	102,904	102,904
Electric	1,652,461	12,493,081	0	0	0	1,087,877	1,087,877
<b>Total Business-type Activities</b>	<b>15,698,283</b>	<b>16,110,447</b>	<b>0</b>	<b>389,452</b>	<b>0</b>	<b>793,629</b>	<b>793,629</b>
<b>Total Primary Government</b>	<b>\$ 27,107,666</b>	<b>\$ 17,849,359</b>	<b>\$ 493,566</b>	<b>\$ 609,152</b>	<b>(9,460,201)</b>	<b>793,629</b>	<b>(8,662,574)</b>
<b>General Revenues</b>							
Property Taxes					8,291,460	0	8,291,460
Interest on Unexpended Loans					168,641	0	168,641
Local Option Sales Tax					839,596	0	839,596
Central State Grants					400,000	0	400,000
Unexpended Investment (earnings)					289,285	373,121	662,406
LCR Equity Dividends					0	1,080,704	1,080,704
Gain on Sale of Capital Assets					0	6,379	6,379
Grant List Settlement					150,000	0	150,000
Insurance Proceeds					308,688	0	308,688
Other Revenues					1,778	0	1,778
Transfers					473,000	(42,000)	431,000
<b>Total General Revenues and Transfers</b>					<b>10,723,133</b>	<b>1,618,204</b>	<b>12,341,337</b>
<b>Change in Net Position</b>					<b>1,263,032</b>	<b>2,415,883</b>	<b>3,678,915</b>
<b>Net Position - July 1, 2016</b>					<b>21,478,111</b>	<b>27,616,780</b>	<b>48,094,891</b>
<b>Net Position - June 30, 2017</b>					<b>\$ 22,741,143</b>	<b>\$ 30,032,663</b>	<b>\$ 51,773,806</b>

The accompanying notes are an integral part of this financial statement.

Exhibit C

TOWN OF STOWE, VERMONT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2017

	General Fund	Capital Fund	Non-Major Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash	\$ 3,878,811	\$ 0	\$ 58,490	\$ 3,937,301
Investments	550,398	0	1,462,397	2,012,795
Deposits with Insurance Company	3,600	0	0	3,600
Receivables (Net of Allowance for Uncollectibles)	454,369	164,947	0	619,316
Due from Other Funds	0	675,908	455,324	1,130,632
Prepaid Expenses	15,746	0	0	15,746
Inventory	134,520	0	0	134,520
<b>Total Assets</b>	<b>\$ 5,037,444</b>	<b>\$ 840,255</b>	<b>\$ 1,976,211</b>	<b>\$ 7,853,910</b>
<b>LIABILITIES</b>				
Accounts Payable	\$ 216,515	\$ 1,131	\$ 20,058	\$ 237,704
Accrued Payroll and Benefits Payable	131,833	0	0	131,833
Due to Other Funds	3,202,529	0	7,462	3,209,991
Unearned Revenue	85,033	0	0	85,033
<b>Total Liabilities</b>	<b>3,635,910</b>	<b>1,131</b>	<b>27,520</b>	<b>3,664,561</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Prepaid Property Taxes	111,234	0	0	111,234
Unavailable Property Taxes and Interest	217,500	0	0	217,500
Unavailable Ambulance Fees	52,600	0	0	52,600
Unavailable Fees	3,528	0	0	3,528
<b>Total Deferred Inflows of Resources</b>	<b>384,862</b>	<b>0</b>	<b>0</b>	<b>384,862</b>
<b>FUND BALANCES</b>				
Nonspendable	150,266	0	250,295	400,561
Restricted	17,824	0	1,347,129	1,364,953
Committed	105,337	839,124	193,514	1,137,975
Assigned	179,407	0	157,753	337,160
Unassigned	563,838	0	0	563,838
<b>Total Fund Balances</b>	<b>1,016,672</b>	<b>839,124</b>	<b>1,948,691</b>	<b>3,804,487</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 5,037,444</b>	<b>\$ 840,255</b>	<b>\$ 1,976,211</b>	
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:				
Capital Assets Used in Governmental Activities are not Financial Resources and, Therefore, are not Reported in the Funds.				32,459,719
Other Assets are not Available to Pay for Current-Period Expenditures, and, Therefore, are Deferred in the Funds.				273,628
Long-term and Accrued Liabilities, Including Bonds Payable and the Net Pension Liability, are not Due or Payable in the Current Period and, Therefore, are not Reported in the Funds.				(12,904,444)
Deferred Outflows and Inflows of Resources related to the Town's Participation in VMERS are applicable to Future Periods and, Therefore, are not Reported in the Funds.				1,005,871
<b>Net Position of Governmental Activities</b>				<b>\$ 24,638,261</b>

The accompanying notes are an integral part of this financial statement.

Exhibit D

TOWN OF STOWE, VERMONT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2017

	General Fund	Capital Fund	Non-Major Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
Property Taxes	\$ 8,630,169	\$ 0	\$ 0	\$ 8,630,169
Interest on Delinquent Taxes	168,641	0	0	168,641
Local Option Sales Tax	0	859,906	0	859,906
Intergovernmental	664,748	321,610	274,693	1,261,051
Charges for Services	745,012	0	8,980	753,992
Permits, Licenses and Fees	506,490	0	12,723	519,213
Fines and Forfeits	8,659	0	0	8,659
Investment Income	11,903	398	187,904	200,205
Donations	4,895	0	68,443	73,338
Grant List Settlement	150,000	0	0	150,000
Other	9,265	0	0	9,265
<b>Total Revenues</b>	<b>10,908,782</b>	<b>1,181,914</b>	<b>552,743</b>	<b>12,643,439</b>
<b>Expenditures:</b>				
General Government	2,405,450	0	1,690	2,407,140
Public Safety	2,602,219	2,370	93,919	2,698,508
Public Works	2,174,945	69,496	31,172	2,275,613
Culture and Recreation	2,101,181	20,536	9,076	2,130,793
Cemetery	13,623	0	2,934	16,557
Capital Outlay:				
General Government	47,940	0	0	47,940
Public Safety	44,289	137,060	80,136	261,485
Public Works	340,196	239,670	344,743	924,609
Culture and Recreation	5,570	149,651	194,589	349,810
Debt Service:				
Principal	785,750	0	0	785,750
Interest	402,378	0	0	402,378
<b>Total Expenditures</b>	<b>10,923,541</b>	<b>618,783</b>	<b>758,259</b>	<b>12,300,583</b>
Excess/(Deficiency) of Revenues Over Expenditures	(14,759)	563,131	(205,516)	342,856
<b>Other Financing Sources/(Uses)</b>				
Insurance Proceeds	66,632	143,830	97,606	308,068
Transfers In	413,172	31,800	400,000	844,972
Transfers Out	(431,800)	(350,000)	(71,472)	(802,972)
<b>Total Other Financing Sources/(Uses)</b>	<b>48,004</b>	<b>(174,370)</b>	<b>476,434</b>	<b>350,068</b>
Net Change in Fund Balances	33,245	388,761	270,918	692,924
Fund Balances - July 1, 2016	983,427	450,363	1,677,773	3,111,563
Fund Balances - June 30, 2017	\$ 1,016,672	\$ 839,124	\$ 1,948,691	\$ 3,804,487

The accompanying notes are an integral part of this financial statement.

Exhibit E

TOWN OF STOWE, VERMONT  
 RECONCILIATION OF THE STATEMENT OF REVENUES,  
 EXPENDITURES AND CHANGES IN FUND BALANCES OF  
 GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED JUNE 30, 2017

Amounts reported for governmental activities in the statement of activities (Exhibit B) are different because:

Net change in fund balances - total government funds (Exhibit D)	\$ 692,924
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets (\$1,583,844) is allocated over their estimated useful lives and reported as depreciation expense (\$1,273,051). This is the amount by which capital outlays exceeded depreciation in the current period.	310,793
The net effect of various transactions involving capital assets (i.e., sales, losses on disposal of assets and trade-ins) is to reduce net position.	(94,601)
The issuance of long-term debt (\$0) (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt (\$785,750) consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.	785,750
Governmental funds report employer pension contributions as expenditures (\$203,395). However, in the statement of activities, the cost of pension benefits earned net of employee contributions (\$429,224) is reported as pension expense. This amount is the net effect of the differences in the treatment of pension expense.	(225,829)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(234,700)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	<u>29,593</u>
Change in net position of governmental activities (Exhibit B)	<u>\$ 1,263,930</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF STOUR, VERMONT  
 STATEMENT OF FUND NET POSITION  
 FUND-BY-FUND  
 JUNE 30, 2017

Exhibit F

	Water Fund	Sewer Fund	Electric Fund	Total
<b>ASSETS</b>				
<b>Current Assets:</b>				
Cash	\$ 0	\$ 0	\$ 2,081,083	\$ 2,081,083
Receivables (Net of Allowance for Uncollectibles)	112,400	101,269	282,170	1,101,598
Unbilled Receivables	141,236	133,683	944,109	1,222,108
Loans Receivable - Current Portion	24,370	553,331	0	577,697
Accrued Interest Receivable	0	0	(30,052)	130,052
Due from Other Funds	0	2,168,778	0	2,168,778
Prepaid Expenses	0	0	4,188	4,188
Inventory	75,770	11,757	138,160	245,686
<b>Total Current Assets</b>	<b>355,841</b>	<b>2,969,699</b>	<b>5,207,056</b>	<b>8,531,996</b>
<b>Noncurrent Assets:</b>				
Estimated Cash	0	0	546,085	546,085
Loans Receivable - Noncurrent Portion	74,225	2,076,717	0	3,750,643
Investment in Associated Companies	0	0	23,171,202	23,171,202
Deferred Charges	0	0	(7,800)	17,800
<b>Capital Assets:</b>				
Land	8,047	43,878	0	52,525
Construction in Progress	0	21,831	958,178	981,009
Land Improvements	0	7,787	0	7,787
Buildings and Building Improvements	0	15,584,232	279,429	15,877,661
Machinery and Equipment	252,429	369,613	2,082,309	3,205,262
Distribution and Collection Systems	11,884,001	(8,852,965)	12,985,739	36,761,805
Less: Accumulated Depreciation	(2,024,983)	(10,240,433)	(7,202,750)	(20,468,159)
<b>Total Noncurrent Assets</b>	<b>9,304,729</b>	<b>19,644,091</b>	<b>31,714,392</b>	<b>62,864,812</b>
<b>Total Assets</b>	<b>9,660,570</b>	<b>32,614,790</b>	<b>38,941,448</b>	<b>71,416,808</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Outflows of Resources Related to the Town's Participation in YMBBS				
	60,648	18,504	0	79,152
<b>Total Deferred Outflows of Resources</b>	<b>60,648</b>	<b>18,504</b>	<b>0</b>	<b>79,152</b>
<b>LIABILITIES</b>				
<b>Current Liabilities:</b>				
Accounts Payable	84,412	24,537	989,017	1,097,966
Accrued Payroll and Benefits Payable	4,035	8,183	51,814	64,922
Other Accrued Expenses	0	0	274,182	274,182
Due to Other Funds	89,419	0	0	89,419
Unearned Revenues	0	0	21,994	21,994
Accrued Interest Payable	63,739	0	33,641	119,280
Notes Payable - Current Portion	0	0	161,030	161,030
General Obligation Bonds Payable - Current Portion	316,648	816,461	262,080	1,625,299
<b>Total Current Liabilities</b>	<b>761,154</b>	<b>879,281</b>	<b>1,813,758</b>	<b>3,449,196</b>
<b>Noncurrent Liabilities:</b>				
Compensated Absences Payable	30,478	39,736	133,161	223,376
Net Pension Liability	93,718	29,114	0	123,901
Notes Payable - Noncurrent Portion	0	0	31,240,744	31,240,744
General Obligation Bonds Payable - Noncurrent Portion	3,073,665	7,227,475	5,843,840	16,143,980
<b>Total Noncurrent Liabilities</b>	<b>3,199,862</b>	<b>7,296,395</b>	<b>47,246,757</b>	<b>37,743,014</b>
<b>Total Liabilities</b>	<b>3,961,016</b>	<b>8,175,676</b>	<b>29,060,514</b>	<b>41,197,310</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Contribution for Capital Assets				
	0	0	250,000	250,000
Deferred Gain on Hedge Sale				
	0	0	44,919	44,919
Deferred Inflow of Resources Related to the Town's Participation in YMBBS				
	931	284	0	1,218
<b>Total Deferred Inflow of Resources</b>	<b>931</b>	<b>284</b>	<b>264,919</b>	<b>266,417</b>
<b>NET POSITION</b>				
Net Investment in Capital Assets	5,640,189	9,094,915	4,527,409	19,262,513
Overfunded	(19,080)	5,562,395	5,088,605	10,770,680
<b>Total Net Position</b>	<b>\$ 4,749,369</b>	<b>\$ 14,657,310</b>	<b>\$ 9,616,014</b>	<b>\$ 39,011,613</b>

The accompanying notes are an integral part of this financial statement.

Exhibit G

TOWN OF STOWE, VERMONT  
STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2017

	Water Fund	Sewer Fund	Electric Fund	Total
<b>Operating Revenues:</b>				
Charges for Services	\$ 1,629,338	\$ 1,576,861	\$ 11,949,548	\$ 15,155,747
Total Operating Revenues	<u>1,629,338</u>	<u>1,576,861</u>	<u>11,949,548</u>	<u>15,155,747</u>
<b>Operating Expenses:</b>				
Administrative	76,531	90,436	1,544,047	1,711,314
Power	0	0	8,289,604	8,289,604
Distribution and Collection	519,724	1,095,930	1,207,164	2,822,818
Taxes	0	0	118,365	118,365
Depreciation and Amortization	206,817	522,989	523,298	1,253,104
Total Operating Expenses	<u>803,372</u>	<u>1,709,355</u>	<u>11,682,478</u>	<u>14,195,205</u>
Operating Income/(Loss)	<u>825,966</u>	<u>(132,494)</u>	<u>267,070</u>	<u>960,542</u>
<b>Non-Operating Revenues/(Expenses):</b>				
Connection Fees and Related Interest	175,779	235,398	0	411,177
UCP Equity Dividends	0	0	1,080,704	1,080,704
Gain on Sale of Capital Assets	0	0	6,379	6,379
Loss on Disposal of Capital Assets	0	0	(19,417)	(19,417)
Other Income	0	0	545,536	545,536
Investment Income	0	4,516	568,605	573,121
Interest Expense	(102,595)	0	(1,381,066)	(1,483,661)
Total Non-Operating Revenues/(Expenses)	<u>73,184</u>	<u>239,914</u>	<u>800,741</u>	<u>1,113,839</u>
Net Income Before Capital Contributions and Transfers	<u>899,150</u>	<u>107,420</u>	<u>1,067,811</u>	<u>2,074,381</u>
<b>Capital Contributions and Transfers:</b>				
Capital Contributions	383,452	0	0	383,452
Transfers Out	0	0	(42,000)	(42,000)
Total Capital Contributions and Transfers	<u>383,452</u>	<u>0</u>	<u>(42,000)</u>	<u>341,452</u>
Change in Net Position	1,282,602	107,420	1,025,811	2,415,833
Net Position - July 1, 2016	4,476,667	14,549,910	8,590,203	27,616,780
Net Position - June 30, 2017	<u>\$ 5,759,269</u>	<u>\$ 14,657,330</u>	<u>\$ 9,616,014</u>	<u>\$ 30,032,613</u>

The accompanying notes are an integral part of this financial statement.



Exhibit B

TOWN OF STOWE, VERMONT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2017

	Water Fund	sewer Fund	Electric Fund	Total
<b>Cash Flows From Operating Activities:</b>				
Receipts from Customers and Users	\$ 1,632,226	\$ 1,577,553	\$ 11,460,977	\$ 15,659,786
Payments for Purchased Power	0	0	(8,289,604)	(8,289,604)
Payments for Grants and Services	(265,074)	(685,660)	(1,435,542)	(2,386,076)
Payments for Interfund Services	(50,250)	(51,450)	0	(101,500)
Payments for Wages and Benefits	(307,551)	(489,326)	(1,267,755)	(2,061,659)
<b>Net Cash Provided by Operating Activities:</b>	<b>989,344</b>	<b>351,347</b>	<b>868,256</b>	<b>2,209,947</b>
<b>Cash Flows From Noncapital Financing Activities:</b>				
Other Receipts	0	0	360,324	360,324
Decreases/Increases in Due From Other Funds	0	(314,266)	0	(314,266)
(Decrease)/Increase in Due to Other Funds	(155,493)	0	0	(155,493)
Transfers Paid to Other Funds	0	0	(12,090)	(12,090)
ECP Equity Dividends	0	0	1,080,704	1,080,704
<b>Net Cash Provided/(Used) by Noncapital Financing Activities:</b>	<b>(155,493)</b>	<b>(314,266)</b>	<b>1,209,022</b>	<b>489,166</b>
<b>Cash Flows From Capital and Related Financing Activities:</b>				
Payments Received on Loans Receivable and Connection Fees	209,621	844,922	0	1,054,243
Proceeds from Long-term Debt	0	0	800,000	800,000
Proceeds from Sale of Capital Assets	0	0	313,653	313,653
Acquisition and Construction of Capital Assets	(12,173)	(39,826)	(2,651,723)	(2,733,754)
Acquisition of Bond Financing Fees	0	0	(15,000)	(15,000)
Principal Paid on General Obligation Bonds Payable	(510,460)	(840,563)	(264,090)	(1,619,103)
Principal Paid on Notes Payable	0	0	(86,924)	(86,924)
Interest Paid on General Obligation Bonds Payable	(110,859)	0	(179,962)	(290,741)
Interest Paid on Notes Payable	0	0	(1,199,106)	(1,199,106)
<b>Net Cash Provided/(Used) by Capital and Related Financing Activities:</b>	<b>(153,851)</b>	<b>(11,897)</b>	<b>(3,281,084)</b>	<b>(3,776,832)</b>
<b>Cash Flows From Investing Activities:</b>				
Receipt of Interest and Dividends	0	4,516	567,654	572,170
<b>Net Cash Provided by Investing Activities:</b>	<b>0</b>	<b>4,516</b>	<b>567,654</b>	<b>572,170</b>
<b>Net Increase/(Decrease) in Cash</b>	<b>0</b>	<b>0</b>	<b>(506,149)</b>	<b>(506,149)</b>
<b>Cash - July 1, 2016</b>	<b>0</b>	<b>0</b>	<b>4,134,817</b>	<b>4,134,817</b>
<b>Cash - June 30, 2017</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 3,628,668</b>	<b>\$ 3,628,668</b>
<b>Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided by Operating Activities:</b>				
Operating Income/(Loss)	\$ 825,966	\$ (132,494)	\$ 267,070	\$ 960,542
Depreciation and Amortization	206,817	522,089	523,298	1,253,104
(Increase)/Decrease in Receivables	(17,112)	722	(88,571)	(104,961)
(Increase)/Decrease in Prepaid Expenses	0	0	(133)	(133)
(Increase)/Decrease in Inventory	(19,779)	1,734	2,087	(15,958)
(Increase)/Decrease in Deferred Outflows of Resources Related to the Town's Participation in VMERS	(22,370)	(6,788)	0	(29,158)
Increase/(Decrease) in Accounts Payable	7,362	(13,220)	(6,797)	(14,455)
Increase/(Decrease) in Accrued Payroll and Benefits Payable	(758)	(1,420)	5,418	2,210
Increase/(Decrease) in Other Accrued Expenses	0	0	136,999	136,998
Increase/(Decrease) in Compensated Absence Payable	(23,655)	(28,630)	28,880	(25,405)
Increase/(Decrease) in Net Pension Liability	34,431	10,218	0	44,749
Increase/(Decrease) in Deferred Inflows of Resources Related to the Town's Participation in VMERS	460	142	0	611
<b>Net Cash Provided by Operating Activities</b>	<b>\$ 989,344</b>	<b>\$ 351,347</b>	<b>\$ 868,256</b>	<b>\$ 2,209,947</b>

The Town received non-cash capital contributions of \$303,452 in the Water Fund.

The Electric Fund sold capital assets with a cost and accumulated depreciation of \$216,522 and \$9,188, respectively, for \$333,653.

The Electric Fund disposed of capital assets with a cost and accumulated depreciation of \$19,357 and \$-0-, respectively.

The accompanying notes are an integral part of this financial statement.

TOWN OF STOWE, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017

The Town of Stowe, Vermont, (herein the "Town") operates under a Manager/Board of Selectmen form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, sanitation, health and social services, community/economic development, culture and recreation, public improvements, planning and zoning, water, sewer, electric and general administrative services.

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies adopted by the Town of Stowe, Vermont (the "Town") conform to generally accepted accounting principles (GAAP) as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing accounting and financial reporting principles. The following is a summary of the more significant accounting policies employed in the preparation of these financial statements.

**A. The Financial Reporting Entity**

This report includes all of the activity of the Town of Stowe, Vermont. The financial reporting entity consists of the primary government; organizations for which the primary government is financially accountable; and other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government. The primary government is financially accountable if an organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government regardless of whether the organization has a separately elected governing board; a governing board appointed by a higher level of government; or a jointly appointed board. Based on these criteria, there are no other entities that should be combined with the financial statements of the Town.

**B. Basis of Presentation**

The accounts of the Town are organized and operated on the basis of fund accounting. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are spent and the means by which spending activities are controlled.

The basic financial statements of the Town include both government-wide statements and fund financial statements. The focus of the government-wide statements is on reporting the operating results and financial position of the Town as a whole and present a longer-term view of the Town's finances. The focus of the fund financial statements is on reporting on the operating results and financial position of the most significant funds of the Town and present a shorter-term view of how operations were financed and what remains available for future spending.

TOWN OF STOWE, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017

**Government-wide Statements:** The statement of net position and the statement of activities display information about the primary government, the Town. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double counting of activities between funds. These statements distinguish between the governmental and business-type activities of the Town. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Town's governmental activities and for each segment of the Town's business-type activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular program or function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

**Fund Financial Statements:** The fund financial statements provide information about the Town's funds. Separate statements for each fund category – governmental and proprietary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

The Town reports on the following major governmental funds:

General Fund – This is the Town's main operating fund. It accounts for all financial resources of the Town except those accounted for in another fund.

Capital Fund – This fund accounts for the general capital expenditures of the Town.

The Town reports on the following major enterprise funds:

Water Fund – This fund accounts for the operations of the Water Department.

Sewer Fund – This fund accounts for the operations of the Sewer Department.

Electric Fund – This fund accounts for the operations of the Electric Department. The Electric Department is a municipally-owned utility providing retail electric power to the residents of the Town and surrounding communities.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

TOWN OF STOWE, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017

**C. Measurement Focus**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. This means that all assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of these funds (whether current or noncurrent) are included on the balance sheet (or statement of net position). Equity (i.e., total net position) is segregated into net investment in capital assets; restricted net position; and unrestricted net position. Operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

Governmental fund financial statements are reported using the current financial resources measurement focus. This means that only current assets, deferred outflows of resources, current liabilities and deferred inflows of resources are generally reported on their balance sheets. Their reported fund balances (net current position) are considered a measure of available spendable resources, and are segregated into nonspendable, restricted, committed, assigned and unassigned amounts. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current position. Accordingly, they are said to present a summary of sources and uses of available spendable resources during a period.

**D. Basis of Accounting**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred, regardless of when the related cash flow takes place. Nonexchange transactions, in which the Town 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. Local option sales taxes collected and held by the State at year-end on behalf of the Town are also recognized as revenue. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transaction can be determined, and "available" means the amount is collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Town considers all revenues reported in governmental funds to be available if the revenues are collected within sixty (60) days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, certain compensated absences and other long-term liabilities which are recognized when the obligations are expected to be liquidated or are funded with expendable available financial resources.

TOWN OF STOWE, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017

General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt, acquisitions under capital leases and sales of capital assets are reported as other financing sources.

Under the terms of grant agreements, the Town funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the Town'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.

The Electric Department is under the jurisdiction of the Federal Energy Regulatory Commission (FERC) and the Vermont Public Service Board (VPSB) with respect to rates and accounting practices. In accordance with Statement of Financial Accounting Standards No. 71 "Accounting for the Effects of Certain Types of Regulations," the Electric Department records certain assets and liabilities in accordance with the economic effect of the rate making process. As such, regulators may permit incurred costs or benefits, typically treated as expenses or income by unregulated entities, to be deferred and expensed or benefited in future periods. Costs are deferred as regulatory assets when the Electric Department concludes that future revenue will be provided to permit recovery of the previously incurred cost. Revenue may also be deferred as regulatory liabilities that would be returned to customers by reducing future revenue requirements. The Electric Department analyzes the evidence supporting deferral, including provisions for recovery in regulatory orders, regulatory precedent, other regulatory correspondence and legal representations.

**E. Use of Estimates**

The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows and inflows of resources and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**F. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Equity**

**1. Cash**

Cash balances of most Town funds are deposited with and invested by the Town Treasurer. The exception to this is that the Electric Fund and Library Endowment Fund collect and invest cash. The Town considers all short-term investments of ninety (90) days or less to be cash equivalents.

Excess cash of individual funds are shown as due from other funds and excess cash withdrawals are shown as due to other funds. Interest income is allocated based on the due from/to other funds balances.

TOWN OF STOWE, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017

**2. Investments**

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

**3. Receivables**

Receivables for all funds, except the Electric Fund, are shown net of an allowance for uncollectible accounts for the estimated losses that will be incurred in the collection of the receivables. The estimated losses are based on the judgment of management and a review of the current status of existing receivables. The Electric Fund does not provide an allowance for doubtful accounts but utilizes the direct write-off method for all uncollectible accounts based on management's judgment. The Electric Department has determined that any uncollectible receivables would be immaterial to the Department.

**4. Unbilled Receivables and Revenue Recognition**

The Electric Department does all the billing for the Water, Sewer and Electric Funds. The Department reads approximately half of the meters around the 1st of the month and the balance around the 15<sup>th</sup>. Revenues have been recognized through the end of the accounting period by providing for unbilled revenues from the reading date through the end of the accounting period.

**5. Internal Balances**

Activity between funds that are representative of lending/borrowing arrangements that are outstanding at the end of the fiscal year are referred to as "advances from/to other funds". All other outstanding balances between funds are reported as "due from/to other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

**6. Pensions**

For purposes of measuring the proportionate share of the net pension liability and the related deferred outflows/inflows of resources and pension expense, information about the fiduciary net position of the Vermont Municipal Employees' Retirement System (VMERS) plan and additions to/deductions from the VMERS' fiduciary net position have been determined on the same basis as they are reported by VMERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**7. Inventories and Prepaid Expenses**

Inventory quantities are determined by physical count and are valued at the lower of cost or market. Inventory is recorded as an expenditure or in certain cases, for the Electric Fund, capitalized at the time the individual item is utilized. Inventories in the governmental funds consist of gravel and materials. Inventories in the proprietary funds consist of fuel, materials and parts held by the individual departments for repairs and additions to equipment and utility plant.

TOWN OF STOWE, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017

Certain payments to vendors reflect costs that are applicable to future accounting periods and are recorded as prepaid expenses.

Reported inventories and prepaid expenses of governmental funds in the fund financial statements are offset by a nonspendable fund balance as these are not in spendable form.

**8. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statements element, "deferred outflows of resources", represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditures) until then. These amounts are deferred and recognized as an outflow of resources in the future periods to which the outflows are related.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, "deferred inflows of resources", represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. These amounts are deferred and recognized as an inflow of resources in the future periods to which the inflows are related or when the amounts become available.

**9. Capital Assets**

Capital assets are reported at actual cost or estimated historical cost based on appraisals or deflated current replacement cost if purchased or constructed. Contributed assets are recorded at their estimated acquisition value at the time received. Major outlays for capital assets and improvements are capitalized as constructed. Interest incurred during the construction phase for proprietary fund capital assets is reflected in the capitalized value of the asset constructed, net of any interest earned on the invested proceeds during the same period. Interest is not capitalized during the construction phase of capital assets used in governmental activities. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not capitalized. Infrastructure assets are reported starting with fiscal year ended June 30, 2004. The Town has elected to not report major general infrastructure assets retroactively.

Capital assets reported in the government-wide and proprietary fund financial statements are depreciated in order that the cost of these assets will be charged to expenses over their estimated service lives, generally using the straight-line method of calculating depreciation.

Capitalization thresholds (the dollar values above which asset acquisitions are added to the capital asset accounts) and estimated useful lives of capital assets are as follows:

TOWN OF STOWE, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017

	Capitalization Threshold	Estimated Service Life
Land and Easements	\$ 1,000	Not Depreciated
Antiques	1,000	Not Depreciated
Land Improvements	5,000	25-50 Years
Buildings and Building Improvements	5,000	40-50 Years
Machinery and Equipment	5,000	4-30 Years
Infrastructure	15,000	15-50 Years
Water, Wastewater and Electric Distribution and Collection Systems	15,000	50-100 Years

The Town does not capitalize its library books because the books are considered a collection.

Capital assets are not reported in the governmental fund financial statements. Capital outlays in these funds are recorded as expenditures in the year they are incurred.

#### 10. Investments in Associated Companies

The Stowe Electric Department (SED) recognizes income from its affiliates in which SED has ownership interests. This ownership includes investment in common and preferred stock of Vermont Electric Power Company, Inc. (VELCO) and membership units of VT Transco, LLC (Transco). These investments are recorded at cost and, because these are not publicly traded, market values are not readily determinable.

#### 11. Compensated Absences

It is the Town's policy to permit employees to accumulate earned but unused annual leave up to eight hundred (800) hours and up to forty (40) hours of comp time for hourly employees. These amounts are pro-rated for part-time employees. Police officers can accumulate up to one thousand one hundred fifty-eight (1,158) of hours of annual leave and up to one hundred twenty (120) hours of comp-time. The accrual for unused compensated absences, based on current pay rates, is recorded in the government-wide and proprietary fund financial statements. The liability for unused compensated absences is not reported in the governmental fund financial statements. Payments for unused compensated absences in the governmental funds are recorded as expenditures in the year they are paid.

The Electric Department allows employees to accumulate earned but unused vacation and sick pay benefits. Employees may, depending upon level and length of service, be paid for various amounts of their unused leave upon termination or retirement.

#### 12. Long-term Liabilities

Long-term liabilities include bonds payable, notes payable, capital leases and other obligations such as compensated absences and the Town's net pension liability. Long-term liabilities are reported in the government-wide and proprietary fund financial statements. Governmental fund financial statements do not include any long-term liabilities as those statements use the current financial resources measurement focus and only include current liabilities on their balance sheets.



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**13. Fund Equity**

Fund equity is classified based upon any restrictions that have been placed on those balances or any tentative plans management may have made for those balances. Restrictions of net position in the government-wide and proprietary fund financial statements represent amounts that cannot be appropriated or are legally restricted for a specific purpose by a grant, contract, or other binding agreement. Fund balances of governmental funds are classified as nonspendable (not in spendable form or legally required to remain intact); restricted (constraints on the use of resources are either externally imposed by creditors, grantors, or donors, or imposed by law through enabling legislation); committed (constraints on the use of resources are imposed by formal action of the voters); assigned (reflecting the Board of Selectmen's intended use of the resources); and unassigned.

**II. EXPLANATION OF DIFFERENCES BETWEEN GOVERNMENTAL FUND  
AND GOVERNMENT-WIDE STATEMENTS**

Governmental fund financial statements are presented using the current financial resources measurement focus and the modified accrual basis of accounting, whereas government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. These differences in the measurement focus and basis of accounting lead to differences between the governmental fund financial statements and the government-wide financial statements as follows:

Long-term revenue differences arise because governmental funds report revenues only when they are considered "available", whereas government-wide statements report revenues when they are earned. Long-term expense differences arise because governmental funds report expenditures (including interest) using the modified accrual basis of accounting, whereas government-wide statements report expenses using the accrual basis of accounting.

Capital-related differences arise because governmental funds report capital outlays as current period expenditures, whereas government-wide statements report depreciation as an expense. Further, governmental funds report the proceeds from the sale of capital assets as other financing sources, whereas government-wide statements report the gain or loss from the sale of capital assets as revenue or expense.

Long-term debt transaction differences arise because governmental funds report proceeds of long-term debt as other financing sources and principal payments as expenditures, whereas government-wide statements report those transactions as increases and decreases in liabilities, respectively.

Pension-related differences arise because governmental funds report the current year's required employer contributions as current period expenditures, whereas government-wide statements report those transactions as deferred outflows of resources. In addition, the accrual for the Town's proportionate share of the net pension liability is recorded in the government-wide financial statements along with the related deferred inflows and outflows of resources.

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**III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary Information**

Budgets are approved at the annual Town Meeting in March. Any budget changes require voter approval. There were no budget amendments during the year. The budget presented herein is for the Town's "General Fund" only and does not include the Annual Leave Fund, the Library Operations Fund and the Recreation Scholarship Fund activity that is included with the General Fund.

**B. Budgeted Deficit**

The Town budgeted a current year's deficiency of revenues over expenditures in the General Fund in the amount of \$227,674 in order to utilize a portion of the previous year's surplus. This is reflected as a budgeted deficiency of revenues over expenditures on Schedule 1.

**C. Excess of Expenditures Over Appropriations**

For the year ended June 30, 2017, expenditures in the General Fund exceeded appropriations by \$50,840. These over-expenditures were funded by excess revenues.

**D. Separate Financial Statements**

The Town has issued separate financial statements for the Electric Fund. Additional disclosures pertaining to this fund can be found in the separately issued financial statements.

**IV. DETAILED NOTES ON ALL FUNDS**

**A. Cash and Investments**

The Town's cash and investments as of June 30, 2017 consisted of the following:

Restricted Cash:	
Deposits with Financial Institutions	\$ <u>546,885</u>
Unrestricted Cash:	
Deposits with Financial Institutions	6,993,825
Deposits with Investment Company	21,776
Cash on Hand	<u>3,583</u>
Total Unrestricted Cash	<u>7,019,184</u>
Total Cash	<u>7,566,069</u>

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Investments:	
Certificate of Deposit	\$ 550,398
Municipal Bonds	43,366
Corporate Bonds	77,268
Mutual Funds - Equities	814,954
Common Stock	<u>526,809</u>
Total Investments	<u>2,012,795</u>
Total Cash and Investments	<u>\$9,578,864</u>

The Town has one (1) certificate of deposit with Union Bank in the amount of \$550,398 with an interest rate of 0.56%. The Town's certificate of deposit will mature during fiscal year 2018.

**Custodial Credit Risk**

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of failure of the counter-party (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investments or collateral securities that are in possession of another party. The Town does not have any policy to limit the exposure to custodial credit risk. The municipal bonds, corporate bonds, mutual funds and common stock are in the name of the Town and are not exposed to custodial credit risk. The following table shows the custodial credit risk of the Town's cash and certificate of deposit.

	Book <u>Balance</u>	Bank <u>Balance</u>
FDIC/SIPC Insured	\$ 934,794	\$ 934,794
Uninsured, Collateralized by Mortgage		
Loans Held in the Bank's Name	3,950,578	4,175,811
Uninsured, Collateralized - Electric Department	2,031,679	2,040,565
Uninsured, Uncollateralized	<u>1,195,833</u>	<u>1,195,833</u>
Total	<u>\$8,112,884</u>	<u>\$8,347,003</u>

The difference between the book and bank balance is due to reconciling items such as deposits in transit and outstanding checks.

\$1,195,833 of uninsured, uncollateralized cash could be offset by debt at the respective bank.

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The book balance is comprised of the following:

Restricted Cash – Deposits with Financial Institutions	\$ 546,885
Cash – Deposits with Financial Institutions	6,993,825
Cash – Deposits with Investment Company	21,776
Investments – Certificate of Deposit	<u>550,398</u>
<b>Total</b>	<b>\$8,112,884</b>

**Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Town does not have any policy to limit the exposure to interest rate risk. The Town’s certificate of deposit and common stock are exempt from interest rate risk disclosure. The Town’s mutual funds are open-ended and, therefore, are also exempt from interest rate risk disclosure.

Information about the sensitivity of the fair values of the Town’s investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Town’s investments by maturity. Municipal bonds and corporate bonds are shown at their actual maturity.

<u>Investment Type</u>	<u>Remaining Maturity</u>	
		<u>1-5 Years</u>
Municipal Bonds	\$	<u>43,366</u>
Corporate Bonds		<u>77,268</u>
<b>Total</b>	<b>\$</b>	<b><u>120,634</u></b>

**Credit Risk**

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. These organizations look at a number of factors in order to evaluate the risk of an obligation and rate the risk. The rating allows the investor to make informed buying and selling decisions. The Town does not have any policy to limit the exposure to credit risk. The Town’s certificate of deposit and common stock are not subject to credit risk disclosure. The Town’s mutual funds are open-ended and, therefore, are also excluded from the credit risk analysis. The credit ratings for the municipal bonds and corporate bonds are as follows:

<u>Investment Type</u>	<u>Standard and Poor's Rating as of June 30, 2017</u>						<u>Total</u>
	<u>BBB</u>	<u>BBB-</u>	<u>BB</u>	<u>BB-</u>	<u>B</u>		
Municipal Bonds	\$ 0	\$ 26,716	\$ 0	\$ 0	\$ 16,650	\$ 43,366	
Corporate Bonds	<u>10,443</u>	<u>20,242</u>	<u>26,136</u>	<u>20,447</u>	<u>0</u>	<u>77,268</u>	
<b>Total</b>	<b>\$ 10,443</b>	<b>\$ 46,958</b>	<b>\$ 26,136</b>	<b>\$ 20,447</b>	<b>\$ 16,650</b>	<b>\$ 120,634</b>	

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**Concentration of Credit Risk**

Concentration of credit risk is the risk that a large percentage of the Town's investments are held within one security. The Town does not have any limitations on the amount that can be invested in any one issuer. The Town's certificate of deposit is exempt from concentration of credit risk analysis. The mutual funds are open-ended and, therefore, are also excluded from the concentration of credit risk analysis. The Town has \$342,000, (65%), of their common stock invested in Union Bankshares, Inc. The investments in associated companies held by the Electric Department are described in Note IV.D. There are no other investments in any one issuer that represent more than 5% of total investments.

**Restricted Cash**

During 2005, the Electric Department received \$750,000 from the Spruce Peak Realty Company in anticipation of the construction of a 115kV line. These funds may only be used for the costs of the new 115kV line. The Electric Department may spend the interest earned on these funds as they see fit. The amount restricted as of June 30, 2017 is \$150,000.

In May, 2009, the Electric Department received a \$4 million bond from the Vermont Municipal Bond Bank for the purpose of funding infrastructure and exclusive facilities. Unspent bond proceeds and the interest earned are restricted and may only be used to pay down the bond. The amount restricted as of June 30, 2017 is \$396,885.

Total restricted cash in the Electric Fund as of June 30, 2017 is \$546,885.

**B. Receivables**

Receivables as of June 30, 2017, as reported in the statement of net position, net of applicable allowances for uncollectible accounts, are as follows:

	Governmental Activities	Business-type Activities	Total
Delinquent Taxes Receivable	\$ 323,269	\$ 0	\$ 323,269
Interest Receivable	22,780	0	22,780
Tax Sale Receivable	22,594	0	22,594
Local Option Sales Tax Receivable	133,660	0	133,660
Ambulance Receivable	97,043	0	97,043
Grants Receivable	31,287	0	31,287
Accounts Receivable	23,683	12,623	36,306
Billed Services	0	1,113,075	1,113,075
Unbilled Services	0	1,222,108	1,222,108
Accrued Interest Receivable	0	130,052	130,052
Allowance for Doubtful Accounts - Ambulance	(35,000)	0	(35,000)
Allowance for Doubtful Accounts - Water/Sewer	0	(24,102)	(24,102)
	<u>\$ 619,316</u>	<u>\$ 2,453,756</u>	<u>\$ 3,073,072</u>

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**C. Loans Receivable**

**Governmental Activities**

During 2008, the Town issued a \$735,000 loan receivable to Sylvan Woods Housing Limited Partnership to assist in constructing low income housing. This money was from proceeds of a State grant. Interest accrues at 2% per year. The loan and interest is deferred until November, 2036. The loan is secured by the land and building.

Loan Receivable	\$735,000
Accrued Interest Receivable	<u>132,300</u>
Total	867,300
Less: Allowance for Doubtful Loans/Interest	<u>(867,300)</u>
Reported Value at June 30, 2017	\$ <u>    0</u>

**Business-type Activities**

The Town has five (5) outstanding sewer loans totaling \$8,954 homeowners in the Sylvan Park Development. Homeowners were assessed a hook-on fee which the Town is financing for them. Each loan is billed quarterly with interest at 2%.

The Town also has eighty-two (82) outstanding sewer loans totaling \$3,221,084 to homeowners and businesses in the Mountain Road Development for hook-on fees which the Town is financing for them. These loans are assessed a \$20 per quarter administration fee or, in some cases, a 1% administration fee per quarter of the quarterly payment. Loan terms vary from 4 to 20 years.

The Town also has nineteen (19) outstanding loans totaling \$98,601 in the Water Department. Homeowners were assessed a hook-on-fee which the Town is financing for them. Each loan is billed quarterly with an administrative fee of 1% per quarter of the quarterly payment.

Total loans receivable as of June 30, 2017 is \$3,328,639. The Town estimates that \$577,697 will be collected during fiscal year 2018 and the remainder of \$2,750,942 in future years. The Town has determined that all but ten (10) loans are collectible as they have a lien on the home or business on all except those ten (10) loans. The Town has an allowance for doubtful loans totally \$20,101 for the unsecured loans, however, all loans are current.

An analysis of the change in loans receivable is as follows:

<u>Balance</u> July 1, 2016	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> June 30, 2017
\$ 3,972,005	\$ 1,690	\$ 645,056	\$ 3,328,639

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**D. Investment in Associated Companies**

The Stowe Electric Department (SED) accounts for investments in associated companies at cost because they are not publicly traded and market values are not readily determinable. The following are the investment balances as of June 30, 2017.

	Shares/Units	Cost
VELCO - Class C Preferred Stock	981	\$ 1,472
VELCO - Class B Common Stock	2,078	207,800
VELCO - Class C Common Stock	1,487	148,700
VT Transco, LLC - Class A - Membership Units	1,003,783	10,037,830
VT Transco, LLC - Class B - Membership Units	1,277,540	12,775,400
<b>Total</b>		<b>\$ 23,171,202</b>

**E. Deferred Charges**

The Electric Department has deferred charges which include bond issuance costs that were incurred in the financing of the 2010 bonds with the Vermont Municipal Bond Bank. These costs are amortized over a period of twenty years.

	Amortization Period	Current Amortization	Unamortized Balance
Bond Issuance Costs	20 Years	\$760	\$17,820

**F. Capital Assets**

Capital asset activity for the year ended June 30, 2017 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities</b>				
<b>Capital Assets, Not Being Depreciated:</b>				
Land and Easements	\$ 6,283,294	\$ 0	\$ 0	\$ 6,283,294
Construction in Progress	183,828	99,306	25,450	258,384
Antiques	80,000	0	0	80,000
<b>Total Capital Assets, Not Being Depreciated</b>	<b>6,548,822</b>	<b>99,306</b>	<b>25,450</b>	<b>6,622,678</b>
<b>Capital Assets, Being Depreciated:</b>				
Land Improvements	633,250	132,788	0	766,038
Buildings and Building Improvements	18,003,854	197,479	38,000	18,163,333
Machinery and Equipment	6,802,698	652,277	446,778	7,007,567
Infrastructure	3,220,229	544,141	0	3,764,370
<b>Totals</b>	<b>24,659,401</b>	<b>1,546,686</b>	<b>484,778</b>	<b>25,721,311</b>
<b>Less Accumulated Depreciation for:</b>				
Land Improvements	243,597	20,772	0	264,369
Buildings and Building Improvements	3,289,605	488,710	16,367	3,794,282
Machinery and Equipment	3,364,968	369,023	337,010	3,996,981
Infrastructure	2,070,126	394,546	0	2,464,672
<b>Totals</b>	<b>8,567,696</b>	<b>1,273,051</b>	<b>353,477</b>	<b>9,887,270</b>
<b>Total Capital Assets, Being Depreciated</b>	<b>25,693,705</b>	<b>273,635</b>	<b>131,301</b>	<b>25,836,041</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 32,242,527</b>	<b>\$ 372,943</b>	<b>\$ 166,751</b>	<b>\$ 32,458,719</b>

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	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-type Activities</b>				
Capital Assets, Not Being Depreciated:				
Land	\$ 52,525	\$ 0	\$ 0	\$ 52,525
Construction in Progress	2,229,429	2,585,191	3,833,611	981,009
Total Capital Assets, Not Being Depreciated	<u>2,281,954</u>	<u>2,585,191</u>	<u>3,833,611</u>	<u>1,033,534</u>
Capital Assets, Being Depreciated:				
Land Improvements	7,787	0	0	7,787
Buildings and Building Improvements	15,857,661	0	0	15,857,661
Machinery and Equipment	2,811,542	404,529	10,809	3,205,262
Distribution and Collection Systems	33,125,778	3,636,027	0	36,761,805
Totals	<u>51,802,768</u>	<u>4,040,556</u>	<u>10,809</u>	<u>55,832,515</u>
Less Accumulated Depreciation for:				
Land Improvements	742	1,112	0	1,854
Buildings and Building Improvements	5,449,708	271,453	0	5,721,161
Machinery and Equipment	2,019,205	198,546	9,188	2,208,563
Distribution and Collection Systems	11,755,345	781,233	0	12,536,578
Totals	<u>19,225,000</u>	<u>1,252,344</u>	<u>9,188</u>	<u>20,468,156</u>
Total Capital Assets, Being Depreciated	<u>32,577,768</u>	<u>2,788,212</u>	<u>1,621</u>	<u>35,364,389</u>
Business-type Activities Capital Assets, Net	<u>\$ 34,850,792</u>	<u>\$ 5,373,403</u>	<u>\$ 3,835,292</u>	<u>\$ 36,497,893</u>

Depreciation was charged as follows:

Governmental Activities:		Business-type Activities:	
General Government	\$ 30,422	Water	\$ 206,817
Public Safety	340,285	Sewer	522,989
Public Works	539,769	Electric	<u>522,538</u>
Culture and Recreation	361,140		
Cemetery	<u>1,435</u>		
Total Depreciation Expense - Governmental Activities	<u>\$ 1,273,051</u>	Total Depreciation Expense - Business-type Activities	<u>\$ 1,252,341</u>

**G. Interfund Balances and Activity**

The composition of interfund balances as of June 30, 2017 are as follows:

Fund	Due from Other Funds	Due to Other Funds
General Fund	\$ 0	\$ 3,202,329
Capital Fund	675,308	0
Non-Major Governmental Funds	455,324	7,462
Water Fund	0	89,419
Sewer Fund	<u>2,168,778</u>	<u>0</u>
Total	<u>\$ 3,299,410</u>	<u>\$ 3,299,410</u>



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Interfund transfers during the year ended June 30, 2017 were as follows:

Transfer From	Transfer To	Amount	Purpose
General Fund	Annual Leave Fund	\$ 120,000	* Annual Contribution
General Fund	Recreation Scholarship Fund	1,000	* Annual Contribution
General Fund	Capital Fund	31,800	Fund Capital Expenditures
General Fund	Equipment Fund	400,000	Annual Contribution
Library Operations Fund	General Fund	27,000	* Annual Contribution
Capital Fund	General Fund	350,000	Fund Debt Service
Appraisal Fund	General Fund	6,000	Fund Appraisal Expenses
Cemetery Fund	General Fund	7,000	Annual Contribution
Library Endowment Fund	Library Operations Fund	8,172	* Transfer Earnings
Electric Fund	General Fund	42,000	PILOT
Total		<u>\$ 992,972</u>	

\* The transfers from the General Fund to the Annual Leave Fund and the Recreation Scholarship Fund and the transfer from the Library Operations Fund to the General Fund are netted within the General Fund as these funds are consolidated within the General Fund and the transfer from the Library Endowment Fund to the Library Operations Fund is included with the General Fund in order to comply with GASB Statement No. 54.

#### H. Deferred Outflows of Resources

Deferred outflows of resources in the governmental activities consists of \$33,120 from the difference between the expected and actual experience, \$258,925 from changes in assumptions, \$522,776 from the difference between the projected and actual investment earnings and \$3,378 from changes in the Town's proportional share of contributions related to the Town's participation in the Vermont Municipal Employee's Retirement System (VMERS) and \$203,395 of required employer pension contributions subsequent to the measurement date. Total deferred outflows of resources in the governmental activities is \$1,021,594.

Deferred outflows of resources in the business-type activities consists of \$2,566 from the difference between the expected and actual experience, \$20,059 from changes in assumptions, \$40,499 from the difference between the projected and actual investment earnings and \$262 from changes in the Town's proportional share of contributions related to the Town's participation in the Vermont Municipal Employee's Retirement System (VMERS) and \$15,766 of required employer pension contributions subsequent to the measurement date. Total deferred outflows of resources in the business-type activities is \$79,152.

Deferred outflows of resources in the Water Fund consists of \$1,966 from the difference between the expected and actual experience, \$15,372 from changes in assumptions, \$31,036 from the difference between the projected and actual investment earnings and \$201 from changes in the Town's proportional share of contributions related to the Town's participation in the Vermont Municipal Employee's Retirement System (VMERS) and \$12,073 of required employer pension contributions subsequent to the measurement date. Total deferred outflows of resources in the Water Fund is \$60,648.

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Deferred outflows of resources in the Sewer Fund consists of \$600 from the difference between the expected and actual experience, \$4,687 from changes in assumptions, \$9,463 from the difference between the projected and actual investment earnings and \$61 from changes in the Town's proportional share of contributions related to the Town's participation in the Vermont Municipal Employee's Retirement System (VMERS) and \$3,693 of required employer pension contributions subsequent to the measurement date. Total deferred outflows of resources in the Sewer Fund is \$18,504.

**I. Unearned Revenue**

Unearned revenue in the General Fund consists of \$21,672 of advertising fees and \$63,361 of recreation fees received in advance. Total unearned revenue in the General Fund is \$85,033.

**J. Deferred Inflows of Resources**

Deferred inflows of resources in the governmental activities consists of \$111,234 of prepaid property taxes and \$15,723 from changes in the Town's proportional share of contributions related to the Town's participation in the Vermont Municipal Employee's Retirement System (VMERS). Total deferred inflows of resources in the governmental activities is \$126,957.

Deferred inflows of resources in the business-type activities consists of \$1,218 from changes in the Town's proportional share of contributions related to the Town's participation in the Vermont Municipal Employee's Retirement System (VMERS), \$220,000 from the contribution from Spruce Peak Realty, LLC for the transmission facility construction and update costs, as described as follows, and \$44,919 from the refinancing of a capital improvement note, as described as follows. Total deferred inflows in the business-type activities is \$266,137.

Deferred inflows of resources in the General Fund consists of \$217,500 of delinquent property taxes, penalties and interest on those taxes, \$52,600 of ambulance fees and \$3,528 of miscellaneous fees not collected within sixty (60) days after year-end as these would not be available to liquidate current liabilities. It also includes \$111,234 of prepaid property taxes. Total deferred inflows of resources in the General Fund is \$384,862.

Deferred inflows of resources in the Water Fund consists of \$933 from changes in the Town's proportional share of contributions related to the Town's participation in the Vermont Municipal Employee's Retirement System (VMERS).

Deferred inflows of resources in the Sewer Fund consists of \$285 from changes in the Town's proportional share of contributions related to the Town's participation in the Vermont Municipal Employee's Retirement System (VMERS).

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On September 23, 2005, the Stowe Electric Department (SED) entered into an agreement with Spruce Peak Realty, L.L.C. ("SPR") in which SPR committed to pay SED for a contribution of the transmission facility construction and update costs to ensure SED has the capacity available to reliably serve its Spruce Peak development project. The contribution term includes an initial payment of \$750,000 and 10 annual payments of \$135,000. The initial payment of \$750,000 has been recorded as a deferred inflow of resources and will be amortized to revenue over the ten year service period of the project. The deferred amount remaining as of June 30, 2017 is \$220,000.

On March 1, 2011, SED refinanced their capital improvement note with Key Bank National Association. This refinancing terminated an existing interest rate swap. As a result, SED received proceeds of \$239,136 which will be amortized over the remaining life of the note. The deferred amount remaining as of June 30, 2017 is \$44,919.

**K. Long-term Liabilities**

The Town issues general obligation bonds to provide resources for the acquisition and construction of major capital facilities and to refund prior issues. General obligation bonds have been issued for both general governmental and proprietary activities. Bonds are reported in governmental activities if the debt is expected to be repaid from general governmental revenues and in business-type activities if the debt is expected to be repaid from proprietary fund revenues.

General obligation bonds are direct obligations and pledge the full faith and credit of the Town. New bonds generally are issued as 10 to 20 year bonds. Refunding bonds are issued for various terms based on the debt service of the debt refunded.

The Town has other notes payable to finance various capital projects and purchases through local banks.

The State of Vermont offers a number of low and no-interest revolving loan programs to utilize for predetermined purposes. The Town has borrowed money from the Vermont Special Environmental Revolving Fund for water and sewer projects.

The net pension liability is the difference between the total pension liability (the present value of projected benefit payments to employees based on their past service) and the assets (mostly investments reported at fair value) set aside to pay current employees, retirees, and beneficiaries. The accrual for the Town's share of the net pension liability is recorded in the government-wide financial statements and proprietary fund financial statements.

It is the policy of the Town to permit employees to accumulate earned but unused benefits. The accrual for unused compensated absences time, based on current pay rates, is recorded in the government-wide and proprietary fund financial statements.

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Long-term liabilities outstanding as of June 30, 2017 were as follows:

Governmental Activities:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Bond Payable, Vermont Municipal Bond Bank, Sunset Rock Land Purchase, Fire Pumper Truck and Ice Rink Improvements, Principal Payments Ranging from \$15,000 to \$20,000 Payable on November 15 Annually, Interest Rates Ranging from 4.875% to 5.42% Payable on May 15 and November 15, Due November, 2019	\$ 60,000	\$ 0	\$ 15,000	\$ 45,000
Bond Payable, Vermont Municipal Bond Bank, Bingham Falls Land Purchase, Garage Land Purchase and Former Water and Light Building Improvements, Principal Payments of \$25,000 Payable on December 1 Annually, Interest Rates Ranging from 2.8% to 5.18% Payable on June 1 and December 1, Due December, 2021	150,000	0	25,000	125,000
Bond Payable, Vermont Municipal Bond Bank, Ladder Truck and Nichols Easement, Principal Payments of \$20,000 Payable on December 1 Annually, Interest Rates Ranging from 1.87% to 5.09% Payable on June 1 and December 1, Due December, 2024	180,000	0	20,000	160,000
Bond Payable, Vermont Municipal Bond Bank, Adams Camp Purchase and Memorial Building Engineering, Principal Payments of \$25,000 Payable on December 1 Annually, Interest Rates Ranging from 3.865% to 4.665% Payable on June 1 and December 1, Due December, 2027	300,000	0	25,000	275,000

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	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Bond Payable, Vermont Municipal Bond Bank, Public Safety Building, Principal Payments of \$360,000 Payable on November 15 Annually, Interest Rates Ranging from 1.9% to 4.65% Payable on May 15 and November 15, Due November, 2028	\$4,680,000	\$ 0	\$360,000	\$4,320,000
Bond Payable, Vermont Municipal Bond Bank, Ice Rink, Principal Payments of \$200,000 Payable on November 15 Annually, Interest Rates Ranging from 1.098% to 3.968% Payable on May 15 and November 15, Due November, 2032	3,400,000	0	200,000	3,200,000
Bond Payable, Vermont Municipal Bond Bank, Ice Rink and Sledding Hill Land Purchase, Principal Payments of \$140,750 Payable on November 15 Annually, Interest at 3.955% Payable on May 15 and November 15, Due November, 2033	<u>2,533,500</u>	<u>0</u>	<u>140,750</u>	<u>2,392,750</u>
Total Governmental Activities	<u>\$11,303,500</u>	<u>\$ 0</u>	<u>\$785,750</u>	<u>\$10,517,750</u>
Business-type Activities:				
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Bond Payable, State of Vermont Special Environmental Revolving Fund, Water Expansion, Principal Payments of \$125,820 Payable on December 15 Annually, 0% Interest, Due December, 2021	\$ 629,099	\$ 0	\$ 125,820	\$ 503,279
Bond Payable, State of Vermont Special Environmental Revolving Fund, Water Improvements, Principal and Interest Payments of \$215,568 Payable on July 1 Annually, Interest at 3%, Due July, 2025	1,678,437	0	165,215	1,513,222

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	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Bond Payable, State of Vermont Special Environmental Revolving Fund, Water Improvements, Principal Payments of \$18,274 Payable on April 1 Annually, 0% Interest, Due April, 2024	\$ 146,188	\$ 0	\$ 18,274	\$ 127,914
Bond Payable, Vermont Municipal Bond Bank, Water Upgrade, Principal Payments of \$160,000 Payable on December 1 Annually, Interest Rates Ranging from 1.55% to 5.0% Payable on June 1 and December 1, Due December, 2022	1,120,000	0	160,000	960,000
Bond Payable, State of Vermont Special Environmental Revolving Fund, Sunset Hill Project, Principal and Interest Payments of \$56,962 Payable on July 1, Interest at 1%, Administrative Fee at 2%, Due July, 2026	527,051	0	41,151	485,900
Bond Payable, State of Vermont Special Environmental Revolving Fund, Sewer Improvements, Principal Payments of \$51,329 Payable on December 15 Annually, 0% Interest, Due December, 2017	102,659	0	51,329	51,330
Bond Payable, State of Vermont Special Environmental Revolving Fund, Sewer Improvements, Principal Payments of \$103,550 Payable on July 1 Annually, 0% Interest, Due July, 2020	517,750	0	103,550	414,200
Bond Payable, State of Vermont Special Environmental Revolving Fund, Sewer Improvements, Principal Payments of \$691,684 Payable on April 1 Annually, 0% Interest, Due April, 2028	8,300,193	0	691,684	7,608,509

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	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Bond Payable, Vermont Municipal Bond Bank, Electric Upgrades, Principal Payments of \$135,000 through 2038 and then One (1) Payment of \$85,000 in 2039, Interest Rates Ranging from 1.31% to 3.41% Payable on June 1 and December 1, Due November, 2039	\$ 3,190,000	\$ 0	\$ 135,000	\$ 3,055,000
Bond Payable, Vermont Economic Development Authority, Annual Principal Payments of \$127,080, Interest at 4.2% with a 3.3% Subsidy to offset Interest, Due February, 2041	3,177,000	0	127,080	3,049,920
Note Payable, Key Bank National Association, Electric Investment Purchases, Principal Due in Full December 30, 2018, Interest at 5.7%, Requiring Quarterly Interest Payments, Secured by all Membership Units of VT Transco	18,700,000	0	0	18,700,000
Note Payable, Union Bank, Electric Investment Purchases, Quarterly Principal and Interest Payments of \$20,525, Interest at 6.5%, Due February, 2020	770,549	0	32,938	737,611
Note Payable, Union Bank, Electric Investment Purchases, Quarterly Principal and Interest Payments of \$23,267, Interest at 6.5%, Due February, 2020	843,812	0	39,709	804,103
Note Payable, Union Bank, Electric Investment Purchases, Quarterly Principal and Interest Payments of \$7,439, Interest at 4.1%, Due November, 2024	384,368	0	14,277	370,091
Note Payable, Union Bank, Operating Capital, Quarterly Principal and Interest Payments of \$23,215, Interest at 2.99%, Due May, 2027	<u>0</u>	<u>\$80,000</u>	<u>0</u>	<u>800,000</u>
Total Business-type Activities	<u>\$40,087,106</u>	<u>\$800,000</u>	<u>\$1,706,027</u>	<u>\$39,181,079</u>

TOWN OF STOWE, VERMONT  
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Changes in long-term liabilities during the year were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental Activities</b>					
General Obligation Bonds Payable	\$ 11,303,500	\$ 0	\$ 785,750	\$ 10,517,750	\$ 785,750
Compensated Absences Payable	744,750	0	24,724	720,026	0
Net Pension Liability	985,711	626,588	0	1,612,299	0
Total Governmental Activities Long-term Liabilities	\$ 13,033,961	\$ 626,588	\$ 810,474	\$ 12,850,045	\$ 785,750
<b>Business-type Activities</b>					
General Obligation Bonds Payable	\$ 19,388,377	\$ 0	\$ 1,619,103	\$ 17,769,274	\$ 1,625,293
Notes Payable	20,698,729	800,000	86,924	21,411,805	161,030
Compensated Absences Payable	248,781	0	25,105	223,376	0
Net Pension Liability	80,153	44,749	0	124,902	0
Total Business-type Activities Long-term Liabilities	\$ 40,416,040	\$ 844,749	\$ 1,731,432	\$ 39,529,357	\$ 1,786,343

Compensated absences and required contributions to the pension plans are paid by the applicable fund where the employee is charged.

The change in the net pension liability is allocated to the function where the employee is charged.

Debt service requirements to maturity are as follows:

Year Ending June 30	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2018	\$ 785,750	\$ 371,972	\$ 1,786,343	\$ 1,464,704
2019	785,750	351,870	20,449,638	1,173,196
2020	785,750	307,803	2,433,605	334,313
2021	770,750	283,627	2,312,462	264,126
2022	770,750	257,279	1,756,845	202,968
2023-2027	3,688,750	847,348	6,266,381	876,810
2028-2032	2,448,750	257,966	2,002,082	417,130
2033-2037	481,500	9,451	1,310,400	229,191
2038-2041	0	0	863,320	38,500
Total	\$ 10,517,750	\$ 2,687,316	\$ 39,181,079	\$ 5,000,938

**L. Fund Balances**

GASB Statement No. 34, as amended by GASB Statement No. 54, requires fund balances reported on the governmental fund balance sheet to be classified using a hierarchy based primarily on the extent to which a government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Governmental fund balances are to be classified as: nonspendable (not in spendable form or legally required to remain intact); restricted (constraints on the use of resources are either externally imposed by creditors, grantors or donors, or imposed by law through enabling legislation); committed (constraints on the use of resources are imposed by formal action of the voters); assigned (reflecting the Board of Selectmen's intended use of the resources); and unassigned.



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Special revenue funds are created only to report a revenue source (or sources) that is restricted or committed to a specified purpose, and that the revenue source should constitute a substantial portion of the resources reported in that fund. Special revenue funds cannot be used to accumulate funds that are not restricted or committed. These amounts will have to be reflected in the General Fund.

Amounts constrained to stabilization (rainy-day funds) will be reported as restricted or committed fund balance in the General Fund if they meet the other criteria for those classifications. However, stabilization is regarded as a specified purpose only if the circumstances or conditions that signal the need for stabilization (a) are identified in sufficient detail and (b) are not expected to occur routinely. The Town does not have any stabilization arrangements.

Some governments create stabilization-like arrangements by establishing formal minimum fund balance policies. The Town does not have any minimum fund balance policies.

When expenditures are incurred for purposes for which both restricted and unrestricted amounts are available, it is the Town's policy to first consider restricted amounts to have been spent, followed by committed, assigned, and finally unassigned amounts.

The purpose for each major special revenue fund, including which specific revenues and other resources are authorized to be reported in each, are described in the following section.

The fund balances in the following funds are nonspendable as follows:

Major Funds

General Fund:	
Nonspendable Prepaid Expenses	\$ 15,746
Nonspendable Inventory	<u>134,520</u>
Total General Fund	<u>150,266</u>

Non-Major Funds

Permanent Funds:	
Nonspendable Cemetery Fund Principal – Estimated	215,000
Nonspendable Library Endowment Fund Principal	<u>35,295</u>
Total Non-Major Funds	<u>250,295</u>
Total Nonspendable Fund Balances	<u>\$400,561</u>

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The fund balances in the following funds are restricted as follows:

Major Funds

General Fund:

Restricted for Library Development by Donations	\$ <u>17,824</u>
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Non-Major Funds

Special Revenue Funds:

Restricted for Police Expenses by Agreement (Source of Revenue is Grant Revenue)	20,533
Restricted for Records Preservation Expenses by Statute (Source of Revenue is Recording Fees)	<u>63,466</u>

Total Special Revenue Funds	<u>83,999</u>
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Permanent Funds:

Restricted for Cemetery Fund by Trust Agreements - Expendable Portion	272,388
Restricted for Library Endowment Fund by Trust Agreements - Expendable Portion	<u>990,742</u>

Total Permanent Funds	<u>1,263,130</u>
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Total Non-Major Funds	<u>1,347,129</u>
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Total Restricted Fund Balances	<u>\$1,364,953</u>
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The fund balances in the following funds are committed as follows:

Major Funds

General Fund:

Committed for Annual Leave by the Voters	\$ <u>105,337</u>
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Capital Projects Funds:

Committed for Capital Projects by the Voters	<u>839,124</u>
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Non-Major Funds

Equipment Fund:

Committed for Equipment Expenditures by the Voters	<u>193,514</u>
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Total Committed Fund Balances	<u>\$1,137,975</u>
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TOWN OF STOWE, VERMONT  
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The fund balances in the following funds are assigned as follows:

Major Funds

General Fund:

Assigned to Reduce Property Taxes in Fiscal Year 2018	\$159,000
Assigned for Library Operations Expenses	20,398
Assigned for Recreation Scholarship Expenses	<u>9</u>
Total General Fund	<u>179,407</u>

Non-Major Funds

Special Revenue Funds:

Assigned for Appraisal Expenses	<u>139,564</u>
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Capital Projects Funds:

Assigned for Rink Renovation Expenditures	<u>18,189</u>
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Total Non-Major Funds	<u>157,753</u>
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Total Assigned Fund Balances	<u>\$337,160</u>
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**M. Restricted and Designated Net Position**

The restricted net position of the Town as of June 30, 2017 consisted of the following:

Governmental Activities:

Restricted for Library Development by Donations	\$ 17,824
Restricted for Police Expenses by Agreement	20,533
Restricted for Records Preservation Expenses by Statute	63,466
Restricted for Cemetery Fund by Trust Agreements - Non-Expendable Portion - Estimated	215,000
Restricted for Cemetery Fund by Trust Agreements - Expendable Portion	272,388
Restricted for Library Endowment Fund by Trust Agreements - Non-Expendable Portion	35,295
Restricted for Library Endowment Fund by Trust Agreements - Expendable Portion	<u>990,742</u>
Total Governmental Activities	<u>\$1,615,248</u>

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The designated net position of the Town as of June 30, 2017 consisted of the following:

Business-type Activities:

Water Fund:

Designated for Investment in Long-term Loans Receivable	\$ 98,601
Designated for Water Capital	395,902
Designations in Excess of Unrestricted Net Position	<u>(375,423)</u>

Total Water Fund 119,080

Sewer Fund:

Designated for Investment in Long-term Loans Receivable	3,230,038
Designated for Sewer Capital	<u>263,286</u>

Total Sewer Fund 3,493,324

Total Business-type Activities \$3,612,404

**V. OTHER INFORMATION**

**A. PENSION PLANS**

**Defined Benefit Plan**

**The Vermont Municipal Employees' Retirement System (VMERS)**

**Plan Description**

The Vermont Municipal Employees' Retirement System (VMERS) is a cost-sharing, multiple-employer defined benefit pension plan that is administered by the State Treasurer and its Board of Trustees. It is designed for municipal and school district employees that work on a regular basis and also includes employees of museums and libraries if at least half of that institution's operating expenses are met by municipal funds. An employee of any employer that becomes affiliated with the system may join at that time or at any time thereafter. Any employee hired subsequent to the effective participation date of their employer who meets the minimum hourly requirements is required to join the system. During the year ended June 30, 2017, the retirement system consisted of 441 participating employers.

The plan was established effective July 1, 1975, and is governed by Title 24, V.S.A. Chapter 125.

The general administration and responsibility for formulating administrative policy and procedures of the retirement system for its members and their beneficiaries is vested in the Board of Trustees consisting of five members. They are the State Treasurer, two employee representatives elected by the membership of the system, and two employer representatives-one elected by the governing bodies of participating employers of the system, and one selected by the Governor from a list of four nominees. The list of four nominees is jointly submitted by the Vermont League of Cities and Towns and the Vermont School Boards Association.

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All assets are held in a single trust and are available to pay retirement benefits to all members. Benefits available to each group are based on average final compensation (AFC) and years of creditable service.

**Pension Liability, Pension Expense and Deferred Outflows of Resources**

As of June 30, 2016, the measurement date selected by the State of Vermont, VMERS was funded at 80.95% and had a plan fiduciary net position of \$547,015,114 and a total pension liability of \$675,711,281 resulting in a net position liability of \$128,696,167. As of June 30, 2017, the Town's proportionate share of this was 1.3498% resulting in a net pension liability of \$1,737,171. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating municipalities, actuarially determined. As of June 30, 2016, the Town's proportion of 1.3498% was a decrease of 0.0327 from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the Town recognized pension expense of \$575,891 which was comprised of \$460,992 determined by the State of Vermont's actuary and \$114,899 of employer contributions made by the Town in excess of the amount required. The total employer contribution made by the Town was \$334,060. For the year ended June 30, 2017, the Town funded the employer contribution for Group B at 10.375% resulting in no contribution for the employee, the employer contribution for Group C at 10.6% resulting in a lower contribution for members (6.65%) and the employer contribution for Group D at 10.6% resulting in a lower contribution for members (10.6%).

As of June 30, 2017, the Town reported deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 35,686	\$ 0
Changes in assumptions	278,984	0
Difference between projected and actual investment earnings on pension assets	563,275	0
Changes in proportion and differences between employer contributions and proportionate share of contributions	3,640	16,941
Town's required employer contributions made subsequent to the measurement date	219,161	0
	<u>\$ 1,100,746</u>	<u>\$ 16,941</u>

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The deferred outflows of resources resulting from the Town's required employer contributions made subsequent to the measurement date in the amount of \$219,161 will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year Ending <u>June 30</u>	
2018	\$224,769
2019	224,769
2020	317,919
2021	<u>97,187</u>
Total	<u>\$864,644</u>

**Summary of System Provisions**

**Membership** – Full time employees of participating municipalities. The Town elected coverage under Groups B, C and D provisions.

**Creditable Service** – Service as a member plus purchased service.

**Average Final Compensation (AFC)** – Groups B and C – Average annual compensation during highest three (3) consecutive years. Group D – Average annual compensation during highest two (2) consecutive years.

**Service Retirement Allowance:**

**Eligibility** – Group B – The earlier of age 62 with five (5) years of service or age 55 with thirty (30) years of service. Groups C and D – Age 55 with five (5) years of service.

**Amount** – Group B – 1.7% of AFC times service as a Group B member plus percentage earned as a Group A member times AFC. Group C – 2.5% of AFC times service as a Group C member plus percentage earned as a Group A or B member times AFC. Group D – 2.5% of AFC times service as a Group D member plus percentage earned as a Group A, B or C member times AFC.

Maximum benefit is 60% of AFC for Group B and 50% of AFC for Groups C and D. The previous amounts include the portion of the allowance provided by member contributions.

**Early Retirement Allowance:**

**Eligibility** – Age 55 with five (5) years of service for Group B. Age 50 with twenty (20) years of service for Group D.

**Amount** – Normal allowance based on service and AFC at early retirement, reduced by 6% for each year commencement precedes normal retirement age for Group B members, and payable without reduction to Group D members.

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**Vested Retirement Allowance:**

Eligibility – Five (5) years of service.

Amount – Allowance beginning at normal retirement age based on AFC and service at termination. The AFC is to be adjusted annually by one-half of the percentage change in the Consumer Price Index, subject to the limits on “Post-Retirement Adjustments”.

**Disability Retirement Allowance:**

Eligibility – Five (5) years of service and disability as determined by Retirement Board.

Amount – Immediate allowance based on AFC and service to date of disability; children’s benefit of 10% of AFC payable to up to three (3) minor children (or children up to age 23 if enrolled in full time studies) of a disabled Group D member.

**Death Benefit:**

Eligibility – Death after five (5) years of service.

Amount – For Groups B and C, reduced early retirement allowance under 100% survivor option commencing immediately or, if greater, survivor(s) benefit under disability annuity computed as of date of death. For Group D, 70% of the unreduced accrued benefit plus the children’s benefit.

**Optional Benefit and Death after Retirement** – For Groups B and C, lifetime allowance or actuarially equivalent 50% or 100% joint and survivor allowance with refund of contribution guarantee. For Group D, lifetime allowance of 70% contingent annuitant option with no reduction.

**Refund of Contribution** – Upon termination, if the member so elects or if no other benefit is payable, the member’s accumulated contributions are refunded.

**Post-Retirement Adjustments** – Allowance in payment for at least one year increased on each January 1 by one-half of the percentage increase in Consumer Price Index but not more than 3% for Groups B, C and D.

**Member Contributions** – Group B – 4.875%, Group C – 10.00%, Group D – 11.35%.

**Employer Contributions** – Group B – 5.50%, Group C – 7.25%, Group D – 9.85%.

**Retirement Stipend** – \$25 per month payable at the option of the Board of Trustees.

**Significant Actuarial Assumptions and Methods**

The actuarial assumptions regarding the incidence of mortality, terminations, retirements and disabilities were changed in accordance with the findings of an experience study covering the five-year period ending June 30, 2014.

Interest Rate: 7.95% per annum.

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Salary increases: 5% per year.

Deaths: Groups B and C – RP-2000 Tables for Employees and Healthy Annuitants projected 10 years from the valuation date with Scale BB with a 60% Blue collar and 40% White collar adjustment. Group D – RP-2000 Tables for Employees and Healthy Annuitants projected 10 years from the valuation date with Scale BB with a 100% Blue Collar adjustment. The post-retirement mortality assumption was chosen to recognize improved longevity experience after the valuation date.

Spouse's Age: Husbands are assumed to be three years older than their wives.

Cost-of-Living Adjustments to Benefits of Terminated Vested and Retired Participants: Assumed to occur at the rate of 1.8% per annum for members of Groups B, C and D.

Actuarial Cost Method: Projected benefit cost method. The unfunded accrued liability is amortized in installments increasing 5% per year.

Asset Valuation Method: Invested assets are reported at fair value.

Note – For funding purposes – A smoothing method is used, under which the value of assets for actuarial purposes equals market value less a five-year phase-in of the differences between actual and assumed investment return. The value of assets for actuarial purposes may not differ from the market value of assets by more than 20%.

Inflation: The separately stated assumptions for investment return, salary increases and cost of living adjustments are consistent with an expected annual inflation rate of 3.00% per year.

Long-term Expected Rate of Return:

The long-term expected rate of return on investments was determined using best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) developed for each major asset class using an econometric model that forecasts a variety of economic environments and then calculates asset class returns based on functional relationships between the economic variable and the asset classes. These best estimate ranges were combined to produce forecasts of the short, intermediate, and longer term horizons by weighting the expected future nominal rates of return by the target asset allocation percentage. The various time horizons in the forecast are intended to capture more recent economic and capital market conditions as well as other plausible environments that could develop in the future over economic cycles.

Best estimates of arithmetic rates of return for each major asset class included in the target asset allocation as of June 30, 2016 are summarized in the following table:

<u>Asset Class</u>	<u>Long-term Expected Real Rate of Return</u>
Equity	8.54%
Fixed Income	2.36%
Alternatives	8.35%
Multi-strategy	4.90%



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Nominal long-term expected rates of return for these asset classes are equal to the sum of the expected long-term real rates and the expected long-term inflation rate of 3.0%.

Discount Rate - The discount rate used to measure the total pension liability was 7.95%. The projection of cash flows used to determine the discount rate assumed that contributions will continue to be made in accordance with the current funding policy. Based on these assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments to current members. The assumed discount rate has been determined in accordance with the method prescribed by GASB 68.

Sensitivity of the Town's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.95 percent, as well as what the proportionate share would be if it were calculated using a discount rate that is one percent lower (6.95%) or one percent higher (8.95%):

<u>1% Decrease (6.95%)</u>	<u>Discount Rate (7.95%)</u>	<u>1% Increase (8.95%)</u>
\$2,883,876	\$1,737,171	\$777,040

**Additional Information**

Additional information regarding the State of Vermont Municipal Employees' Retirement System, including the details of the Fiduciary Net Position, is available upon request from the State of Vermont.

**Defined Contribution Plan**

The Town, except the Electric Department, offers its employees a defined contribution pension plan. This plan is administered by the Town. The Town contributes 10.6% of gross salary to the plan. All investments are self-directed by the employees. The total payroll for the year, excluding the Electric Department, was \$4,665,607 while covered payroll was \$911,406. Pension expense was \$87,767. There is one employee who has chosen to be covered under the Electric Department's pension plan. The Town's expense for this employee was \$8,842.

**Deferred Compensation Plan**

The Electric Department created a retirement plan called "Town of Stowe Electric Department 457(b) Retirement Plan", an eligible deferred compensation plan for employee contributions under Section 457(b) of the IRC for its employees and beneficiaries. The Electric Department also created the Stowe Electric Retirement Plan, a profit sharing plan, which allows the Electric Department to contribute a percentage of its revenues to each employees' plan account.

Under the profit sharing plan, employees are eligible to participate in the plan after completion of one (1) year of service based upon the date the employee was hired and the approval of the Chief Executive Officer. The Electric Department has elected to include one Town of Stowe employee who was a participant in the predecessor plan as part of the plan.

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Effective May 17, 2007, the Electric Department contracted with a third party administrator to administer the Profit Sharing and Deferred Compensation Plans. The Stowe Electric Department Commissioners are also Plan Trustees. Under the agreement the third party administrator is responsible for employee eligibility determination, record keeping, reporting and compliance with the plan requirements.

Once eligibility and participation requirements are met, the employee is eligible to receive an allocation of employer contributions based upon each employee's compensation up to a maximum of \$225,000 annual compensation.

Under the plan, employer contributions may be made to union employees at 10.6%, management at 11.6%, and General Manager at 15%, of annual compensation. All contributions are immediately vested at 100%. The plan allows all participants who had retirement account balances in another qualified plan to roll over those balances to the new plan.

Total covered payroll for the pension contributions for the year ended June 30, 2017 was \$1,139,182. The Electric Department's pension contributions for the years ended June 30, 2017, 2016 and 2015 were \$130,020, \$111,054 and \$110,731, respectively. The total fees relating to the pension plan for the years ended June 30, 2017, 2016 and 2015 were \$500, \$450 and \$300, respectively.

**B. RISK MANAGEMENT**

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town maintains insurance coverage through the Vermont League of Cities and Towns Property and Casualty Intermunicipal Fund, Inc, covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Town. Settled claims have not exceeded this coverage in any of the past three fiscal years. The Town must remain a member for a minimum of one year and may withdraw from the Fund after that time by giving sixty days notice. Fund underwriting and ratesetting policies have been established after consultation with actuaries. Fund members are subject to a supplemental assessment in the event of deficiencies. If the assets of the Fund were to be exhausted, members would be responsible for the Fund's liabilities.

The Town is also a member of the Vermont League of Cities and Towns Employment Resource and Benefits Trust. The Trust is a nonprofit corporation formed to provide unemployment coverage and other employment benefits for Vermont municipalities and is owned by the participating members. The agreement does not permit the Trust to make additional assessments to its members. The Town has only elected unemployment coverage with the Trust.

TOWN OF STOWE, VERMONT  
 NOTES TO THE FINANCIAL STATEMENTS  
 JUNE 30, 2017

**C. PROPERTY TAXES**

The Town is responsible for assessing and collecting its own property taxes, as well as education property taxes for the State of Vermont. Property taxes are assessed based on property valuations as of April 1, the voter approved budgets and the State education property tax liability. Property taxes were levied in July and were payable in four (4) installments on August 10, November 10, February 10 and May 10. Interest at 2% is assessed on all unpaid balances immediately following each installment payment and then 2% on the first of each month thereafter. Unpaid taxes become an enforceable lien on the property, and such properties are subject to tax sale. The tax rate for 2017 was as follows:

	<u>Residential</u>	<u>Non-Residential</u>
Education	1.5242	1.5582
Farmers Contracts	0.0048	0.0048
Town	<u>0.4049</u>	<u>0.4049</u>
Total	<u>1.9339</u>	<u>1.9679</u>

**D. CONTINGENT LIABILITIES**

The Town participates in a number of federally assisted and state grant programs that are subject to audits by the grantors or their representatives. Accordingly, 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 Town expects such amounts, if any, to be immaterial.

**E. LEASES**

The Town leases space on its Public Safety Building to three cell phone companies who installed antennas on them. The lease terms end at various dates, however, have renewal options. Future guaranteed lease payments for the next five years are estimated to be as follows:

2018	\$72,240
2019	74,412
2020	76,644
2021	78,948
2022	81,324

The SED leases its office building. The lease expired April 30, 2012, however the SED continues to rent on a month to month basis. The monthly rent is \$4,000.

**F. RELATED PARTY TRANSACTIONS**

One of the Selectboard members is on the Board of Directors of the Union Bank where the Town does a majority of their banking. The Town does, however, utilize a competitive bidding process when borrowing or investing large sums of money.

TOWN OF STOWE, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017

**G. CONCENTRATION OF REVENUE**

The Electric Department's largest customer represents approximately 23.3% of operating revenue and 14.5% of accounts receivable.

**II. REGULATORY PROCEEDINGS**

On August 22, 2008, the Federal Energy Regulatory Commission issued an order resolving issues associated with the cost allocation between participating utilities related to construction of the 115kV Lamoille County Project. The order provides SED with a fixed cap on its share of the specific facility project cost, requires SED to purchase and hold for ten years \$18,700,500 of VT Transco, LLC equity, and eliminates SED from any risk on the dividends to be paid on the equity which are to be applied to pay the debt service on the loan incurred to purchase the equity. Dividends in excess of the debt service requirements on the equity loan will be contributed to the project cost. The order requires the equity to be repurchased from SED, at par, in ten years. The loan to purchase the equity will be a non-amortizing loan due in full in ten years and will be paid with the proceeds from the equity sale at that time. The fixed annual charge to SED for the specific facility cost will be \$1,100,000 for the ten year period. On December 30, 2008, both the loan and the equity purchase took place and are reflected in these financial statements.

**I. PURCHASE POWER CONTRACTS AND SERVICES**

SED's energy and capacity requirements are provided through a variety of contract obligations.

In 2008, SED became a direct member of the ISO – New England power market. SED has also entered into a service contract with Energy New England, LLC to administer and execute power contracts with the ISO – New England power market as SED's agent.

A brief summary of the major power supply contracts as of June 30, 2017 held by SED is as follows:

**Hydro Quebec Contract:**

This contract is for energy only that began on November 1, 2012. The total contract with VT utilities calls for 218MW. SED's portions vary during different periods, as shown below. The contract pricing will be flexible and competitive to the market price because it will follow the defined Energy Market index and the cost of power on the forward market. The pricing is based partly on market prices, partly on inflation, and carries limits on year-to-year price fluctuations. In addition to the price flexibility, this will continue to provide very low carbon energy to Stowe, helping it maintain a market price based on green energy procurement strategy.

Schedule	Start Date	Final Delivery Date	Stowe Entitlement (MW)
Period 1	11/1/2012	10/31/2015	1.032
Period 2	11/1/2015	10/31/2016	2.884
Period 3	11/1/2016	10/31/2020	2.984
Period 4	11/1/2020	10/31/2030	2.984
Period 5	11/1/2030	10/31/2035	2.251
Period 6	11/1/2035	10/31/2038	0.399

TOWN OF STOWE, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017

**New York Power Authority:**

The New York Power Authority ("NYPA") provides power to the utilities in Vermont under two contracts. SED's share of the first contract is a 9 kW entitlement to the Robert Moses Project (a.k.a. St. Lawrence). The contract for St. Lawrence extended through April 30, 2017. SED's share of the second contract, the Niagara Project, has been an average of 480 kW. Effective September 1, 2007, the Niagara contract was renewed through September 1, 2025 with an entitlement of 481kW.

**VEPPI (Vermont Electric Power Producers, Inc.):**

SED receives power from a group of independent power producer projects (IPP's) under Order 4.100 of the Vermont Public Service Board ("PSB"). The power is generated by a number of small hydroelectric facilities. There are 19 VEPPI units. As of December 31, 2016, ten have expired. VEPPI assigns the energy generated by these facilities to on a load ratio basis that compares SED's electric sales to other utilities in Vermont annually. The VEPPI contracts have varying maturities; the last VEPPI contract is scheduled to end in 2020. SED's current pro rata share of the VEPPI production is 1.3360%, which started November 1, 2016 and ran through October 31, 2017. The prior percent, which ran from November 1, 2015 through October 31, 2016 was 1.3364%. The VEPPI contracts are priced with relatively high energy rates and modest fixed costs.

There as one wood-fired facility under VEPPI, thats contract expired, and was renegotiated in 2012 for 10 years.

**SPEED (Sustainable Prices Energy Enterprise Development):**

SPEED Standard Offer is a program established under Vermont Public Service Board Order 4.300. The program's goal is to achieve renewable energy and long-term stably priced contracts. Vermont utilities will purchase power from the SPEED projects. These projects are behind the meter and each utility will have their percent share, (SED's share for November 1, 2015 through October 31, 2016 was 1.3364% and decreased to 1.3360% for November 1, 2016 through October 31, 2017) of load reduced by the output of the generation. SED receives a modest capacity credit, and renewable energy credits for these resources. The cost paid to the SPEED projects are set based on the generation type. The SPEED began in the fourth quarter of 2010.

**Stony Brook:**

SED has entered into a Power Sales Agreement with the Massachusetts Municipal Wholesale Electric Company (MMWEC) for 1.66% (approximately 5,832 kW) of MMWEC's Stony Brook Project, an operating fossil fuel plant. MMWEC, a public corporation of Massachusetts, is a coordination and planning agency for the development of the bulk power supply requirements of its members and project participants. The Power Sales Agreement for the project requires each participant to pay its share of MMWEC's costs related to the project, which includes operation and maintenance, property taxes, administration, expenses and capital. Lastly, MMWEC collects an operating reserve to finance the project. This is to be paid into a reserve and contingency fund.

TOWN OF STOWE, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017

**McNeil Project:**

The McNeil wood-fired generating facility is located in Burlington, Vermont. The facility has a normal generating capability of 50,000 kW and a maximum generating capability of 53,000 kW. SED's entitlement to McNeil is provided through an agreement with the Vermont Public Power Supply Authority and is expected to be available through the life of the unit. SED expects the generation to be mostly composed of wood, but gas and oil can be used to fuel the unit if available and if pricing is appropriately set.

SED has agreements with VPPSA to purchase a portion of the power produced by the facility. SED is committed to an ownership share of 15.8%.

McNeil was retrofitted in 2008 to make it eligible to generate Connecticut Class I Renewable Energy Certificates (RECs). McNeil RECs will qualify for SED's Renewable Energy Standard requirements, beginning in 2017.

**Brown Bear II Hydro (Old Miller Hydro Contract):**

SED has signed a purchase power agreement for 2.613% of the Worumbo (Miller Hydro) Project. The contract states that SED will receive their percent of the Miller hydro output per month. The contract price is for energy to be delivered to the Maine Zone, and capacity to be settled at the Maine location. The PPA terminated on May 1, 2016.

The Miller Hydro was purchased by Brown Bear Hydro and a PPA was renegotiated beginning on June 1, 2016. It is the same 2.613% of unit, but it is only for energy and renewable energy credits going forward. This will terminate on May 31, 2021.

Brown Bear Hydro is a run of river unit that has an average annual production of 90,000 MWH per year, over the past 3 to 5 years. This resource should equate to roughly 3% of SED's energy.

**Saddleback Ridge Wind Project:**

SED purchased 2.172% of the Saddleback Wind Project, a 33 MW project with a 20 year PPA. The project is located in Carthage, ME. This generation is roughly 3% of SED's load. The project will allow SED to buy energy, capacity, and RECs. This project went full commercial in September, 2015.

**NextEra – Seabrook Offtake:**

Beginning January 1, 2015 and going through December 31, 2034 SED will receive 0.16% (or max of 2 MW) of around the clock, of the NextEra Seabrook Resource. This contract also provides SED with the same PPA percentage of capacity as well. The pricing of the product varies with the Gross Domestic Product-Implicit Price Deflator (GDP-IPD). This takes natural gas price volatility away from the contract price. Escalation is limited to between 1.6%-4.9% per year. The PPA will provide carbon-free generation that will help insulate SED from the potential for higher carbon prices in the future.

TOWN OF STOWE, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017

**Phase 1 Hydro-Quebec Interconnection:**

SED has entered into contracts with Vermont Electric Power Company (VELCO) to participate in Phase I of the Hydro-Quebec interconnection, a 450 KVHVD transmission line directly connecting the Hydro-Quebec electric system with ISO-NE at the Comerford Generating Station. Under these agreements, SED provided capital for the cost of construction through purchase of VELCO Class C preferred stock and will provide support for the operation of the line. SED is entitled to a portion of the benefits and has an obligation for a corresponding portion of the costs associated with Phase I.

**Beech Hill Solar – Nebraska Valley:**

SED has built a 1 MW AC ground mounted solar electric generation project. Estimated output is approximately 1,568 MWh per year. This is about 1%-2% of SED's annual energy requirement. The project's large benefit is the ability to use the renewable energy credits towards Tier 2 of the Renewable Energy Standard. Other benefits are energy, capacity, and transmission due to the fact the generation is considered distributed generation, or behind the SED's meter. The project began operation in September, 2016.

**Highgate Project:**

Under the Highgate Project Transmission Services Agreement as re-allocated in 1997, SED has agreed to purchase a 12.59% share of the capacity in VPPSA's share of Highgate Converter Facilities, located in Highgate, Vermont.

In 2017, SED will purchase additional ownership of the Converter. SED will purchase VPPSA's share and become a joint owner with VELCO.

**Market Contracts:**

SED's portfolio contains a market contract for the Mount Mansfield ski resort. SED has obtained a product which will follow the snow making load and will provide optimal supply flexibility for this load type.

TOWN OF STOWE, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017

**Sources of Energy**

The percentages of energy (kWh) acquired for the year ended June 30, 2017 was as follows:

Resource	FCM	Description	(MWh)	EWI/s	% of Total Resources	Fuel	Location	Termination Date
Niagra		Block	3,417	3,416,845	4.3%	Hydro	Roxton	2025
St. Lawrence		Block	69	68,798	0.1%	Hydro	Roxton	Life of Unit
Niobraska Valley (BTM)		Solar	1,119	1,119,101	1.4%	Solar		Life of Unit
VEPP	0.328	PURPA	4,114	4,114,466	5.1%	Wood/Hydro	VT Nodes	Exp. Varies
VEPP - SPEED		Load Reducer	0	0	0.0%	Hydro		Exp. Varies
HQ PPA Contract		ISO Bilateral	17,253	17,252,992	21.5%	Hydro	HQ Highgate (20)	2048
McNeil	1.360	Wood Unit	8,072	8,072,055	10.1%	Wood	Essex	Life of Unit
Stony IA/B/C	4.216	Dispatchable	1,906	1,905,641	2.4%	Natural Gas	Stonybrk 115	Life of Unit
NesFira Seabrook	2.090	ISO Bilateral	15,983	15,983,074	20.0%	Nuclear		2035
Miller Hydro Purchase	0.210	Run of River	1,965	1,965,311	2.5%	Hydro		2021
Saukheonk Purchase	0.017	Wind	2,720	2,719,876	2.8%	Wind	Carriage, ME	2035
Bilateral Purchase - Mtn		ISO Bilateral	8,916	8,915,775	11.1%			2017
ISO Energy Net Interchange		ISO Bilateral	15,044	15,043,624	18.8%			
<b>Totals</b>			<b>80,078</b>	<b>80,077,558</b>	<b>100.0%</b>			

**Future Projects and State Renewable Energy Standard**

**Solar Projects:**

SED is analyzing additional solar projects built within either Stowe or a PPA for a solar projects generation. SED is addressing their Renewable Energy Standard Requirement (RES) by adding additional renewable energy and credits within their portfolio.

**Hydro Project:**

SED is also reviewing the option of refurbishing the old Moscow Hill Hydro Unit. This project was destroyed in the flood of 2011. This project would allow SED to reduce their load, because it would be behind the meter, and would qualify for the RES requirement.

**Wind Project:**

SED knows a potential small wind project and will be in discussion with the developer once the project becomes viable.

**Renewable Portfolio and Upcoming Renewable Energy Standard (RES):**

In July, 2015, Act 56 (IL40) was established using the 2011 Vermont Comprehensive Energy Plan in order to detail the State's goals and place direction on how utilities will reach these goals. The RES requires utilities to buy or retain renewable energy credits and energy transformation projects. Each year has a percentage of retail sales that must be covered. In lieu of renewable credits or transformation project a utility can meet their obligation by paying an alternative compliance payment, as rates set by the State. The compliance will be adjusted annually for inflation using CPI.



TOWN OF STOWE, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017

There are three tiers to the RES program:

- Tier I: Meet 75% by 2032 total renewable energy requirement (55% in 2017)
  - Any class of tradeable renewable attributes that are delivered in New England qualify
  - Approve Unit generations that will qualify towards compliance are McNeil, Hydro Quebec bilateral, and NYPA
- Tier II: Meet 10% of sales with distributed generation in 2032 (1% in 2017)
  - New Vermont based unit that is 5 MWs or less or renewable generation
- Tier III: Meet 12% of sales with "energy transformation projects" in 2032 (2% in 2017)
  - Generation or project that reduces fossil fuel consumed by their customers and emission of greenhouse gases qualifies for compliance (MW conversion will be determined by the Board)

**J. SUBSEQUENT EVENTS**

On July 3, 2017 SED purchased a portion of Vermont Public Power Supply Authority's ownership of Highgate Converter Facilities, located in Highgate, Vermont, for \$926,913 with the option to purchase more within the next 2 years. SED is now a joint owner with VELCO and Burlington Electric Department.

On November 1, 2017, SED obtained a \$1,500,000 line of credit with Union Bank. The line of credit matures October 31, 2018.

Schedule 1  
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TOWN OF STOWE, VERMONT  
REQUIRED SUPPLEMENTARY INFORMATION  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - BUDGETARY BASIS  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2017

	Budget	Actual	Variance Favorable/ (Unfavorable)
Revenues:			
Property Taxes	\$ 8,601,536	\$ 8,639,169	\$ 37,633
Administration	745,433	932,228	186,795
Town Clerk	161,071	175,740	14,669
Accounting/Finance	20,000	20,000	0
Memorial Building	0	12,294	12,294
Fire	750	1,190	440
Highway Department	183,800	195,130	11,330
Listers' Office	1,500	11,673	10,173
Library	0	2,624	2,624
Rescue/EMS	192,505	208,350	15,845
Mountain Rescue	0	4,793	4,793
Cultural Campus	1,524	1,886	362
Planning Department	3,500	8,881	5,381
Zoning	96,010	46,704	(9,306)
Police Department	115,200	110,541	25,317
Cemetery	1,200	95	(1,105)
Public Works Administration	17,000	14,700	(2,300)
Parks and Grounds	41,780	103,495	61,715
Recreation	172,105	123,797	(48,308)
Stowe Arena	416,605	331,995	(84,610)
Transfer from Capital Fund - Local Option Taxes	350,000	350,000	0
Transfer from Library Operations Fund	27,000	27,000	0
Transfer from Appraisal Fund	6,000	6,000	0
Total Revenues	11,144,519	11,388,291	243,772
Expenditures:			
Administration	438,775	433,769	5,006
Elections	6,229	4,560	1,669
Town Clerk	324,578	339,999	(15,421)
Health/Zoning	136,107	129,289	6,818
Listers' Office	110,807	112,788	(1,981)
Treasurer/Finance	255,653	256,807	(1,154)
Planning	144,039	146,950	(2,891)
Public Safety Building	139,269	141,938	(2,669)
Police Department	1,708,370	1,705,450	2,920
Fire Department	221,577	220,233	1,344
Emergency Medical Service	545,584	542,813	2,771
Mountain Rescue	20,138	26,788	(6,650)
Emergency Management	2,382	1,368	1,016
Highway	2,119,122	2,185,123	(66,001)
Public Works	327,189	325,867	1,322

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Schedule 1  
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TOWN OF STOWE, VERMONT  
REQUIRED SUPPLEMENTARY INFORMATION  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - BUDGETARY BASIS  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2017

	Budget	Actual	Variance Favorable (Unfavorable)
Expenditures (Cont'd)			
Akeley Memorial Building	\$ 167,483	\$ 188,093	\$ (18,610)
Cultural Campus	75,262	40,428	34,834
Street Lights	18,294	18,034	260
Solid Waste	550	646	(96)
Canteen/eries	15,731	13,623	2,108
Community Affairs	100,522	97,490	3,032
Central Government	527,447	527,447	0
Parks and Grounds	522,166	552,356	(30,190)
Recreation	877,675	428,623	449,052
Arena	499,534	516,011	(16,477)
Library	571,358	537,294	34,064
Debt Management	1,188,128	1,188,128	0
Insurances	188,224	191,340	(3,116)
Transfer to Annual Leave Fund	120,000	120,000	0
Transfer to Capital Fund	0	31,800	(31,800)
Transfer to Equipment Fund	400,000	400,000	0
Total Expenditures	<u>11,372,193</u>	<u>11,423,033</u>	<u>(50,840)</u>
Excess/(Deficiency) of Revenues Over Expenditures	\$ <u>(77,074)</u>	(34,742)	\$ <u>193,057</u>
Adjustments to Reconcile from the Budgetary Basis of Accounting to the Modified Accrual Basis of Accounting:			
Annual Leave Fund Income		235	
Annual Leave Fund Transfer In		120,000	
Annual Leave Fund Expenses		(55,103)	
Library Operations Fund Income		30,950	
Library Operations Fund Expenses		(5,312)	
Library Operations Fund Transfer In		8,172	
Library Operations Fund Transfer Out		(27,000)	
Recreation Scholarship Fund Income		488	
Recreation Scholarship Fund Expenses		(5,443)	
Recreation Scholarship Fund Transfer In		1,000	
Net Change in Fund Balance		33,245	
Fund Balance - July 1, 2016		<u>983,427</u>	
Fund Balance - June 30, 2017		\$ <u>1,016,672</u>	

The reconciling items are due to combining three (3) funds, the Annual Leave Fund, the Library Operations Fund and the Recreation Scholarship Fund, with the General Fund in order to comply with GASE Statement No. 54.

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Schedule 2

TOWN OF STOWE, VERMONT  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
 VMERS DEFINED BENEFIT PLAN  
 JUNE 30, 2017

	2017	2016	2015
Total Plan Net Pension Liability	\$ 128,096,167	\$ 77,095,810	\$ 9,126,613
Town's Proportion of the Net Pension Liability	1.3498%	1.3825%	1.4096%
Town's Proportionate Share of the Net Pension Liability	\$ 1,737,171	\$ 1,065,864	\$ 128,646
Town's Covered Employee Payroll	\$ 3,197,390	\$ 2,997,266	\$ 2,842,541
Town's Proportionate Share of the Net Pension Liability as a Percentage of Town's Covered Employee Payroll	54.3309%	35.5612%	4.5257%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	80.95%	87.42%	98.32%

**Notes to Schedule**Benefit Changes: None.

Changes in Assumptions: The actuarial assumptions regarding the incidence of mortality, terminations, retirements, and disabilities were changed in accordance with the findings of an experience study covering the five-year period ending June 30, 2014.

Fiscal year 2015 was the first year of implementation, therefore, only three years are shown.

See Disclaimer in Accompanying Independent Auditor's Report.

Schedule 3

TOWN OF STOWE, VERMONT  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CONTRIBUTIONS  
 VMERS DEFINED BENEFIT PLAN  
 FOR THE YEAR ENDED JUNE 30, 2017

	2017	2016	2015
Contractually Required Contribution (Actuarially Determined)	\$ 219,161	\$ 205,062	\$ 192,329
Contributions in Relation to the Actuarially Determined Contributions	<u>219,161</u>	<u>205,062</u>	<u>192,329</u>
Contribution Excess/(Deficiency)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Town's Covered Employee Payroll	\$ 3,197,390	\$ 2,997,269	\$ 2,842,541
Contributions as a Percentage of Town's Covered Employee Payroll	6.854%	6.842%	6.766%

**Notes to Schedule**

Valuation Date: June 30, 2016

Fiscal year 2015 was the first year of implementation, therefore, only three years are shown

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Schedule 4

TOWN OF STOWE, VERMONT  
 COMBINING BALANCE SHEET  
 NON-MAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2017

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total
<u>ASSETS</u>				
Cash	\$ 0	\$ 0	\$ 58,490	\$ 58,490
Investments	0	0	1,462,397	1,462,397
Due from Other Funds	<u>223,563</u>	<u>231,761</u>	<u>0</u>	<u>455,324</u>
Total Assets	<u>\$ 223,563</u>	<u>\$ 231,761</u>	<u>\$ 1,520,887</u>	<u>\$ 1,976,211</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts Payable	\$ 0	\$ 20,058	\$ 0	\$ 20,058
Due to Other Funds	<u>0</u>	<u>0</u>	<u>7,462</u>	<u>7,462</u>
Total Liabilities	<u>0</u>	<u>20,058</u>	<u>7,462</u>	<u>27,520</u>
Fund Balances:				
Nonspendable	0	0	250,295	250,295
Restricted	83,999	0	1,263,130	1,347,129
Committed	0	193,514	0	193,514
Assigned	<u>139,564</u>	<u>18,189</u>	<u>0</u>	<u>157,753</u>
Total Fund Balances	<u>223,563</u>	<u>211,703</u>	<u>1,513,425</u>	<u>1,948,691</u>
Total Liabilities and Fund Balances	<u>\$ 223,563</u>	<u>\$ 231,761</u>	<u>\$ 1,520,887</u>	<u>\$ 1,976,211</u>

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Schedule 5

TOWN OF STOWE, VERMONT  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES  
 NON-MAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2017

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total
<b>Revenues:</b>				
Intergovernmental	\$ 274,693	\$ 0	\$ 0	\$ 274,693
Charges for Services	0	0	8,980	8,980
Permits, Licenses and Fees	12,723	0	0	12,723
Investment Income	423	607	186,874	187,904
Donations	68,253	0	190	68,443
	<u>356,092</u>	<u>607</u>	<u>196,044</u>	<u>552,743</u>
<b>Total Revenues</b>				
<b>Expenditures:</b>				
General Government	1,690	0	0	1,690
Public Safety	93,873	46	0	93,919
Public Works	31,126	46	0	31,172
Culture and Recreation	5,967	3,109	0	9,076
Cemetery	0	0	2,934	2,934
Capital Outlay:				
Public Safety	0	80,136	0	80,136
Public Works	175,000	169,743	0	344,743
Culture and Recreation	0	194,589	0	194,589
	<u>307,656</u>	<u>447,669</u>	<u>2,934</u>	<u>758,259</u>
<b>Total Expenditures</b>				
Excess/(Deficiency) of Revenues Over Expenditures	<u>48,436</u>	<u>(447,062)</u>	<u>193,110</u>	<u>(205,516)</u>
<b>Other Financing Sources/(Uses):</b>				
Insurance Proceeds	0	97,606	0	97,606
Transfers In	0	400,000	0	400,000
Transfers Out	(6,000)	0	(15,172)	(21,172)
	<u>(6,000)</u>	<u>497,606</u>	<u>(15,172)</u>	<u>476,434</u>
<b>Total Other Financing Sources/(Uses)</b>				
Net Change in Fund Balances	42,436	50,544	177,938	370,918
Fund Balances - July 1, 2016	181,127	161,159	1,335,487	1,677,773
Fund Balances - June 30, 2017	<u>\$ 223,563</u>	<u>\$ 211,703</u>	<u>\$ 1,513,425</u>	<u>\$ 1,948,691</u>

See Disclaimer in Accompanying Independent Auditor's Report.

TOWN OF STOWE, VERMONT  
 COMBINING BALANCE SHEET  
 NON-MAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2017

Schedule 6

	Recreation Path Fund	Police DEA Fund	Appraisal Fund	Records Preservation Fund	Utility Fund	Stowe Rescue Fund	Total
<b>ASSETS</b>							
Due from Other Funds	\$ 0	\$ 20,533	\$ 139,564	\$ 63,466	\$ 0	\$ 0	\$ 223,563
Total Assets	\$ 0	\$ 20,533	\$ 139,564	\$ 63,466	\$ 0	\$ 0	\$ 223,563
<b>LIABILITIES AND FUND BALANCES</b>							
Liabilities:	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Fund Balances:							
Restricted	0	20,533	0	63,466	0	0	83,999
Assigned	0	0	139,564	0	0	0	139,564
Total Fund Balances	0	20,533	139,564	63,466	0	0	223,563
Total Liabilities and Fund Balances	\$ 0	\$ 20,533	\$ 139,564	\$ 63,466	\$ 0	\$ 0	\$ 223,563

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Schedule T

TOWN OF STOWE, VERMONT  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 NON-MAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2017

	Recreation Path Fund	Police DEA Fund	Appraisal Fund	Records Preservation Fund	Grant Fund	Stowe Reserve Fund	Total
<b>Revenues:</b>							
Intergovernmental	\$ 0	\$ 0	\$ 36,281	\$ 0	\$ 238,412	\$ 0	\$ 274,693
Permits, Licenses and Fees	0	0	0	12,723	0	0	12,723
Investment Income	0	47	258	118	0	0	423
Donations	150	0	0	0	0	68,103	68,253
<b>Total Revenues</b>	<b>150</b>	<b>47</b>	<b>36,539</b>	<b>12,841</b>	<b>238,412</b>	<b>68,103</b>	<b>356,092</b>
<b>Expenditures:</b>							
General Government	0	0	0	1,690	0	0	1,690
Public Safety	0	2,626	0	0	19,942	71,103	93,767
Public Works	0	0	0	0	31,126	0	31,126
Culture and Recreation	1,022	0	0	0	4,945	0	5,967
Capital Outlay	0	0	0	0	175,000	0	175,000
Public Works	0	0	0	0	0	0	0
<b>Total Expenditures</b>	<b>1,022</b>	<b>2,626</b>	<b>0</b>	<b>1,690</b>	<b>231,013</b>	<b>71,103</b>	<b>307,054</b>
<b>Excess/(Deficiency) of Revenues Over Expenditures</b>	<b>(872)</b>	<b>(2,579)</b>	<b>36,539</b>	<b>(1,151)</b>	<b>7,399</b>	<b>(3,000)</b>	<b>39,436</b>
<b>Other Financing Sources/(Uses):</b>							
Transfers Out	0	0	(6,000)	0	0	0	(6,000)
<b>Total Other Financing Sources/(Uses)</b>	<b>0</b>	<b>0</b>	<b>(6,000)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(6,000)</b>
<b>Net Change in Fund Balances:</b>	<b>(872)</b>	<b>(2,579)</b>	<b>30,539</b>	<b>(1,151)</b>	<b>7,399</b>	<b>(3,000)</b>	<b>42,436</b>
<b>Fund Balances/(Deficits) - July 1, 2016</b>	<b>872</b>	<b>23,314</b>	<b>709,025</b>	<b>52,316</b>	<b>(7,300)</b>	<b>3,000</b>	<b>181,127</b>
<b>Fund Balances - June 30, 2017</b>	<b>\$ 0</b>	<b>\$ 20,735</b>	<b>\$ 139,564</b>	<b>\$ 63,465</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 223,804</b>

See Disclaimer in Accompanying Independent Auditor's Report

Schedule 8

TOWN OF STOWE, VERMONT  
 COMBINING BALANCE SHEET  
 NON-MAJOR CAPITAL PROJECTS FUNDS  
 JUNE 30, 2017

	<u>Equipment Fund</u>	<u>Rink Renovation Fund</u>	<u>Total</u>
<u>ASSETS</u>			
Due from Other Funds	\$ <u>193,572</u>	\$ <u>38,189</u>	\$ <u>231,761</u>
Total Assets	\$ <u>193,572</u>	\$ <u>38,189</u>	\$ <u>231,761</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts Payable	\$ <u>58</u>	\$ <u>20,000</u>	\$ <u>20,058</u>
Total Liabilities	<u>58</u>	<u>20,000</u>	<u>20,058</u>
Fund Balances:			
Committed	193,514	0	193,514
Assigned	<u>0</u>	<u>18,189</u>	<u>18,189</u>
Total Fund Balances	<u>193,514</u>	<u>18,189</u>	<u>211,703</u>
Total Liabilities and Fund Balances	\$ <u>193,572</u>	\$ <u>38,189</u>	\$ <u>231,761</u>

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Schedule 9

TOWN OF STOWE, VERMONT  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 NON-MAJOR CAPITAL PROJECTS FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2017

	Equipment Fund	Risk Renovation Fund	Total
Revenues:			
Investment Income	\$ 522	\$ 85	\$ 607
Total Revenues	<u>522</u>	<u>85</u>	<u>607</u>
Expenditures:			
Public Safety	46	0	46
Public Works	46	0	46
Culture and Recreation	3,109	0	3,109
Capital Outlay:			
Public Safety	80,136	0	80,136
Public Works	169,743	0	169,743
Culture and Recreation	194,589	0	194,589
Total Expenditures	<u>447,669</u>	<u>0</u>	<u>447,669</u>
Excess/(Deficiency) of Revenues Over Expenditures	<u>(447,147)</u>	<u>85</u>	<u>(447,062)</u>
Other Financing Sources:			
Insurance Proceeds	97,606	0	97,606
Transfers In	400,000	0	400,000
Total Other Financing Sources	<u>497,606</u>	<u>0</u>	<u>497,606</u>
Net Change in Fund Balances	50,459	85	50,544
Fund Balances - July 1, 2016	<u>143,055</u>	<u>18,104</u>	<u>161,159</u>
Fund Balances - June 30, 2017	<u>\$ 193,514</u>	<u>\$ 18,189</u>	<u>\$ 211,703</u>

See Disclaimer in Accompanying Independent Auditor's Report.

Schedule 10

TOWN OF STOWE, VERMONT  
 COMBINING BALANCE SHEET  
 NON-MAJOR PERMANENT FUNDS  
 JUNE 30, 2017

	<u>Cemetery Fund</u>	<u>Library Endowment Fund</u>	<u>Total</u>
<u>ASSETS</u>			
Cash	\$ 58,490	\$ 0	\$ 58,490
Investments	<u>436,360</u>	<u>1,026,037</u>	<u>1,462,397</u>
Total Assets	<u>\$ 494,850</u>	<u>\$ 1,026,037</u>	<u>\$ 1,520,887</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Due to Other Funds	<u>\$ 7,462</u>	<u>\$ 0</u>	<u>\$ 7,462</u>
Total Liabilities	<u>7,462</u>	<u>0</u>	<u>7,462</u>
Fund Balances:			
Nonspendable	215,000	35,295	250,295
Restricted	<u>272,388</u>	<u>990,742</u>	<u>1,263,130</u>
Total Fund Balances	<u>487,388</u>	<u>1,026,037</u>	<u>1,513,425</u>
Total Liabilities and Fund Balances	<u>\$ 494,850</u>	<u>\$ 1,026,037</u>	<u>\$ 1,520,887</u>

See Disclaimer in Accompanying Independent Auditor's Report.

Schedule 11

TOWN OF STOWE, VERMONT  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 NON-MAJOR PERMANENT FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2017

	Cemetery Fund	Library Endowment Fund	Total
<b>Revenues:</b>			
Charges for Services	\$ 8,980	\$ 0	\$ 8,980
Investment Income	33,567	153,307	186,874
Donations	190	0	190
Total Revenues	<u>42,737</u>	<u>153,307</u>	<u>196,044</u>
<b>Expenditures:</b>			
Cemetery	2,934	0	2,934
Total Expenditures	<u>2,934</u>	<u>0</u>	<u>2,934</u>
Excess of Revenues Over Expenditures	<u>39,803</u>	<u>153,307</u>	<u>193,110</u>
<b>Other Financing Sources/(Uses):</b>			
Transfers Out	(7,000)	(8,172)	(15,172)
Total Other Financing Sources/(Uses)	<u>(7,000)</u>	<u>(8,172)</u>	<u>(15,172)</u>
Net Change in Fund Balances	32,803	145,135	177,938
Fund Balances - July 1, 2016	<u>454,585</u>	<u>880,902</u>	<u>1,335,487</u>
Fund Balances - June 30, 2017	<u>\$ 487,388</u>	<u>\$ 1,026,037</u>	<u>\$ 1,513,425</u>

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**Sullivan, Powers & Co., P.C.**  
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Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with "Government Auditing Standards"

Board of Selectmen  
 Town of Stowe, Vermont  
 P.O. Box 730  
 Stowe, Vermont 05672

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in "Government Auditing Standards", issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Stowe, Vermont, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Town of Stowe, Vermont's basic financial statements, and have issued our report thereon dated January 30, 2018. Our report includes a reference to other auditors who audited the financial statements of the Electric Fund, as described in our report on the Town of Stowe, Vermont's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the Electric Fund were not audited in accordance with "Government Auditing Standards".

***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Town of Stowe, Vermont's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Stowe, Vermont's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Stowe, Vermont's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Town of Stowe, Vermont's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Members of The American Institute and Vermont Society of Certified Public Accountants

Town of Stowe, Vermont

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Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

***Compliance and Other Matters***

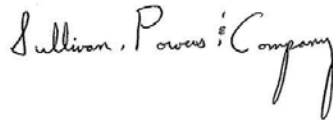
As part of obtaining reasonable assurance about whether the Town of Stowe, Vermont's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct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

However, we noted certain other matters that we reported to the management of the Town of Stowe, Vermont in a separate letter dated January 30, 2018.

***Purpose of this Report***

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

January 30, 2018  
Montpelier, Vermont  
VT Lic. #92-000180



TOWN OF STOWESCHEDULE OF INDEBTEDNESS AT 6/30/17									
Type	Bonds, Bond Anticipation, Notes Payable:	Date of Issue	Maturity Date	Interest Rate	Balance 7/1/2016	Deletions	Additions	Balance 6/30/2017	
G	Tri Centennial:	8/4/1995	12/1/2015	Variable	-			-	
G	Fire Truck/Sunset/Rink Imp	7/22/1999	11/1/2019	Variable	60,000	(15,000)		45,000	
G	Bingham, Garage, Water Bid	12/1/2001	11/1/2021	Variable	150,000	(25,000)		125,000	
G	Ladder Trk/Nichols Ease	12/1/2004	11/1/2024	Variable	180,000	(20,000)		160,000	
G	Adams Camp Mem Eng Bond	7/26/2007	11/1/2027	Variable	300,000	(25,000)		275,000	
G	Public Safety Building Bond	7/22/2008	11/1/2028	Variable	4,680,000	(360,000)		4,320,000	
G	Ice Rink #1	8/1/2012	11/1/2032	3.62%	3,400,000	(200,000)		3,200,000	
G	Ice Rink #2/Sledding Hill	7/30/2013	11/1/2033	Variable	2,533,500	(140,750)		2,392,750	
	<b>General Fund Totals</b>				<b>11,303,500</b>	<b>(785,750)</b>		<b>10,517,750</b>	
BW	Water Bond	4/1/2005	4/1/2024	0.00%	146,189	(18,275)		127,914	
BW	Water-Sunset Hill	11/1/2006	7/1/2026	3.00%	527,051	(41,151)		485,900	
BW	Water Expansion	12/15/1998	1/1/2021	0.00%	629,098	(125,820)		503,279	
BW	Water Upgrade Bond	12/1/2003	12/1/2022	Variable	1,120,000	(160,000)		960,000	
BW	Water Improvements	6/27/2001	7/1/2024	3.00%	1,678,437	(165,215)		1,513,222	
	<b>Water Totals</b>				<b>4,100,776</b>	<b>(510,461)</b>		<b>3,590,315</b>	
BS	Sewer Improvements	12/1/1998	12/1/2017	0.00%	102,660	(51,329)		51,330	
BS	Sewer Improvements	7/15/1996	7/1/2020	0.00%	517,750	(103,550)		414,200	
BS	Sewer Note	4/1/2002	4/1/2028	0%	8,300,192	(691,683)		7,608,509	
	<b>Sewer Totals</b>				<b>8,920,602</b>	<b>(846,562)</b>		<b>8,074,040</b>	
BE	Electric Investment Purch	12/29/2010	2/1/2020	6.50%	770,549	(32,938)		737,611	
BE	Electric Investment Purch	12/29/2009	2/1/2020	6.50%	843,812	(39,709)		804,103	
BE	Electric Improvements Bond	7/21/2009	11/15/2039	4.66%	3,190,000	(135,000)		3,055,000	
BE	Electric Investment Purch	3/1/2011	12/30/2018	5.70%	18,700,000	0		18,700,000	
BE	Electric Investment Purch	5/1/2015	2/1/2025	4.10%	384,368	(14,277)		370,091	
BE	Electric Improvements Bond	2/1/2016	2/1/2036	0.97%	3,177,000	(127,080)		3,049,920	
BE	Electric Improvements Bond	4/25/2017	5/1/2027	2.99%			800,000	800,000	
	<b>Grand Totals</b>				<b>27,065,729</b>	<b>(349,004)</b>	<b>800,000</b>	<b>27,516,725</b>	
					<b>51,390,606</b>	<b>(2,491,777)</b>	<b>800,000</b>	<b>49,698,829</b>	



**TOWN OF STOWE  
2016-2017  
SCHEDULE OF TAXES RAISED**

Grand List:		
Municipal Grand List		21,241,530
	Total Municipal Grand List	21,241,530
Education Grand List:		
Real Estate-Non Residential Homestead		15,953,571
Real Estate-Homestead Education		5,198,506
	Total Education Grand List	21,152,077
Taxes Billed:		
General Property:	<u>Grand List Value</u> <u>Tax Rate</u>	<u>Taxes Assessed</u>
Real Estate	21,241,530    \$ 0.4049	\$8,600,637.69
Education-Non Residential	15,953,571    \$ 1.5582	\$24,858,854.69
Education-Residential	5,198,506    \$ 1.5242	\$7,923,563.06
	-	
Exempted Education-Non Residential	(19,822)    \$ 1.5582	(30,886.64)
Exempted Education-Residential	(43,458)    \$ 1.5242	(66,238.69)
Local Agreements-Farmers	21,241,530    \$ 0.0048	<u>\$101,959.28</u>
	Sub-Total .....	\$41,387,889.39
VT State Lands - 1% of Value		<u>\$72,918.31</u>
	Total Taxes Raised	<u>\$41,460,807.70</u>
Taxes Accounted For as Follows:		<u>Taxes Assessed</u>
General Property		\$38,369,584.97
Taxes to Delinquent Collector		<u>\$3,018,304.42</u>
Property Taxes Billed	Sub-Total .....	\$41,387,889.39
VT State Lands - 1% of Value		<u>\$72,918.31</u>
	Total Taxes Accounted For	<u>\$41,460,807.70</u>
<b>DIVISION OF TAXES</b>	<u>Tax Rate</u>	<u>Taxes Assessed</u>
Town Assessment	\$ 0.4049	\$ 8,503,512.36
Local Agreements-Farmers Contracts	\$ 0.0048	101,959.28
VT State Lands - 1% of Value		<u>72,918.31</u>
	Town of Stowe	<u>8,678,389.95</u>
School Assessment-Non Homestead	State of Vermon    \$ 1.5582	\$20,623,749.88
	Local School    \$ 1.5582	4,179,172.81
	Town of Stowe    Collection Agent Fee	<u>55,932.00</u>
	Sub-Total .....	<u>\$24,858,854.69</u>
School Assessment-Homestead	State of Vermon    \$ 1.5242	\$1,708,035.93
	Local School    \$ 1.5242	6,200,822.19
	Town of Stowe    Collection Agent Fee	13,984.94
	Town of Stowe    Late Fee Retained	<u>720.00</u>
	Sub-Total .....	<u>\$7,923,563.06</u>
		<u>\$ 41,460,807.70</u>

## **TOWN OF STOWE SCHOOL BOARD REPORT**

The Stowe School Board once again thanks the community, administration, teachers, and parents for your continued support of Stowe's schools. The combined dedication of all stakeholders provides outstanding public education for our students. The Stowe School District's excellent reputation continues to attract families from within Vermont, the USA, and the world to relocate to the Stowe community. Our equalized student enrollment once again increased this year by 16.3 students, an increase of 2.2%. This is in sharp contrast to most Vermont communities whose student enrollment continues to decline on a consistent basis.

The board communicated to the community, in an open letter in the Stowe Reporter August 29, 2017, and through our email lists, our five goals for the 2017-2018 school year. They are as follows:

**Act 46:** Continue our self-evaluation work and submit a proposal for an Alternative Governance Structure.

- Last November we worked with our dedicated colleagues at Elmore-Morristown Unified Union, the administration, and our community to craft and submit our Alternative Governance Structure proposal. Both the Stowe School District and the Elmore-Morristown Unified Union, along with our respective communities, believe this proposal makes a strong case for an Alternative Governance Structure.
- We are now waiting for the Agency of Education and Board of Education to review and discuss our proposal.
- Act 46 currently requires the Agency of Education to submit a statewide plan by June 1, 2018. The State Board must approve that plan by November 30, 2018.
- Implementation of the new governance structure will take place on July 1, 2019.

**Proficiency-Based Learning:** Monitor the implementation of Proficiency-Based Learning (PBL) and our progress towards personalization.

- This new approach to education is designed to be the driving force in determining the learning style that is best suited for each individual student.
- Vermont's Education Quality Standards (EQS) require that schools' graduation requirements be rooted in demonstrations of student proficiency. This requirement will take effect in Vermont beginning with the graduating class of 2020.
- Our goal is to insure a successful implementation of this significant shift in the education process.

- The administration and teachers are working hard for a successful PBL implementation by attending summer curriculum camps, employing outside resources, providing PBL coaching, offering in-house mentoring programs, and actively seeking teacher, student, and parental feedback.
- The 2019 budget includes \$30,000 towards professional development to support PBL implementation.
- The board has added PBL as an agenda item frequently at meetings to ensure that both the Board and the community have an opportunity to ask questions and provide feedback. We will continue to do so for the balance of the school year.
- The school's web page, "The Road to Proficiency," offers additional information at [www.stoweschoolsvt.com](http://www.stoweschoolsvt.com).

**Budget:** Review our year-round budgeting process and develop a school budget that taxpayers value.

- Over the summer of 2017, the board did an extensive review of the school budget process with a focus on enhancing transparency.
- We made the following changes in our budget process that were reported in the Stowe Reporter on December 21, 2017:
- For people who prefer prose to numbers, an executive summary explains whether the budget is increasing or decreasing and by how much, walking the public through the main additions or subtractions.
- The summary is followed by line-item expenditures broken down by function with each category sorted even further to include salaries and benefits, supplies and materials, and other items that go into that function's costs.
- The line-item budget is trailed by an explanation of what each function covers within the district.
- As the budget proposal is amended, each version of the draft will include a summary of changes made from the original draft budget, helping the board and public track individual budget decisions.
- Revenue is categorized in a similar fashion.
- The board asked the community to bring their iPads, laptops, or smartphones to the budget meetings to follow along with the same documents being reviewed by the board, which are posted on the school district website.
- The board and administration provided a linked Excel spreadsheet to see, in real time, what happens to the total budget and tax rates if expenditures are added or subtracted.
- Lastly, in a special meeting held in Stowe on January 24, 2018, both the Stowe School District and the Lamoille South Supervisory Union boards

made available the auditors of both entities for the public to review audited financials to comment and ask questions.

- 2018-2019 Proposed Budget: The board continues to provide a high quality education on a cost effective basis.
- Stowe's education spending on an education spending per equalized pupil is projected to decline in the 2018-2019 budget by \$67.89 to **\$14,939** versus \$15,007 in 2017-2018.
- For comparison, the 2017 Vermont's average education spending per equalized pupil was **\$15,368**.
- We are also pleased that, with some very hard work by our administrative team, the 2019 overall budget is projected to increase just 1.2%.

**Capital Committee:** Establish a capital committee.

- At the time of this print, the superintendent has drafted a committee charge and is accepting nominations and volunteers. This committee will form after the conclusion of the 2018-2019 budget process.
- A five year facility capital needs plan was reviewed by the board at each of their three January 2018 budget meetings. Elements of the plan are included in this budget.
- A detail listing of the five year facility capital needs can be found in the 2018 Town Meeting book.

**Rigor and Equity:** Raise the bar for all students while working to close the achievement gap.

- Last year voters approved the 2017-2018 budget that contained the following investments to elevate the rigor of our curriculum and close the learning gap amongst students.
- Implementation of 8<sup>th</sup> grade algebra.
- Full implementation of a math coach for the middle and high school.
- Creation of a language coach position for the middle and high school.
- An additional literacy interventionist at the elementary school.
- The full implementation of the STAR student evaluation system, designed to identify learning opportunities on an individual student basis in real time.
- Test results will be monitored closely over the next few years to evaluate our progress and opportunities.

The Stowe School Board attributes the success and increasing popularity of the Stowe School District to a committed and talented administration team, an experienced and dedicated faculty, and a passionately involved community that wants what the board wants – a superior education for every child in our community.

If you'd like to receive regular emails recapping our board meetings and agendas, please go to [www.stoweschoolsvt.com](http://www.stoweschoolsvt.com) to sign up.

Respectfully submitted,

Cara Zimmerman, Chair

Emily Bradbury, Jim Brochhausen, Tiffany Donza and Emily Rosenbaum

Tracy Wrend, *Superintendent of Schools*

## **STOWE SCHOOL DISTRICT**

### **2018-2019 PROPOSED SCHOOL BUDGET FAST FACTS**

**Net FY19 Budget:** The total proposed school district budget is \$12,079,275. The FY19 budget reflects an increase of \$146,575 or 1.2%. The number of equalized pupils is up 16.28 to 761.73. The projected Education Spending per Equalized Pupil is down -0.45% to \$14,939. This compares favorably to the Governor's requested change in per pupil spending of not more than 2.5%.

**Tax Rates:** The tax rate impacts of the FY19 budget translate to an estimated increase in the Local Homestead Tax Rate of 5.3 cents (which could be lower by more than 3 cents if all districts in Vermont keep increases in per pupil spending below 2.5%) and an increase in local income sensitivity rates of 0.016% (which also could be reduced if all districts in Vermont keep increases in per pupil spending below 2.5%).

The Local Homestead Tax Rate is projected to increase by 5.3 cents to 1.578. The estimated residential tax rate impact on a property valued at \$250,000 would be \$133.00. Households with income under \$90,000 receive an Income Sensitivity credit which reduces the impact of the tax rate increase noted above.

The Non-Homestead Tax Rate is projected to increase by 10.9 cents to \$1.693. Non-Homestead Tax Rates are not directly affected by our local school budget; they are affected by CLA and statewide education spending.

**General Fund Balance:** As of June 30, 2017, the fund balance was \$1,566,899. The voters approved \$300,000 as revenue to offset the FY18 expenditures and a \$500,000 transfer to the Capital Fund. For FY19, the board recommends applying \$300,000 as revenue to offset the proposed FY19 budget expenditures and \$300,000 to the Capital Fund. This leaves \$166,899 of unassigned fund balance for future expenses with approval of the electorate.

**Programs and Personnel:** The proposed FY19 Stowe School District budget maintains current levels of programming and staffing.

**Compensation and Benefits:** The budget includes a 1% increase in health insurance premiums for employees on the CDHP Gold and CDHP Silver plans. Salary and benefits have been adjusted consistent with the terms of the Master Agreement and VEHI's announced health insurance premium increases.

**Capital Fund:** As of July 1, 2017, there is a balance of \$779,233 in the Capital Fund. The Board proposes the transfer of \$300,000 to the fund for future capital needs. In addition to ongoing maintenance needs, the district needs to begin planning for facilities expansion in order to accommodate the increased number of pupils enrolled in Stowe schools.

## **Stowe School District** **FY19 Budget Executive Summary**

### **Statewide Context**

To address all forecasted FY19 education fund uses (including funding the statutory reserves, compensating for the one-time funds applied for FY18, covering costs shifted to the education fund, and covering an anticipated 3.52% overall growth in education spending) the yield amounts recommended by the tax commissioner equate to an increase in homestead and non-homestead tax rates of 9.4 cents for the average taxpayer and an increase of 7.32% for those who pay based on income. (Department of Taxes press release November 30, 2017)

“If no district exceeds 2.5% per-pupil spending growth in the budgets that are currently under development, the average increase in property taxes could be at least 3 cents lower...” (November 30, 2017, letter from Commissioner of the Department of Taxes to the Speaker and President Pro Tempore)

### **Overall Budget**

The FY19 budget reflects an increase of \$146,575 or 1.2%. Anticipated revenues are down (\$46,025) or -6.2%. The resulting change in Education Spending is an increase of \$192,600 or 1.7%. The number of Equalized Pupils is up 16.28 or 2.2% to 761.73. Thus, the projected Education Spending Per Equalized Pupil is down -0.45%, or (\$67.89) per pupil, to \$14,939. (This compares favorably to the Governor’s requested change in per pupil spending of not more than 2.5%)

The tax rate impacts of the FY19 budget translate to an estimated increase in the Local Homestead Tax Rate of 5.3 cents (which could be lower by more than 3 cents if all districts keep increases in per pupil spending below 2.5%) and an increase in local income sensitivity rates of 0.16% (which also could be reduced if all districts keep increases in per pupil spending below 2.5%). Non-Homestead Tax Rates are not directly affected by local budget decisions, rather are set based on statewide spending, and are estimated to increase by 10.9 cents. As with Local Homestead Tax Rates and Percentages for Income Sensitivity, these rates may be lower if all districts keep increases in spending per pupil below 2.5%.

**Local Budget Context**

**Personnel Costs & Expenditures:** The FY19 budget reflects support for continuation of current levels of staffing in all areas within SSD. Salary and benefits have been adjusted consistent with the terms of the Master Agreement and announced health insurance premium increases.

Compensation increases for teachers provide for step only and an extra day. Compensation increases for employees not covered by the Master Agreement are included at 3%, a rate comparable to the increase for teachers.

All functions include an increase in the employee contribution to health insurance premiums of 1%, from 14% to 15% for the CDHP plan options. The employee benefit lines also provide for an additional amount of \$27,600, the amount of the health insurance recapture.

Despite the increase in health insurance premiums and the impact of the recapture, health insurance costs are an area of savings from FY18 to FY19.

We have included \$30,000 in professional services for support for teachers for PBL implementation.

**Services Provided through LSSU:** The LSSU budget for FY19 is \$8,495,425, an increase of 0.3% over FY18.

Total assessments paid by SSD for services from LSSU are up \$134,225 and are a reflection of:

- decreases in total special education assessments
- increases in expenditures for Pre-K, primarily in tuition, due to increases in student enrollment
- the addition of an Assistant Data Manager Position (in Information Services)
- the addition of \$60,000 for professional services for Communications (in Executive Administration)
- a reduction in the amount of fund balance (historically applied as revenue) of \$160,000 (associated primarily with higher than budgeted Pre-K tuition obligations in FY17)

The LSSU budget includes movement between functions to reflect the actual deployment of personnel and required changes in budgeting for expenditures and revenues associated with Federal grant funds.

**Revenue:** Beginning in FY18 state revenue for transportation and Special Education are paid to LSSU. Assessments to SSD for these services are reduced proportionately. While there is no change from FY18 to FY19, the FY17 Budget and Actuals include these revenues and expenditures.



The board has expressly sought to decrease reliance on Carry Forward and plan proactively for Capital needs; however, given the statewide and local tax rate contexts, the budget includes no change in the amount of Carry Forward applied as revenue. A decrease in tuition revenue is projected, largely due to a decrease in the number of publicly funded tuition students from Elmore.

### **Capital Planning**

Beginning in FY14, the electorate of Stowe has approved the transfer of various amounts from the General Fund balance to the Capital Projects Fund. The fund balance in the Capital Project Fund is \$779,233 as of 7/1/17. In 2018, we recommend that an estimated \$77,000 in capital funds be used for the replacement of essential equipment in the boiler room at SES and the installation of additional card access locking systems at several access points to the school. At SMHS, we recommend completion of boiler upgrades and various heating system renovations with an initial estimated cost of \$200,000. Additional recommended projects at SMHS include bleacher replacements estimated at \$106,000 and kitchen upgrades, access improvements and exterior building repairs estimated at about \$220,500. Costs associated with professional services in support of a committee studying capital improvements that may require a bond will also be allocated to the Capital Projects Fund.

Additional capital projects for FY20 and beyond are projected with costs of several hundred thousand per year. The electorate is asked to transfer \$300,000 from the General Fund balance to the Capital Projects Fund to assist with covering these or other future unanticipated facility related costs.

**Stowe School District  
Enrollments  
2017-2018**

Grade	# Students
K	39
1	47
2	63
3	58
4	59
5	64
6	51
7	63
8	57
9	65
10	74
11	57
12	61
	<hr/>
	<b>758</b>

**Stowe School District  
Budget Recap  
2018-2019**

	FY17		FY18 Budget	FY19 Proposed Budget	Increase/(Decrease)	
	Budget	Actual			\$	%
<b>INSTRUCTION</b>						
Regular Education	\$ 6,435,275	\$ 6,420,217	\$ 6,704,425	\$ 6,870,125	\$ 165,700	2.5%
Special Education	1,811,275	1,692,785	985,275	911,625	(73,650)	-7.5%
Vocational Education	83,000	82,253	81,800	79,400	(2,400)	-2.9%
Student Activities	266,500	265,394	279,175	284,850	5,675	2.0%
<b>Total Instruction</b>	<b>\$ 8,596,050</b>	<b>\$ 8,460,650</b>	<b>\$ 8,050,675</b>	<b>\$ 8,146,000</b>	<b>\$ 95,325</b>	<b>1.2%</b>
<b>SUPPORT SERVICES</b>						
Guidance Services	\$ 427,850	\$ 439,856	\$ 443,125	\$ 507,225	\$ 64,100	14.5%
Health Services	173,250	161,073	179,350	175,100	(4,250)	-2.4%
Curriculum & Instruction Services	47,475	47,475	53,325	107,175	53,850	101.0%
Library Services	192,800	193,900	210,575	214,200	3,625	1.7%
School Board	62,950	37,539	64,000	63,300	(700)	-1.1%
Exec. Admin. Services	117,600	117,600	161,700	174,525	12,825	7.9%
School Administration	776,850	738,452	828,250	766,300	(61,950)	-7.5%
Fiscal Services	176,300	183,008	233,225	222,050	(11,175)	-4.8%
Building & Grounds Operations	1,195,300	1,103,518	1,208,500	1,164,800	(43,700)	-3.6%
Transportation	302,200	300,649	188,400	180,650	(7,750)	-4.1%
Information Services	66,300	66,300	74,475	132,300	57,825	77.6%
Food Service Health Insurance	41,025	40,858	53,875	51,200	(2,675)	-5.0%
<b>Total Support Services</b>	<b>\$ 3,579,900</b>	<b>\$ 3,430,228</b>	<b>\$ 3,698,800</b>	<b>\$ 3,758,825</b>	<b>\$ 60,025</b>	<b>1.6%</b>
Long Term Debt	\$ 187,650	\$ 182,464	\$ 183,225	\$ 174,450	\$ (8,775)	-4.8%
<b>Total General Fund Expenditures</b>	<b>\$ 12,363,600</b>	<b>\$ 12,073,342</b>	<b>\$ 11,932,700</b>	<b>\$ 12,079,275</b>	<b>\$ 146,575</b>	<b>1.2%</b>

**Stowe School District  
Budget Revenues  
2018-2019**

	FY17		FY18 Budget	FY19 Proposed Budget	Increase/(Decrease)	
	Budget	Actual			\$	%
<b>LOCAL SOURCES</b>						
Carry Forward	\$ 400,000	\$ 400,000	\$ 300,000	\$ 300,000	\$ -	0.0%
Tuition - Regular Education	475,000	498,822	431,325	376,300	\$ (55,025)	-12.8%
Earned Interest	12,000	5,580	10,000	10,000	\$ -	0.0%
Donations	-	35,000	-	-	\$ -	-
Rentals	3,300	3,125	3,300	3,300	\$ -	0.0%
Other	-	26,015	-	9,000	\$ 9,000	-
Sub-total Local Sources	\$ 890,300	\$ 968,542	\$ 744,625	\$ 698,600	\$ (46,025)	-6.2%
<b>STATE SOURCES</b>						
Transportation Aid	\$ 139,600	\$ 137,428	\$ -	\$ -	\$ -	-
Driver Education	1,500	2,416	1,000	1,000	\$ -	0.0%
SPED - Block Grant	256,275	256,295	-	-	\$ -	-
SPED - State Reimbursement	598,900	667,619	-	-	\$ -	-
SPED - Essential Early Ed Grant	53,050	53,069	-	-	\$ -	-
Other State	0	23,342	-	-	\$ -	-
Sub-total State Sources	\$ 1,049,325	\$ 1,140,169	\$ 1,000	\$ 1,000	\$ -	0.0%
Budgeted Available Revenues	\$ 1,939,625	\$ 2,108,711	\$ 745,625	\$ 699,600	\$ (46,025)	-6.2%
<b>OTHER STATE SOURCES</b>						
General State Support Grant	\$ 10,380,075	\$ 10,379,995	\$ 11,143,975	\$ 11,336,875	\$ 192,900	1.7%
Vocational Education Support Grant	43,900	43,980	43,100	42,800	\$ (300)	-0.7%
Sub-total Other State Sources	\$ 10,423,975	\$ 10,423,975	\$ 11,187,075	\$ 11,379,675	\$ 192,600	1.7%
<b>TOTAL REVENUES</b>	<b>\$ 12,363,600</b>	<b>\$ 12,532,686</b>	<b>\$ 11,932,700</b>	<b>\$ 12,079,275</b>	<b>\$ 146,575</b>	<b>1.2%</b>

**STOWE SCHOOL DISTRICT**  
**FY19 BUDGET REVENUES EXPLANATION**

**General Fund Balance**

The summary of the General Fund balance is as follows:

Fund Balance, June 30, 2017	\$ 1,566,899
Carry Forward, FY18	(300,000)
Approved Transfer to Capital Projects Fund FY18	(500,000)
<b>Proposed Carry Forward, FY19</b>	<b>(300,000)</b>
Proposed Transfer to Capital Projects Fund FY19	<u>(300,000)</u>
Unassigned Fund Balance available for future uses	<u>\$ 166,899</u>

**Tuition - Regular Education**

The estimated number of non-resident enrollments next year is 23 students (30 in FY18) and the budgeted tuition for next year has been estimated at \$376,300 (down \$55,025 from FY18).

**Earned Interest and Rental**

For FY19, earned interest and rental revenue is estimated at \$10,000 and \$3,300, respectively (level with the prior year).

**State Sources**

**General State Support Grant**

The General State Support Grant incorporates what used to be several distinct funding sources. Taxes raised at the local level from both homestead and non-homestead tax rates do not appear as revenue in the local school district budget. Both forms of property tax are treated as payments to the Vermont Education Fund. The Education Fund then provides funding to the local school district. For FY19, the amount budgeted is \$11,336,875 (up \$192,900 from the FY18 amount of \$11,143,975).

**Vocational Education Support Grant**

Under Act 68, the local school district is responsible for accounting for all tuition costs associated with vocational education. Act 68 also calls for the Education Fund to provide local school districts 87% of the base cost per student. In FY19, Stowe has 5.00 FTE's (compared to 5.17 in FY18) with an estimated adjusted base cost of \$8,567, resulting in estimated revenue of \$42,800 (down \$300 from the FY18 amount of \$43,100).

Shared Transportation

This revenue, \$9,000, is received from EMUU for their share of the cost of the bus provided by Stowe (through Percy Transportation) to transport students to and from Wolcott.

Driver Education Reimbursement

The state partially reimburses school districts for the cost of providing driver education programs. For FY19, the Stowe School District anticipates receiving \$1,000 (level with the prior year).

**Stowe School District  
Budget Expenditures  
2018-2019**

	FY17		FY18 Budget	FY19 Proposed Budget	Increase/(Decrease)	
	Budget	Actual			\$	%
<b>INSTRUCTION</b>						
<b>Regular Instruction</b>						
Salaries	\$ 4,246,400	\$ 4,251,461	\$ 4,514,050	\$ 4,586,250	\$ 72,200	1.6%
Employee Benefits	1,416,025	1,388,425	1,432,475	1,372,000	(60,475)	-4.2%
Professional Services	347,050	332,027	339,800	414,575	74,775	22.0%
Repairs/Leases	86,525	61,725	38,075	34,450	(3,625)	-9.5%
Technology Services & Travel Reimb	37,000	24,238	33,900	34,700	800	2.4%
Supplies & Materials	167,525	166,185	194,300	273,300	79,000	40.7%
Equipment	121,125	174,587	135,250	137,275	2,025	1.5%
Dues, Fees & Miscellaneous	13,625	21,567	16,575	17,575	1,000	6.0%
<i>Total Regular Instruction</i>	<i>\$ 6,435,275</i>	<i>\$ 6,420,217</i>	<i>\$ 6,704,425</i>	<i>\$ 6,870,125</i>	<i>\$ 165,700</i>	<i>2.5%</i>
<b>Special Education</b>						
LSSU Assessments	\$ 1,811,275	\$ 1,692,785	\$ 985,275	\$ 911,625	\$ (73,650)	-7.5%
<i>Total Special Education</i>	<i>\$ 1,811,275</i>	<i>\$ 1,692,785</i>	<i>\$ 985,275</i>	<i>\$ 911,625</i>	<i>\$ (73,650)</i>	<i>-7.5%</i>
<b>Vocational Education</b>						
Tech Center Tuition	\$ 83,000	\$ 82,253	\$ 81,800	\$ 79,400	\$ (2,400)	-2.9%
<i>Total Vocational Education</i>	<i>\$ 83,000</i>	<i>\$ 82,253</i>	<i>\$ 81,800</i>	<i>\$ 79,400</i>	<i>\$ (2,400)</i>	
<b>Student Activities</b>						
Salaries	\$ 128,075	\$ 136,522	\$ 135,550	\$ 145,750	\$ 10,200	7.5%
Employee Benefits	8,375	15,247	8,875	15,425	6,550	73.8%
Officials	31,700	27,554	32,200	32,200	-	0.0%
Transportation	53,375	43,855	57,575	46,500	(11,075)	-19.2%
Supplies & Materials	14,000	13,032	14,000	14,000	-	0.0%
Equipment	13,850	12,124	13,850	13,850	-	0.0%
Dues & Fees	17,125	17,061	17,125	17,125	-	0.0%
<i>Total Student Activities</i>	<i>\$ 266,500</i>	<i>\$ 265,394</i>	<i>\$ 279,175</i>	<i>\$ 284,850</i>	<i>\$ 5,675</i>	<i>2.0%</i>
<b>Total Instruction</b>	<b>8,596,050</b>	<b>8,460,650</b>	<b>8,050,675</b>	<b>8,146,000</b>	<b>95,325</b>	<b>1.2%</b>
<b>SUPPORT SERVICES</b>						
<b>Guidance Services</b>						
Salaries	\$ 315,725	\$ 316,718	\$ 296,225	\$ 330,450	\$ 34,225	11.6%
Employee Benefits	81,100	92,905	89,975	105,575	15,600	17.3%
Professional Services & LSSU Assessments	26,250	26,250	52,200	66,625	14,425	27.6%
Leases	300	-	300	-	(300)	-100.0%
Postage	2,000	1,945	2,000	2,000	-	0.0%
Supplies & Materials	1,000	776	800	950	150	18.8%
Dues, Fees & Miscellaneous	1,475	1,264	1,625	1,625	-	0.0%
<i>Total Guidance Services</i>	<i>\$ 427,850</i>	<i>\$ 439,856</i>	<i>\$ 443,125</i>	<i>\$ 507,225</i>	<i>\$ 64,100</i>	<i>14.5%</i>

**Stowe School District  
Budget Expenditures  
2018-2019**

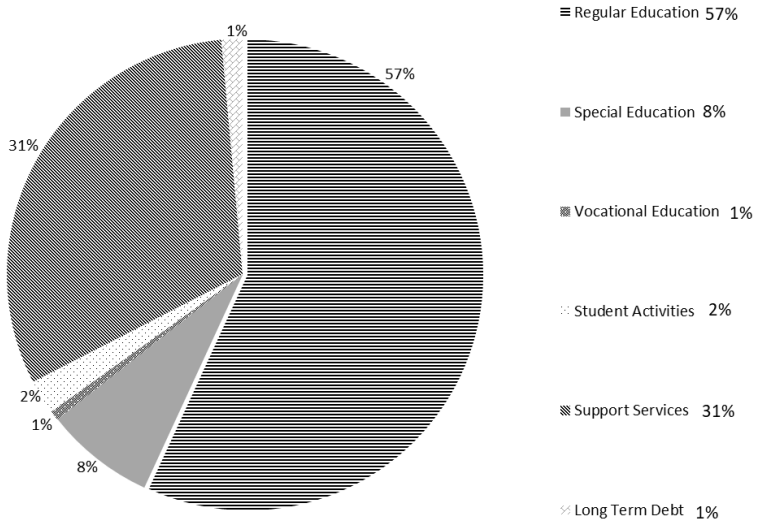
	FY17		FY18 Budget	FY19 Proposed Budget	Increase/(Decrease)		
	Budget	Actual			\$	%	
<b>Health Services</b>							
Salaries	\$ 84,750	\$ 83,762	\$ 87,975	\$ 92,050	\$ 4,075	4.6%	
Employee Benefits	40,575	33,318	37,675	28,875	(8,800)	-23.4%	
LSSU Assessments & Conferences	43,050	41,595	48,825	49,350	525	1.1%	
Repairs	800	157	800	750	(50)	-6.3%	
Travel Reimbursement	75	-	75	75	-	0.0%	
Supplies & Materials	3,200	1,745	3,200	3,200	-	0.0%	
Equipment	600	497	600	600	-	0.0%	
Miscellaneous	200	0	200	200	-	0.0%	
<i>Total Health Services</i>	<i>\$ 173,250</i>	<i>\$ 161,073</i>	<i>\$ 179,350</i>	<i>\$ 175,100</i>	<i>\$ (4,250)</i>	<i>-2.4%</i>	
<b>Curriculum &amp; Instruction Services</b>							
LSSU Assessments	\$ 47,475	\$ 47,475	\$ 53,325	\$ 107,175	\$ 53,850	101.0%	
<i>Total Curriculum &amp; Instruction Services</i>	<i>\$ 47,475</i>	<i>\$ 47,475</i>	<i>\$ 53,325</i>	<i>\$ 107,175</i>	<i>\$ 53,850</i>	<i>101.0%</i>	
<b>Library Services</b>							
Salaries	\$ 130,225	\$ 134,417	\$ 139,825	\$ 144,475	\$ 4,650	3.3%	
Employee Benefits	43,975	42,191	45,250	45,200	(50)	-0.1%	
Conferences	225	175	225	325	100	44.4%	
Repairs	150	28	150	-	(150)	-100.0%	
Supplies & Materials	17,425	11,774	13,975	20,700	6,725	48.1%	
Equipment	225	5,316	11,050	3,375	(7,675)	-69.5%	
Miscellaneous	575	0	100	125	25	25.0%	
<i>Total Library Services</i>	<i>\$ 192,800</i>	<i>\$ 193,900</i>	<i>\$ 210,575</i>	<i>\$ 214,200</i>	<i>\$ 3,625</i>	<i>1.7%</i>	
<b>School Board</b>							
Board Stipends	\$ 5,025	\$ 4,750	\$ 5,025	\$ 5,000	\$ (25)	-0.5%	
FICA Withholding	450	363	450	400	(50)	-11.1%	
Professional & Audit Services	33,000	15,796	33,825	33,900	75	0.2%	
Insurance Allocation & Advertising	15,500	11,722	15,650	15,000	(650)	-4.2%	
Dues, Fees & Miscellaneous	8,975	4,908	9,050	9,000	(50)	-0.6%	
<i>Total School Board</i>	<i>\$ 62,950</i>	<i>\$ 37,539</i>	<i>\$ 64,000</i>	<i>\$ 63,300</i>	<i>\$ (700)</i>	<i>-1.1%</i>	
<b>Executive Administrative Services</b>							
LSSU Assessments	\$ 117,600	\$ 117,600	\$ 161,700	\$ 174,525	\$ 12,825	7.9%	
<i>Total Executive Administrative Services</i>	<i>\$ 117,600</i>	<i>\$ 117,600</i>	<i>\$ 161,700</i>	<i>\$ 174,525</i>	<i>\$ 12,825</i>	<i>7.9%</i>	



**Stowe School District  
Budget Expenditures  
2018-2019**

	FY17		FY18 Budget	FY19 Proposed Budget	Increase/(Decrease)	
	Budget	Actual			\$	%
<b>School Administration</b>						
Salaries	\$ 491,425	\$ 473,301	\$ 509,925	\$ 463,150	\$ (46,775)	-9.2%
Employee Benefits	145,875	142,573	162,675	152,000	(10,675)	-6.6%
Professional Services & Conferences	11,500	12,071	11,500	11,500	-	0.0%
Leases	60,000	52,351	62,000	57,500	(4,500)	-7.3%
Office Expenses & Travel Reimbursement	26,850	14,740	21,600	21,600	-	0.0%
Supplies & Materials	14,400	14,729	15,400	15,400	-	0.0%
Equipment	4,500	7,431	4,500	4,500	-	0.0%
Dues, Fees & Miscellaneous	22,300	21,257	40,650	40,650	-	0.0%
<i>Total School Administration</i>	<u>\$ 776,850</u>	<u>\$ 738,452</u>	<u>\$ 828,250</u>	<u>\$ 766,300</u>	<u>\$ (61,950)</u>	<u>-7.5%</u>
<b>Fiscal Services</b>						
Town Clerk Stipend	\$ 925	\$ 825	\$ 925	\$ -	\$ (925)	-100.0%
FICA Withholding	75	63	75	-	(75)	-100.0%
LSSU Assessments	167,000	173,279	224,375	214,350	(10,025)	-4.5%
Insurance Allocation	4,800	4,202	4,350	4,200	(150)	-3.4%
Supplies & Materials	1,000	1,075	1,000	1,000	-	0.0%
Miscellaneous	2,500	3,564	2,500	2,500	-	0.0%
<i>Total Fiscal Services</i>	<u>\$ 176,300</u>	<u>\$ 183,008</u>	<u>\$ 233,225</u>	<u>\$ 222,050</u>	<u>\$ (11,175)</u>	<u>-4.8%</u>
<b>Buildings &amp; Grounds Operations</b>						
Salaries	\$ 268,250	\$ 301,207	\$ 280,000	\$ 286,650	\$ 6,650	2.4%
Employee Benefits	142,250	119,936	132,250	118,850	(13,400)	-10.1%
Professional Services	3,000	0	3,500	7,500	4,000	114.3%
Municipal Utilities, Repairs & Leases	344,300	354,054	352,400	338,300	(14,100)	-4.0%
Insurance	34,800	33,473	34,350	36,600	2,250	6.6%
Supplies & Energy	394,800	283,499	403,600	369,700	(33,900)	-8.4%
Equipment	7,400	11,349	2,400	5,500	3,100	129.2%
Miscellaneous	500	-	-	1,700	1,700	#DIV/0!
<i>Total Buildings and Grounds Operations</i>	<u>\$ 1,195,300</u>	<u>\$ 1,103,518</u>	<u>\$ 1,208,500</u>	<u>\$ 1,164,800</u>	<u>\$ (43,700)</u>	<u>-3.6%</u>
<b>Transportation</b>						
Transportation (Percy Transportation)	\$ 302,200	\$ 300,649	\$ 188,400	\$ 180,650	\$ (7,750)	-4.1%
<i>Total Transportation</i>	<u>\$ 302,200</u>	<u>\$ 300,649</u>	<u>\$ 188,400</u>	<u>\$ 180,650</u>	<u>\$ (7,750)</u>	<u>-4.1%</u>
<b>Information Services</b>						
LSSU Assessments	\$ 66,300	\$ 66,300	\$ 74,475	\$ 132,300	\$ 57,825	77.6%
<i>Total Information Services</i>	<u>\$ 66,300</u>	<u>\$ 66,300</u>	<u>\$ 74,475</u>	<u>\$ 132,300</u>	<u>\$ 57,825</u>	<u>77.6%</u>
<b>Food Service Health Insurance</b>	\$ 41,025	\$ 40,858	\$ 53,875	\$ 51,200	\$ (2,675)	-5.0%
<b>Total Support Services</b>	<u>\$ 3,579,900</u>	<u>\$ 3,430,228</u>	<u>\$ 3,698,800</u>	<u>\$ 3,758,825</u>	<u>\$ 60,025</u>	<u>1.6%</u>
<b>Long-Term Debt Service</b>						
Interest on Debt	\$ 67,650	\$ 62,464	\$ 63,225	\$ 54,450	\$ (8,775)	-13.9%
Principal on Debt	120,000	120,000	120,000	120,000	-	0.0%
<i>Total Long-Term Debt Service</i>	<u>\$ 187,650</u>	<u>\$ 182,464</u>	<u>\$ 183,225</u>	<u>\$ 174,450</u>	<u>\$ (8,775)</u>	<u>-4.8%</u>
<b>Total General Fund Expenditures</b>	<u>\$ 12,363,600</u>	<u>\$ 12,073,342</u>	<u>\$ 11,932,700</u>	<u>\$ 12,079,275</u>	<u>\$ 146,575</u>	<u>1.2%</u>

### Stowe School District FY19 Expenditures by Program



**STOWE SCHOOL DISTRICT**  
**FY19 BUDGET EXPENDITURES EXPLANATION**

**Regular Instruction** - Up \$165,700 from \$6,704,425 to \$6,870,125

**Salaries** – Up \$72,200 from \$4,514,050 to \$4,586,250

There are no staffing changes in the regular instruction teaching staff (61.10 FTE).

**Employee Benefits** – Down \$60,475 from \$1,432,475 to \$1,372,000

Benefits include health insurance, social security, life insurance, municipal retirement, workers compensation, unemployment insurance, tuition reimbursement, and dental insurance.

**Professional Services** – Up \$74,775 from \$339,800 to \$414,575

Included here is the District's Pre-K assessment, which accounts for the majority of the cost at \$311,175. This area also includes funds for conferences and professional fees for English Language Learner (ELL) and Section 504 services, as well as the purchase of other technical and professional services. \$30,000 of the increase is attributed to budgeted third-party services to provide assistance to staff regarding PBL implementation.

**Repairs & Leases** – Down \$3,625 from \$38,075 to \$34,450

This function funds the repairs, maintenance, and rental of educational equipment in music, art, computer, industrial arts, and science, including the instructional share of the costs of copier leases. Also included are costs of the driver education vehicle and technology repairs.

**Technology Services & Travel Reimbursement** – Up \$800 from \$33,900 to \$34,700

This function funds the school district's high-speed fiber internet access and direct network communications between SES, SM/HS and LSSU, and travel costs for teachers for attending conferences and other professional events.

**Supplies & Materials** – Up \$77,000 from \$194,300 to \$273,300

This area includes supplies, books & periodicals, various other instructional materials and computer software. The increase is primarily due to recommended increases in instructional libraries in SES classrooms.

**Equipment** – Up \$2,025 from \$135,250 to \$137,275

This function provides funding for general equipment such as desks, chairs, tables, etc. and program specific instructional equipment.

**Dues, Fees and Miscellaneous** – Up \$1,000 from \$16,575 to \$17,575

This function includes various dues, fees and miscellaneous expenditures for a variety of needs, including smaller unanticipated expenditures encountered throughout the year.

**Special Education** – Down \$73,650 from \$985,275 to \$911,625

Special education assessments to the District are as follows:

**Instruction – Special Education**: Down \$32,325 from \$482,325 to \$450,000

This includes all special education instructional staff (professional and para-professionals), benefits, third-party professional services (e.g., behavioral interventionists), conferences, tuition to private schools, supplies, reference materials, testing materials, equipment, and technology equipment.

**Psychological Services – Special Education**: Up \$825 from \$63,375 to \$64,200.

This is for services for student-specific needs provided by our staff psychologists.

**Speech Language Pathology (SLP) Services – Special Education**: Down \$15,375 from \$238,650 to \$223,275

This provides necessary SLP services based on student-specific needs. The decrease is primarily related to the accounting change at LSSU to record costs paid with federal grant funds directly in the Special Revenue Fund (i.e., those expenditure are no longer recorded in the General Fund with offsetting revenues).

**Occupational Therapy & Physical Therapy – Special Education**: Down \$21,600 from \$105,900 to \$84,300

OT/PT services are provided based on student-specific needs. The decrease is primarily related to the accounting change at LSSU to record costs paid with federal grant funds directly in the Special Revenue Fund (i.e., those expenditure are no longer recorded in the General Fund with offsetting revenues).

**Administration – Special Education**: Down \$2,625 from \$68,175 to \$65,550

This assessment includes the district's proportional share of the cost of the Director of Student Services and related costs.

**Essential Early Education (EEE)**: Down \$3,375 from \$13,650 to \$10,275

The EEE program provides required special education for speech and language, self-care, social and adaptive behavior and motor problems for students age 0 to 5 years.

**Transportation – Special Education**: Up \$825 from \$13,200 to \$14,025 (up from \$5,325)

This includes necessary transportation based on student-specific needs.

**Vocational Education** – Down \$2,400 from \$81,800 to \$79,400

Act 68 calls for sending school districts to support vocational centers, such as the Green Mountain Technology & Career Center. The cost is based on a six-semester rolling average of the actual number of Stowe students that access the services of the Center. For FY19, the six-semester average is 5.0 FTE students (down 0.17 FTE) at an estimated tuition of \$79,400. The district receives \$42,800 of revenue to offset the cost of this program.

**Student Activities** – Up \$5,675 from \$279,175 to \$284,850

**Salaries** – Up \$10,200 from \$135,550 to \$145,750

Included are funds for a part-time athletic director, a part-time athletic trainer, athletic on-site support and coach's salaries.

**Employee Benefits** – Up \$6,550 from \$8,875 to \$15,425

Benefits include health insurance, social security, workers compensation and unemployment insurance. The amount budgeted for social security has been increased to better reflect actual costs.

**Officials** – \$32,200 (level funded)

Included in this area are payments to officials for middle level and high school athletic events.

**Transportation and Travel** – Down \$11,075 from \$57,575 to \$46,500

Funding in this area includes athletic transportation for both the middle and high school.

**Supplies & Materials** – \$14,000 (level funded)

Funding in this area supports the purchase of the consumable supplies needed for athletic teams.

**Equipment** – \$13,850 (level funded)

This area funds the purchase of equipment and uniforms.

**Dues and Fees** – \$17,125 (level funded)

Funding in this area includes membership dues in the VT Hockey League, Northern VT Athletic Conference, VT Athletic Directors Assoc. and VT Coaches Education Program, officials assigning fees, and a variety of miscellaneous expenses for athletic teams.

**Guidance Services** – Up \$64,100 from \$443,125 to \$507,225

**Salaries** – Up \$34,225 from \$296,225 to \$330,450

This covers the cost of 3.0 FTE guidance counselors, 1.5 FTE for administrative assistant and registrar (at the middle and high schools) and a 0.5 FTE SAP counselor. This also includes reclassification of amounts for a home school coordinator of approximately \$26,500 that was previously coded in the prior year in the School Administration function.

Employee Benefits – Up \$15,600 from \$89,975 to \$105,575

Benefits include health insurance, social security, life insurance, municipal retirement, workers compensation, unemployment insurance, and dental insurance. The increase is in part due to the home school coordinator reclassification noted in salaries above.

Professional Services & LSSU Assessments – Up \$14,425 from \$52,200 to \$66,625

This funds the LSSU assessment for psychological services and funds for the SES school based clinician.

Property Services – Down \$300 from \$300 to \$0

This was a small copier lease allocation, which has been discontinued.

Postage – \$2,000 (level funded)

Supplies & Materials – Up \$150 from \$800 to \$950

This provides funding for various supplies and resource books.

Dues, Fees & Miscellaneous – \$1,625 (level funded)

Miscellaneous costs (awards, academic celebrations, mentoring, etc.) are included here.

**Health Services** – Down \$4,250 from \$179,350 to \$175,100

Salaries – Up \$4,075 from \$87,975 to \$92,050

Staff includes an Associate School Nurse and two School Health Aides (total of 3.0 FTE).

Employee Benefits – Down \$8,800 from \$37,675 to 28,875

Benefits include health insurance, social security, life insurance, municipal retirement, workers compensation, unemployment insurance, and dental insurance.

LSSU Assessments and Conferences – Up \$525 from \$48,825 to 49,350

This is the assessment from LSSU for the proportional cost of the Director of Nursing Services at the supervisory union level, as well as professional conferences.

Repairs – Down \$50 from \$800 to \$750

This provides for repairs and maintenance of nurse's office equipment.

Travel Reimbursement – \$75 (level funded)

This covers travel expenses.

Supplies and Materials – \$3,200 (level funded)

Health care supplies are purchased with these funds.

Equipment – \$600 (level funded)

This is for various equipment purchases within the nurses office.

Miscellaneous – \$200 (level funded)

This is for miscellaneous expenses not otherwise budgeted.

**Curriculum & Instruction Services** – *Up \$53,850 from \$53,325 to \$107,175*

This is Stowe's share of the continuing development and maintenance of a K-12 supervisory union-wide curriculum that is aligned internally as well as with the state standards and assessments. This function is also responsible for ensuring quality professional development for staff members throughout the supervisory union. The increase in this assessment is primarily the result of the addition of the PBL/Tech Coach position.

**Library Services** – *Up \$3,625 from \$210,575 to \$214,200*

Salaries – Up \$4,650 from \$139,825 to \$144,475

Covers two librarians and a library aide (3.0 total FTE).

Employee Benefits – Down \$50 from \$45,250 to \$45,200

Covers benefit costs, including health insurance, social security, life insurance, municipal retirement, workers compensation, unemployment insurance, and dental insurance.

Conferences – Up \$100 from \$225 to \$325

The costs of attending professional conferences are budgeted here.

Repairs – Down \$150 from \$150 to \$0

Supplies & Materials – Up \$6,725 from \$13,975 to \$20,700

These funds are used for library supplies, books, other instructional materials, and library software upgrades.

Equipment – Down \$7,675 from \$11,050 to \$3,375

These funds address miscellaneous equipment/furniture purchases at both the elementary and middle/high school libraries.

Miscellaneous – Up \$25 from \$100 to \$125

These funds are used for various miscellaneous items not otherwise budgeted.

**School Board** – Down \$700 from \$64,000 to \$63,350

**Board Stipends** – Down \$25 from \$5,025 to \$5,000

This is for five Board member stipends at \$1,000 each.

**Employee Benefits** – Down \$50 from \$450 to \$400

This includes social security tax on the board stipends.

**Professional and Audit Services** – Up \$75 from \$33,825 to \$33,900

This covers the costs of third-party professional services and the audit assessment (for the district's audit and a proportional share of the LSSU annual audit).

**Insurance Allocation & Advertising** – Down \$650 from \$15,650 to \$15,000

This provides funding for the cost of advertising and a proportional share of insurance costs for school board liability coverage.

**Dues, Fees & Miscellaneous** – Down \$50 from \$9,050 to \$9,000

This provides funding for Vermont School Board Association membership, the district's share of printing the Town Report, and other miscellaneous items.

**Executive Administration Services** - Up \$12,825 from \$161,700 to \$174,525

This LSSU assessment includes the costs related to the Superintendent, 0.50 FTE of an Administrative Assistant, and the costs related to the operation and maintenance of the central office facility. The net change is primarily due to the inclusion of a communication specialist position in the FY18 budget (this position was not filled but the funding was used to support the PBL/Tech Coach in the Curriculum area) offset by an increase in funds for communications services.

**School Administration** – Down \$61,950 from \$828,250 to \$766,300

**Salaries** – Down \$46,775 from \$509,925 to \$463,150

This represents the cost of the Principal position at each of the three educational levels (3.0 FTE) as well as administrative support staff (4.50 FTE). The decrease is due to contracted salary changes at SHS, as well as a reclassification of the home school coordinator position to the Guidance function.

**Employee Benefits** – Down \$10,675 from \$162,675 to \$152,000

Benefits include health insurance, social security, life insurance, municipal retirement, workers compensation, unemployment insurance, and dental insurance. The decrease is due primarily to a reclassification of the home school coordinator position to the Guidance function.



**Professional Services & Conferences**– \$11,500 (level funded)

This provides funding for attendance at various conferences and support for on-going programs at the high school (e.g., STEAM program).

**Repairs & Leases** – Down \$4,500 from \$62,000 to \$57,500

This includes costs for equipment repairs, phone system lease costs and copier lease costs.

**Office Expenses and Travel Reimbursement** – \$21,600 (level funded)

This covers the cost of telephone usage, postage, and travel reimbursement.

**Supplies & Materials** – \$15,400 (level funded)

This covers various operating supplies and professional reference materials.

**Equipment** – \$4,500 (level funded)

This is for the replacement of various office equipment at all three schools.

**Dues, Fees & Miscellaneous** – \$40,650 (level funded)

This covers dues and fees for membership (e.g., Vermont Principals' Association, National Association of Elementary School Principals and National Association of Secondary School Principals) and other miscellaneous expenditures not otherwise budgeted.

**Fiscal Services** – Down \$11,175 from \$233,225 to \$223,050

**Salaries** – Down \$925 from \$925 to \$0

This covers the cost of the school district treasurer. The Town administration determined this minor stipend is not needed going forward (the school treasurer duties are part of the Town Clerk compensation).

**Employee Benefits** – Down \$75 from \$75 to \$0

See salaries explanation above.

**LSSU Assessments** – Down \$10,025 from \$224,375 to \$214,350

This covers the assessment for the fiscal services provided by LSSU which includes Stowe's share of the costs of the Director of Finance & Operations, a .050 FTE Human Resources Manager, the Human Resources Coordinator and three full-time bookkeepers (total of 5.50 FTE).

**Insurance Allocation** – Down \$150 from \$4,350 to \$4,200

This is a portion of the districts share of the insurance provided through Vermont School Boards Insurance Trust (VSBIT) Multi-Line Program.

**Supplies & Materials** – \$1,000 (level funded)

This covers the cost of various office supplies.

**Miscellaneous** – \$2,500 (level funded)

This function includes miscellaneous expenditures not otherwise budgeted.

**Buildings & Grounds** – Down \$43,700 from \$1,208,500 to \$1,164,800

Salaries – Up \$6,650 from \$280,000 to \$286,650

This provides for a Director of Facilities and 7.0 FTE building and grounds staff.

Employee Benefits – Down \$13,400 from \$132,250 to \$118,850

Benefits include health insurance, social security, life insurance, municipal retirement, workers compensation, unemployment insurance, and dental insurance.

Professional Services – Up \$4,000 from \$3,500 to \$7,500

This provides for outside professional services that may be required.

Municipal Utilities, Repairs & Leases – Down \$14,100 from \$352,400 to \$338,300

This includes utility services costs, water & sewer, facilities repairs, grounds maintenance, and the lease for the pellet boiler system at Stowe Middle/High.

Insurance – Up \$2,250 from \$34,350 to \$36,600

This is for the district's share the property, general liability and boiler insurances provided through Vermont School Boards Insurance Trust (VSBIT) Multi-line Program.

Supplies & Energy – Down \$33,900 from \$403,600 to \$369,700

Supplies cover general building supplies, electric, fuel oil and wood pellets. We have adjusted the energy budgets downward to reflect the more recent market trends and actual costs.

Equipment – Up \$3,100 from \$2,400 to \$5,500

This provides limited funding to replace minor equipment needs.

Miscellaneous – Up \$1,700 from \$0

This is for miscellaneous expenditures.

**Transportation** – Down \$7,750 from \$188,400 to \$180,650

This covers the assessment from LSSU for the contract with Percy Transportation which includes transporting resident students to and from school, transporting tuitioned students from Wolcott, transporting students to GMTCC and field trips.

**Information Services** – Up \$57,825 from \$74,475 to \$132,300

This is the district's portion of the assessment for information services, which includes the cost of the Director of Educational Technology and a Data Manager, along with other related operational costs. The FY19 budget includes a new position of Assistant Data Manager.

**Food Service Health Insurance** – Up \$2,675 from \$53,875 to \$51,200

The district provides health insurance for food service employees (5.0 FTE).

**Debt Service** - Down \$8,775 from \$183,225 to 174,450

The following summarizes the 20-year bonds and loans outstanding:

	<u>Amt. Borrowed</u>	<u>Pd. thru 6/30/17</u>	<u>Balance</u>
2008 Bond	1,800,000	720,000	1,080,000
2010 Bond	600,000	180,000	420,000

The payment due on each of the above commitments for FY19 is:

	<u>Principal</u>	<u>Interest</u>
2008 Bond	90,000	40,300
2010 Bond	30,000	14,150

**Stowe School District  
Tax Rate Worksheet  
2018-2019**

	<u>FY 2018</u>	<u>FY 2019</u>	<u>Increase (Decrease)</u>	
Budgeted Expenditures	\$ 11,932,700	\$ 12,079,275	\$ 146,575	1.2%
Budgeted Available Revenues	<u>\$ 745,625</u>	<u>\$ 699,600</u>	<u>\$ (46,025)</u>	-6.2%
Education Spending	\$ 11,187,075	\$ 11,379,675	\$ 192,600	1.7%
Equalized Pupils	<u>745.45</u>	<u>761.73</u>	<u>16.28</u>	2.2%
Ed. Spending per Equalized Pupil	\$ 15,007	\$ 14,939	\$ (67.89)	-0.45%
Property Yield	<u>\$ 10,160</u>	<u>\$ 9,842</u>	<u>\$ (318)</u>	-3.1%
Adjusted Equalized Tax Rate	\$ 1.477	\$ 1.518	\$ 0.041	2.8%
Common Level of Appraisal	<u>96.90%</u>	<u>96.22%</u>	<u>-0.68%</u>	-0.7%
Local Homestead Tax Rate	<u>\$ 1.524</u>	<u>\$ 1.578</u>	<u>\$ 0.053</u>	3.5%
Statewide Non-Homestead Tax Rate	<u>\$ 1.535</u>	<u>\$ 1.629</u>	<u>\$ 0.094</u>	6.1%
Local Non-Homestead Tax Rate	<u>\$ 1.584</u>	<u>\$ 1.693</u>	<u>\$ 0.109</u>	6.9%
Income Yield	\$ 11,990	\$ 11,862	\$ (128)	-1.1%
Statewide % for Income Sensitivity	2.00%	2.00%		
Local % for Income Sensitivity	2.503%	2.519%	0.016%	0.6%

**Estimated Residential Tax Rate Impact**

Property Value	\$ 100,000	\$ 250,000	\$ 500,000
Estimated Increase in FY19 Tax Bill	\$ 53	\$ 133	\$ 266
<p>Note: Households with income under \$90,000 (about 59% of Stowe households) receive an Income Sensitivity credit which reduces the impact of the tax rate increase noted above.</p>			

**Stowe School District**  
**Three-Year General Fund Balance Summary**

<b>FY 2017</b>	
<b>Fund Balance, 6/30/17</b>	1,566,899
Carry Forward FY18	(300,000)
Approved Transfer to Capital Projects Fund FY18	(500,000)
Proposed Carry Forward FY19	(300,000)
Proposed Transfer to Capital Projects Fund FY19	(300,000)
Uncommitted Fund Balance, 6/30/17	<u>166,899</u>
 <b>Fund Balance Roll forward, 6/30/17</b>	
Fund Balance, 6/30/16	1,807,555
Fund Balance - utilized in FY17	(400,000)
Approved Transfer to Capital Projects Fund in FY17	(300,000)
FY17 Revenue Variance	169,086
FY17 Expenditure Variance	<u>290,258</u>
Net Revenue & Expenditure Variance	<u>459,344</u>
<b>Fund Balance, 6/30/17</b>	<b><u>1,566,899</u></b>
<b>FY 2016</b>	
<b>Fund Balance, 6/30/16</b>	1,807,555
Carry Forward FY17	(400,000)
Approved Transfer to Capital Projects Fund FY17	(300,000)
Proposed Carry Forward FY18	(300,000)
Proposed Transfer to Capital Projects Fund FY18	(500,000)
Uncommitted Fund Balance, 6/30/16	<u>307,555</u>
 <b>Fund Balance Roll forward, 6/30/16</b>	
Fund Balance, 6/30/15	1,721,608
Fund Balance - utilized in FY16	(580,000)
Approved Transfer to Capital Projects Fund in FY16	(100,000)
FY16 Revenue Variance	89,725
FY16 Expenditure Variance	<u>676,222</u>
Net Revenue & Expenditure Variance	<u>765,947</u>
<b>Fund Balance, 6/30/16</b>	<b><u>1,807,555</u></b>

**Stowe School District**  
**Three-Year General Fund Balance Summary**

<b>FY 2015</b>	
<b>Fund Balance, 6/30/15</b>	1,721,608
Carry Forward FY16	(580,000)
Approved Transfer to Capital Projects Fund FY16	(100,000)
Proposed Carry Forward FY17	(400,000)
Proposed Transfer to Capital Projects Fund FY17	<u>(300,000)</u>
Uncommitted Fund Balance, 6/30/15	<u>341,608</u>
<b>Fund Balance Roll forward, 6/30/15</b>	
Fund Balance, 6/30/14	1,786,485
Fund Balance - utilized in FY15	(680,000)
Approved Transfer to Capital Projects Fund in FY15	(250,000)
FY15 Revenue Variance	202,116
FY15 Expenditure Variance	<u>663,007</u>
Net Revenue & Expenditure Variance	<u>865,123</u>
<b>Fund Balance, 6/30/15</b>	<u><b>1,721,608</b></u>

**Stowe School District**  
**Three-Year Capital Projects Fund Balance Summary**

<b>FY 2017</b>
----------------

Fund Balance, 6/30/16	58,155
Approved Transfer from General Fund in FY17	300,000
Earned Interest FY17	2,403
Disbursements for projects in FY17	(81,325)
<b>Fund Balance, 6/30/17</b>	<b>279,233</b>
Approved Transfer from General Fund in FY18	500,000
<b>Available Fund Balance, 7/1/17</b>	<b>779,233</b>

<b>FY 2016</b>
----------------

Fund Balance, 6/30/15	224,748
Approved Transfer from General Fund in FY16	100,000
Earned Interest FY16	1,137
Disbursements for projects in FY16	(267,730)
<b>Fund Balance, 6/30/16</b>	<b>58,155</b>

<b>FY 2015</b>
----------------

Fund Balance, 6/30/14	203,651
Approved Transfer from General Fund in FY15	250,000
Other Revenue FY15 (from Town for Tennis Courts)	50,000
Earned Interest FY15	2,220
Disbursements for projects in FY15	(281,123)
<b>Fund Balance, 6/30/15</b>	<b>224,748</b>

PRELIMINARY

Three Prior Years Comparisons - Format as Provided by AOE

ESTIMATES ONLY

District: <b>Stowe</b> County: <b>Lamoille</b>		<b>T198</b> <b>Lamoille South</b>		Property dollar equivalent yield <b>9,842</b>	Homestead tax rate per \$3,842 of spiking per equalized pupil <b>1.00</b>
		FY2016	FY2017	11,862	Income dollar equivalent yield per 2.0% of household income <b>FY2019</b>
<b>Expenditures</b>					
1.	<b>Budget</b> (focal budget, including special programs, full technical center expenditures, and any Act 144 expenditures)	\$12,217,575	\$12,363,600	\$11,932,700	\$12,079,275
2.	plus Sum of separately warned articles passed at town meeting	-	-	-	-
3.	minus Act 144 Expenditures, to be excluded from Education Spending (Manchester & West Windsor only)	-	-	-	-
4.	<b>Locally adopted or warned budget</b>	<b>\$12,217,575</b>	<b>\$12,363,600</b>	<b>\$11,932,700</b>	<b>\$12,079,275</b>
5.	plus Obligation to a Regional Technical Center School District if any	-	-	-	-
6.	plus Prior year deficit repayment of deficit	-	-	-	-
7.	<b>Total Budget</b>	<b>\$12,217,575</b>	<b>\$12,363,600</b>	<b>\$11,932,700</b>	<b>\$12,079,275</b>
8.	S.U. assessment (included in local budget) - informational data	\$2,845,875	\$2,870,700	\$2,629,800	\$2,164,025
9.	Prior year deficit reduction (included in expenditure budget) - informational data	-	-	-	-
<b>Revenues</b>					
10.	Offsetting revenues (categorical grants, donations, tuitions, surplus, etc., including local Act 144 tax revenues)	\$2,158,150	\$1,939,625	\$745,625	\$699,600
11.	plus Capital debt aid for eligible projects pre-existing Act 60	-	-	-	-
12.	minus All Act 144 revenues, including local Act 144 tax revenues (Manchester & West Windsor only)	-	-	-	-
13.	<b>Offsetting revenues</b>	<b>\$2,158,150</b>	<b>\$1,939,625</b>	<b>\$745,625</b>	<b>\$699,600</b>
14.	<b>Education Spending</b>	<b>\$10,059,425</b>	<b>\$10,423,975</b>	<b>\$11,187,075</b>	<b>\$11,379,675</b>
15.	Equalized Pupils	703.13	715.63	745.45	761.73
<b>Education Spending per Equalized Pupil</b>					
16.	Less ALL net eligible construction costs (or P&I) per equalized pupil	\$14,306.64	\$14,566.15	\$15,007.14	\$14,939.25
17.	minus Less share of SpEd costs in excess of \$50,000 for an individual (per equp)	\$250.67	\$250.62	\$236.13	\$229
18.	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 (per equp)	\$5.38	-	-	-
19.	minus Less SpEd costs if excess is solely attributable to new SpEd spending if district has 20 or fewer equalized pupils (per equp)	-	-	-	-
20.	minus Less SpEd costs if excess is solely attributable to new SpEd spending if district has 20 or fewer equalized pupils (per equp)	-	-	-	-
21.	minus Estimated costs of new students after census period (per equp)	-	-	-	-
22.	minus Total tuitions if tuitioning ALL K-12 unless electorate has approved tuitions greater than average announced tuition (per equp)	-	-	-	-
23.	minus Less planning costs for merger of small schools (per equp)	-	-	-	-
24.	minus Teacher retirement assessment for new members of Vermont State Teachers' Retirement System on or after July 1, 2015 (per equp)	-	-	-	-
25.	Excess spending threshold	Threshold = \$17,103	Allowable growth	Threshold = \$17,200	Threshold = \$17,800
26.	plus Excess Spending per Equalized Pupil over threshold (if any)	\$17,103.00	\$14,590.26	\$17,386.00	\$17,616.00
27.	Per pupil figure used for calculating District Equalized Tax Rate	\$14,307	\$14,568	\$15,007	\$14,939.25
28.	District spending adjustment (minimum of 100%)	151.249%	150.151%	147.708%	151.791%
<b>Prorating the local tax rate</b>					
29.	Anticipated district equalized homestead tax rate (to be prorated by line 30) (\$14,939.25 + (\$9,842.00 / \$1,000))	\$1,4974	\$1,5015	\$1,4771	\$1,5179
30.	Percent of Stowe equalized pupils not in a union school district	100.00%	100.00%	100.00%	100.00%
31.	Portion of district eq homestead rate to be assessed by town (100.00% x \$1.52)	\$1,4974	\$1,5015	\$1,4771	\$1,5179
32.	<b>Common Level of Appraisal (CLA)</b>	99.96%	98.51%	96.90%	96.22%
33.	Portion of actual district homestead rate to be assessed by town (\$1,5179 / 96.22%)	\$1,4990	\$1,5242	\$1,5244	\$1,5775
34.	Anticipated income cap percent (to be prorated by line 30) ((\$14,939.25 + \$11,862) x 2.00%)	2.72%	2.68%	2.50%	2.52%
35.	Portion of district income cap percent applied by State (100.00% x 2.52%)	2.72%	2.68%	2.50%	2.52%

- Following current statute, the Tax Commissioner recommended a property yield of \$9,842 for every \$100 of homestead tax per \$100 of equalized property value. The Tax Commissioner also recommended an income yield of \$11,862 for a base income percent of 2.0% and a non-residential tax rate of \$1,629. New and updated data will likely change the proposed property and income yields and perhaps the non-residential rate.  
 - Final figures will be set by the Legislature during the legislative session and approved by the Governor.  
 - The base income percentage cap is 2.0%.



## **LSSU FY19 BUDGET DEVELOPMENT**

### **EXECUTIVE SUMMARY**

The FY19 budget yields a budget decrease of \$10,550 or (-0.1%). Assessments to districts increase by a total of \$239,100, and translate to a \$121,075 increase for EMUU and a \$118,025 increase for Stowe.

There is movement within administrative functions to reflect staffing utilization. This is reflected in a reduction in the Administrative Services function and increases in the Curriculum and Instruction and Fiscal Services functions.

The FY19 budget includes the addition of an Assistant Data Manager position in the Information Services function (\$50,000 in salary and \$25,000 in benefits) and \$25,000 in professional services in Executive Administration for contracted services in the area of communications.

Per directives subsequent to Federal Fiscal Monitoring, revenues and expenditures associated with Federal grants have been reallocated to a separate fund. Expenditure areas affected:

Curriculum and Instruction	Administrative Services - SPED
Instruction - SPED	Essential Early Education
Speech & Audiology - SPED	OT/PT - SPED

Revenue affected: IDEA-B, IDEA-EE, Title I

The budget includes the addition of \$15,000 in professional services in the Fiscal Services function for our new financial management system. This will be an ongoing, annual expenditure.

Salary and benefits have been adjusted consistent with the terms of the Master Agreement and VEHI's announced health insurance premium increases. All functions include an increase in the employee contribution to health insurance premiums of 1%, from 14% to 15% for the CDHP plan options, and step only increase for teachers, or about a 2.97% increase in total salary. Teachers also have an additional work day in FY19. We have estimated HRA utilization rates will be slightly higher than in previous years due to the change in structure in plans.

PreK is an area where there is increase. Tuition projections are increased based on current enrollment and an increase in the state-set tuition rate of \$89 to \$3,267. We currently have 120 PreK students in partner programs.

The budget includes \$15,000 for LSSU's share of regional PreK coordination within the Winooski Valley. This collaborative has been celebrated, already, as a model of excellence in cross-SU collaboration and critical given the complex, duplicative and incomplete administrative support from the AHS and AOE for universal PreK in Vermont.

Another change in revenue of note includes a zero fund balance carry forward as compared to \$160,000 in prior years. The FY16 budget for LSSU was entirely expended, and included coverage of PreK tuition costs that were \$107,000 above budget.

**Lamoille South Supervisory Union  
Revenues**

<b>Assessments:</b>	<b>FY 17</b>	<b>FY 18</b>	<b>FY 19</b>	<b>Increase/(Decrease)</b>	
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>\$</b>	<b>%</b>
<b>Health Services</b>					
EMUU	\$ 49,200	\$ 54,375	\$ 55,625	\$ 1,250	
Stowe	\$ 41,550	\$ 47,325	\$ 47,850	\$ 525	
	<u>\$ 90,750</u>	<u>\$ 101,700</u>	<u>\$ 103,475</u>	<u>\$ 1,775</u>	1.7%
<b>Psychological Services</b>					
EMUU	\$ 55,800	\$ 44,925	\$ 45,100	\$ 175	
Stowe	\$ 26,250	\$ 40,425	\$ 41,625	\$ 1,200	
	<u>\$ 82,050</u>	<u>\$ 85,350</u>	<u>\$ 86,725</u>	<u>\$ 1,375</u>	1.6%
<b>Curriculum &amp; Instruction</b>					
EMUU	\$ 54,725	\$ 59,100	\$ 116,075	\$ 56,975	
Stowe	\$ 47,475	\$ 53,325	\$ 107,175	\$ 53,850	
	<u>\$ 102,200</u>	<u>\$ 112,425</u>	<u>\$ 223,250</u>	<u>\$ 110,825</u>	98.6%
<b>Audit Services</b>					
EMUU	\$ 16,200	\$ 14,875	\$ 17,600	\$ 2,725	
Stowe	\$ 10,500	\$ 11,325	\$ 11,400	\$ 75	
	<u>\$ 26,700</u>	<u>\$ 26,200</u>	<u>\$ 29,000</u>	<u>\$ 2,800</u>	10.7%
<b>Administrative Services</b>					
EMUU	\$ 139,375	\$ 186,050	\$ 202,950	\$ 16,900	
Stowe	\$ 117,600	\$ 161,700	\$ 174,525	\$ 12,825	
	<u>\$ 256,975</u>	<u>\$ 347,750</u>	<u>\$ 377,475</u>	<u>\$ 29,725</u>	8.5%
<b>Fiscal Services</b>					
EMUU	\$ 192,025	\$ 200,550	\$ 249,250	\$ 48,700	
Stowe	\$ 162,000	\$ 174,375	\$ 214,350	\$ 39,975	
	<u>\$ 354,025</u>	<u>\$ 374,925</u>	<u>\$ 463,600</u>	<u>\$ 88,675</u>	23.7%
<b>Information Services</b>					
EMUU	\$ 76,400	\$ 82,600	\$ 143,150	\$ 60,550	
Stowe	\$ 66,300	\$ 74,475	\$ 132,300	\$ 57,825	
	<u>\$ 142,700</u>	<u>\$ 157,075</u>	<u>\$ 275,450</u>	<u>\$ 118,375</u>	75.4%
<b>Pre-School Program</b>					
EMUU	\$ 250,100	\$ 268,950	\$ 308,325	\$ 39,375	
Stowe	\$ 237,675	\$ 250,500	\$ 311,175	\$ 60,675	
	<u>\$ 487,775</u>	<u>\$ 519,450</u>	<u>\$ 619,500</u>	<u>\$ 100,050</u>	19.3%
<b>Instruction-SPED</b>					
EMUU	\$ 2,569,436	\$ 997,575	\$ 951,150	\$ (46,425)	
Stowe	\$ 1,225,215	\$ 482,325	\$ 450,000	\$ (32,325)	
	<u>\$ 3,794,651</u>	<u>\$ 1,479,900</u>	<u>\$ 1,401,150</u>	<u>\$ (78,750)</u>	-5.3%
<b>Psych. Services-SPED</b>					
EMUU	\$ 62,925	\$ 70,275	\$ 69,425	\$ (850)	
Stowe	\$ 70,950	\$ 63,375	\$ 64,200	\$ 825	
	<u>\$ 133,875</u>	<u>\$ 133,650</u>	<u>\$ 133,625</u>	<u>\$ (25)</u>	0.0%
<b>Speech &amp; Audiology-SPED</b>					
EMUU	\$ 262,650	\$ 264,800	\$ 241,625	\$ (23,175)	
Stowe	\$ 228,075	\$ 238,650	\$ 223,275	\$ (15,375)	
	<u>\$ 490,725</u>	<u>\$ 503,450</u>	<u>\$ 464,900</u>	<u>\$ (38,550)</u>	-7.7%
<b>OT/PT-SPED</b>					
EMUU	\$ 105,400	\$ 117,550	\$ 91,225	\$ (26,325)	
Stowe	\$ 91,575	\$ 105,900	\$ 84,300	\$ (21,600)	
	<u>\$ 196,975</u>	<u>\$ 223,450</u>	<u>\$ 175,525</u>	<u>\$ (47,925)</u>	-21.4%

**Lamoille South Supervisory Union  
Revenues**

<b>Assessments:</b>	<b>FY 17</b>	<b>FY 18</b>	<b>FY 19</b>	<b>Increase/(Decrease)</b>	
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>\$</b>	<b>%</b>
<b>Admin. Services-SPED</b>					
EMUU	\$ 78,800	\$ 75,625	\$ 70,950	\$ (4,675)	
Stowe	\$ 68,475	\$ 68,175	\$ 65,550	\$ (2,625)	
	<u>\$ 147,275</u>	<u>\$ 143,800</u>	<u>\$ 136,500</u>	<u>\$ (7,300)</u>	-5.1%
<b>Essential Early Education</b>					
EMUU	\$ -	\$ 14,700	\$ 10,125	\$ (4,575)	
Stowe	\$ -	\$ 13,650	\$ 10,275	\$ (3,375)	
	<u>\$ -</u>	<u>\$ 28,350</u>	<u>\$ 20,400</u>	<u>\$ (7,950)</u>	-28.0%
<b>Transportation-SPED</b>					
EMUU	\$ 27,835	\$ 26,725	\$ 55,925	\$ 29,200	
Stowe	\$ 8,495	\$ 13,200	\$ 14,025	\$ 825	
	<u>\$ 36,330</u>	<u>\$ 39,925</u>	<u>\$ 69,950</u>	<u>\$ 30,025</u>	75.2%
<b>Transportation</b>					
EMUU	\$ 360,777	\$ 211,850	\$ 201,900	\$ (9,950)	
Stowe	\$ 341,822	\$ 231,075	\$ 212,000	\$ (19,075)	
	<u>\$ 702,598</u>	<u>\$ 442,925</u>	<u>\$ 413,900</u>	<u>\$ (29,025)</u>	-6.6%
<b>TOTAL ASSESSMENTS</b>	<b>\$ 7,045,604</b>	<b>\$ 4,720,325</b>	<b>\$ 4,994,425</b>	<b>\$ 274,100</b>	<b>5.8%</b>
<b>OTHER REVENUES</b>					
Fund Balance Carryforward	\$ 160,000	\$ 160,000	\$ -	\$ (160,000)	
Interest Income	\$ 8,836	\$ 2,500	\$ 5,000	\$ 2,500	
Service Fees	\$ 36,346	\$ 30,000	\$ 15,000	\$ (15,000)	
State Transportation Aid	\$ -	\$ 280,000	\$ 280,000	\$ -	
IDEA-B	\$ 247,086	\$ 234,000	\$ -	\$ (234,000)	
IDEA-B - EEE	\$ 7,075	\$ 7,500	\$ -	\$ (7,500)	
Title I	\$ 17,953	\$ 18,500	\$ -	\$ (18,500)	
Miscellaneous	\$ 10,805	\$ -	\$ -	\$ -	
SPED Mainstream Block Grant	\$ -	\$ 560,000	\$ 610,000	\$ 50,000	
SPED Reimbursement	\$ -	\$ 2,244,900	\$ 2,241,000	\$ (3,900)	
SPED Extraordinary Reimbursement	\$ -	\$ 74,250	\$ 175,000	\$ 100,750	
EEE Grant	\$ -	\$ 115,000	\$ 120,000	\$ 5,000	
Services to other LEA's	\$ 26,500	\$ 24,000	\$ 25,000	\$ 1,000	
Vocational Transportation	\$ 31,983	\$ -	\$ 30,000	\$ 30,000	
State-Placed Student	\$ 272,392	\$ -	\$ -	\$ -	
Food Service (Pass-through)	\$ 343,486	\$ -	\$ -	\$ -	
State Transportation Aid (Pass-through)	\$ 282,367	\$ -	\$ -	\$ -	
<b>TOTAL OTHER REVENUES</b>	<b>\$ 1,444,829</b>	<b>\$ 3,750,650</b>	<b>\$ 3,501,000</b>	<b>\$ (249,650)</b>	<b>-6.7%</b>
<b>TOTAL REVENUES without budgeted     Food Service Pmts (Pass-through)</b>	<b>\$ 8,490,433</b>	<b>\$ 8,470,975</b>	<b>\$ 8,495,425</b>	<b>\$ 24,450</b>	<b>0.3%</b>

**LSSU FY19 BUDGET DEVELOPMENT**  
**REVENUE EXPLANATION**

**Fund Balance**

The summary of the General Fund balance is as follows:

Fund Balance, June 30, 2017:	\$ 182,208
Carry Forward, FY18	(160,000)
Proposed Carry Forward, FY19	<u>0</u>
Unassigned Fund Balance, June 30, 2017	<u>\$ 22,208</u>
Unassigned Fund Balance, June 30, 2016	<u>\$ 69,327</u>

**ASSESSMENTS**

**Administrative Services:** This assessment supports the costs of the salary and benefits of the superintendent and a 0.50 FTE administrative assistant position, as well as overhead costs of the central office. Additional funding of \$60,000 was added in FY19 for an outsourced communications specialist. This assessment is based on the number of full-time professional equivalents (FTE) per district. The FY19 breakdown is as follows:

	<u>FTEs</u>	<u>Percentage</u>	<u>Assessment</u>
EMUU	87.11	53.77%	\$202,950
Stowe	74.90	46.23%	\$174,525
			<u>\$377,475</u>

**Health Services :** This assessment is for the Director of Health Services position. This assessment is based on the number of professional FTE’s per district. The FY19 breakdown is as follows:

	<u>FTEs</u>	<u>Percentage</u>	<u>Assessment</u>
EMUU	87.11	53.77%	\$55,625
Stowe	74.90	46.23%	\$47,850
			<u>\$103,475</u>

**Psychological Services – Regular Education:** This area includes a portion of 1.80 FTE psychologists and the assessment is based on estimated average daily membership (ADM). The FY19 breakdown is as follows:

	<u>ADM</u>	<u>Percentage</u>	<u>Assessment</u>
EMUU	783.64	51.98%	\$45,100
Stowe	722.43	48.02%	\$41,625
			<u>\$86,725</u>

The Psychological Services assessments are allocated between regular and special education to reflect actual services and to maximize special education reimbursement funding.

**Curriculum & Instruction:** The LSSU budget includes the costs of employing a Director of Curriculum & Instruction to develop and maintain a quality K-12 supervisory union-wide curriculum that is aligned internally as well as with the state standards and assessments. This function also is responsible for ensuring quality professional development for staff members throughout the supervisory union. New in FY18 is the addition of a 1.00 FTE Proficiency Based Learning Coordinator. The method for calculating the assessment is ADM. The FY19 breakdown is as follows:

	<u>ADM</u>	<u>Percentage</u>	<u>Assessment</u>
EMUU	783.64	51.98%	\$116,075
Stowe	722.43	48.02%	\$107,175
			<u>\$223,250</u>

**Audit Services:** Per Agency of Education requirements, all audit costs must be included in the supervisory union budget and then assessed to the districts. These costs are assessed based on the estimated audit fees for each district’s annual audit. The FY19 breakdown is as follows:

	<u>Percentage</u>	<u>Assessment</u>
EMUU	60.69%	\$17,600
Stowe	39.31%	\$11,400
		<u>\$29,000</u>

**Fiscal Services:** This assessment supports the costs of the Director of Finance & Operations, .050 FTE Human Resources Manager, a full-time Human Resources Coordinator and 3 full-time accounting staff. Fiscal services are assessed on the number of professional FTEs per district. The FY19 breakdown is:

	<u>FTEs</u>	<u>Percentage</u>	<u>Assessment</u>
EMUU	87.11	53.77%	\$249,250
Stowe	74.90	46.23%	\$214,350
			<u>\$463,600</u>

**Information Services:** This assessment supports the costs of the Director of Educational Technology and Data Manager. A proposed Assistant Data Manager position has been included for FY19. They provide SU-wide technology planning and oversight and address the need to collect and analyze data on student performance on a growing number of local and state assessments. The method for calculating the assessment is average daily membership (ADM).

The FY19 breakdown is as follows:

	<u>ADM</u>	<u>Percentage</u>	<u>Assessment</u>
EMUU	783.64	51.98%	\$143,150
Stowe	722.43	48.02%	<u>\$132,300</u>
			<u>\$275,450</u>

**Instruction – Special Education:** This assessment includes special education direct instruction professionals and paraprofessionals. The assessment is based on the proportional cost of each district's special education budget. Note that special education revenues that were previously budgeted at the district level are now budgeted at the supervisory union level (mainstream block grants and special education reimbursements). These revenues have been applied to the total assessment, resulting in reduced net assessments to each district. The FY19 breakdown is as follows:

		<u>Percentage</u>	<u>Assessment</u>
EMUU		67.88%	\$951,150
Stowe		32.21%	<u>\$450,000</u>
			<u>\$1,401,150</u>

**Psychological Services – Special Education:** EMUU & Stowe access psychological services through LSSU. This assessment is based on estimated average daily membership (ADM). The FY19 breakdown is:

	<u>ADM</u>	<u>Percentage</u>	<u>Assessment</u>
EMUU	783.64	51.98%	\$69,425
Stowe	722.43	48.02%	<u>\$64,200</u>
			<u>\$133,625</u>

These assessments are allocated between regular and special education to reflect actual services and to maximize special education reimbursement funding.

**Speech & Audiology Services – Special Education:** The supervisory union provides speech and audiology services to students of our member districts. The method for calculating the assessment is average daily membership (ADM). The FY19 breakdown is as follows:

	<u>ADM</u>	<u>Percentage</u>	<u>Assessment</u>
EMUU	783.64	51.98%	\$241,625
Stowe	722.43	48.02%	<u>\$223,275</u>
			<u>\$464,900</u>

**Occupational Therapy and Physical Therapy Services – Special Education:** This assessment is the result of the centralization of special education services within the supervisory union. Occupational therapy and physical therapy services are provided based on student-specific needs. The method for calculating the assessment is average daily membership (ADM). The FY19 breakdown is:

	<u>ADM</u>	<u>Percentage</u>	<u>Assessment</u>
EMUU	783.64	51.98%	\$91,225
Stowe	722.43	48.02%	\$84,300
			<u>\$175,525</u>

**Administrative Services - Special Education:** Under the leadership of the Director of Student Services, the supervisory union provides special education administrative services as well as in-service programs to our member districts. The method for calculating the assessment is average daily membership (ADM). The FY19 breakdown is as follows:

	<u>ADM</u>	<u>Percentage</u>	<u>Assessment</u>
EMUU	783.64	51.98%	\$70,950
Stowe	722.43	48.02%	\$65,550
			<u>\$136,500</u>

**Essential Early Education Services:** The supervisory union provides essential early education services (special education services for 0-5 year old students) to all member districts. The method for calculating this assessment is by the average daily membership (ADM) in grades one through three. Note that the Early Essential Education Grant (EEE) is budgeted at the supervisory union and has been applied to reduce this assessment to the districts. The FY19 breakdown is as follows:

	<u>ADM</u> <u>(Grades 1-3)</u>	<u>Percentage</u>	<u>Assessment</u>
EMUU	161.49	49.77%	\$10,125
Stowe	163.00	50.23%	\$10,275
			<u>\$20,400</u>

**Pre-school Program:** The supervisory union coordinates a pre-school collaborative program. Each district participates in the program and these costs are assessed based on the average daily membership (ADM) in grades one through three as follows:

	<u>ADM</u>	<u>Percentage</u>	<u>Assessment</u>
EMUU	161.49	49.77%	\$308,325
Stowe	163.00	50.23%	\$311,175
			<u>\$619,500</u>



**Transportation – Special Education:** Transportation is provided as needed based student-specific needs. The assessment is based estimated utilization of special education transportation. The FY19 breakdown is as follows:

	<u>Percentage</u>	<u>Assessment</u>
EMUU	80.00%	\$55,925
Stowe	20.00%	<u>\$14,025</u>
		<u>\$69,950</u>

**Transportation:** Elmore-Morristown Unified Union provides resident-student transportation under a contract with Lamoille Valley Transportation, while Stowe has a contract with Percy Transportation. Note that State transportation aid is now budgeted at the supervisory union and is used to reduce the assessments to the districts.

	<u>Assessment</u>
EMUU	\$159,800
Stowe	<u>\$166,000</u>
	<u>\$325,800</u>

In addition to the base transportation contracts, school districts are billed for actual costs of extra-curricular transportation as needed by individual districts. The amount anticipated for FY19 is as follows:

	<u>Assessment</u>
EMUU	\$42,100
Stowe	<u>\$46,000</u>
	<u>\$88,100</u>

**OTHER REVENUES**

**Fund Balance:** With an uncommitted fund balance of \$22,208 at June 30, 2017, no fund balance will be used as revenue in FY19 (\$160,000 was used in FY18).

**Interest Income:** Interest income is budgeted at \$5,000 for FY19 (\$2,500 in FY18).

**Service Fees:** The supervisory union files an “indirect cost rate” annually with the AOE which permits the use a small percentage of our federal funds for accounting and administrative costs. This budgeted estimate is \$15,000 (same as FY18). Also included in service fees in FY18 was \$15,000 of revenue related to the Medicaid reimbursement program. For FY19, based on accounting changes recommended by a recent AOE federal fiscal monitoring, this Medicaid revenue, along with the associated offsetting

expenditures, is now recorded in the directly in the Special Revenue fund and, therefore, is no longer included in the general fund budget.

**IDEA-B Flow Through:** The federal government provides these grant funds. The amount of money received is based on an established amount per child multiplied by the number of children, age 6-21, in a given district that have a qualified need. The estimate was \$234,000 for FY18. For FY19, based on accounting changes recommended by a recent AOE federal fiscal monitoring, this revenue, along with the associated offsetting expenditures, is now recorded in the directly in the Special Revenue fund and, therefore, is no longer included in the general fund budget.

**IDEA- EEE:** This funding, from federal sources, is received directly by the supervisory union for qualifying Pre-K student needs. The estimate was \$7,500 for FY18. For FY19, based on accounting changes recommended by a recent AOE federal fiscal monitoring, this revenue, along with the associated offsetting expenditures, is now recorded in the directly in the Special Revenue fund and, therefore, is no longer included in the general fund budget.

**Title I:** These funds are provided by the federal Title I program to support local compensatory education services. In prior years, the SU has included a relatively small portion of the total grant in the general fund to offset Title I expenditures in the local budget. The estimate for FY18 was \$18,500. For FY19, based on accounting changes recommended by a recent AOE federal fiscal monitoring, this revenue, along with the associated offsetting expenditures, is now recorded directly in the Special Revenue fund and, therefore, is no longer included in the general fund budget.

**Special Education Block Grant:** This grant is provided by the State to support special education costs. Note that with the centralization of special education, these revenues are now budgeted at the supervisory union (they were previously budgeted at the districts). These revenues have been applied to reduce the Special Education Instruction assessments. The amount budgeted for FY19 is \$610,000 (FY18 was \$560,000).

**Special Education Reimbursements:** Special education reimbursement monies are received from the state to partially offset the cost of allowable special education expenses. This portion of special education funding is a distribution of any leftover state special education monies not distributed through the Block Grant or Extraordinary Reimbursement. Note that with the centralization of special education, these revenues are now budgeted at the supervisory union (they were previously budgeted at the districts). These revenues have been applied to reduce the Special Education

Instruction assessments. The amount budgeted for FY19 is \$2,241,000 (FY18 was \$2,244,900).

**Special Education Extraordinary Reimbursements:** This money can be viewed as insurance the state provides for districts with very high special education costs for individual students. There is a “deductible” of \$50,000 per child for which the district is responsible. Ninety percent of anything spent above \$50,000 per child is reimbursed to the district by the state. The amount budgeted for FY19 is \$175,000 (FY18 was \$74,250).

**Special Education Early Essential Education Grants (EEE):** This program provides required special education for speech/language, self-care, social and adaptive behavior, and motor problems for students age 0 to 5 years. This is based on the average daily membership (ADM) in grades 1-3 as provided by state data. The amount budgeted for FY19 is \$120,000 (FY18 was \$115,000).

**Services to Other Schools:** These are costs that are billed to sending schools of students with individual education plans (IEPs). The amount budgeted for FY19 is \$25,000 (FY18 was \$24,000).

**Transportation Aid:** State law continues to include a provision that partially reimburses schools for the cost of transporting resident students to and from school. Note that with the centralization of transportation, these revenues are now budgeted at the supervisory union (they were previously budgeted at the districts). The amount budgeted for FY19 is \$280,000 (same as FY18).

**Vocational Transportation Aid:** This state aid is to assist with the cost of transporting students to and from the Green Mountain Technology and Career Center. The amount budgeted for FY19 is \$30,000.

**Food Service (pass through):** Grants revenues related to the food service programs are received at the supervisory union and must be disbursed to the individual food service programs in EMUU and Stowe. There is an equal offsetting expenditure.

## Lamoille South Supervisory Union Expenditures

Description	FY 17	FY 18	FY 19	Increase (Decrease)	
	Actual	Budget	Proposed Budget	\$	%
<b><u>Health Services</u></b>					
Salaries	\$ 65,920	\$ 67,900	\$ 69,725	\$ 1,825	
Employee Benefits	30,081	30,250	30,200	\$ (50)	
Other	625	3,550	3,550	\$ -	
Total	\$ 96,626	\$ 101,700	\$ 103,475	\$ 1,775	1.7%
<b><u>Psychological Services</u></b>					
Salaries	\$ 61,259	\$ 63,100	\$ 64,625	\$ 1,525	
Employee Benefits	21,280	22,100	21,950	\$ (150)	
Other Services	-	150	150	\$ -	
Total	\$ 82,539	\$ 85,350	\$ 86,725	\$ 1,375	1.6%
<b><u>Curriculum &amp; Instruction</u></b>					
Salaries	\$ 110,147	\$ 118,875	\$ 161,400	\$ 42,525	
Employee Benefits	37,793	41,050	44,850	\$ 3,800	
Prof & Tech Services	269	-	-	\$ -	
Other Services	1,941	2,000	4,000	\$ 2,000	
Supplies & Materials	4,575	4,000	6,500	\$ 2,500	
Property	1,137	-	-	\$ -	
Other	3,895	5,000	6,500	\$ 1,500	
Total	\$ 159,757	\$ 170,925	\$ 223,250	\$ 52,325	30.6%
<b><u>Audit Services</u></b>					
Prof & Tech Services	\$ 26,900	\$ 26,200	\$ 29,000	\$ 2,800	
Total	\$ 26,900	\$ 26,200	\$ 29,000	\$ 2,800	10.7%
<b><u>Administrative Services</u></b>					
Salaries	\$ 163,343	\$ 218,225	\$ 171,950	\$ (46,275)	
Employee Benefits	59,285	81,425	47,950	\$ (33,475)	
Prof & Tech Services	10,037	20,250	80,250	\$ 60,000	
Property Services	45,271	33,500	45,250	\$ 11,750	
Other Services	14,538	15,000	15,225	\$ 225	
Supplies & Materials	7,109	7,750	7,750	\$ -	
Property	1,776	2,250	2,250	\$ -	
Other	8,464	11,850	11,850	\$ -	
Total	\$ 309,823	\$ 390,250	\$ 382,475	\$ (7,775)	-2.0%
<b><u>Fiscal Services</u></b>					
Salaries	\$ 285,614	\$ 297,250	\$ 319,200	\$ 21,950	
Employee Benefits	113,806	115,525	127,200	\$ 11,675	
Prof & Tech Services	652	2,500	17,500	\$ 15,000	
Property Services	3,144	3,750	3,750	\$ -	
Other Services	1,390	2,000	2,000	\$ -	
Supplies & Materials	2,098	3,000	3,000	\$ -	
Property	1,538	3,750	3,750	\$ -	
Other	1,179	2,150	2,200	\$ 50	
Total	\$ 409,421	\$ 429,925	\$ 478,600	\$ 48,675	11.3%

### Lamoille South Supervisory Union Expenditures

Description	FY 17		FY 18		FY 19		Increase (Decrease)	
	Actual		Budget		Proposed Budget		\$	%
<b>Information Services</b>								
Salaries	\$ 133,692	\$	141,850	\$	193,875	\$	52,025	
Employee Benefits	36,914		39,025		65,075	\$	26,050	
Prof & Tech Services	2,691		1,000		2,000	\$	1,000	
Property Services	3,144		3,250		3,250	\$	-	
Other Services	1,229		1,000		1,000	\$	-	
Supplies & Materials	1,707		1,450		2,250	\$	800	
Property	4,860		6,000		5,000	\$	(1,000)	
Other	2,490		3,500		3,000	\$	(500)	
<b>Total</b>	<b>\$ 186,727</b>	<b>\$</b>	<b>197,075</b>	<b>\$</b>	<b>275,450</b>	<b>\$</b>	<b>78,375</b>	<b>39.8%</b>
<b>Pre-School Program</b>								
Salaries	\$ 122,873	\$	118,850	\$	126,675	\$	7,825	
Employee Benefits	76,648		73,100		76,075	\$	2,975	
Prof & Tech Services	-		-		15,000	\$	15,000	
Other Services	356,166		325,750		400,000	\$	74,250	
Supplies & Materials	77		1,250		1,250	\$	-	
Property	-		500		500	\$	-	
<b>Total</b>	<b>\$ 555,764</b>	<b>\$</b>	<b>519,450</b>	<b>\$</b>	<b>619,500</b>	<b>\$</b>	<b>100,050</b>	<b>19.3%</b>
<b>Instruction-SPED</b>								
Salaries	\$ 1,767,077	\$	1,905,250	\$	1,969,125	\$	63,875	
Employee Benefits	838,729		957,675		864,675	\$	(93,000)	
Prof & Tech Services	1,041,365		1,276,550		1,078,350	\$	(198,200)	
Property Services	19,270		24,000		24,000	\$	-	
Other Services	310,358		202,875		504,500	\$	301,625	
Supplies & Materials	14,687		11,100		10,100	\$	(1,000)	
Property	14,388		5,600		1,400	\$	(4,200)	
Other	-		-		-	\$	-	
<b>Total</b>	<b>\$ 4,005,873</b>	<b>\$</b>	<b>4,383,050</b>	<b>\$</b>	<b>4,452,150</b>	<b>\$</b>	<b>69,100</b>	<b>1.6%</b>
<b>Psychological Services - SPED</b>								
Salaries	\$ 91,724	\$	94,500	\$	96,675	\$	2,175	
Employee Benefits	32,258		32,950		32,750	\$	(200)	
Prof & Tech Services	3,792		1,000		-	\$	(1,000)	
Other Services	-		-		-	\$	-	
Supplies & Materials	668		5,200		4,200	\$	(1,000)	
Property	1,882		-		-	\$	-	
<b>Total</b>	<b>\$ 130,324</b>	<b>\$</b>	<b>133,650</b>	<b>\$</b>	<b>133,625</b>	<b>\$</b>	<b>(25)</b>	<b>0.0%</b>
<b>Speech &amp; Audiology - SPED</b>								
Salaries	\$ 290,005	\$	298,100	\$	305,675	\$	7,575	
Employee Benefits	145,600		153,150		143,225	\$	(9,925)	
Prof & Tech Services	35,876		39,700		13,500	\$	(26,200)	
Property Services	-		-		-	\$	-	
Other Services	192		500		-	\$	(500)	
Supplies & Materials	1,240		4,900		2,500	\$	(2,400)	
Property	1,055		7,100		-	\$	(7,100)	
<b>Total</b>	<b>\$ 473,967</b>	<b>\$</b>	<b>503,450</b>	<b>\$</b>	<b>464,900</b>	<b>\$</b>	<b>(38,550)</b>	<b>-7.7%</b>

**Lamoille South Supervisory Union  
Expenditures**

Description	FY 17	FY 18	FY 19	Increase (Decrease)	
	Actual	Budget	Proposed Budget	\$	%
<u>OT/PT-SPED</u>					
Salaries	149,171	149,650	114,700	\$ (34,950)	
Employee Benefits	40,060	42,200	36,825	\$ (5,375)	
Prof & Tech Services	9,534	26,600	21,000	\$ (5,600)	
Other Services	1,168	1,000	1,000	\$ -	
Supplies & Materials	2,837	4,000	2,000	\$ (2,000)	
Property	922	-	-	\$ -	
<b>Total</b>	<b>\$ 203,691</b>	<b>\$ 223,450</b>	<b>\$ 175,525</b>	<b>\$ (47,925)</b>	<b>-21.4%</b>
<u>Administrative Services - SPED</u>					
Salaries	\$ 105,318	\$ 106,100	\$ 88,850	\$ (17,250)	
Employee Benefits	34,325	35,200	29,150	\$ (6,050)	
Prof & Tech Services	23,342	6,500	6,500	\$ -	
Property Services	3,144	4,500	4,500	\$ -	
Other Services	2,764	3,500	3,500	\$ -	
Supplies & Materials	4,983	1,000	2,000	\$ 1,000	
Property	6,326	-	-	\$ -	
Other	2,022	2,000	2,000	\$ -	
<b>Total</b>	<b>\$ 182,224</b>	<b>\$ 158,800</b>	<b>\$ 136,500</b>	<b>\$ (22,300)</b>	<b>-14.0%</b>
<u>Essential Early Education</u>					
Salaries	\$ 188,192	\$ 236,275	\$ 33,925	\$ (202,350)	
Employee Benefits	87,424	106,725	26,575	\$ (80,150)	
Prof & Tech Services	29,278	19,250	63,100	\$ 43,850	
Property Services	7,000	7,250	7,250	\$ -	
Other Services	5,855	4,350	4,350	\$ -	
Supplies & Materials	7,089	11,000	5,200	\$ (5,800)	
Property	6,379	-	-	\$ -	
Other	45	-	-	\$ -	
<b>Total</b>	<b>\$ 331,262</b>	<b>\$ 384,850</b>	<b>\$ 140,400</b>	<b>\$ (244,450)</b>	<b>-63.5%</b>
<u>Transportation Services-SPED</u>					
Other Services	54,202	39,925	69,950	\$ 30,025	
	54,202	39,925	69,950	\$ 30,025	75.2%
<u>Transportation Services</u>					
Other Services	702,598	722,925	723,900	\$ 975	
<b>Total</b>	<b>\$ 702,598</b>	<b>\$ 722,925</b>	<b>\$ 723,900</b>	<b>\$ 975</b>	<b>0.1%</b>
Food Service Pmts (Pass-through)	\$ 343,486	\$ -	\$ -	\$ -	
State Transportation Aid (Pass-through)	\$ 282,367	\$ -	\$ -	\$ -	
<b>TOTAL EXPENDITURES without budgeted</b>					
<b>Food Services Pmts (Pass-through)</b>	<b>\$ 8,537,552</b>	<b>\$ 8,470,975</b>	<b>\$ 8,495,425</b>	<b>\$ 24,450</b>	<b>0.3%</b>

## **LSSU FY19 BUDGET DEVELOPMENT** **EXPENDITURES EXPLANATION**

**Health Services:** \$103,475 – Up \$1,775 or 1.7%

This is for the Director of Health Services who provides oversight to the district nursing staff in order to provide consistent and effective health services throughout the supervisory union.

Salaries of \$69,725 (up \$1,825) reflect the cost of position of Director of Health Services.

Employee Benefits of \$30,200 (down \$50) reflect the cost of providing health insurance, FICA, life insurance, municipal retirement, workers compensation, unemployment insurance and dental insurance.

Supplies/Other of \$3,550 (level funded) is for conferences, travel, supplies and medical equipment.

**Psychological Services – Regular Education:** \$86,725 - Up \$1,375 or 1.6%

This function includes part of the cost of the 1.80 FTE school psychologists employed by the supervisory union. The remaining portion has been budgeted under Psychological Services – Special Education in order to appropriately utilize the state’s special education funding formula.

Salaries for professional staff of \$64,625 (up \$1,525).

Employee Benefits of \$21,950 reflect the cost of providing health insurance and other benefits (down \$150).

Other Services of \$150 reflects the cost of travel (level funded).

**Curriculum & Instruction:** \$223,250 - Up \$52,325 or 30.6%

This function addresses the supervisory union-wide need to maintain the focus on developing and maintaining a quality K-12 curriculum that is aligned internally as well as with the state standards and student assessments. This area is also responsible for ensuring quality professional development for staff members throughout the supervisory union. In FY18, in addition to the Director of Curriculum and Instruction, a new position of PBL/Tech Coach was included and a portion of an Administrative Assistant position that was shared with Executive Administration was removed.

Salaries of \$161,400 (up \$42,525).

Employee Benefits of \$44,850 (up \$3,800) reflect the cost of providing health insurance and other benefits.

Other Services of \$4,000 (up \$2,000) is for travel costs.

Supplies & Materials of \$6,500 (up \$2,500) covers the estimated cost of professional supplies and materials related to curriculum development and training.

Other of \$6,500 (up \$1,500) provides for professional development opportunities and dues.

**Audit Services:** \$29,000 – Up \$2,800 or 10.7%

The Agency of Education requires that all audit costs be included in the supervisory union budget and then assessed to the districts. In FY17, The SU entered into a three-year contract with R.H. Smith & Company with no increase in the audit fees during that period.

Professional and Technical Services include \$29,000 for the cost of three separate financial statement audits (LSSU, EMUU and Stowe).

**Executive Administrative Services:** \$382,475 – Down \$7,775 or -2.0%

This function includes the costs related to the Superintendent, 0.50 FTE of an Administrative Assistant, and the costs related to the operation and maintenance of the central office facility. The decrease is primarily due to the inclusion of a communication specialist position in the FY18 budget (this position was not filled but the funding was used to support the PBL/Tech Coach in the Curriculum area).

Salaries of \$171,950 (down \$46,275) – decrease is explained above.

Employee Benefits of \$47,950 (down \$33,475) reflect the cost of maintaining existing benefits including health insurance. Decrease is explained above.

Professional and Technical Services provides \$80,250 (up \$60,000) for legal services and custodial services provided by EMUU staff, as well as a proposed additional amount of \$60,000 for outsourced communications services.

Property Services provides \$45,250 (up \$11,750) for general office repairs maintenance, cost of our office lease at the graded building, partial cost of the copier lease, and share of supervisory union-wide phone system lease. The costs of leasing office space at the graded building includes utilities (ie. heat, electric, water & sewage).

Other Services provides \$15,225 (up \$225) for the supervisory union's share of property and liability insurance, phone usage, postage, advertising and recruitment, and travel.



Supplies and Materials includes \$7,750 (level funded) for office supplies, and books and periodicals.

Property provides \$2,250 (level funded) for various costs to upgrade technology (servers, laptops, desktops, etc.) in the central office.

Other provides \$11,850 (level funded) for conferences and professional development, dues for continued membership in the Vermont Superintendents Association and New England School Development, other professional dues as needed, and miscellaneous items.

**Fiscal Services:** \$478,600 – Up \$48,675 or 11.3%

Fiscal Services covers the Director of Finance & Operations, a 0.50 Human Resources Manager, a Human Resources Coordinator and three full-time accounting staff.

Salaries of \$319,200 (up \$21,950). This increase is related to the creation of the Human Resources Manager/Administrative Assistant to the Superintendent position, which is split equally between Fiscal Services and Executive Administration.

Employee Benefits of \$127,200 (up \$11,675) reflect the cost of maintaining existing benefits including health insurance. This increase is related to the creation of the position noted above.

Professional & Technical Services provides \$17,500 (up \$15,000) for professional training and for various professional services. The increase is due to the recurring customer support fees for the Infinite Visions software.

Property Services includes \$3,750 (level funded) for miscellaneous repairs and maintenance and a portion of the copier lease.

Other Services provide \$2,000 (level funded) for travel costs.

Supplies and Materials provide \$3,000 (level funded) for general supplies.

Property includes \$3,750 (level funded) for technology upgrades (servers, laptops, desktops, etc.).

Other provides \$2,200 (up \$50) for professional development, membership in professional organizations and other miscellaneous costs.

**Information Services:** \$275,450 – Up \$78,375 or 39.8%

This service provides funding for the Director of Education Technology and a full-time Data Manager to provide technology planning and oversight, and to organize, maintain, analyze, and report about the many types of educational and financial data for each school district. A proposed 1.0 FTE Assistant Data Manager position has been included (\$75,000).

Salaries of \$198,875 (up \$52,025). Increase is due to the addition of Assistant Data Manager position.

Employee Benefits of \$65,075 (up \$26,050) reflect the cost of maintaining existing benefits including health insurance. Increase is due to the addition of the Assistant Data Manager position.

Professional & Technical Services provide \$2,000 (up \$1,000) for various third-party professional services.

Property Services includes \$3,250 (level funded) for a portion of the copier leases.

Other Services includes \$1,000 (level funded) for travel expenses.

Supplies and Materials provide \$2,250 (up \$800) for general supplies.

Property includes \$5,000 (down \$1,000) for technology upgrades (servers, laptops, desktops, etc.) in the central office and computer repairs.

Other provides \$3,000 (down \$500) for professional development and other miscellaneous costs.

**Pre-School Program:** \$619,500 - Up \$100,050 or 19.3%

This section includes the cost of providing community and school-based pre-school programs for Elmore-Morristown and Stowe. The proposed budget continues to provide pre-school classrooms at the Graded Building in Morristown and the Stowe Elementary School as well as partnerships with other community programs in the area.

Salaries of \$126,675 (up \$7,825). The change is partly due to a reallocation of staff between this function (regular ed. Pre-K) and the EEE program (special education Pre-K). Staffing requirements can shift from year to year based on student-specific needs.

Employee Benefits of \$76,075 (up \$2,975) reflect the cost of maintaining existing benefits including health insurance.

Professional & Technical Services provide \$15,000 (new in FY19) for LSSU's member share in the Winooski Valley Act 166 Regional Collaborative, an entity developed to support Pre-k initiatives in member districts.

Other Services provide \$400,000 (up \$74,250) for tuition payments to qualified community pre-school providers for students enrolled in the community programs. The increase reflects a change in estimates to better reflect actual enrollment and a tuition rate of \$3,267, an increase of \$89.

Supplies & Materials provides \$1,250 (level funded) for supplies and learning materials used in the program.

Property of \$500 (level funded) provides for miscellaneous equipment.

**Instruction – Special Education:** \$4,452,150 – Up \$69,100 or 1.6%  
With the mandated centralization of special education services within the supervisory union, all special education staff and related costs are now budgeted here and assessed to each district.

Salaries of \$1,969,125 (up \$63,875). The increase is primarily related to salary adjustments.

Employee Benefits of \$864,675 reflect the cost of maintaining existing benefits including health insurance (down \$93,000).

Professional & Technical Services of \$1,078,350 provides for professional third-party services (e.g., Behavioral Interventionists) based on student-specific needs (down \$198,200).

Property Services of \$24,000 represents the allocation of copier lease costs for all special education functions (level funded).

Other Services of \$504,500 provide for private student tuition (which is the most significant portion of the total) and other costs, such as telephone, postage and travel (up \$301,625).

Supplies and Materials of \$10,100 provides for general supplies and testing materials (down \$1,000).

Property of \$1,400 includes costs for various equipment and technology needs (down \$4,200).

**Psychological Services – Special Education:** \$133,625 - Down \$25 or 0.0%

This function includes a portion of the cost of the 1.8 FTE school psychologists employed by the supervisory union. This allocation of costs provides the ability to effectively utilize the State's special education funding formula.

Salaries of \$96,675 (up \$2,175).

Employee Benefits of \$32,750 (down \$200) reflect the cost of maintaining existing benefits including health insurance premium costs.

Professional and Technical Services provide \$0 (down \$1,000) for conferences and third-party professional services.

Supplies and Materials provide \$4,200 (down \$1,000) for general supplies, professional journals and reference materials, computer software, and testing materials.

**Speech & Audiology Services-Special Education:** \$464,900 – Down \$38,550 or -7.7%

This function covers the cost of providing supervisory union wide speech and audiology services.

Salaries of \$305,675 (up \$7,575).

Employee Benefits of \$143,225 (down \$9,925) reflect the cost of maintaining existing benefits including health insurance premiums.

Professional & Technical Services provides \$13,500 (down \$26,200) for third-party professional services.

Other Services provides \$0 (down \$500) for travel costs.

Supplies & Materials provides \$2,500 (down \$2,400) for general supplies, professional books, computer software, testing materials and equipment purchases.

Property provides for \$0 (down \$7,100) for various equipment.

**Occupational Therapy/Physical Therapy- Special Education:** \$175,525 – Down \$47,925 or -21.4%

This covers the cost of occupational therapy and physical therapy for students.

Salaries of \$114,700 (down \$34,950) includes the costs of 1.60 FTE professional OT staff. The reduction is related to recording a 1.0 PT directly to the Special Revenues fund (employee funded with IDEA-B grant).

Employee Benefits of \$36,825 (down \$5,375) reflect the cost of maintaining existing benefits including health insurance. This reduction is related to the accounting shift noted above.

Professional & Technical Services of \$21,000 (down \$5,600) provides for professional third-party services based on student-specific needs.

Other Services of \$1,000 (level funded) for travel.

Supplies and Materials of \$2,000 (down \$2,000) provides for general supplies and testing materials.

**Administrative Services – Special Education:** \$136,500 – Down \$22,300 or -14.0%

This function includes the services of the Director of Student Services. A 1.00 FTE Administrative Assistant is fully grant funded (with IDEA-B and Medicaid) and this position is now directly accounted for in the Special Revenues fund.

Salaries of \$88,850 (down \$17,250). This is related to the revenue/expense shift for accounting for federal funds. 0.50 FTE of the administrative assistant was accounted for in the FY18 budget (with an offsetting revenue) and is now directly coded to the Special Revenues fund.

Employee Benefits of \$29,150 (down \$6,050) reflect the cost of maintaining existing benefits including health insurance premiums. The decrease is related to the explanation in Salaries above.

Professional & Technical Services provides \$6,500 (level funded) for third-party professional services, such as legal services related to special education, and conferences.

Property Services includes \$4,500 (level funded) for a portion of the copier leases.

Other Services provides \$3,500 (level funded) for a share of telephone, postage, advertising and travel costs.

Supplies & Materials provides \$2,000 (up \$1,000) for general supplies, professional books and journals, and to maintain computer software specific to tracking IEPs and data submission to the state.

Other includes \$2,000 (level funded) for professional development and membership in professional organizations.

**Essential Early Education:** \$140,400 – Down \$244,450 or -63.5%

This program addresses the special needs of our preschool population, age 0-5, throughout the supervisory union.

Salaries of \$33,925 (decrease of \$202,350). This is related to the revenue/expense shift for accounting for federal funds. Most staff are here are funded with IDEA-B federal funds, which are now directly coded to the Special Revenues fund. Again, there is a corresponding reduction in revenue so that the net effect of this change is neutral.

Employee Benefits of \$26,575 (down \$80,150) reflect the cost of maintaining existing benefits including health insurance premiums. The decrease is related to the explanation in Salaries above.

Professional and Technical Services provide \$63,100 (up \$43,850). This includes the cost of third party professional services. This increase is primarily driven by additional Behavioral Interventionist costs.

Property Services provide \$7,250 (level funded) for rental expense to EMUU for classroom space.

Other Services at \$4,350 (level funded) covers travel and transportation costs that allow staff to serve children in their homes when appropriate as well as reimbursement of conference travel costs.

Supplies & Materials include \$5,200 (down \$5,800) for general supplies, books and testing material costs.

**Transportation Services-Special Education:** \$69,950 – Up \$30,025 or 75.2%

Other Services of \$69,950 include costs for transportation based on student-specific needs (up \$30,025).

**Transportation Services:** \$723,900 – Up \$975 or 0.1%

Transportation is centralized with the supervisory union. There is a contract for Elmore-Morristown with Lamoille Valley Transportation and a separate contract for Stowe with Percy Transportation.

The base contract costs are \$635,800 (up \$13,100) for student transportation to and from school and \$88,100 (down \$12,125) for extra-curricular transportation.

Audited Financial Statements  
and Other Financial Information

Stowe Town School District

June 30, 2017



*Proven Expertise and Integrity*

## STOWE TOWN SCHOOL DISTRICT

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JUNE 30, 2017

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*Proven Expertise and Integrity*

## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Stowe Town School District  
Morrisville, Vermont

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Stowe Town School District as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Stowe Town School District's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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www.rhrsmith.com

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Stowe Town School District as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

#### Other Matters

##### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and pension information on pages 4 through 10 and 55 through 58 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.

##### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Stowe Town School District's basic financial statements. The Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund Revenues, Schedule of Departmental Operations - General Fund and capital asset schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund Revenues, Schedule of Departmental Operations - General Fund and capital asset schedules are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting

and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund Revenues, Schedule of Departmental Operations - General Fund and capital asset schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2017, on our consideration of the Stowe Town School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Stowe Town School District's internal control over financial reporting and compliance.

*RHR Smith & Company*

Buxton, Maine  
Vermont Registration No. 092.0000697  
December 27, 2017

**REQUIRED SUPPLEMENTARY INFORMATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2017**

**(UNAUDITED)**

The following management's discussion and analysis of the Stowe Town School District's financial performance provides an overview of the School District's financial activities for the fiscal year ended June 30, 2017. Please read it in conjunction with the School District's financial statements.

**Financial Statement Overview**

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

**Basic Financial Statements**

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

**Government-Wide Financial Statements**

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

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

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

Both of the above mentioned financial statements have two columns for the type of School District activities. The types of activities presented for the School District are:

- *Governmental activities* – The activities in this section are mostly supported by intergovernmental revenues (federal and state grants), support from the town and charges for services. All of the School District's basic services are reported in governmental activities, which include direct services, support services, fiscal services, operations and maintenance, information services and transportation.
- *Business-type activities* – These activities are normally intended to recover all or a significant portion of their costs through user fees and/or charges to external users for goods and/or services. The activity for the School District includes the food service fund.

#### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School District, like other local governments uses fund accounting to ensure and demonstrate compliance with financial related legal requirements. All of the funds of the School District can be classified into three categories: governmental funds, proprietary funds and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this

comparison between governmental funds and governmental activities. These reconciliations are presented on the page immediately following each governmental fund financial statement.

The School District presents two columns in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances. The School District's major funds are the general fund and the capital projects fund. There are no nonmajor funds.

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

*Proprietary Funds:* The School District maintains one proprietary fund, the food service fund. This fund is used to show activities that operate more like those of commercial enterprises. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Like the government-wide financial statements, proprietary fund financial statements use the accrual basis of accounting. No reconciliation is needed between the government-wide financial statements for business-type activities and the proprietary fund financial statements.

*Fiduciary Funds:* These funds are used to account for resources held for the benefit of parties outside the School District. These funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the School District's own programs. The accounting used for fiduciary funds are much like that of proprietary funds. They use the accrual basis of accounting.

#### **Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and the Fund Financial Statements. The Notes to Financial Statements can be found following the Statement of Changes in Net Position - Fiduciary Funds.

#### **Required Supplementary Information**

The basic financial statements are followed by a section of required supplementary information, which includes a Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund, a Schedule of Proportionate Share of the Net Pension Liability, a Schedule of Contributions and Notes to Required Supplementary Information.

**Other Supplementary Information**

Other supplementary information follows the required supplementary information. These combining and other schedules provide information in regards to other detailed budgetary information for the general fund.

**Government-Wide Financial Analysis**

Our analysis below focuses on the net position, and changes in net position of the School District's governmental activities. The School District's total net position for governmental activities decreased by \$46,540 from \$6,549,718 to \$6,503,178. For business-type activities, the School District's net position increased by \$13,603 from \$27,681 to \$41,284.

Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements - decreased for governmental activities to a balance of \$1,395,960 at the end of the fiscal year. For business-type activities, the balance increased to \$41,284.

**Table 1**  
**Stowe School District**  
**Net Position**  
**June 30,**

	Governmental Activities		Business-type Activities	
	2017	2016 (Restated)	2017	2016
<b>Assets:</b>				
Current Assets	\$ 2,861,113	\$ 2,816,721	\$ 65,856	\$ 39,013
Capital Assets	6,595,991	6,818,070	-	-
Total Assets	\$ 9,457,104	\$ 9,634,791	\$ 65,856	\$ 39,013
<b>Deferred Outflows of Resources:</b>				
Deferred Outflows Related to Pensions	\$ 147,546	\$ 135,567	\$ -	\$ -
Total Deferred Outflows of Resources	\$ 147,546	\$ 135,567	\$ -	\$ -
<b>Liabilities:</b>				
Current Liabilities	\$ 1,224,316	\$ 1,195,435	\$ 24,592	\$ 1,515
Long-term Debt Outstanding	1,844,201	2,023,972	-	-
Total Liabilities	\$ 3,068,517	\$ 3,219,407	\$ 24,592	\$ 1,515
<b>Deferred Inflows of Resources:</b>				
Deferred Revenues	\$ -	\$ -	\$ -	\$ 9,837
Deferred Inflows Related to Pensions	32,955	1,233	-	-
Total Deferred Inflows of Resources	\$ 32,955	\$ 1,233	\$ -	\$ 9,837
<b>Net Position:</b>				
Net Investment in Capital Assets	\$ 4,827,985	\$ 4,794,098	\$ -	\$ -
Restricted	279,233	58,155	-	-
Unrestricted	1,395,960	1,697,465	41,264	27,681
Total Net Position	\$ 6,503,178	\$ 6,549,718	\$ 41,264	\$ 27,681



**Revenues and Expenses**

Revenues for the School District's governmental activities decreased by 3.59%, while total expenses decreased by 3.13%. The decrease in revenues was due to a decrease in operating grants and contributions, offset by increases in charges for services, grants and contributions not restricted to specific programs and miscellaneous. The decrease in expenses was due to decreases in direct services, area administrative services, on-behalf payments and interest on long-term debt, offset by increases in student services, instructional staff services, general administrative services, fiscal services, operations and maintenance, information services, transportation and program expenses.

Revenues for the School District's business-type activities increased by .59%, while total expenses decreased by 6.86%.

**Table 2**  
**Stowe School District**  
**Changes in Net Position**  
**For the Years Ended June 30,**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
<b>Revenues</b>				
<i>Program Revenues:</i>				
Charges for services	\$ 551,802	\$ 523,138	\$ 196,852	\$ 265,854
Operating grants and contributions	1,459,642	2,349,971	63,160	-
<i>General Revenues:</i>				
Grants and contributions not restricted to specific programs	11,358,466	11,050,663	-	-
Miscellaneous	70,848	17,665	7,613	-
<b>Total Revenues</b>	<b>13,440,658</b>	<b>13,941,335</b>	<b>267,425</b>	<b>265,854</b>
<b>Expenses</b>				
Direct services	8,091,728	8,531,506	-	-
Support services:				
Student services	993,093	996,215	-	-
Instructional staff services	250,567	208,200	-	-
General administrative services	155,159	154,768	-	14
Area administrative services	809,373	845,028	-	-
Fiscal services	183,008	184,721	-	-
Operations and maintenance	1,177,260	1,161,439	-	-
Information services	66,300	65,100	-	-
Transportation	351,839	343,602	-	-
On-behalf payments	1,305,769	1,353,528	-	-
Program expenses	40,859	37,654	253,822	272,523
Interest on long-term debt	62,483	71,888	-	-
<b>Total Expenses</b>	<b>13,487,398</b>	<b>13,923,647</b>	<b>253,822</b>	<b>272,523</b>
Change in Net Position	(46,540)	17,688	13,603	(6,669)
Net Position - July 1, Restated	6,549,718	6,521,030	27,661	34,330
Net Position - June 30	<b>\$ 6,503,178</b>	<b>\$ 6,549,718</b>	<b>\$ 41,264</b>	<b>\$ 27,661</b>

**Financial Analysis of the School District's Fund Statements**

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

**Table 3**  
**Stowe School District**  
**Fund Balances - Governmental Funds**  
**June 30,**

	<u>2017</u>	<u>2016</u>
Major Funds:		
General Fund:		
Nonspendable	\$ 5,285	\$ -
Assigned	800,000	-
Unassigned	-	1,807,554
Total General Fund	<u>\$ 805,285</u>	<u>\$ 1,807,554</u>
Capital Projects Fund:		
Restricted	\$ 279,233	\$ -
Committed	-	58,155
Total Capital Projects Fund	<u>\$ 279,233</u>	<u>\$ 58,155</u>

The general fund total fund balance decreased by \$240,656 from the prior fiscal year. The capital projects fund total fund balance increased by \$221,078 from the prior year.

**Budgetary Highlights**

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

The general fund actual revenues were over budgeted revenues by \$169,086 due primarily to other intergovernmental, tuition and miscellaneous.

The general fund actual expenditures were under budget by \$290,258. All expenditure categories were under budget except for instructional staff services and fiscal services.

**Capital Asset and Long-Term Debt Activity**

**Capital Assets**

As of June 30, 2017, the net book value of capital assets recorded by the School District decreased by \$222,079. This decrease was due to current year capital additions of \$81,325 less current year depreciation expense of \$303,404.

**Table 4  
Stowe School District  
Capital Assets (Net of Depreciation)  
June 30,**

	<u>2017</u>	<u>2016</u>
Buildings, building improvements and land improvements	\$ 6,165,919	\$ 6,328,519
Infrastructure	309,507	332,632
Furniture and equipment	120,565	156,919
<b>Total</b>	<u>\$ 6,595,991</u>	<u>\$ 6,818,070</u>

**Debt**

At June 30, 2017, the School District had \$1,768,006 in bonds and capital leases payable versus of \$2,023,972 in the prior fiscal year. The only other long-term obligation is net pension liability. Refer to Note 5 of the Notes to Financial Statements for detailed information.

**Currently Known Facts, Decisions, or Conditions**

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

The 2017-2018 budget was prepared using information on enrollment, the state of the economy and the overall impact that budget increases would have on local tax rates.

**Contacting the School District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Supervisory Union's finances and to show the Supervisory Union's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Supervisory Union at 46 Copley Avenue, Morrisville, Vermont 05661.

## STOWE TOWN SCHOOL DISTRICT

## STATEMENT A

STATEMENT OF NET POSITION  
JUNE 30, 2017

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 2,415,420	\$ 49,777	\$ 2,465,197
Investments	243,127	-	243,127
Accounts receivable (net of allowance for uncollectibles)	122,496	14,602	137,098
Due from other governments	74,785	-	74,785
Inventory	-	680	680
Prepaid items	5,285	797	6,082
<b>Total current assets</b>	<b>2,861,113</b>	<b>65,856</b>	<b>2,926,969</b>
Noncurrent assets:			
Capital assets:			
Buildings, building improvements and other assets, net of accumulated depreciation	6,595,991	-	6,595,991
<b>Total noncurrent assets</b>	<b>6,595,991</b>	<b>-</b>	<b>6,595,991</b>
<b>TOTAL ASSETS</b>	<b>9,457,104</b>	<b>65,856</b>	<b>9,522,960</b>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred outflows related to pensions	147,546	-	147,546
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>147,546</b>	<b>-</b>	<b>147,546</b>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 9,604,650</b>	<b>\$ 65,856</b>	<b>\$ 9,670,506</b>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	\$ 1,014,982	\$ 24,592	\$ 1,039,574
Current portion of long-term obligations	209,324	-	209,324
<b>Total current liabilities</b>	<b>1,224,316</b>	<b>24,592</b>	<b>1,248,908</b>
Noncurrent liabilities:			
Noncurrent portion of long-term obligations:			
Bonds payable	1,380,000	-	1,380,000
Capital leases payable	178,672	-	178,672
Net pension liability	285,529	-	285,529
<b>Total noncurrent liabilities</b>	<b>1,844,201</b>	<b>-</b>	<b>1,844,201</b>
<b>TOTAL LIABILITIES</b>	<b>3,068,517</b>	<b>24,592</b>	<b>3,093,109</b>
DEFERRED INFLOWS OF RESOURCES:			
Deferred inflows related to pensions	32,955	-	32,955
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>32,955</b>	<b>-</b>	<b>32,955</b>
<b>NET POSITION</b>			
Net investment in capital assets	4,827,995	-	4,827,995
Restricted	279,233	-	279,233
Unrestricted	1,395,960	41,264	1,437,224
<b>TOTAL NET POSITION</b>	<b>6,503,175</b>	<b>41,264</b>	<b>6,544,442</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION</b>	<b>\$ 9,604,650</b>	<b>\$ 65,856</b>	<b>\$ 9,670,506</b>

See accompanying independent auditors' report and notes to financial statements.

STOWE TOWN SCHOOL DISTRICT  
 STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED JUNE 30, 2017

STATEMENT B

Functions/Programs	Program Revenues				Net (Expense) Revenue & Changes in Net Position		
	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Governmental Activities	Business- type Activities	Total
<b>Governmental activities:</b>							
Direct services	\$ 5,091,728	\$ 542,802	\$ 16,445	\$ -	\$ (7,532,481)	\$ -	\$ (7,532,481)
Support services:							
Student services	993,093	-	-	-	(993,093)	-	(993,093)
Instructional staff services	250,567	-	-	-	(250,567)	-	(250,567)
General administrative services	155,139	-	-	-	(155,139)	-	(155,139)
Area administrative services	609,373	-	-	-	(609,373)	-	(609,373)
Fiscal services	183,008	-	-	-	(183,008)	-	(183,008)
Operations and maintenance	1,177,260	-	-	-	(1,177,260)	-	(1,177,260)
Information services	66,300	-	-	-	(66,300)	-	(66,300)
Transportation	351,839	9,000	137,428	-	(205,411)	-	(205,411)
Program expenses	40,859	-	-	-	(40,859)	-	(40,859)
On-behalf payments	1,305,769	-	1,305,769	-	-	-	-
Interest on long-term debt	62,463	-	-	-	(62,463)	-	(62,463)
<b>Total governmental activities</b>	<b>13,487,398</b>	<b>551,802</b>	<b>1,469,642</b>	<b>\$ -</b>	<b>(11,475,954)</b>	<b>-</b>	<b>(11,475,954)</b>
<b>Business-type activities:</b>							
Food service	253,822	196,652	63,160	-	-	5,990	5,990
<b>Total business-type activities</b>	<b>253,822</b>	<b>196,652</b>	<b>63,160</b>	<b>-</b>	<b>-</b>	<b>5,990</b>	<b>5,990</b>
<b>Total government</b>	<b>\$ 13,741,220</b>	<b>\$ 748,454</b>	<b>\$ 1,522,802</b>	<b>\$ -</b>	<b>(11,475,954)</b>	<b>5,990</b>	<b>(11,469,964)</b>

STATEMENT B (CONTINUED)  
 STOWE TOWN SCHOOL DISTRICT  
 STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED JUNE 30, 2017

	Governmental Activities	Business-type Activities	Total
Changes in net position:			
Net (expense) revenue	(11,475,954)	5,990	(11,469,964)
General revenues:			
Grants and contributions not restricted to specific programs	11,358,466	-	11,358,466
Miscellaneous	70,948	7,613	78,561
Total general revenues and transfers	11,429,414	7,613	11,437,027
Change in net position	(46,540)	13,603	(32,937)
NET POSITION - JULY 1, RESTATED	6,549,718	27,661	6,577,379
NET POSITION - JUNE 30	<u>\$ 6,503,178</u>	<u>\$ 41,264</u>	<u>\$ 6,544,442</u>

See accompanying independent auditors' report and notes to financial statements.

STOWE TOWN SCHOOL DISTRICT  
BALANCE SHEET – GOVERNMENTAL FUNDS  
JUNE 30, 2017

STATEMENT C

	General Fund	Capital Projects Fund	Total Governmental Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ 2,136,187	\$ 279,233	\$ 2,415,420
Investments	243,127	-	243,127
Accounts receivable (net of allowance for uncollectibles)	122,496	-	122,496
Due from other governments	74,785	-	74,785
Prepaid items	5,285	-	5,285
<b>TOTAL ASSETS</b>	<b>\$ 2,581,880</b>	<b>\$ 279,233</b>	<b>\$ 2,861,113</b>
<b>LIABILITIES</b>			
Accounts payable	\$ 1,014,982	-	\$ 1,014,982
<b>TOTAL LIABILITIES</b>	<b>1,014,982</b>	<b>-</b>	<b>1,014,982</b>
<b>FUND BALANCES</b>			
Nonspendable	5,285	-	5,285
Restricted	-	279,233	279,233
Committed	-	-	-
Assigned	800,000	-	800,000
Unassigned	761,613	-	761,613
<b>TOTAL FUND BALANCES</b>	<b>1,566,898</b>	<b>279,233</b>	<b>1,846,131</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 2,581,880</b>	<b>\$ 279,233</b>	<b>\$ 2,861,113</b>

See accompanying independent auditors' report and notes to financial statements.

## STOWE TOWN SCHOOL DISTRICT

## STATEMENT D

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2017

	<u>Total Governmental Funds</u>
Total Fund Balances	\$ 1,846,131
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation	6,595,991
Deferred outflows of resources related to pensions are not financial resources and therefore are not reported in the funds	147,546
Long-term liabilities shown below are not due and payable in the current period and therefore are not reported in the funds shown above:	
Bonds payable	(1,500,000)
Capital leases payable	(268,006)
Net pension liability	(285,529)
Deferred inflows of resources related to pensions are not financial resources and therefore are not reported in the funds	<u>(32,955)</u>
Net position of governmental activities	<u>\$ 6,503,178</u>

See accompanying independent auditors' report and notes to financial statements.



## STATEMENT E

## STOWE TOWN SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2017

	General Fund	Capital Projects Fund	Total Governmental Funds
<b>REVENUES</b>			
Intergovernmental revenues	\$ 12,054,046	\$ -	\$ 12,054,046
Tuition	542,802	-	542,802
Interest income	5,580	2,403	7,983
Miscellaneous revenues	62,965	-	62,965
<b>TOTAL REVENUES</b>	<b>12,665,393</b>	<b>2,403</b>	<b>12,667,796</b>
<b>EXPENDITURES</b>			
<b>Current:</b>			
Direct services	7,950,385	-	7,950,385
Support services:			
Student services	991,530	-	991,530
Instructional staff services	241,374	-	241,374
General administrative services	155,139	-	155,139
Area administrative services	806,927	-	806,927
Fiscal services	183,008	-	183,008
Operations and maintenance	1,103,516	-	1,103,516
Information services	66,300	-	66,300
Transportation	351,839	-	351,839
On-behalf payments	532,707	-	532,707
Program expenses	40,859	-	40,859
Debt service:			
Principal	120,000	-	120,000
Interest	62,463	-	62,463
Capital outlay	-	81,325	81,325
<b>TOTAL EXPENDITURES</b>	<b>12,606,049</b>	<b>81,325</b>	<b>12,687,374</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>59,344</b>	<b>(78,922)</b>	<b>(19,578)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	300,000	300,000
Transfers (out)	(300,000)	-	(300,000)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(300,000)</b>	<b>300,000</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(240,656)</b>	<b>221,078</b>	<b>(19,578)</b>
<b>FUND BALANCES - JULY 1</b>	<b>1,807,554</b>	<b>58,155</b>	<b>1,865,709</b>
<b>FUND BALANCES - JUNE 30</b>	<b>\$ 1,566,898</b>	<b>\$ 279,233</b>	<b>\$ 1,846,131</b>

See accompanying independent auditors' report and notes to financial statements.

STOWE TOWN SCHOOL DISTRICT		STATEMENT F
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2017		
Net change in fund balances - total governmental funds (Statement D)		<u>\$ (19,578)</u>
Amounts reported for governmental activities in the Statement of Activities (Statement B) are different because:		
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense allocated to those expenditures over the life of the assets:		
Capital asset acquisitions		81,325
Depreciation expense		<u>(303,404)</u>
		<u>(222,079)</u>
Deferred outflows of resources are a consumption of net position by the government that are applicable to a future reporting period and therefore are not reported in the funds		<u>11,979</u>
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position		<u>255,966</u>
Deferred inflows of resources are an acquisition of net position by the government that are applicable to a future reporting period and therefore are not reported in the funds		<u>(31,722)</u>
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:		
Net pension liability		<u>(41,106)</u>
Change in net position of governmental activities (Statement B)		<u>\$ (46,540)</u>

See accompanying independent auditors' report and notes to financial statements.

STOWE TOWN SCHOOL DISTRICT

STATEMENT G

STATEMENT OF NET POSITION - PROPRIETARY FUNDS  
JUNE 30, 2017

	Business-type Activities
	Enterprise Fund Food Service
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 49,777
Due from other governments	14,602
Inventory	680
Prepaid items	797
Total current assets	65,856
Noncurrent assets:	
Capital assets:	
Furniture and equipment	57,129
Less: accumulated depreciation	(57,129)
Total noncurrent assets	-
<b>TOTAL ASSETS</b>	<b>\$ 65,856</b>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	\$ 24,592
Total current liabilities	24,592
<b>TOTAL LIABILITIES</b>	<b>24,592</b>
<b>NET POSITION</b>	
Unrestricted	41,264
<b>TOTAL NET POSITION</b>	<b>41,264</b>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<b>\$ 65,856</b>

See accompanying independent auditors' report and notes to financial statements.

STOWE TOWN SCHOOL DISTRICT

STATEMENT H

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2017

	Business-type Activities
	Enterprise Fund
	Food Service
OPERATING REVENUES	
Intergovernmental	\$ 63,160
Charges for services	196,652
Miscellaneous	7,547
TOTAL OPERATING REVENUES	267,359
OPERATING EXPENSES	
Salaries	110,530
Benefits	8,127
Contract services	42,726
Repairs and maintenance	568
Supplies and food	88,228
Equipment	2,206
Other	1,437
TOTAL OPERATING EXPENSES	253,822
OPERATING INCOME (LOSS)	13,537
NONOPERATING REVENUES (EXPENSES)	
Interest Income	66
TOTAL NONOPERATING REVENUES (EXPENSES)	66
CHANGES IN NET POSITION	13,603
NET POSITION - JULY 1	27,661
NET POSITION - JUNE 30	\$ 41,264

See accompanying independent auditors' report and notes to financial statements.

STOWE TOWN SCHOOL DISTRICT		STATEMENT I
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS FOR THE YEAR ENDED JUNE 30, 2017		
	Business-type Activities	
	Enterprise Fund	
	Food	
	Service	
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	\$ 211,694	
Intergovernmental receipts	48,558	
Payments to suppliers	(231,298)	
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>28,954</u>	
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	66	
Net cash provided (used) by investing activities	<u>66</u>	
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	29,086	
CASH AND CASH EQUIVALENTS - JULY 1	<u>20,757</u>	
CASH AND CASH EQUIVALENTS - JUNE 30	<u>\$ 49,843</u>	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating income (loss)	\$ 13,537	
Changes in operating assets, liabilities and deferred inflows of resources:		
(Increase) decrease in due accounts receivable	17,332	
(Increase) decrease in due from other governments	(14,602)	
(Increase) decrease in inventory	244	
(Increase) decrease in prepaid items	(797)	
(Decrease) increase in accounts payable	23,077	
(Decrease) increase in deferred revenue	(9,837)	
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 28,954</u>	

See accompanying independent auditors' report and notes to financial statements.

STATEMENT J

STOWE TOWN SCHOOL DISTRICT

STATEMENT OF NET POSITION - FIDUCIARY FUNDS  
JUNE 30, 2017

	Private-Purpose Funds			Agency Funds
	CV Starr Scholarship Fund	Consolidated Scholarship Funds	D & P Webb Scholarship Fund	Student Activities
<b>ASSETS</b>				
Cash and cash equivalents	\$ 47,010	\$ 25,016	\$ 1,369	\$ 164,618
Investments	2,518,397	-	99,302	-
<b>TOTAL ASSETS</b>	<b>\$ 2,565,407</b>	<b>\$ 25,016</b>	<b>\$ 100,671</b>	<b>\$ 164,618</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 396,525	\$ 1,000	-	-
Deposits held for others	-	-	-	164,618
<b>TOTAL LIABILITIES</b>	<b>\$ 396,525</b>	<b>\$ 1,000</b>	<b>\$ -</b>	<b>\$ 164,618</b>
<b>NET POSITION</b>				
Restricted - held in trust	\$ 2,168,882	\$ 24,016	\$ 100,671	\$ -
<b>TOTAL NET POSITION</b>	<b>\$ 2,168,882</b>	<b>\$ 24,016</b>	<b>\$ 100,671</b>	<b>\$ -</b>

See accompanying independent auditors' report and notes to financial statements.

## STOWE TOWN SCHOOL DISTRICT

## STATEMENT K

STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2017

	Private-Purpose Funds		
	CV Starr Scholarship Fund	Consolidated Scholarship Funds	D & P Webb Scholarship Fund
<b>ADDITIONS</b>			
Contributions			
Donations	\$ -	\$ 1,511	\$ 100,000
Total contributions		<u>1,511</u>	<u>100,000</u>
Investment earnings:			
Income earned	86,234	3	2,109
Net increase (decrease) in fair value of investments	281,533	-	4,229
Total additions	<u>367,767</u>	<u>1,514</u>	<u>106,338</u>
<b>DEDUCTIONS</b>			
Scholarship awards	210,125	1,300	5,000
Administrative expenses	14,868	-	657
Total deductions	<u>224,993</u>	<u>1,300</u>	<u>5,657</u>
<b>CHANGE IN NET POSITION</b>	142,774	214	100,671
<b>NET POSITION - JULY 1</b>	<u>2,026,108</u>	<u>23,802</u>	<u>-</u>
<b>NET POSITION - JUNE 30</b>	<u>\$ 2,168,882</u>	<u>\$ 24,016</u>	<u>\$ 100,671</u>

See accompanying independent auditors' report and notes to financial statements.

STOWE TOWN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Reporting Entity**

The School District is organized, according to State law, under the governance of the Board of School Directors to provide public education to the Town of Stowe. The School District is governed by a five member elected board.

The School District's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

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

**Implementation of New Accounting Standards**

During the year ended June 30, 2017, the following statements of financial accounting standards issued by the Governmental Accounting Standards Board became effective:

Statement No. 73, "*Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*". The objective of the Statement is to improve financial reporting by instituting a single framework for the presentation of information about pensions, thereby expanding the comparability of pension-related information reported by state and local governments. Management has determined that this Statement is not applicable.

Statement No. 74, "*Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*". The objective of the Statement is to improve the disclosure of information about benefits other than pensions (other postemployment benefits or OPEB) included in financial statements of state and local governments. This Statement will improve financial reporting through enhanced note disclosures and schedules of required supplementary information that will be presented by OPEB plans that are administered through trusts that meet specified criteria. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 77, "*Tax Abatement Disclosures*". The objective of the Statement is to improve disclosure of information about the nature and magnitude of tax abatements, making these transactions more transparent to financial statement users.



STOWE TOWN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As such, users will be better equipped to understand (1) how tax abatements affect a government's future ability to raise resources and meet its financial obligations and (2) the impact those abatements have on a government's financial position and economic condition. Management has determined that this Statement is not applicable.

Statement No. 80, "*Blending Requirements for Certain Component Units*". The objective of this Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, *Determining Whether Certain Organizations Are Component Units*. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 81, "*Irrevocable Split-Interest Agreements*". The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. Split-interest agreements are a type of giving agreement used by donors to provide resources to two or more beneficiaries, including governments. Split-interest agreements can be created through trusts or other legally enforceable agreements with characteristics that are equivalent to split-interest agreements-in which a donor transfers resources to an intermediary to hold and administer for the benefit of a government and at least one other beneficiary. Examples of these types of agreements include charitable lead trusts, charitable remainder trusts, and life-interests in real estate. As such, this Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 82, "*Pension Issues*". The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68*, and *Amendments to Certain Provisions of GASB Statements 67 and 68*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy

STOWE TOWN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

employee (plan member) contribution requirements. Management has determined the impact of this Statement is not material to the financial statements.

**Government-Wide and Fund Financial Statements**

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

Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The School District's food service fund is categorized as a business-type activity. All other activities of the School District are categorized as governmental.

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

The government-wide Statement of Activities reports both the gross and net cost of each of the School District's functions (instruction, administration, etc.). The functions are also supported by general government revenues (state/town support, certain other intergovernmental revenues, charges for services, miscellaneous revenues, etc.). The Statement of Activities reduces gross expenses by related program revenues, operating and capital grants. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. For the most part, the interfund activity has been eliminated from these government-wide financial statements.

The net costs (by function) are normally covered by general revenue (certain intergovernmental revenues, tuition and interest income, etc.).

The School District does not allocate indirect costs. All costs are charged directly to the corresponding departments.

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

STOWE TOWN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Measurement Focus - Basic Financial Statements & Fund Financial Statements**

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

1. Governmental Funds:

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

Major Funds

- a. The General Fund is the general operating fund of the School District. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. The Capital Projects Fund is used to account for the acquisition or construction of major capital facilities.

2. Proprietary Funds:

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. Operating revenues include charges for services, intergovernmental reimbursements and other miscellaneous fees which are a direct result of the proprietary activity. Nonoperating revenues are any revenues which are generated outside of the general proprietary activity, i.e. interest income. The following is a description of the proprietary funds of the School District:

- a. Enterprise Funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c)

STOWE TOWN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

established fees and charges based on a pricing policy designed to recover similar costs.

3. 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 the School District's programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds. Component units that are fiduciary in nature have been excluded from these financial statements.

The School District'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 financial statements.

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

**Basis of Accounting**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

1. Accrual

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

STOWE TOWN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Modified Accrual

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

**Budget**

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

In accordance with Governmental Accounting Standards Board Statement No. 24, *Accounting and Reporting for Certain Grants and Other Financial Assistance*, payments made by the State of Vermont to the Vermont State Retirement System for teachers and certain other school employees are reported as offsetting revenues and expenditures of the general fund.

Revenues per budgetary basis	\$ 12,132,886
Add: On-behalf payments	<u>532,707</u>
Total GAAP basis	<u>\$ 12,665,393</u>
Expenditures per budgetary basis	\$ 12,373,342
Add: On-behalf basis	<u>532,707</u>
Total GAAP basis	<u>\$ 12,906,049</u>

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

1. The School Board approves a preliminary budget by early January for the following fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them.
2. The budget is approved at the annual district meeting by the School District voters.

STOWE TOWN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- The School District is not legally required to adopt a budget for the Food Service Fund.

**Deposits and Investments**

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

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

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

The Stowe Town School District has no formal investment policy but instead follows the State of Vermont Statutes.

**Receivables**

Receivables include amounts due from governmental agencies and local businesses. All receivables are current and therefore due within one year. Receivables are reported net of an allowance for uncollectible accounts and revenues net of uncollectibles. Allowances are reported when accounts are proven to be uncollectible. Allowances for uncollectible accounts netted with accounts receivable were \$211,863 for the year ended June 30, 2017. The allowance for uncollectible accounts is estimated to be \$0 as of June 30, 2017.

**Inventories and Prepaid Items**

Inventories consist of expendable supplies held for consumption and are valued at cost which approximates market, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when used (consumption method). Inventory of the food service fund consists of supplies and food.

STOWE TOWN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

**Interfund Receivables and Payables**

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Any residual balances outstanding between governmental activities and business-type activities are reported in the governmental-wide financial statements as "internal balances".

**Transactions Between Funds**

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of the Governmental Funds.

**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 market 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. Depreciation on all assets is provided on the straight-line basis over the estimated useful lives.

The assets are valued at historical cost when available and estimated historical cost where actual invoices or budgetary data was unavailable. Donated fixed assets are valued at their estimated fair market value on the date received. All retirements have been recorded by eliminating the net carrying values.

Estimated useful lives are as follows:

Buildings	20 - 50 years
Machinery and equipment	3 - 50 years
Vehicles	3 - 25 years

STOWE TOWN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Long-term Obligations**

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

All long-term debt to be repaid from governmental resources is reported as liabilities in government-wide statements. The long-term debt consists primarily of bonds payable, capital leases payable and net pension liability.

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

**Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Vermont State Teachers' Retirement System (VSTRS) and the Vermont Municipal Employees' Retirement System (VMERS) Plans and additions to/deductions from the VSTRS and VMERS Plans' fiduciary net position have been determined on the same basis as they are reported by the VSTRS and VMERS Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Net Position**

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



STOWE TOWN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Fund Balance**

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

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

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

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

**Assigned** – This includes amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The authority for assigning fund balance is expressed by the School Board.

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

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

The School District has adopted a set of financial policies to guide the financial operation of the School District. Included in the policies will be guidelines for

STOWE TOWN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

accumulating and maintaining an operating position in certain budgeted governmental funds such that annual expenditures shall not exceed annual resources, including fund balances. Other funds shall be fully self-supporting to the extent that the fund balance or retained earnings of each fund shall be zero or greater.

**Deferred Outflows and Inflows of Resources**

In addition to assets, the statement of financial position and/or balance sheet will at times report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School District currently has one type of this item, deferred outflows related to pensions. This item is reported in the statement of net position.

In addition to liabilities, the statement of financial position and or balance sheet will at times report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Deferred revenue qualifies for reporting in this category. This item is reported in both the statements of net position and governmental funds balance sheet. Deferred inflows related to pensions qualify for reporting in this category as well. This item is reported only in the statement of net position. All items in this category are deferred and recognized as inflows of resources in the period that the amounts become available.

**Program Revenues**

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

**Encumbrance Accounting**

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

STOWE TOWN SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Use of Estimates**

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

NOTE 2 - DEPOSITS AND INVESTMENTS

**Deposits:**

The School District's investment policies, which follow state statutes, authorize the School District to invest in obligations of the U.S. Treasury, agencies and instrumentalities, other states and Canada, provided such securities are rated within the three highest grades by an approved rating service of the State of Vermont, corporate stocks and bonds within statutory limits, financial institutions, mutual funds and repurchase agreements. These investment policies apply to all School District funds.

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the School District will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. The School District does not have a policy covering custodial credit risk.

At June 30, 2017, the School District's cash balance of \$2,703,210 was comprised of bank deposits of \$2,556,786. Of these bank deposits, \$296,318 was fully insured by federal depository insurance and consequently was not exposed to custodial credit risk, \$1,956,868 was collateralized with securities held by the financial institution's agent but not in the School District's name and \$217,721 was collateralized with securities held by the financial institution in the School District's name. The cash equivalents of \$85,879 were covered by the Securities Investor Protection Corporation (SIPC).

Checking accounts	\$ 296,318
Repurchase agreement	217,721
Money market accounts	1,956,868
Cash equivalents (MMF)	85,879
	\$ 2,556,786

STOWE TOWN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017

NOTE 2- DEPOSITS AND INVESTMENTS (CONTINUED)

**Investments:**

Custodial credit risk for investments is that, in the event of failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Currently, the School District does not have a policy for custodial credit risk for investments.

At June 03, 2017, the School District had the following investments and maturities:

Investment Type	Fair Value	Not Applicable	Less than 1 Year	1 - 5 Years	Over 5 Years
<b>Debt securities:</b>					
Corporate bonds: fixed income	\$ 547,218	\$ -	\$ 33,167	\$ 357,770	\$ 156,281
Municipal bonds	114,215	-	-	40,787	73,428
Mutual funds: fixed income	525,014	525,014	-	-	-
<b>Equity securities:</b>					
Common stock	1,220,434	1,220,434	-	-	-
Preferred stock	4,825	4,825	-	-	-
Mutual funds and exchange-traded funds	7,604	7,604	-	-	-
Unit investment trusts	198,389	-	198,389	-	-
Certificate of deposit	243,127	-	243,127	-	-
	<u>\$ 2,860,826</u>	<u>\$ 1,757,877</u>	<u>\$ 474,683</u>	<u>\$ 398,557</u>	<u>\$ 229,709</u>

Of the School District's investments of \$2,860,826, \$415,811 were covered by the Securities Investor Protection Corporation (SIPC). The remaining investments of \$2,445,015 were insured by the broker in the School District's name.

**Fair Value Hierarchy**

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The School District has the following recurring fair value measurements as June 30, 2017:

STOWE TOWN SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2017

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

	June 30, 2017 Total	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level I)	Significant Other Observable Inputs (Level II)	Significant Unobservable Inputs (Level III)
<u>Investments by fair value level</u>				
<u>Debt securities:</u>				
Corporate bonds: fixed income	\$ 547,216	\$ -	\$ 547,216	\$ -
Municipal bonds	114,215	-	114,215	-
Mutual funds: fixed income	525,014	525,014	-	-
<u>Equity securities:</u>				
Common stock	1,220,434	1,220,434	-	-
Preferred stock	4,825	4,825	-	-
Mutual funds and exchange-traded funds	7,604	7,604	-	-
Unit investment trusts	198,389	198,389	-	-
Total investments by fair value level	<u>2,617,699</u>	<u>1,956,266</u>	<u>661,433</u>	<u>-</u>
<u>Cash equivalents measured at the net asset value (NAV)</u>				
Money market fund	85,879			
Total cash equivalents measured at the NAV	<u>85,879</u>			
Total investments and cash equivalents measured at fair value	<u>\$ 2,703,578</u>			

Equity securities classified in Level I of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued from publicly reliable sources or using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The School District has no Level 3 investments. The fair value of money market mutual funds that are measured at NAV per share (or its equivalent) is calculated as of June 30, 2017 in a manner consistent with the Financial Accounting Standards Board's measurement principles for investment companies.

Credit risk – Statutes for the State of Vermont authorize the School District to invest in obligations of the U.S. Treasury, agencies and instrumentalities, other states and Canada, provided such securities are rated within the three highest grades by an approved rating service of the State of Vermont, corporate stocks and bonds within statutory limits, financial institutions, mutual funds and repurchase agreements. The

STOWE TOWN SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2017

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

School District does not have an investment policy on credit risk. As of June 30, 2017, the School District's investments in corporate and municipal bonds were rated A- (\$14,429), A (\$14,008), AA (\$52,829), B (\$6,137), B+ (\$7,810), BB (\$52,273), BBB+ (\$152,028), BBB- (\$2,049), BBB (\$165,792) and BB- (\$76,066) by Standard & Poor's Rating Service. Credit ratings were not available for certain other corporate and municipal bond holdings totaling \$118,012.

Interest rate risk – is the risk that changes in interest rates will adversely affect the fair value of an investment. The School District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from fluctuations in interest rates.

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES

The School District had no interfund balances at June 30, 2017.

NOTE 4 - CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended June 30, 2017:

	Balance 7/1/16	Additions	Disposals	Balance 6/30/17
<b><u>Governmental activities:</u></b>				
<b>Depreciated assets:</b>				
Land improvements	\$ 225,728	\$ -	\$ -	\$ 225,728
Buildings	3,174,619	-	-	3,174,619
Building improvements	8,328,204	81,325	-	8,409,529
Infrastructure	376,382	-	-	376,382
Furniture and equipment	1,396,727	-	-	1,396,727
	13,501,660	81,325	-	13,582,985
Less: accumulated depreciation	(6,683,590)	(303,404)	-	(6,986,994)
	6,818,070	(222,079)	-	6,595,991
<b>Net governmental capital assets</b>	<b>\$ 6,818,070</b>	<b>\$ (222,079)</b>	<b>\$ -</b>	<b>\$ 6,595,991</b>

STOWE TOWN SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2017

NOTE 4 - CAPITAL ASSETS (CONTINUED)

	Balance 7/1/16	Additions	Disposals	Balance 6/30/17
<u>Business-type activities:</u>				
Depreciated assets:				
Furniture and equipment	\$ 57,129	\$ -	\$ -	\$ 57,129
	57,129	-	-	57,129
Less: accumulated depreciation	(57,129)	-	-	(57,129)
Net business-type capital assets	\$ -	\$ -	\$ -	\$ -
<u>Current year depreciation:</u>				
Direct services				\$ 216,460
S.S. - students				1,563
S.S. - staff				9,193
S.S. - area administration				2,446
Operations & maintenance				73,742
Total depreciation expense				<u>\$ 303,404</u>

NOTE 5 - LONG-TERM DEBT

A summary of long-term debt for the year ended June 30, 2017 is as follows:

	Balance, 7/1/16	Additions	Deletions	Balance, 6/30/17	Current Year Portion
Bonds payable	\$ 1,620,000	\$ -	\$ (120,000)	\$ 1,500,000	\$ 120,000
Capital lease payable	403,972	-	(135,966)	268,006	89,334
Net pension liability	244,423	106,548	(65,442)	285,529	-
Total	<u>\$ 2,268,395</u>	<u>\$ 106,548</u>	<u>\$ (321,408)</u>	<u>\$ 2,053,535</u>	<u>\$ 209,334</u>

The following is a description of the outstanding bonds payable:

\$1,170,000, Vermont Municipal Bond Bank 2015 Series 5 Refunding Bond due in principal installments of \$90,000 through November of 2028. Interest ranging from 3.65% to 4.65% payable semi-annually through November of 2028, with savings allocations ranging from \$1,309 to \$6,608 rebated through November of 2028. \$ 1,080,000

STOWE TOWN SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2017

NOTE 5 - LONG-TERM DEBT (CONTINUED)

\$450,000, Vermont Municipal Bond Bank 2016 Series 2 Refunding Bond due in principal installments of \$30,000 through November of 2030. Interest ranging from 3.220% to 5.050% payable semi-annually through November of 2030, with savings allocations ranging from \$2,736 to \$3,802 rebated through November of 2018.

420,000
\$ 1,500,000

The following is a summary of outstanding bond principal and interest requirements for the following fiscal years ending June 30:

Year Ending June 30,	Principal	Interest	Total Debt Service
2018	\$ 120,000	59,150	\$ 179,150
2019	120,000	54,426	174,426
2020	120,000	47,654	167,654
2021	120,000	42,233	162,233
2022	120,000	37,249	157,249
2023-2027	600,000	109,561	709,561
2028-2032	300,000	14,128	314,128
	\$ 1,500,000	\$ 364,401	\$ 1,864,401

The following is a summary of outstanding capital leases payable:

Lease payable for a wood pellet boiler. The lease is for seven years with annual payments of \$93,280 after the initial payment of \$93,196. The effective interest rate is approximately 2.157% per annum. Maturity in May of 2020.

The following is a summary of outstanding capital lease requirements for the following fiscal years ending June 30:

Year Ending June 30,	
2018	\$ 93,280
2019	93,280
2020	93,281
Total minimum lease payments	279,841
Less amount representing interest	(11,835)
Present value of future minimum lease payments	\$ 268,006



STOWE TOWN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017

**NOTE 6 - NONSPENDABLE FUND BALANCES**

At June 30, 2017, the School District had the following nonspendable fund balances:

General fund:	
Prepaid items	<u>\$ 5,285</u>

**NOTE 7 - RESTRICTED FUND BALANCES**

At June 30, 2017, the School District had the following restricted fund balances:

Capital projects funds	<u>\$ 279,233</u>
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**NOTE 8 - ASSIGNED FUND BALANCES**

At June 30, 2017, the School District had the following assigned fund balances:

General fund:	
Reserved for future operations	\$ 300,000
Capital projects	500,000
	<u>\$ 800,000</u>

**NOTE 9 - OVERSPENT APPROPRIATIONS**

At June 30, 2017, the School District had the following overspent appropriations:

General fund:	
Instructional staff services	\$ 1,099
Fiscal services	6,708
	<u>\$ 7,807</u>

**NOTE 10 - DEFINED BENEFIT PENSION PLANS**

VERMONT STATE TEACHERS' RETIREMENT SYSTEM

**Plan Description**

All of the teachers employed by the District participate in the Vermont State Teachers' Retirement System ("VSTRS"), a cost-sharing multiple-employer defined benefit pension plan with a special funding situation, covering nearly all public day school and nonsectarian private District teachers and administrators as well as teachers in schools and teacher training institutions within and supported by the State of Vermont that are controlled by the State Board of Education. Membership in the system for those covered classes is a condition of employment. During the year ended June 30,

STOWE TOWN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017

NOTE 10 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

2016 (the most recent plan year available), the retirement system consisted of 288 participating employers.

The plan was established effective July 1, 1947, and is governed by *Title 16, V.S.A. Chapter 55*. Subsequent Vermont state legislation, *Act 74*, which became effective on July 1, 2010, contained numerous changes to the plan benefits available to current and future members, as well as a change in access to health care coverage after retirement, resulting from a multi-party agreement to provide sustainability of quality pension and retiree health benefits for Vermont teachers.

The general administration and responsibility for formulating administrative policy and procedures of the retirement System for its members and their beneficiaries is vested in the Board of Trustees consisting of six members. They are the Secretary of Education (*ex-officio*); the State Treasurer (*ex-officio*), the Commissioner of Financial Regulation (*ex-officio*); two members and one alternate elected by active members of the System under rules adopted by the Board; and one retired member and one alternate elected by the board of directors of Association of Retired Teachers of Vermont. The Chair is elected by the Board and acts as executive officer of the Board.

All assets are held in a single trust and are available to pay retirement benefits to all members. Benefits available to each group are based on average final compensation (AFC) and years of creditable service. The Vermont State Agency of Administration issues a publicly available Comprehensive Annual Financial Report (CAFR) that includes financial statements and required supplementary information for the VSTRS. That report may be viewed on the State's Department of Finance & Management website at: [http://finance.vermont.gov/reports\\_and\\_publications/cafr](http://finance.vermont.gov/reports_and_publications/cafr).

**Benefits Provided**

The VSTRS provides retirement, and disability benefits, annual cost-of-living adjustments, health care and death benefits to plan members and beneficiaries. There are two levels of contributions and benefits in the System: Group A - for public school teachers employed within the State of Vermont prior to July 1, 1981 and elected to remain in Group A; and Group C - for public school teachers employed within the State of Vermont on or after July 1, 1990. Group C also includes those teachers hired prior to July 1, 1990 and were in Group B on July 1, 1990. When *Act 74* became effective on June 30, 2010, Group C was further bifurcated into Groups #1 and #2. Group #1 contains members who were at least 57 years of age or had at least 25 years of service, and Group #2 contains members who were less than 57 years of age and had less than 25 years of service.

STOWE TOWN SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2017

NOTE 10 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

Benefits available to each group are based on average final compensation (AFC) and years of creditable service, and are summarized below:

VSTRS	Group A	Group C – Group # 1	Group C – Group # 2
Normal service retirement eligibility (no reduction)	Age 60 or 30 years of service	Age 62 or with 30 years of service	Age 65 or when the sum of age and service equals 90
Average Final Compensation (AFC)	Highest 3 consecutive years, including unused annual leave, sick leave, and bonus/incentives	Highest 3 consecutive years, excluding all payments for anything other than service actually performed	Highest 3 consecutive years, excluding all payments for anything other than service actually performed
Benefit formula – normal service retirement	1.67% x creditable service x AFC	1.25% x service prior to 6/30/90 x AFC + 1.67% x service after 7/1/90 x AFC	1.25% x service prior to 6/30/90 x AFC + 1.67% x service after 7/1/90 x AFC, 2.0% after attaining 20 years
Maximum Benefit Payable	100% of AFC	53.34% of AFC	60% of AFC
Post-Retirement COLA	Full CPI, up to a maximum of 5% after 12 months of retirement; minimum of 1%	50% CPI, up to a maximum of 5% after 12 months of retirement or with 30 years; minimum of 1%	50% CPI, up to a maximum of 5%, minimum of 1% after 12 months of normal retirement or age 65
Early Retirement Eligibility	Age 55 with 5 years of service	Age 55 with 5 years of service	Age 55 with 5 years of service
Early Retirement Reduction	Actuarial reduction	6% per year from age 62	Actuarial reduction

Other post-employment benefits are available to all plan members include the following:

VSTRS	Group A	Group C – Group # 1	Group C – Group # 2
Medical Benefits	Health subsidy based on member's service credit	Health subsidy based on member's service credit	Health subsidy based on member's service credit
Dental	Members pays full premium	Members pays full premium	Members pays full premium

STOWE TOWN SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2017

NOTE 10 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

**Contributions**

VSTRS is a cost-sharing public employee retirement system with one exception: all risks and costs are not shared by the District but are the liability of the State of Vermont. VSTRS is funded through State and employee contributions and trust fund investment earnings; and the District has no legal obligation for paying benefits. Required contributions to the System are made by the State of Vermont based upon a valuation report prepared by the System's actuary, which varies by plan group. The Vermont State Teachers Retirement System estimates the contributions on behalf of the District's employees included in the teacher's retirement plan which approximates \$532,707 or 11.59% of total payroll for employees covered under the plan.

Employee contribution rates by plan group follow:

VSTRS	Group A	Group C – Group # 1	Group C – Group # 2
Employee Contributions	5.5% of gross salary	5.0% of gross salary with 5 or more years of service as of 7/1/14; 6.0% of gross salary if less than 5 years of service as of 7/1/14	5.0% of gross salary with 5 or more years of service as of 7/1/14; 6.0% of gross salary if less than 5 years of service as of 7/1/14

Employee contributions totaled \$242,363 during the year and were paid by the District to the State of Vermont. The District has no other liability under the plan. The District's total payroll for all employees covered under this plan was \$4,596,267 for the year ended June 30, 2017.

VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM

**Plan Description**

The Vermont Municipal Employees' Retirement System (VMERS) is a cost-sharing, multiple-employer defined benefit pension plan that is administered by the State Treasurer and its Board of Trustees. The plan was established effective July 1, 1975, and is governed by *Title 24, V.S.A. Chapter 125*. It is designed for school districts and other municipal employees that work on a regular basis and also includes employees of museums and libraries if at least half of that institution's operating expenses are met by municipal funds. An employee of any employer that becomes affiliated with the system may join at that time or at any time thereafter. Any employee hired subsequent to the effective participation date of their employer who meets the minimum hourly requirements is required to join the system. Employees of the District

STOWE TOWN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017

NOTE 10 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

other than Teachers are eligible to participate in the VMERS providing they work on a regular basis for not less than 30 hours a week and for not less than 1,040 hours for the school year.

The general administration and responsibility for formulating administrative policy and procedures of the Retirement System for its members and their beneficiaries is vested in the Board of Trustees consisting of five members. They are the State Treasurer, two employee representatives elected by the membership of the system, and two employer representatives-one elected by the governing bodies of participating employers of the system, and one selected by the Governor from a list of four nominees. The list of four nominees is jointly submitted by the Vermont League of Cities and Districts and the Vermont School Boards Association.

All assets are held in a single trust and are available to pay retirement benefits to all members. Benefits available to each group are based on average final compensation (AFC) and years of creditable service. VMERS does not issue stand-alone financial reports, but instead are included as part of the State of Vermont's Comprehensive Annual Financial Report (CAFR). The CAFR may be viewed on the State's Department of Finance & Management website at:

[http://finance.vermont.gov/reports\\_and\\_publications/cafr](http://finance.vermont.gov/reports_and_publications/cafr).

**Benefits Provided**

The pension plan is divided into four membership groups:

- Group A – general employees whose legislative bodies have not elected to become a member of Group B or Group C
- Groups B & C – general employees whose legislative bodies have elected to become members of Group B or Group C
- Group D – sworn police officers, firefighters and emergency medical personnel

The District participates in Group A. Benefits available to each group are based on average final compensation (AFC) and years of creditable service, and are summarized below:

STOWE TOWN SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2017

NOTE 10 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

VMERS	Group A	Group B	Group C	Group D
Normal service retirement eligibility	Age 65 with 5 years of service, or age 55 with 35 years of service	Age 62 with 5 years of service, or age 55 with 30 years of service	Age 55 with 5 years of service	Age 55 with 5 years of service
Average Final Compensation (AFC)	Highest 5 consecutive years	Highest 3 consecutive years	Highest 3 consecutive years	Highest 2 consecutive years
Benefit formula – normal service Retirement (no reduction)	1.4% x creditable service x AFC	1.7% x creditable service x AFC + previous service; 1.4% x Group A service x AFC	2.5% x creditable service x AFC + previous service; 1.4% x Group A service x AFC; 1.7% x Group B x AFC	2.5% x creditable service x AFC + previous service; 1.4% x Group A service x AFC; 1.7% x Group B x AFC; 2.5% x Group C service x AFC
Maximum Benefit Payable	60% of AFC	60% of AFC	50% of AFC	50% of AFC
Post-Retirement COLA	50% of CPI, up to 2% per year	50% of CPI, up to 3% per year	50% of CPI, up to 3% per year	50% of CPI, up to 3% per year
Early Retirement Eligibility	Age 55 with 5 years of service	Age 55 with 5 years of service	N/A	Age 50 with 20 years of service
Early Retirement Reduction	6% per year from age 65 **	6% per year from age 62 **	N/A	No reduction

\*\* - A special early retirement factor of 3% per year only for municipal police officers who have attained age 60

Members of all groups may qualify for vested deferred allowance, disability allowances and death benefit allowance subject to meeting various eligibility requirements. Benefits are based on AFC and service.

STOWE TOWN SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2017

NOTE 10 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

**Contributions**

Title 24 VSA Chapter 125 of Vermont Statutes grants the authority to the Retirement Board to annually review the amount of municipalities' contributions as recommended by the actuary of the retirement system in order to achieve and preserve the financial integrity of the fund, and to certify the rates of contributions payable by employers. The Board of Trustees also certifies the rates of contribution payable by employees. Contribution rates for each group are as follows:

VMERS	Group A	Group B	Group C	Group D
Employee Contributions	2.5% of gross salary	4.875% of gross salary	10.0% of gross salary	11.35% of gross salary
Employer Contributions	4.0% of gross salary	5.5% of gross salary	7.25% of gross salary	9.85% of gross salary

Employee contributions are withheld pre-income tax by the School District and are remitted to the State of Vermont. Such withholdings for the year ended June 30, 2017 totaled \$21,160. The School District contributed \$33,856 for the year ended June 30, 2017. The School District's total payroll for the year ended June 30, 2017 for all employees covered under this plan was \$846,407.

**Pension Liabilities**

*VSTRS Plan*

The State is a nonemployer contributor and is required by statute to make all actuarially determined employer contributions on behalf of member employers. Therefore these employers are considered to be in a special funding situation as defined in GASB No. 68 and the State is treated as a nonemployer to VSTRS. Since the School District does not contribute directly to VSTRS, no net pension liability was recorded at June 30, 2017. The State's portion of the collective net pension liability that was associated with the School District was as follows:

District's proportionate share of the net pension liability	\$ -
State's proportionate share of the net pension liability associated with the District	<u>8,837,277</u>
Total	<u>\$ 8,837,277</u>

STOWE TOWN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017

NOTE 10 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

The State of Vermont's proportionate share of the net pension liability associated with the School District is equal to the collective net pension liability, actuarially measured as of June 30, 2016, multiplied by the School District's proportionate share percentage. The School District's proportionate share percentage was based on its reported salaries to the total reported salaries for all participating employers. At June 30, 2016, the School District's proportion was 0.67485% which was a decrease of 0.0783% from its proportion measured as of June 30, 2015.

*VMERS Plan*

At June 30, 2017, the School District reported a liability of \$285,529 for its proportionate share of the net pension liabilities for each plan. The net pension liabilities were measured as of June 30, 2016, and the total pension liabilities used to calculate the net pension liabilities was determined by an actuarial valuation as of that date. The School District's proportion of the net pension liabilities were based on a projection of the School District's long-term share of contributions to each pension plan relative to the projected contributions of all participating towns, actuarially determined.

At June 30, 2016, the School District's proportion was 0.22186% for VMERS, which was a decrease of 0.0965% from its proportion measured as of June 30, 2015 for VMERS.

**Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended June 30, 2017, the School District recognized total pension expense \$773,062 and revenue of \$773,062 for support provided by the State of Vermont for the VSTRS plan. In the same period, the School District recognized pension expense of \$60,849 for the VMERS plan. At June 30, 2017, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:



STOWE TOWN SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2017

NOTE 10 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

	VSTRS		VMERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -	\$ 5,866	\$ -
Changes of assumptions	-	-	45,855	-
Net difference between projected and actual earnings on pension plan investments	-	-	92,582	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	-	3,243	32,855
Contributions subsequent to the measurement date	-	-	33,856	-
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 181,402</b>	<b>\$ 32,855</b>

\$33,856 reported as deferred outflows of resources related to pensions resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	VSTRS	VMERS
Plan year ended June 30:		
2017	\$ -	\$ 27,532
2018	-	27,532
2019	-	43,553
2020	-	15,974
2021	-	-
Thereafter	-	-

**Significant Actuarial Assumptions and Methods**

The total pension liability for the June 30, 2016 measurement date was determined by an actuarial valuation as of June 30, 2015 rolled forward to June 30, 2016 using the actuarial assumptions outlined below. These assumptions were selected on the basis of the experience study that was performed for the five-year period ending June 30, 2014:

*Investment Rate of Return:* For both plans, 7.95% per annum.

STOWE TOWN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017

NOTE 10 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

*Inflation:* The separately stated assumptions for investment return, salary increases and cost of living adjustments for both plans are consistent with an expected annual inflation rate of 3.00% to 3.25% per year.

*Salary Increases:* Representative values of the assumed annual rates of future salary increases for the VSTRS plan are as follows:

Age	Annual Rate of Salary Increase
25	8.15%
30	6.84%
35	5.97%
40	5.29%
45	4.80%
50	4.46%
55	4.22%
60	4.12%
64	4.12%

Salary increases for the VMERS plan are 5.00% per year, including inflation.

*Deaths After Retirement:* The VSTRS plan used the RP-2000 Mortality Tables projected to 2029 using Scale BB for terminated vested members and beneficiaries and retirees; the RP-2000 Disabled Life Table with projection to 2020 using Scale AA for disabled retirees. The tables used contain a margin to reflect anticipated mortality improvement after the valuation date.

Mortality rates for active participants in the VMERS plan for Groups A, B, C and D were based on the RP-2000 Tables for Employees and Healthy Annuitants projected 10 years from the valuation date with Scale BB. Groups A, B, and C with a 60% Blue Collar and 40% White Collar adjustment and Group D with a 100% Blue Collar adjustment. The post-retirement mortality assumption was chosen to recognize improved longevity experience after the valuation date.

*Spouse's Age:* For both plans, husbands are assumed to be three years older than their wives.

*Cost-of-Living Adjustments:* For the VSTRS plan, adjustments are assumed to occur on January 1 following one year of retirement at the rate of 3% per annum for Group A members and 1.5% per annum for Group C members (beginning at age 62 for Group C members who elect reduced early retirement).

STOWE TOWN SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2017

NOTE 10 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

Cost-of-Living adjustments to benefits of terminated vested and retired participants were assumed to occur at the rate of 1.5% per annum for Group A members and 1.8% per annum for members of Groups B, C and D of the VMERS plan.

*Actuarial Cost Method:* For both plans is the Entry Age Normal – Level Percentage of Pay.

For the VSTRS plan, the *asset valuation method* used equals the preliminary asset value plus 20% of the difference between the market and preliminary asset values. The preliminary asset value is equal to the previous year's asset value (for valuation purposes) adjusted for contributions less benefit payments and expenses and expected investment income. If necessary, a further adjustment is made to ensure that the valuation assets are within 20% of the market value.

A smoothing *asset valuation method* was used for funding purposes in the VMERS plan, under which the value of assets for actuarial purposes equals market value less a five-year phase-in of the differences between actual and assumed investment return. Then value of assets for actuarial purposes may not differ from the market value of assets by more than 20%.

The *long-term expected rate of return* on both plan investments was determined using best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) developed for each major asset class using an econometric model that forecasts a variety of economic environments and then calculates asset class returns based on functional relationships between the economic variable and the asset classes. These best estimate ranges were combined to produce forecasts of the short, intermediate, and longer term horizons by weighting the expected future nominal rates of return by the target asset allocation percentage. The various time horizons in the forecast are intended to capture more recent economic and capital market conditions as well as other plausible environments that could develop in the future over economic cycles.

Best estimates of arithmetic rates of return for each major asset class included in the target asset allocation as of June 30, 2016 are summarized in the following table:

Asset Class	Long-term Expected Real Rate of Return
Equity	8.54%
Fixed income	2.38%
Alternative	8.35%
Multi-strategy	4.90%

STOWE TOWN SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2017

NOTE 10 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

Nominal long-term expected rates of return for these asset classes are equal to the sum of the above expected long-term real rates and the expected long-term inflation rate of 3.0%

**Discount Rate**

The discount rate used to measure the total pension liability was 7.95% for the VSTRS plan and the VMERS plan. The projection of cash flows used to determine the discount rate assumed that contributions will continue to be made in accordance with the current funding policy. Based on these assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments to current System members. The assumed discount rate has been determined in accordance with the method prescribed by GASB 68.

**Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following presents the School District's proportionate share of the net pension liability calculated using the discount rate of 7.95% for the VSTRS plan and the VMERS plan, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.95%) or 1 percentage point higher (8.95%) than the current rate:

	1% Decrease	Discount Rate	1% Increase
<u>VSTRS:</u>			
Discount rate	6.95%	7.95%	8.95%
District's proportionate share of the net pension liability	\$ -	\$ -	\$ -
<u>VMERS:</u>			
Discount rate	6.95%	7.95%	8.95%
District's proportionate share of the net pension liability	\$ 474,006	\$ 285,529	\$ 127,718

**Pension Plan Fiduciary Net Position**

The schedule of employer allocations and schedule of pension amounts by employer are prepared on the accrual basis of accounting in accordance with U.S.

STOWE TOWN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017

NOTE 10 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

generally accepted accounting principles. The schedules present amounts that are elements of the financial statements of the VSTRS and VMERS or their participating employers. VSTRS and VMERS do not issue stand-alone financial reports, but instead are included as part of the State of Vermont's Comprehensive Annual Financial Report (CAFR). The CAFR can be viewed on the State's Department of Finance & Management website at: [http://finance.vermont.gov/reports\\_and\\_publications/cafr](http://finance.vermont.gov/reports_and_publications/cafr)

NOTE 11 - RISK MANAGEMENT

The School District is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets; errors and omissions; and injuries to employees. The School District maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the School District. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

In addition, the School District is a member of Vermont School Boards' Association Insurance Trust, Inc. (VSBIT) Medical Benefits Program. VSBIT is a nonprofit corporation formed in 1978 to provide insurance and risk management programs for Vermont Supervisory Unions 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. The pooling agreement does not permit the pool to make additional assessments to its members.

NOTE 12 - CONTINGENCIES

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

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

STOWE TOWN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017

NOTE 13 - RELATED ORGANIZATION

The School District has an ongoing financial responsibility to Lamoille South Supervisory Union as defined in GASB 14, paragraph 71. Through Lamoille South Supervisory Union's assessment process, the School District's assessment can be increased to cover a share of any prior year deficits and decreased to share in any prior year surpluses. Separate financial statements on Lamoille South Supervisory Union are available from Lamoille South Supervisory Union.

NOTE 14 - COMPARATIVE DATA/RECLASSIFICATIONS

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

NOTE 15 - RESTATEMENT

The beginning net position of the governmental activities was restated as of July 1, 2016 for corrections to noncurrent liabilities. Noncurrent liabilities were decreased by \$11,000. This increased the beginning balance of the net position for governmental activities from \$6,536,718 to \$6,549,718.

Required Supplementary Information

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

- Budgetary Comparison Schedule – Budgetary Basis – Budget and Actual – General Fund
- Schedule of Proportionate Share of the Net Pension Liability
- Schedule of Contributions
- Notes to Required Supplementary Information

SCHEDULE I

STOWE TOWN SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE – BUDGETARY BASIS  
 BUDGET AND ACTUAL – GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2017

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,807,554	\$ 1,807,554	\$ 1,807,554	\$ -
Resources (Inflows):				
Intergovernmental:				
State/Town support	10,380,075	10,380,075	10,379,995	(80)
Other	1,049,325	1,049,325	1,141,344	92,019
Tuition	518,900	518,900	542,802	23,902
Interest income	12,000	12,000	5,580	(6,420)
Miscellaneous	3,300	3,300	62,965	59,665
Amounts Available for Appropriation	<u>13,771,154</u>	<u>13,771,154</u>	<u>13,940,240</u>	<u>169,086</u>
Charges to Appropriations (Outflows):				
Direct services	8,078,825	8,078,825	7,950,385	128,440
Support services:				
Student services	991,700	991,700	991,530	170
Instructional staff services	240,275	240,275	241,374	(1,099)
General administrative services	180,550	180,550	155,139	25,411
Area administrative services	845,325	845,325	806,927	38,398
Fiscal services	176,300	176,300	183,008	(6,708)
Operations and maintenance	1,195,300	1,195,300	1,103,518	91,782
Information services	66,300	66,300	66,300	-
Transportation	360,350	360,350	351,839	8,511
Debt service:				
Principal	120,000	120,000	120,000	-
Interest	67,650	67,650	62,463	5,187
Food service	41,025	41,025	40,859	166
Transfers to other funds	300,000	300,000	300,000	-
Total Charges to Appropriations	<u>12,663,600</u>	<u>12,663,600</u>	<u>12,373,342</u>	<u>290,258</u>
Budgetary Fund Balance, June 30	<u>\$ 1,107,554</u>	<u>\$ 1,107,554</u>	<u>\$ 1,566,898</u>	<u>\$ 459,344</u>
Utilization of assigned fund balance	<u>\$ 700,000</u>	<u>\$ 700,000</u>	<u>\$ -</u>	<u>\$ (700,000)</u>

See accompanying independent auditors' report and notes to financial statements.



SCHEDULE 2

STOWE TOWN SCHOOL DISTRICT

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION  
LAST 10 FISCAL YEARS\*

	2017	2016	2015	2014
<u>VSTRS:</u>				
Proportion of the net pension liability	0.67%	0.75%	0.78%	0.73%
District's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the District	<u>8,837,277</u>	<u>8,936,346</u>	<u>7,331,730</u>	<u>\$ 7,447,462</u>
Total	<u>\$ 8,837,277</u>	<u>\$ 8,936,346</u>	<u>\$ 7,331,730</u>	<u>\$ 7,447,462</u>
Covered-employee payroll	\$ 4,371,643	\$ 4,200,467	\$ 4,404,717	\$ 4,087,344
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	55.31%	58.22%	64.02%	60.59%
<u>VMERS:</u>				
Proportion of the net pension liability	0.22%	0.32%	0.30%	0.31%
Proportionate share of the net pension liability	\$ 285,529	\$ 245,423	\$ 27,730	\$ 112,677
Covered-employee payroll	\$ 843,000	\$ 1,112,000	\$ 979,825	\$ 928,725
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	33.87%	22.07%	2.83%	12.13%
Plan fiduciary net position as a percentage of the total pension liability	80.85%	87.42%	98.32%	92.71%

See accompanying independent auditors' report and notes to financial statements.

STOWE TOWN SCHOOL DISTRICT

SCHEDULE 3

SCHEDULE OF CONTRIBUTIONS  
LAST 10 FISCAL YEARS\*

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<u>VSTRS:</u>				
Contractually required contribution	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 4,596,262	\$ 4,371,643	\$ 4,200,467	\$ 4,404,717
Contributions as a percentage of covered-employee payroll	0.00%	0.00%	0.00%	0.00%
<u>VMERS:</u>				
Contractually required contribution	\$ 33,856	\$ 33,720	\$ 44,498	\$ 39,193
Contributions in relation to the contractually required contribution	<u>(33,856)</u>	<u>(33,720)</u>	<u>(44,498)</u>	<u>(39,193)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 846,407	\$ 843,000	\$ 1,112,000	\$ 979,825
Contributions as a percentage of covered-employee payroll	4.00%	4.00%	4.00%	4.00%

See accompanying independent auditors' report and notes to financial statements.

STOWE TOWN SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2017

**Changes of Assumptions**

The discount rate used to measure the net pension liability was lowered from 8.15% to 7.95%, due to the adoption by the Board of Trustees of a 7.95% expected future rate of return on assets for funding purposes.

See accompanying independent auditors' report and notes to financial statements.

Other Supplementary Information

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

- Budgetary Comparison Schedule – Budgetary Basis – Budget and Actual – General Fund Revenues
- Schedule of Departmental Operations – General Fund
- Schedule of General Capital Assets by Function
- Schedule of Changes in General Capital Assets by Function

SCHEDULE A

STOWE TOWN SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE – BUDGETARY BASIS  
 BUDGET AND ACTUAL – GENERAL FUND REVENUES  
 FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual Amounts	Variance Positive (Negative)
<b>Resources (Inflows):</b>				
<b>Intergovernmental revenues:</b>				
Education spending grant	\$ 10,380,075	\$ 10,380,075	\$ 10,379,995	\$ (80)
Transportation aid	139,600	139,600	137,428	(2,172)
Insurance reimbursement	-	-	14,029	14,029
Driver education reimbursement	1,500	1,500	2,416	916
High school completion reimbursement	-	-	10,488	10,488
Intensive reimbursement	580,400	580,400	667,619	87,219
Mainstream block grant	256,275	256,275	256,295	20
Extraordinary reimbursement	18,500	18,500	-	(18,500)
Essential early education grant	53,050	53,050	53,069	19
Shared transportation	-	-	9,000	9,000
Contributions	-	-	35,000	35,000
Tuition	518,900	518,900	542,802	23,902
Interest income	12,000	12,000	5,580	(6,420)
<b>Miscellaneous:</b>				
Prior year adjustments	-	-	12,854	12,854
Rentals	3,300	3,300	3,125	(175)
Other receipts	-	-	2,986	2,986
<b>Amounts Available for Appropriation</b>	<b>\$ 11,963,600</b>	<b>\$ 11,963,600</b>	<b>\$ 12,132,686</b>	<b>\$ 169,086</b>

SCHEDULE B

STOWE TOWN SCHOOL DISTRICT

SCHEDULE OF DEPARTMENTAL OPERATIONS – GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Direct services -</b>				
Pte-school program	\$ 237,675	\$ 237,675	\$ 237,675	\$ -
<b>Elementary</b>				
Salaries	1,882,475	1,882,475	1,827,872	54,603
Benefits	677,325	677,325	648,710	28,615
Professional & tech services	40,675	40,675	26,425	14,250
Property services	22,350	22,350	18,909	3,441
Other services	9,000	9,000	7,902	1,098
Supplies & materials	68,150	68,150	76,949	(8,799)
Property	59,025	59,025	107,896	(48,871)
Other	3,325	3,325	2,971	(646)
Prior year adjustments	-	-	2,779	(2,779)
<b>Secondary</b>				
Salaries	1,364,500	1,364,500	1,420,654	(56,154)
Benefits	438,825	438,825	457,828	(18,801)
Professional & tech services	35,050	35,050	38,609	(3,559)
Property services	36,775	36,775	25,043	11,732
Other services	18,500	18,500	8,022	10,478
Supplies & materials	64,850	64,850	56,593	8,257
Property	37,075	37,075	38,032	(957)
Other	6,800	6,800	7,008	(208)
Prior year adjustments	-	-	2,779	(2,779)
<b>Middle</b>				
Salaries	989,425	989,425	1,002,936	(3,511)
Benefits	299,875	299,875	282,089	17,786
Professional & tech services	33,650	33,650	29,319	4,331
Property services	27,400	27,400	17,774	9,626
Other services	9,500	9,500	8,314	1,186
Supplies & materials	34,525	34,525	32,643	1,882
Property	26,025	26,025	28,968	(3,933)
Other	4,500	4,500	3,250	1,250
Prior year adjustments	-	-	2,779	(2,779)
<b>Special Education</b>				
Elementary	448,975	448,975	408,405	40,570
Secondary	448,975	448,975	408,405	40,570
Middle	448,975	448,975	408,405	40,570
<b>Vocational services</b>				
Secondary	83,000	83,000	82,283	717
<b>Athletics</b>				
<b>Secondary</b>				
Salaries	107,075	107,075	116,246	(9,171)
Benefits	8,375	8,375	13,896	(5,321)
Professional & tech services	25,700	25,700	21,706	3,994
Other services	500	500	1,162	(662)
Supplies & materials	13,000	13,000	12,023	977
Property	13,860	13,860	12,124	1,726
Other	16,000	16,000	16,464	(464)

SCHEDULE B (CONTINUED)  
 STOWE TOWN SCHOOL DISTRICT

SCHEDULE OF DEPARTMENTAL OPERATIONS – GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Direct services (continued) -</b>				
Athletics (continued) -				
Middle				
Salaries	21,000	21,000	20,276	724
Benefits	-	-	1,551	(1,551)
Professional & tech services	6,000	6,000	5,848	152
Supplies & materials	1,000	1,000	1,009	(9)
Other	1,125	1,125	598	528
	<u>8,078,825</u>	<u>8,078,825</u>	<u>7,960,385</u>	<u>128,440</u>
<b>Support services -</b>				
Students -				
Elementary -				
Guidance services				
Salaries	79,425	79,425	79,570	(145)
Benefits	9,475	9,475	9,502	(27)
Professional & tech services	8,750	8,750	8,750	-
Supplies & materials	550	550	318	232
Health services				
Salaries	62,150	62,150	61,211	939
Benefits	34,975	34,975	27,561	7,424
Professional & tech services	14,350	14,350	13,885	465
Property services	250	250	61	189
Other services	25	25	-	25
Supplies & materials	1,500	1,500	825	675
Property	200	200	397	(197)
Other	200	200	-	200
Secondary -				
Guidance services				
Salaries	151,100	151,100	124,077	27,023
Benefits	34,450	34,450	34,185	265
Professional & tech services	6,750	6,750	6,750	-
Property services	300	300	-	300
Other services	2,000	2,000	1,945	55
Supplies & materials	100	100	83	17
Other	1,475	1,475	1,283	212
Health services				
Salaries	11,550	11,550	11,333	217
Benefits	2,800	2,800	3,047	(247)
Professional & tech services	14,350	14,350	13,885	465
Property services	275	275	60	215
Other services	25	25	-	25
Supplies & materials	850	850	485	365
Property	200	200	56	144
Psychology services				
Salaries	-	-	25,542	(25,542)
Benefits	-	-	12,398	(12,398)
Middle				
Guidance services				
Salaries	85,200	85,200	87,529	(2,329)
Benefits	37,175	37,175	36,819	356
Professional & tech services	8,750	8,750	8,750	-
Supplies & materials	350	350	375	(25)

SCHEDULE B (CONTINUED)  
STOWE TOWN SCHOOL DISTRICT

SCHEDULE OF DEPARTMENTAL OPERATIONS – GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Support services (continued) -</b>				
Students (continued) -				
Elementary (continued) -				
Health services				
Salaries	11,050	11,050	11,217	(167)
Benefits	2,800	2,800	2,719	81
Professional & tech services	14,350	14,350	13,865	485
Property services	275	275	37	238
Other	25	25	-	25
Supplies & materials	850	850	455	395
Property	200	200	45	155
Psychological services	23,650	23,650	23,850	-
Speech & audiological	76,025	76,025	76,025	-
Occupational therapy services	30,525	30,525	30,525	-
Secondary				
Psychological services	23,650	23,650	23,650	-
Speech & audiological	76,025	76,025	76,025	-
Occupational therapy services	30,525	30,525	30,525	-
Middle				
Psychological services	23,650	23,650	23,650	-
Speech & audiological	76,025	76,025	76,025	-
Occupational therapy services	30,525	30,525	30,525	-
	<u>991,700</u>	<u>991,700</u>	<u>991,530</u>	<u>170</u>
<b>Instructional staff -</b>				
Elementary -				
Curriculum & instruction				
Professional & tech services	15,825	15,825	15,825	-
Library services				
Salaries	54,775	54,775	58,975	(4,200)
Benefits	25,225	25,225	22,882	2,343
Supplies & materials	5,525	5,525	4,829	596
Other	500	500	-	500
Secondary -				
Curriculum & instruction	15,825	15,825	15,825	-
Library services				
Salaries	37,725	37,725	37,720	5
Benefits	9,375	9,375	9,719	(344)
Professional & tech services	125	125	105	20
Property services	150	150	28	122
Supplies & materials	7,050	7,050	4,019	3,031
Property	125	125	3,173	(3,048)
Other	50	50	-	50



SCHEDULE B (CONTINUED)  
STOWE TOWN SCHOOL DISTRICT

SCHEDULE OF DEPARTMENTAL OPERATIONS – GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Support services (continued) -</b>				
<b>Instructional staff (continued) -</b>				
Middle -				
Curriculum & instruction	15,825	15,825	15,825	-
Library services				
Salaries	37,725	37,725	37,720	5
Benefits	9,375	9,375	9,590	(215)
Professional & tech services	100	100	70	30
Supplies & materials	4,850	4,850	2,826	2,024
Property	100	100	2,143	(2,043)
Other	25	25	-	25
	<u>240,275</u>	<u>240,275</u>	<u>241,374</u>	<u>(1,099)</u>
General administration-				
Elementary -				
Board of education				
Salaries	1,675	1,675	1,583	92
Benefits	150	150	147	3
Professional & tech services	11,000	11,000	5,182	5,818
Other services	4,500	4,500	3,776	724
Other	2,325	2,325	1,636	689
Assessment	39,200	39,200	39,200	-
Secondary -				
Board of education				
Salaries	1,675	1,675	1,581	94
Benefits	150	150	96	54
Professional & tech services	11,000	11,000	5,432	5,568
Other services	5,000	5,000	4,171	829
Other	3,600	3,800	1,836	2,164
Assessment	39,200	39,200	39,200	-
Middle -				
Board of education				
Salaries	1,675	1,675	1,584	91
Benefits	150	150	121	29
Professional & tech services	11,000	11,000	5,182	5,818
Other services	6,000	6,000	3,776	2,224
Other	2,850	2,850	1,636	1,214
Assessment	39,200	39,200	39,200	-
	<u>180,550</u>	<u>180,550</u>	<u>155,139</u>	<u>25,411</u>
Area administration -				
Principal's office -				
Elementary				
Salaries	181,625	181,625	153,630	27,995
Benefits	70,800	70,800	67,109	3,691
Professional & tech services	2,000	2,000	2,293	(293)
Property services	30,000	30,000	20,378	9,622
Other services	12,500	12,500	5,546	6,954
Supplies & materials	6,300	6,300	7,767	(1,467)
Property	3,000	3,000	6,092	(3,092)
Other	6,600	6,600	4,747	1,853

SCHEDULE B (CONTINUED)  
STOWE TOWN SCHOOL DISTRICT

SCHEDULE OF DEPARTMENTAL OPERATIONS – GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Support services (continued) -</b>				
Area administration (continued) -				
Principal's office (continued) -				
Secondary				
Salaries	203,825	203,825	208,286	(4,461)
Benefits	40,400	40,400	41,163	(763)
Professional & tech services	8,500	9,500	9,778	(278)
Property services	15,500	15,500	16,081	(581)
Other services	9,500	9,800	6,278	3,222
Supplies & materials	8,000	8,000	4,363	1,637
Property	500	500	-	500
Other	7,500	7,500	6,544	956
Middle				
Salaries	105,975	105,975	111,284	(5,409)
Benefits	34,675	34,675	34,301	374
Property services	14,500	14,500	15,892	(1,392)
Other services	4,850	4,850	2,916	1,834
Supplies & materials	2,100	2,100	2,579	(479)
Property	1,000	1,000	1,336	(336)
Other	8,200	8,200	9,966	(1,766)
Special education				
Elementary	22,825	22,825	22,825	-
Secondary	22,825	22,825	22,825	-
Middle	22,825	22,825	22,825	-
	<u>845,325</u>	<u>845,325</u>	<u>806,927</u>	<u>38,398</u>
<b>Fiscal services -</b>				
Elementary				
Salaries	325	325	275	50
Benefits	25	25	21	4
Professional & tech services	55,000	55,000	57,760	(2,760)
Other services	1,600	1,600	1,400	200
Supplies & materials	-	-	358	(358)
Other	500	500	1,188	(688)
Secondary				
Salaries	300	300	275	25
Benefits	25	25	21	4
Professional & tech services	58,000	56,000	58,784	(2,784)
Other services	1,600	1,600	1,401	199
Supplies & materials	500	500	358	142
Other	1,500	1,500	1,188	312
Middle				
Salaries	300	300	275	25
Benefits	25	25	21	4
Professional & tech services	56,000	56,000	56,736	(736)
Other services	1,600	1,600	1,401	199
Supplies & materials	500	500	358	142
Other	500	500	1,188	(688)
	<u>176,300</u>	<u>176,300</u>	<u>183,008</u>	<u>(6,708)</u>

SCHEDULE B (CONTINUED)  
STOWE TOWN SCHOOL DISTRICT

SCHEDULE OF DEPARTMENTAL OPERATIONS – GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Operation and maintenance -</b>				
Elementary				
Salaries	105,500	105,500	113,727	(8,227)
Benefits	56,225	56,225	44,016	12,209
Property services	80,000	80,000	105,558	(25,558)
Other services	11,600	11,600	11,134	466
Supplies & materials	119,700	119,700	84,094	35,606
Property	7,400	7,400	11,349	(3,949)
Other	500	500	-	500
Secondary				
Salaries	122,550	122,550	141,930	(19,380)
Benefits	64,475	64,475	56,407	8,068
Professional & tech services	1,800	1,800	-	1,800
Property services	149,475	149,475	147,155	2,320
Other	11,600	11,600	11,238	361
Supplies & materials	160,200	160,200	119,609	40,591
Middle				
Salaries	40,200	40,200	45,551	(5,351)
Benefits	21,550	21,550	19,513	2,037
Professional services	1,200	1,200	-	1,200
Property services	114,825	114,825	101,341	13,484
Other	11,600	11,600	11,059	501
Supplies & materials	114,900	114,900	79,795	35,104
	<u>1,195,300</u>	<u>1,195,300</u>	<u>1,103,618</u>	<u>91,782</u>
<b>Information services -</b>				
Elementary	22,100	22,100	22,100	-
Secondary	22,100	22,100	22,100	-
Middle	22,100	22,100	22,100	-
	<u>66,300</u>	<u>66,300</u>	<u>66,300</u>	<u>-</u>
<b>Transportation -</b>				
Elementary				
Assessment	99,075	99,075	99,056	9
Field trips	1,500	1,500	-	1,500
Secondary	99,050	99,050	99,056	(16)
Middle				
Assessment	99,075	99,075	99,056	9
Field trips	3,500	3,500	3,452	48
Special Education				
Elementary	1,775	1,775	2,832	(1,057)
Secondary	1,750	1,750	2,832	(1,082)
Middle	1,750	1,750	2,832	(1,082)
Athletics -				
Secondary	44,925	44,925	35,903	9,022
Middle	7,950	7,950	6,790	1,160
	<u>360,350</u>	<u>360,350</u>	<u>351,839</u>	<u>8,511</u>

SCHEDULE B (CONTINUED)  
STOWE TOWN SCHOOL DISTRICT

SCHEDULE OF DEPARTMENTAL OPERATIONS – GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Debt service</b>				
Principal	120,000	120,000	120,000	-
Interest	67,650	67,650	62,463	5,187
	<u>187,650</u>	<u>187,650</u>	<u>182,463</u>	<u>5,187</u>
<b>Food service</b>				
Benefits	41,025	41,025	40,859	166
	<u>41,025</u>	<u>41,025</u>	<u>40,859</u>	<u>166</u>
<b>Transfer to other funds</b>				
Capital projects fund	300,000	300,000	300,000	-
	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>-</u>
<b>TOTAL DEPARTMENTAL OPERATIONS</b>	<b>\$ 12,663,600</b>	<b>\$ 12,663,600</b>	<b>\$ 12,373,342</b>	<b>\$ 290,258</b>

See accompanying independent auditors' report and notes to financial statements.

General Capital Assets

General capital assets are those assets related to activities reported in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position.

STOWE TOWN SCHOOL DISTRICT

SCHEDULE C

SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION  
JUNE 30, 2017

	Land and Non-depreciable Assets	Buildings, Building Improvements & Land Improvements	Furniture, Fixtures, Equipment & Vehicles	Infrastructure	Total
Direct services	\$ -	\$ 9,552,165	\$ 740,160	\$ -	\$ 10,292,325
S.S. - students	-	90,336	-	-	90,336
S.S. - staff	-	290,051	49,314	-	339,365
S.S. - area administration	-	134,463	8,163	-	142,676
Other services	-	-	12,300	-	12,300
Operations & maintenance	-	1,742,831	586,770	376,382	2,705,983
Food service	-	-	57,129	-	57,129
<b>Total General Capital Assets</b>	-	<b>11,809,876</b>	<b>1,453,856</b>	<b>376,382</b>	<b>13,640,114</b>
Less: Accumulated Depreciation	-	(5,643,957)	(1,333,291)	(66,875)	(7,044,123)
<b>Net General Capital Assets</b>	<b>\$ -</b>	<b>\$ 6,165,919</b>	<b>\$ 120,565</b>	<b>\$ 309,507</b>	<b>\$ 6,595,991</b>

See accompanying independent auditors' report and notes to financial statements.  
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STOWE TOWN SCHOOL DISTRICT

SCHEDULE D

SCHEDULE OF CHANGES IN GENERAL CAPITAL ASSETS BY FUNCTION  
FOR THE YEAR ENDED JUNE 30, 2017

	General Capital Assets 7/1/16	Additions	Deletions	General Capital Assets 6/30/17
Direct services	\$ 10,292,325	\$ -	\$ -	\$ 10,292,325
S.S. - students	90,336	-	-	90,336
S.S. - staff	339,365	-	-	339,365
S.S. - area administration	142,676	-	-	142,676
Other services	12,300	-	-	12,300
Operations & maintenance	2,624,658	81,325	-	2,705,983
Food service	57,129	-	-	57,129
<b>Total General Capital Assets</b>	<b>13,556,789</b>	<b>81,325</b>	<b>-</b>	<b>13,640,114</b>
Less: Accumulated Depreciation	(6,740,719)	(303,404)	-	(7,044,123)
<b>Net General Capital Assets</b>	<b>\$ 6,818,070</b>	<b>\$ (222,079)</b>	<b>\$ -</b>	<b>\$ 6,595,991</b>

See accompanying independent auditors' report and notes to financial statements.  
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*Proven Expertise and Integrity*

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of School Directors  
Stowe Town School District  
Morrisville, Vermont

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Stowe Town School District, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise Stowe Town School District's basic financial statements, and have issued our report thereon dated December 27, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Stowe Town School District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Stowe Town School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Stowe Town School District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

3 Old Orchard Road, Buxton, Maine 04093  
Tel: (800) 300-7708 (207) 929-4606 Fax: (207) 929-4609  
www.rhrsmith.com

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

#### Compliance and Other Matters

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

#### Purpose of this Report

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

*RHS Smith & Company*

Buxton, Maine  
Vermont Registration No. 092.0000697  
December 27, 2017



## DIRECTORY OF BOARDS & COMMISSIONS

### SELECTBOARD 253-7350, P.O. Box 730

Lisa Hagerty, Chair	2850 Mountain Road	508-560-3523	<a href="mailto:lisahagerty@me.com">lisahagerty@me.com</a>
William Adams	58 Cemetery Road	802-253-7893	<a href="mailto:w.w.adams@stoweaccess.com">w.w.adams@stoweaccess.com</a>
William Noyes	100 Weeks Hill Road	802-253-8552	<a href="mailto:willies@stoweaccess.com">willies@stoweaccess.com</a>
Neil Van Dyke	PO Box 1164	802-557-2502	<a href="mailto:neiljvandyke@gmail.com">neiljvandyke@gmail.com</a>
Morgan Nichols	PO Box 1107	802-233-7800	<a href="mailto:Morgan.Nichols15@gmail.com">Morgan.Nichols15@gmail.com</a>

### Town Manager

Charles Safford	P.O. Box 730	802-253-7350	<a href="mailto:csafford@stovevt.gov">csafford@stovevt.gov</a>
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### LISTERS 253-6144; P.O. Box 730

Paul E. Percy, Chair	29 Percy Hill Road	802-253-4092	<a href="mailto:percyfarms@pshift.com">percyfarms@pshift.com</a>
Ellen E. Thorndike	1864 Taber Hill Road	802-253-4533	<a href="mailto:ellen@ellenthorndike.com">ellen@ellenthorndike.com</a>
Leo V. Clark	28 Parker Lane	802-253-7517	<a href="mailto:Leo.clark@state.vt.us">Leo.clark@state.vt.us</a>

### Town Appraiser

Tim Morrissey	PO Box 730	802-253-6144	<a href="mailto:Tmorrissey@stovevt.gov">Tmorrissey@stovevt.gov</a>
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### CEMETERY COMMISSION

Donna Adams, Chair	PO Box 241, Moscow	802-253-2278	<a href="mailto:adams@stoweaccess.com">adams@stoweaccess.com</a>
Judy Demeritt	310 Jersey Way, M'ville	802-888-7586	<a href="mailto:Judy.demeritt@icloud.com">Judy.demeritt@icloud.com</a>
Claire Austin	PO Box 24	802-253-9524	<a href="mailto:skeeter@pshift.com">skeeter@pshift.com</a>
Barbara Allaire	175 Moulton Lane	802-253-7727	<a href="mailto:ballaire@stovevt.gov">ballaire@stovevt.gov</a>
Karin Gottlieb	PO Box 97	802-253-8220	<a href="mailto:nerak194@gmail.com">nerak194@gmail.com</a>
Gerry Griffin	PO Box 238	802-253-2237	<a href="mailto:Gbgriffin8@gmail.com">Gbgriffin8@gmail.com</a>
Nancy LaVanWay	88 Brook Road	802-253-4691	

### CONSERVATION COMMISSION

Robert Moore, Chair	18 Innisfree Lane	802-253-7871	<a href="mailto:rmoore@lcpv.org">rmoore@lcpv.org</a>
David Jaqua	368 Covered Bridge Rd.	802-253-6227	<a href="mailto:davidjaqua@myfairpoint.net">davidjaqua@myfairpoint.net</a>
Gar Anderson	250 Sterling Gorge Rd.	802-253-9035	<a href="mailto:gar@sterlingfalls gorge.com">gar@sterlingfalls gorge.com</a>
Andre Blaise	542 Moss Glen Falls Rd	802-734-7259	<a href="mailto:andrepatrikblaise@yahoo.com">andrepatrikblaise@yahoo.com</a>
Christine McGowan	632 Covered Bridge Rd	802-253-2920	<a href="mailto:Cdorsey68@gmail.com">Cdorsey68@gmail.com</a>
Catherine Drake	1541 Pucker Street	802-999-8839	<a href="mailto:catherineEDrake@gmail.com">catherineEDrake@gmail.com</a>
Darsey Moon	PO Box 3328	802-253-0833	<a href="mailto:Darseymoon@earthlink.net">Darseymoon@earthlink.net</a>

### DEVELOPMENT REVIEW BOARD 253-6141, P.O. Box 730

Douglas White, Chair	PO Box 294	802-253-4587	<a href="mailto:svturtledance@gmail.com">svturtledance@gmail.com</a>
Michael Diender	PO Box 835	802-253-7159	<a href="mailto:michael@sunandskiinn.com">michael@sunandskiinn.com</a>
Drew Clymer	150 Upper Sky Acres	267-884-3114	<a href="mailto:hacllymer@gmail.com">hacllymer@gmail.com</a>
Chris Walton	112 S. Main St. #276	802-253-9260	<a href="mailto:lbdawgz@aol.com">lbdawgz@aol.com</a>
Tyler Mumley	2393 Randolph Rd.	850-766-2510	<a href="mailto:tylermumley@hotmail.com">tylermumley@hotmail.com</a>
Thomas Hand	331 West Shaw Hill Rd	617-458-9915	<a href="mailto:Thomas.hand@gmail.com">Thomas.hand@gmail.com</a>
Nick Lizotte	105 Depot St. #3388	917-678-5915	<a href="mailto:Nick.lizotte@pallspera.com">Nick.lizotte@pallspera.com</a>
Alternates:			
Peter Collotta	PO Box 594	802-253-8702	<a href="mailto:pcollotta@hotmail.com">pcollotta@hotmail.com</a>
Andrew Volansky	351 N. Hollow Road	802-793-4999	<a href="mailto:Andrew@Volanskystudio.com">Andrew@Volanskystudio.com</a>
Paco Aumond	45 Foxfire Lane	802-747-8611	<a href="mailto:Paumond@outlook.com">Paumond@outlook.com</a>
Peter Roberts	265 Nebraska Valley Rd	802-343-2492	<a href="mailto:peterroberts.par@gmail.com">peterroberts.par@gmail.com</a>

### Zoning Director & Health Officer (staff support for DRB, SHPC)

Richard Baker	P.O. Box 730	802-253-6141	<a href="mailto:rbaker@Stovevt.gov">rbaker@Stovevt.gov</a>
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**STOWE HISTORIC PRESERVATION COMMISSION**

Sarah McLane, Chair	3017 Stowe Hollow Rd	802-253-9293	<a href="mailto:snmclaine@gmail.com">snmclaine@gmail.com</a>
Barbara Baraw	PO Box 74	802-253-8428	<a href="mailto:bbaraw@pshift.com">bbaraw@pshift.com</a>
Gordon Dixon	111 Innisfree Lane	802-253-9367	<a href="mailto:Gordon@gordondixonconstruction.com">Gordon@gordondixonconstruction.com</a>
Sam Scofield	PO Box 773	802-253-9948	<a href="mailto:sam@samarcht.com">sam@samarcht.com</a>
McKee MacDonald	PO Box 300	802-375-5009	<a href="mailto:mckee@mckeemacdonald.com">mckee@mckeemacdonald.com</a>
Alternates:			
George Bambara	5785 Mountain Rd	802-730-6084	<a href="mailto:George.bambara@pallspera.com">George.bambara@pallspera.com</a>
Cindy McKechnie	PO Box 1168	802-253-4605	<a href="mailto:LMcKechnie@aol.com">LMcKechnie@aol.com</a>

**LIBRARY COMMISSION**

Charles Lusk, Chair	660 Barnes Hill Road	802-253-2993	<a href="mailto:ctlusk@pshift.com">ctlusk@pshift.com</a>
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Richard Johannesen, Jr.	87 Whitney Lane	802-253-8475	<a href="mailto:dmjohan@stowe.nu">dmjohan@stowe.nu</a>
Darla Witmer	PO Box 594	802-253-8702	<a href="mailto:pcollatta@hotmail.com">pcollatta@hotmail.com</a>
Charlotte Maison Kastner	33 Upper Hollow Rd	802-279-1998	<a href="mailto:stowelulu@gmail.com">stowelulu@gmail.com</a>
Kim Kaufman	PO Box 3383		<a href="mailto:Kkbombastic7@gmail.com">Kkbombastic7@gmail.com</a>
Barbara Fox	228 Upper Judson Lane	802-253-4490	<a href="mailto:Fox.Barbaras@gmail.com">Fox.Barbaras@gmail.com</a>

**Library Director**

Cynthia Weber	PO Box 730	802-253-2706	<a href="mailto:cweber@stowelibrary.org">cweber@stowelibrary.org</a>
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**PLANNING COMMISSION 253-2705, P.O. Box 730**

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Chuck Ebel	337 Grey Birch Road	802-253-9654	<a href="mailto:chas.ebel@gmail.com">chas.ebel@gmail.com</a>
Chuck Baraw	P.O. Box 369	802-760-1082	<a href="mailto:cbaraw@stoweflake.com">cbaraw@stoweflake.com</a>
Neil Percy	42 Elizabeth's Lane	802-760-7074	<a href="mailto:sdiver101@aol.com">sdiver101@aol.com</a>
Robert Davison	900 Shaw Hill Road	802-253-9065	<a href="mailto:rdavisonjr@aol.com">rdavisonjr@aol.com</a>
Brian Hamor	458 mountain Road	802-497-4224	<a href="mailto:brian@hamor.com">brian@hamor.com</a>
Arnold Ziegel	60 Dish Lane	802-253-4231	<a href="mailto:a.ziegel@att.net">a.ziegel@att.net</a>

**Director of Planning** (staff support for PC, Conservation Commission)

Tom Jackman	P.O. Box 730	802-253-2705	<a href="mailto:tjackman@Stowevt.gov">tjackman@Stowevt.gov</a>
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**RECREATION COMMISSION**

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Walt Levering	525 Sky Acres Drive		<a href="mailto:walterblevering@gmail.com">walterblevering@gmail.com</a>
Lynn Altadonna	143 Lower Sanborn Rd	802-253-9006	<a href="mailto:alta@stoweaccess.com">alta@stoweaccess.com</a>
Michael Loughran	94 Taber Hill Road		<a href="mailto:mloughran@airlinehyd.com">mloughran@airlinehyd.com</a>
Adam Rice	515 Sylvan Park Road	802-238-1022	<a href="mailto:Adam.Rice158@gmail.com">Adam.Rice158@gmail.com</a>

**Parks & Recreation Director**

Matthew Frazee	PO Box 730	802-253-2264	<a href="mailto:mfrazee@stowevt.gov">mfrazee@stowevt.gov</a>
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**ELECTRIC COMMISSION**

Richard C. Marron	PO Box 1497	802-253-9011	<a href="mailto:dickmarron@aol.com">dickmarron@aol.com</a>
Larry Lackey	2359 Stowe Hollow Rd	802-253-7966	<a href="mailto:ll@pshift.com">ll@pshift.com</a>
Denise Gutstein	1001 Weeks Hill Road	802-253-1801	<a href="mailto:Gutsteind@gmail.com">Gutsteind@gmail.com</a>

**Stowe Electric General Manager**

Ellen Burt	PO Box 190	802-253-7215	<a href="mailto:eburt@stoweelectric.com">eburt@stoweelectric.com</a>
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## **2017 EVENTS**

### **JANUARY**

Major snow storm greets the New Year  
Tree of Lights totally lit with 1,125 bulbs  
Mt. Mansfield Ski Club hosts Nor-Am races  
Stowe Youth Hockey hosts 12 teams, 150 athletes for hockey tournament  
Stowe Winter Carnival held week of January 14  
Stowe Community Church affirms same-sex marriage  
Selectboard affirms Town budget as \$11.6 M, up 4%  
Rumor has it that Vail will be purchasing Stowe Mountain Resort  
5<sup>th</sup> annual Adaptive Ski Day held at Stowe Mountain Resort with 16 athletes  
Lifetime resident Marten Shonio passes at age 80

### **FEBRUARY**

Alison Kaiser, Town Clerk resigns a year after brain injury due to car accident  
Stowe Motel property possible site for Vermont Country Store purchase  
Stowe Parks & Rec holds 2<sup>nd</sup> Ice Fishing Derby at Commodores with 70 in attendance (40 kids)  
Discussion continues on what to do with Luce Hill & Rt 108 intersection  
Brett Cohen, 22, dies snowboarding off trail at Stowe Mountain Resort  
Stowe Land Trust marks its 30<sup>th</sup> anniversary  
1975 Stowe High School graduate Mike Lajoie dies in accident in Colorado  
Stowe native Alice Bouchard Dewey passes away at age 95

### **MARCH**

Long time Morrisville legend Jenette Lepine passes at age 87  
Stowe U14 Hockey team loses in NE Regional finals at Hoosket NH  
Vt State Amateur Hockey Championships held at the Stowe Arena with 24 teams, including 2 Stowe teams  
Major fire on Notchbrook Road at an apartment building belonging to Bournes leaves 23 homeless  
Cam Page retires from School Board after 20 years, 18 of which she was Chair  
Stowe will lose the Antique & Classic Car Meet in 2018 after 60 years  
Tim Ziegler, long-time science teacher at SHS, returns to the classroom after receiving a heart transplant

**APRIL**

Dr. Nicolas Drolet, SHS graduate, joins Stowe Veterinary Clinic  
Vail CEO Rob Katz and his wife Elana Amsterdam donate \$100,000 to Stowe Land Trust  
Mount Mansfield Ski Club named gold-certified club by US Ski & Snowboard Association  
Lifetime Stowe native Zona Oakes passes at age 99  
Stowe Police Officer Bruce Merriam carries the Flame of Hope for the 2017 Special Olympics World Games in Austria  
Asher Rosenbaum, Stowe fifth grader comes in 5<sup>th</sup> (out of 26 from the state) in VT State Chess Championship  
Stowe to host NCAAs in 2019  
April 23 closing day at the mountain

**MAY**

Controversial Autism summit held at Stowe High School without incident, but stirs many community conversations and an anti-summit bake sale  
Former NAHA players Annie Pankowski and Amanda Pelky selected for U.S. Women's Hockey Team, will play in the 2018 Winter Olympics  
Stuart Bertland, seasonal Stowe resident and avid Stowe photographer, passes away May 8 at the age of 70  
4th Annual Craft Brew races held on May 20<sup>th</sup>  
Historic Stowe nightclub The Rusty Nail sold to Chad Fry and Mark Frier, owners of Waterbury's Reservoir restaurant and The Bench in Stowe  
Stowe Rotary Club donates two bike repair stands to be placed on the Recreation Path

**JUNE**

It's Official - Vail purchases portions of Stowe Mountain Resort for \$41M  
60 students graduate from Stowe High School on June 10  
Special Olympics pass through Stowe with members of the police department doing the Law Enforcement Torch Run  
Stowe Raiders win first-ever boys Lacrosse division 2 title  
Stowe High School boys win division 3 golf title  
Stowe Yacht Club hosts Region One Championships for radio-controlled sailboats  
Alex Pelletier, a sophomore at SHS, received a National Scholastic Art & Writing Gold Medal at Carnegie Hall  
Chuck Sanzone, local guitar craftsman and musician, donated one of his hand-crafted guitars for a benefit auction for the Joyful Heart Foundation  
Joe Kirkwood Memorial golf tournament celebrates 50 years in Stowe

### JULY

Major road project from Waterbury to Stowe delayed for additional bids  
Stowe Area Association names Heidi Scheuermann as Business Person of the Year

Fourth of July an exciting day for Stowe with parades, fireworks and family entertainment

Lamoille Family Center present the Supporter of the Year award to St. John's in the Mountain Episcopal Church.

Bitter Lacrosse Tournament draws crowds of more than 8,000 to town with 150 games for the week end

### AUGUST

Suslin/Roselip home on Sylvan Park Road destroyed by fire

New grading system at schools finds challenges

Chris Oleks named new principal at Stowe High School

Annual Race to the Top of Vermont held with hundreds of runners and cyclists

US Open Tennis Players arrive for practice at Spruce Peak Stadium

60<sup>th</sup> and last Antique Car and Classic Show held in Stowe

Jennifer Colin elected Stowe Rotary President

### SEPTEMBER

WDEV, started by the Squier family sold to Steve "The Corm" Cormier, long time radio host

Johanna Graves, school's first athletic director, leaving after 8 years

Experts are studying Mountain Road traffic

First annual Stowe Jazz Festival held at The Alchemist brewery

Hope Sullivan named Executive Director at Spruce Peak Performing Arts

Stowe Mountain Rescue evacuates a man with head and neck injury from Mount Mansfield

British Invasion returns with block party on Main Street

Stowe residents organize efforts to aid victims of Hurricane Irma in Florida, including a 25-foot box truck filled with supplies

Mountain River School expands with new classes and teachers

3 linemen from Stowe Electric help out in St. Thomas after hurricane damage

**OCTOBER**

Proposed cell tower on North Hill appeal period time expires, so no tower will be built

Stowe resident & Selectman, Neil Van Dyke, given Vermont State Police Commissioner's Award for his work as first-ever Search and Rescue Coordinator for the Vermont Department of Public Safety

Stowe Middle School eighth grade boy's soccer team undefeated

Stowe Free Library gets new carpet after 23 years

Park Street becomes one-way allowing for 10 additional parking spaces

Historic Blacksmith shop on Notchbrook Road, owned by Stowe Land Trust, to be torn down

SHS Raiders boys golf team win Division 3 championship

Storm damage throughout the state overnight between October 29 & 30, resulted in significant damage to power lines, roads, culverts and trees

**NOVEMBER**

Cady Hill Forest closed for the foreseeable future due to damage from late October wind storm

Stowe Boys win sixth state championship title in soccer

Lyndon beats Stowe girl's field hockey in championship game 2-0

SHS boys division 3 cross country team are state champions

Stowe Electric gets DRB approval for Moscow road project

4<sup>th</sup> annual Veterans/community pancake breakfast well attended

Burton to outfit Olympians for 2018 winter games

**DECEMBER**

Stowe Motel & Snowdrift, owned by the Ruschp family for 40 years, is sold

Former owner of Shaw's General Store, Ken Savela passes away at age 83

Fourth grade girls' band, Blue Diamond, takes part in the talent show at Higher Ground

State Ethics Commission hires Stowe lawyer Brian Leven as Executive Director

Richard Baker, Stowe Zoning Officer announces his retirement April 30th, 2018

Ellie Anderson, daughter of Lyndall Heyer and Scott Dorwart, wins European cyclocross race

Beck Wagner, Stowe 7<sup>th</sup> grader, wins competition in the National Geographic Bee

## **MARCH 2017 TOWN MEETING SNAP SHOT**

947 of 4,222 registered voters present at Annual Town/School District Meeting (floor vote) – 22% of voters

### **Australian Ballot Items**

1,197 voters cast ballots out of 4,222 registered voters – 28% of voters

Leighton Detora elected Town & School District Moderator – 1 year term (Town 1088 votes & School 1074 votes)

William Noyes elected Selectboard – 3 year term (1001 votes)

Morgan Nichols elected Selectboard – 2 year term (647 votes)

Tiffany Felis Donza elected School Director – 3 year term (960 votes)

James Brochhausen elected School Director – 2 year term (587 votes)

Emily Rosenbaum elected School Director – 2 year term – 1 year remaining (598 votes)

Leo Clark elected Lister – 3 year term (1001 votes)

School Budget of \$11,932,700 passed with 848 (YES) and 327 (NO)

Shall Subchapter 3, Subsection 3, Section 303(a) of the Charter of the Town of Stowe (entitled “Time of Meeting”) be amended as follows: (a) The annual Town meeting for the consideration of the budget and other Town business shall be held on the first Tuesday of March, or on any of the three immediately preceding days, as determined by the Selectboard.

980 (YES) 152 (NO)

Shall general obligation bonds for the Town of Stowe in amount not to exceed EIGHT HUNDRED THOUSAND AND 00/100 DOLLARS (\$800,000.00) be issued for the benefit of the Stowe Electric Department to acquire, replace or construct municipal electric plant improvements namely substation transformers, CIS billing system and IT improvements, and vehicles, which bonds are to be payable from the net revenues of the Stowe Electric Department? 911 (YES) 220 (NO)

Shall the Town of Stowe incur general obligation indebtedness in an amount not to exceed ONE MILLION TWO HUNDRED TWENTY-FIVE THOUSAND AND 00/100 DOLLARS (\$1,225,000.00), for the benefit of Stowe Electric Department and payable from the net revenues of the Stowe Electric Department for the purpose of acquiring an equity ownership interest in Vermont Transco, LLC, on terms and conditions contained in the Vermont Public Service Board’s January 25, 2017 order in PSB Docket No. 8868? 721 (YES) 355 (NO)

**ANNUAL TOWN/SCHOOL DISTRICT MEETING MINUTES**

MARCH 1, 2017 8:00 A.M.  
STOWE HIGH SCHOOL AUDITORIUM

Moderator Leighton Detora called the meeting to order at 8:00 a.m. Present were 250 registered voters of the Town Stowe. The meeting began with the Pledge of Allegiance.

Alison Kaiser was presented a Moderator's gift for her 24 years of service as Town Clerk to the Town of Stowe.

Adam Davis received a plaque as recognition for his 7 years of service as a Selectboard member.

Willard Honeywell received the Conservationist of the Year award.

Cam Page was recognized for her 20 years of service on the Schoolboard and was presented a bouquet of flowers.

**SCHOOL DISTRICT MEETING**

**Article 1.** Cam Page made the motion, seconded by James Brochhausen, to accept the annual report of the School Directors as presented. There was no discussion and the motion was unanimously approved.

**Article 2.** Cam Page made the motion, seconded by Cara Zimmerman, to authorize the School Directors to borrow money to pay current expenses and debts of said District, in anticipation of the collection of taxes and receipt of returns from the State for such purposes, evidenced by notes of the District for that purpose.

Discussion evolved around student tuition for children of teachers that reside out-of-town, evaluating new positions in the District, the full-time equivalents of District employees, education tax rates set by the State, the Superintendent's contract term, a suggested merger of Lamoille South and Lamoille North Supervisory Union, free or reduced lunches, and the complex language of State Statutes for schools.

A motion was made and approved by 2/3 of the body to call discussion.

The motion on the article passed.



**Article 3.** Cam Page made the motion, seconded by Jim Brochhausen, to authorize the payments of its School Directors and other elected officials for the ensuing fiscal year as follows:

School Board Directors:	\$1,000/member per year
Treasurer:	\$850/year
Moderator:	\$75/meeting

The motion was unanimously approved.

**Article 4:** Cam Page made the motion, seconded by Cara Zimmerman, to authorize the Stowe School Board of School Directors to apply three hundred thousand dollars (\$300,000) of the school district's current fund balance as revenue for the 2017-2018 school year budget, five hundred thousand dollars (\$500,000) for the school district's capital projects fund for the purpose of building improvement and repairs, and establish a reserve fund for the purpose of defraying future educational expenses utilizing all carry forward exceeding the above amount.

James Brochhausen identified several capital projects.

Tom Evslin made a motion to amend the original motion "to authorize the Stowe School Board of School Directors to apply six hundred thousand dollars (\$600,000) for the school district's current fund balance as revenue for the 2017-2018 school year budget, two hundred thousand dollars (\$200,000) for the school districts capital projects fund for the purpose of building improvement and repairs, and establish a reserve fund for the purpose of defraying future education expenses utilizing all carry forward exceeding the above amount.

After discussion the amendment failed.

The original motion was approved.

**Article 5: Other Business**

The Cliff Thompson Award was presented to Janet Godin.

The School District Meeting adjourned at 10:10 p.m.

## TOWN MEETING

**Article 1:** Adam Davis made the motion, seconded by Neil Van Dyke to approve the General Fund Budget of eleven million six hundred seventeen thousand seventy-nine dollars (\$11,617,079), of which eight million nine hundred forty-six thousand eight hundred thirty-six dollars (\$8,946,836) is to be raised by property taxes and two million six hundred seventy thousand two hundred forty-three dollars (\$2,670,243) is to be funded by non-tax revenues. Expenses identified in the Fiscal Year 2017 Proposed Town Operating Budget are as follows:

Accounting	\$ 263,956
Administration	\$ 439,594
Akeley Memorial Building	\$ 167,730
Annual Leave Reserve Fund Transfer	\$ 120,000
Cemetery	\$ 31,304
Clerk/Treasurer	\$ 337,113
Cultural Campus	\$ 79,248
Debt Management	\$ 1,164,740
Economic Development & Community Services	\$ 79,050
Elections	\$ 2,972
Emergency Management	\$ 1,965
EMS	\$ 650,811
Equipment Reserve Fund Transfer	\$ 410,000
Fire	\$ 222,425
General Government	\$ 528,618
Highway	\$ 2,129,318
Insurance	\$ 191,189
Library	\$ 587,537
Listers	\$ 109,839
Mountain Rescue	\$ 20,400
Parks	\$ 505,243
Planning	\$ 148,278
Police	\$ 1,756,166
Public Safety Building	\$ 147,101
Public Works Administration	\$ 338,976
Recreation	\$ 465,255
Solid Waste	\$ 596
Social Services	\$ 53,972
Stowe Arena	\$ 504,957
Street Lights	\$ 18,086
Zoning	\$ 140,640

Teresa Merelman made the motion, seconded by Leo Clark, to reduce the budget by \$3,000 by removing the appropriation for Maple Leaf Farms. The amendment failed.

Lawrence Lackey made the motion, seconded by Tom Evslin, to remove the \$20,000 appropriation to the Stowe Area Association. The amendment failed.

The original Article was approved without change.

**Article 2:** Shall the voters approve the Selectboard allocating six hundred ten thousand dollars (\$619,000) of the accumulated Capital Fund for the following capital projects:

Lower Village Sidewalk – Rte. 100 River Rd Intersection Improvements	\$470,000
Polo Field Shelter	\$109,000
Ski Museum Window Restoration	\$ 40,000

Neil Van Dyke made the motion, seconded by unknown, to amend the dollar amount in Article 2 from six hundred ten thousand dollars (\$610,000) to six hundred nineteen thousand dollars (\$619,000) to correct a typographical error. The motion was approved.

Willie Noyes made the motion, seconded by Adam Davis, to approve the Selectboard allocating six hundred nineteen thousand dollars (\$619,000) of the accumulated Capital Fund for the following capital projects:

Lower Village Sidewalk- Rte. 100 River Rd Intersection Improvements	\$470,000
Polo Field Shelter	\$109,000
Ski Museum Window Restoration	\$ 40,000

Discussion about the safety of the Polo Field Shelter, particularly in the event of lightening, was had. As proposed the shelter would not provide lightning protection, and would require more funds to do that.

Paul Percy made the motion, seconded by unknown, to amend Article 2 by removing the Polo Field Shelter allocation of \$109,000. The amendment was approved.

Article 2 as amended:

Shall the voters approve the Selectboard allocating five hundred ten thousand dollars (\$510,000) of the accumulated Capital Fund for the following capital projects:

Lower Village Sidewalk – Rte. 100 River Rd	
Intersection Improvements	\$470,000
Ski Museum Window Restoration	\$ 40,000

Article 2 was approved as amended.

**Article 3:** A motion was made and seconded by unknown to approve compensation for the Selectboard, Listers and Moderator as follows:

Selectboard	\$15,000 (five (5) members at \$3,000 each)
Listers:	\$ 750 (three (3) listers at \$250 each)
Moderator	\$ 100 per meeting

Motion was approved.

**Article 4:** William Adams made a motion, seconded by Lisa Haggerty, to act on the report of the Town officers and Auditor's report for the budget period July 1, 2015 to June 30, 2016.

Motion was approved.

**Article 5: Other Business**

Residents expressed support for the Selectboard and for the extension of Maple Street sidewalks, concern about leaving the Rotary benches out in the winter, concern that sidewalk pavers are problematic for older residents as well as visitors, cell phone and internet service issues in Stowe, and village parking.

Mary Evslin would like to challenge the Selectboard to a non-binding motion on a policy with criteria on what it takes to submit for money under the appropriations line items of the budget.

Tom Evslin would like to bring the ice arena revenue and expenditures in line with one another.

There being no further business Town Meeting adjourned at 2:15 p.m.

(Edited for the Town Report. A complete copy of the 2017 Annual Town / School District Meeting minutes is available at the Town Clerk's Office)

## TOWN OF STOWE EMPLOYEE WAGE REPORT

<u>FTE</u>	<u>Employee Name</u>	<u>Hourly Rate</u>	<u>Years of Service</u>
1.00	ADAMS GREGORY A. JR	23.73	13
0.21	ALLAIRE BARBARA	20.90	42
1.00	ALLEN JOHN E.	22.18	18
1.00	BARUP RAY T.	19.52	3
1.00	BATES ERIC J.	20.70	14
1.00	BAUMANN JEFFREY	19.02	4
1.00	BLACK SAMUEL C.	19.02	4
1.00	BOEK EMILY A.	23.04	3
1.00	CASHIN RYAN T.	22.42	2
1.00	DEMERITT STEVE M.	25.37	13
1.00	EARLE ABIGAIL E.	23.44	1
1.00	EMERSON BRUCE	30.99	25
1.00	GRIFFIN RICHARD S.	24.19	1
1.00	HOADLEY ROBERT E.	20.11	10
1.00	HODGDON ARCHIE III	19.52	4
1.00	KEENE SCOTT S.	28.09	1
0.60	KELLY LINDA D.	32.42	13
1.00	KNIGHT DAVID M.	34.17	20
1.00	LAMBERT TIMOTHY M.	21.10	1
1.00	LONGE BRYAN G.	34.73	15
1.00	MANNING MICHAEL	27.99	30
1.00	MARTIN JOSEPH O.	22.18	22
1.00	MCCARTHY ROBERT W.	23.48	2
1.00	MERRIAM BRUCE	35.89	33
1.00	MILLICK KELLI S.	17.48	1
1.00	O'CONNELL MARGOT J.	17.68	2
1.00	O'STEEN BROOKE	23.33	1
1.00	PICKETT JULIE S.	31.20	30
1.00	PSAROS JESSICA L.	20.37	2
1.00	RHODES LAWRENCE G.	23.28	27
1.00	ROGERS CHRISTOPHER B.	34.17	20
1.00	ROSS ALLEN R.	28.60	20
1.00	SAWYER JAMES L.	25.58	1
1.00	SMALL DAREN H.	26.17	3

<u>FTE</u>	<u>Employee Name</u>	<u>Hourly Rate</u>	<u>Years of Service</u>
1.00	STAFFORD CYNTHIA A.	16.76	1
1.00	STEWART STEVE C.	35.89	33
1.00	STIREWALT MARK A.	26.44	10
1.00	TABOR DARRON L.	28.11	24
1.00	WALKER KYLE R.	28.09	9
1.00	WALKER LISA A.	29.78	3
1.00	WELLS JASSON	24.68	15
1.00	WELLS MELVIN R.	25.67	28
1.00	WHITCOMB FREDERICK G.	31.31	18
1.00	WIERZBICKI DANIEL S.	20.34	1
1.00	WILKESMAN JESSE K.	29.13	13
1.00	WILKINS-MANDIGO GWYN	23.28	35

<u>FTE</u>	<u>Employee Name</u>	<u>Weekly Rate</u>	<u>Years of Service</u>
1.00	BAKER RICHARD T.	1,575.94	11
1.00	BONNEAU STEPHEN J.	1,575.94	27
1.00	BRINKMAN SCOTT	1,346.35	6
1.00	FRAZEE MATTHEW	1,499.73	4
1.00	FULLER CYNTHIA C.	1,605.29	2
1.00	GODIN BRUCE	1,575.94	37
1.00	GROGAN RICHARD L.	1,428.34	5
1.00	HULL DONALD	1,737.49	5
1.00	JACKMAN THOMAS	1,575.94	15
1.00	JOLLY CHRISTOPHER J.	1,300.82	2
1.00	MORRISSEY TIMOTHY	1,434.16	5
1.00	SAFFORD CHARLES M.	2,206.90	10
1.00	SHEPARD HARRY J. III	1,933.96	7
1.00	WEBER CYNTHIA K.	1,346.35	5
1.00	WHITAKER ANTHONY J.	1,221.17	9

## **STOWE ELECTRIC DEPARTMENT WAGE REPORT**

<b><u>FTE</u></b>	<b><u>Name</u></b>	<b><u>Hourly Rate</u></b>	<b><u>Years of Service</u></b>
1.00	Bilodeau, Evan	\$35.40	5
1.00	Fortunati, Adam	\$35.40	2
1.00	Hackwell, Beth	\$20.58	3
1.00	Hammond, Tammy	\$23.12	2
0.50	Mandigo, Randy	\$24.78	39
1.00	McAllister III, Wilfred	\$30.09	2
1.00	Percy, Tim	\$30.09	2
1.00	Power, Silas	\$38.23	8
1.00	West, Tracy	\$28.33	3

<b><u>FTE</u></b>	<b><u>Name</u></b>	<b><u>Weekly Salary</u></b>	<b><u>Years of Service</u></b>
1.00	Brewster, James	\$1,249.38	5
1.00	Burgess, Lily	\$1,384.91	11
1.00	Burt, Ellen	\$2,722.99	22
1.00	Kresock, David	\$1,881.74	1
1.00	Rutherford, Matt	\$1,153.85	3
1.00	Sullivan, Denise	\$1,826.92	0
1.00	Waugh, Patricia	\$1,530.15	3

**Stowe School District  
Administration, Faculty and Staff**

<i>Last Name</i>	<i>First Name</i>	<i>Hourly Rate/Salary</i>	<i>Position</i>
Andrews	Jenifer	\$13.28	Kindergarten Aide
Annetts	Barbara	\$83,637.00	Elementary
Anthony	Jennifer	\$48,888.00	Art/Family and Consumer Science
Armstrong	Robyn	\$53,024.00	Math
Barney	Brian	\$67,983.00	Physical Education
Bartholomew	Kathleen	\$15.23	Kindergarten Aide
Bedell	Michael	\$42,541.00	Head Custodian
Bernhard	Martha	\$12.54	Food Service
Bradford	Elizabeth	\$83,637.00	Elementary Playground
Brown	Mariah	\$13.93	Supervisor/Instructional Aide
Brownstein	Nicole	\$38,500.00	Administrative Assistant
Bullis	David	\$67,000.00	Director of Facilities
Buzzell	Stephen	\$74,283.00	Middle Level
Carter	Chelsea	\$14.73	Math Support
Casey	Gretchen	\$73,162.00	Literacy Teacher Leader
Childress	Jennifer	\$76,911.00	Literacy Coach
Chutter-Ames	Gaelan	\$43,283.00	History - 1 yr
Conti	Lauren	\$54,879.00	Guidance
Crawford	Mary Karen	\$43,283.00	Associate School Nurse
Crouse	Kathryn	\$61,953.00	Art Teacher
Dacales	Jeffrey	\$83,637.00	Elementary
Davis	Danielle	\$15.23	Strategic Math Support Aide
Delena	Davida	\$76,177.00	Elementary
Digregorio	Michelle	\$14.71	Food Service Home School/Student Assistance
Donnally	Marianna	\$51,335.00	Counselor
Economou	Anne	\$73,549.00	Elementary
Emory	Paige	\$69,838.00	Middle Level
Faith	Jennifer	\$59,363.00	Library/Media Specialist
Farmer	Debra	\$16.28	Health Aide
Gagnon	Andrew	\$44,791.00	Music
Garon	Tegan	\$43,283.00	Math
Gillen	Wayne	\$16.04	Custodian



<i>Last Name</i>	<i>First Name</i>	<i>Hourly Rate/Salary</i>	<i>Position</i>
Goddard	Ashley	\$43,283.00	Elementary
Godin	Janet	\$17.42	School Nurse Aide
Gordon	Charles	\$83,637.00	Middle Level
Greene	Aimee	\$69,451.00	Elementary
Greene	Micah	\$69,451.00	Elementary
Griggs	Kimberly	\$16.89	Custodian
Grogan	Jeffrey	\$79,540.00	Middle Level
Harris	Mairead	\$48,540.00	Foreign Language
Hayden	Dorothy	\$38,123.00	Administrative Assistant
Hoffmann	Heather	\$75,404.00	English
Horton	Sarah	\$71,693.00	Mathematics
Hough	Maryanne	\$49,540.00	Administrative Assistant
Hubbard	Tarah	\$35,000.00	Secretary/Receptionist
Hulbert	Madeline	\$58,629.00	Elementary
Joy	Kathryn	\$60,484.00	Elementary
Kalp	Laura	\$71,307.00	Foreign Language
Keaton	Rachael	\$67,557.00	Elementary
Kelly	Jenna	\$46,594.00	Art Teacher
Kennedy	Dale	\$83,637.00	Middle Level
Kennedy	John	\$70,572.00	English
LaClair	Dana	\$54,493.00	Music
Lacoss	Heather	\$15.23	Reading Aide
Lambert	Jane	\$83,637.00	Instrumental Music
Lipple	Kevin	\$36,000.00	Athletic Director
Lowe	Constance	\$79,153.00	Mathematics
Marineau	Seth	\$70,572.00	Foreign Language
McDowell	Donald	\$83,637.00	Science
McEdward	Allen	\$18.48	Food Service
McIntyre	Darren	\$39,016.00	Driver's Education
Meagle	Susan	\$79,153.00	Elementary
Meier	Christopher	\$60,097.00	Library/Media Specialist
Merchant	Adam	\$13.75	Food Service
Meyer	Kaaren	\$83,637.00	Math Teacher Leader
Minkoff	Alexander	\$40,855.00	Lead Technical Support
Monahan	Wendy	\$81,395.00	Guidance
Morrison	Daniel	\$94,846.00	Principal
Murphy	Roger	\$81,782.00	Alt. Education/English/Social St

<i>Last Name</i>	<i>First Name</i>	<i>Hourly Rate/Salary</i>	<i>Position</i>
North	Tamara	\$64,233.00	Elementary
O'Grady	Susan	\$16.53	Secretary
Oleks	Christopher	\$97,500.00	Principal
O'Neil	Judith	\$37,647.00	Registrar
O'Neill	Benjamin	\$15.34	Custodian
Peterson	Lucas	\$60,097.00	Middle level
Rapoport	Michael	\$70,186.00	Elementary
Raymond	Pamela	\$83,637.00	Elementary
Reina	Soraya	\$75,443.00	Spanish Teacher
Rock	Robert	\$35,200.00	Technical Support Specialist
Rudner	Elyse	\$76,911.00	Middle Level
Schafer	Anastasia	\$58,629.00	History/Social Studies
Schnee	Karen	\$56,000.00	English
Semler	Sean	\$73,587.00	Elementary
Shea	Ian	\$58,629.00	Middle Level
Shedd	Navia	\$15.64	Custodian
Slocum	Kathleen	\$15.23	Library Aide
Smith	David	\$67,983.00	Middle Level
Smythe	Kathleen	\$54,145.00	Elementary
Sorrell- Lacasse	Martha	\$92,323.00	Principal
Souter	Caroline	\$66,089.00	Elementary
Stanton	Catherine	\$61,218.00	Literacy Interventionist
Stetson	Chelsea	\$54,879.00	Elementary
Tomashot	Patricia	\$79,153.00	Guidance Director
Vietze	Heidi	\$73,587.00	Foreign Language Design and Technology
Waite	Timothy	\$46,685.00	Education
Wasserman	Theodore	\$15.79	Custodian
Wells	Jessica	\$64,195.00	Science
Williams	Norman	\$83,637.00	Social Studies
Williams	Perrin	\$19.61	Food Service
Yalicki	Joseph	\$45,177.00	Physical Education
Ziegler	Timothy	\$75,443.00	Science
Zimbalatti	Carleen	\$48,077.00	Art Teacher

**Lamoille South Supervisory Union  
Administration, Faculty and Staff**

<i>Last Name</i>	<i>First Name</i>	<i>Hourly Rate/Salary</i>	<i>Position</i>
Alperen	Jana	\$56,000.00	Special Educator
Alvin	Robyn	\$14.73	SLP Aide
Angione	Rita	\$76,911.00	Speech/Language Pathologist
Banfi-Graupe	Katalin	\$13.73	Paraprofessional
Barberi	Andrea	\$71,307.00	Special Educator
Bataille	Jeanne	\$75,443.00	Speech/Language Pathologist
Belitsos	Leah	\$58,242.00	Special Educator
Bellavance	Ericka	\$16.32	Program Aide
Bleh	Rachel	\$14.48	Paraprofessional
Boerger	Patty	\$83,637.00	Consulting Teacher
Bolio	Dixie	\$18.21	Paraprofessional
Bolio	Jacob	\$14.08	Paraprofessional
Bradley	Kate	\$53,758.00	Special Educator
Brynn	Jeffery	\$60,433.00	Food Service Director
Bullard	Raquel	\$15.23	Paraprofessional
Calenberg	Carol	\$13.93	Paraprofessional
Calhoun	James	\$78,820.00	School Psychologist
Carter	Denise	\$15.23	Early Education Paraprofessional
Christensen	Carrie	\$52,070.00	Accountant
Clarkin	Rachel	\$14.73	Early Education Paraprofessional
Cote	Robin	\$13.83	Paraprofessional
Crittenberger-Geissler	Jacqueline	\$15.23	Learning Center Assistant Superintendent's Assistant/HR Manager
Cross	Lisa	\$54,457.00	
Davis	Cathy	\$15.23	Paraprofessional
Denton	Margaret	\$44,000.00	.6 FTE Occupational Therapist
Desrochers	Julie	\$15.23	Paraprofessional
Dessureau	Carrie	\$45,600.00	.6 FTE Physical Therapist
Dixon	Kelly	\$38,750.00	Accountant
Ducharme	Kyle	\$14.98	Paraprofessional
Dunkley	Kim	\$15.34	Early Education Paraprofessional
Earle	Kristina	\$14.08	Speech Language Aide
Echarte	Jennifer	\$14.98	Paraprofessional
Finn	Julia	\$54,879.00	Special Educator

<i>Last Name</i>	<i>First Name</i>	<i>Hourly Rate/Salary</i>	<i>Position</i>
Fish	Patricia	\$62,378.00	Special Educator
Fisher	Julia	\$65,702.00	Early Education Special Educator
Fitzgerald	Michelle	\$14.08	Paraprofessional
Friedrich	Chelsea	\$15.23	Early Education Speech Aide
Gabaree	David	\$15.23	Paraprofessional
Gamble	Laurel	\$14.08	Paraprofessional
Gillen	Melissa	\$62,357.00	Data Manager
Gombar	Heather	\$14.73	Paraprofessional
Gravel	Julie	\$15.23	SLP Aide
Gregory	Hilary	\$15.23	Paraprofessional
Griffith	Tammy	\$13.78	Paraprofessional
Grove	Jennifer	\$34,626.00	Early Education Program Teacher
Guihan	Marian	\$14.08	Paraprofessional
Herman	Chad	\$14.73	Paraprofessional
Herman	Megan	\$40,000.00	Human Resources Coordinator
Ingalls	Heidi	\$57,329.00	Accounting Manager
Jones	Alice	\$14.48	Paraprofessional
Keith	Amanda	\$13.83	Paraprofessional
King	Anne	\$79,888.00	Special Educator
King	Eric	\$75,791.00	Special Educator
King	Mary	\$15.23	Paraprofessional
Kirby	Meghan	\$13.58	Paraprofessional
Kuney	Alyssa	\$13.08	Paraprofessional
Lamos	Stephanie	\$12.38	Paraprofessional
Lapan	Emily	\$13.83	Paraprofessional
Lively	Rebecca	\$77,760.00	School Psychologist
Locke	Amanda	\$39,015.00	Administrative Assistant
Lundeen	Andrew	\$92,085.00	Director of Finance and Operations
Macy	Kelly	\$64,233.00	Speech/Language Pathologist
Maillet	Marie	\$15.23	Paraprofessional
Mallory	Megan	\$15.23	Paraprofessional
Marshall	Amy	\$75,443.00	Consulting Teacher
McNall	Mark	\$14.98	Paraprofessional
Meyer	John	\$79,238.00	Director of Educational Technology
Mickelsen	Betsy	\$43,283.00	Early Education Program Teacher
Myerson	Jordan	\$67,680.00	Director of Nursing Services
Nadeau	Michelle	\$47,033.00	Pre-School Program Teacher
O'Laughlin	Ann	\$21.74	Paraprofessional

<i>Last Name</i>	<i>First Name</i>	<i>Hourly Rate/Salary</i>	<i>Position</i>
Oplinger	Leslie	\$77,646.00	Special Educator
Paterniti	Arlo	\$14.98	Paraprofessional
Pelkey	Marcella	\$76,111.00	Occupational Therapist
Peterson	Ruthanne	\$50,395.00	Special Educator
Poquette	Rebecca	\$14.73	Paraprofessional
Porter	Lisa	\$15.23	Paraprofessional
Rice	Linda	\$14.73	Speech Language Aide
Safford	Jennifer	\$15.23	Literacy Support
Sanner	Elizabeth	\$56,348.00	Special Educator
Saphier	Kelly	\$63,847.00	ESL Instructor
Schleupner	Heather	\$15.23	Paraprofessional
Schulze	Susan	\$67,983.00	Special Educator
Scott	Philip	\$14.73	Paraprofessional
Sherman	Abigail	\$14.48	Paraprofessional
Sherman	Todd	\$14.73	Paraprofessional
Small	Carmen	\$14.23	Paraprofessional
Smith	Terrie	\$14.23	Paraprofessional
Spencer	Jessica	\$86,243.00	Director of Student Services
Spoerl	Erin	\$14.73	Paraprofessional
Squires	Rachel	\$19.02	Paraprofessional
Stevens	Terri	\$15.23	Paraprofessional
Sullivan	Valerie	\$103,509.00	Director of Curriculum & Instruction
Thomas-Crowder	Rochelle	\$71,693.00	Speech/Language Pathologist
Tilton	Kaitlin	\$14.08	Early Education Paraprofessional
Trayah	Alicia	\$14.73	Paraprofessional
Walsh	Christopher	\$15.23	Paraprofessional
Wieler	Maura	\$64,829.00	PBL/Technology Coach
Wills	Jessica	\$64,233.00	Special Educator
Wrend	Tracy	\$137,265.00	Superintendent of Schools
Wyman	Naomi	\$16.25	Early Education Paraprofessional

## STOWE HISTORIC TIMELINE

### 1700s

- 1791 Vermont becomes the 14th state.
- 1794 First settlement; Oliver Luce arrived from Hartland, VT (April 16, 1794)
- 1796 First saw and grist mill built at the falls of the Little River in Mill Village
- 1797 First town meeting held at house of Lauden Chase
- 1798 The Old Yard or Center Cemetery established on land donated by the Town Clerk following the drowning of his son; oldest in town. First hotel established in Stowe about a mile above the village.

### 1800s

- 1800 First school house erected on land deeded by Oliver Luce in the Upper Village  
First established religious group (Methodist); first recorded church service. Dysentery epidemic – 48 die in six months, representing nearly one-sixth of the population.
- 1803 Original wooden bridge on Bridge Street constructed. Military company established. First log school houses built in upper village.
- 1806 Leather tannery constructed in the lower village.
- 1810 First one-horse wagon driven over “road” from Waterbury to Stowe.
- 1811 Steve Wright House built; oldest in Village  
First tavern erected in the Center Village; expanded to an inn in 1814. Dry goods store opened in lower village.
- 1812 Carding mill established in lower village.
- 1817 First school established in what became Stowe Village
- 1818 Old Town Hall built on the site of the present Stowe Community Church, later moved to its present location; oldest public building in Stowe in continuous public service; now the Vermont Ski Museum. First Church built
- 1820 Masonic Lodge established
- 1822 Gristmill constructed in Mill Village. Dam and sawmill established in Moscow.
- 1828 First public library opened (given up in 1849).
- 1832 Stowe-Morrisville Road opened to traffic; Route 100
- 1833 Green Mountain Inn built as a dwelling; later expanded into a hotel
- 1838 “e” added to “Stow” in warned Town Meeting
- 1840 Most of the Town of Mansfield added to Stowe (originally settled in 1799)
- 1842 New road route laid out to Waterbury Center.
- 1844 Bridge on Bridge Street replaced by a covered wooden bridge. West Branch Cemetery established.

- 1849 Rail service established in Waterbury
- 1855 Part of the Town of Sterling added to Stowe  
McMahon House (Bashaw home) built; stop on the Underground Railroad. Gold discovered in Gold Brook.
- 1856 Toll Road up Mt. Mansfield to the Half-way House built; a saddle horse trail went from there to the summit
- 1858 Summit House built under the nose of Mt. Mansfield
- 1860 Planked toll road established between Waterbury Center and Stowe Road to Smugglers Notch was run up to the Big Spring
- 1861 District #6 Village School (Stowe High School) constructed
- 1863 Mount Mansfield Hotel constructed in the Village. It had three and one-half stories, 300 feet long with two rear wings; accommodated 450 guests, with livery for 200 horses;  
Stowe Community Church built for \$12,000; most photographed building in town
- 1865 Riverbank Cemetery established
- 1866 Stowe Free Library established
- 1870 Mt. Mansfield Toll Road completed to the summit
- 1883 C.E. & F.O. Burt purchased 1000 acres of timberland on Worcester Mountain and established a steam mill in Stowe Hollow.
- 1888 Mt. Mansfield Creamery began operation, first in Lamoille County
- 1889 Fire; destroyed the Mount Mansfield Hotel
- 1890 George M. Culver Butter Tubs Factory established (later Stoware, Inc and the home of Stowe Canoe Company)
- 1893 Neighborhood school districts consolidated into single town school district
- 1894 Carriage Road to Smugglers Notch completed. Stowe Centennial Celebration.
- 1895 C.E. & F.O. Burt steam mill erected in Stowe Village.
- 1896 Stowe Village incorporated
- 1897 Mt. Mansfield Electric Railroad began daily service between Waterbury and Stowe; Depot Building constructed;
- 1899 Mansfield Mountain Grange established
- 1900s**
- 1900 Stowe High School organized; first graduating class in 1901  
Roman Catholic mission established in Stowe.
- 1902 Akeley Memorial Building built, as a soldier's memorial; it has housed the post office, jail, Union Bank, Stowe Free Library and administration offices.
- 1904 Municipal water system established to serve village
- 1905 Palisades Park deeded to town
- 1906 Stowe Cemetery Association established

- 1911 Village of Stowe Electric Light & Power System established  
Water mains constructed from Edson Hill springs to Village, Lower Village  
Stowe Civic Club established (to promote village improvements, e.g. electric lights).
- 1913 Skiing first introduced by Swedish families living in Stowe
- 1915 Main Street sidewalks and curbing put in. First state purchase of land on Mount Mansfield for a state forest.
- 1918 Notch Road completed for use by automobiles.
- 1919 American Legion organized in Stowe.
- 1921 First Winter Carnival held; sponsored by the Stowe Civic Club; ski jump, toboggan slide and skating rink built.
- 1923 Torrent Fire Department organized with 30 members. Toll Road to summit of Mount Mansfield open to automobiles.
- 1925 Stowe Women's Club organized.
- 1927 Fire truck purchased.
- 1931 Village Charter amended for construction of an electric plant, and service area expansion outside of village
- 1932 Mt. Mansfield Electric Railroad service discontinued.  
Cement highway was built through Stowe, Route 100
- 1933 First ski trails cut as part of Civilian Conservation Corps project
- 1934 Municipal well developed to supply water system (abandoned in 1994). Mt. Mansfield Ski Club incorporated.
- 1940 First single chair lift constructed on Mt. Mansfield, ushering in modern commercial skiing
- 1944 Covered Bridge on the West Branch, built in 1848, was rebuilt with no cover "in deference to changing times"
- 1949 Mt. Mansfield Company established. Stowe Rotary organized.
- 1954 Stowe Elementary School built; last one room schools closed
- 1956 Stowe Historical Society founded
- 1957 Summit House closed and dismantled
- 1958 Stowe Reporter established.
- 1960 Proposed zoning regulation rejected by town voters
- 1962 Planning Commission appointed by the Selectmen.
- 1963 Stowe-Morrisville Airport established as first state-owned airport constructed in state
- 1964 First Stowe town plan "Stowe Plan of Development" adopted
- 1971 Village residents vote down merger with the town.
- 1972 New fire and police station build in Lower Village.
- 1973 Stowe Middle-Senior High School Built on Barrows Road
- 1974 Jackson Ice Arena completed
- 1975 Winter Carnival resurrected



- 1975 Stowe Rescue Squad started Contract with Lamoille County Sheriff's Department for emergency dispatch services.
- 1976 Bloody Brook one room school renovated for museum operated by the Stowe Historical Society.
- 1978 Stowe Village Historic District nominated to National Register
- 1979 Town Garage constructed. Alpine Slide opened. Fire at Trapp Family Lodge destroyed main building; replaced by current lodge.
- 1980 Stowe's first municipal wastewater treatment plan constructed replacing direct system discharge into the Little River  
Fire at Trapp Family Lodge destroyed main building; replaced by current lodge
- 1981 Former Stowe High School renovated to house the Library Free Library and Helen Day Art Center
- 1982 Art exhibitions began at the Helen Day Art Center
- 1984 Stowe Recreation Path opened. Stowe Conservation Commission established.
- 1987 Stowe Land Trust founded  
Renovation of public safety buildings on Route 100, a \$688,000 construction project. New post office opened.
- 1989 Stowe Recreation Path completed to Top Notch Meadow Elementary school playground built. Village sidewalks replaced. Lamoille Regional Solid Waste Management District formed.
- 1990 Mayo Farm purchased by the town for conservation, recreation and community-related purposes; includes 35 acre special events field.
- 1992 Stowe Trolley System established. Night skiing debuts.  
Stowe Elementary School renovated and wing added to Stowe Middle-Senior High School
- 1993 Mayo Connector Road constructed
- 1994 Library building expanded.
- 1995 Wastewater treatment facility and service areas expansions are locally approved
- 1996 Quiet Path on Mayo Farm is completed. Merger approved by Town and Village, effective July 1.
- 1997 Mayo Connector Road paved. Ridgeline and Hillside overlay District is established. Sewer line extended to Sylvan Park area of Lower Village.
- 1998 Moscow Ball Fields acquired. Copley Woodlands Condominiums opened. Sewer line extended up Mountain Road to Cottage Club Road. Phase 1 of water system expansion approved by voters, to be completed in 1999.
- 1999 Act 250 approval for sewer plant expansion

**2000s**

- 2000 Moscow Stump Dump is closed  
Sunset Hill and Bingham Falls are conserved by Stowe Land Trust  
Vermont Ski Museum is established in the renovated Old Meeting House building
- 2001 Construction of expanded wastewater treatment plant and sewer and water lines commences
- 2002 Development Review Board replaces Zoning Board of Adjustment  
Planning Commission's role is redefined to be long term planning
- 2003 Historical Preservation Commission is established
- 2004 Mayo Farm 25 year term easement is established and management plan developed
- 2005 Construction of Spruce Peak improvements commences
- 2006 One percent local options tax on rooms and meals is established
- 2007 Town Manager form of government Charter change. Adams Camp is conserved by Stowe Land Trust
- 2008 Village Vibrancy group is formed
- 2009 New public safety building is constructed at a cost of \$7,200,000. Helen Day repairs commence.
- 2010 West Branch Schoolhouse/St. John's Church moved to its new location adjacent to Stowe Free Library and will house Stowe Historical Society. Memorial Park Master Plan completion.
- 2011 Construction of new expanded vault at Akeley Memorial Building. Rebuilt Cupola placed on Akeley. Cape Cod Road embankment failure. Little River water main replacement after Hurricane Irene.
- 2012 Cady Hill Forest is purchased by Stowe Land Trust and acquired by the Town. "Rotary Barn" (1839 Congregational Church) demolished.
- 2013 Stowe Arena is constructed at a cost of \$6,500,000 as a replacement for aging Jackson Arena. Korean era and Vietnam era Veteran Plaques commemorated at Akeley Memorial Building. Stowe celebrates 250<sup>th</sup> Anniversary. Marshall (sledding) Hill purchased by Town. Cemetery Road reconstruction.
- 2014 Mountain Road Village Sidewalk construction from Cape Cod Rd to Gale Farm Center. Mayo Events Field grading and drainage. Cady Hill Forest trail improvements.
- 2015 Adoption of the 2015 Stowe Town Plan. Replacement of the Bridge St. Bridge, dedicated to Giles Dewey. Completion of the village staircase to the Rec Path parking lot. Construction of the Stowe Mountain Resort Adventure Center, Zip Tour and Tree Top Adventure course. Conservationist of the Year Award presented to Charlie Berry.

- 2016 Vermont Downtown Development Board names Stowe as Designated Downtown. Fire heavily damages Parks Department garage. Stone Hut repaired and opened one year after fire. Quiet Path Bridge opened, dedicated to Brenda Ross Winter.
- 2017 Vail Resorts purchases Stowe Mountain Resort for \$41M. Late October windstorm leaves majority of Stowe without power and causes significant damage to power lines, roads, culverts and trees. Antique & Classic Car Meet holds its 60<sup>th</sup> and last meet in Stowe. Park Street made one-way to create additional parking spaces.



An aerial photograph of a town in winter, covered in snow. The scene is captured at dusk or dawn, with streetlights glowing and some buildings illuminated. The town is nestled in a valley, with snow-covered roofs and trees. In the foreground, dark evergreen trees are visible, framing the view. The background shows a forested hillside.

**INFORMATION MEETING**

**6:00 pm Monday, February 26, 2018**  
**Akeley Memorial Building**

**VOTING**

**7:00 am - 7:00 pm**  
**Tuesday, March 6, 2018**  
**Stowe High School Gymnasium**

**ANNUAL MEETING**

**Beginning at 8:00 am**  
**Tuesday, March 6, 2018**  
**Stowe High School Auditorium**