

**ANNUAL REPORT
TOWN AND TOWN SCHOOL DISTRICT**

Stowe

FISCAL YEAR

July 1, 2017- June 30, 2018

Bring This Copy to Town Meeting



Joan “Bunny” Libby

The Selectboard dedicates this Annual Report in memory of Joan “Bunny” Libby. Bunny was a long time resident of Stowe who could be found working as a nurse at the local Emergency Room, raising her family, and volunteering where the Town needed her most, including 17 years on the Stowe Recreation Committee, working with the American Red Cross and Mount Mansfield Ski Patrol and more.

But perhaps Bunny’s biggest contribution to the Town of Stowe was her role in founding Stowe Rescue Squad. In 1975, Bunny, along with her husband Ken and other community members, saw the need for an organized emergent medical care service for the Town of Stowe and was integral in the planning and founding of Stowe Rescue Squad. Bunny also served as the Chair of the Board of Directors for Stowe Rescue for many years. Her leadership skills, professionalism, business acumen, love of teaching and sense of humor left a lasting impact on all who worked with her and came after her.

The Town honors Bunny for her unending energy to make the Town of Stowe a safe place to work and play.

Cover photo courtesy of Teresa Merelman. Many thanks for capturing the beauty of Stowe in your work!

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ELECTED TOWN OFFICERS

Town Moderator:

Leighton C. Detora Term Expires 2019 (1 year term)

Selectboard:

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)
Cornelius Van Dyke Term Expires 2020 (2 year term)
Lisa Hagerty Term Expires 2021 (3 year term)

Listers:

Paul E. Percy Term Expires 2019 (3 year term)
Adam Davis Term Expires 2019 (3 year term)
Ellen Thorndike Term Expires 2021 (3 year term)

School District Moderator:

Leighton C. Detora Term Expires 2019 (1 year term)

School Directors:

Cara Zimmerman Term Expires 2019 (3 year term)
James Brochhausen Term Expires 2019 (2 year term)
Tiffany Donza Term Expires 2020 (3 year term)
Lindsey Lamb Term Expires 2020 (2 year term)
Leigh Pelletier Term Expires 2021 (3 year term)

Justices of the Peace:

All terms are for two years and expire January 31, 2020

Mary Black	Elizabeth Lackey
David Jaqua	Arnold Ziegel
Kaisa Lewia Spaulding	Jackson Kytte
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 30th of the year listed

Cemetery Commissioners:

Judy Smith	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
Claire “Skeeter” Austin	Term Expires 2021

Conservation Commissioners:

Andre Blaise	Term Expires 2019
Robert Johnson	Term Expires 2019
Robert Moore	Term Expires 2020
Kevin Hudnell	Term Expires 2020
Christine McGowan	Term Expires 2020
Darsey Moon	Term Expires 2021
Catherine Drake	Term Expires 2021

Development Review Board Members:

Andrew Volansky	Term Expires 2019
Michael Diender (Alternate)	Term Expires 2020
Tyler Mumley	Term Expires 2020
Douglas White	Term Expires 2020
Tom Hand	Term Expires 2020
Peter Roberts (Alternate)	Term Expires 2020
Chris Walton	Term Expires 2021
Drew Clymer	Term Expires 2021
Paco Amund	Term Expires 2021
Sarah McLane (Alternate)	Term Expires 2021

Historic Preservation Commissioners:

Barbara Baraw	Term Expires 2019
George Bambara (Alternate)	Term Expires 2019
McKee MacDonald	Term Expires 2020
Sarah McLane	Term Expires 2020
Gordon Dixon	Term Expires 2021
Cindy McKechnie (Alternate)	Term Expires 2021
Sam Scofield	Term Expires 2021

APPOINTED TOWN OFFICIALS

All terms are for three years and expire on April 30th of the year listed

Library Trustees:

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
Kim Kaufman	Term Expires 2021
Charlotte Maison Kastner	Term Expires 2021

Planning Commissioners:

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
Robert Davison	Term Expires 2021
Neil Percy	Term Expires 2021

Recreation Commissioners:

Michael Loughran	Term Expires 2019
Adam Rice	Term Expires 2020
Vacant	Term Expires 2020
Brett Loomis	Term Expires 2021
Walter Levering	Term Expires 2021
Lynn Altadonna	Term Expires 2021
Benjamin Novogroski	Term Expires 2021

Stowe Electric Utility Commissioners:

Richard C. Marron	Term Expires 2021
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.....Vacant
 Mgr. of Regulatory Compliance.....Matt Rutherford
 Accountant.....Sara Bendick
 Billing Clerk.....Bethany Hackwell
 Customer Representative.....Tammy Hammond
 Working Foreman.....Silas Powers
 Linemen: Adam Fortunati, Willie McAllister, Tim Percy, Jacob
 Pecor
 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, Pat
 Boyle, Michael Brigati, Nicholas Chegwidden, Jason Gray, Kris
 Halliwell, Michael Jolly, Jason McLean, Jeffrey Reed, Jonathan
 Thereault
 Volunteers: Emily Benning, Joanne Bradley, Anthony Carniglia,
 Edward Cinque, Seth Couto, Elizabeth Davin, Daniel Doynow, Jon
 Dubick, Angelina Erbmann, Jonathan Erbmann, Jeffrey Fountain,
 William Ganter, Jaqueline Goss, Sebastian Groskin, Gilbert
 Helmkin Jr, Margaret Higgins, Sherri Hoadley, Jason Kirchick,
 Buck Lee, Thomas Mendes, Dakota Meteyer, Bryan Munch,
 Nicolas Nunez, Tracey Olson, Matthew Pek, Dale Porter, Eden
 Towers, Elizabeth Williams

Finance Department:

Finance Manager.....Cindy Fuller
 Assistant Finance Manager.....Sandra Sabin
 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
 Honorary Chief.....Wendall Mansfield
 Lieutenants.....Tony Carniglia, Peter Hall, Dan Pike
 Engine Capitan.....Steve Demeritt
 Senior Firefighters.....Les Pike, Chris Walker, Mark Walker
 Firefighters: Steve Berlin, Mike Ganz, Nick Hall, Duane Lowell,
 Jason McDonald, Brian Murphy, Connor O’Grady, John Steele,
 Sean Villandry
 Junior Firefighter.....Joshua McDonald
 Candidates: Michael Brigati, Tim Bryan, John Duston, Kaiya Gants
 (Jr), Marie Kingsbury, Graeme Saphier, Ben Sinclair, Lindsay
 Turiello

Library:

Library Director.....Cindy Weber
 Children’s Librarian/Assistant Director.....Julie Pickett
 Program and Systems Librarian.....Jessica Psaros
 Technical Services Librarian.....Lauren Kelley
 Circulation Librarian.....Nancy Rumery

Parks & 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:Kyle Walker & Bruce Merriam
 Sergeant/Detective.....Fred Whitcomb
 Patrol Corporals..... Christopher Rogers & James Sawyer
 Technology Officer.....Darron Tabor
 Patrol Division: Ryan Cashin, Scott Keene, Anthony Mazzilli,
 Daniel Weirzbicki, Dustin Pray, Matthew Fudala
 Part Time Officers: Matthew Andrews, Francis Gonyaw, David
 Selby, Jon Zygmuntowicz, Steve Holbrook, Christian Mellen,
 Brooke O'Steen, Chris Jones, Adam Pockette, Howard Alden Jr,
 Bruce Emerson, Steven Stewart

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.....Joseph Donati

Town Clerk's Office:

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

Zoning Director.....Sarah McShane
 Acting Zoning Administrator.....Tom Jackman

Akeley Memorial Blding/Public Safety Facility Custodian Robert Hoadley

Other Appointments:

Lamoille Regional Solid Waste Management

District Supervisor.....William Noyes
 Health Officer.....Sarah McShane
 Deputy Health Officer.....Tom Jackman
 State Public Health Veterinarian.....Natalie Kwit, DVM,MPH
 802-863-7240 or 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 & Marina Meerburg
 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.....Sarah McShane
 Sheriff’s Advisory Board Representative.....Lisa Hagerty

Contact Us

The Town has 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

Need to email a Town employee? All email addresses are formatted with first initial, last name @Stowevt.gov. For example, John Smith's email address would be JSmith@Stowevt.gov.

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 or by calling the Planning Office at 253-2705.

OFFICIAL WARNING
AUSTRALIAN BALLOT VOTING

TOWN OF STOWE, VERMONT
MARCH 5, 2019

The legal voters of the Town of Stowe are hereby notified and warned to meet in the Stowe High School Gym in said Town on Tuesday, March 5, 2019. 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 by Australian ballot:

TOWN ARTICLES

Article 1: To elect a Moderator of Town Meetings.

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: Shall the voters approve the Plan of Merger between Stowe Fire District #3 and the Town of Stowe, the form and content of which was approved by the Town Selectboard and by the Prudential Committee of Stowe Fire District #3, which Plan provides, among other things, that all of the assets and liabilities of Stowe Fire District #3 shall be transferred to, assumed by and become assets and liabilities of the Town, and the ratepayers and water customers of Stowe Fire District #3 shall become ratepayers and customers of the Town of Stowe Water Department, and Stowe Fire District #3 shall terminate and cease to exist upon approval of the Plan of Merger by the General Assembly?

A full copy of the Plan of Merger is available for review in the Town Clerk's office.

Australian ballot

SCHOOL ARTICLES

Article 4: To elect a School District Moderator.

Australian ballot

Article 5: To elect all School Directors for the Stowe School District as follows:

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

Australian ballot

Article 6: Shall the voters of the school district approve the school board to expend \$12,776,450, 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 \$15,805 per equalized pupil. This projected spending per equalized pupil is 5.8% higher than spending for the current year.

Australian ballot

ATTEST:
The Selectboard, Town of Stowe,
Vermont, dated this 28th day of
January, 2019.

ATTEST:
The School Directors, Stowe
School District, Vermont, dated
this 21st day of January 2019.

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

CARA ZIMMERMAN
TIFFANY DONZA
JIM BROCHHAUSEN
LEIGH PELLETIER
LINDSEY LAMB

OFFICIAL WARNING
ANNUAL TOWN MEETING AND SCHOOL DISTRICT
MEETING
 STOWE VERMONT
 MARCH 5, 2019

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 5, 2019 at 8:00 AM to act upon any of the following articles not involving Australian Ballot:

TOWN MEETING:

Article 1: Shall the voters approve the Selectboard's proposed General Fund Budget of twelve million four hundred twenty one thousand ninety one dollars (\$12,421,091) of which nine million five hundred forty three thousand three hundred fifty six dollars (\$9,543,356) is to be raised by property taxes and two million eight hundred seventy seven thousand seven hundred thirty five dollars (\$2,877,735) is to be funded by non-tax revenues?

Department	Budget Request
Accounting	\$ 324,984
Administration	\$ 413,824
Akeley Memorial Bldg	\$ 144,833
Annual Leave Reserve	\$ 120,000
Cemetery	\$ 31,072
Clerk/Treasurer	\$ 287,864
Cultural Campus	\$ 65,419
Debt Management	\$ 1,391,475
Economic Development	\$ 90,450
Elections	\$ 3,253
Emergency	\$ 2,636
EMS	\$ 693,289
Equipment Reserve	\$ 430,000
Fire	\$ 319,273
General Government	\$ 558,022
Highway	\$ 2,325,450
Insurance	\$ 190,319

Department	Budget Request
Library	\$ 564,587
Listers	\$ 118,378
Mountain Rescue	\$ 29,917
Parks	\$ 539,594
Planning	\$ 152,669
Police	\$ 1,865,555
Public Safety Building	\$ 179,717
Public Works	\$ 349,636
Recreation	\$ 491,333
Social Services	\$ 53,972
Solid Waste	\$ 596
Stowe Arena	\$ 527,619
Street Lights	\$ 16,904
Zoning	\$ 138,451
Total	\$ 12,421,091

Article 2: Shall the voters approve the Selectboard allocating two hundred eighty five thousand dollars (\$285,000) of the accumulated Capital Fund for the following capital project:

Rec Path Reconstruction between Bridge #1 and Bridge #2	\$285,000
---	-----------

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: To hear and to act on the report of the Town officers and the Auditor’s report for the budget period July 1, 2017 to June 30, 2018.

Public Discussion of Non-Binding Town Business

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: To do other business that may legally come before said meeting.

Public Discussion of Non-Binding School Business

ADJOURN

ATTEST:
The Selectboard, Town of Stowe,
Vermont, dated this 28th day of
January, 2019.

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

ATTEST:
The School Directors, Stowe
School District, Vermont, dated
this 21st day of January 2019.

CARA ZIMMERMAN
TIFFANY DONZA
JIM BROCHHAUSEN
LEIGH PELLETIER
LINDSEY LAMB

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 4, 2019.

SAMPLE BALLOTS WILL BE POSTED! You can see the ballot ahead of time. Sample ballots will be posted no later than **SATURDAY, FEBRUARY 23, 2019.**

INSTRUCTIONS FOR VOTERS

Check-In:

1. Go to an entry checklist table.
2. Give your name and residence, if asked, 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:

Let an election official know that you need assistance, we have several options available.

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 FY'20 FAST FACTS

Net FY'20 Budget: The net budget increased from \$9,169,920 in FY'19 to \$9,543,356 in FY'20, an increase of \$373,436 or 4.07%.

Tax Rate: The projected FY'20 tax rate is \$0.4256, which is \$0.0126 over the existing FY'19 tax rate.

Grand List: For budgeting purposes, the Grand List has been projected to increase 1.00% from \$22,200,719 to \$22,422,726. One cent on the tax rate is projected to raise \$224,227 in property taxes.

Undesignated Surplus: The undesignated surplus at the end of FY'18 was \$447,469, which included an assignment of \$166,783 for FY'19 to reduce property taxes. In FY'20, the Selectboard is proposing the use of an additional \$166,783 to reduce property taxes, leaving a projected undesignated surplus of \$280,686 which is 2.26% of the proposed FY'20 general fund operating expenditures.

Employment Levels: A new full time chief has been budgeted to the Fire Department and a change from part time to full time assistant finance manager has been budgeted to the Accounting Department.

Pay: Employees who fall under the Personnel Regulations, Police Association Contract, and the IBEW Agreement are scheduled to receive a 2.3% 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 2017 to October 2018.

Capital Fund: The FY'20 capital budget is comprised of \$285,000 in a proposed project. The funding for this project comes from \$456,037 in projected FY'20 local option taxes. The proposed project is:

Recreation Path Reconstruction between Bridge #1 and Bridge #2 \$285,000

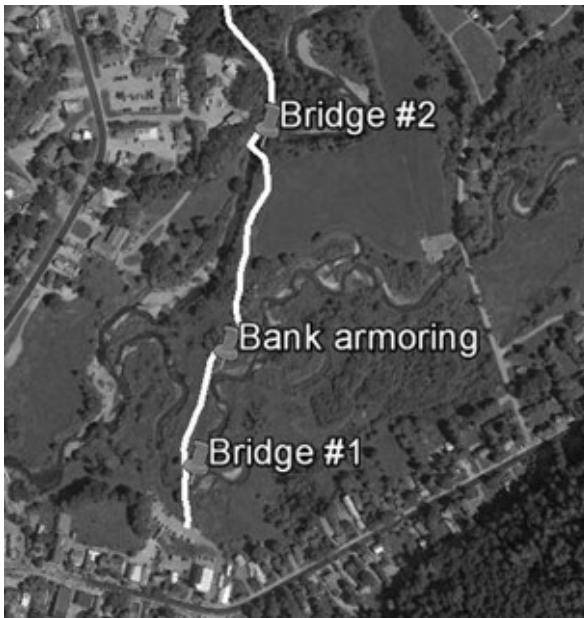
Equipment Fund: The following pieces of equipment are scheduled to be replaced through the Equipment Fund in FY'20:

Highway-Dump – 7600 Tandem	\$170,000
Highway-Skid Steer Loader	\$34,000
Mountain Rescue-Crew Cab 4WD Pickup	\$35,000
Mountain Rescue-All Terrain Vehicle	\$22,000
Parks-72" Exmark Mower	\$14,000
Parks-Kubota Utility	\$20,000
Police-Patrol SUV 5	\$48,805
Police-Patrol SUV 7	\$48,805

FY'20 PROPOSED CAPITAL PROJECT

Rec Path Reconstruction between Bridge #1 and Bridge #2 \$285,000

The purpose of this project is to armor the river bank at two locations where the Little River is quickly encroaching towards the Rec Path and to reconstruct approximately 1,400 ft. of the path between Bridge #1 and Bridge #2. The river has moved over 100 ft. in the past 8 years and is posing an imminent threat to the Rec Path. The Path in this section is in very bad shape with poor drainage and it's not wide enough to accommodate the volume of traffic. It will be widened from 8 ft. to 10 ft., which has been the Town's practice whenever a section of the original path needs to be reconstructed.



Comparative Budget Summary FY 20

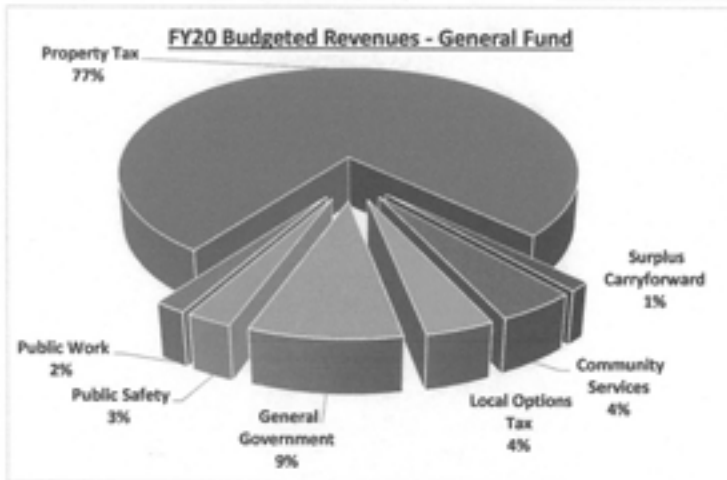
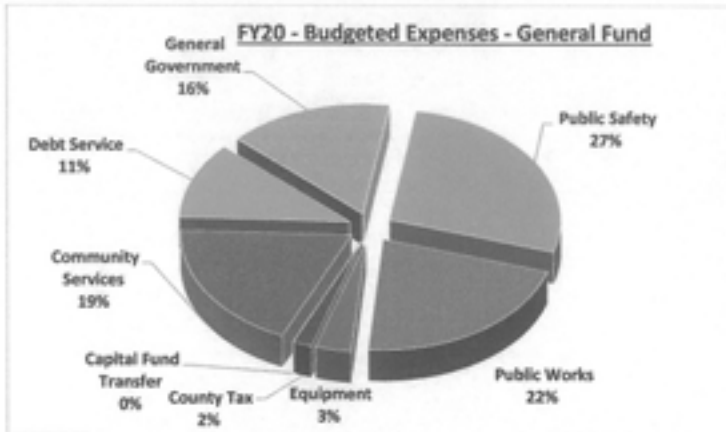
Department / Organization	FY18 Available	FY18 Gross	FY18 Admins	FY18 Budget	FY18 FY20 Change / Document	FY18 FY20 Change / Document
Accounting	261,200	271,676	17,474	17,474	0	0
Administration	633,034	693,587	61,576	61,576	0	0
Architectural Services	19,700	567,545	21,822	567,545	0	0
Capital Construction	1,101,000	1,101,000	1,101,000	1,101,000	0	0
Community Development	40,100	40,100	40,100	40,100	0	0
Community Services	39,310	52,738	13,428	13,428	0	0
Contract Administration	1,194,100	1,194,100	1,194,100	1,194,100	0	0
Facilities Management	2,172	2,147	2,147	2,147	0	0
Finance	852,815	842,098	7,717	7,717	0	0
Information Technology	471,000	810,260	339,260	339,260	0	0
Legal	322,425	213,951	108,474	108,474	0	0
Public Works	5,245,423	5,143,481	101,942	101,942	0	0
Security	2,173,115	2,241,848	68,733	68,733	0	0
Services	181,180	771,078	590,000	590,000	0	0
Support Services	3,071,075	4,474,440	1,403,365	1,403,365	0	0
Utilities	104,135	377,371	273,236	273,236	0	0
Waste Management	20,620	21,778	1,158	1,158	0	0
Water	505,253	870,773	365,520	365,520	0	0
Water Treatment	144,170	281,042	136,872	136,872	0	0
Water Distribution	2,706,140	3,798,941	1,092,070	1,092,070	0	0
Water Services	140,125	557,824	417,699	417,699	0	0
Water Treatment Plant	140,125	127,445	13,680	13,680	0	0
Water Treatment Plant	465,075	644,000	178,925	178,925	0	0
Water Treatment Plant	51,122	40,777	10,345	10,345	0	0
Water Treatment Plant	1,000	1,000	1,000	1,000	0	0
Water Treatment Plant	64,927	543,304	478,377	478,377	0	0
Water Treatment Plant	18,000	18,000	18,000	18,000	0	0
Water Treatment Plant	83,113	208,762	125,649	125,649	0	0
Water Treatment Plant	1,401,640	3,143,270	1,741,630	1,741,630	0	0
Water Treatment Plant	1,451,000	14,141,000	12,690,000	12,690,000	0	0

FY'20 PROPOSED SOCIAL SERVICES BUDGET

Capstone Community Action	\$500
Central Vermont Adult Education	\$3,500
Central Vermont Council on Aging	\$3,660
Children's Room	\$500
Clarina Howard Nichols Center	\$2,750
Central Vermont Community Action Council	\$500
Habitat For Humanity	\$1,000
Home Share Now	\$500
Lamoille County Court Diversion	\$1,250
Lamoille County Mental Health	\$8,000
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
Rural Community Transportation	\$2,200
Vermont Association for the Blind	\$500
Vermont Center for Independent Living	\$420
Vermont Family Network	\$1,000

FY'20 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
Lamoille Housing Partnership	\$5,000
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



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

SELECTBOARD REPORT

2018 was another busy year for the Town of Stowe, with increasing numbers of special events and substantial investment in our municipal infrastructure.

Fiscal Year 20 Budget Highlights: The General Fund Operating Budget and Capital Program requests for Fiscal Year (FY) 20 reflect the growing needs of our community and Municipal systems. In FY'20, we expect a net operating budget expenditure increase of **\$370,436 (4.04%** above FY'19). On the General Fund revenues side, the projected Grand List growth for FY'20 is 1%, which provides an estimated \$94,375 in tax revenue. On the General Fund expenditure side, we face increases in Health and Workers Compensation premiums across all departments; Health premiums rise by an average of 5% and Workers Compensation premiums are increasing by approximately \$70,000. Additionally, moving to a full-time Fire Chief and full-time Assistant Finance Director, increases the Fire Department and Accounting Department budgets by \$105,706 and \$41,685 respectively.

In November 2018, the voters approved a new bond for the Village Sidewalk Project and Main Street Overhead Utility Relocation / Underground Project. This increases the Long-Term Debt service by \$296,924; but is offset by \$143,963 in revenue from Local Option Taxes (LOT) to pay for the Overhead Utility annual debt service.

As a consequence of the rise in General Fund expenditures and long-term debt service versus projected Grand List growth, the tax rate increase for FY'20 is projected to be **3.03%**.

For a complete list of all department expenditures with comparisons to prior years budgets please refer to the comparative budget summary on page 22.

Capital Budget Projects: Our Capital Budget Program is largely funded from the 1% Local Option Tax (LOT) revenues. FY'20 LOT revenue is estimated to be \$950,000. In November 2018, voters approved an article committing LOT revenues to the General Fund for the purpose of servicing long term debt directly related to the Main Street utility project. The first year's installment is \$143,963. Additionally, an amount of \$350,000 is committed to the General Fund for long term debt service related to the Stowe Arena. Given the projected LOT funds for FY'20, there is approximately \$456,037 in new revenue anticipated for new capital project requests after the debt service commitments mentioned above. In FY'20, the Selectboard is proposing using Capital Funds of \$285,000 for repairs on a section of the recreation path between bridges 1 and 2, due to river erosion.

Road Improvements: During the summer of 2018, infrastructure improvements were front and center, as the Vermont Department of Transportation (VTrans) started the long-overdue Route 100 Waterbury/Stowe Reclamation Project. Although this project was funded and substantially managed by the State of VT, this long-awaited road improvement project impacted local business owners, residents and visitors, as well as placing extra demands on our municipal departments. We thank you for your patience during this time. As always, we appreciate your support as we work to improve our Town's infrastructure.

2019 will see continued infrastructure investments in our road systems, as VTrans moves to complete the Waterbury/Stowe Route 100 project. In addition to the Route 100 project, the Town of Stowe is embarking on the following major infrastructure improvements: Lower Village sidewalk installation from River Road to the Commodores; restructuring of Main Street sidewalks along the class 1 roads; and the initial work to bury utility lines on Main Street from the Route 100/108 intersection to the Community Church. Additionally, extensive work to culverts on West Hill Road is scheduled combined with resurfacing a large stretch of this major town road.

Capitol Project and Municipal Planning Process: Municipal projects require a multitude of critical planning steps prior to implementation. During 2018, the Selectboard along with the Public Works Department spent considerable time on the planning for the Class 1 Sidewalks and Main Street Overhead Utility Line Relocation projects. This work included hiring a design firm, reviewing design concepts, drafting costs and implementing a project warrant for voter approval, which was approved in November 2018.

Throughout 2018, VTrans made several planning presentations to the Selectboard. This joint planning effort enabled the project design process for a West Hill Road Route 100 intersection traffic light to progress to the final phase of planning and is scheduled for construction in the summer of 2020. Also, on the docket for the summer of 2020 is the resurfacing of the Route 100 corridor from the end of Maple Street to the Town of Morrisville. Additionally, early stage design proposals for potential changes to the Stage Coach Road and Randolph Road intersections with Route 100 were presented to the Selectboard.

Investment in Municipal Assets and Resources: The Town of Stowe has over 100 miles of roads, which is one of the largest networks of town-owned roads in the state. As our residents and visitors well know, the majority of these town roads have a gravel surface, which by their nature require annual ongoing repair and restructuring process. In the summer of 2018, the Selectboard had an opportunity to acquire land at 2409 Nebraska Valley Road, the parcel that

abuts our existing gravel pit in that location. The land acquisition is estimated to add ten-plus years to the life of the gravel pit with a potential cumulated savings for the Town of two million dollars over the ten-year time frame.

Municipal Sewer and Water System Management: The Municipal Sewer and Water Enterprises are vital components of our Town infrastructure systems. The management of these includes strategic responses to system expansions, as a result of development growth, and robust system maintenance and compliance process to effectively satisfy the ever-changing State regulations. In 2018, backup generators were installed at the Edson Hill pump station and the Village Green well to improve system operations during severe weather. During 2019, the Sewer and Water Commissioners will invest in a new water metering system to ensure more effective monitoring of the system and infrastructure improvements will be made to the 100 + year-old water line that runs under South Main Street between Mac’s Market and the Public Safety Building.

Supporting Non-Profit Community Service Agencies: The Selectboard continues to support non-profit community service agencies that provide vital health and wellbeing resources and services for our citizens. Mental Health community service support providers and other community leaders took part in a discussion on the growing population of citizens in need of support and the lack of funding for these vital services. Historically, the majority of financial support for these agencies comes from Federal and State funding. Shortfalls in funding at the Federal and State levels has caused tremendous strain on a system that is experiencing an increase in the number of citizen’s needing assistance. The Selectboard recognizes the overwhelming need for support services in our community and continues to direct funds to service providers that provide much needed and valued assistance.

Town Vibrancy: 2018 was a very active year for special events in Stowe, with 35 special event permits issued. In years past there might have been a small handful of applications for events such as a car show, tennis tournament or road race. Now, there are multiple special events happening in each calendar month throughout the year. In addition to the special event permits, there was a 35% increase in special event liquor license requests.

Community Volunteers: The Selectboard would like to thank all the volunteers that serve our community. Volunteerism is a tremendous strength of our community and without the commitment of all the volunteers past and present, Stowe would not be what it is today. Sadly, in 2018, our community lost several remarkable individuals who committed a significant amount of their lives to make invaluable contributions in such areas as the Stowe Rescue

Squad, Jackson & Stowe Arenas, Stowe Cemetery Commission and the Stowe Public School system.

Although volunteerism is a healthy characteristic of our community, we are always in need of citizens to participate in our many Municipal Committees and Departments and we always welcome new volunteers.

In closing, we would like to acknowledge the dedicated hard-working staff of the Municipality. Our Town employees, under the guidance of Town Manager, Charles Safford, continue to deliver an exceptional level of service throughout all departments 365 days of the year. Thank you.

Respectfully submitted,

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



Left to right: Neil Van Dyke, Willie Noyes, Lisa Hagerty,
Billy Adams (chair), Morgan Nichols

STOWE BOARD OF LISTERS

The State of Vermont's equalization study of Stowe's 2018 Grand List determined that the Common Level of Appraisal (CLA) for Stowe is 94.45%. In simple terms, if your property is currently assessed at \$94,450 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 2018 study has been reviewed by Town Appraiser Tim Morrissey and is accurate under the current methodology used by the State. This year's decrease in the CLA from 96.22% to 94.45% shows a slight increase in the average property values in Stowe compared to the 2017 study.

Last year the Grand List assessments grew by 2.44% (\$52,796,500) and it is estimated to grow by 1% for 2019 (\$22,200,719). Stowe's Grand List is the 4th highest in the state behind Burlington, South Burlington and Colchester.

This past summer, Spruce Peak Realty LLC created a six-lot subdivision for residential homes and is in the planning stages to build 27 more luxury condominiums. On the Mountain Road, Mountain House Lodge LLC has started construction of a 28-bed hostel and Very Vermonty LLC is finishing construction on a 9-unit apartment building.

Equity adjustments were made to some neighborhoods this past year and the Listers will continue to monitor sales/assessments and make equity adjustments when market trends so warrant.

The Board of Listers constantly strives 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.

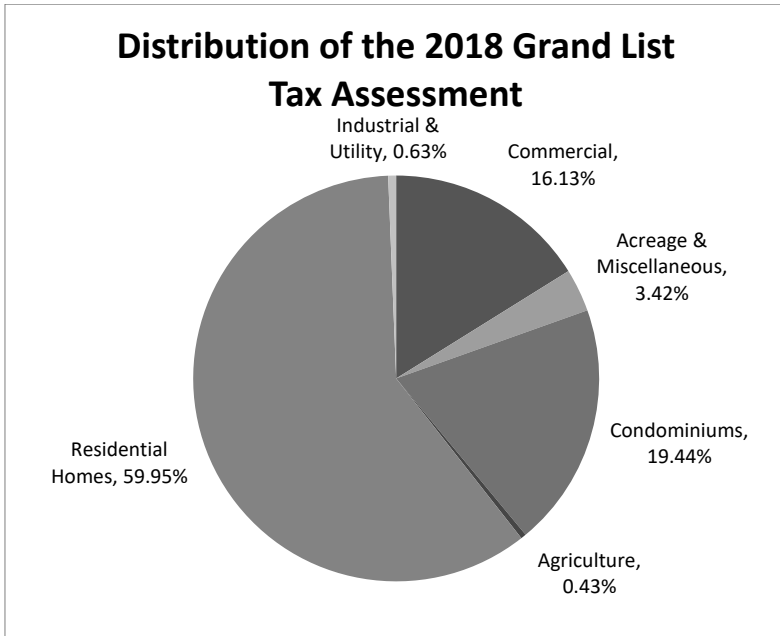
We have an open door policy and are happy to assist with any questions you may have about your property assessment.

Stowe Board of Listers
Paul Percy, Chairman
Ellen Thorndike
Adam Davis

BREAKDOWN OF GRAND LIST BY PROPERTY CATEGORY

Year to Year Comparison of Grand List Totals, Budgets and Tax Rates											
YEAR	GRAND LIST HOMES/TEAD	GRAND LIST NON HOMES/TEAD	RATIO TO TOWN	BUDGET	SCHOOL TAX RMBSD	SCHOOL TAX RMBSD/TEAD	SCHOOL TAX RMBSD/TEAD	SCHOOL TAX RMBSD/TEAD	TAX RATE	TAX RATE	TAX RATE
									Homestead	Non-Homestead	Non-Homestead
1977	132,917,100	635,833	100%	1,288,000					1.44		
1978	138,127,700	678,828	95%	1,256,963					1.40		
1979	143,687,400	787,407	89%	1,238,167					1.48		
1980	150,217,500	941,864	83%	1,448,585					1.58		
1981	157,878,100	1,034,756	78%	1,540,286					1.83		
1982	172,020,100	1,200,882	70%	1,808,990					1.74		
1983	182,434,800	1,311,262	65%	1,842,190					1.73		
1984	207,917,100	1,690,226	100%	2,096,170					1.16		
1985	340,685,500	1,707,196	91%	2,272,500					1.17		
1986	362,297,300	2,006,021	82%	2,387,000					1.22		
1987	383,190,000	2,270,215	80%	2,779,815					1.32		
1988	403,015,000	2,579,285	70%	3,158,634					1.43		
1989	426,135,700	2,850,887	62%	3,508,586					1.50		
1990	437,801,000	3,078,547	64%	3,902,591					1.60		
1991	446,500,300	3,036,678	65%	4,378,454					1.67		
1992	482,171,300	3,078,754	65%	4,802,450					1.70		
1993	461,880,200	3,140,826	64%	4,849,805					1.73		
1994	488,544,100	3,145,845	64%	5,071,078					1.75		
1995	480,519,200	3,073,867	63%	5,170,878					1.75		
1996	742,047,000	3,470,726	100%	5,292,400					1.79		
1997	794,068,800	3,964,544	98%	5,330,900					1.78		
1998	746,864,300	3,403,415	91%	7,893,032					1.513		
1999	783,519,500	3,481,712	96%	8,441,295					1.562		
2000	787,212,800	3,732,303	93%	8,732,858					1.577		
2001	816,277,400	3,860,228	89%	9,286,034					1.611		
2002	842,822,200	4,629,826	82%	10,126,169					1.750		
2003	862,293,300	5,173,831	73%	11,260,846					1.9154		
2004	294,791,888	578,882,773	64%	5,648,150			12,162,882		2.7209		2.7463
2005	546,798,515	1,215,960,584	100%	5,963,286		6,154,970	14,102,588		1.4653		1.4914
2006	547,831,800	1,271,743,000	96%	5,914,533		7,162,263	17,008,290		1.6295		1.6696
2007	540,551,500	1,369,508,800	89%	6,308,143		7,458,530	18,215,269		1.7197		1.7443
2008	522,063,200	1,451,267,200	82%	6,870,370		7,798,183	22,218,901		1.8368		1.8778
2009	542,831,100	1,449,657,600	82%	7,008,620		8,577,225	23,777,093		1.9258		1.9663
2010	542,119,200	1,449,638,100	82%	7,100,815		8,463,023	23,827,791		1.9178		2.0002
2011	560,305,000	1,404,848,300	94%	7,221,375		8,709,445	26,834,863		1.7756		1.8106
2012	561,574,900	1,454,700,400	100%	7,313,749		9,076,290	26,949,140		1.7952		1.8043
2013	526,485,200	1,595,173,600	100%	7,702,577		7,796,877	22,486,788		1.6585		1.6762
2014	516,537,100	1,524,123,300	100%	8,094,349		7,688,171	23,174,295		1.6885		1.8204
2015	503,552,400	1,586,303,600	99%	8,360,254		7,542,466	24,052,158		1.9068		1.9444
2016	519,850,800	1,595,520,900	97%	8,601,551		7,823,583	24,861,400		1.9339		1.9679
2017	505,220,800	1,653,203,900	96%	8,948,836		7,791,583	26,348,781		1.9420		2.0017
2018	530,308,250	1,680,959,710	94%	9,169,830		8,066,444	27,803,039		1.9370		2.0599

1977, 1984, 1996, 2005 and 2012 were base reassessment 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 esp shows Homestead and Non Homestead Grand List, taxes collected & levies to reflect Act 6B.



Residential Homes: 36.4% are homestead property and 63.6% are non-residential property



CLA-9632

TAX RATE CERTIFICATE

BE IT KNOWN BY ALL PERSONS PRESENT, the Selectboard of the Town of Stowe finds the TOWN GRAND-LIST to be **\$22,200,719** and Town General Fund Tax Rate to be **\$0.4130** to raise **\$9,169,920** for the Town General Fund Taxes and pursuant to VSA Title 17, Section 2264, Title 16, Section 426 and 32 VSA Section 5402 (b)(1), hereby certifies the Tax Rate for the period July 1, 2018 through June 30, 2019 (FY 19) to be as follows:

Residential Tax Rate:

- \$0.4130 Town General Fund Tax
- \$1.5192 State and Local Education Taxes
- \$0.0048 Voter Approved Tax Exemptions

\$1.937 Total Tax Rate

Non-Residential Tax Rate:

- \$0.4130 Town General Fund Tax
- \$1.6421 State and Local Education Taxes
- \$0.0048 Voter Approved Tax Exemptions

\$2.0599 Total Tax Rate

Given under our hands in Stowe, Vermont this 1st day of July 2018 by Selectboard of the Town of Stowe, Vermont. ATTEST:

[Handwritten signatures of Selectboard members]

[Handwritten signature of Town Clerk]

UNDER SEAL OF THE TOWN, reviewed, filed and recorded this 5th day of July, 2018 at 1:15 p.m. before me:

[Handwritten signature of Notary]
Town Clerk

STOWE CEMETERY COMMISSION

The seven volunteer members of the Cemetery Commission are Donna Adams, Chair, Karin Gottlieb, Vice-Chair, Skeeter Austin, Treasurer, Barbara Allaire, Secretary and members Gerry Griffin, Nancy Lavanway. We welcome our recent appointee, Judy Smith, who takes the seat of Judy Demeritt who passed away this year. We certainly miss her loyal participation in cemetery business and her vast knowledge related to her many years of work in the Town Clerk's office. We are supported in our goal of maintaining the peace and beauty of the town cemeteries by Superintendent Bruce Godin and his crew. They maintain the buildings, fences, and landscaping with a high degree of expertise and care, as well as interacting with funeral directors, contractors and families who use the cemeteries.

We maintain membership in the Vermont Cemetery Association which sponsors educational forums on various topics related to cemetery management and allows us the opportunity to network with other Vermont town and hear speakers from other parts of the country. We are also supported by the Stowe Town Clerk and staff, since they are legally responsible for the sale of lots, burial transit permits and interment orders. The review of work orders, fees, forms and Rules and Regulations fall under the commission's purview as well as contracts with memorial and foundation installers.

The largest part of the cemetery budget is devoted to memorial restoration. The historic section close to the entrance of Riverbank has received the most effort this year and will continue into 2019. It has been many years since any work has been done to the old stones in these sections. Some of the old pines surrounding these sections have been removed for safety. Old Yard Cemetery, located behind the Akeley Memorial Building, has also seen some restoration work. In addition, the commission facilitated the erection of a memorial to a veteran of the Revolutionary War, researched and donated by a relative of the veteran. In addition to the two mentioned above, the commission oversees five other cemeteries: Old Ivory Luce, Thomas Luce, Sterling, Mansfield, and West Branch. All are designated historic cemeteries and are closed to lot purchases. Riverbank is the only town cemetery where lots are currently available.

The commission maintains kiosks at Old Yard, Riverbank, and West Branch with informational brochures containing brief histories and rules of the cemetery. The "*Annotated Cemetery Book II, Stowe, Vermont 1798 - 1915: Four Record Books*" by Patricia Haslam is currently for sale in the Town Clerk's office and through the Town website. The website also has pertinent forms and documents related to the town cemeteries including the Rules and Regulations. We meet the first Tuesday of the month at the Akeley Memorial Building and welcome public attendance.

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 Falls 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 2018:

Conservationist of the Year Award

At the annual town meeting in March, the Commission presented its Conservationist of the Year award to Bowie and Helen Duncan in recognition their generous participation in the conservation of Stowe Land Trust's Mill Trail property and ongoing support for SLT's Summer Naturalist Program.

Green-Up Day

The Commission coordinated another successful Green-Up Day on May 5, with over 500 people participating, including groups from the high school and elementary school. 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 4, 2019 at the Sunset Grille and Taproom, starting at 8:00 a.m.

Emerald Ash Borer Plan

The Commission completed work on an action plan to respond to the threat that the Emerald Ash Borer (EAB) poses to the Town's ash trees. In the spring of 2018 EAB was found for the first time in several areas of Vermont, the closest location being Montpelier, with the High Risk Area extending into Waterbury. The action plan focuses on education and impacts to the Town Highway ROWs, Town Parks and Town Forests.

Cady Hill Forest

The Commission had another 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.

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 ¾ of the project was completed in March 2018 and it is scheduled to be completed by the end of winter 2019.

Sunset Rock

Stowe Land Trust worked with Stowe Elementary School to fabricate and install over 60 hand-painted trail markers on the Sunset Rock Trail leading from Sunset St. to the Upper Overlook. The Commission also installed a new trailhead kiosk at the Taber Hill Rd. parking lot.



Farewell to David Jaqua and Gar Anderson

Longtime Conservation Commission member David Jaqua retired from the Commission after 22 years of service. He has been a super volunteer for the Town and consistently went beyond the call of duty with his work for the Commission. David provided graphic design services for many brochures and interpretive displays for town properties over the years.

Gar Anderson stepped down from the Commission in 2018 after 8 years. Gar has been a tireless steward of Sterling Forest since he spearheaded the acquisition of the property in 1995. We wish David and Gar the best of luck in their future endeavors.

Conservation Commission members in 2018 included:

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

Respectfully submitted,
Tom Jackman, Planning Director

DEVELOPMENT REVIEW BOARD

The Stowe Development Review Board (DRB) consists of seven (7) regular members and three (3) alternate members appointed for three-year terms by the Selectboard. Established in 2002, the DRB combines the development review functions of the former Zoning Board of Adjustment (ZBA) and the Planning Commission into a single body that evaluates and decides whether proposed development meets the standards and procedures defined in the Town's adopted zoning and subdivision regulations. The DRB is a "quasi-judicial" board which holds warned public hearings, conducts site visits, and issues written decisions on subdivision and development applications, zoning appeals, waiver, and variance requests. The Board's regular monthly meetings, held on the first and third Tuesdays of each month at the Town Hall, are open to the public. The DRB also meets in deliberative sessions as needed to review application information and hearing materials and to draft findings and decisions. The work of the DRB and the administration of the Town's land use regulations is one of the most important aspects of implementing the goals, policies, and strategies outlined in the Stowe Town Plan.

The DRB met twenty-one (21) times in 2018 and held fifty-six (56) warned public hearings. All decisions of the Board are available for review at the Town Hall and on the Town's website.

Conditional Use/ Conditional Use Amendment	33
Ridgeline & Hillside Overlay District	6
Flood Hazard Overlay District	3
Waiver	2
Appeal of Zoning Administrator Decision	1
Preliminary Subdivision	1
Final Subdivision	2
Subdivision Amendment	1
Boundary Line Adjustment	1
PRD/PUD Amendment	8

It is important to note, participation in a DRB public hearing is a prerequisite to the right to take any subsequent appeal. Development applications reviewed by the DRB are heard “on the record.” Any appeal to the Superior Court Environmental Division is based solely on evidence provided to the DRB during a public hearing.

Current DRB members include Douglas J. White (Chair), Drew Clymer (Vice Chair), Chris Walton, Tyler Mumley, Thomas Hand, Andrew Volansky, Francis (Paco) Aumand, Michael Diender (Alternate), Peter Roberts (Alternate), and Sarah McLane (Alternate). The DRB also received much appreciated administrative and technical support this year from DRB Clerk Barbara Allaire and Zoning Director Sarah McShane.

All of the information regarding the Development Review Board, including meeting warnings, agendas, minutes, and decisions are available online: <https://www.townofstovevt.org>.

HISTORIC PRESERVATION COMMISSION

Established by the Selectboard in 2000, the Stowe Historic Preservation Commission (SHPC) performs two equally important functions:

1) The Commission reviews applications for exterior alterations, demolition and relocation of historic buildings, and for any development within the Stowe Historic Overlay District (SHOD)

2) The Commission promotes Town projects that foster historic preservation and maintains the Town's State Historic Sites Survey comprised of 222 inventoried historic buildings and structures. The Commission is proud of its record of helping promote development that is aesthetically compatible with the unique historic character of the Stowe Village and Lower Village and with other historic buildings outside of the SHOD. In 2018, the Commission held eighteen (18) meetings and reviewed forty-five (45) applications.

The SHPC continues to participate in the designated Certified Local Government (CLG) program. CLG designation recognizes those municipalities that have a special commitment to preservation through public policy and an adopted historic preservation ordinance. As one of fifteen (15) Certified Local Governments in Vermont, the SHPC is eligible to apply for CLG matching grants for historic preservation projects.

The Commission meets twice a month, generally on the second and fourth Wednesdays at 5:15 PM in the Akeley Memorial Building (Town Hall) Memorial Hall located at 67 Main Street. All meetings of the Commission are open to the public; community members are invited and encouraged to attend. Sarah McShane, Zoning Director, serves as staff to the SHPC for design review. Tom Jackman, Planning Director, is the CLG Coordinator and serves as staff to the SHPC for Town historic preservation projects. All of the information regarding the Historic Preservation Commission, including meeting agendas and minutes are available online:

<https://www.townofstovevt.org> .

Respectfully Submitted,
Sarah Noelle McLane, 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

The seven-member board of Trustees continues in our supporting role to the library director and staff.

Throughout the year we review and update the policies and bylaws of the library. We also have the responsibility of managing the endowment funds. The Trustees and library staff together assess the attainment of the goals created in the Strategic Plan of 2016-2020, which are Creating Young Readers, Connecting to the Online World and Satisfying Curiosity. This helps to ensure that the ideas and needs of the community are being fulfilled.

There are many patron contributions too numerous to name that have enhanced both the look of the library as well as the materials collection. Over the years the support from the community has been amazing.

Two benches have been placed in the front of the library in honor of our longtime custodian, Pete Smith, who passed away over a year ago.

The major challenge for the upcoming year will be restoring the library and its materials. A break in the sprinkler system caused severe water damage to the building ruining almost the entire adult collections in the library. The response to this disaster by the library director and staff has been very professional and focused. They salvaged as much of the materials as possible and want to get the library up and running as soon as possible. A temporary library is set up in the Akeley Building. The plan is to open officially sometime in the spring. The Trustees are planning to supplement with endowment monies what insurance and the Town budget does not cover to replace the lost materials. There has been an overwhelming response from the community reaching out and asking how they can help. Through community support, the Friends of the Library and monies available in the endowment funds, the materials will be replaced over time.

This has been a challenging time for all. I want to thank the community for their support. I also want to thank the library staff, the volunteers, the Friends of the library and the trustees for their continuing efforts and dedication to keep this institution such a vital part of the community.

Respectfully submitted,

Darla Witmer, Stowe Free Library Board of Trustees Chair

STOWE FREE LIBRARY ASSETS

June 30, 2018

CASH

Checking Account.....	\$23,653
Development Account.....	\$27,296
Cash Drawer.....	\$75
Total Cash Accounts.....	\$51,024

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.....	\$629,412

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

Unrestricted. Income can be used as desired. Principal should remain untouched.	
Union Bankshare Common Stock.....	\$373,680
Fidelity Short-term Bond Fund.....	\$14,989
Total.....	\$388,669

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%.....	\$18,643

Doris Houston Fund

Restricted. Income to be used for library expenses. Principal to remain untouched.	
Dodge & Cox Balanced Fund.....	\$62,966
Dodge & Cox International Fund.....	\$5,672
Total.....	\$68,638

Total Endowment Funds.....	\$1,105,362
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STOWE FREE LIBRARY INCOME SUMMARY
FISCAL YEAR ENDING JUNE 30, 2018

Book Sale Share from Friends.....	\$6,000
Copier Fees.....	\$1,440
Registration Fees.....	\$5,667
Fines.....	\$1,490
Material Replacement.....	\$1,002
Bank Account Interest.....	\$50
Donations.....	\$5,333
Endowment Income.....	\$16,431
Other Income.....	<u>\$256</u>
Income Total Before Grants/Bequests.....	\$37,669
 Total Grant Income.....	 \$8,000

STOWE ELECTRIC DEPARTMENT

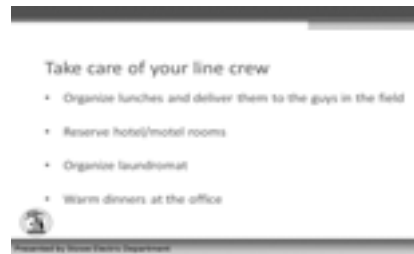


2018 was a time for reflecting and building on our 2017 accomplishments. In addition, The Town of Stowe Electric Department also spent much of 2018 preparing for future system improvements:

Stowe Electric is very proud to be recognized by public power associations in the North East and across the United States for our accomplishments and extensive utility experience.

In April 2018, Lily Burgess, SED’s office manager and I were invited to speak at the North East Public Power Association’s (NEPPA) Outage Management & Communications Roundtable. We were able to share our storm related experiences and the lessons we learned dealing with large

outage situations, such as the windstorm of October 2017. Through a Power Point presentation, discussions and question and answer segments, we described how we have taken the processes that were developed during emergencies and turned them into procedures that have helped us better manage future outages. In addition, we were able to share valuable information on damage documentation processes



that will save other utilities time and provide a solid paper trail in the event a storm is classified as a disaster that may be eligible for FEMA reimbursement. During the annual membership meeting of the American Public Power Association (APPA) in November, APPA did a presentation on how public power utilities can use social media to keep their customers updated during outage situations. We were very proud and honored that one of the social media examples they used to show other utilities how it should be executed was from our Facebook page. In early spring 2017, Stowe Electric finished its migration to a new billing system. Although the transition is now



complete we are continuing to work with our vendor to improve and enhance the system. 2018 has been a busy year for our billing department in this respect. We have had a good amount of new solar systems come online in 2018 and we are currently in the process of simplifying our Net Metering bills. The online customer portal has had some updates as well and we will be continuing to work on improving and adding new features. In addition, we have listened to our customers feedback in regards to our bill format and are working on changing it so that they are streamlined and easier to read.

Maintaining and updating our electrical infrastructure is critical to system reliability. In 2018 we were able to complete important Capital Improvements to our system. Work on the Luce Hill 3-phase line relocation that began in 2017 was completed in June 2018. We had two sections of line that were located off-road in a very steep wooded location where we experienced repeated outages, mainly due to damage from trees. The terrain made it very difficult to get equipment and men to the lines when outages occurred which would delay restoration to customers. Since the lines have been relocated out to the roadside, we've seen a significant decrease in outages from trees on Luce Hill.

We also completed the installation of new voltage regulators at our Houston substation. The two circuits originating from this substation provide service for many of our customers up and down the Mountain Road. The increase in size from 267kVA units to 333kVA's units for both circuits with the recently upgraded station transformers now gives us the ability to serve most of Stowe's electrical grid from this one substation, providing more flexibility to manage the grid and maintain power for customers in the event of an outage.

Several new poles were installed on the transmission line project behind the cross country ski center in October. The conductors on this section of line needed to be re-sagged and the support hardware changed due to a tree falling on the lines during the previous winter. The new poles were strategically placed to follow the uphill terrain to allow the nearby distribution lines to be moved to the transmission poles. The distribution lines were too low to the ground and had become a safety issue during the winter months. The old distribution poles were eliminated and the conductors now share the same pole structures.

In 2019 a complete electrical distribution system study will be done to evaluate the current status of Stowe's electrical grid. This study will provide important insight on how to plan for future grid improvements and ensure SED can continue to provide reliable power to our customers. In addition, the study will help us plan the necessary replacement of our Wilkens substation and add an

additional circuit. We are restricted in our ability to backfeed circuits and get customers back on faster during outage emergencies due to the rapid growth in both load and renewable energy sources on the two circuits currently located at this substation. It was necessary to install additional protective relays to accommodate the excess generation feeding back into the substation from the many solar resources in Stowe. Due to Wilkens' existing equipment being pad mounted and all the conductors being located underground, upgrades like the protective relays become complicated and at increased costs.

This electrical system study will also provide us with an engineered structure replacement of the wooden distribution structure at our Lodge substation and a systematic upgrade of the reclosers and controllers at all our substations.

We have also begun the process of replacing the primary underground conductors on the 34.5kV transmission line at Shaw Hill. All three conductors at this location are of 1980s vintage and one of them failed last April. SED placed the backup conductor into service at that time and replacement conductors were ordered. Due to the long manufacturing lead time for the new conductors, the process of swapping out the old conductors will start this spring.

Also in 2019, SED plans on adding an outage management system to our IT systems. The new OMS will be available online for customers to access and interact with during outages. The outage management system will help our crews to isolate the source of an outage saving us time and allowing us to get customers back online faster. Without an outage management system, our crews have to determine the cause of the problem by physically searching the system. Most of the time this is done during dangerous weather conditions putting our crew in harms way. This new technology will help keep our crews safer while they are doing the dangerous task of restoring power in addition to keeping our valued customers informed.

Stowe Electric is also excited to be a vital part of the Town's plan in improving the downtown by working together to underground the electrical lines. We are also working close with the Water Department on a pilot AMI water meter program. If the results of the pilot are promising, older water meters will be replaced with smart meters. Upgrading the current meters will have many advantages such as allowing customers to view their water usage online.

Mother nature brought us several small challenging storms in 2018. Although not as large as the October 2017 windstorm, we faced 95 m.p.h. winds on May 4th and 5th that resulted in many downed trees and branches causing several areas of outages and \$31,233.25 in damages. This windstorm was declared a federal disaster in July and SED was able to submit these damages for

reimbursement from FEMA. We anticipate receiving this reimbursement sometime in early 2019. We also expect to receive the remaining \$100,970.11 balance of our FEMA reimbursement from the October 2017 storm within the next couple of months.



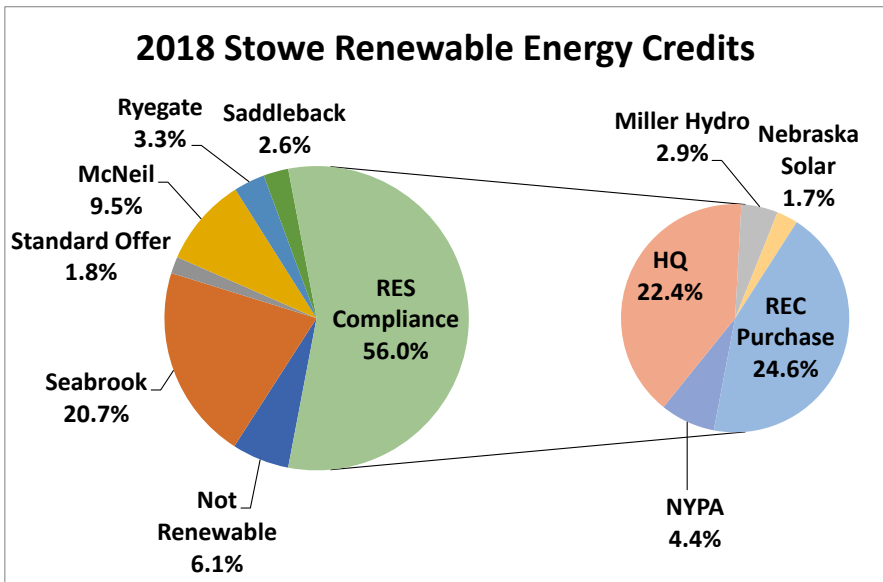
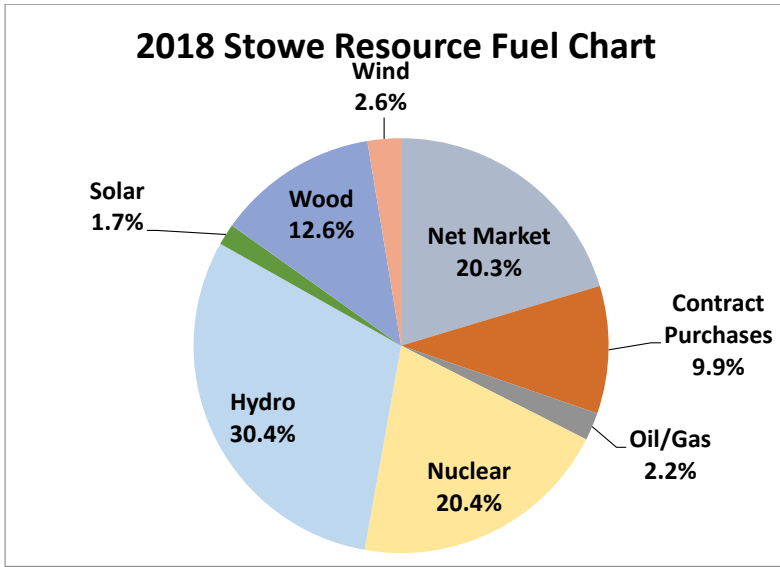
Of course all outages or call outs are not weather related. In 2018, crews responded to a customer's call about a loud humming sound coming from their meter box.

It would appear this little guy in the photo on the left was preparing for a long winter.

2018 marked the second 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. Stowe Electric's power portfolio was 56% renewable in 2018.

Much of our contracted power comes with Renewable Energy Credits ("REC") 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 also launching its first Tier 3 programs starting in 2019. The RES Tier 3 mandate requires electric utilities to offer programs and support to help their customers transition off of fossil fuels. According to latest estimates, 43% of Vermont's carbon emissions come from transportation and 24% come



from home and commercial fuel use from heating while only 10% are attributable to electricity generation. We're pleased to be working with Efficiency Vermont to provide our cold-climate heat pump program in 2019 so that our customers can get the most from their years of experience and knowledge. Below is a table of the full list of incentives available to Stowe Electric customers this coming year.

Stowe Electric 2019 Tier 3 Incentives**

Cold-climate Heat Pump	\$575
All-Electric Vehicle*	\$850
Plug-In Hybrid Vehicle*	\$450

**Income-qualifying customers are also eligible for an additional \$250 incentive towards either electric vehicle option*

***Terms and conditions apply. Please contact Stowe Electric for details.*

Stowe Electric is committed to meeting 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.

Stowe Electric also filed its Integrated Resource Plan ("IRP") at the end of 2017 and it was approved in 2018. The IRP is a planning document that all Vermont electric utilities are required to file with the state and takes a 20-year assessment of how to meet customer's needs for energy and energy services while keeping in mind least-cost principles, safety, and environmental and economic costs. The entire document is available on Stowe Electric's website.

On Stowe Electric's distribution grid, 10 new net metering systems were installed in 2018 for a total of 78 systems. The majority of installations are sized to generate enough electricity to cover an average home's usage. We also had 3 larger systems installed this year. This includes the new facility at the Alchemist Brewery, Vermont's first major solar parking lot canopy. The median net metering system in Stowe is roughly 7.6 kW in size. For comparison, the Nebraska Valley Solar Farm is 1,000 kW and generates roughly enough energy to power 200 Stowe homes.

We are very excited that our new office and garage at 435 Moscow Road will be completed in late January 2019. The office and operations staff are

scheduled to move into the new facilities in February. This project will be completed without Stowe Electric incurring additional debt. The Department will be saving \$70,000 a year in rent. Once final exterior touches are completed in the spring of 2019 we will be hosting an open house for everyone to attend.



The Commissioners, Stowe Electric staff and I would like to express our deepest gratitude to the customers and residents of Stowe for being so supportive of the Department. 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



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, 2017 – June 30, 2018 (FY’18) Stowe EMS handled 700 calls for service. Of those 700 calls, 43 were mutual aid (36 to Waterbury/Duxbury/Moretown, 7 to Morristown), 88 calls to Stowe Mountain Resort and 569 in the Town of Stowe. Stowe EMS averages a response time (minutes from dispatch time to enroute time) of less than 5 minutes on 70% of calls. The department is staffed with four full-time employees and has 11 Per-Diem staff (working professionally elsewhere in an EMS role but occasionally for the department); in addition, our volunteer roster remains strong at approximately 25 volunteers, many 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 FY’18 the department has added new volunteers. Efforts focusing on the recruitment and retention of volunteers continue.

Our volunteers are certified at the following levels: EMR, EMT, AEMT (Advanced EMT), and Paramedic. Our volunteer’s 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.



The following table illustrates hours spent on call:

Work Group	Hours on Call
Volunteers	8,214.0
Per Diem Staff (11)	5,802.5
Full Time Staff (4)	7,147.0
Total Hours of On-Call time	21,163.5
<i>(there are 8,760 hours in one calendar year)</i>	

The following table illustrates some information on our call volume:

Location of Call	Number for year
Town of Stowe	569
Stowe Mountain Resort	88
Mutual Aid	43
Total	700

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

Type of Call/ Transport Destination	Number for year
No Transport, Cancelled, Stand-By, Paramedic Intercept	290
Transport to Copley Hospital	349
Transport to Central Vt. Med Ctr	14
Transport to Univ. Vt. Med. Ctr	47
Total	700

Stowe EMS enjoys a close working relationship with the Stowe Fire Department, Stowe Mountain Rescue, Stowe Emergency Management, and the Stowe Police Department. As well the Mt. Mansfield Ski Patrol is a close working partner in the pursuit of appropriate patient care. 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 Town Manager, Selectboard, 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 continue to work on projects to streamline reporting and analysis to improve oversight of budgets and the budget development process.

Finance works with an IT management firm to maintain security and backup of database information. With their support we upgraded email for Town employees to Office365 for improved access and support record retention.

Finance worked with Public Works to process a FEMA claim for Wind Damage that occurred on October 29, 2017. The full claim was \$162,000, of which the Town was responsible for 17.5% or \$28,000.

In August 2018, Linda Kelly retired after 14 years of service to the Town as Assistant Finance Manager. Linda was pivotal in the Department, handling all the functions at various times of her tenure and keeping the work flowing during transitions of staffing. She educated me on the ways of working in Town government and fund accounting, for which I am very grateful.

In July 2018, we hired Sandy Sabin as Assistant Finance Manager and she is bringing her own knowledge base to our Department and Town Offices to improve efficiencies, financial transaction process, training and documentation.

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 townspeople of Stowe for their support and caring for its professional volunteer fire department. We take great pride in being good stewards of our equipment, much of which is taken care of by our volunteers.

Presently we have thirty active members of the department. We have eight new candidate members and two junior firefighters. It is a challenge for volunteer firefighters responding to fire calls, staying current in their training with full time jobs and balancing their family life. I salute you as the Chief and friend for all your unselfish giving to the community.

For the period of 1/1/18 through 12/31/18, the department has responded to 364 calls, the most the department has ever had.

Fire alarms (unintentional)- 122	Car fires- 2
Fire alarms (malfunctions)- 63	Motor vehicle (injury)- 9
Brush fires- 8	Motor vehicle (no injury)- 21
Structure fires- 13	Victim stuck in elevator- 9
Carbon monoxide alarms (no CO)- 26	Sprinkler activation (no fire)- 4
Carbon monoxide alarms (incident)- 6	Medical assist (EMS)- 8
Electrical fires- 6	Good intent (old fashioned help)- 10
Chimney fires- 5	Gas leak- 9
Dispatched, cancelled en route- 27	Smoke odor- 5
Hazardous conditions- 10	Storm- 1

This will be my last Town Report I send to the Town. I have always viewed firefighting as one of the greatest jobs in the world. I thank you all for the opportunity to serve you. My sincere thanks to my wife, Judy and son Jan-Michael for their never-ending support, love and allowing me to have been a firefighter. Firefighting families truly know what sacrifice is all about, thank you.

Respectfully,
Mark Sgantas, Chief, Stowe Fire Department



To Welcome ... To Inspire ... To Enrich the Mind

[His] library was a fine dark place bricked with books, so anything could happen there and always did. All you had to do was pull a book from the shelf and open it and suddenly the darkness was not so dark anymore.

~Ray Bradbury, Farewell Summer

Although I am reporting on the Fiscal Year 2018, I would like to acknowledge the tragedy that recently occurred at the Stowe Free Library, namely the water sprinkler system failure and the flooding of the Helen Day Memorial Building. The Library has found many supporters during this time of need, and I thank each and every one of you for your hard work, dedication, well wishes and financial support. In particular, I thank the Town of Stowe Select Board and Town Manager, the Stowe Free Library Board, the Friends of the Stowe Free Library, the Library Staff and Volunteers, the Town of Stowe Public Works Department, the Town of Stowe Finance Department, and those that have donated recovery funds including the members of the Friends of the Stowe Free Library, the Friends of the Dorothy Alling Memorial Library, the Green Mountain Library Consortium, the Stowe Cooperative Nursery School, the Jewish Community of Greater Stowe, the Robertson Family Fund, the BNY Melon Charitable Gift Fund, and the TAG Philanthropic Foundation. I know that there are many more that I cannot possibly name, but thank you all!

I would also like to thank those that provide ongoing support and collaboration throughout the year including the Copley-Munson Foundation, the Oakland Foundation, the Ashgate Foundation, the Vermont Department of Libraries, the Stowe Garden Club, the Helen Day Art Center, and the Stowe Historical Society.

Respectfully submitted,
Cindy Weber, Library Director

STOWE FREE LIBRARY

FY'18 STATISTICS:

Number of adult cardholders: 5,240

Number of juvenile cardholders: 823

Number of print materials (pre-flood): 28,357

Number of video materials (pre-flood): 3,612

Number of audio materials (pre-flood): 1,914

Number of in-house library material checkouts: 66,825

Number of checkouts for consortia owned electronic audio books: 1,790

Number of checkouts for consortia owned e-books: 1,675

Number of adult public access computers: 5

Number of juvenile public access computers: 3

Number of adult public access computer sessions: 3,556

Number of juvenile public access computer sessions: 969

Number of wireless connection sessions: 4,101

Number of adult programs offered / number of attendees: 27 / 374

Number of juvenile programs offered / number of attendees: 166 / 3,513

Number of Job Hunt Helper sessions / people assisted: 40 / 8

Number of tests proctored on-site: 6

Number of librarian visits out in the community: 18

Number of items lent to other libraries (ILL service): 550

Number of items borrowed from other libraries (ILL service): 585



PARKS & RECREATION

Mission: Promoting Healthy Living and Community Vitality through Public Recreation

Recreation

In 2018 the Stowe Parks and Recreation Department hosted 70 programs and 11 events. New programs this year that were highly attended were the Figure Skating programs, Tot soccer, Fencing, Open Gym times at the Stowe Elementary School, and Stowe Area Flag Football.



The Youth Summer Camp had a total of 165 unique enrollments, an increase of 54 participants from 2017. A feature that makes our camp stand out is additional Summer Camp Clubs, activity specific programs. Summer Camp Clubs engaged 113 individual participants, 60 of which were participants outside of our summer camp program.

Our TREC program also grew from 17 participants in 2017 to 23 teens.

In 2018 we began serving lunches to children that participate in Summer Camp, with as many as 29 lunches per day to campers, up to 19 of those lunches were free through the Free/Reduced lunch program. In total we served 686 meals over the course of the summer season. Parents who utilize the school lunch program were very thankful that we offered lunches throughout the summer.

In 2018 the Stowe Parks and Recreation Department became involved with the Stowe Area Flag Football program. This program provided a chance for 111 youth from Stowe and surrounding towns to play a challenging and competitive sport focused on the fundamentals of the game, maintaining good sportsmanship and, most importantly, having fun! Youth sports is a growing interest for the Stowe Parks and Recreation Department, in addition to the flag football program we also offered a Fencing program to teens and toddler soccer for children ages 2-5 years old. Both programs generated a lot of interest. Youth Basketball was again offered through the Recreation department with a total of 74 participants.



Additionally, we have partnered with many local organizations and businesses to provide new and rewarding programs and events. Our partnership with the Fly Rod Shop continues to grow as we offer more diverse programs such as Winter Survival and Ice Fishing Adventures. This winter we also partnered with Stowe Vibrancy to host a FROZEN movie and character skate at the Stowe Arena. The turnout for this event was phenomenal and attracted more than 161 people! New baseball dugouts were also constructed at

Memorial Park with the support of the Gale family and Barbara Allaire. Shaw's Grocery managers and staff have helped our department tremendously through volunteering at events and sponsoring youth sports and the annual Halloween Party.

Our department has received various forms of support from community members and local businesses to help raise funds for our Financial Assistance Program. StoweBowl graciously invited us to participate in their Giving Night fundraiser and The Alchemist asked us to take part in the Thursday Night Lawn Party. Coldwell Banker Carlson Real Estate, Stowe Area Association, Stowe Insurance Company, and many individual community members have donated to help us provide positive recreational experiences to community members who may not otherwise be able to participate in our programs.

Event and Program Sponsors:

Brothers Building Company, Shaw's Grocery, Picasso, Daniel Keene, Inntopia, Salute, Coldwell Banker Carlson Real Estate, N.A. Manosh Corporation, Vermont Green Printing, Union Bank, Trapp Family Lodge, Stowe Ice Cream, Stowe Seafood, The Bagel, Pall Spera Company Realtors

Local businesses also supported our programs and events through sponsorships. These sponsorships help provide t-shirts to the kids participating

in various programs such as Summer Camp, Stowe Flag Football, and Youth Basketball.

Volunteers, Collaborations, and Partnerships:

Thank you to our Volunteers, Collaborators, and Partners including Stowe Vibrancy and Frozen event, Fly Rod Shop and various youth programs, Patti Arrison, Helen Day Art Center and Art Adventures, Shaw's Grocery volunteers, John Beebe for bringing Santa to Stowe Arena, and the Youth Flag Football and Youth Basketball Volunteer coaches: Jason McDonald, Jimmy Sawyer, Steven Schlepner, Chris Zalewski, Jamie Walsh, Jayson Willett, Eric Matckie, Warren Davey, Daniel Murphy, Jim Casey, Hamish Hunter, Josh Olney, Roger Clapp, Bill Mitchell, Josh Reid, Brian Maher, Chris McKay, Steve Stutz, Jay Bellows, Nate Lang, Steve Schlepner, Paul Wolters, Marino Bartolomel, Dana Clapp, Ethan Carlson, Dan Ruane, Scott Baraw, Matt Guffey, Mark Derry, Gay Slesar, Jim Brochhausen, and Steven Berlin

Stowe Arena

The Stowe Arena continues to provide an asset to the community and visitors alike, offering a wide variety of programs and opportunities. The Arena provides a home for Stowe High School varsity girls and boys teams, Stowe Youth Hockey, NAHA, Slugs, and many local adult hockey skating groups. The Arena also features programming which includes figure skating, soccer, baseball, field hockey, Tots on the Turf, and much more. In total there were more than 60 different groups and organizations to utilize the Stowe Arena in 2018 including: Kellian Hockey, Vermont United, Vermont Glades, Vermont Flames, Capitol Soccer, Morrisville/PA schools, Craftsbury Elementary, Elmore School, Hyde Park Elementary, Lamoille MS/HS, Wolcott Elementary, and many more.



The community room was regularly utilized for a variety of groups and purposes including, Recreation Commission, Green Mountain Toasters, Stowe Youth Hockey Board, VAHSA coaching clinics, VAHSA referee clinics, JoMotion, Stowe Mountain Resort, Inntopia, Helen Day Arts, and there were more than 20 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 place of pick up for parents.

Stowe Arena Highlights:

- Public Skating and Stick Time continue to be popular offerings as visits were increased in 2018. In 2018 there were 5,179 visits for Public Skate and 1,521 for Stick Time, increased from approximately 4,200 and 1,200 visits respectively in 2017.
- Learn to Skate program offered in collaboration with Stowe Youth Hockey had more than 50 participants.
- In FY'18 Stowe School District used 200 hours of ice time valued at \$41,000.00 (regular rate of \$205 per hour) / \$37,000.00 (youth discount rate of \$185 per hour) and 60.75 hours of turf valued at \$8,505.00 (at regular rate of \$140 per hour) / \$7,897.50 (at youth discount rate of \$130 per hour). Total value of Stowe School District used \$49,505.00 at regular rates / \$44,897.50 with youth discount rates.
- Figure Skating continues to grow, led by instructor Patti Arrison with 12 participants in the most recent session.
- Stowe High School Girls Hockey brought home the State Championship and boys made it into the semi-finals in 2018.
- Both NAHA teams found success as the JWHL champions
- Tournaments are growing at Stowe Arena featuring events hosted by NAHA (3 tournaments in 2018), Hockey Fights MS, KellianHockey, and VT Stars. Local tournaments, Hyde Cup and Women's Hockey both had another strong and successful year. NAHA's Labor Day tournament brought visitors to Stowe from states throughout the US and Canada. Stowe Youth Hockey's Winter Carnival tournament featured teams from throughout New England.
- Camps and clinics were held at Stowe Arena by NAHA, VT Stars, KellianHockey, Stowe Youth Hockey, and USA Hockey.
- Tots on the Turf offers something for the little ones and continues to be in high demand.
- Turf continues to be utilized for everything from toddler play to sports including baseball, soccer, and field hockey.
- Capital Soccer provides youth clinics, Coed Adult Soccer league play, and Women's Adult Soccer league play

Parks

This past season The Parks Department projects included:

- 300 feet of fencing along the river on the quiet path
- Rebuilding the large bridge on the quiet path
- Infields realigned, cut outs redone
- New dugouts at the little league field w/ new fencing in front of each dugout
- Continue tree harvesting at Riverbank cemetery
- Removed 64 old foundations at Riverbank Cemetery and fill in and reseeding
- Volley ball court at Moscow field was installed by Martin and Co
- Shoulders on the rec. path filled and widened in spots
- Sodded areas at the high school soccer field and field hockey fields
- Gardens throughout town were cleaned and maintained
- Cremation garden wood structures re-stained
- Cross-country trails groomed for the elementary school skiing program
- Kept hydrants throughout town clear of snow
- Kept sidewalks from library to the rink plowed and shoveled throughout winter months, over 65 times last winter
- Manosh drilled a well at Riverbank with Parks installing piping and landscaping
- Garbage throughout town picked up twice weekly at parking lots, fields and rec areas



Projects in 2019 include:

- Replacing existing fence along rec path near Chase parking lot
- Bridges 8 and 9 will be re-planked as well as others tightened up
- More infield upgrades
- More upgrades to areas at the Events fields
- Memorial at Farmstead Park to be power washed
- Monuments at riverbank to be power washed
- Monuments and foundations at Riverbank to be repaired
- New dugouts to be stained
- Trees along rec path that are dangerous to be removed
- Ongoing work at the high school fields with over seeding, aeration etc. as well as the Events fields

In addition to all of the above, we continue to provide our regular duties such as mowing athletic fields twice weekly, maintaining all parks, the rec path, streets, all the flowers along the village, hanging baskets in the village, lining

of athletic fields from middle school soccer to high school sports and many other duties.

Thank you to staff Mike, Jeff, Sam, Rob, Deb, Tyler, Paul, you do a great job. Thank you to the tourist and people in Stowe who continuously say nice job and 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 Red Barn Realty, Powerplay Sports, Bread Loaf Corporation, Stowe Vet Clinic, Top Notch Resort, Fred's Plumbing & Heating, Loomis Property Services, CHSLV, Ben & Jerry's, Trapp Family Lodge, Stowe Kitchen Bath & Linens, Golden Eagle Resort, Central Vermont Medical Center, 802 Mobile/ VT Web Marketing, Country*

Store on Main, North Country Federal Credit Union, Stowe Motel, Bourne Energy, Choquette Inflatables, Sushi Yoshi, Commodities Natural Market, Stowe Country Homes, Sisler Builders, Hanover Financial Group, McCarthy's Restaurant, Commodores Inn, Copley Hospital, Well Heeled, The Yoga Barn, Union Bank, Stowe Mountain Resort

This year 34 local businesses supported the Stowe Arena through advertisements.

Finally, thanks to all the Recreation Commission members for their contributions over the past year, Adam Rice, Lynn Altadonna, Brett Loomis, Benjamin Novogroski, and Michael Loughran.

As always, you can find information regarding our parks, facilities, and programs on our website at 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 and 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.

The Commission's main task in 2018 was the development of 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 Utility Commission proceedings in the siting of renewable energy projects. The Lamoille County Planning Commission has the authority to certify the Enhanced Energy Plan.

Along with developing the Enhanced Energy Plan, the Commission also conducted a partial update of the Town Plan, the purpose of which was:

- To satisfy the requirements of Title 24, Chapter 117 § 4382(a)(2)(C) Downtown and Village Center designation;
- To satisfy the requirements of Title 24, Chapter 117 § 4382(a)(2)(D) regarding forest habitat blocks and connectors; and
- To update the implementation tasks of *Chapter 5: Goals, Policies and Implementation*, that have been completed or duly considered since the last adoption of the Stowe Town Plan on June 8, 2015.

The Selectboard adopted the revised Town Plan on 11/13/18. The Plan is valid for an 8-year period and will expire in 2026.

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

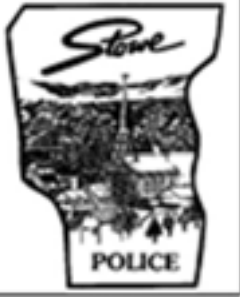
Stowe's Planning Director provides staff support to the Planning Commission and Conservation Commission (see Conservation Commission report). In addition, the Planning Director represents the Town on the following boards and committees:

- Lamoille County Transportation Advisory 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 2018 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.

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.

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.

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.



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

The Stowe Police Department had 4,938 incidents in 2018.

Officers issued 432 Traffic Citations and 1,202 Traffic Warnings.

A summary of those incidents included:

278	Motor Vehicle Crashes	514	Alarms
1	Motor Vehicle Fatality	5	Death Investigations / Untimely
1074	Motor Vehicle Stops	491	Directed Patrols
32	Fraud / Embezzlement	9	Assaults
7	Burglary	53	Theft
141	Animal Complaints	74	Parking Problem / Violations
38	Driving Under Influence	43	Juvenile Incidents
166	Medical / Rescue	247	Motor vehicle Complains
5	Missing Persons	149	Fire / Fire Department Assists
245	Suspicious Persons / Circumstance	54	Noise Disturbance
74	Traffic Hazards	69	Citizen Disputes
13	Threats / Harassment	6	Trespassing
6	Sex Offense / Sexual Assaults	171	Assist Public / Motorists
10	Unlawful Mischief/Vandalism	21	Intoxication / Alcohol Offense

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



PUBLIC WORKS DEPARTMENT

The Public Works Department oversees the Highway, Sewer and Water Departments, implements the Towns Capital Projects and provides technical assistance to other Town Departments. This includes the review of Public Works aspects of a significant number of private development projects underway or being proposed in Town. Stowe has become exceptionally busy in this regard.

Stowe's Highway Department continues to do an excellent job maintaining and repairing approximately 100 miles of Town Highway including 24 bridges, 600+ culverts and our existing sidewalk network. In response to comments received at last year's Town Meeting, the Selectboard authorized additional paving efforts. Exceptional bid prices were received, and a significant amount of paving has been accomplished throughout Town. Under our FY'18 annual paving program, 2 sections of Stowe Hollow Road and Lower Sanborn Road were repaved. With the use of FY'17 surplus funds, our Class 1 Town Highway received a maintenance overlay. With a \$175,000 VTrans grant (second in 3 years) and \$65,000 in local funds, we repaved the full length of Stage Coach Road. VTrans surprised us in early July and repaved the State Highway portion of Route 108 and they completed the reconstruction of Route 100 south of the Lower Village, 1 year sooner than anticipated. LOTS OF PAVING ACCOMPLISHED! We also received two VTDEC Better Road Grants used to reconstruct the drainage system on Lower Sanborn Road, implemented drainage improvements along the Lancaster Hill section of North Hollow Road and replaced numerous culverts. We have engaged a consultant and commenced the work required under the new VTDEC Municipal Road General Permit.



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 350,000 gallons/day with an excellent water quality that substantially exceeds our permit requirements. We suspended the use of the long-challenging ATAD system on a trial basis and have received less odor complaints. We also commenced with the disposal of our biosolid in Quebec where beneficial reuse is still permitted, eliminating landfill disposal.

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 and undertake various levels of operational responsibility for private consecutive systems. We have completed the installation of a redundant well at our Village Green Water Plant which has the capacity to provide increased supply in the future, implemented emergency back-up power generator at our Edson Hill Water Plant and are out to bid for the same at the Village Green Plant. We were significantly involved on behalf of the Town and Stowe Fire District #3 to install a new water main in South Main Street in the Lower Village. This project provides much needed fire protection capacity along this commercial corridor and was coordinated with VTrans Rte 100 reconstruction efforts to minimize impact to abutting property owners and the travelling public.

Capital projects completed include the replacement of the Ski Museum windows, exterior painting and reconstruction of two of four chimneys at the Akeley Memorial Building.



Significant effort also went into the planning and design of the proposed reconstruction of our Class 1 Sidewalks and Main Street Utility Relocation projects, both approved by the voters in November and scheduled to be constructed over the next few years. As I write this summary, we are actively engaged in recovery efforts after a sprinkler system failure that caused significant water damage to the Stowe Library and Helen Day Arts Center building.

It has been a busy year indeed! Thank you for the opportunity to serve the Town of Stowe.

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



CAPITAL PROJECTS UPDATE

Lower Village Sidewalk: 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. The utility work and reconstruction of the River Road intersection associated with this project was completed in conjunction with the VTrans Route 100 reconstruction project through the Lower Village last fall. The curbing and sidewalk work are scheduled to be constructed this spring, prior to VTrans installing the final course of paving on the road. This long-awaited project, first conceived in 2006, will finally be completed by this summer.

Class 1 Sidewalks & Main Street Utility Relocations: This involves the replacement of curb and sidewalk along all Class 1 highways within the former village limits. It also involves relocating wired utilities underground to allow for the removal of all overhead utilities and other streetscape improvement on Main Street. Construction will be occurring during the 2019 and 2020 construction seasons. The intent is to accomplish the work prior to the State paving Stowe's Class 1 highways scheduled later in 2020.

Memorial Park Tennis Court Replacement: This project involves replacing the tennis courts in Memorial Park. Little progress has been made due to more time-dependent projects.

Rec Path Relocation Feasibility Study: This project involves studying the feasibility of relocating the Rec Path under Route 108 to avoid an at-grade crossing at its intersection with Cape Cod Road. A consultant has been retained and surveys and utility impact assessments and conceptual alternative studies are underway. An Alternatives Study Report is expected this summer.

Mtn. Road Village Sidewalk Extension & Luce Hill / Mtn. Rd Intersection: A Master Plan of the Mountain Road Village Corridor was completed this year, which included an alternatives assessment of possible improvements to the Luce Hill and Mountain Road intersection. The Selectboard chose a traffic light as the preferred alternative to regulate traffic at the intersection. This will include introduction of a turning lane and pedestrian crosswalks at the intersection. The sidewalk extension will be coordinated and interfaced with this project. It is not currently a high priority for the State and there is currently no money appropriated to advance the design or move forward with construction at this time.

Moscow Road / Rt. 100 Intersection: The Selectboard chose a roundabout as the preferred alternative to regulate traffic at the intersection. It is not currently a high priority for the State and there is currently no money appropriated to advance the design or move forward with construction.

West Hill Road / Rt. 100 Intersection: An alternatives assessment for possible intersection improvements was completed last year and the Selectboard has selected a signalized intersection with a northbound turning lane. VTrans is currently developing the final design for this project with the intent of incorporating this project with their forthcoming Route 100 Stowe-Morristown Reconstruction, currently scheduled to be constructed in 2020.

Bridge 51 (Rhodes Bridge): VTrans is designing the replacement of the existing bridge under the Local Bridge Program and the construction is currently scheduled to occur in 2022.

STOWE MOUNTAIN RESCUE



Stowe Mountain Rescue had a busy year, responding to 35 calls in 2018.

The missions are delineated accordingly:

TYPE OF CALL	TOTAL
SEARCH	8
LITTER CARRY	6
ASSIST SUBJECT	2
HIGH ANGLE/ROPE	5
STAND BY	2
SNOWMACHINE	1
WATER	2
RESCUE	7
EVENT/PUBLIC SERVICE	1
CANCEL BEFORE ARRIVAL	1

Stowe Mountain Rescue has been involved in preparing and training for the Mountain Rescue Association recertification exam which will be held in February 2019. We have been able to maintain strong membership with a solid backcountry skill set. The team has been involved in several complicated and difficult high angle/rope operations in Stowe. We also put into service our new ATV with tracks, thank you!

A long-time member with over twenty years of dedicated service to the team has retired. Albert Dennis Reinhardt started as a member in 1999. His training as a Game Warden and his backcountry skills were an incredible asset to the team and our community. Dennis will be missed for his knowledge, sense of humor and rock-solid temperament.

Doug Veliko, Chief and Training Officer

Rory Burke
 Nick Chegwidden
 Tracey Elykelhoff
 Graham Govoni
 Jason McLean
 Andrew Millick
 Ed Miller
 David Raybould

Tom Rogers
 Andrew Rusch
 Greg Speer
 Ed Stewart
 Nick Warren
 Todd Westervelt
 Jonathan Wehse
 Neil Van Dyke

STOWE MOUNTAIN RESCUE IN ACTION!



TOWN CLERK & TREASURER

The Town Clerk's Office is a leading point of contact for people with questions about our community. Whether it's 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 2017 vs. 2018 statistics for some of the services we offer:

	<u>2017</u>	<u>2018</u>
Dog Licenses Issued	427	352
Fish & Wildlife Licenses Sold	21	22
Land Records Processed	9,318 pages	13,195 pages
Land Record Office Visits	over 2,000	over 2,000
Liquor Licenses / Annual Renewals	107	133
Liquor Licenses / Special Events	100+	264
Marriage Licenses Issued	148	153
Motor Vehicle Registration Renewals	34	51
Passport Applications Accepted	226	243
Passport Photos Issued	473	672

In addition to the services listed above, the Town 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.townofstovevt.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 Hoadley, Assistant Clerk/Treasurer
 Charlene Walker, Administrative Clerk

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 purpose of this notice is to establish clear guidelines so that all delinquent taxpayers will be treated fairly, will know what to expect and to avoid claims that the Town is acting arbitrarily.

It is in the best interest of the Town and its residents that property taxes are paid when due. Provisions of Vermont Statutes will be adhered to in order to ensure that the delinquent taxpayer is afforded the necessary "due process."

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. Each taxpayer has a right to apply for abatement of property taxes based on any of the grounds listed in 24 V.S.A. § 1535.

If the final deadline has passed and payment has not been received in full, the Collector of Delinquent Taxes will proceed with a tax sale according to the procedures specified in Title 32 V.S.A. § 5252. Once delinquent taxes have been turned over for collection all payments must be made directly to the tax attorney. Statutory collection costs of preparing and conducting the tax sale, including legal fees up to a maximum of 15% of the amount of the delinquent tax, will be charged to the delinquent taxpayer and must be paid in order to consider the tax liability no longer delinquent. (Title 32 V.S.A. § 5258)

Delinquent taxes are billed monthly, and every effort is made to accommodate people who try to satisfy their obligation. Partial Payments will be applied first to the interest due in full and the remainder will be applied to the principal and collection costs.

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. The following chart shows the delinquent amount following the deadline.

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

TOWN OF STOWE, VERMONT
Policy for the Collection of Current & Delinquent Taxes

Purpose:

The purpose of this policy is to establish clear guidelines, so that all delinquent taxpayers will be treated equitably and will know the Town's process for the collection of delinquent taxes.

Current Taxes:

1. In accordance with Section 901 of the Stowe Town Charter, "Taxes on real property shall be due in four equal installments on dates established annually by the Selectboard, provided the first payment in each fiscal year is not earlier than 30 days after the date tax bills for the fiscal year are mailed to taxpayers." Unless the Selectboard adopts a motion to the contrary, the tax due dates shall be August 10th, November 10th, February 10th and May 10th. If the 10th falls on a holiday or weekend, the tax due date will be the following business day.
2. Payment must be received in full in the Town Treasurer's Office by 5pm on the tax due date or postmarked on the due date by a qualified agency, but not a postage meter.

Delinquent Taxes:

1. All delinquent taxes must be remitted to the Collector of Delinquent Taxes. In accordance with Section 902 of the Stowe Town Charter, the Collector of Delinquent Taxes shall apply a two percent interest charge on the unpaid tax per month or fraction of the month.
2. Within 30 days of receiving the delinquent tax warrant, and each month afterwards, the Collector of Delinquent Taxes shall send a written notice to each delinquent taxpayer informing them of the amount due.
3. Partial payments shall be applied first to the penalties and/or interest portion(s) of the amount due, and the remainder shall be applied to the principal amount of the tax.
4. If no satisfactory payment arrangements have been made within one (1) year of the oldest tax installment being due or one (1) full year of property taxes, whichever comes first, the Collector of Delinquent Taxes shall begin actions to conduct a tax sale of the property, or as much of the property as is necessary to pay the tax, plus costs and fees in accordance with the Vermont Statutes Annotated Title 32.
5. Each taxpayer has the right to apply for abatement of property taxes, based upon the provisions listed in Title 24, Section 1535 of the Vermont Statutes Annotated.

Adopted by the Stowe Selectboard September 23, 2013

Summary of Delinquent Taxes

Warrant Date	Amount Billed	Delinquent Warrant Amount	% Delinquent of Total Billed	Remaining Delinquent Amount 6/30/18	Final % Delinquent of Total Billed
September, 2013	\$9,525,734	\$640,779	6.73%	\$0	0.00%
November, 2013	\$9,525,734	\$607,498	7.01%	\$0	0.00%
February, 2014	\$9,525,734	\$801,391	8.41%	\$0	0.00%
May, 2014	\$9,525,734	\$717,748	7.53%	\$0	0.00%
TOTAL	\$38,102,936	\$2,827,416	7.42%	\$0	0.00%
August, 2014	\$9,739,989	\$696,448	7.04%	\$22	0.00%
November, 2014	\$9,739,989	\$754,833	7.34%	\$21	0.00%
February, 2015	\$9,739,989	\$873,885	8.97%	\$21	0.00%
May, 2015	\$9,739,989	\$901,285	9.25%	\$84	0.00%
TOTAL	\$38,959,877	\$3,075,210	7.89%	\$84	0.00%
August, 2015	\$9,098,594	\$728,878	7.27%	\$19	0.00%
November, 2015	\$9,098,594	\$768,592	7.87%	\$18	0.00%
February, 2016	\$9,098,594	\$875,483	8.75%	\$18	0.00%
May, 2016	\$9,098,594	\$748,352	7.45%	\$17	0.00%
TOTAL	\$36,394,376	\$2,931,305	7.34%	\$72	0.00%
August, 2016	\$10,344,478	\$720,653	6.97%	\$19	0.00%
November, 2016	\$10,349,466	\$728,198	7.04%	\$19	0.00%
February, 2017	\$10,349,973	\$769,555	7.44%	\$3,041	0.00%
May, 2017	\$10,349,973	\$799,998	7.73%	\$9,342	0.00%
TOTAL	\$41,387,889	\$3,018,354	7.29%	\$12,421	0.12%
August, 2017	\$10,707,976	\$672,159	6.28%	\$29,459	0.28%
November, 2017	\$10,707,996	\$803,721	6.64%	\$69,279	0.47%
February, 2018	\$10,707,986	\$826,192	6.86%	\$99,218	0.90%
May, 2018	\$10,707,986	\$877,813	6.33%	\$209,432	2.62%
TOTAL	\$42,831,040	\$2,979,865	6.02%	\$448,388	4.19%
TOTAL OUTSTANDING DELINQUENCIES AS OF 6/30/2018				\$473,542	

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, 2019. A copy of the rabies certificate and alteration should be provided at the time of licensing.

352 dogs were licensed in 2018.

Dog License Fee Schedule

On or Before April 1st	FEE
Spayed/Neutered	\$11.50
Un-Altered	\$15.50
After April 1st	
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:

1st Installment	August 10
2nd Installment	November 10
3rd Installment	February 10
4th Installment	May 10

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 1st, prior to the July 1st tax year start date.

Property Owner's Responsibility: By law, tax bills are mailed to the owner of record as of April 1st at the address on file with the Assessor's Office on or about July 1st. **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, 2019.**

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 noncertified 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/Documents/2018/Docs/ACTS/ACT046/ACT046%20As%20Enacted.pdf>

ZONING DIRECTOR AND HEALTH OFFICER REPORT

The Zoning Department administers all permitting and development review functions under the Stowe Town Plan, which includes both Zoning and Subdivision Regulations. The Zoning Director works closely with other municipal departments including the Department of Planning, Department of Public Works, Fire Department, Stowe Electric, Police Department, EMS, and Parks and Recreation to ensure proposed development is in conformance with the town's adopted regulations and ordinances in effect.

Under the town's adopted Zoning Regulations, development is broadly defined as *'The division of a parcel into two or more parcels, the construction, reconstruction, conversion, alteration, relocation, enlargement or demolition of any building or other structure, the construction of any pond or of any mining, excavation or landfill, and any change in the use of any building or other structure or land or extension of the use of the land.'* Unless a use or structure is listed as exempt under Section 2.5, a zoning permit and conformance with the town's Zoning Regulations is required. Zoning permits are required for new construction (including additions, decks, sheds, etc.), site alterations, home occupations, signs, changes of use, etc. The Town of Stowe Subdivision Regulations require review and approval of all subdivisions of land and minimal alterations (i.e. boundary line adjustments, modifications to previously approved subdivisions, etc.).

During the calendar year from January 1, 2018 to December 31, 2018, the Zoning Department received and processed 202 development applications. In 2018, the Zoning Director issued a total of 161 zoning permits and 46 Certificates of Occupancy (CO). This included the permitting of twenty single-family dwellings, six accessory dwellings, and one multi-family dwelling. Fifty-six development applications were referred to the Development Review Board (DRB). 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; 193 in 2016; and 174 in 2017.

If you are planning a project for which you think a permit may be required, I encourage you to contact the Zoning Department for guidance and assistance in preparing your application and navigating the development review process. Once a complete application is received, the Zoning Director has 30 days to act on the request [24 VSA §4448(d)]. Projects which require review by the Development Review Board generally take five to six weeks from the time the application is submitted until a written decision is rendered. Projects eligible for administrative review can generally be reviewed within one to two weeks depending on the scope of the project. Please keep these time frames

in mind when planning your project(s) and submitting your development applications. Copies of the town's Zoning Regulations, Subdivision Regulations, and development applications can be downloaded at <https://www.townofstowevt.org/zoning>.

As a reminder, if you have recently received a zoning permit and have completed your project, I urge you to file an application for a Certificate of Occupancy (CO). With few exceptions, a Certificate of Occupancy is required prior to the use or occupancy of any land or structure for which a zoning permit has been issued. Failure to obtain a Certificate of Occupancy may result in the issuance of a Notice of Violation (NOV) and/or cause delay when refinancing or transferring a property.

The Zoning Director also serves as the town's E911 Coordinator, Town Health Officer, coordinates applications for municipal water and sewer allocations, and provides staff support to the Historic Preservation Commission and the Development Review Board. New E911 addresses are assigned when permits for new buildings are obtained. All questions about new and existing addressing should be directed to the Zoning Director.

Municipal sewer and water allocations for new development and changes of use are also coordinated through the Zoning Department. Information on previous allocations and requests for new or amended allocations should initially be directed to the Zoning Director who works closely with the Department of Public Works to review and process allocation applications.

The Zoning Director also serves as the Town Health Officer. By law, every town, city or municipality in Vermont must have at least one Town Health Officer (THO) who is nominated by Town government officials (i.e. Selectboard) and appointed by the Commissioner of Health for a three-year term. The Town Health Officer and Deputy Health Officer are responsible for protecting public health and are the local representatives of the State Health Department. One of the primary responsibilities of the Town Health Officer is to administer the Vermont Rental Housing Health Code, which lays out minimum health and safety standards that residential rental units must meet. Questions or concerns regarding public health issues or rental housing requirements may be directed to the Zoning Director or the Deputy Town Health Officer Tom Jackman (Planning Director).

The Zoning Department is open Monday - Friday from 8:00-4:00 PM. For questions or to schedule an appointment please call 253-6141 or email smcshane@stowevt.gov.

Respectfully submitted,
Sarah C. McShane, Zoning Director

AMERICAN RED CROSS

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.

2018 was especially busy across our region and the Red Cross provided vital services to our community.

- Responded to 269 disaster incidents in our region, providing essential support to 1,469 individuals. We did not respond to any disasters in Stowe, but we were on the scene at 7 disaster events throughout Lamoille County, and we provided services to 34 individuals.
- Collected 90,447 pints of blood and blood products at over 3,400 drives. 8 of these drives were in East Montpelier, where we collected 297 pints of life-saving blood.
- Empowered more than 1,000 trained volunteers to assist their neighbors during times of need. Stowe is home to 3 of our amazing volunteers.
- Trained 24,541 people in our various health and safety courses, including 44 courses in Stowe, where 201 of your friends, neighbors, and colleagues were taught lifesaving skills, including First Aid and CPR.
- Installed 2,328 free smoke detectors in homes throughout Vermont and worked with families to create fire-evacuation plans.
- We connected 875 military members with their families and loved ones with the help of our Service to the Armed Forces department, including 9 Lamoille County residents who are currently serving, as well as veterans and their families.
- We are proud to have 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. To that end, we are asking each community for a donation in support of our work. We would greatly appreciate your support in the amount of \$500.00 for next year. 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,

A handwritten signature in black ink, appearing to read "Rachel Zelle".

Rachel Zelle

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 16,017 people in 10,494 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, and more.



Major accomplishments for the agency in 2018 include the opening of the Lamoille County Integrated Services Center located in Morrisville, and the hiring of a new Executive Director, Sue Minter

Programs and services accessed by 65 Stowe households representing 82 individuals this past year included:

- 25 individuals in 14 households accessed nutritious meals and/or meal equivalents at the food shelf.
- 2 households with 5 family members were able to keep heating their homes with help from our Crisis & Supplemental fuel programs as well as other utility costs.
- 1 household worked with housing counselors to find and retain affordable, safe, secure housing.
- 3 children were in Head Start and Early Head Start programs that supported 2 additional family members.
- 1 home was weatherized at no charge, making it warmer and more energy efficient for residents, including 1 senior.
- 5 people attended classes or met one-on-one with a financial counselor to be better able to manage and grow family finances.
- 3 entrepreneurs received counseling and technical assistance on starting or growing a business.
- 34 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.

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

Contact and preparer's information: Yvonne Lory, Advancement and Communications Manager

ylory@capstonevt.org or (802) 479 1053.

CENTRAL VERMONT ADULT BASIC EDUCATION
Local Partnerships in Learning



Central Vermont Adult Basic Education, Inc. (CVABE), a community-based nonprofit organization has served the adult education and literacy needs of Stowe residents for fifty-three 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 and financial 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

Stowe is served by our Morrisville learning center. This site has welcoming learning rooms (with computers, laptops and internet access to support instruction). CVABE staff and volunteers also teach students at the library or other local sites as needed.

Last year, CVABE provided education services to 13 Stowe residents. Additionally, 4 volunteers from Stowe worked with CVABE's professional staff to deliver and support literacy services. 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 a 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 nearly 500 people annually in the overall service area of Washington, Orange and Lamoille Counties. It currently costs CVABE \$3,055 per student to provide a full year of instruction. *Nearly all students are low income.* Over 100 community volunteers work with CVABE's professional staff to meet the large need for these services while keeping overhead low.

We deeply appreciate 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, to ensure we can help the neighbors who need education for a better life.

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

CVABE's Morrisville Learning Center
52 Portland Street – Second Floor
Morrisville, VT 05661
(802) 888-5531

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 68 Stowe residents. Case Manager Penny Walker-Reen was designated to work directly with the seniors in Stowe. Central Vermont Council on Aging devoted a total of 842 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 35 years. In addition to various fundraising events, we depend on generous grants from local businesses and user donations for our sustainability. We greatly benefitted from the funds we've received from the Town of Stowe in the past and would like to ask for your continued support in 2019, in the sustained amount of \$500.

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/care-giving resources and events for very young children. Our goal is to promote family strength and children's intellectual, emotional, social, physical and language development through highly accessible programming options.

This year, town grant appeal time finds our organization in the midst of significant transition. In August of 2018, our longstanding coordinator, Anne Latulippe, de-facto executive director and sole paid staff for the last 15 years, retired. As of September 2018, I've stepped in as the new coordinator. Prior to this, I've been a board member of The Children's Room and frequent program participant (as the parent of a young child) for the last 3 years. I am very familiar with our programs, however am early in the process of becoming oriented with our admin systems and materials, and Anne

unexpectedly had to leave Vermont for an extended time for family reasons, but will be returning soon. Therefore, we've had to make estimates for some of our 2018 data, based on the numbers from our 2016/2017 cycles.

The Children's Room has maintained its position as an active participant in the field of early child development in Central Vermont and Lamoille County. Our sign-in sheets indicate we served over 350 families last year, consisting of 2,500 child visits and 1,500 adult visits. Of those, roughly 25 families from Stowe utilized our free services on many different occasions the year. These numbers do not include attendance at our special events, attracting upward of 50 families per event.

The town's support will be essential to maintaining and expanding our quality programming, particularly during this time of organizational transition. As higher-cost private programs become ever-further out of the economic reach of many families in our communities, we're seeing an increased need for our free learning and enrichment programs. These include weekly playgroups, story and music hours, nature programs, field trips to local attractions, parenting forums, and special cultural and seasonal events for young children and their families. 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, First Aid and CPR courses, farm field trips, and a new wellness series for this upcoming winter. Our free, drop-in play space is also a welcoming resource for other local children's organizations.

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,

Naomi, Coordinator

CLARINA HOWARD NICHOLS CENTER

“When my time comes to leave [the] shelter, it will be very scary - I have never truly been by myself, so it will be a new "adventure" to journey on together. I was fortunate to find a shelter that was "dog friendly" - had it not been for the staff and shelter, we would be sleeping/living in my car. In a perfect world, there would be no domestic/sexual assaults - but until then, I have been blessed to have my furry companion/therapy dog to help me through what I would otherwise be going through alone. Maybe someday other shelters will follow their example and allow pets in shelters across the country!” - 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 454 individuals (a 37% increase from the previous year), including:

- Provided shelter to 39 individuals (a 36% decrease from the previous year, mostly due to fewer children being sheltered)
- Assisted survivors with obtaining 93 Relief from Abuse Orders (a 31% increase from the previous year)
- Responding to 1,168 hotline calls (a 20% increase from the previous year)

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 witnessed 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 two part-time employees who work 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 three 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 Greeters as well as participate in cleaning up trash throughout the season. We work with state agencies and other groups to help 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

HABITAT FOR HUMANITY



Lamoille County Habitat for Humanity is a local, non-profit organization pursuing the building of decent, affordable housing for people in our county who do not qualify for a standard loan. The family selected is screened to meet income and personal guidelines and must participate in the building of their home. They must be able to repay their interest-free loan that covers the cost of materials and land. Labor is often donated by local contractors, volunteers and employees released to work on the house by local businesses.

Our local Board coordinates and oversees the fund-raising, family selection, and site selection for home to be built in Lamoille County. We have no paid employees and depend on community volunteers to support our effort to strengthen our communities. Habitat often builds on donated land.

We sponsor Hammerjam, a local musical festival at which local musicians donate their time and energy as well as other fund-raising activities during the year to support our efforts.

The years of success of International Habitat for Humanity's experience in this process provides us with a roadmap for our local chapter to follow and realize our goals. In addition, we collaborate with other Habitat chapters in Vermont to share experiences and explore ways to reduce our building costs. We built our first house in 2014 and we are currently early in the process of construction of an energy efficient, three-bedroom home in Morrisville. We have a lot, a design and permits in place. We have raised more than half of the needed funds to do this project.

On behalf of the Board of Directors of Lamoille Habitat for Humanity, we thank you and appreciate your support for helping to bring affordable housing to another local family.

Volunteers for this project are appreciated and we can use help from those who do not want to swing hammers! Contact us at:

volunteer@lamoillehabitat.org

Steve Gerard, President

Lamoille County Habitat for Humanity

P.O. Box 1306

Morrisville, VT 05661

LamoilleHabitat@gmail.com

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

HELEN DAY ARTS CENTER

90 Pond Street, PO Box 411, Stowe, VT 05672,
802.253.8358

www.helenday.com

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

Helen Day Art Center is a non-profit, community based, contemporary arts organization. Progressive exhibitions, education, and public programs are the core of what we do. We are fortunate to have the support of the Town of Stowe, this community, and that of many other residents and visitors. We stretch every dollar as far as we can, enabling us to bring the highest quality programs to the region.

2018 was defined by growth: we enlarged our staff, expanded our activities, and engaged more people across a wide range of artistic expression.

HDAC hosted an array of impactful exhibits this year, including:

- *Ordinary Time* featured the geometric paintings of Maine-based Grace DeGennaro and the kinetic sculpture of Boston-based Anne Lily. These artists elevated the ordinary into the extraordinary by working with engineering and geometry to create fluidity and beauty.
- *The Infinite Shapes of Water* showcased large abstract photographs of water by local artist Philip Herbison.
- *Student Art Show* exhibited the extraordinary artistic talents of K-12 students in the greater Stowe area for the 37th year.
- *Reclamation* \ *re-klə-mā-shən* \ featured 17 nationally acclaimed, contemporary figurative women artists painting women from their perspective and experience. Through the work in this exhibition, which viewed women in their lives and environments as active participants, a strong statement was made to reclaim and transform the way women are portrayed.
- *Reclamation* \ *re-klə-mā-shən* \ *Film Series* presented film screenings that related thematically to the exhibitions and were all directed, edited by, and/or starring women.
- *Exposed*, our outdoor sculpture exhibit, featured local, emerging, and established artists together. Placed throughout the town, this exhibition helps us achieve one of our strategic goals of making HDAC and Stowe a destination for the arts by offering beautiful and highly crafted work.

- *Familiars: Valerie Hammond and Kiki Smith.* This exhibition of two internationally renowned artists filled three galleries with their printed works. The work in this exhibit demonstrated the uniqueness, as well as the intersections, of the printmaking practices that Smith and Hammond developed as contemporaries and friends over the last twenty years.
- *Members' Art Show and Festival of Trees & Light,* a treasured show, brought the community together to celebrate and share the joy of the season. For nearly 6 weeks, HDAC dedicated its gallery walls to our valued members and their artistic talents. Simultaneously, the work of master artisans hung amongst evergreen trees and a beautiful Hanukkah display of menorahs, games, and dreidels added to the celebratory holiday spirit.

To raise the profile of both the Art Center and the greater Stowe community, we continued working with internationally acclaimed artists from New York to Los Angeles, Europe to South Africa, as well as Vermont's best. Our projected gallery attendance for the year is 5,000+. We experienced a notable increase in attendees, partly due to our new Gallery Education program, which helps visitors see the works displayed with keener insight. As of November, we led 600 students from 12 area schools on gallery tours with hands-on activities. Some visiting schools utilized our bus scholarship program. We also augmented our Hands-On learning space to focus on each exhibition's particular theme.

We continued to bring art out to the community with Exposed, our outdoor sculpture exhibit. This year's work included a show-stopping sculpture by Barcelona's Jaume Plensa and extraordinary work by America's Albert Paley. HDAC also continued its partnership with The Stowehof, showcasing artwork by local and regional artists Wylie Sofia Garcia and Joshua Sevits. In a partnership with Spruce Peak at Stowe, James Peterson's mesmerizing work *Dreamcatcher* was on display on the grounds of Spruce Peak.

Participation in art education grew 15%. We gave over \$6,500 in scholarships for youth and adult classes and camps and intentionally kept our tuition cost low, even though it doesn't cover the full cost of the programs, so that classes can be accessible to all. We continued Teen Open Studio, a twice-a-month after-school opportunity for teens to drop in and work on their art projects, and our monthly Art Play for 1-4 year olds to exercise their creativity and interact with art.

Throughout the year, we mentored interns from UVM, and a community of volunteers helped us with exhibits, programming, education, and graphic design. We celebrated and honored Johanna Darrow for her long time commitment to the Art Center by welcoming her as a Trustee Emerita.

The Art Center's Board of Trustees is instrumental to our success. Thanks to the following Board members who served in 2018: Diane Arnold (*Chair*), Adam Blue, Lisbeth Bruce, Gunnel Clarke, Ellisa Doiron (*Treasurer*), Christopher Doyle, Kim Dreslin, Giulia Eliason (*Secretary*), Brian Hamor, Diane Looney, Greg Popa, Molly Triffin, Lance Violette (*Vice Chair*), Jill Zborovancik; Emerita/us: Johanna Darrow, Ted Lockwood, Ginny Neel, Annie Strobel.

2018 has been a great year for Art. We can't wait to see what we can accomplish, together, in 2019!

With many thanks,
Rachel Moore, Executive Director

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.

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

	FY14	FY15	FY16	FY17	FY18
Unique home sharers	49	90	107	115	110
Hours of assistance provided	6,5000 hours	10,200 hours	12,800 hours	12,125 hours	16,122 hours
% of home seekers paying \$0	35%	25%	37%	31%	24%
Average monthly rent exchanged	\$340	\$304	\$323	\$290	\$297
Nursing home savings	\$229,000	\$425,000	\$631,000	\$354,423	\$567,737
Housing units created	61 units	76 units	94 units	99 units	106 units
Rental savings	\$81,780	\$122,558	\$168,696	\$157,996	\$149,815
Potential new construction cost	\$12 million	\$15 million	\$18 million	\$19 million	\$21 million
% of low-income participants	74%	80%	86%	85%	73%
HSN's Operating Budget	\$234,945	\$259,373	\$269,843	\$277,642	\$278,051

In FY'19 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 home seekers worry less about money.
- 74% of all matched persons feel less lonely.
- 82% of all matched persons live where and how they want.
- 74% of matched home providers feel much safer at home.
- 98% of all matched persons reporting being satisfied with Home Share Now's services.
- 94% of individuals in matches report their quality of living has improved.

105 North Main Street, Suite 103 Barre, Vermont 05641 (802)479-8544

Serving Vermont's Washington, Lamoille, and Orange counties and some adjacent towns.

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 1, 2018 we have seen 208 individuals from Stowe visit our pantry, that's an increase of 1% over last year. We have served 75 families including 116 adults, 15 seniors and 677 children. 30 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
Mary Elfer
Pam Hammel
Pete Monaco
Darsey Moon
Jan Tichansky
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, 2018, we served seventy seven (77) 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. LCMHS most recently has begun to organize and assist in the development of a local effort to prevent suicides in our area, currently the highest county for suicide related deaths in Vermont. This effort, known as Zero Suicide would help to coordinate all efforts of schools, healthcare providers, human services agencies, churches and other parts of our community regarding prevention. The steps are many, but through training provided by LCMHS and other organizations to increase everyone's ability to response to the risk of suicide we can achieve this goal. As well, LCMHS is sponsoring a survivors of suicide support group which is open to

all communities to help individuals cope with this challenging event. Funding support from local governments can help to expand these efforts.

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

Savi Van Sluytman
Executive Director
Sincerely,
Savi Van Sluytman, Executive Director

72 Harrel Street | Morrisville, VT 05661 | Voice: (802) 888-5026 |
Fax: (802) 888-6393 | 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. The 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 Updates & Related Technical Assistance: Focus on predictable and effective local permitting through education, training, bylaw modernization, and plan updated.

Brownfield 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; represent 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 the 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 updating Local Hazard Mitigation Plans and implementation of hazard

mitigation projects to reduce damages from future disasters; provide technical assistance to the Local Emergency Planning Committee.

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 Winooski 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 Services: 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, recreation 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 FY'18, County Directors were: Caleb Magoon, George Gay, Howard Romero, Linda Martin, and Brandon Fowler.

Stowe

- Oversaw design of the Boardwalk at Barnes Camp - a 620-foot-long accessible boardwalk trail in Smugglers Notch. Hosted a grand opening of the Boardwalk in Fall of 2017.
- Coordinated Smugglers Notch Drainage Study to identify alternatives to mitigate flood and erosion damage to Route 108.
- Assisted with drafting of Enhanced Energy Plan compliance with Act 174, relating to improvement of siting of energy generation facilities.
- Conducted outreach and assisted in the Development of the Winooski Tactical Basin Plan.
- Facilitated Green Mountain Byway Steering Committee and provided mapping assistance.
- Provided information and technical support, including site visits upon request, with VTrans and ANR staff regarding the Municipal Roads General Permit.

- Provided assistance in updating the Local Emergency Operations Plan. Conducted traffic counts on Route 108 near Barnes Camp, Luce Hill Road, Cape Cod Road, Moscow Road and Maple Street.
- Facilitated and participated in Road Safety improvements to be constructed as part of VTrans VT 100 Capital Project.
- Provided \$23,500 of Grant In Aid funds for a 2018 project on Lower Sanborn Road.
- 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.
- Provided Smugglers Notch trail and Barnes Camp map updates, updated Town Plan energy maps, created a map of the Winooski Watershed in Stowe, and updated the Green Mountain Byway Recreation Guide.
- Facilitated extension of the Green Mountain Byway to include all Towns and Villages of Morristown, Hyde Park, Johnson, and Cambridge.

LCPC Board Members:

Brian Leven
Marina Meerburg
Leo Clark – County Director

Transportation Advisory Committee Members:

Tom Jackman
Chris Jolly (alternate)

LAMOILLE COUNTY SHERIFF'S DEPARTMENT
2018 Annual Report

The Lamoille County Communication's Center received 16,958 E911 calls the past year, which is up from the 16,633 in 2017. We are currently full staff with 11 full time dispatchers.

Fire Agency	Total Calls	Ambulance Agency	Total Calls	Police Agency	Total Calls
Barre Town	214	Barre Town	3791	Barre Town	6784
Cambridge	225	Cambridge	435	Hardwick PD	2380
Elmore	49	Hardwick	570	LCSD	7054
Greensboro	35	Morristown	764	Morristown PD*	4622
Hardwick	82	NEMS	821	Stowe PD	4939
Hyde Park	97	Stowe	748		
Johnson	136				
Morrisville	221				
North Hyde Park/Eden	66				
Stowe	364				
Wolcott	53				
Total	1542	Total	7129	Total	25779

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

2018 proved to be an exceptionally busy, yet productive year for Lamoille County Sheriff's Department Patrol Deputies, supervisors, and investigators. Responding to a total of 7,054 calls for service, the LCSD again demonstrated how vital their function was, and continues to be, throughout the county.

As Deputies continue to combat the opiate drug problem within the county, its associated crimes are remaining consistent, with a total of 62 thefts and 9 burglaries, many of which were drug-related, as well as 6 formal drug investigations. Deputies also spent the year placing a heavier emphasis on DUI enforcement, from both alcohol and illicit or prescription drugs; Total DUI arrests for the year totaled 25, representing a significant increase from 2017. The Sheriff's Department also investigated a total of 10 sexual assaults, a figure which was consistent with last year's figures.

Other reported incidents included (but were not limited to) 123 citizen disputes, domestic assault situations, or family fights, and 55 noise disturbances. Among all of those more serious types of incidents, Deputies

still made time to perform substantial traffic enforcement. Traffic tickets for 2018 totaled 522, generating \$79,985 worth of revenue from fines. Additionally, Deputies responded to 223 traffic crashes, and investigated 262 motor vehicle complaints.

As the patrol division continues to experience ever-increasing call-volume, our main focus will continue to be the safety, security, and general well-being of all Lamoille County residents.

Nature of Call	Johnson	Hyde Park	Wolcott
Traffic Accident	109	75	39
Burglary	7	0	2
Citizen Dispute/ Family Fight/ Domestic	61	48	14
DUI	14	7	4
Motor Vehicle Complaint	113	113	36
Noise Disturbance	38	9	8
Sexual Assault	5	4	1
Drug Investigations	3	2	1
Theft	43	12	7
Traffic Tickets	215 Fine Amount \$26,561	174 Fine Amount \$32,889	133 Fine Amount \$20,535

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 is a 501(c) (3) non-profit organization dedicated to investigating, prosecuting, and providing victim advocacy services for sexual violence, child abuse, domestic violence, and crimes against vulnerable adults. The LCSIU 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, and the Department for Children and Families, as well as various medical and therapeutic service providers. The LCSIU is the lead organization for executing county wide sex offender registry checks. The checks are conducted at least once a year to ensure that known registered sex offenders are complying with the requirements of the Vermont Sex Offender Registry.

In fiscal year 2018, the Lamoille County Special Investigation Unit was involved in 93 incidents throughout Lamoille County: 75 investigations related to allegations of physical and sexual violence against children and 18 investigations related to allegations of abuse against adult victims. Town funds supplement our state funds and help us in supporting our detectives to investigate incidents in a timely manner, assist our victim advocate in helping victims through this very difficult and traumatic process, and sustain our prosecutor in attaining justice.

The LCSIU space in Hyde Park provides a secure and comfortable area to meet with victims, and through a multidisciplinary team approach, ensures victims can seamlessly access the services they need. In 2019, we will apply for national accreditation as a Child Advocacy Center (CAC). This designation means we meet rigorous national standards that ensure allegations of child sexual and physical abuse are investigated and prosecuted while providing coordinated support services to victims and their families.

As the new Executive Director, I would welcome opportunities to talk with Lamoille County groups and organizations about the important work of the LCSIU. Please contact me at 851-8116 if you have questions or would like additional information. Thank you for your continued support.

Tracy Patnoe, Executive Director

LAMOILLE ECONOMIC DEVELOPMENT CORPORATION

As always, 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 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. For the 5th year in a row, the LEDC was the local sponsor of Fresh Tracks Capital's Road Pitch entrepreneur showcase event (Vermont's version of Shark Tank) and three of the five presenters were residents of Stowe. The LEDC also provided support and assistance for two Stowe-based businesses to receive over \$500,000 in employment incentives through the State's VEGI program. Working with the county planning commission we are also moving forward with plans to establish a regional anaerobic digester to handle the high strength BOD waste generated by breweries, cideries, wineries, distilleries, cheese and ice cream makers as well as other producers of food and beverage products throughout the county and beyond. As always, the LEDC remains very grateful for the financial support we receive from the residents and tax payers 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 42 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 2018, our caring and dedicated staff of 32 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 21 children.
- 8 families with 18 children received toys, games, books, and stocking stuffers thru the Holiday Project
- 3 Stowe families with 4 children received emergency assistance including funding for rent and fuel and goods such as diapers, clothing and furniture
- Multiple 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
- 9 Stowe families with 14 children attended a weekly Hometown Playgroup in the region
- On any given day approximately 28 families receive support in affording child care through the Child Care Financial Assistance 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.

Floyd Nease, Executive Director
480 Cady's Falls Road Morrisville, VT 05661
(802) 888-5229 ext. 124 fnease@lamoillefamilycenter.org

LAMOILLE HOME HEALTH AND HOSPICE

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

2019 marks Lamoille Home Health's 48th year of service to Lamoille County residents. It also marks the 48th year of financial support from Lamoille County's ten towns. Vermont has a growing need to provide services to not only our elderly population, but to newborns and new mothers, to those recovering from injury or illness, and to those receiving palliative and hospice care. LHH&H provides skilled nursing, physical, speech and occupational therapies, medical social services, licensed nursing assistance, personal care, homemaker support, and many hours of volunteer service in support of families in need of respite or hospice care 365 days of the year.

You help us to maintain our high standards of professional and personal care in delivery of services to your neighbors, friends and loved ones. Despite changes within the health care industry, in federal legislation, or in state government; we have always been able to count on your community's generosity. Regardless of a person's ability to pay, Lamoille Home Health & Hospice is there.

Lamoille County is poised to expand its population of people over the age of 65 by as many as 5,000 additional seniors by the year 2030. With your continued support, Lamoille Home Health & Hospice will always be ready.

From June 1, 2017 – June 30, 2018, LHH&H staff provided the following services to residents of **Stowe**:

1,582 Skilled Nursing, **1,065** Physical Therapy, **219** Occupational Therapy, **32** Speech Therapy, **44** Medical Social Worker, **832** Licensed Nursing Assistant, **756** Personal Care Attendant/Homemaker and **127** Case Management and **189** Hospice Volunteer; for a **total of 4,846 visits**

LAMOILLE HOUSING PARTNERSHIP

LHP serves Lamoille County, the towns to include: 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.

STOWE

Sylvan Woods HLP

Sylvan Woods Drive / 28 apartments and 8 condos

Pucker Street 1621 Pucker Street / 3 apartments

40 Cherry / 2 apartments

58 Cherry / 2 apartments

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.

SASH: (Support and Services at Home)

Serves senior and individuals with special needs who receive Medicare support and who live in congregate housing or surrounding community. Currently SASH assists approximately 5,000 people across the state of Vermont.

SENIORS AND DISABLED

Approximately 25% of our housing is occupied by retired seniors and/or persons with disabilities.

HOMELESS:

Lamoille is currently housing 46 units out of 261 to literally homeless, which is 18% of the portfolio.

Lamoille is currently housing 51 units out of 261 to house those who are imminent risk of becoming homeless, 19% of the portfolio.

Combined data LHP is currently housing 97 out of 261 units to literally homeless and imminent risk of homelessness which is 37% of the portfolio.

Note literally homeless means currently without a home. Imminent risk of homelessness means in immediate danger of losing their home.

WORKFORCE

Approximately half of our residents are working in the local area.

INTENDED USE OF APPROPRIATION

Lamoille Housing Partnership uses all local fundraising and appropriations to support our internal operations as well supporting housing projects. Local fundraising also leverages matching funds from the Vermont Housing and Conservation Board.

In research for housing information in Stowe there is just over 70% of renter occupied households just in Stowe. Stowe median rent asked is \$1002.

All of our Goods & Services, groceries, health care index, housing index, transportation index and Utility index are all above 100. Our overall cost of living index is 141 for Stowe and the National average is 100.

FUNDING RECEIVED FROM OTHE MUNICIPALITIES:

Stowe, Morrisville, Eden, Hyde Park, Johnson, Cambridge and Wolcott

OTHER FUNDING SOURCES:

Vermont Housing and Conservation Board, low Income Housing Tax Credits, Vermont community Development Program, Historic and Downtown Tax Credits, Vermont Housing Finance Corporation, generous donations from individuals and businesses.

LAMOILLE REGIONAL SOLID WASTE DISTRICT



The mission of the Lamoille Regional Solid Waste Management District (LRSWMD) is to reduce the quantity and toxicity of the trash generated and going to the landfill while maintaining or improving overall environmental quality (air, water, soil), treating customers and employees with respect and operating within a balanced budget.

The LRSWMD is comprised of the following 12 communities: Belvidere, Cambridge, Craftsbury, Eden, Elmore, Hyde Park, Johnson, Morristown, Stowe, Waterville, Wolcott, and Worcester. Each town either appoints or elects a representative to serve on the Board of Supervisors; Willie Noyes represents Stowe. The LRSWMD operates six transfer stations and Lamoille Soil, the only commercial composting facility within the District. The services offered at these facilities are open to District and non-District users and include: trash disposal, mixed recycling, food scraps, and management of other difficult to dispose of items like tires, plastic film, electronic waste, and appliances. In FY'18 a total of 3,410 tons of trash and 1079 tons of recycling were collected at these facilities. The Stowe facility is our largest and busiest site. Trash collected there was up ten tons from FY'17 at 2,517 and recycling was down 19 tons at 704.

Additionally, the LRSWMD provides outreach and education on materials management in schools and in communities, offers use of waste receptacles for community events for free, sells recycling and composting bins at subsidized costs, offers assistance to member communities for compliance with state solid waste regulations, and hosts annual household hazardous wastes events which are free for all LRSWMD residents. 2019 collections dates are: Saturdays - May 4, June 22, July 20, and September 21. The LRSWMD also pays \$1,200 per year to Green Up Vermont to cover the cost of our District towns participation in this program.

The Board of Supervisors approved a \$1,419,870 annual operating budget for FY'19. At the close of FY'18, the LRSWMD's net position increased by \$49,000. The operational budget of the LRSWMD is generated through user fees and disposal surcharges, there is no tax or per capita assessment charged to member towns.

Please check online for more details of services provided, location of sites and items accepted, www.lrswmd.org. You can now also find us on Twitter, Instagram and Facebook!

LRSWMD Locations	Hours
Office - 29 Sunset Dr, Morrisville ph: 888-7317 <i>ADMINISTRATIVE ONLY - DOES NOT ACCEPT WASTE</i>	Monday - Friday 8:00 ^{am} - 4:30 ^{pm}
Craftsbury - Town Garage, Creek Road	Saturday 9 ^{am} - 1 ^{pm}
Eden - Town Garage, Route 100	Sunday 9 ^{am} - 2 ^{pm}
Johnson - 941 Wilson Road, off Route 100 ph: 633-9246	Friday & Saturday 8:30 ^{am} - 1:30 ^{pm}
Lansolle Soil - Wilson Road, Johnson	By appointment only
Morrisville - 832 Cochran Road	Saturday 8:30 ^{am} - 1:30 ^{pm}
Worcester - 43 Calais Road ph: 229-2719	Saturday 7:30 ^{am} - 1 ^{pm}
Stowe - 91 Dump Road ph: 253-4050	Wed. thru Mon. 7:30 ^{am} - 3 ^{pm} CLOSED TUESDAY
Stowe Reuse Room No drop offs accepted on Tuesdays. Drop offs accepted only when Transfer Station is open.	Tuesday 10:30 ^{am} - 4:30 ^{pm} Sat. & Thurs. 8:30 ^{am} - 2:50 ^{pm}
Stowe Redemption Center ph: 253-9503	Closed Tues. & Sat. All other days 7:30 ^{am} - 3 ^{pm}

LRSWMD Pricing Guide	
RECYCLING	SPECIAL MATERIALS
per 15 Gal. \$1.00	Appliances \$1.00
per cubic yard \$11.00	Appliances w/ Refrigerators (except 2-door) \$11.00
per ton \$110.00	Food Aisle/Automatic Refillings \$1.00
TRASH	Household Appliances \$98.00
15 Gal. \$2.00	Refrigerator (incl. 1 1/2 Gal) \$1.00
30 Gal. \$4.00	Refrigerator with PCH \$2.00
45 Gal. \$6.00	CFL, LED, Incandescent Bulbs \$0.00
per cubic yard \$21.00	Fluorescent Tubes (10) \$0.00
per 100 lbs. \$110.00	Fluorescent Tubes (10) \$0.00
ORGANICS	TV Bulbs \$2.00/ea
Chop Chunks (4x4 x 4") \$1.00/ea	Even "Matted" Barkchips \$0.15/SZ
Chop Chunks (2x4 x 4") \$0.50/ea	Soda (1 liter)/Bottle/Soda \$1.50/SZ
Food Scraps per 3 Gal. \$1 waterless	Batteries - 1 1/2, 1.2, 1.5 \$0.15/SZ
	Batteries - 1 1/2, 1.2, 1.5 \$0.15/SZ
FLAM PLASTICS	Compass and Pencil \$0.00
per 3 Gal. \$0.75	Compass and Pencil \$0.00
HOUSE & TEXTILES	Small Electronics \$1.00
Stove & Dishwasher \$75.00 apply	Drop Metal - per cubic yard \$1.00 / SZ
Chop Chunks per 15 Gal. \$0.00/ea	Propane Tanks - 1 B = \$0.00
CONSTRUCTION & DEMO MATERIALS	Tires - Small \$0.50/ea
Roofing & Asphalt Shingles 175/ea	Tires - Small 16" \$1.00/ea
Concrete, Brick & Marble \$0.50/ea	Tires - Medium 12" - 20" \$2.00/ea
per cubic yard \$1.00/ea	Tires - Large 24" - 28" \$3.00/ea
HAZARDOUS - By Appointment	Drop Metal - additional cost \$1.00/ea
Through our Transfer Station \$1.00/ea	

Pricing subject to change without notice. Updated January 2018

LAMOILLE RESTORATIVE CENTER



Lamoille Restorative Center (LRC) 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.

The number of children, youth, and adults who reside in Stowe served by one of LRC's eleven (11) programs in fiscal year 2018 was seventy-one (71).

Across the Lamoille Valley in fiscal year 2018, staff at LRC worked with a total of **882** individuals, and specifically helped:

- **348** kids attend school.
- **173** people stay out of the justice system with the help of **47** volunteers; meeting each week to repair the harm caused by their crime.
- **41** children and **24** parents and caregivers overcome the negative consequences of incarceration.
- **16** men and women re-enter 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.
- **40** young people with disabilities prepare for the world of work and find meaningful employment.

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.

LRC relies on financial contributions from individuals and communities – like this town's appropriation. We are grateful for Stowe residents' continued support.

To learn more about Lamoille Restorative Center and its programs or how to volunteer, please contact Heather Hobart, Executive Director, at 888-0614 or hhobart@lrcvt.org.

Lamoille Restorative Center 221 Main St. Hyde Park, VT 05655
www.lrcvt.org (802) 888-5871

MEALS ON WHEELS OF LAMOILLE COUNTY



The mission of Meals on Wheels of Lamoille County is to improve health and enhance the quality of life for our community elders by providing nutritious meals and social interaction. Our daily meal and well check visit help seniors live independently in their own home and community.

Meals on Wheels of Lamoille County provides home-delivered meals and congregate style meals at meal sites throughout Lamoille County. Meals on Wheels of Lamoille County delivers meals to elders (60 or older) in need for a variety of reasons, including but not limited to inability to prepare their meals, income and transportation challenges, hospital/nursing home discharge and illness or injury. Meals on Wheels of Lamoille County also provides meals to caregivers (regardless of age) and people under 60 with a disability if they reside with or are in the care of someone receiving meals.

Volunteers are crucial in our success. Volunteers drive seven of the eight delivery routes traveling over 275 miles each day. Volunteers also help process locally gleaned produce. Over the last two years, we have processed over 10,000 pounds of fruits and vegetables, that has helped improve the nutrients in our meals. Each meal provides 1/3 of the daily Recommended Dietary Allowances and complies with the Dietary Guidelines for Americans.

Our work is only possible because of support from communities like yours. State and Federal funding accounts for 40% of our budget. We fill in the gap by writing grants and campaign letters, fundraising activities, client contributions, and town appropriations.

This fiscal year, October 1, 2017- September 30, 2018, Meals on Wheels of Lamoille County served 3,698 meals to Stowe residence.

Thank you for your ongoing support. For more information about 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.



We are open 365 days a year, 55 hours per week. According to our sign-in system, so far this year (through October 16th) we've received an average of 6,505 visits. Our staff and volunteer peer support specialists are individuals with lived experience with addictions, providing powerful, effective insight to the issues facing our guests. All of our services are free of charge.

We provide multiple pathways in recovery, including:

Recovery Coaching (individual support and goal setting)

Opiate addiction recovery assistance

Recovery coaching for family members

SMART Recovery and *All Recovery* meetings

Refuge Recovery (Buddhist based recovery meeting)

Alcoholics Anonymous

Alanon (for family members)

Families Anonymous (for family members)

Recovery Yoga

Workshops (writing/art)

Monthly/weekly healing workshops (Reiki, EFT, Yoga)

Overeaters Anonymous

Substance free social activities

Volunteer Services Program

A safe space to find help, get connected to a treatment facility, visit, and meet others in a substance free environment. We collaborate with our many community partners, providing referrals and resources to assist with barriers and challenges connected with addiction - such as housing, health care, food, employment, treatment, and legal issues.

Some of our community partnerships include:

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

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 this county.

Some of our funders include:

Vermont Department of Health
Vermont Community Foundation
Tarrant Foundation
United Way
Ben & Jerry's Foundation
Concept 2
Wilkins Family Foundation
Bari & Peter Driessigacker

On Behalf of our volunteers, staff, board of directors, and myself, we greatly appreciate and thank the citizens 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 www.ncvrc.com

NORTH COUNTRY ANIMAL LEAGUE

On Behalf of the Board, the staff, the volunteers, and of course, the animals, thank you for your past financial support. These funds help us fulfill our mission of promoting compassionate and responsible relationships between animals and humans through education and adoptions, spay/neuter programs, support of cruelty prevention, and the sheltering of homeless animals. In 2018 NCAL has so far accepted 12 stray or surrendered animals into our shelter from Stowe.

These 12 strays or surrenders amount to an approximate expense to NCAL of \$8,700 when using a minimum average expense of \$725 per animal for care, feeding and medical needs before adoption. Our adoption fees of \$250 per dog and \$100 per cat pay only a small amount of the expenses incurred: spay/neuter, deworming, vaccines, food and care. To ensure the adoption of homeless animals, we must keep our adoption fees affordable. Since our adoption fees cover only the minimum of expense, we need town wide community support for our humanitarian work.

Daily boarding fees at private kennels range from \$20 to \$30 per day. To board animals with an average stay of 21 days before adoption, your town would have spent as much as \$10,710 to house these strays, not including medical, advertising for adoption, overhead of staff and building, etc. NCAL is still the best financial solution for Stowe's stray and homeless animals.

In addition to taking Stowe's stray and surrendered animals, we are involved in the community with our education programs. Qualified staff members and volunteers go into schools, nursing homes and in front of community groups to teach humane and kind treatment of animals. In 2018 we expanded our education programs to offer reading programs after school and launched our summer camp. Many participants were from Stowe and received the benefit of learning compassion and empathy while improving their reading skills and love of books.

Many of the County's social service groups use NCAL as a place to teach responsibility and caring, and our volunteer program offers opportunities for people who want to service their community. Additionally, 45 Stowe residents adopted dogs or cats from us so far in 2018.

Thank you for your consideration of our request for annual support from Stowe, without which many animals would suffer from cruelty or be needlessly euthanized.

Sincerely,

Aileen L Walden Executive Director

(802)851-5333

aileen@ncal.com

www.ncal.com

RURAL COUNTY TRANSPORTATION



**RURAL COMMUNITY
TRANSPORTATION, INC.**

The Ruby In The Emerald



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

Last year RCT provided 79 Stowe residents with 3,059 trips, accumulating approximately 100,310 miles, at a cost of \$77,884; transporting residents to: adult-day service facilities, senior meal sites and necessary medical treatments such as, dialysis, radiation therapy, chemotherapy, physical therapy, special medical needs and other appointments.

Respectfully,
Mary Grant, Executive Director

STOWE AREA ASSOCIATION



Over the last year, Stowe Area Association (SAA) staff and trustees have worked to enhance and promote the unique character and experience of Stowe as a world-renowned mountain town and to represent, serve and perpetuate the common interest and character of its membership and community. As Stowe's destination marketing organization, SAA is committed to the long-term development and vibrancy of the Stowe community.

Destination marketing, a core function of SAA, 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.

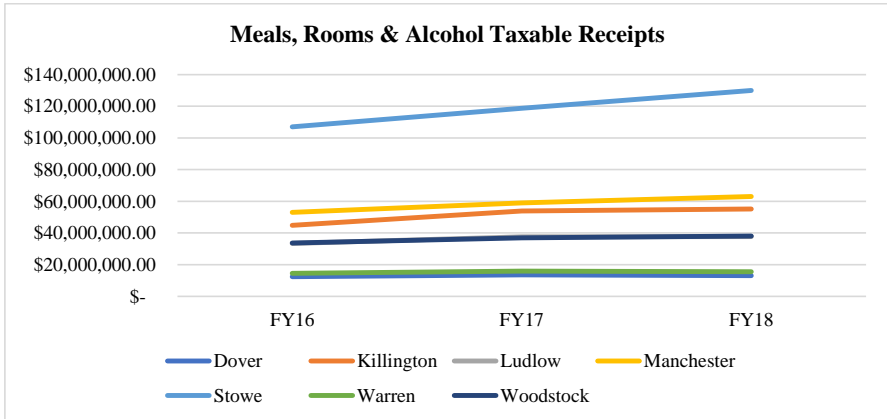
Each of the strategic initiatives of SAA provides a tangible public benefit to the community. The report below highlights key milestones and achievements that our organization accomplished on behalf of our community over the last year.

Taxable Receipts

Analyzing taxable receipts provides a statistical view of our economic results – how we are doing as a tourist destination. SAA's marketing investments and guest service initiatives help drive taxable receipts and revenues to the municipality.

Increased taxable receipts support an enhanced quality of life for our local community by providing jobs, bringing 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 local alike. One such example of improvements made possible through taxable receipt growth is the \$3.2 million bond that recently passed for a completely new, master planned village utility grid, removing from Main Street decades of wires and cables that have been unsystematically strung on old utility poles. Allowing for the addition of new brighter and safer streetlights with banners and flowers will be added, plus attractive trees and landscaping.

In the last fiscal year, Stowe experienced a 9% increase in meals, rooms and alcohol taxable receipts (key tourism indicators). Stowe’s taxable receipts grew at a greater rate than other tourist destinations in our comp set and were also more than double that of any other mountain town destination in Vermont.



Source: State of Vermont Department of Taxes, *Meals and Rooms Statistics Report Fiscal Year Summary*

Strategic Planning

In June 2018, Stowe Area Association Trustees approved a new long-term strategic plan. The plan identifies SAA’s top priorities and goals are, key strategic imperatives that were identified and serve the Stowe community include:

Destination Development

Protect and grow Stowe’s share of destination travel through integrated sales and marketing programs. Connecting travelers and stakeholders with iconic, inspirational experiences and information.

Economic Development

Promote and enhance a vibrant, sustainable economy by growing and retaining our existing business through an effective destination marketing strategy. Collaborating with local and state organizations on marketing and economic development opportunities.

Community Development

Strengthen community awareness and involvement that supports growth and fosters a high quality of life for residents in the Stowe area.

These strategic imperatives will serve as our roadmap to lead the organization from where it is now to where it needs to be in the future.

Guest Services

In addition to serving as a key driver for the local economy, SAA 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.

An important aspect of the SAA's white glove concierge service to guests is the operation of Stowe central reservations. SAA books for 27 properties, which accounts for 1,263 rooms in Stowe. Working with our partners at Stowe Mountain Resort, we also launched a town-wide booking widget housed on stowe.com.

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 exception guest service to visitors and residents. Staff have assisted over 60,000 guests through Visitor Information Center services over the last year.

Marketing and Sales

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

The tourism sector is growing and becoming more competitive, SAA continues to strengthen the marketing of our most relevant, compelling and differentiated experiences to drive conversions. Cornerstone achievements this year included the launch of the new GoStowe.com and the alignment of our assets.

The new website delivers an inspirational message through heavy visuals and has been designed to optimize organic traffic and user engagement. Key metrics have all experienced growth in the last year: number of users, pages per session, average session duration; notably, the organic Ecommerce conversion rate for individuals booking a vacation through GoStowe.com has increased 70% year-over-year.

With the launch of the new GoStowe.com, SAA also launched the *Stowe, Vermont Blog*. The blog's curated content helps to drive the authenticity of the Stowe brand, and are disseminated across SAA's owned channels (web, social and email). Top blogs this year included: *6 Vermont Scenic Drives for Your Fall Bucket List* (over 5,000 pageviews), *6 Unique Ways to View Stowe*

Foliage: A Leaf Peeping Guide (over 2,400 pageviews) and *Celebrate Fall at One of These 9 Stowe Events* (1,500 pageviews).

Continuing our forward momentum, we have continued to see growth across all GoStowe social channels. Facebook followers increased 16% year-over-year and Instagram followers have more than doubled since March. Additionally, use of Instagram stories have helped to drive social traffic to GoStowe.com; over the last year, there has been a 90% increase in the number of visits to GoStowe.com from social channels.

The amplification of the Stowe brand is evident in the extensive media coverage Stowe receives annually. A selection of major outlets that have covered Stowe include: *Architectural Digest*, *Boston Globe*, *Boston Herald*, *CNN*, *CNN Travel*, *Country Living*, *Expedia Travel Blog*, *Fodor's Travel*, *Food & Wine*, *Forbest.com*, *Lonely Planet*, *New Zealand Herald*, *Outside Magazine*, *Powder Magazine*, *PEOPLE*, *Today.com*, *Travel Channel*, *Travel + Leisure* and *Wall Street Journal*.

Tourism is the economic engine of Stowe, and we will continue to work hard to drive awareness, inspire travel and manage the quest experience through our owned, earned and paid efforts.

Looking Ahead

We are very fortunate to have a strong a 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 Spear
Executive Director

STOWE HISTORICAL SOCIETY



Stowe Historical Society 62 years of Collecting, Preserving and Collaborating!

2018 was a year of collaboration! Kris Knight represented us in planning and executing Stowe's Cultural Council's first annual "Art Week." "Coffee with the Curator" was our event. Steve Perkins, Vermont Historical Society's director, brought several "seldom seen" items from VHS collection and explained the why's and how's of them. It was so well received that he will present a similar program for OLLIE fall 2019.

We continued our liaison with Stowe Elementary 4th grades and added East Meadow School, Morrisville. Each had a visit to Bloody Brook School to sense how students 4-18 years of age attended a district school at the turn of the 20th century. In the coming year invitations will go out to the preschools and others to have a class in Bloody Brook.

The major research and display project for the year "Where We Ate, Past to Present: Stowe's Romance with Food" was introduced at Town Meeting, March 6th. The list of restaurants was started. Several group conversations and reviews of Stowe Guide and Magazines from 1973 to present, News and Citizens, early century phone books and Stowe Reporters later, the exhibit was opened at SHS annual meeting Oct. 6th. Records of 102 street locations, of which 39 no longer have eateries, and 320+ eatery names were posted next to a map of major roads in Stowe. At least two restaurants were in three locations, and at least one name used by two unrelated establishments. Come in, share memories, and additional information. Our list of names and dates of chefs, managers and waitstaff is very thin.

A display of known eateries was near the entrance to the Stowe High School Alumni Banquet. From that, quite a few names were added to our list. We were very excited to collaborate with the SHS Alumni Association for the

first time. Names and dates of establishment of several eateries were conveyed to us through the Alumni Face Book page as well.

2018 was the fourth year we had a display table at Stowe Vibrancy sponsored-“Art on Park” where we introduced the “Where We Ate” project. It was a success because, from tourists, we added to our plethora of information. It was a perfect time to visit with neighbors and visitors to Stowe.

During the fall semester of Olli, Stowe Historical Society sponsored “The Vermont Gold Rush of 1855” with reference to Stowe’s Gold Brook by Randy Archer and “Is Stowe Haunted?” by Sean Woods.

In the first snowstorm of the 2018-19 season, members of the board joined other Historical Societies in the 65th annual meeting of the League of Local Societies. These conferences always offer new ways of collaborating with our neighbor societies and those far afield.

We will miss Chuck Dudley, our mainstay volunteer for the past seven years and author of “The Stowe I’ve Grown to Know”, who passed in January. We are thrilled we added Charlie Lusk and Kris Knight as Gallery Guides. They bring enthusiasm and cheer to our visitors. Our need for gallery guides is increasing as more and more Stowe visitors discover our museum. Several hours a week or month or year would be a great assistance to us. This past year we had more than 400 visitors from the USA, Canada, Asia and Europe.

STOWE LAND TRUST

Stowe Land Trust (SLT) is dedicated to the conservation of scenic, recreational, and productive farm and forest lands for the benefit of the greater Stowe community.

SLT is a 501(c)3 non-profit organization, and has worked with the community and a diverse set of partners to complete **33 land protection projects since 1987**. SLT owns and manages 5 of these properties, each of which has trails that are open to the public. Our properties include: Wiessner Woods, Kirchner Woods, Mill Trail, DuMont, and Page Forest. These successful projects are the result of the hard work, dedication and generosity of the community, SLT's Board of Directors and staff, a host of volunteers, and many donors and supporters. **Thank you for your support!**

In 2018, SLT hosted the sixth season of the Summer Naturalist Program, **engaging 545 children, parents, and teachers in educational programming and volunteer opportunities**. Programs were designed to be fun and educational, and to **introduce the idea of being a steward of the land**. Thanks to funding partners and volunteers, SLT improved public access to the West Branch of the Little River at the Mill Trail property this year – a project which included removing the old Blacksmith shop, cleaning up the site and creating a naturalized **picnic area for visitors of all ages to enjoy**.

As 2018 comes to a close and we look ahead to 2019, we – together with the Trust for Public Land - aim to raise the last 2% of the \$4.5 million needed to complete the **2,000-acre Hunger Mountain Headwaters Project**. We will also continue working together with our partners, landowners, and the Stowe and Waterbury communities to keep the **Shutesville Hill Wildlife Corridor** open and safe.

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. SLT continues to work to protect the working forests, farms, and trails that make Stowe special. 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 healthy and connected to the land**. Please visit <http://www.stowelandtrust.org> to learn more and to get involved.

Respectfully,
Kristen Sharpless, *Executive Director*

PO Box 284 Stowe, VT 05672

802-253-7221

www.stowelandtrust.org

STOWE NORDIC

Stowe Nordic is a non-profit club that has been active in Stowe, VT for the past 22 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-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)
- 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 3 years Stowe Nordic has received \$2,500 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.

In keeping with its mission statement, Stowe Performing Arts has continued to expand its offerings to the community. Sponsorships and proceeds from the immensely popular *Music in the 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*.

Since 1976, we have presented hundreds of concerts to thousands of concert-goers. On behalf of the Board of Directors, I wish to thank the members of this community and the Town of Stowe for your continuing support of our efforts.

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

Respectfully submitted,

Lynn Paparella
Executive Director/CEO

STOWE TRAILS PARTNERSHIP

The Stowe Trails Partnership (STP) is a 501(c)3 non-profit organization that manages and maintains the majority of the multi-use, single track, trail network in Stowe. Our mission is to partner with the community to build and maintain a world-class trail network while sustainably improving the connectivity of each trail pod.

The rebuild and recovery of the Cady Hill Forest network was STP's largest hurdle this year. Last October's vicious wind storm leveled almost 60 acres of town forest, destroying several of Stowe's oldest and most iconic trails. Thanks to the prompt response from the Town of Stowe, Stowe Land Trust and STP, a plan was immediately put in place to begin the cleanup effort through a targeted forest management and timber harvest effort. STP then contracted with Tom Lepasqueur of Lepasqueur & Daughters LLC to repair and rebuild trails in a timely and cost-effective manner. The reconstruction efforts were completed by October 1, 2018.

In addition to the repairs in Cady Hill, STP broke ground on two new projects as part of "Adam's Camp 2.0." Nathan Ringquist and Joshua Allaire from Boulder Trail Works began construction on the new Haul Road Bypass trail in September 2018. They have divided the project into two phases. Phase 1, a single track, bi-directional link between the Haul Road and the top of Kimmer's, will be completed in November 2018. Phase 2 completes this bi-directional link between Hardy's Haul and Kimmer's and will be finished in the summer of 2019. Once complete, this trail will eliminate 1.7 miles of Haul Road doubletrack. Owen Packard, from Alpine Singletrack, began work on the Adams Camp Connector trail in the spring of 2018. The trail is approximately 1.75 miles in length and will establish a connection between the Adams Camp trail pod and the northern terminus of the Stowe Recreation Path on Brook Road off of Vermont 108/Mountain Road. Both projects are part of a larger connectivity initiative that aims to link the various trail pods throughout Stowe.

Over the past year we saw an increase in the number of trail users. With the help of trail counters at several of the trailheads, our estimates totaled nearly 25,000 visits for the season -- this number includes all user groups, including mountain bikers. With the Cady Hill reconstruction efforts complete we believe these numbers will continue to increase.

On behalf of the Stowe Trails Partnership team, I would like to offer my personal thanks to the Town of Stowe and the local community for its on ongoing support that make projects like the Cady Hill rebuild possible.

With kindest regards,

Rachel Fussell, Executive Director info@stowetrails.org 802.310.6685

STOWE VIBRANCY



Celebrating 10 Years: 2008-2018

2018 marked Stowe Vibrancy's 10th year of work on behalf of the Village and community of Stowe. We are very pleased to report that it was again a very active & successful year for us. 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.

We are proud that 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 the following events:

- **Chowderpalooza and Spring Art on Park,**
- **Gardens of Stowe**
- **Thursdays Art on Park**
- **Old Fashioned Fourth of July Festival and Art on Park**
- **Saturday Cinema on the Lawn**
- **The British Invasion Block Party**
- **Traditional Christmas in Stowe and Children's Lantern Parade (Top Ten Winter Event by the Vermont Chamber of Commerce)**

All of these activities were made possible by the financial support that Stowe Vibrancy received in 2018 from three primary sources: Town of Stowe, in-kind public relations contributions, and Annual Sponsorships from some very generous Stowe businesses and individuals throughout the community. We are very appreciative of their support.



In addition to these events, Stowe Vibrancy continues to be a key partner with the Town and local businesses to work on infrastructure & beautification improvements of the village. The festive tree lights that brighten our Main Street throughout the winter season show what is possible through generous sponsorships and other community partners.

As we celebrate our 10th year Anniversary, Stowe Vibrancy is proud of the incredible progress made in our community and our historic Village Center as a Downtown Designation by the State of Vermont. We will continue to work to enhance the quality of life of the village, and thereby the Town, in the years to come.

We are very grateful to the voters and the Town of Stowe for your support. Thank you very much!



P.O Box 482 | Stowe, Vermont 05672 | info@stowevibrancy.com |
www.stowevibrancy.com

Board of Directors

*Elise McKenna, President; Leslie Anderson, Vice-President; Christopher Vigneau, Treasurer;
Mary Curtis Skelton, Secretary*

*Tom Barnes; Ashley Getty; MaryAnne Lewis; Paul Louviere; Rose Matulionis; Teresa
Merelman; Morgan Nichols;*

Carol Schaal; Heidi Scheuermann; Charlene Walker

STOWE YOUTH BASEBALL/SOFTBALL

SYB (Stowe Youth Baseball) had a great year in 2018. Here are some of the highlights:

102 total kids – up from 70 in 2017

6 total teams

- 2 Tee-Ball (4-6 year olds)
- 1 Rookie (6-8)
- 2 Minor (8-10)
- 1 Major (10+)

15 coaches

Innumerable volunteers with an age range of 15-75

Host of the first annual Steve Cunningham Invitational Baseball Tournament

- Teams from Waterbury, Morrisville, Johnson, Hyde Park and Stowe all participated.
- All day event showcase at the Stowe Ball Fields
- Onsite food truck
- More than 250+ people in attendance
- 8 total teams and 16 total games
- Trophies for the two winning teams (Morrisville Majors and Stowe Green Minors)
- Commemorative Pins for all players and coaches
- Visit from Champ (Vermont Lake Monsters)
- Professional Photography giving free team pictures to every player and selling additional pictures to families
- National Anthem by students from Stowe High School
- Operational volunteers (Scoreboard, Liaison, Announcing, Music, Umpire) by students from Stowe High School
- Front Page Feature in Stowe Reporter

Implementation of new App Based technology for registration and communication

Transition into new leadership, new league president

Continuation of mid-level baseball program to accept 12+ year old's and keep them playing before High School.

Annual Fireworks Parade participation

11 kids placed on the Lamoille County All-Star Team (Minors and Majors)

Summary:

The community aspect of SYB is what makes it work internally, but externally I'd like to thank Matt Frazee and Bruce Godin who keep the fields organized and in the best shape of any fields in the county, as well as the folks at the Stowe Arena where we purchased more than \$2,000 worth of indoor baseball time before the snow was off the ground (it's an invaluable resource). One of our goals in 2019 and beyond is to expand our tournament to a featured event for the Town, County and the State. The full vision for the tournament is to invite international teams to come to Stowe and experience baseball and community in Vermont.

For 2019 we will continue to organize, become more efficient and offer the unique experience of youth baseball. We will continue our integration with the Mid-Level program and work with People's Academy and Coach Keith to offer a vision for kids and families of playing competitive baseball from 4-18 and beyond, if kids are willing to do the work.

Sitting here with 8 feet of snow it's sometimes hard to get Vermont as a baseball friendly place, but as with everything Vermont, it makes us hardier players and there has been no lack of talent coming from our little State. To get an idea of the number of Vermonters who have participated in professional baseball just google it! We have the Lake Monsters and we have the Mountaineers, both introductory-level baseball opportunities right in our back yard.

Of course, most kids will play until a certain point and then move on to other things. But the fact that the opportunity to play as long as you're able and willing is right here in our State is very cool. For those kids that don't continue, SYB will offer a rich experience of being part of a team and a community, of building sportsmanship, a sense of fairness and effort strategies that will serve kids into whatever they choose.

The dream is alive here in the Green Mountains and Stowe is and can be a real heart beat!

Thank you for your support.

Damon Brink
President – Stowe Youth Baseball

VERMONT ASSOCIATION FOR THE BLIND AND VISUALLY IMPAIRED

The Vermont Association for the Blind and Visually Impaired's 2018 Fiscal Year was an exciting one. We served more clients than ever before and we launched our new iOS Training program for adult clients.

It's clear to us at VABVI that our mission and services will continue to play a critical role in the lives of many Vermonters well into the future. We are working harder than ever to support anyone living in Vermont who is experiencing vision loss.

iOS Training Program: Starting in January 2018, VABVI began providing clients with one-on-one iOS Training on iPhones and iPads.

PALS (Peer Assisted Learning and Support) Groups: PALS Groups, held throughout Vermont, are monthly meetings where members share coping strategies and to discuss the practical, social and emotional challenges of vision loss.

HAPI (Helping Adolescents Prepare for Independence): The HAPI program enables Teachers of the Visually Impaired and Certified Vision Rehabilitation Therapists to work one-on-one with students to practice daily living skills.

IRLE Summer Camp (Intensive Residential Life Experience): IRLE camp helps VABVI students develop social skills, meet fellow visually impaired peers, meet adult mentors, learn independent living skills, and improve self-advocacy skills.

During Fiscal Year 2018, we served 1770 clients from all 14 counties in Vermont. This included 5 adult clients and 1 student in Stowe, and 24 adult clients and 12 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 or visit us our website at www.vabvi.org. Feel free to "like" us on Facebook at www.facebook.com/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.

Preliminary numbers for our FY'18 (10/2017-9/2018) show VCIL responded to over **3,700** 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 **315** individuals to help increase their independent living skills and **11** peers were served by the AgrAbility program. VCIL's Home Access Program (HAP) assisted **149** households with information on technical assistance and/or alternative funding for modifications; **83** of these received financial assistance to make their bathrooms and/or entrances accessible. Our Sue Williams Freedom Fund (SWFF) provided **87** individuals with information on assistive technology; **45** of these individuals received funding to obtain adaptive equipment. **532** individuals had meals delivered through our Meals on Wheels (MOW) program for individuals with disabilities under the age of 60. We are also home to the Vermont Telecommunications Equipment Distribution Program (VTEDP) which served **41** people and provided **33** 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 Service (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 FY'18, **10** residents of **Stowe** received services from the following programs: Meals on Wheels (MOW), Peer Advocate Counseling Program (PAC) and Information Referral and Assistance (I,R&A).

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

VERMONT FAMILY NETWORK

The Vermont Family Network's mission is to empower and support all Vermont families of children with special needs. Our organization employs experienced parents of children with special needs and provides families with the information and training they need to help their child reach their greatest potential.

We are so excited to share the work that our organization has completed in the year ending June 30, 2018. Our staff and volunteers, with excellent support from our Board, have accomplished many things during this time using our unique family-to-family support, information, and training to reach 1,123 families throughout Vermont, lifting family voices for positive change. VFN's newest members, Puppets in Education (PiE), joined us last September and reached 12,652 people throughout New England, an all-time record for their work to help all children address difficult issues like bullying and abuse. We have been actively engaged in outreach to a variety of partners, striving to advance inclusive communities throughout Vermont and, thanks to PiE, beyond! As the state's Family Voices and Parent Training and Information Center, we have continued to be involved in advocacy efforts around early intervention programs, special education, and budget decisions that impact families of children with special needs.

In the last year we are proud to have served 24 Stowe families through our work, and greatly appreciate the support provided by the Town of Stowe. Together we can continue to support families all over the state who have children with special needs.



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 that is elected by the membership and comprising municipal officials from across the state.

VLCT's mission is to serve and strengthen Vermont local government. It 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. All 246 Vermont cities and towns are members of VLCT, as are 139 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 managing budgets, conducting elections, assessing property and maintaining roads to providing public 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 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. We represent cities and towns before the state legislature and state agencies, ensuring that municipal voices are heard collectively and their needs are met. VLCT also advocates at the federal level, primarily through its partner, the National League of Cities, and directly with Vermont's Congressional delegation.

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 2018 calendar year, *VLCT News* converted to a magazine-style publication from its newsletter format, with the intent to provide more content and diverse information in each edition.

VLCT also finalized the details of moving its digital data to the “cloud,” thereby increasing operational efficiency and enhancing cybersecurity and redundant protection of information. This move also reduced the need to acquire, maintain, and replace costly capital equipment. Improvements to the website are ongoing, and in concert with this effort is the research into a new customer relations management system, designed to help VLCT provide important information to members, but also to simplify ways that members provide information to VLCT that is shared among all municipalities.

VLCT conducted a series of Listening Sessions in 12 communities around the state to hear directly from local officials about services received from VLCT and whether any changes are needed, including whether new services should be initiated or outdated ones eliminated. Further discussions will be held with the Board of Directors. Members will be kept apprised of progress in setting future goals and priorities.

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.

VERMONT RURAL PROTECTION TASK FORCE

*Vermont Association of Conservation Districts (VACD)
c/o Troy Dare, 170 Lower Sumner Hill, Sumner, ME 04292
(802) 828-4582 | dryhydrantguy@yahoo.com | 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 **20+ years** of the program, nearly **1,100 grants totaling \$2.5 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 Conservations 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

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

Jill Arace, Executive Director Vermont Association of Conservation Districts
(VACD) (802) 496-5162 | 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

Lars Lund, Vermont Forest Parks & Recreation

Tyler Hermanson, VT Enhanced 9-1-1

Hayley Pero, 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, 2018

TOWN OF STOWE, VERMONT
AUDIT REPORT
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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, 2018, 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-six percent (56%), thirty-one percent (31%) and eighty percent (80%), 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. The financial statements of the Electric Fund were not audited in accordance with "Government Auditing Standards". Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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 October 18, 2018, 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, 2018, 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

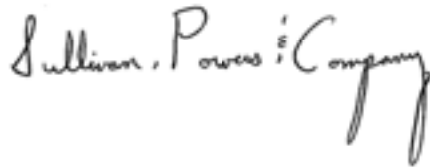
Other Information

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 21, 2019 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 21, 2019
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 typed text.

TOWN OF STOWE, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2018

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, 2018. The Town of Stowe Electric Fund has been audited separately as of and for the year ended June 30, 2018 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 the 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 substantially same basis as the private sector. Please read it in conjunction with the Town's financial statements, which begin on Exhibit A.

Financial Highlights

Government-Wide (Exhibits A and B)

- The Town's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources on June 30, 2018 by \$56,220,362 (Total Net Position). Of this amount, \$25,582,682 represents governmental activities and \$30,637,680 represents our water, sewer and electric departments (business-type activities). Of these amounts, \$1,416,654 of governmental activities funds and \$9,152,546 of business type activities funds are unrestricted net position and may be used to meet the Town's future obligations.
- The net position of governmental activities increased by \$944,421 in FY 18. 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 \$605,067, with contributions by Water \$725,043, Sewer \$44,653 and decrease by Electric (\$164,629).

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

- The General Fund balance decreased \$93,676. The General Fund balance at the end of FY 18 was \$922,996, of which \$475,527 being either non-spendable, restricted, committed or assigned and not available for current expenditures, leaving an unassigned surplus of \$447,469.
- The Capital Fund balance increased by \$371,223 in FY 18. The total amount in this fund at year-end was \$1,210,347 and the entire amount is committed for future projects.
- The Water Fund ended the fiscal year with a net position balance of \$6,484,312 an increase of \$725,043.

- The Sewer Fund ended the fiscal year with a net position balance of \$14,701,983, an increase of \$44,653.
- The Electric Fund ended the fiscal year with a net position balance of \$9,451,385 a decrease of \$164,629.

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 1 through 11.

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

	Governmental Activities		Business Type Activities		Total	
	FY 2018	FY 2017	FY 2018	FY 2017	FY 2018	FY 2017
Assets						
Current & Other Assets	5,174,447	4,643,919	34,992,667	34,329,496	40,167,114	39,573,415
Capital Assets	32,176,621	32,458,719	37,023,214	36,197,893	69,199,835	68,856,612
Total Assets	37,351,068	37,102,638	72,015,881	71,327,389	109,366,949	108,430,027
Deferred Outflows of Resources	826,460	1,021,594	56,227	79,152	882,687	1,100,746
Liabilities						
Current Liabilities	651,440	508,969	2,231,079	1,378,434	2,882,519	2,087,403
Long Term Liabilities	11,871,298	12,850,045	39,039,862	39,329,357	50,911,160	52,379,402
Total Liabilities	12,522,738	13,359,014	41,270,941	41,107,791	53,793,679	54,466,805
Deferred Inflows of Resources	72,108	126,957	163,487	196,137	235,595	393,094
Net Position						
Invested in Capital Assets Net of Related Debt	22,644,621	21,940,969	21,485,134	19,162,533	43,929,755	41,203,502
Restricted	1,721,407	1,615,248	-	-	1,721,407	1,615,248
Unrestricted	1,616,654	1,082,044	9,152,546	10,770,080	10,569,200	11,853,124
Total Net Position	25,982,682	24,638,261	30,637,680	30,332,613	56,220,362	54,670,874

As stated above, total net position was \$56,220,362 at the end of fiscal year 2018. 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 \$43,929,755 (78.1%). 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 2018, 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 2018	FY 2017	FY 2018	FY 2017	FY 2018	FY 2017
Revenues						
<u>Program Revenues</u>						
Charges for Services	1,258,039	1,235,828	15,568,723	16,112,460	16,826,762	17,348,288
Operating Grants & Contributions	394,950	493,556	-	-	394,950	493,556
Capital Grants & Contributions	83,125	219,790	-	383,452	83,125	603,242
<u>General Revenues</u>						
Property Taxes	8,957,770	8,591,469	-	-	8,957,770	8,591,469
Penalties & Interest on Delinquent Taxes	134,913	168,641	-	-	134,913	168,641
Local Options Tax	951,249	859,906	-	-	951,249	859,906
General State Grants	412,607	400,066	-	-	412,607	400,066
Investment Earnings	120,336	200,205	632,916	573,121	753,252	773,326
LCP Equity Dividends	-	-	1,080,704	1,080,704	1,080,704	1,080,704
Moscow Bridge Settlement	58,000	-	-	6,379	58,000	6,379
Grand List Settlement	-	150,000	-	-	-	150,000
Insurance Proceeds	30,735	308,068	-	-	30,735	308,068
Other Revenue	5,003	3,778	-	-	5,003	3,778
Total Revenues	12,406,727	12,631,307	17,282,343	18,156,116	29,689,070	30,787,423
<u>Expenditures</u>						
<u>Governmental Activities</u>						
General Government	2,407,032	2,436,063	-	-	2,407,032	2,436,063
Public Safety	3,310,461	3,175,890	-	-	3,310,461	3,175,890
Public Works	2,872,051	2,818,330	-	-	2,872,051	2,818,330
Culture & Recreation	2,500,991	2,583,593	-	-	2,500,991	2,583,593
Cemeteries	30,884	17,992	-	-	30,884	17,992
Interest	382,887	397,509	-	-	382,887	397,509
<u>Business Type Activities</u>						
Water	-	-	946,481	905,967	946,481	905,967
Sewer	-	-	1,679,325	1,709,355	1,679,325	1,709,355
Electric	-	-	14,009,470	13,082,961	14,009,470	13,082,961
Total Expenditures	11,504,306	11,409,377	16,635,276	15,698,283	28,139,582	27,107,660
Transfers In/(Out)	42,000	42,000	(42,000)	(42,000)	-	-
Changes in Net Position	944,421	1,263,930	605,067	2,415,833	1,549,488	3,679,763
Net Position - Beginning of Year	24,638,261	23,374,331	30,032,613	27,836,780	54,670,874	50,991,111
Net Position - End of Year	25,582,682	24,638,261	30,637,680	30,832,613	56,220,362	54,670,874

Governmental activities: Governmental activities increased the Town's net position by \$944,421 in FY18. The Town reduced by \$282,098 its inventory of capital assets net of current year depreciation (funded with 583,125 of capital contributions and grants). Major additions included the paving of Cape Cod and Trapp Hill Roads, a new ambulance, 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 \$605,067 in FY18, with contributions by Water \$725,043, Sewer \$44,653, and a decrease from Electric \$164,629.

Financial Analysis of Major Funds

General Fund

The General Fund fund balance decreased by \$93,676 during the year. The total fund balance at year-end was \$922,996. Of this amount, \$203,389 is non-spendable inventory and prepaid expenses and \$27,296 is restricted for library development expenses. There is \$58,548 committed for annual leave reserves, \$166,783 assigned to reduce property taxes in fiscal year 2019 and \$19,511 for library operations, leaving \$447,469 available for future expenses.

Actual Revenues were higher by \$62,834 compared to budgets. Revenues coming in over budget included: Administration, \$14,064, because of larger PILOT payments due to increased valuation of State owned lands; Fire \$18,442 for Stowe Firefighter Grant \$7,050 and VLCT Workers Compensation refunds for 2 calendar years \$10,944; Highway, \$75,054, Insurance claims \$24,396 and Grants for work completed by Highway crew \$51,518; Library donations \$3,087; Mountain Rescue, \$2,333 provided additional services to State of Vermont; Planning, \$2,017, Logging revenue from Trail maintenance of Sterling Forest; Police, \$13,574, non-federal grants and donations and sales of reports; Public Works \$985 for Permits, Recreation \$2,255 increased attendance at After School/Vacation program; Town Clerk, \$1,294, increased recording and photocopy fees; and Zoning \$6,930 for increased number of applications. Revenues coming in under budget included; Arena (\$42,830), due to lower reservations from groups for ice time rentals, EMS billings (\$23,706) increased no transport calls which non-revenue are generating; Parks (\$3,893) field rentals same year over year, no increase as budgeted; Property taxes (\$8,966) due to grand list projection variance to actuals.

Expenditures were \$41,419 under budget. Expenditures coming in under budget were due to the following departments: Administration, \$44,011, reduced legal costs and use of contingency funds; Community Affairs \$4,800, Maple Leaf Farm closing, Debt Management, \$7,017 VMBB refinanced bonds; EMS \$18,775 health benefits for new employees lower than budgeted; Fire \$9,392 for lower vehicle expenses and worker's compensation premiums; Library, \$45,847, staffing transitions; Lists \$2,468 underspent outside consultants; Parks \$34,470 less vehicle maintenance due to new equipment replaced after garage fire and dry summer less mowing and field maintenance; Planning \$6,346 under budget on outside consultants and conservation committee programs; Public Works Admin, \$15,531 under budget on outside consultants and FEMA claim services reimbursement, Recreation \$26,756 seasonal staffing and program services downsized to meet program attendance Street Lights \$4,373 for lower electricity usage with additional conversion to LED bulbs, Town Clerk \$60,686 for staff transitions, and Zoning, \$2,364, staffing transitions. Expenditures coming in over budget were, Accounting/IT \$9,680 for IT upgrades for security and email conversion; Arena (\$38,437) for ice system maintenance; Cemetery (\$5,357) for additional grave stone restoration; Cultural Campus (\$3,460) Ski Museum equipment repairs; Highway, (\$153,325) for \$90,000 additional paving of Town class 1 road, and unscheduled vehicle repairs; Mountain Rescue (\$3,800) for support of State of Vermont requested rescues; Police (\$13,175) patrol overtime; and Public Safety Building (\$10,523) per diem IT services and building repairs.

Capital Fund

The Capital fund ended with a balance of \$1,210,347 in FY 18. This Fund balance increased \$371,223 and was funded with \$951,249 of local option taxes, \$2,566 of grants, Moscow Bridge settlement of \$58,000, and \$2,349 of interest. The capital expenditures were \$292,940 which included Ski Museum exterior painting and window repairs, streambank armoring, cemetery well, design work on Main street utility relocation and sidewalk reconstruction and a transfer out to the General Fund of \$350,000 for debt payments.

Water Fund

The Water Fund had operating income of \$745,527, non-operating revenue connection fees of \$63,747, interest expense of (\$85,749), and investment income of \$1,518, resulting in an increase in net position of \$725,043.

Sewer Fund

The Sewer Fund had a planned operating loss of (\$32,928) which when added to non-operating revenues of connection fees \$78,192 plus investment income of \$6,877, and loss on disposal of capital assets of (\$7,488), resulted in an increase to net position of \$44,653.

Electric Fund

The Electric Fund had an operating loss of (\$929,083). Operating revenues were down \$258,938 and expenditures were up \$937,215 between FY18 and FY17, which decreased operating income by \$1,196,153 from the prior year. Non-operating revenues and expenses increased the net position by \$806,454 less a transfer of \$42,000 between Electric Fund and General Fund, to an overall decrease in net position of \$164,629.

Other Non-Major Governmental Funds

Police DEA Fund	\$	18,238
Appraisal Fund		173,774
Records Preservation Fund		62,488
Grant Fund		(3,216)
Equipment Fund		170,738
Cemetery Fund		508,045
Library Endowment Fund		<u>1,105,340</u>
Total	\$	<u>2,135,407</u>

Capital Asset Administration

The Town of Stowe's investment in capital assets for its governmental activities as of June 30, 2018 totaled \$32,176,621 (net of depreciation) and \$37,023,214 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:

Building & Improvements - Cemetery West Branch Fencing
Building & Improvements - Library Carpet
Building & Improvements - Theatre Replace compressor for A/C
Equipment - Emergency Operations Center Communications
Equipment - EMS Ambulance 2
Equipment - EMS Monitor/Defibrillator
Equipment - Fire Bergeron Protective Washer
Equipment - Highway 3 Yard Spreader
Equipment - Highway F-350 Pickup Truck
Equipment - Highway Grader attachment for Road Compaction
Equipment - Mountain Rescue-All Terrain Vehicle
Equipment - Parks - GMC CLSierra 3500
Equipment - Parks Cub Cadet 4x4 Utility Vehicle
Infrastructure - Paving Cape Cod
Infrastructure - Paving Trapp Hill Road
Infrastructure - TH 47 Sugarbush Lane Culvert Replacement
Infrastructure - Waterworks Road Bridge
Land Improvements - Cemetery Riverside Well

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

Sold, Retired or Traded:
2002 Ford F-450 EMS Ambulance
2008 Highway Ford F-350 pickup w/plow
2008 Parks Cub Cadet 4x4 Utility Vehicle
2008 Parks Ford F-350
2013 EMS Zoll Cardiac Monitor

The Water fund had \$209,449 of capital asset additions, which includes Notchbrook Pump Replacement and Village Green Redundant Well.

The Sewer fund had \$22,425 of capital asset additions which was a Carbon Filter replacement.

The Electric fund had capital asset additions of \$1,692,007. For the fiscal year ending June 30, 2018, Stowe Electric Department expended \$576,147 towards the new office and garage and \$79,805 was expended on the transmission line at the cross-country ski center. The infrastructure addition is related to transmission spending \$945,635 for Stowe Electric Department's ownership share of the Highgate Converter.

Debt Administration

As of June 30, 2018, long-term debt of governmental activities of the Town of Stowe was \$9,732,000. As of June 30, 2017, the governmental activities debt was \$10,517,750. During the year, the Town paid \$785,750 on older bonds and notes, and issued no new bonds in FY 2018.

The Business type activities had bonds and notes outstanding with a total principal debt of \$38,699,361. At the beginning of the fiscal year there was \$39,181,079 in outstanding debt. During the year the Town paid \$1,806,718 on older bonds and notes and two new notes were issued for \$1,325,000.

Economic Factors and FY 19 Budgets and Rates

- The Town of Stowe growth for the Grand List has averaged 1.71% over the last 5 years. We estimated a growth rate of 2.50% of the 2018 Grand List, used in FY19, the actual was 2.44%. For the 2019 Grand List, used for FY20, we are estimating a growth rate of 1.00%, which is lower than the average.
- 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 in FY 19.
- Health insurance rates have been budgeted to increase around 4.5% for Blue Cross VHP plan and decrease 0.70% for Blue Cross VFP plan for first half of FY19 and second half of FY19 is based on 5.3% increase, based three-year premium changes for FY 2019. All employees pay a portion of the health care premiums, 10% for Blue Cross Blue Shield VHP plan or 5% for VFP plan.
- Dental insurance and Short Term/Long Term disability insurance are not expected to increase from FY18 rates. All employees contribute 5% toward their dental coverage.
- Prices for #2 fuel oil, diesel fuel, propane and gasoline were estimated using a three-year average price at October 31st.

These factors were taken into consideration in preparing the fiscal year 2019 budgets. The General Fund expense for FY 19 is \$11,821,329, an increase of 1.76%. Non-Tax Revenues have been budgeted at \$2,484,626, a 1.06% decrease, leaving an amount to be raised by taxation of \$9,169,920. In addition, The Town reduced the amount raised by taxation by \$166,783 of surplus carry forward of the General Fund.

The Town of Stowe's tourism economy continues to see strong growth over the years. As evidenced by the history of collection of local option taxes, the Summer, Fall, and Winter seasons account for 86% of all rooms, meals and alcohol taxes, with an almost even distribution between those seasons. We have an average growth in those tax collections of around 7% over the last 9 years. The year-round activities and welcoming accommodations and amenities bring people back and in for the first time over our three seasons.

The Town of Stowe is a small town from a year-round population standpoint, but due its large second home population and tourism, Stowe is more akin to a small Vermont city from the scale of its infrastructure and demand for services. While Stowe has a growing tax base, it is a challenge to manage the tax rate due to limited taxing authority and increasing expectations. Tax pressure is also attributable to the decline in emergency management volunteerism, which is requiring the town to hire more paid staff to ensure surety of service.

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.

Exhibit A

TOWN OF STOWE, VERMONT
STATEMENT OF NET POSITION
JUNE 30, 2018

ASSETS	Governmental Activities	Business-type Activities	Total
Cash	\$ 5,093,211	\$ 2,286,603	\$ 7,379,814
Investments	1,546,763	0	1,546,763
Deposits with Insurance Company	3,600	0	3,600
Receivables (Net of Allowance for Uncollectibles)	797,846	2,746,159	3,544,005
Loans Receivable	0	2,681,904	2,681,904
Internal Balances	(2,470,362)	2,470,362	0
Prepaid Expenses	18,064	16,122	34,186
Inventory	185,325	265,648	450,973
Restricted Cash	0	472,696	472,696
Investment in Associated Companies	0	24,036,042	24,036,042
Deferred Charges	0	17,131	17,131
Capital Assets:			
Land and Easements	6,283,294	52,525	6,335,819
Construction in Progress	441,210	1,569,439	2,010,649
Antiques	80,000	0	80,000
Other Capital Assets, (Net of Accumulated Depreciation)	25,372,117	35,401,250	60,773,367
Total Assets	37,351,068	72,015,881	109,366,949
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows of Resources Related to the Town's Participation in VMERS	826,460	56,327	882,687
Total Deferred Outflows of Resources	826,460	56,327	882,687
LIABILITIES			
Accounts Payable	352,867	1,869,679	2,222,546
Accrued Payroll and Benefits Payable	146,700	91,116	237,816
Other Accrued Expenses	0	161,517	161,517
Unearned Revenue	86,560	0	86,560
Accrued Interest Payable	65,313	108,767	174,080
Noncurrent Liabilities:			
Due within One Year	785,750	20,538,223	21,323,973
Due in More than One Year	11,085,548	18,501,639	29,587,187
Total Liabilities	12,422,718	41,270,041	53,792,679
DEFERRED INFLOWS OF RESOURCES			
Prepaid Property Taxes	20,117	0	20,117
Deferred Contribution for Capital Assets	0	145,000	145,000
Deferred Gain on Hedge Sale	0	14,950	14,950
Deferred Inflows of Resources Related to the Town's Participation in VMERS	51,991	3,537	55,528
Total Deferred Inflows of Resources	72,108	163,487	235,595
NET POSITION			
Net Investment in Capital Assets	22,444,621	21,485,134	43,929,755
Restricted:			
Culture and Recreation	1,132,636	0	1,132,636
Cemetery	508,045	0	508,045
Other	80,726	0	80,726
Unrestricted	1,416,654	9,152,546	10,569,200
Total Net Position	\$ 25,987,682	\$ 30,637,680	\$ 56,725,362

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

Exhibit B

TOWN OF STORR, VERMONT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018

Functions/Programs	Program Revenues			Net (Excess) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary Government:							
Governmental Activities:							
General Government	\$ 2,407,032	\$ 386,311	\$ 40,599	\$ 0	\$ (1,980,322)	\$ 0	\$ (1,980,322)
Public Safety	3,316,461	275,319	71,409	9,995	(2,953,330)	0	(2,953,330)
Public Works	2,872,051	28,021	267,377	73,130	(2,903,523)	0	(2,903,523)
Culture and Recreation	2,500,091	551,688	15,565	0	(1,933,730)	0	(1,933,730)
Community	30,884	16,500	0	0	(14,384)	0	(14,384)
Interest on Long-term Debt	352,887	0	0	0	(352,887)	0	(352,887)
Total Governmental Activities	11,504,306	1,258,039	364,950	83,125	(9,708,192)	0	(9,708,192)
Business-type Activities:							
Water	946,481	1,670,006	0	0	0	723,525	723,525
Sewer	1,679,325	1,717,091	0	0	0	37,776	37,776
Electric	14,009,430	12,183,616	0	0	0	(1,827,854)	(1,827,854)
Total Business-type Activities	16,635,236	15,569,713	0	0	0	(1,066,553)	(1,066,553)
Total Primary Government	\$ 28,139,542	\$ 16,827,752	\$ 364,950	\$ 83,125	(9,708,192)	(1,066,553)	(10,834,742)
General Revenues:							
Property Taxes					8,957,770	0	8,957,770
Interest on Delinquent Taxes					134,913	0	134,913
Local Option Sales Tax					951,249	0	951,249
General State Grants					412,607	0	412,607
Unrestricted Investment Earnings					632,896	0	632,896
LCP Equity Dividends					1,088,704	0	1,088,704
Miscellaneous Bridge Settlement					50,000	0	50,000
Insurance Proceeds					30,735	0	30,735
Other Revenues					5,003	0	5,003
Transfers:					47,000	(47,000)	0
Total General Revenues and Transfers					16,712,613	(1,671,620)	15,040,993
Change in Net Position					944,421	605,067	1,549,488
Net Position - July 1, 2017					24,638,265	30,037,613	54,675,878
Net Position - June 30, 2018					25,582,686	30,642,680	56,225,366

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

Exhibit C

TOWN OF STOWE, VERMONT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018

	General Fund	Capital Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS				
Cash	\$ 5,019,126	\$ 0	\$ 74,085	\$ 5,093,211
Investments	0	0	1,546,763	1,546,763
Deposits with Insurance Company	3,600	0	0	3,600
Receivables (Net of Allowance for Uncollectibles)	679,607	135,978	22,261	797,846
Due from Other Funds	0	1,107,854	547,056	1,654,910
Prepaid Expenses	18,064	0	0	18,064
Inventory	185,325	0	0	185,325
Total Assets	\$ 5,865,722	\$ 1,243,832	\$ 2,190,165	\$ 9,799,719
LIABILITIES				
Accounts Payable	\$ 297,564	\$ 33,485	\$ 21,818	\$ 352,867
Accrued Payroll and Benefits Payable	146,700	0	0	146,700
Due to Other Funds	4,095,548	0	29,724	4,325,272
Unearned Revenue	86,560	0	0	86,560
Total Liabilities	4,626,372	33,485	51,542	4,711,399
DEFERRED INFLOWS OF RESOURCES				
Prepaid Property Taxes	20,117	0	0	20,117
Unavailable Property Taxes and Interest	237,400	0	0	237,400
Unavailable Ambulance Fees	44,200	0	0	44,200
Unavailable Fees	500	0	0	500
Unavailable Grants	14,137	0	3,216	17,353
Total Deferred Inflows of Resources	316,354	0	3,216	319,570
FUND BALANCES				
Nonspendable	203,389	0	250,295	453,684
Restricted	27,296	0	1,443,816	1,471,112
Committed	58,548	1,210,347	270,738	1,539,633
Assigned	186,294	0	173,774	360,068
Unassigned (Deficit)	447,469	0	(3,216)	444,253
Total Fund Balances	922,996	1,210,347	2,115,407	4,268,750
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 5,865,722	\$ 1,243,832	\$ 2,190,165	
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.				32,176,621
Other Assets are not Available to Pay for Current-Period Expenditures, and, Therefore, are Deferred in the Funds.				299,453
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.				(11,936,611)
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.				774,469
Net Position of Governmental Activities				\$ 25,582,682

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, 2018

	General Fund	Capital Fund	Non-Major Governmental Funds	Total Governmental Funds
Revenues:				
Property Taxes	\$ 8,937,870	\$ 0	\$ 0	\$ 8,937,870
Interest on Delinquent Taxes	134,913	0	0	134,913
Local Option Sales Tax	0	951,249	0	951,249
Intergovernmental	823,914	2,566	108,210	934,690
Charges for Services	718,999	0	15,785	734,784
Permits, Licenses and Fees	508,326	0	12,363	520,689
Fines and Forfeits	8,426	0	0	8,426
Investment Income	13,995	2,348	103,993	120,336
Donations	11,765	0	15	11,780
Moscow Bridge Settlement	0	58,000	0	58,000
Other	22,930	0	0	22,930
Total Revenues	<u>11,181,138</u>	<u>1,014,163</u>	<u>240,366</u>	<u>12,435,667</u>
Expenditures:				
General Government	2,389,504	0	17,322	2,406,826
Public Safety	2,875,427	14,698	41,469	2,931,594
Public Works	2,308,344	45,371	0	2,353,715
Culture and Recreation	2,048,757	29,250	19,097	2,097,104
Cemetery	25,092	888	3,083	29,063
Capital Outlay:				
General Government	6,175	0	0	6,175
Public Safety	46,224	135,388	275,704	457,316
Public Works	398,837	122,405	58,795	580,037
Culture and Recreation	51,347	39,703	38,230	129,280
Cemetery	11,569	12,962	0	24,531
Debt Service:				
Principal	785,750	0	0	785,750
Interest	371,973	0	0	371,973
Total Expenditures	<u>11,318,999</u>	<u>400,665</u>	<u>453,700</u>	<u>12,173,364</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(137,861)</u>	<u>613,498</u>	<u>(213,334)</u>	<u>262,303</u>
Other Financing Sources (Uses):				
Proceeds from Sale of Vehicles and Equipment	13,500	107,725	8,000	129,225
Insurance Proceeds	30,735	0	0	30,735
Transfers In	409,950	0	410,000	819,950
Transfers Out	(410,000)	(350,000)	(17,950)	(777,950)
Total Other Financing Sources (Uses)	<u>44,185</u>	<u>(242,275)</u>	<u>400,050</u>	<u>201,960</u>
Net Change in Fund Balances	(93,676)	371,223	186,716	464,263
Fund Balances - July 1, 2017	<u>1,016,672</u>	<u>839,124</u>	<u>1,948,691</u>	<u>3,804,487</u>
Fund Balances - June 30, 2018	<u>\$ 922,996</u>	<u>\$ 1,210,347</u>	<u>\$ 2,135,407</u>	<u>\$ 4,268,750</u>

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, 2018

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)	\$	464,263
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets (\$1,197,339) is allocated over their estimated useful lives and reported as depreciation expense (\$1,291,822). This is the amount by which depreciation exceeded capital outlays in the current period.		(94,483)
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.		(187,615)
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 (\$230,354). However, in the statement of activities, the cost of pension benefits earned net of employee contributions (\$371,827) is reported as pension expense. This amount is the net effect of the differences in the treatment of pension expense.		(141,473)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		25,825
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>92,154</u>
Change in net position of governmental activities (Exhibit B)	\$	<u>944,421</u>

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

TOWN OF STOWE, VERMONT
STATEMENT OF FUND NET POSITIONS
PROPRIETARY FUNDS
JUNE 30, 2018

Exhibit F

	Water Fund	Sewer Fund	Electric Fund	Total
ASSETS				
Current Assets				
Cash	\$ 0	\$ 0	\$ 2,296,607	\$ 2,296,607
Investment in Associated Companies - Current Portion	0	0	18,760,590	18,760,590
Receivables (Net of Allowance for Uncollectibles)	42,374	106,664	1,448,172	1,597,210
Unbilled Receivables	136,463	111,746	991,936	1,239,145
Loans Receivable - Current Portion	23,762	319,107	0	342,869
Accrued Interest Receivable	0	0	136,991	136,991
Due from Other Funds	123,738	2,505,630	0	2,629,368
Prepaid Expenses	0	0	16,122	16,122
Inventory	49,190	9,851	199,487	258,528
Total Current Assets	438,686	3,280,118	23,479,324	27,200,129
Noncurrent Assets				
Restricted Cash	0	0	472,686	472,686
Loans Receivable - Noncurrent Portion	49,627	1,074,378	0	1,123,995
Investment in Associated Companies - Noncurrent Portion	0	0	8,319,542	8,319,542
Deferred Charges	0	0	17,131	17,131
Capital Assets				
Land	8,647	43,878	0	52,525
Construction in Progress	3,873	0	1,344,264	1,348,137
Land Improvements	0	7,347	0	7,347
Buildings and Building Improvements	0	13,794,232	273,429	13,997,661
Machinery and Equipment	273,126	497,236	1,083,347	1,753,709
Distribution and Collection Systems	12,140,094	38,882,863	14,969,482	54,012,439
Less: Accumulated Depreciation	(1,726,174)	(16,716,521)	(7,717,621)	(21,759,676)
Total Noncurrent Assets	6,771,636	18,712,785	18,969,916	44,454,337
Total Assets	9,714,131	21,992,903	40,456,431	52,174,471
DEFERRED OBLIGATIONS OF RESOURCES				
Deferred Outflow of Resources Related to the Town's Participation in VMERS	47,634	13,981	0	61,615
Total Deferred Outflow of Resources	47,634	13,981	0	61,615
LIABILITIES				
Current Liabilities				
Accounts Payable	31,240	36,303	1,882,134	1,949,677
Accrued Payroll and Benefits Payable	3,627	8,933	76,226	88,786
Other Accrued Expenses	0	0	341,917	341,917
Due to Other Funds	0	0	159,046	159,046
Accrued Interest Payable	36,926	0	49,841	86,767
Notes Payable - Current Portion	0	0	18,917,684	18,917,684
General Obligation Bonds Payable - Current Portion	323,617	790,737	262,080	1,376,434
Total Current Liabilities	635,410	826,973	21,471,626	22,934,009
Noncurrent Liabilities				
Compensated Absence Payable	25,764	10,348	175,814	211,926
Net Pension Liability	78,322	20,699	0	99,021
Notes Payable - Noncurrent Portion	0	0	1,767,494	1,767,494
General Obligation Bonds Payable - Noncurrent Portion	3,199,634	6,411,741	1,788,740	11,400,115
Total Noncurrent Liabilities	3,294,720	6,442,788	1,944,048	11,681,556
Total Liabilities	3,275,760	7,269,761	23,415,674	34,001,195
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Contribution for Capital Assets	0	0	143,000	143,000
Deferred Gain on Hedge Sale	0	0	14,950	14,950
Deferred Inflow of Resources Related to the Town's Participation in VMERS	2,482	833	0	3,315
Total Deferred Inflow of Resources	2,482	833	157,950	161,265
NET POSITIONS				
Net Investment in Capital Assets	6,155,134	9,451,394	1,899,694	17,506,222
Unrestricted	329,176	3,279,589	3,217,781	6,856,546
Total Net Position	\$ 6,484,310	\$ 12,730,983	\$ 5,117,475	\$ 24,332,768

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, 2018

	Water Fund	Sewer Fund	Electric Fund	Total
Operating Revenues:				
Charges for Services	\$ 1,606,259	\$ 1,638,909	\$ 11,690,610	\$ 14,935,778
Total Operating Revenues	<u>1,606,259</u>	<u>1,638,909</u>	<u>11,690,610</u>	<u>14,935,778</u>
Operating Expenses:				
Administrative	80,215	85,590	1,875,614	2,041,419
Power	0	0	8,816,859	8,816,859
Distribution and Collection	569,566	1,061,207	1,255,266	2,885,839
Taxes	0	0	116,313	116,313
Depreciation and Amortization	211,151	525,040	555,641	1,291,832
Total Operating Expenses	<u>860,732</u>	<u>1,671,837</u>	<u>12,619,693</u>	<u>15,152,262</u>
Operating Income/(Loss)	<u>745,527</u>	<u>(32,928)</u>	<u>(929,083)</u>	<u>(216,484)</u>
Non-Operating Revenues/(Expenses):				
Connection Fees and Related Interest	63,747	78,192	0	141,939
LCP Equity Dividends	0	0	1,080,704	1,080,704
Loss on Disposal of Capital Assets	0	(7,488)	0	(7,488)
Other Income	0	0	491,006	491,006
Investment Income	1,518	6,877	624,521	632,916
Interest Expense	(85,749)	0	(1,389,777)	(1,475,526)
Total Non-Operating Revenues/(Expenses)	<u>(20,484)</u>	<u>77,581</u>	<u>806,454</u>	<u>863,551</u>
Net Income/(Loss) Before Transfers	725,043	44,653	(122,629)	647,067
Transfers Out	<u>0</u>	<u>0</u>	<u>(42,000)</u>	<u>(42,000)</u>
Change in Net Position	725,043	44,653	(164,629)	605,067
Net Position - July 1, 2017	<u>5,759,269</u>	<u>14,657,330</u>	<u>9,616,014</u>	<u>30,032,613</u>
Net Position - June 30, 2018	<u>\$ 6,484,312</u>	<u>\$ 14,701,983</u>	<u>\$ 9,451,385</u>	<u>\$ 30,637,680</u>

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

Exhibit H

TOWN OF STOWE, VERMONT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	Water Fund	Sewer Fund	Electric Fund	Total
Cash Flows From Operating Activities:				
Receipts from Customers and Users	\$ 1,630,889	\$ 1,635,742	\$ 11,403,283	\$ 14,669,914
Payments for Purchased Power	0	0	(8,836,839)	(8,836,839)
Payments for Goods and Services	(344,482)	(627,150)	(1,122,280)	(2,093,912)
Payments for Interfund Services	(50,250)	(11,250)	0	(61,500)
Payments for Wages and Benefits	(293,867)	(457,001)	(1,424,451)	(2,175,319)
Net Cash Provided by Operating Activities	<u>940,290</u>	<u>500,337</u>	<u>39,689</u>	<u>1,480,316</u>
Cash Flows From Noncapital Financing Activities:				
Other Receipts	0	0	386,037	386,037
Decrease/(Increase) in Due from Other Funds	(123,738)	(336,892)	0	(460,630)
(Decrease)/Increase in Due to Other Funds	(89,419)	0	159,686	69,627
Transfers Paid to Other Funds	0	0	(42,800)	(42,800)
LCP Equity Dividends	0	0	1,080,704	1,080,704
Net Cash Provided/(Used) by Noncapital Financing Activities	<u>(213,157)</u>	<u>(336,892)</u>	<u>1,583,787</u>	<u>1,033,738</u>
Cash Flows From Capital and Related Financing Activities:				
Payments Received on Loans Receivable and Connection Fees	90,809	698,665	0	789,474
Proceeds from Long-term Debt	0	0	1,325,000	1,325,000
Acquisition and Construction of Capital Assets	(209,449)	(22,425)	(1,714,001)	(1,945,875)
Principal Paid on General Obligation Bonds Payable	(116,649)	(846,562)	(262,880)	(1,625,291)
Principal Paid on Notes Payable	0	0	(181,427)	(181,427)
Interest Paid on General Obligation Bonds Payable	(52,562)	0	(174,357)	(226,919)
Interest Paid on Notes Payable	0	0	(1,219,822)	(1,219,822)
Net Cash Provided/(Used) by Capital and Related Financing Activities	<u>(278,651)</u>	<u>(178,327)</u>	<u>(2,726,887)</u>	<u>(3,173,065)</u>
Cash Flows From Investing Activities:				
Purchase of Capital Stock	0	0	(864,840)	(864,840)
Receipt of Interest and Dividends	1,518	6,877	597,482	605,777
Net Cash Provided/(Used) by Investing Activities	<u>1,518</u>	<u>6,877</u>	<u>(267,358)</u>	<u>(258,863)</u>
Net Increase/(Decrease) in Cash	<u>0</u>	<u>0</u>	<u>(809,409)</u>	<u>(809,409)</u>
Cash - July 1, 2017	<u>0</u>	<u>0</u>	<u>3,628,768</u>	<u>3,628,768</u>
Cash - June 30, 2018	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,759,299</u>	<u>\$ 2,759,299</u>
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided by Operating Activities:				
Operating Income/(Loss)	\$ 345,527	\$ (32,928)	\$ (929,083)	\$ (216,484)
Depreciation and Amortization	213,151	525,040	555,641	1,293,832
(Decrease)/Increase in Receivables	24,630	(3,187)	(287,327)	(265,884)
(Decrease)/Increase in Prepaid Expenses	0	0	(11,596)	(11,596)
(Decrease)/Increase in Inventory	15,589	1,906	(37,447)	(19,952)
(Decrease)/Increase in Deferred Outflows of Resources Related to the Town's Participation in VMERS	18,014	4,911	0	22,925
Increase/(Decrease) in Accounts Payable	(53,172)	11,768	813,117	771,713
Increase/(Decrease) in Accrued Payroll and Benefits Payable	(1,298)	770	26,712	26,184
Increase/(Decrease) in Other Accrued Expenses	0	0	(112,644)	(112,644)
Increase/(Decrease) in Compensated Absences Payable	(4,714)	(4,389)	22,656	13,553
Increase/(Decrease) in Net Pension Liability	(17,086)	(4,145)	0	(21,231)
Increase/(Decrease) in Deferred Inflows of Resources Related to the Town's Participation in VMERS	1,749	570	0	2,319
Net Cash Provided by Operating Activities	<u>\$ 940,290</u>	<u>\$ 500,337</u>	<u>\$ 39,689</u>	<u>\$ 1,480,316</u>

The Sewer Fund disposed of capital assets with a cost and accumulated depreciation of \$16,640 and \$9,152, respectively.

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

TOWN OF STOWE, VERMONT
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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.

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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 electric power to 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.

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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.

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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
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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 15th. 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.

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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
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	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.

TOWN OF STOWE, VERMONT
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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.

TOWN OF STOWE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
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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, the Recreation Scholarship Fund and the FEMA 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 \$159,000 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. 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, 2018 consisted of the following:

Restricted Cash:	
Deposits with Financial Institutions	\$ <u>472,696</u>
Unrestricted Cash:	
Deposits with Financial Institutions	7,348,089
Deposits with Investment Company	28,542
Cash on Hand	<u>3,183</u>
Total Unrestricted Cash	<u>7,379,814</u>
Total Cash	<u>7,852,510</u>
Investments:	
Municipal Bonds	46,702
Corporate Bonds	76,050
Mutual Funds – Equities	861,763
Common Stock	<u>562,248</u>
Total Investments	<u>1,546,763</u>
Total Cash and Investments	<u>\$9,399,273</u>

TOWN OF STOWE, VERMONT
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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.

	<u>Book Balance</u>	<u>Bank Balance</u>
FDIC/SIPC Insured	\$ 887,022	\$ 890,525
Insured by Letter of Credit Issued by Federal Home Loan Bank	4,539,527	4,936,306
Uninsured, Collateralized - Electric Department	2,295,000	2,295,000
Uninsured, Uncollateralized	<u>127,778</u>	<u>160,155</u>
Total	<u>\$7,849,327</u>	<u>\$8,281,986</u>

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

\$160,155 of uninsured, uncollateralized cash could be offset by debt at the respective bank.

The book balance is comprised of the following:

Restricted Cash – Deposits with Financial Institutions	\$ 472,696
Cash – Deposits with Financial Institutions	7,348,089
Cash – Deposits with Investment Company	<u>28,542</u>
Total	<u>\$7,849,327</u>

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 common stock is 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.

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Investment Type	Remaining Maturity		Total
	Less Than 1 Year	1-5 Years	
Municipal Bonds	\$ 0	\$ 46,702	\$ 46,702
Corporate Bonds	25,603	50,447	76,050
Total	\$ 25,603	\$ 97,149	\$ 122,752

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 common stock is 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:

Investment Type	Standard and Poor's Rating as of June 30, 2018						Total
	BBB	BBB-	BBB	BBB-	B+	B	
Municipal Bonds	\$ 0	\$ 26,778	\$ 0	\$ 0	\$ 0	\$ 19,924	\$ 46,702
Corporate Bonds	10,045	0	46,045	9,890	10,069	0	76,050
Total	\$ 10,045	\$ 26,778	\$ 46,045	\$ 9,890	\$ 10,069	\$ 19,924	\$ 122,752

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 mutual funds are open-ended and, therefore, are excluded from the concentration of credit risk analysis. The Town has \$373,680, (66%), 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, 2018 is \$75,000.

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, 2018 is \$397,696.

Total restricted cash in the Electric Fund as of June 30, 2018 is \$472,696.

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B. Receivables

Receivables as of June 30, 2018, 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	\$ 430,219	\$ 0	\$ 430,219
Interest Receivable	33,341	0	33,341
Local Option Sales Tax Receivable	135,978	0	135,978
Ambulance Receivable	102,337	0	102,337
Grants Receivable	114,124	0	114,124
Accounts Receivable	19,847	0	19,847
Billed Services	0	2,083,908	2,083,908
Unbilled Services	0	1,222,358	1,222,358
Accrued Interest Receivable	0	156,591	156,591
Allowance for Doubtful Accounts - Ambulance	(38,000)	0	(38,000)
Allowance for Doubtful Accounts - Water/Sewer	0	(16,698)	(16,698)
Total	\$ 797,846	\$ 2,746,159	\$ 3,544,005

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	147,000
Total	882,000
Less: Allowance for Doubtful Loans/Interest	(882,000)
Reported Value at June 30, 2018	\$ 0

Business-type Activities

The Town has two (2) outstanding sewer loans totaling \$5,168 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%.

TOWN OF STOWE, VERMONT
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The Town also has seventy-three (73) outstanding sewer loans totaling \$2,617,095 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 eighteen (18) outstanding loans totaling \$72,339 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, 2018 is \$2,694,602. The Town estimates that \$558,889 will be collected during fiscal year 2019 and the remainder of \$2,135,713 in future years. The Town has determined that all but nine (9) loans are collectible as they have a lien on the home or business on all except those nine (9) loans. The Town has an allowance for doubtful loans of \$12,698 for the unsecured loans, however, all loans are current.

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

<u>Balance</u> <u>July 1, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2018</u>
\$ 3,328,639	\$ 0	\$ 634,037	\$ 2,694,602

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, 2018.

	<u>Shares/Units</u>	<u>Cost</u>
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	1,041,836	10,418,360
VT Transco, LLC - Class B - Membership Units	1,325,971	13,259,710
Total		\$ 24,036,042

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.

	<u>Amortization</u> <u>Period</u>	<u>Current</u> <u>Amortization</u>	<u>Unamortized</u> <u>Balance</u>
Bond Issuance Costs	20 Years	\$760	\$17,131

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F. Capital Assets

Capital asset activity for the year ended June 30, 2018 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets, Not Being Depreciated:				
Land and Easements	\$ 6,283,294	\$ 0	\$ 0	\$ 6,283,294
Construction in Progress	299,384	407,674	225,848	441,210
Antiques	80,000	0	0	80,000
Total Capital Assets, Not Being Depreciated	<u>6,622,678</u>	<u>407,674</u>	<u>225,848</u>	<u>6,804,504</u>
Capital Assets, Being Depreciated:				
Land Improvements	788,038	59,324	24,545	822,817
Buildings and Building Improvements	18,163,333	371,501	0	18,534,834
Machinery and Equipment	7,007,567	12,962	0	7,020,529
Infrastructure	9,764,373	581,388	355,325	9,990,436
Totals	<u>35,723,311</u>	<u>1,025,175</u>	<u>379,870</u>	<u>36,368,616</u>
Less Accumulated Depreciation for:				
Land Improvements	264,369	494,600	12,272	746,697
Buildings and Building Improvements	3,761,248	391,266	0	4,152,514
Machinery and Equipment	3,396,981	23,215	0	3,420,196
Infrastructure	2,464,672	382,741	170,321	2,677,092
Totals	<u>9,887,270</u>	<u>1,291,822</u>	<u>182,593</u>	<u>10,996,499</u>
Total Capital Assets, Being Depreciated	<u>25,836,041</u>	<u>(266,647)</u>	<u>197,277</u>	<u>25,372,117</u>
Governmental Activities Capital Assets, Net	<u>\$ 32,458,719</u>	<u>\$ 141,027</u>	<u>\$ 423,125</u>	<u>\$ 32,136,621</u>
Business-type Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 52,525	\$ 0	\$ 0	\$ 52,525
Construction in Progress	981,009	640,192	51,762	1,569,439
Total Capital Assets, Not Being Depreciated	<u>1,033,534</u>	<u>640,192</u>	<u>51,762</u>	<u>1,621,964</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	3,205,262	65,121	16,640	3,253,743
Distribution and Collection Systems	36,761,805	1,270,330	0	38,032,135
Totals	<u>55,832,515</u>	<u>1,335,451</u>	<u>16,640</u>	<u>57,151,326</u>
Less Accumulated Depreciation for:				
Land Improvements	1,854	1,112	0	2,966
Buildings and Building Improvements	5,721,161	271,433	0	5,992,594
Machinery and Equipment	2,208,563	199,823	9,152	2,399,234
Distribution and Collection Systems	12,536,578	818,704	0	13,355,282
Totals	<u>20,468,156</u>	<u>1,291,072</u>	<u>9,152</u>	<u>21,759,076</u>
Total Capital Assets, Being Depreciated	<u>35,364,359</u>	<u>44,379</u>	<u>7,488</u>	<u>35,401,250</u>
Business-type Activities Capital Assets, Net	<u>\$ 36,397,893</u>	<u>\$ 684,571</u>	<u>\$ 59,250</u>	<u>\$ 37,023,214</u>

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Depreciation was charged as follows:

Governmental Activities:		Business-type Activities:	
General Government	\$ 31,506	Water	\$ 211,151
Public Safety	342,354	Sewer	525,040
Public Works	552,247	Electric	<u>554,881</u>
Culture and Recreation	363,894		
Cemetery	<u>1,821</u>		
Total Depreciation Expense - Governmental Activities	<u>\$ 1,291,822</u>	Total Depreciation Expense - Business-type Activities	<u>\$ 1,291,072</u>

G. Interfund Balances and Activity

The composition of interfund balances as of June 30, 2018 are as follows:

Fund	Due from Other Funds	Due to Other Funds
General Fund	\$ 0	\$ 4,095,548
Capital Fund	1,107,854	0
Non-Major Governmental Funds	547,056	29,724
Water Fund	123,738	0
Sewer Fund	2,505,670	0
Electric Fund	<u>0</u>	<u>159,046</u>
Total	<u>\$ 4,284,318</u>	<u>\$ 4,284,318</u>

Interfund transfers during the year ended June 30, 2018 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	Equipment Fund	410,000	Annual Contribution
Library Operations Fund	General Fund	28,464	Annual Contribution
Capital Fund	General Fund	350,000	Fund Debt Service
Appraisal Fund	General Fund	3,000	Fund Appraisal Expenses
Cemetery Fund	General Fund	7,000	Annual Contribution
Library Endowment Fund	Library Operations Fund	7,950	Transfer Earnings
Electric Fund	General Fund	<u>42,000</u>	PILOT
Total		<u>\$ 969,414</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.

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H. Deferred Outflows of Resources

Deferred outflows of resources in the governmental activities consists of \$22,146 from the difference between the expected and actual experience, \$253,555 from the difference between the projected and actual investment earnings, \$318,700 from changes in assumptions and \$1,705 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 \$230,354 of required employer pension contributions subsequent to the measurement date. Total deferred outflows of resources in the governmental activities is \$826,460.

Deferred outflows of resources in the business-type activities consists of \$1,507 from the difference between the expected and actual experience, \$17,250 from the difference between the projected and actual investment earnings, \$21,682 from changes in assumptions and \$116 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 \$15,672 of required employer pension contributions subsequent to the measurement date. Total deferred outflows of resources in the business-type activities is \$56,227.

Deferred outflows of resources in the Water Fund consists of \$1,143 from the difference between the expected and actual experience, \$13,080 from the difference between the projected and actual investment earnings, \$16,440 from changes in assumptions and \$88 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 \$11,883 of required employer pension contributions subsequent to the measurement date. Total deferred outflows of resources in the Water Fund is \$42,634.

Deferred outflows of resources in the Sewer Fund consists of \$364 from the difference between the expected and actual experience, \$4,170 from the difference between the projected and actual investment earnings, \$5,242 from changes in assumptions and \$28 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 \$3,789 of required employer pension contributions subsequent to the measurement date. Total deferred outflows of resources in the Sewer Fund is \$13,593.

I. Unearned Revenue

Unearned revenue in the General Fund consists of \$19,458 of advertising fees and \$67,102 of recreation fees received in advance. Total unearned revenue in the General Fund is \$86,560.

J. Deferred Inflows of Resources

Deferred inflows of resources in the governmental activities consists of \$20,117 of prepaid property taxes. It also includes \$37,686 from the difference between the expected and actual experience and \$14,305 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 \$72,108.

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Deferred inflows of resources in the business-type activities consists of \$2,564 from the difference between the expected and actual experience and \$973 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), \$145,000 from the contribution from Spruce Peak Realty, LLC for the transmission facility construction and update costs, as described as follows, and \$14,950 from the refinancing of a capital improvement note, as described as follows. Total deferred inflows in the business-type activities is \$163,487.

Deferred inflows of resources in the General Fund consists of \$237,400 of delinquent property taxes, penalties and interest on those taxes, \$44,200 of ambulance fees, \$500 of miscellaneous fees and \$14,137 of grant revenue not collected within sixty (60) days after year-end as these would not be available to liquidate current liabilities. It also includes \$20,117 of prepaid property taxes. Total deferred inflows of resources in the General Fund is \$316,354.

Deferred inflows of resources in the Non-Major Governmental Funds consists of \$3,216 of grant revenue not collected within sixty (60) days after year-end as these would not be available to liquidate current liabilities.

Deferred inflows of resources in the Water Fund consists of \$1,944 from the difference between the expected and actual experience and \$738 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 Water Fund is \$2,682.

Deferred inflows of resources in the Sewer Fund consists of \$620 from the difference between the expected and actual experience and \$235 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 Sewer Fund is \$855.

On September 23, 2005, the Stowe Electric Department (SED) entered into an agreement with Spruce Peak Realty, LLC ("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, 2018 is \$145,000.

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, 2018 is \$14,950.

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.

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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.

Long-term liabilities outstanding as of June 30, 2018 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	\$ 45,000	\$ 0	\$ 15,000	\$ 30,000
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 5.13% Payable on June 1 and December 1, Due December, 2021	125,000	0	25,000	100,000

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	Beginning Balance	Additions	Deletions	Ending Balance
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	\$ 160,000	\$ 0	\$ 20,000	\$ 140,000
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	275,000	0	25,000	250,000
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	4,320,000	0	360,000	3,960,000
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	3,200,000	0	200,000	3,000,000
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>2,392,750</u>	<u>0</u>	<u>140,750</u>	<u>2,252,000</u>
Total Governmental Activities	<u>\$10,517,750</u>	<u>\$ 0</u>	<u>\$785,750</u>	<u>\$9,732,000</u>

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Business-type Activities:

	Beginning Balance	Additions	Deletions	Ending Balance
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	\$ 503,279	\$ 0	\$ 125,820	\$ 377,459
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	1,513,222	0	170,171	1,343,051
Bond Payable, State of Vermont Special Environmental Revolving Fund, Water Improvements, Principal Payments of \$18,273 Payable on April 1 Annually, 0% Interest, Due April, 2024	127,914	0	18,273	109,641
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	960,000	0	160,000	800,000
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	485,900	0	42,385	443,515
Bond Payable, State of Vermont Special Environmental Revolving Fund, Sewer Improvements, Principal Payments of \$51,330 Payable on December 15 Annually, 0% Interest, Due and Paid December, 2017	51,330	0	51,330	0

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	Beginning Balance	Additions	Deletions	Ending Balance
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	\$ 414,200	\$ 0	\$ 103,550	\$ 310,650
Bond Payable, State of Vermont Special Environmental Revolving Fund, Sewer Improvements, Principal Payments of \$691,682 Payable on April 1 Annually, 0% Interest, Due April, 2028	7,608,509	0	691,682	6,916,827
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	3,055,000	0	135,000	2,920,000
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	3,049,920	0	127,080	2,922,840
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 \$17,970, Interest at 6.5%, Due December, 2020	737,611	0	34,473	703,138
Note Payable, Union Bank. Electric Investment Purchases, Quarterly Principal and Interest Payments of \$20,773, Interest at 6.5%, Due February, 2020	804,103	0	41,818	762,285

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	Beginning Balance	Additions	Deletions	Ending Balance
Note Payable, Union Bank. Electric Investment Purchases, Quarterly Principal and Interest Payments of \$7,439, Interest at 4.1%, Due November, 2024	\$ 370,091	\$ 0	\$ 14,619	\$ 355,472
Note Payable, Union Bank. Operating Capital, Quarterly Principal and Interest Payments of \$23,215, Interest at 2.99%, Due May, 2027	800,000	0	70,208	729,792
Note Payable, Union Bank. Electric Upgrades, Quarterly Principal and Interest Payments of \$15,528, Interest at 4.2%, Due December, 2027	0	825,000	20,309	804,691
Note Payable, Union Bank. Electric Upgrades, Annual Principal and Interest Payments of \$57,870, Interest at 2.75%, Due May, 2028	0	500,000	0	500,000
Total Business-type Activities	\$39,181,079	\$1,325,000	\$1,806,718	\$38,699,361

Changes in long-term liabilities during the year were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
General Obligation Bonds Payable	\$ 10,517,750	\$ 0	\$ 785,790	\$ 9,732,000	\$ 785,750
Compensated Absences Payable	720,026	0	103,068	616,958	0
Net Pension Liability	1,612,269	0	89,929	1,522,340	0
Total Governmental Activities Long-term Liabilities	\$ 12,850,045	\$ 0	\$ 978,787	\$ 11,871,298	\$ 785,750
Business-type Activities					
General Obligation Bonds Payable	\$ 17,769,274	\$ 0	\$ 1,625,280	\$ 16,143,993	\$ 1,580,340
Notes Payable	21,411,805	1,325,000	181,427	22,555,378	18,957,883
Compensated Absences Payable	223,376	13,554	0	236,930	0
Net Pension Liability	124,902	0	21,330	103,571	0
Total Business-type Activities Long-term Liabilities	\$ 39,529,357	\$ 1,338,554	\$ 1,828,040	\$ 39,039,862	\$ 20,538,223

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.

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Debt service requirements to maturity are as follows:

Year Ending June 30	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2019	\$ 785,750	\$ 351,870	\$ 20,538,223	\$ 1,078,265
2020	785,750	307,803	2,503,901	378,921
2021	770,750	283,627	2,386,770	306,023
2022	770,750	257,279	1,839,345	242,229
2023	745,750	229,400	1,894,480	237,569
2024-2028	3,668,750	704,101	6,314,602	727,682
2029-2033	2,063,750	180,920	1,310,400	380,321
2034-2038	140,750	344	1,310,400	187,548
2039-2041	0	0	601,280	17,982
Total	\$ 9,732,000	\$ 2,315,344	\$ 38,699,351	\$ 3,556,540

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.

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.

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The fund balances in the following funds are nonspendable as follows:

Major Funds

General Fund:	
Nonspendable Prepaid Expenses	\$ 18,064
Nonspendable Inventory	<u>185,325</u>
Total General Fund	<u>203,389</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>\$453,684</u>

The fund balances in the following funds are restricted as follows:

Major Funds

General Fund:	
Restricted for Library Development by Donations	\$ <u>27,296</u>

Non-Major Funds

Special Revenue Funds:	
Restricted for Police Expenses by Agreement (Source of Revenue is Grant Revenue)	18,238
Restricted for Records Preservation Expenses by Statute (Source of Revenue is Recording Fees)	<u>62,488</u>
Total Special Revenue Funds	<u>80,726</u>

Permanent Funds:	
Restricted for Cemetery Fund by Trust Agreements – Expendable Portion	293,045
Restricted for Library Endowment Fund by Trust Agreements – Expendable Portion	<u>1,070,045</u>
Total Permanent Funds	<u>1,363,090</u>
Total Non-Major Funds	<u>1,443,816</u>
Total Restricted Fund Balances	<u>\$1,471,112</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>58,548</u>
Capital Projects Funds:	
Committed for Capital Projects by the Voters	<u>1,210,347</u>

Non-Major Funds

Equipment Fund:	
Committed for Equipment Expenditures by the Voters	<u>270,738</u>
Total Committed Fund Balances	<u>\$1,539,633</u>

The fund balances in the following funds are assigned as follows:

Major Funds

General Fund:	
Assigned to Reduce Property Taxes in Fiscal Year 2019	\$166,783
Assigned for Library Operations Expenses	<u>19,511</u>
Total General Fund	<u>186,294</u>

Non-Major Funds

Special Revenue Funds:	
Assigned for Appraisal Expenses	<u>173,774</u>
Total Assigned Fund Balances	<u>\$360,068</u>

The unassigned deficit of \$3,216 in the Grant Fund will be funded with the collection of grant revenues.

TOWN OF STOWE, VERMONT
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M. Restricted and Designated Net Position

The restricted net position of the Town as of June 30, 2018 consisted of the following:

Governmental Activities:

Restricted for Library Development by Donations	\$ 27,296
Restricted for Police Expenses by Agreement	18,238
Restricted for Records Preservation Expenses by Statute	62,488
Restricted for Cemetery Fund by Trust Agreements – Non-Expendable Portion – Estimated	215,000
Restricted for Cemetery Fund by Trust Agreements – Expendable Portion	293,045
Restricted for Library Endowment Fund by Trust Agreements – Non-Expendable Portion	35,295
Restricted for Library Endowment Fund by Trust Agreements – Expendable Portion	<u>1,070,045</u>
Total Governmental Activities	<u>\$1,721,407</u>

The designated net position of the Town as of June 30, 2018 consisted of the following:

Business-type Activities:

Water Fund:

Designated for Investment in Long-term Loans Receivable	\$ 72,339
Designated for Water Capital	421,712
Designations in Excess of Unrestricted Net Position	<u>(164,875)</u>
Total Water Fund	<u>329,176</u>

Sewer Fund:

Designated for Investment in Long-term Loans Receivable	2,609,565
Designated for Sewer Capital	339,247
Designated for Sewer Operations	<u>2,321,777</u>
Total Sewer Fund	<u>5,270,589</u>

Electric Fund:

Designated for Electric Operations	<u>3,552,781</u>
Total Business-type Activities	<u>\$9,152,546</u>

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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, 2018, the retirement system consisted of 423 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.

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 and Inflows of Resources

As of June 30, 2017, the measurement date selected by the State of Vermont, VMERS was funded at 83.64% and had a plan fiduciary net position of \$619,510,342 and a total pension liability of \$740,665,894 resulting in a net position liability of \$121,155,552. As of June 30, 2018, the Town's proportionate share of this was 1.3420% resulting in a net pension liability of \$1,625,911. The net pension liability was measured as of June 30, 2017, 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. The Town's proportion of 1.3420% was an increase of 0.0078 from its proportion measured as of the prior year.

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For the year ended June 30, 2018, the Town recognized pension expense of \$545,352 which was comprised of \$391,411 determined by the State of Vermont's actuary and \$153,941 of employer contributions made by the Town in excess of the amount required. The total employer contribution made by the Town was \$399,967. For the year ended June 30, 2018, 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 12.10% resulting in a lower contribution for members (5.15%) and the employer contribution for Group D at 12.85% resulting in a lower contribution for members (8.35%).

As of June 30, 2018, the Town reported deferred outflows of resources and deferred inflows of resources from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 23,653	\$ 40,250
Net difference between projected and actual investment earnings on pension assets	270,805	0
Changes in assumptions	340,382	0
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,821	15,278
Town's required employer contributions made subsequent to the measurement date	<u>246,026</u>	<u>0</u>
	<u>\$ 882,687</u>	<u>\$ 55,528</u>

The deferred outflows of resources resulting from the Town's required employer contributions made subsequent to the measurement date in the amount of \$246,026 will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. 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>	
2019	\$209,700
2020	302,299
2021	82,878
2022	<u>(13,744)</u>
Total	<u>\$581,133</u>

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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.

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.

TOWN OF STOWE, VERMONT
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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

Investment Rate of Return: 7.50%, net of pension plan investment expenses, including inflation, a decrease from 7.95% in the prior year.

Salary increases: 5% per year.

Mortality – The mortality tables were updated for the current year from variations of RP-2000 with static projection to variations of RP-2014 with generational improvement:

Death in Active Service: Groups B and C – 98% of RP-2014 blended 60% Blue Collar Employee, 40% Healthy Employee with generational projection using Scale SSA-2017. Group D – RP-2014 Blue Collar Annuitant Table with generation projection using Scale SSA-2017.

Healthy Post-Retirement: Groups B and C – 98% of RP-2014 blended 60% Blue Collar Annuitant, 40% Healthy Annuitant with generational projection using Scale SSA-2017. Group D – 100% of RP-2014 Healthy Annuitant with generational projection using Scale SSA-2017.

Disabled Post-Retirement: Groups B, C and D – RP-2014 Disabled Mortality Table with generational projection using Scale SSA-2017.

TOWN OF STOWE, VERMONT
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Spouse's Age: Females three years younger than males.

Cost-of-Living Adjustments: Assumed to occur on January 1 following one year of retirement at the rate of 1.30% per annum for Groups B, C and D members, a decrease from 1.8% in the prior year (beginning at normal retirement eligibility age for members who elect reduced early retirement, at age 62 for members of Groups B and D who receive a disability retirement benefit, and at age 55 for members of Group C who receive a disability retirement benefit). The January 1, 2018 COLA is assumed to be 0.75% for all groups.

Actuarial Cost Method: Entry age actuarial cost method. Entry age is the age at date of employment or, if date is unknown, current age minus years of service. Normal cost and actuarial accrued liability are calculated on an individual basis and are allocated by salary, with normal cost determined using the plan of benefits applicable to each participant.

Actuarial Value of Assets: 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 market value of assets by more than 20%.

Inflation: 2.50%, a decrease from 3% in the prior year.

Long-term Expected Rate of Return:

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
US Equity	16%	6.07%
Non-US Equity	16%	7.42%
Global Equity	9%	6.85%
Real Estate	8%	4.62%
Private Markets	15%	7.80%
Hedge Funds	8%	3.95%
Risk Parity	4%	4.84%

TOWN OF STOWE, VERMONT
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Discount Rate – The discount rate used to measure the total pension liability was 7.50%, a decrease from 7.95% in the prior year. In accordance with paragraph 29 of GASB 68, professional judgement was applied to determine that the System’s projected fiduciary net position exceeds projected benefit payments for current active and inactive members for all years. The analysis was based on the expectation that employers will continue to contribute at the rates set by the Board, which exceed the actuarially determined contribution, which is comprised on an employer normal cost payment and a payment to reduce the unfunded liability to zero by June 30, 2038. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the Town’s proportionate share of the net pension liability calculated using the discount rate of 7.50 percent, as well as what the proportionate share would be if it were calculated using a discount rate that is one percent lower (6.50%) or one percent higher (8.50%):

<u>1% Decrease (6.50%)</u>	<u>Discount Rate (7.50%)</u>	<u>1% Increase (8.50%)</u>
\$2,902,955	\$1,625,911	\$566,807

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 \$4,805,036 while covered payroll was \$817,284. Pension expense was \$86,632. 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 \$9,090.

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, 2018 was \$1,424,455. The Electric Department's pension contributions for the years ended June 30, 2018, 2017 and 2016 were \$150,095, \$130,020 and \$111,054, respectively. The total fees relating to the pension plan for the years ended June 30, 2017, 2016 and 2015 were \$800, \$500 and \$450, 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 raise additional assessments to its members. The Town has only elected unemployment coverage through the Trust.

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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 2018 was as follows:

	<u>Residential</u>	<u>Non-Residential</u>
Education	1.5244	1.5841
Farmers Contracts	0.0048	0.0048
Town	<u>0.4128</u>	<u>0.4128</u>
Total	<u>1.9420</u>	<u>2.0017</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:

2019	\$74,412
2020	75,644
2021	73,948
2022	81,324
2023	83,764

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 \$4,888.

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
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G. CONCENTRATION OF REVENUE

The Electric Department's largest customer represents approximately 23.8% of operating revenue and 13.8% of accounts receivable.

H. 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, 2018 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. Given the greater degree of market price volatility exhibited since the original Hydro Quebec contract was agreed, this pricing approach should be beneficial to Stowe as the contract will be limited to how "out of market" it might become for both Hydro Quebec and Stowe. This is an important contract quality in the current market environment, and it reduces potential rate pressure to Stowe. 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.

**TOWN OF STOWE, VERMONT
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<u>Schedule</u>	<u>Start Date</u>	<u>Final Delivery Date</u>	<u>Stowe Entitlement (MW)</u>
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

Highgate has finished the increase of transfer capacity. The schedule was approved by the ISO-NE; the MW's increased to 255MW, with this adjustment the contract shifted to the second option of bilateral amounts on November 2016. The following table is the new portion for Stowe.

<u>Schedule</u>	<u>Start Date</u>	<u>Final Delivery Date</u>	<u>Stowe Entitlement (MW)</u>
Period 1	11/1/2012	10/31/2015	1.238
Period 2	11/1/2015	10/31/2016	2.890
Period 3	11/1/2016	10/31/2020	2.990
Period 4	11/1/2020	10/31/2030	2.990
Period 5	11/1/2030	10/31/2035	2.135
Period 6	11/1/2035	10/31/2038	0.483

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). Effective December 23, 2017, this contract was renewed to extend through April 30, 2032. This renewal did not negotiate for the Environmental Attributes, and therefore SED cannot claim St. Lawrence towards RES beginning on December 23, 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. SED is able to use Niagara Environmental Attributes towards RES compliance.

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 1.4554%, which started November 1, 2017 and ran through October 31, 2018. The prior percent, which ran from November 1, 2016 through October 31, 2017 was 1.3360%. The VEPPI contracts are priced with relatively high energy rates and modest fixed costs.

There is one wood-fired facility under VEPPI, that's contract expired, and was renegotiated in 2012 for 10 years.

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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, 2016 through October 31, 2017 was 1.3350% and increased to 1.4554% for November 1, 2017 through October 31, 2018) 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.

In May of 2009, as the SPEED Program progressed and implemented modifications, it changed into the Standard Offer program. This change began a feed-in-tariff to encourage the development of SPEED resources by making contracts long term and at fixed prices to qualified renewable energy projects. By May of 2012, the Vermont Energy Act of 2012 expanded the program to 127.5 MW over a ten year span with a new pricing mechanism for qualified projects. The 2017 RFP for the Standard Offer Program within the Public Utility Commission Docket No. 8817 contained avoided cost price caps.

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.

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.

TOWN OF STOWE, VERMONT
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Brown Bear II Hydro (Old Miller Hydro Contract):

SED has signed a purchase power agreement for 2.613% of the Worambo (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.

Phase I Hydro-Quebec Interconnection:

SED has entered into contracts with Vermont Electric Power Company (VELCO) to participate in 0.09578% of Phase I portion 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.

TOWN OF STOWE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

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 purchased additional ownership of the Converter. SED purchased the portion VPPSA's share and became a joint owner with VELCO and Burlington Electric Department.

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.

Sources of Energy

The percentages of energy (kWh) acquired for the year ended June 30, 2018 was as follows:

Resource	FCM	Description	(MWh)	kWh's	% of Total Resources	Fuel	Location	Termination Date
NYPA - Niagara		Block	3,408	3,407,921	4.4%	Hydro	Roseton	2025
NYPA - St. Lawrence		Block	40	79,765	0.1%	Hydro	Roseton	Life of Unit
VEPP1	0.328	PURPA	3,952	3,952,363	5.1%	Wood/Hydro	VT Nodes	Exp. Varies
VEPP1 - SPEED		Load Reducer	0	0	0.0%	Hydro		Exp. Varies
HQ PPA Contract		ISO Bilateral	17,462	17,461,600	22.6%	Hydro	HQ Highgate 120	2038
McNeil	1.560	Wood Unit	7,929	7,929,126	10.3%	Wood	Essex	Life of Unit
Stony IA/B/C	4.916	Dispatchable	2,128	2,127,649	2.8%	Natural Gas	Stonybk 115	Life of Unit
Needra Seabrook	2.000	ISO Bilateral	17,519	17,519,357	22.7%	Nuclear		2035
Miller Hydro Purchase	0.210	Run of River	2,217	2,217,404	2.9%	Hydro		2021
Saddleback Purchase	0.017	Wind	2,098	2,097,889	2.7%	Wind	Carthage, ME	2035
Bilateral Purchase - Mts		ISO Bilateral	7,634	7,633,610	9.9%			2017
ISO Energy Not Interchange		ISO Bilateral	12,697	12,697,034	16.5%			
Total			77,124	77,123,718	100.0%			

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.

TOWN OF STOWE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

Renewable Portfolio and Upcoming Renewable Energy Standard (RES):

In July, 2015, Act 56 (H.40) 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.

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 Urit generations that will qualify towards compliance are McNeil, Hydro Quebec bilateral, and NYPA
 - 2017 the compliance for SED was 41,915, SED retired 41,914 RECs. The one less REC was due to the St. Lawrence renewal that did not include Renewable Attributes.
- 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
 - 2017 the compliance for SED was 762 RECs, SED retired 762 RECs
- Tier III: Meet 12% of sales with "energy transformation projects" in 2032 (2% in 2019)
 - 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 27, 2018, SED went under contract to sell their portion of the Highgate Converter Facilities, located in Highgate, Vermont to VELCO for \$2,722,502. As of October 18, 2018, \$500,000 has been received.

On September 15, 2018, SED obtained a \$1,500,000 line of credit with Union Bank with an interest rate of 1.79% and a maturity date of September 15, 2019.

On July 10, 2018, the Town purchased property for \$299,900 for the purpose of expanding their gravel pit.

At a special meeting on November 6, 2018, voters approved the issuance of bonds or notes in an amount not to exceed \$3.4 million, subject to reduction from the receipt of available State and Federal grants-in-aid, for the purpose of financing the cost of constructing sidewalks, curbs and associated betterments on the Town's class 1 highways. Voters also approved bonds or notes in an amount not to exceed \$3.2 million for the purpose of financing the cost of relocating and removing overhead utility lines, equipment and related apparatus on Main Street.

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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, 2018

	Budget	Actual	Variance Favorable/ (Unfavorable)
Revenues:			
Property Taxes	\$ 8,946,836	\$ 8,937,870	\$ (8,966)
Administration	762,804	776,868	14,064
Town Clerk	166,760	168,054	1,294
Accounting/Finance	20,000	20,000	0
Fire	750	19,192	18,442
Highway Department	184,800	259,854	75,054
Listers' Office	1,500	1,421	(79)
Library	1,464	3,087	1,623
Rescue/EMS	206,030	182,324	(23,706)
Mountain Rescue	0	2,333	2,333
Cultural Campus	1,825	2,983	1,158
Planning Department	3,500	5,517	2,017
Zoning	52,510	59,439	6,929
Police Department	114,800	129,974	15,174
Cemetery	1,200	715	(485)
Public Works Administration	45,500	46,485	985
Parks and Grounds	47,600	43,707	(3,893)
Recreation	151,950	154,206	2,256
Stowe Arena	368,250	325,420	(42,830)
Transfer from Capital Fund - Local Option Taxes	350,000	350,000	0
Transfer from Library Operations Fund	27,000	28,464	1,464
Transfer from Appraisal Fund	3,000	3,000	0
Total Revenues	11,458,079	11,520,913	62,834
Expenditures:			
Administration	439,594	395,583	44,011
Elections	2,972	2,347	625
Town Clerk	337,113	276,427	60,686
Health/Zoning	140,640	138,276	2,364
Listers' Office	109,839	107,371	2,468
Treasurer/Finance	263,956	273,636	(9,680)
Planning	148,278	141,332	6,946
Public Safety Building	147,101	157,624	(10,523)
Police Department	1,756,166	1,769,341	(13,175)
Fire Department	222,425	213,033	9,392
Emergency Medical Service	650,811	632,036	18,775
Mountain Rescue	20,400	24,200	(3,800)
Emergency Management	1,965	3,007	(1,042)
Highway	2,129,318	2,282,643	(153,325)
Public Works	338,976	323,445	15,531
Akeley Memorial Building	167,730	167,521	209

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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, 2018

	Budget	Actual	Variance Favorable/ (Unfavorable)
Expenditures (Cont'd):			
Cultural Campus	\$ 79,248	\$ 82,708	\$ (3,460)
Street Lights	18,086	13,713	4,373
Solid Waste	596	592	4
Cemeteries	31,304	36,661	(5,357)
Community Affairs	133,022	129,022	4,000
General Government	528,618	531,455	(2,837)
Parks and Grounds	505,243	470,773	34,470
Recreation	465,255	438,499	26,756
Arena	504,957	543,394	(38,437)
Library	587,537	541,690	45,847
Debt Management	1,164,740	1,157,723	7,017
Insurances	191,189	191,608	(419)
Transfer to Annual Leave Fund	120,000	120,000	0
Transfer to Equipment Fund	410,000	410,000	0
Total Expenditures	11,617,079	11,575,660	41,419
Excess (Deficiency) of Revenues Over Expenditures	\$ (159,000)	(54,747)	\$ 104,253
Adjustments to Reconcile from the Budgetary Basis of Accounting to the Modified Accrual Basis of Accounting:			
Annual Leave Fund Income		463	
Annual Leave Fund Transfer In		120,000	
Annual Leave Fund Expenses		(167,252)	
Library Operations Fund Income		37,477	
Library Operations Fund Expenses		(8,376)	
Library Operations Fund Transfer In		7,950	
Library Operations Fund Transfer Out		(28,464)	
Recreation Scholarship Fund Income		2,147	
Recreation Scholarship Fund Expenses		(5,849)	
Recreation Scholarship Fund Transfer In		1,000	
FEMA Fund Income		94,837	
FEMA Fund Expenses		(92,862)	
Net Change in Fund Balance		(93,676)	
Fund Balance - July 1, 2017		1,016,672	
Fund Balance - June 30, 2018		\$ 922,996	

The reconciling items are due to combining four (4) funds, the Annual Leave Fund, the Library Operations Fund, the Recreation Scholarship Fund and the FEMA Fund with the General Fund in order to comply with GASB 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, 2018

	2018	2017	2016	2015
Total Plan Net Pension Liability	\$ 121,155,552	\$ 128,696,167	\$ 77,995,810	\$ 9,126,613
Town's Proportion of the Net Pension Liability	1.3420%	1.3499%	1.3825%	1.4096%
Town's Proportionate Share of the Net Pension Liability	\$ 1,625,911	\$ 1,737,171	\$ 1,065,864	\$ 128,646
Town's Covered Employee Payroll	\$ 3,468,811	\$ 3,197,390	\$ 2,997,269	\$ 2,842,541
Town's Proportionate Share of the Net Pension Liability as a Percentage of Town's Covered Employee Payroll	46.8723%	54.3309%	35.5612%	4.5257%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	83.64%	80.99%	87.42%	98.32%

Notes to Schedule

Benefit Changes: None.

Changes in Assumptions and Methods: The following changes were effective for the June 30, 2017 valuation date:

- Assumed inflation was lowered from 3.0% to 2.7%.
- The investment return assumption was lowered from 7.95% to 7.50%.
- Assumed COLA increases were lowered from 1.80% to 1.5% for Group A members and from 1.80% to 1.3% for Group B, C and D members.
- The mortality tables were updated from variations of RP-2000 with static projection to variations of RP-2014 with generational improvement.

Fiscal year 2015 was the first year of implementation, therefore, only four years are shown.

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Schedule 3

TOWN OF STOWE, VERMONT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
VMERS DEFINED BENEFIT PLAN
FOR THE YEAR ENDED JUNE 30, 2018

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution (Actuarially Determined)	\$ 246,026	\$ 219,361	\$ 205,062	\$ 192,329
Contributions in Relation to the Actuarially Determined Contributions	<u>246,026</u>	<u>219,361</u>	<u>205,062</u>	<u>192,329</u>
Contribution Excess/(Deficiency)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Town's Covered Employee Payroll	\$ 3,468,811	\$ 3,197,390	\$ 2,997,269	\$ 2,842,541
Contributions as a Percentage of Town's Covered Employee Payroll	7.093%	6.854%	6.842%	6.766%

Notes to Schedule

Valuation Date: June 30, 2017

Fiscal year 2015 was the first year of implementation, therefore, only four years are shown.

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Schedule 4

TOWN OF STOWE, VERMONT
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total
ASSETS				
Cash	\$ 0	\$ 0	\$ 74,085	\$ 74,085
Investments	0	0	1,546,763	1,546,763
Receivables	22,261	0	0	22,261
Due from Other Funds	<u>256,318</u>	<u>290,738</u>	<u>0</u>	<u>547,056</u>
Total Assets	<u>\$ 278,579</u>	<u>\$ 290,738</u>	<u>\$ 1,620,848</u>	<u>\$ 2,190,165</u>
LIABILITIES				
Accounts Payable	\$ 1,818	\$ 20,000	\$ 0	\$ 21,818
Due to Other Funds	22,261	0	7,463	29,724
Total Liabilities	<u>24,079</u>	<u>20,000</u>	<u>7,463</u>	<u>51,542</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Grants	3,216	0	0	3,216
Deferred Inflows of Resources	<u>3,216</u>	<u>0</u>	<u>0</u>	<u>3,216</u>
FUND BALANCES				
Nonspendable	0	0	250,295	250,295
Restricted	80,726	0	1,363,090	1,443,816
Committed	0	270,738	0	270,738
Assigned	173,774	0	0	173,774
Unassigned (Deficit)	<u>(3,216)</u>	<u>0</u>	<u>0</u>	<u>(3,216)</u>
Total Fund Balances	<u>251,284</u>	<u>270,738</u>	<u>1,613,385</u>	<u>2,135,407</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 278,579</u>	<u>\$ 290,738</u>	<u>\$ 1,620,848</u>	<u>\$ 2,190,165</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, 2018

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total
Revenues:				
Intergovernmental	\$ 108,210	\$ 0	\$ 0	\$ 108,210
Charges for Services	0	0	15,785	15,785
Permits, Licenses and Fees	12,363	0	0	12,363
Investment Income	648	1,137	102,208	103,993
Donations	0	15	0	15
Total Revenues	<u>121,221</u>	<u>1,152</u>	<u>117,993</u>	<u>240,366</u>
Expenditures:				
General Government	17,322	0	0	17,322
Public Safety	41,469	0	0	41,469
Culture and Recreation	785	18,312	0	19,097
Cemetery	0	0	3,083	3,083
Capital Outlay:				
Public Safety	11,879	263,825	0	275,704
Public Works	19,045	39,750	0	58,795
Culture and Recreation	0	38,230	0	38,230
Total Expenditures	<u>90,500</u>	<u>360,117</u>	<u>3,083</u>	<u>453,700</u>
Excess/(Deficiency) of Revenues Over Expenditures	<u>30,721</u>	<u>(358,965)</u>	<u>114,910</u>	<u>(213,334)</u>
Other Financing Sources/(Uses):				
Proceeds from Sale of Vehicles	0	8,000	0	8,000
Transfers In	0	410,000	0	410,000
Transfers Out	<u>(3,000)</u>	<u>0</u>	<u>(14,950)</u>	<u>(17,950)</u>
Total Other Financing Sources/(Uses)	<u>(3,000)</u>	<u>418,000</u>	<u>(14,950)</u>	<u>400,050</u>
Net Change in Fund Balances	27,721	59,035	99,960	186,716
Fund Balances - July 1, 2017	<u>223,563</u>	<u>211,703</u>	<u>1,513,425</u>	<u>1,948,691</u>
Fund Balances - June 30, 2018	<u>\$ 251,284</u>	<u>\$ 270,738</u>	<u>\$ 1,613,385</u>	<u>\$ 2,135,407</u>

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Schedule 6

TOWN OF STOWE, VERMONT
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2018

	Police DEA Fund	Appraisal Fund	Records Preservation Fund	Grant Fund	Total
ASSETS					
Receivables	\$ 0	\$ 0	\$ 0	\$ 22,261	\$ 22,261
Due from Other Funds	<u>18,238</u>	<u>173,774</u>	<u>64,306</u>	<u>0</u>	<u>256,318</u>
Total Assets	<u>\$ 18,238</u>	<u>\$ 173,774</u>	<u>\$ 64,306</u>	<u>\$ 22,261</u>	<u>\$ 278,579</u>
LIABILITIES					
Accounts Payable	\$ 0	\$ 0	\$ 1,818	\$ 0	\$ 1,818
Due to Other Funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>22,261</u>	<u>22,261</u>
Total Liabilities	<u>0</u>	<u>0</u>	<u>1,818</u>	<u>22,261</u>	<u>24,079</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Grants	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,216</u>	<u>3,216</u>
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,216</u>	<u>3,216</u>
FUND BALANCES					
Restricted	18,238	0	62,488	0	80,726
Assigned	0	173,774	0	0	173,774
Unassigned (Deficit)	<u>0</u>	<u>0</u>	<u>0</u>	<u>(3,216)</u>	<u>(3,216)</u>
Total Fund Balances (Deficit)	<u>18,238</u>	<u>173,774</u>	<u>62,488</u>	<u>(3,216)</u>	<u>251,284</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 18,238</u>	<u>\$ 173,774</u>	<u>\$ 64,306</u>	<u>\$ 22,261</u>	<u>\$ 278,579</u>

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Schedule 7

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, 2018

	Police DEA Fund	Appraisal Fund	Records Preservation Fund	Grant Fund	Total
Revenues:					
Intergovernmental	\$ 780	\$ 36,784	\$ 0	\$ 70,646	\$ 108,210
Permits, Licenses and Fees	0	0	12,363	0	12,363
Investment Income	56	426	166	0	648
Total Revenues	836	37,210	12,529	70,646	121,221
Expenditures:					
General Government	0	0	13,507	3,815	17,322
Public Safety	3,131	0	0	38,338	41,469
Culture and Recreation	0	0	0	785	785
Capital Outlay:					
Public Safety	0	0	0	11,879	11,879
Public Works	0	0	0	19,045	19,045
Total Expenditures	3,131	0	13,507	73,862	90,500
Excess(Deficiency) of Revenues Over Expenditures	(2,295)	37,210	(978)	(3,216)	30,721
Other Financing Sources(Uses):					
Transfers Out	0	(3,000)	0	0	(3,000)
Total Other Financing Sources(Uses)	0	(3,000)	0	0	(3,000)
Net Change in Fund Balances	(2,295)	34,210	(978)	(3,216)	27,721
Fund Balances - July 1, 2017	20,533	139,564	63,466	0	223,563
Fund Balances(Deficit) - June 30, 2018	\$ 18,238	\$ 173,774	\$ 62,488	\$ (3,216)	\$ 251,284

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Schedule 8

TOWN OF STOWE, VERMONT
 COMBINING BALANCE SHEET
 NON-MAJOR CAPITAL PROJECTS FUNDS
 JUNE 30, 2018

	<u>Equipment Fund</u>	<u>Rink Renovation Fund</u>	<u>Total</u>
<u>ASSETS</u>			
Due from Other Funds	\$ 270,738	\$ 20,000	\$ 290,738
Total Assets	<u>\$ 270,738</u>	<u>\$ 20,000</u>	<u>\$ 290,738</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts Payable	\$ 0	\$ 20,000	\$ 20,000
Total Liabilities	<u>0</u>	<u>20,000</u>	<u>20,000</u>
Fund Balances:			
Committed	<u>270,738</u>	<u>0</u>	<u>270,738</u>
Total Fund Balances	<u>270,738</u>	<u>0</u>	<u>270,738</u>
Total Liabilities and Fund Balances	<u>\$ 270,738</u>	<u>\$ 20,000</u>	<u>\$ 290,738</u>

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Schedule 9

TOWN OF SCOTTS, VERMONT
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NON-MAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 2018

	Equipment Fund	Risk Renovation Fund	Total
Revenues:			
Investment Income	\$ 1,029	\$ 108	\$ 1,137
Donations	<u>0</u>	<u>15</u>	<u>15</u>
Total Revenues	<u>1,029</u>	<u>123</u>	<u>1,152</u>
Expenditures:			
Culture and Recreation	0	18,312	18,312
Capital Outlay:			
Public Safety	263,825	0	263,825
Public Works	39,750	0	39,750
Culture and Recreation	<u>38,230</u>	<u>0</u>	<u>38,230</u>
Total Expenditures	<u>341,805</u>	<u>18,312</u>	<u>360,117</u>
Excess/(Deficiency) of Revenues Over Expenditures	<u>(340,776)</u>	<u>(18,189)</u>	<u>(358,965)</u>
Other Financing Sources:			
Proceeds from Sale of Vehicles	8,000	0	8,000
Transfers In	<u>410,000</u>	<u>0</u>	<u>410,000</u>
Total Other Financing Sources	<u>418,000</u>	<u>0</u>	<u>418,000</u>
Net Change in Fund Balances	77,224	(18,189)	59,035
Fund Balances - July 1, 2017	<u>193,514</u>	<u>18,189</u>	<u>211,703</u>
Fund Balances - June 30, 2018	<u>\$ 270,738</u>	<u>\$ 0</u>	<u>\$ 270,738</u>

See Disclaimer in Accompanying Independent Auditor's Report.

Schedule 10

TOWN OF STOWE, VERMONT
COMBINING BALANCE SHEET
NON-MAJOR PERMANENT FUNDS
JUNE 30, 2018

	Cemetery Fund	Library Endowment Fund	Total
<u>ASSETS</u>	<u> </u>	<u> </u>	<u> </u>
Cash	\$ 74,085	\$ 0	\$ 74,085
Investments	<u>441,423</u>	<u>1,105,340</u>	<u>1,546,763</u>
Total Assets	<u>\$ 515,508</u>	<u>\$ 1,105,340</u>	<u>\$ 1,620,848</u>
 <u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Due to Other Funds	\$ <u>7,463</u>	\$ <u>0</u>	\$ <u>7,463</u>
Total Liabilities	<u>7,463</u>	<u>0</u>	<u>7,463</u>
Fund Balances:			
Nonspendable	215,000	35,295	250,295
Restricted	<u>293,045</u>	<u>1,070,045</u>	<u>1,363,090</u>
Total Fund Balances	<u>508,045</u>	<u>1,105,340</u>	<u>1,613,385</u>
Total Liabilities and Fund Balances	<u>\$ 515,508</u>	<u>\$ 1,105,340</u>	<u>\$ 1,620,848</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, 2018

	Cemetery Fund	Library Endowment Fund	Total
Revenues:			
Charges for Services	\$ 15,785	\$ 0	\$ 15,785
Investment Income	<u>14,955</u>	<u>87,253</u>	<u>102,208</u>
Total Revenues	<u>30,740</u>	<u>87,253</u>	<u>117,993</u>
Expenditures:			
Cemetery	<u>3,083</u>	<u>0</u>	<u>3,083</u>
Total Expenditures	<u>3,083</u>	<u>0</u>	<u>3,083</u>
Excess of Revenues Over Expenditures	<u>27,657</u>	<u>87,253</u>	<u>114,910</u>
Other Financing Sources/(Uses):			
Transfers Out	<u>(7,000)</u>	<u>(7,950)</u>	<u>(14,950)</u>
Total Other Financing Sources/(Uses)	<u>(7,000)</u>	<u>(7,950)</u>	<u>(14,950)</u>
Net Change in Fund Balances	20,657	79,303	99,960
Fund Balances - July 1, 2017	<u>487,388</u>	<u>1,026,037</u>	<u>1,513,425</u>
Fund Balances - June 30, 2018	<u>\$ 508,045</u>	<u>\$ 1,105,340</u>	<u>\$ 1,613,385</u>

See Disclaimer in Accompanying Independent Auditor's Report.

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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, 2018, 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 21, 2019. 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.

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

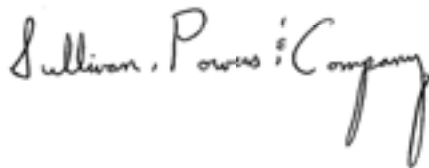
As part of obtaining reasonable assurance about whether the Town of Stowe, Vermont's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct 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 21, 2019.

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 21, 2019
Montpelier, Vermont
VT Lic. #92-000180



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January 21, 2019

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

We have audited 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, 2018 and have issued our report thereon dated January 21, 2019. We did not audit the financial statements of the Electric Department Fund. Those financial statements were audited by other auditors and our report on that Fund is based on the report of the other auditors. This letter does not include any information applicable to the Electric Department Fund. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and "Government Auditing Standards", as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated May 31, 2018. Professional standards also require that we communicate to you the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards and Government Auditing Standards

As stated in our engagement letter, our responsibility, as described by professional standards, is to express opinions about whether the financial statements, prepared or approved by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

As part of our audit, we considered the internal control of the Town of Stowe, Vermont. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we also performed tests of the Town of Stowe, Vermont's compliance with certain provisions of laws, regulations, contracts, and grants. However, providing an opinion on compliance with those provisions was not an objective of our audit.

Town of Stowe, Vermont



January 23, 2019

Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement. We are responsible for determining significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in reviewing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our engagement letter.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Town of Stowe, Vermont are described in Note 3 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by the Town of Stowe, Vermont during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were the allowance for uncollectible accounts and loans receivable, the acquisition value of donated assets, the useful lives of property, plant and equipment used to compute depreciation and the net pension liability and related deferred outflows and inflows of resources related to the Town's participation in VMERS.

Management's estimate of the allowance for uncollectible accounts and loans receivable, the acquisition value of donated assets and the useful lives of property, plant and equipment used to compute depreciation are based on an analysis of the aging of receivables, repayment terms and conditions, estimated current acquisition value and the nature of the items. The estimate of the net pension liability and related deferred outflows and inflows of resources related to the Town's participation in VMERS is based on information received from the State of Vermont. We evaluated the key factors and assumptions used to develop the allowance for uncollectible accounts and loans receivable, the acquisition value of donated assets, the useful lives of property, plant and equipment used to compute depreciation and the net pension liability and related deferred outflows and inflows of resources related to the Town's participation in VMERS in determining that they are reasonable in relation to the financial statements taken as a whole.

Town of Stowe, Vermont

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January 21, 2019

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. None of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated January 21, 2019.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to our retention as the Town of Stowe, Vermont's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Town of Stowe, Vermont

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January 23, 2019

Other Matters

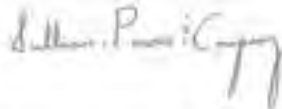
We applied certain limited procedures to the Management's Discussion and Analysis, the Statement of Revenues, Expenditures and Changes in Fund Balances, Budget and Actual for the General Fund, the Schedule of Proportionate Share of the Net Pension Liability and the Schedule of Contributions which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were not engaged to report on the combining schedules which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the use of the Board of Selectmen and management of the Town of Stowe, Vermont and is not intended to be, and should not be, used by anyone other than those specified parties.

Respectfully submitted,



SULLIVAN, POWERS & CO.
Certified Public Accountants

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January 21, 2019

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

We have audited 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, 2018 and have issued our report thereon dated January 21, 2019. We did not audit the financial statements of the Electric Department Fund. Those financial statements were audited by other auditors and our report on that Fund is based on the reports of the other auditors. This letter does not include any deficiencies or recommendations applicable to the Electric Department Fund. 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.

In planning and performing our audit, we considered the Town of Stowe, Vermont's internal control over financial reporting (internal control) as a basis for designing our auditing procedures 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 over financial reporting. 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 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.

The consideration of internal control was for the limited purpose described in the second paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. 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.

Town of Stowe, Vermont

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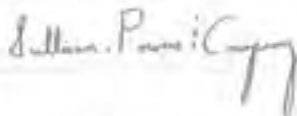
January 21, 2019

However, we have found other matters during our audit, as indicated in the accompanying Schedule of Recommendations, that are opportunities for strengthening financial control and operating efficiency. We have discussed the recommendations with the staff during the course of fieldwork and some of the recommendations may have already been implemented.

This communication is intended solely for the information and use of management, the Board of Selectmen and others within the Town of Stowe, Vermont and is not intended to be and should not be used by anyone other than these specified parties. If you would like to discuss any of the recommendations further, please feel free to contact us.

We would like to take this opportunity to thank the staff of the Town of Stowe, Vermont for their assistance and cooperativeness throughout our audit. It has been a pleasure working with you.

Respectfully submitted,



SULLIVAN, POWERS & CO
Certified Public Accountants

TOWN OF STOWE, VERMONT
SCHEDULE OF RECOMMENDATIONS
JUNE 30, 2018

Fraud Risk Assessment

The Town completed a fraud risk assessment in 2011, however, it should be updated to reflect changes in vulnerabilities to fraudulent activities. A fraud risk assessment is important because it identifies the Town's vulnerabilities to fraudulent activities and whether those vulnerabilities could result in material misstatement of the financial statements. The fraud risk assessment should also identify processes, controls and other procedures used to mitigate the identified fraud risks.

We recommend that the Town update its fraud risk assessment to reduce the possibility of fraudulent activities.

Documentation of Internal Control System

A solid understanding of internal control is essential to a well-run organization. An organization must continually assess their internal control systems to evaluate financial health, ensure accurate financial reporting and comply with laws and regulations. As part of that process, management should formally document its control systems.

This will provide management with an understanding of the systems related to financial reporting and the controls over relevant assertions related to all significant accounts, disclosures in the financial statements, internal programs and controls over selection and application of accounting policies.

We recommend that the Town perform a complete evaluation of the internal control process. This should break out the internal control process into the following five areas:

1. Control Environment – Sets the tone of an organization and is the foundation by all other components.
2. Risk Assessment – Identification and analysis of relevant risks to achieve its objectives, forming a basis for how risks should be managed.
3. Control Activities – The policies and procedures that help ensure management directives are carried out.
4. Information and Communication – The identification, capture and exchange of information in a form and timeliness that enables people to carry out their responsibilities.
5. Monitoring – The process that assesses the quality of internal control performance over time.

Water and Sewer Billing

The Town does not have a policy for the review of water and sewer billing prior to bills being sent out. Sewers billed should be reviewed or checked for reasonableness to detect errors prior to mailing.

We recommend the Town produce exception reports from the billing software and review prior to bills being mailed.

TOWN OF STOWE, VERMONT
SCHEDULE OF RECOMMENDATIONS
JUNE 30, 2018

Credit Card Collections

The Stowe Electric Department collects water and sewer billings for the Town. Currently, credit card payments collected on behalf of the Town are held for two or more months before being remitted to the Town.

We recommend the Stowe Electric Department remit credit card collections on water and sewer billings to the Town at least monthly.

TOWN OF STONE SCHEDULE OF INDEBTEDNESS AS 6/30/18

Type	Series, Bond Anticipation Notes Payable	Date of Issue	Maturity Date	Interest Rate	Balance 7/1/2017	Debt Service Additions	Balance 6/30/2018
G	Fire Truck/Quint/Flash Tank	3/22/1999	11/1/2019	Variable	45,000	(15,000)	30,000
G	Firefight, Garage, Water Bldg	12/1/2001	11/1/2011	Variable	125,000	(25,000)	100,000
G	Lumber Truck/Truck/Tray	12/1/2004	11/1/2014	Variable	300,000	(20,000)	280,000
G	Alarm Equip/Monitors/Resp. Boud	7/7/2007	11/1/2017	Variable	375,000	(75,000)	300,000
B	Public Safety Building Bond	1/22/2008	11/1/2018	Variable	4,320,000	(360,000)	3,960,000
G	Ice Truck #1	8/1/2012	11/1/2012	3.0%	3,200,000	(200,000)	3,000,000
G	Ice Truck #2/Upgrading #10	7/30/2015	11/1/2015	Variable	2,392,750	(180,750)	2,212,000
General Fund Totals							
BW	Water Bond	4/1/2005	4/1/2014	0.05%	19,917,796	(796,796)	19,121,000
BW	Water-Summit Hill	11/2/2006	7/1/2016	3.05%	485,900	(47,885)	438,015
BW	Water Expansion	12/15/1998	1/1/2011	0.40%	923,376	(125,810)	797,566
BW	Water Upgrade Bond	12/1/2003	12/1/2012	Variable	660,000	(180,000)	480,000
BW	Water Improvements	6/27/2001	7/1/2016	3.00%	1,513,422	(170,171)	1,343,251
Water Totals							
B5	Sewer Improvements	12/1/1998	12/1/2017	0.00%	51,000	(51,025)	2
B5	Sewer Improvements	7/15/1996	7/1/2010	0.00%	414,200	(101,550)	312,650
B5	Sewer Bond	4/1/2002	4/1/2013	0%	3,628,509	(691,087)	2,937,422
Sewer Totals							
B1	Electric Equipment Purch	11/29/2010	2/1/2020	4.10%	737,611	(14,471)	723,140
B1	Electric Investments Purch	12/19/2009	3/1/2010	4.20%	404,103	(11,116)	392,987
B1	Electric Improvements Bond	7/21/2009	11/15/2019	4.00%	3,050,000	(135,000)	2,915,000
B1	Electric Investments Purch	6/1/2011	12/31/2018	5.70%	18,700,000	0	18,700,000
B1	Electric Investments Purch	6/1/2015	2/1/2020	4.10%	370,071	(14,420)	355,651
B1	Electric Improvements Bond	3/1/2016	2/1/2026	0.97%	9,049,620	(122,080)	8,927,540
B1	Electric Improvements Bond	4/25/2011	5/21/2017	2.40%	680,000	(70,208)	609,792
B1	Electric Investments Purch	12/28/2017	12/31/2017	4.20%	170,000	0	170,000
B1	Electric Improvements Bond	5/10/2016	5/10/2018	2.35%	27,516,725	(483,587)	27,033,138
Grand Totals							
					49,496,829	(2,543,466)	46,953,363

**2017-2018
SCHEDULE OF TAXES RAISED**

Grand List			
Municipal Grand List		23,872,147	
	Total Municipal Grand List		\$21,672,148
Education Grand List			
Real Estate-Non Residential (Homestead)		16,372,920	
Real Estate-Commercial/Education		1,112,569	
	Total Education Grand List		\$17,485,489
Taxes Billied			
General Property	Grand List Value	Tax Rate	Taxes Assessed
Real Estate	21,672,284	\$ 0.4129	\$8,946,256.11
Education-Non Residential	16,752,520	\$ 1.5841	\$25,956,541.00
Education-Residential	1,202,559	\$ 1.5244	\$1,824,875.00
Unimproved Education-Non Residential	(21,656)	\$ 1.5841	(3,428.63)
Unimproved Education-Commercial	(42,705)	\$ 1.5244	(64,794.38)
Local Agreements/Farmers	11,672,284	\$ 0.6088	\$7,046,025.22
	Sub-Total		\$42,413,584.18
VT State Lands - 1% of Value			\$85,768.84
	Total Taxes Billied		\$42,507,799.12
Taxes Assessed For as Follows			
General Property			\$79,119,461.31
Taxes to Delinquent Owners			\$1,712,478.87
Property Taxes Billied	Sub-Total		\$42,831,940.18
VT State Lands - 1% of Value			\$85,768.94
	Total Taxes Assessed For		\$42,917,709.12
DIVISION OF TAXES			
	100.00%		Taxes Assessed
Town Assessment	\$ 0.4129	\$	8,845,842.96
Local Agreements-Farmers Contracts	\$ 0.0048		49,829.22
VT State Lands - 1% of Value			\$85,768.94
	State of Vermont		\$9,001,441.12
School Assessments-Non Homestead	State of Vermont	\$ 1.5841	\$21,698,813.19
	Local School	\$ 1.5841	6,179,172.81
	Trust of Money	Collection Agent Fee	16,137.00
	Sub-Total		\$27,934,123.00
School Assessments-Homestead	State of Vermont	\$ 1.5244	\$1,730,418.01
	Local School	\$ 1.5244	6,200,822.19
	Trust of Money	Collection Agent Fee	14,138.51
	Trust of Money	Capex Fee Homestead	645.60
	Sub-Total		\$7,946,025.31
			\$ 42,917,709.12

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 by all stakeholders provides outstanding public education for our students. The Stowe School District's excellent achievements was again ranked by *U.S. News and World Report* as the #1 High School in Vermont. They also nationally ranked **Stowe High School as being in the top 2% of all US High Schools.**

The Board continues to work on key issues to service our students and community.

1. **Act 46:**

- a. Act 46 lays out several goals: to provide equity, opportunity, efficiency, transparency and accountability.
- b. After years of study and engagement with the communities, the Boards of Elmore-Morristown (EMUU) and Stowe determined that the "best means" of meeting the goals of Act 46 was for the school districts to remain separate. We sent our Alternative Governance Structure (AGS) proposal to the Agency of Education in November of 2017.
- c. On June 1, 2018 the Secretary of Education sent her required state-wide plan to the State Board of Education. In the Agency of Education plan she agreed with the Stowe/EMUU Alternative Governance Structure proposal.
- d. On November 30, 2018 the State Board of Education voted 5 to 4 to disregard the Secretary's recommendation and reject the Alternative Governance Structure submitted by EMUU and Stowe. Bill Mathis, the Vice-Chair of the State Board of Education, stated that their Board failed to consider Alternative Governance Structures "fairly and openly."
- e. On December 13, 2018 the Elmore-Morristown Unified Union and the Stowe School District filed a lawsuit against the State Board of Education. The lawsuit challenges the Board's decision to reject the recommendation of the local communities and the Secretary of Education and force a merger under Act 46.
- f. In April of 2019 a hearing will take place for ours and two other law suits, involving many other communities, who are also challenging the State Board of Education's decisions as being arbitrary and capricious, in violation of due process, and against the intent of the law.
- g. The Board continues to concurrently:

- i. Appeal the Vermont State Board of Education's decision
 - ii. Work with the Vermont Legislature for a possible legislative solution
 - iii. Take steps required by law for a forced merger
 - iv. Make decisions centered around normal school operations.
 - h. While we pursue a legal appeal and legislative solution, we will move forward to develop a plan that will be implemented if the legal/legislative process does not end favorably, and the two districts are merged. This is a complex process and we need to be prepared. The Stowe and EMUU Boards have initiated discussions involving board structure, budgets and ownership of property. There is a Transitional Board in place to assist with the early part of the process.
2. **Proficiency-Based Learning:** We continue to monitor the implementation of proficiency-based learning (PBL) and our progress towards personalization. We have accomplished a great deal of progress implementing PBL. Yet, we fully understand that additional hard work will be required as we strive for continuous improvement with the PBL process.
 - a. 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.
 - b. In September of 2018 we received excellent news with the release of last year's SBAC test results. For most grade levels, average student performance was above or comparable to statewide averages in all Stowe schools.
 - c. GPA update – In September of 2018 the Board reviewed the grades for 2017-18 school year. Students in grades 9 and 10 received feedback using the proficiency scale (1-5), while students in grades 11 and 12 were graded on a traditional 100-point scale. For the 137 freshmen and sophomore students, there were 102 unique GPAs (74% unique). This is comparable to the GPAs of juniors and seniors, where 80 of the 112 students had unique GPAs (71% unique). GPAs continue to reflect both a broad range of student performance and unique student performance that continues to meet the needs of colleges, universities and other post-secondary learning opportunities.

- d. The School's web page, "The Road to Proficiency," offers additional information at www.stoweschoolsvt.com.
3. **2019-2020 Proposed Budget** - The Board continues to provide a high-quality education on a cost-effective basis.
- a. Stowe's education spending on an "education spending per equalized student" (ESES) is projected to increase in the 2019-2020 budget by \$865.00 to \$15,805/ESES a 5.8% increase.
 - b. For comparison, the **2017 Vermont's average education spending** was **\$15,800/ESES.**⁽¹⁾ This is the latest data available from the Agency of Education.
 - c. The 2019-2020 budget is \$12,776,450.00 compared to our current budget of \$12,079,275.00. This is an increase of \$697,175.00 or 5.8%.
 - i. The key drivers behind this increase are: Accrual to our capital projects fund of \$150,000.00, health insurance up 12% resulting in approximately a \$126,000.00 increase, \$60,000.00 for professional fees for pre-bond work for major capital projects, addition of one full time employee and program costs to support our new Stowe High School Internship Program, increase of mental health and substance abuse counseling of \$45,000.00, and normal historical salary increases.
 - d. The estimated tax rate impact of the proposed 2019-2020 budget equates to an increase of Local Homestead tax rate of 5.0 cents and a decrease of local income sensitivity rate of -0.001%.
 - e. Non-Homestead tax rates are not affected by local budget decisions. They are set by state-wide spending and is projected to increase 3.1 cents.
 - f. Additional information can be found on our website <https://www.stoweschoolsvt.com/ssd-school-board.php>
4. **Capital Committee:** The Stowe School District Capital Project Committee was established by the Stowe School Board in January 2018 to investigate and recommend improvements to the district's school facilities.
- a. The increase in students has strained the capacity of non-classroom instructional spaces to meet the needs of today's students. Even if enrollment remains at its current levels, the facilities do not have adequate educational space.
 - b. The second reason is the current facilities have shortcomings that do not support today's learning practices. While not every

- shortcoming can be remedied, certain of them demand attention.
- c. The committee developed a 4-part plan to address these needs. Details of the plan can be found on the Stowe School Board web site: <https://www.stoweschoolsvt.com/ssd-school-board.php>
 - d. We are continuing this process because irrespective of the outcome of a potential governance merger, the need will remain the same.
 - e. The proposed budget contains \$60,000.00 for professional services for pre-bond services related to the capital project proposal.

The Stowe School Board attributes the success and increasing popularity of the Stowe School District to: a committed/talented administration team, an experienced/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 to sign up.

Respectfully submitted,

Cara Zimmerman, Chair

Jim Brochhausen, Tiffany Donza, Lindsey Lamb and Leigh Pelletier

- (1) VT Digger 1/19/18 “Scott administration proposes caps on spending, commission that could close schools” By Anne Galloway

STOWE SCHOOL DISTRICT **2019-2020 PROPOSED SCHOOL BUDGET FAST FACTS**

Net FY'20 Budget: The total proposed school district budget is \$12,776,450. The FY20 budget reflects an increase of \$697,175 or 5.8%. The number of equalized pupils is up slightly from FY'19 by 0.29 to 761.97. The projected Education Spending per Equalized Pupil is up 5.8% to \$15,805.

Tax Rates: The tax rate impacts of the FY'20 budget translate to an estimated increase in the Local Homestead Tax Rate of 5.0 cents and a decrease in the local income sensitivity rate of 0.001%

The Local Homestead Tax Rate is projected to increase by 5.0 cents to 1.569. The estimated residential tax rate impact on a property valued at \$250,000 would be \$124.00. 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 3.1 cents to \$1.673. 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, 2018, the fund balance was \$1,128,050. The voters approved \$300,000 as revenue to offset the FY'19 expenditures and a \$300,000 transfer to the Capital Fund. For FY'20, the board recommends applying \$300,000 as revenue to offset the proposed FY'20 budget expenditures. This leaves \$228,050 of unassigned fund balance for future expenses with approval of the electorate.

Programs and Personnel: The proposed FY'20 Stowe School District budget maintains current levels of programming and staffing in all areas. There is an increase of 0.2 FTE for Art at Stowe Elementary, an additional 1.0 FTE at Stowe High School to support the implementation of an Internship Program, an increase of 0.25 FTE Athletic Director and resources added for Artists in Residence to support instrumental music instruction.

Compensation and Benefits: The budget includes a 12% increase in health insurance premiums based on VEHI rate changes. Salary and benefits have been adjusted consistent with discussions in anticipation of negotiations.

Capital Fund: As of July 1, 2018, there was a balance of \$975,084 in the Capital Fund. Fiscal year to date spending as of December 31, 2018, totals \$229,500, bringing the fund balance to approximately \$746,000. The budget provides for a \$150,000 to assist in funding capital needs. The board proposes to use \$631,000 for needed repairs at both Stowe Elementary and Stowe Middle/High School.

Stowe School District **FY'20 Proposed Budget Executive Summary**

Statewide Context

As recommended by the tax commissioner, the FY'20 homestead property yield is \$10,666 (\$10,220 in FY'19) and the income yield is \$13,104 (\$12,380 in FY'19). The non-residential rate has not changed at 1.58. These values are subject to ratification by the legislature and can likely change.

Overall Budget

The budget reflects an increase of \$697,175 or 5.8%. Anticipated revenues are up \$33,700 or 4.8%. The resulting change in Education Spending is an increase of \$663,475 or 5.8%. The number of Equalized Pupils is up slightly from FY'19 by 0.29 to 761.97. Thus, the projected Education Spending per Equalized Pupil is up 5.8%, or \$865 per pupil, to \$15,805.

The tax rate impact of the budget equates to an estimated increase in the Local Homestead tax rate of 5.0 cents and a decrease in the local income sensitivity rate of -0.001%.

Non-Homestead tax rates are not directly affected by local budget decisions, rather are set based on statewide spending, and is estimated to increase by 3.1 cents.

The Common Level of Appraisal (CLA) decreased by 1.77%, which is a reflection of increasing property values. This decrease in the CLA has an upward impact on the Homestead and Non-Homestead tax rates.

Local Budget Context

- This budget reflects support for continuation of current levels of staffing in all areas within SSD. There is an increase of 0.20 FTE for Art at Stowe Elementary (increasing from 0.8 FTE to a 1.0 FTE position) and an additional 1.0 FTE at Stowe High to support the implementation of an Internship Program (currently under development through Roger Murphy's Rowland Fellowship). The athletic director position is increased to 1.0 FTE (from 0.75 FTE).
- Compensation increases for teachers have been adjusted consistent with executive session discussions in anticipation of negotiations. Compensation increases for employees not covered by the Master Agreement have been adjusted at the same rates as for teachers.
- Health care premiums have increased approximately 12% based on VEHI rate changes.
- We recommend restructuring student support services in Stowe Middle/High to provide for a 1.0 Licensed School Guidance Counselor/SAP. Along with that, we propose restructuring our

contract for home-school coordinator services, contracted through LCMH services, to support students and families K-12. This proposal is cost neutral, and principals believe it will better meet the needs of our students. The budget also provides \$45,000 for professional services for substance abuse prevention and mental health.

- The budget includes \$60,000 for professional services to the facilities function for pre-bond services related to the capital project.
- \$150,000 is included in the budget for transfer to the Capital Fund.

Services Provided through LSSU

- The LSSU budget for FY'20 is \$8,877,175, an increase of \$381,750 or 4.5% over FY'19.
- Total assessments paid by Stowe for services from LSSU are down \$26,700 with no central office staffing changes.

Revenue

- This budget continues to include \$300,000 in fund balance carry forward as revenue and is consistent with amounts applied in FY'19.
- The General State Support Grant from the Education Fund is \$11,999,050, an increase of \$662,175 or 5.8%.

Capital Planning

The Capital Projects Fund balance as of 7/1/18 is \$975,084. Year-to-date spending as of 12/31/18 (FY'19) totals approximately \$229,500, bringing the fund balance to approximately \$746,000. Projects completed over the summer include the replacement of the gym floor and bleacher at SES, replacement of gym bleachers at SMS/SHS, and boiler replacement and boiler room renovations at SMS/SHS. \$150,000 is included in the budget for transfer to the Capital Fund.

Proposed projects for FY'20 include the following with an estimated total cost of \$631,000:

- SES
 - Boiler room improvements
 - Roof replacement over upper wing, gym, library
 - Replace windows in cafeteria
- SMS/SHS
 - Replace fire alarm system
 - Refurbish building siding – rear
 - Replace outside bleachers
 - Replace kitchen cooler
 - Repair chimney

Stoner School District
Budget Recap
2019-2020

	FY18		FY17	FY20	Variance (Decrease)	
	Budget	Actual	Budget	Budget	\$	%
INSTRUCTION						
Regular Education	\$6,709,625	\$6,460,177	\$6,870,125	\$7,226,775	(\$595,400)	-8.2%
Special Education	985,275	985,275	911,525	994,975	(\$16,500)	-1.8%
Vocational Education	61,800	61,836	79,400	98,800	(\$19,400)	-24.4%
Student Activities	279,175	287,844	268,950	372,575	(\$17,725)	-13.2%
Total Instruction	\$8,055,875	\$7,815,232	\$8,130,000	\$8,703,125	(\$400,125)	-4.8%
SUPPORT SERVICES						
Guidance Services	\$411,375	\$472,547	\$407,325	\$598,375	(\$187,000)	-46.2%
Health Services	179,300	179,833	175,100	180,475	(\$4,625)	-2.6%
Curriculum & Instruction Services	53,325	53,325	107,175	104,925	(\$2,250)	-2.1%
Library Services	210,375	205,492	214,300	216,075	(\$1,675)	-0.8%
Gifted/Talented	64,900	61,242	66,900	64,575	(\$2,325)	-3.5%
Spec. Adm. Services	181,700	161,700	174,575	184,775	(\$8,275)	-4.7%
School Administration	823,150	779,456	998,500	773,800	(\$224,650)	-22.5%
Food Services	233,325	272,260	272,000	210,450	(\$61,550)	-22.6%
Building & Grounds Operations	1,299,500	1,070,454	1,164,800	1,390,800	(\$220,350)	-18.9%
Transportation	188,400	184,589	180,650	191,700	(\$11,100)	-6.1%
Information Services	74,475	76,479	132,900	123,000	(\$9,875)	-7.4%
Short-Term Debt	0	16,757	0	15,000	(\$16,757)	-100%
Fund Service Health Insurance	-(3,875)	-(1,811)	51,300	63,725	(\$12,425)	-24.2%
Total Support Services	\$3,896,800	\$3,308,963	\$3,798,825	\$4,062,625	(\$263,800)	-7.0%
Long Term Debt	116,725	\$879,160	\$174,850	\$167,700	(\$6,150)	-3.5%
Total General Fund Expenditures	\$11,882,700	\$11,305,344	\$12,079,275	\$12,776,450	(\$407,175)	-3.3%

Green School District
Budget Expenditures
2018-2019

	FY18		FY19	FY19	Percent Change	
	Budget	Actual	Budget	Proposed	%	%
INSTRUCTION						
Regular Instruction						
Salaries	\$4,214,000	\$4,411,190	\$4,588,200	\$4,957,000	\$481,200	11.0%
Employee Benefits	1,492,075	1,479,204	1,472,000	1,484,070	12,070	0.7%
Instructional Supplies	500,000	481,500	434,500	464,200	29,700	7.1%
Repairs/Leases	50,075	54,032	54,000	54,800	800	1.5%
Workshops/Conferences & Travel/Spouse	10,000	20,000	14,700	10,000	(15,000)	-45%
Supplies & Materials	294,500	295,501	275,500	251,000	(24,500)	-8.9%
Insurance	200,000	126,700	151,070	151,000	16,930	8.2%
Books, Fees & Miscellaneous	10,075	10,000	12,070	10,000	(2,070)	-20.7%
Total Regular Instruction	\$6,714,425	\$5,488,227	\$6,687,120	\$7,127,070	\$440,000	6.6%
Special Education						
Local Assessments	200,175	200,175	200,120	200,070	(50)	-0%
State Special Education	200,175	200,175	201,120	200,070	(1,000)	-0.4%
Vocational Education						
Tech Center Funding	200,000	200,000	200,000	200,000	0	0%
Total Vocational Education	200,000	200,000	201,120	200,000	(1,000)	-0.5%
Student Activities						
Salaries	2,000,000	2,024,200	2,040,000	2,061,170	21,170	0.9%
Employee Benefits	800,000	760,000	750,000	710,000	(40,000)	-5.3%
Offices	10,000	21,000	22,000	22,000	1,000	10%
Transportation	10,000	10,000	10,000	10,000	0	0%
Supplies & Materials	20,000	18,000	18,000	18,000	0	0%
Equipment	10,000	10,000	10,000	10,000	0	0%
Food & Fees	20,000	20,000	20,000	20,000	0	0%
Tenat Rental Activities	10,000	10,000	10,000	10,000	0	0%
Total Activities	2,080,000	2,084,200	2,090,000	2,091,170	1,170	0.05%
SUPPORT SERVICES						
Substance Services						
Salaries	2,000,000	2,014,140	2,020,000	2,040,000	20,000	0.9%
Employee Benefits	800,000	782,000	785,000	785,000	3,000	0.4%
Professional Services & Local Assessments	20,000	20,000	20,000	20,000	0	0%
Leases	0	0	0	0	0	0%
Fuel/Travel	10,000	1,000	1,000	1,000	0	0%
Supplies & Materials	0	0	0	0	0	0%
Printing Fees & Miscellaneous	10,000	1,000	1,000	1,000	0	0%
Total Support Services	2,840,000	\$2,828,140	2,827,000	2,848,000	20,860	0.7%

Direct School Salaries
Budget Expenditures
2018-2019

	FY18		FY19		FY22	
	Budget	Actual	Budget	Proposed Budget	Difference (Overhead)	%
Health Services						
Salaries	187,375	181,582	189,110	178,800	(10,310)	-5.4%
Employee Benefits	33,675	34,525	36,975	41,200	4,225	11.2%
Other Assessments & Contributions	-40,825	-40,500	-40,000	-38,500	2,500	6.3%
Supplies	800	72	700	700	-	-
Travel Expenditures	75	-	75	-	-	-100%
Supplies & Materials	4,300	2,581	4,300	4,200	-100	-2.3%
Equipment	800	1,617	800	800	-	-
Miscellaneous	200	181	200	200	-	-
Total Health Services	127,500	121,881	127,500	124,400	(3,100)	-2.4%
Curriculum & Instruction Services						
ESOL Assessments	25,125	25,125	22,175	22,600	425	1.9%
Total Curriculum & Instruction Services	25,125	25,125	22,175	22,600	425	1.9%
Library Services						
Salaries	379,820	336,715	394,875	423,525	28,650	7.3%
Employee Benefits	45,120	41,213	45,250	48,200	2,950	6.5%
Conference	200	300	200	200	-	-
Supplies	150	0	-	-	-	-
Supplies & Materials	11,370	13,345	12,500	12,125	(375)	-3.0%
Equipment	11,000	8,323	8,975	2,000	(6,975)	-63.3%
Miscellaneous	300	200	325	320	(5)	-1.6%
Total Library Services	558,570	500,406	561,925	536,150	(25,775)	-4.6%
School Board						
Board Services	25,025	25,025	25,000	25,000	-25	-0.1%
FICA Withholding	400	400	400	400	-	-
Professional & Staff Services	11,800	11,840	11,800	11,800	-	-
Insurance Assessment & Advertising	11,900	11,751	12,000	11,800	(200)	-1.7%
Data, Fees & Miscellaneous	5,000	1,757	5,000	5,000	-	-
Total School Board	58,125	53,773	59,200	59,000	(200)	-0.3%
Secondary Administrative Services						
ESOL Assessments	221,275	216,707	217,525	214,775	(2,750)	-1.3%
Total Secondary Administrative Services	221,275	216,707	217,525	214,775	(2,750)	-1.3%
School Administration						
Salaries	1,016,345	1,064,237	1,063,125	1,042,000	(21,125)	-2.0%
Employee Benefits	162,875	165,718	163,000	165,000	2,000	1.2%
Professional Services & Contributions	21,300	17,941	21,300	21,000	(300)	-1.4%
Travel	62,000	66,751	62,000	60,000	(2,000)	-3.2%
Office Expenses & Travel Expenditures	21,000	17,428	21,000	18,100	(2,900)	-13.8%
Supplies & Materials	15,400	12,207	15,400	15,400	-	-
Equipment	4,500	7,000	4,500	4,500	-	-
Travel, Fees & Miscellaneous	60,500	28,000	60,500	41,100	(19,400)	-32.1%
Total School Administration	1,343,920	1,359,282	1,340,825	1,347,100	6,275	0.5%

Power Street District
Budget Expenditures
2018-2019

	FY18		FY18	FY19	Variance (Decrease)	
	Budget	Actual	Budget	Budget	\$	%
Plant Services						
Tower/Deck Cleaning						
CLR W/brushing	(200,000)	(198,000)	(200,000)	(200,000)	2,000	-1.0%
CLR Maintenance & Reprovisionment	214,575	214,718	214,225	214,225	(493)	-0.2%
Inspection Activities	3,000	3,070	3,200	3,000	(70)	-2.3%
Contract & Advisory	1,000	819	7,000	1,000	(181)	-18.1%
Maintenance	2,500	1,473	1,000	2,000	(500)	-20.0%
Total Plant Services	218,075	220,068	225,425	218,225	(2,100)	-0.9%
Buildings & Grounds Operations						
Security	120,000	120,400	120,000	120,000	400	0.3%
Employee Services	742,295	722,210	120,800	621,800	100,410	16.1%
Professional Services	3,000	3,300	3,000	3,000	300	10.0%
Recreation (Parks, Sports & Leisure)	32,400	32,500	32,400	32,400	100	0.3%
Insurance	42,000	34,540	34,500	42,000	(7,460)	-17.8%
Contract & Other	400,000	378,070	300,000	368,000	38,070	9.5%
Equipment	2,400	21,360	1,500	2,400	(1,140)	-47.6%
Miscellaneous		222	1,000	1,225	(147)	-14.7%
Transfer to Capital Projects Fund				(70,000)	70,000	100.0%
Total Buildings and Grounds Operations	1,300,100	1,283,840	602,200	1,195,800	88,040	6.8%
Transportation						
Transportation (Busways, accounts, fuel, etc)	110,000	108,500	110,000	110,000	1,500	1.4%
Total Transportation	110,000	108,500	110,000	110,000	1,500	1.4%
Information Services						
IT/IT Accountant	174,000	174,000	174,000	174,000	0	0.0%
Total Information Services	174,000	174,000	174,000	174,000	0	0.0%
Plant Care Fund						
Interest	\$	100,000	\$	100,000	0	0.0%
	\$	100,000	\$	100,000	0	0.0%
Food Service Benefits Subsidy	221,800	221,811	221,800	221,770	41	0.0%
Total Support Services	\$4,098,800	\$4,208,641	\$4,199,225	\$4,092,425	\$106,216	2.5%
Long-Term Debt Service						
Interest on Debt	254,721	270,220	254,721	247,200	13,020	5.1%
Principal on Debt	120,000	(10,000)	100,000	120,000	(10,000)	-8.3%
Total Long-Term Debt Service	374,721	260,220	354,721	367,200	13,020	3.7%
Total General Fund Expenditures	\$12,902,000	\$12,823,341	\$12,070,275	\$12,779,450	49,891	0.4%

STOWE SCHOOL DISTRICT
FY'20 BUDGET EXPENDITURES EXPLANATION

Regular Instruction - Up \$359,650 from \$6,870,125 to \$7,229,775

Salaries – Up \$181,150 from \$4,586,250 to \$4,767,400

There is an increase of 1.20 FTE requested: 0.20 for Art at SES and 1.0 at Stowe High to support the implementation of an Internship Program (currently under development through Roger Murphy's Rowland fellowship) for a total professional FTE of 62.30.

Employee Benefits – Up \$119,675 from \$1,372,000 to \$1,491,675

Benefits include health insurance, social security, life insurance, municipal retirement, workers compensation, unemployment insurance, tuition reimbursement, and dental insurance.

Professional Services – Up \$29,625 from \$414,575 to \$444,200

Included here is the District's Pre-K assessment, which accounts for the majority of the cost at \$294,825. 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.

Repairs & Leases – Down \$600 from \$34,450 to \$33,850

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 – Down \$1,400 from \$34,700 to \$33,300

This function funds the school district's high-speed fiber internet access and direct network communications between SES, SMS/SHS and LSSU, and travel costs for teachers for attending conferences and other professional events.

Supplies & Materials – Down \$22,250 from \$273,300 to \$251,050

This area includes supplies, books & periodicals, various other instructional materials, and computer software.

Equipment – Up \$16,425 from \$137,275 to \$153,700

This function provides funding for general equipment such as desks, chairs, tables, etc., and program specific instructional equipment.

Dues, Fees and Miscellaneous – Up \$37,025 from \$17,575 to \$54,600

This function includes various dues, fees, and miscellaneous expenditures for a variety of needs, including smaller unanticipated expenditures encountered throughout the year. The increase is due primarily to the addition of fees for various SMS field trips that currently are paid for with fundraising efforts.

Special Education – Down \$16,650 from \$911,625 to \$894,975

Special education assessments to the district are as follows:

Instruction – Special Education: Down \$25,575 from \$450,000 to \$424,425
This includes all special education instructional staff (professional and paraprofessionals), 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 \$3,075 from \$64,200 to \$67,275.

This is for services for student-specific needs provided by our staff psychologists.

Speech Language Pathology (SLP) Services – Special Education: Up \$3,225 from \$223,275 to \$226,500

This provides necessary SLP services based on student-specific needs.

Occupational Therapy & Physical Therapy (OT/PT) – Special Education: Up \$300 from \$84,300 to \$84,600

OT/PT services are provided based on student-specific needs.

Administration – Special Education: Up \$10,725 from \$65,550 to \$76,275

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 \$10,275 from \$10,275 to \$0

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. These budgeted costs are anticipated to be fully paid with grant funds.

Transportation – Special Education: Up \$1,875 from \$14,025 to \$15,900

This includes necessary transportation based on student-specific needs.

Vocational Education – Up \$19,400 from \$79,400 to \$98,800

Act 68 calls for sending school districts to support vocational centers, such as the Green Mountain Technology and 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 FY'20, the six-semester average is 5.0

FTE students (no change from FY'19) at an estimated tuition of \$98,800. The district receives \$44,100 of revenue to offset the cost of this program.

Student Activities – Up \$37,725 from \$284,850 to \$322,575

Salaries – Up \$9,425 from \$145,750 to \$155,175

Included are funds for a 1.0 FTE athletic director (increased from 0.75 FTE for the FY'20 budget), a part-time athletic trainer, athletic on-site support, and coach salaries.

Employee Benefits – Up \$2,525 from \$15,425 to \$17,950

Benefits include health insurance, social security, workers compensation, and unemployment insurance.

Officials – \$32,200 (level funded)

Included in this area are payments to officials for middle level and high school athletic events.

Transportation and Travel – Up \$25,625 from \$46,500 to \$72,125

This provides funding for transportation services for extracurricular programs which are contracted through LSSU. Note this is an estimate and that we pay actual transportation costs as incurred.

Supplies & Materials – \$14,000 (level funded)

Funding in this area supports the purchase of the consumable supplies needed for athletic teams.

Equipment – Up \$150 from \$13,850 to \$14,000

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 Association and VT Coaches Education Program, officials assigning fees, and a variety of miscellaneous expenses for athletic teams.

Guidance Services – Up \$82,100 from \$507,225 to \$589,325

Salaries – Up \$11,375 from \$330,450 to \$341,825

This covers the cost of 3.0 FTE guidance counselors, 1.5 FTE for administrative assistant and registrar (at the middle and high school) and a 1.0 FTE SAP/Home-School Coordinator, which we recommend be restructured to be SAP/Licensed School Counselor position.

Employee Benefits – Up \$10,375 from \$105,575 to \$115,950

Benefits include health insurance, social security, life insurance, municipal retirement, workers compensation, unemployment insurance, and dental insurance.

Professional Services & LSSU Assessments – Up \$58,325 from \$66,625 to \$124,950

This funds the LSSU assessment for psychological services and funds for a school-based clinician/home-school coordinator to support students K-12. An additional \$45,000 has been added for mental health/substance abuse support services.

Postage – Up \$550 from \$2,000 to \$2,550

Supplies & Materials – Up \$400 from \$950 to \$1,350

This provides funding for various supplies and resource books.

Dues, Fees & Miscellaneous – Up \$1,075 from \$1,625 to \$2,700

Miscellaneous costs (awards, academic celebrations, mentoring, etc.) are included here.

Health Services – Down \$34,625 from \$175,100 to \$140,475

Salaries – Down \$18,600 from \$92,050 to \$73,450

Staff includes an Associate School Nurse and a School Health Aide (total of 2.0 FTE). The decrease is primarily due to a 1.0 FTE School Health Aide that is no longer at SES.

Employee Benefits – Down \$17,675 from \$28,875 to \$11,200

Benefits include health insurance, social security, life insurance, municipal retirement, workers compensation, unemployment insurance, and dental insurance. The decrease is primarily due to a 1.0 FTE School Health Aide that is no longer at SES.

LSSU Assessments and Conferences – Up \$1,650 from \$49,350 to \$51,000

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 – \$750 (level funded)

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 nurse's office.

Miscellaneous – \$200 (level funded)

This is for miscellaneous expenses not otherwise budgeted.

Curriculum & Instruction Services – Down \$2,250 from \$107,175 to \$104,925

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.

Library Services – Up \$3,875 from \$214,200 to \$218,075

Salaries – Up \$6,050 from \$144,475 to \$150,525

Covers two librarians and a library aide (3.0 FTE).

Employee Benefits – Up \$2,900 from \$45,200 to \$48,100

Covers benefit costs, including health insurance, social security, life insurance, municipal retirement, workers compensation, unemployment insurance, and dental insurance.

Conferences – Up \$300 from \$325 to \$625

The costs of attending professional conferences are budgeted here.

Supplies & Materials – Down \$3,975 from \$20,700 to \$16,725

These funds are used for library supplies, books, other instructional materials, and library software upgrades.

Equipment – Down \$1,375 from \$3,375 to \$2,000

These funds address miscellaneous equipment/furniture purchases at both the elementary and middle/high school libraries.

Miscellaneous – Down \$25 from \$125 to \$100

These funds are used for various miscellaneous items not otherwise budgeted.

School Board – Up \$1,275 from \$63,300 to \$64,575

Board Stipends – Up \$25 from \$5,000 to \$5,025

This is for five Board member stipends at \$1,000 each.

Employee Benefits – Up \$50 from \$400 to \$450

This includes social security tax on the board stipends.

Professional and Audit Services – \$33,900 (level funded)

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 – Up \$1,200 from \$15,000 to \$16,200

This provides funding for the cost of advertising and a proportional share of insurance costs for school board liability coverage.

Dues, Fees & Miscellaneous – \$9,000 (level funded)

This provides funding for Vermont School Boards Association membership, the district's share of printing the Town Report, and other miscellaneous items.

Executive Administration Services – Down \$9,750 from \$174,525 to \$164,775

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.

School Administration – Up \$13,500 from \$766,300 to \$779,800

Salaries – Up \$19,450 from \$463,150 to \$482,600

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).

Employee Benefits – Up \$13,050 from \$152,000 to \$165,050

Benefits include health insurance, social security, life insurance, municipal retirement, workers compensation, unemployment insurance, and dental insurance.

Professional Services & Conferences– Down \$8,000 from \$11,500 to \$3,500

This provides funding for attendance at various conferences and miscellaneous third party services.

Repairs & Leases – Down \$9,500 from \$57,500 to \$48,000

This includes costs for equipment repairs, phone system lease costs, and copier lease costs.

Office Expenses and Travel Reimbursement – Down \$3,500 from \$21,600 to \$18,100

This covers the cost of telephone usage, postage, and travel reimbursement.

Supplies & Materials – Up \$2,000 from \$15,400 to \$17,400

This covers various operating supplies and professional reference materials.

Equipment – Down \$500 from \$4,500 to \$4,000

This is for the replacement of various office equipment at all three schools.

Dues, Fees & Miscellaneous – Up \$500 from \$40,650 to \$41,150

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 \$11,600 from \$222,050 to \$210,450

LSSU Assessments – Down \$10,800 from \$214,350 to \$203,550

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 0.5 FTE Human Resources Manager, the Human Resources Coordinator and three full-time bookkeepers (total of 5.50 FTE).

Insurance Allocation – Down \$300 from \$4,200 to \$3,900

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 – Down \$500 from \$2,500 to \$2,000

This function includes miscellaneous expenditures not otherwise budgeted.

Buildings & Grounds – Up \$226,000 from \$1,164,800 to \$1,390,800

Salaries – Up \$20,875 from \$286,650 to \$307,525

This provides for a Director of Facilities and 7.0 FTE building and grounds staff.

Employee Benefits – Up \$10,950 from \$118,850 to \$129,800

Benefits include health insurance, social security, life insurance, municipal retirement, workers compensation, unemployment insurance, and dental insurance.

Professional Services – Up \$57,600 from \$7,500 to \$65,100

This provides for outside professional services. The increase is for the addition of \$60,000 for pre-bond services related to proposed new construction and renovations to district buildings.

Municipal Utilities, Repairs & Leases – Down \$5,350 from \$338,300 to \$332,950

This includes utility services costs, water and sewer, facilities repairs, grounds maintenance, and the lease for the pellet boiler system at Stowe Middle/High.

Insurance – Down \$1,500 from \$36,600 to \$35,100

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 \$6,100 from \$369,700 to \$363,600

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 – \$5,500 (level funded)

This provides limited funding to replace minor equipment needs.

Miscellaneous – Down \$475 from \$1,700 to \$1,125

This is for miscellaneous expenditures not budgeted elsewhere.

Transfer to Capital Projects Fund – Up \$150,000 from \$0

This is new in FY'20 and will be used to pay for designated capital projects included in our 5-year plan.

Transportation – Up \$11,050 from \$180,650 to \$191,700

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 – Down \$3,300 from \$132,300 to \$129,000

This is the district's portion of the assessment for information services, which includes the cost of the Director of Educational Technology, Data Manager, and Assistant Data Manager, along with other related operational costs

Short-Term Interest - \$15,000

This amount is based on the funds needed to manage the district's cash flow (tax anticipation note). The earned interest revenue line (budgeted at \$15,000) fully offsets this expense.

Food Service Health Insurance – Up \$12,525 from \$51,200 to \$63,725

The district provides health insurance and other employee benefits for food service employees (5.0 FTE).

Debt Service - Down \$6,750 from \$174,450 to \$167,700

The following summarizes the 20-year bonds and loans outstanding:

	<u>Amt. Borrowed</u>	<u>Pd. thru 6/30/18</u>	<u>Balance</u>
2008 Bond	1,800,000	810,000	720,000
2010 Bond	600,000	210,000	390,000

The payment due on each of the above commitments for FY'20 is:

	<u>Principal</u>	<u>Interest</u>
2008 Bond	90,000	31,875
2010 Bond	30,000	15,825

Street School District
Budget Revenue
2019-2020

	FY18		FY19 Budget	FY20 Proposed Budget	Variance/Percent	
	Budget	Actual			\$	%
LOCAL SOURCES						
Carry Forward	\$303,000	\$303,360	\$203,000	\$300,000	\$	4.9%
Tuition - Regular Education	461,925	293,906	376,890	465,600	\$28,700	7.6%
Earned Interest	10,000	86,257	40,000	15,000	\$5,000	50.0%
Donations	-	13,000	-	-	-	-
Fees/Grants	3,999	5,975	3,300	3,800	\$	0.0%
Other	-	75,038	9,000	9,000	\$	-
Sub-Total Local Sources	\$778,925	\$778,604	\$698,100	\$793,400	\$15,300	4.0%
STATE SOURCES						
Deliver Education-	\$1,000	\$3,361	\$1,000	\$1,000	\$	0.0%
Other State	-	763	-	-	\$	-
Sub-Total State Sources	\$1,000	\$4,124	\$1,000	\$1,000	\$	0.0%
Subtotal outside revenues	\$780,925	\$782,728	\$709,100	\$794,400	\$16,300	4.0%
OTHER STATE SOURCES						
General State Support Grant	\$11,341,375	\$11,591,600	\$11,396,675	\$11,998,000	\$601,325	5.3%
Vocational Education Support Grant	43,050	44,463	42,800	44,300	\$1,500	3.5%
Sub-Total Other State Sources	\$11,384,425	\$11,636,063	\$11,439,475	\$12,042,300	\$602,825	5.3%
TOTAL REVENUES	\$12,954,350	\$12,960,495	\$12,676,975	\$12,776,450	\$907,475	5.6%

STOWE SCHOOL DISTRICT
FY'20 PROPOSED BUDGET REVENUES EXPLANATION

General Fund Balance

The summary of the General Fund balance is as follows:

Fund Balance, June 30, 2018	\$ 1,128,050
Carry Forward, FY'19	(300,000)
Approved Transfer to Capital Projects Fund FY'19	(300,000)
Proposed Carry Forward, FY'20	(300,000)
Proposed Transfer to Capital Projects Fund FY'20	<u>(0)</u>
Unassigned Fund Balance available for future uses	<u>\$ 228,050</u>

Tuition - Regular Education

The estimated number of non-resident enrollments next year is 27 students (23 in FY'19) and the budgeted tuition for next year has been estimated at \$405,000 (\$376,300 in FY'19).

Earned Interest and Rental

For FY'20, earned interest and rental revenue is estimated at \$15,000 and \$3,300, respectively (increase of \$5,000 from FY'19).

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.

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 FY'20, the amount budgeted is \$11,999,050 (up \$662,175 from the FY'19 amount of \$11,336,875).

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 FY'20, Stowe has 5.0 FTEs (same as FY'19) with an estimated adjusted base cost of \$8,813, resulting in estimated revenue of \$44,100 (up \$1,300 from the FY'19 amount of \$42,800).

Driver Education Reimbursement

The state partially reimburses school districts for the cost of providing driver education programs. For FY'20, the Stowe School District anticipates receiving \$1,000 (level with the prior year).

STOWE SCHOOL DISTRICT
ENROLLMENTS
2018-2019

Grade	# Students
K	56
1	45
2	46
3	66
4	60
5	66
6	64
7	59
8	65
9	69
10	58
11	67
12	53
	774

State School District
Three-Year General Fund Balance Summary

FY 2016	
Fund Balance, 8/31/15	\$ 1,170,000
Carry Forward FY15	(300,000)
Approved Transfer to Capital Projects Fund FY15	(300,000)
Proposed Carry Forward FY16	(300,000)
Proposed Transfer to Capital Projects Fund FY16	-
Uncommitted Fund Balance, 8/31/16	<u>\$ 270,000</u>
Fund Balance Roll Forward, 8/31/16	
Fund Balance, 8/31/17	\$ 1,566,899
Fund Balance - utilized in FY16	(300,000)
Approved Transfer to Capital Projects Fund # FY16	(500,000)
FY16 Revenue Variance	(96,200)
FY16 Expenditure Variance	427,854
Net Revenue & Expenditure Variance	<u>\$ 331,654</u>
Fund Balance, 8/31/18	<u>\$ 1,598,548</u>
FY 2017	
Fund Balance, 8/31/17	\$ 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, 8/31/17	<u>\$ 266,899</u>
Fund Balance Roll Forward, 8/31/17	
Fund Balance, 8/31/18	\$ 1,807,555
Fund Balance - utilized in FY17	(400,000)
Approved Transfer to Capital Projects Fund # FY17	(300,000)
FY17 Revenue Variance	389,280
FY17 Expenditure Variance	290,228
Net Revenue & Expenditure Variance	<u>\$ 99,052</u>
Fund Balance, 8/31/17	<u>\$ 1,566,899</u>
FY 2018	
Fund Balance, 8/31/18	\$ 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	(300,000)
Uncommitted Fund Balance, 8/31/18	<u>\$ 507,555</u>
Fund Balance Roll Forward, 8/31/18	
Fund Balance, 8/31/19	\$ 1,711,000
Fund Balance - utilized in FY18	(300,000)
Approved Transfer to Capital Projects Fund # FY18	(100,000)
FY18 Revenue Variance	89,725
FY18 Expenditure Variance	(79,225)
Net Revenue & Expenditure Variance	<u>\$ 10,500</u>
Fund Balance, 8/31/18	<u>\$ 1,807,555</u>

Stowe School District
Three-Year Capital Projects Fund Balance Summary

FY 2018	
Fund Balance, 6/30/17	\$ 979,233
Approved Transfer from General Fund to FY18	500,000
Earned Interest FY18	1,525
Disbursements for projects in FY18	<u>(105,670)</u>
Fund Balance, 6/30/18	975,088
Approved Transfer from General Fund to FY19	<u>500,000</u>
Available Fund Balance, 7/1/18	<u>\$ 975,088</u>
FY 2017	
Fund Balance, 6/30/16	\$ 58,255
Approved Transfer from General Fund to FY17	500,000
Earned Interest FY17	2,400
Disbursements for projects in FY17	<u>(81,220)</u>
Fund Balance, 6/30/17	279,235
Approved Transfer from General Fund to FY18	<u>500,000</u>
Available Fund Balance, 7/1/17	<u>\$ 779,235</u>
FY 2016	
Fund Balance, 6/30/15	\$ 274,748
Approved Transfer from General Fund to FY16	500,000
Earned Interest FY16	2,177
Disbursements for projects in FY16	<u>(201,780)</u>
Fund Balance, 6/30/16	<u>\$ 58,155</u>

Stowe School (00196)
Capital Projects Fund
FYD Activity and Proposed FY25 Projects

Available Fund Balance, 7/1/18	\$	875,084
YTD Expenditures as of 12/31/18 (see detail below)		<u>(129,543)</u>
Available Fund Balance, 12/31/18		745,541
Projects Proposed for FY20 (see detail below)		<u>(641,000)</u>
Estimated Available Fund Balance for future use	\$	<u>104,541</u>

YTD Expenditures as of 12/31/18		
385 gym floor and bleachers	\$	63,765
384/385 gym floor		47,251
384/385 boiler replacement		148,177
Capital project planning - professional services		<u>3,348</u>
	\$	<u>262,541</u>

Projects Proposed for FY25 (These are estimates and subject to change)

Stowe Elementary		
Bulky item replacements	\$	75,000
Roof replacement over upper wing, gym, library		250,000
Replace windows in cafeteria		50,000
Stowe Middle/HS		
Replace fire alarm system		130,000
Refurbish building siding - roof		51,000
Replace outside bleachers		50,000
Replace kitchen cooler		39,000
Repair chimney		<u>40,000</u>
	\$	<u>685,000</u>

STONE SCHOOL DISTRICT

Proposed Capital Projects Stone Elementary (k/est)	1	2	3	4	5
	Year	Year	Year	Year	Year
	2018-20	2020-21	2021-22	2022-23	2023-24
Water main upgrade, new boilers, new controls, new circulation pumps	\$ 75,000				
Refinish all windows and door jams and siding			\$ 88,000		
Flow from parking lot and side walks and remove old drainage tank				\$ 158,000	
Add hot water through out the building				\$ 40,000	
New roof over upper wing, gym, library	\$ 270,000				
Upgrade electrical service panels		\$ 40,000			
Replace windows and frame in cabinets on outside wall	\$ 30,000				
Revisit all 3 gang bathrooms		\$ 168,000	\$ 168,000		
New kitchen equipment - new walk in coolers		\$ 250,000			
Walk walk insulation					\$ 124,700
Convert lighting to LED fixtures				\$ 100,000	
Totals	\$ 355,000	\$ 288,000	\$ 288,000	\$ 298,000	\$ 184,700

Proposed Capital Projects Stone Middle High School	6	7	8	9	10
	Year	Year	Year	Year	Year
	2023-25	2025-26	2026-27	2027-28	2028-29
Front Parking lot needs to be pulled up and repaved			\$ 165,000		
All electrical panels need circuit breakers tested and latest program		\$ 42,900			
Replace outside parking lot lights and lamp by Audiotone cameras		\$ 43,000			
Convert lighting to LED throughout the building				\$ 100,000	
Medics wash gear in better room			\$ 25,000		
New coolers for kitchen	\$ 55,000				
Replace backup generator				\$ 80,000	
Emergency lighting should be rechecked from fire exit, exits, and other areas		\$ 3,000			
Capitol flag built on exterior doors				\$ 40,000	
Fire alarm notification system	\$ 130,000				
Outside chimney repair	\$ 10,000				
Refurbish all building entry to the bank into drop and main	\$ 51,000	\$ 51,000			
Gym roof		\$ 100,000			
Replace inside gym ceiling				\$ 40,000	
Refrigerated floor replacement, start replacing outer carpets	\$ 50,000	\$ 20,000	\$ 50,000		
Replace two overhead doors - family room and art room	\$ 30,000				
Removels auditorium					\$ 1,500,000
Replace two softball bays with new muscled backstops	\$ 35,000				
Outside bleachers replacement	\$ 10,000				
Gym floor		\$ 120,000			
New student lockers		\$ 80,000			
Totals	\$ 276,000	\$ 248,900	\$ 380,000	\$ 270,000	\$ 1,600,000
Grand Total SES and SAS	\$ 631,000	\$ 536,900	\$ 668,000	\$ 568,000	\$ 1,684,700

NOTE: This is a working document subject to change/adjustment. These items are estimates and may change significantly based on the final project scope.

Stowe School District
Tax Rate Worksheet

	FY 2019	FY 2020	Increase (Decrease)	
Budgeted Expenditures	\$ 12,079,775	\$ 12,776,450	\$ 697,175	5.8%
Budgeted Available Revenue	\$ 691,600	\$ 733,300	\$ 33,700	4.8%
Education Spending	\$ 11,379,875	\$ 12,043,150	\$ 663,475	5.8%
Equalized Pupil	761.68	761.97	0.29	0.0%
Ed. Spending per Equalized Pupil	\$ 14,940	\$ 15,695	\$ 865	5.8%
Property Yield	\$ 10,220	\$ 10,666	\$ 446	4.4%
Adjusted Equalized Tax Rate	1.462	1.482	0.020	1.4%
Common Level of Appraisal	96.23%	94.45%	-1.77%	1.8%
Local Homestead Tax Rate	\$ 1.319	\$ 1.503	\$ 0.050	3.8%
Statewide Non-Homestead Tax Rate	\$ 1.580	\$ 1.580	\$ —	0.0%
Local Non-Homestead Tax Rate	\$ 1.642	\$ 1.673	\$ 0.031	1.9%
Income Yield	\$ 13,380	\$ 13,104	\$ 724	5.8%
Statewide % for Income Sensitivity	2.00%	2.00%		
Local % for Income Sensitivity	2.414%	2.412%	-0.001%	-0.1%

Estimated Residential Tax Rate Impact

Property Value:	\$ 100,000	\$ 250,000	\$ 500,000
Estimated Increase in FY20 Tax Bill	\$ 50	\$ 124	\$ 348

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.

LAMOILLE SOUTH SUPERVISORY UNION **FY'20 BUDGET EXECUTIVE SUMMARY**

Expenditures

The FY'20 LSSU draft budget yields an increase of \$381,750, or +4.5%, compared to the FY'19 increase of \$24,450, or +0.3%.

The increase is primarily driven by special education instructional needs and is based on both an increase in the number of children served in special education and an increase in the level of services for individual students. The December 1 child count (number of students eligible for special education) is 236, up 21 students or 10% from last year. Special education staffing includes an increase of 1.50 FTE for additional paraprofessionals. Professional services includes an increase of two Behavior Interventionists.

There are no administrative (central office) staffing changes. The budget continues to include \$60,000 for third-party communication services. The budget also includes increases in Special Education Administration and Curriculum and Instruction for increased professional development needs (Other Services).

Salary and compensation amounts have been adjusted consistent with executive session discussions in anticipation of negotiations. There are some fluctuations in salary related to staff turnover.

Health care premiums reflect an increase of approximately 12% based on VEHI's announced health insurance premium increases. There are some fluctuations due to change in benefit utilization.

Student transportation has increased primarily due to increases in co-curricular busing to better reflect actual costs.

Revenues and Assessments to Districts

Assessments to districts decreased by a total of \$145,075 (a decrease of \$63,175 for EMUU and \$81,900 for Stowe). This decrease is largely due to an increase in the fund balance carry forward (\$450,000 vs. \$0 in FY'19).

As a follow-up to the question from the 11/28/18 meeting, if there was no change in the assessments year-to-year, the carry forward would be \$304,925 (instead of \$450,000) and this would leave an uncommitted fund balance of \$172,400 (instead of \$27,325).

Linnville South Supervisory Union
Expenditures

Description	FY 18		FY 19		FY 20		Increase (Decrease)	
	Actual		Budget		Proposed Budget		\$	%
Health Services								
Salaries	\$ 67,680	\$	68,725	\$	71,825	\$	4,100	
Employee Benefits	27,887		30,200		31,700		1,500	
Other	1,448		3,550		2,350		(1,200)	
Total	\$ 97,015	\$	102,475	\$	105,875	\$	3,400	4.3%
Psychological Services								
Salaries	\$ 62,930	\$	64,625	\$	66,575	\$	1,950	
Employee Benefits	22,521		23,950		23,850		3,400	
Other Services	-		150		-		(150)	
Total	\$ 85,451	\$	88,725	\$	89,925	\$	3,700	3.7%
Curriculum & Instruction								
Salaries	\$ 158,417	\$	161,400	\$	166,475	\$	5,075	
Employee Benefits	47,376		44,850		51,175		8,575	
Prof & Tech Services	217		-		-		-	
Other Services	3,223		4,000		4,000		-	
Supplies & Materials	7,588		6,500		8,500		2,000	
Property	-		-		-		-	
Other	3,371		8,500		16,000		8,500	
Total	\$ 218,182	\$	223,250	\$	248,150	\$	25,100	11.2%
Audit Services								
Prof & Tech Services	\$ 28,250	\$	29,000	\$	29,000	\$	-	
Total	\$ 28,250	\$	29,000	\$	29,000	\$	-	0.0%
Administrative Services								
Salaries	\$ 162,883	\$	171,950	\$	177,800	\$	5,150	
Employee Benefits	48,273		67,950		80,550		(7,400)	
Prof & Tech Services	7,297		80,250		80,250		-	
Property Services	50,776		45,250		45,500		250	
Other Services	29,734		15,225		18,025		2,800	
Supplies & Materials	9,894		7,750		7,750		-	
Property	779		7,250		7,000		(250)	
Other	24,178		11,850		20,000		8,150	
Total	\$ 333,794	\$	382,475	\$	391,175	\$	8,700	2.3%
Food Services								
Salaries	\$ 107,348	\$	115,200	\$	130,850	\$	13,650	
Employee Benefits	118,573		127,200		120,525		(6,675)	
Prof & Tech Services	5,532		17,500		17,500		-	
Property Services	3,337		3,750		4,000		250	
Other Services	7,149		2,000		2,000		-	
Supplies & Materials	2,785		3,000		3,000		-	
Property	533		3,250		3,750		-	
Other	7,643		2,200		2,500		300	
Total	\$ 447,034	\$	478,600	\$	494,825	\$	5,525	1.2%

**Lamelle South Supervisory Union
Expenditures**

Description	FY 18	FY 19	FY 20	Increase (Decrease)	
	Actual	Budget	Proposed Budget	\$	%
Information Services					
Salaries	\$ 245,304	\$ 181,075	\$ 203,450	\$ -57,375	
Employee Benefits	53,438	45,075	77,025	\$ 31,950	
Prof & Tech Services	3,858	2,000	2,000	\$ -	
Property Services	3,837	3,250	3,500	\$ 250	
Other Services	897	1,000	1,000	\$ -	
Supplies & Materials	7,458	2,250	2,150	\$ (100)	
Property	2,243	5,000	5,000	\$ -	
Other	290	3,000	3,500	\$ 500	
Total	\$ 211,360	\$ 175,450	\$ 297,625	\$ 122,175	6.1%
Pre-School Program					
Salaries	\$ 118,702	\$ 120,675	\$ 152,900	\$ 32,225	
Employee Benefits	59,618	70,075	62,525	\$ (17,550)	
Prof & Tech Services	881	15,000	15,000	\$ -	
Other Services	367,434	480,000	400,200	\$ (79,800)	
Supplies & Materials	1,986	1,250	1,300	\$ 250	
Property	635	500	500	\$ -	
Total	\$ 550,179	\$ 619,500	\$ 612,625	\$ (6,875)	-1.1%
Instruction-SPED					
Salaries	\$ 1,968,150	\$ 1,968,125	\$ 2,085,350	\$ 117,225	
Employee Benefits	851,549	864,675	983,025	\$ 118,350	
Prof & Tech Services	1,045,410	1,078,350	1,138,800	\$ 60,450	
Property Services	21,227	24,000	24,000	\$ -	
Other Services	606,441	604,500	488,075	\$ (118,425)	
Supplies & Materials	11,265	10,100	9,000	\$ (1,100)	
Property	833	1,400	900	\$ (500)	
Other	-	-	-	\$ -	
Total	\$ 4,404,815	\$ 4,452,150	\$ 4,713,150	\$ 261,000	5.9%
Psychological Services - SPED					
Salaries	\$ 93,840	\$ 96,075	\$ 99,575	\$ 2,500	
Employee Benefits	33,818	32,750	33,875	\$ 1,125	
Prof & Tech Services	8,261	-	-	\$ -	
Other Services	-	-	-	\$ -	
Supplies & Materials	978	4,200	4,200	\$ -	
Property	2,891	-	-	\$ -	
Total	\$ 139,788	\$ 133,025	\$ 137,650	\$ 4,625	3.0%
Speech & Audiology - SPED					
Salaries	\$ 298,871	\$ 305,675	\$ 314,500	\$ 8,825	
Employee Benefits	126,033	142,225	136,800	\$ (4,425)	
Prof & Tech Services	34,708	13,500	7,500	\$ (6,000)	
Property Services	-	-	-	\$ -	
Other Services	210	-	-	\$ -	
Supplies & Materials	1,658	2,500	3,500	\$ 1,000	
Property	3,871	-	-	\$ -	
Total	\$ 445,349	\$ 464,900	\$ 463,300	\$ (1,600)	-0.3%

Laramie South Supervisory Union Expenditures				
Description	FY 18	FY 19	FY 20	Increase (Decrease)
	Actual	Budget	Proposed Budget	\$ %
01/FY-SEEC				
Salaries	170,568	134,700	115,200	\$ 500
Employee Benefits	37,788	35,825	40,900	\$ 4,075
Prof & Tech Services	8,292	21,000	14,050	\$ (6,950)
Other Services	1,392	1,000	1,000	\$ -
Supplies & Materials	2,942	2,600	2,000	\$ -
Property	180	-	-	\$ -
Total	\$ 479,772	\$ 175,525	\$ 179,150	\$ (1,375) 1.4%
Administrative Services - SPFD				
Salaries	\$ 86,141	\$ 88,850	\$ 91,500	\$ 2,650
Employee Benefits	30,672	29,150	32,200	\$ 3,050
Prof & Tech Services	2,331	6,500	6,500	\$ -
Property Services	3,337	4,500	4,500	\$ -
Other Services	1,895	3,500	3,000	\$ (500)
Supplies & Materials	1,678	2,000	8,500	\$ 6,500
Property	1,734	-	-	\$ -
Other	2,179	2,000	8,500	\$ 7,500
Total	\$ 129,155	\$ 136,500	\$ 154,000	\$ 19,500 14.2%
Essential Early Education				
Salaries	\$ 22,657	\$ 33,325	\$ 46,375	\$ 12,450
Employee Benefits	32,295	26,575	29,100	\$ 2,525
Prof & Tech Services	8,938	63,100	2,000	\$ (61,300)
Property Services	7,900	7,250	2,250	\$ -
Other Services	2,761	4,350	5,100	\$ (1,250)
Supplies & Materials	3,346	5,200	3,000	\$ (2,200)
Property	849	-	-	\$ -
Other	-	-	-	\$ -
Total	\$ 78,104	\$ 140,400	\$ 80,825	\$ (59,575) -42.3%
Transportation Services - SPFD				
Other Services	150,315	69,950	79,450	\$ 9,500
	150,315	69,950	79,450	\$ 9,500 13.6%
Translocation Services				
Other Services	741,288	723,900	784,900	\$ 61,000
Total	\$ 741,288	\$ 723,900	\$ 784,900	\$ 61,000 8.4%
Food Service Costs (Pass-through)	\$ 313,718	\$ -	\$ -	\$ -
TOTAL EXPENDITURES	\$ 8,542,367	\$ 8,495,425	\$ 8,877,175	\$ 381,750 4.5%

LSSU FY'20 BUDGET DEVELOPMENT **EXPENDITURES**

Health Services

\$105,875 – Up \$2,400 or 2.3%

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 \$71,825 (up \$2,100) reflect the cost of position of Director of Health Services.

Employee Benefits of \$31,700 (up \$1,500) reflect the cost of providing health insurance, FICA, life insurance, municipal retirement, workers compensation, unemployment insurance and dental insurance.

Supplies/Other of \$2,350 (down \$1,200) is for conferences, travel, supplies and medical equipment.

Psychological Services – Regular Education

\$89,925 - Up \$3,200 or 3.7%

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 \$66,575 (up \$1,950).

Employee Benefits of \$23,350 reflect the cost of providing health insurance and other benefits (up \$1,400).

Other Services of \$0 reflects the cost of travel reimbursement (down \$150).

Curriculum & Instruction

\$248,350 - Up \$25,100 or 11.2%

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. This area includes the Director of Curriculum and Instruction and the PBL/Technology Integration Coach.

Salaries of \$166,475 (up \$5,075).

Employee Benefits of \$53,375 (up \$8,525) reflect the cost of providing health insurance and other benefits.

Other Services of \$4,000 (level funded) is for travel costs.

Supplies & Materials of \$8,500 (up \$2,000) covers the estimated cost of professional supplies and materials related to curriculum development and training.

Other of \$16,000 (up \$9,500) provides for professional development opportunities and dues.

Audit Services

\$29,000 – Level funded

The SU is in the third year of 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

\$391,175 – Up \$8,700 or 2.3%

This function includes the costs related to the Superintendent's office, including a 0.50 FTE of an Administrative Assistant and the costs related to the operation and maintenance of the central office facility.

Salaries of \$177,100 (up \$5,150).

Employee Benefits of \$40,550 (down \$7,400) reflect the cost of maintaining existing benefits including health insurance. Decrease is primarily due to a change in health benefit election.

Professional and Technical Services provides \$80,250 (level funded) for legal services and custodial services provided by EMUU staff, as well as a \$60,000 for outsourced communications services.

Property Services provides \$45,500 (up \$250) 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 \$18,025 (up \$2,800) 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 \$2,000 (down \$250) for various costs to upgrade technology (servers, laptops, desktops, etc.) in the central office.

Other provides \$20,000 (up \$8,150) 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

\$484,125 – Up \$5,525 or 1.2%

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 \$330,850 (up \$11,650).

Employee Benefits of \$120,525 (down \$6,675) reflect the cost of maintaining existing benefits including health insurance. Decrease is primarily due to a change in health benefit election.

Professional & Technical Services provides \$17,500 (level funded) for professional training and for various professional services.

Property Services includes \$4,000 (up \$250) 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 \$2,500 (up \$300) for professional development, membership in professional organizations and other miscellaneous costs.

Information Services

\$297,625 – Up \$22,175 or 8.1%

This service provides technology planning and oversight, and organizes, maintains, analyzes, and reports on the many types of educational and financial data for each school district. This area includes the Director of Education Technology, a Data Manager and an Assistant Data Manager.

Salaries of \$203,450 (up \$9,575).

Employee Benefits of \$77,025 (up \$11,950) reflect the cost of maintaining existing benefits including health insurance. Increase is primarily due to a change in health benefit election.

Professional & Technical Services provide \$2,000 (level funded) for various third-party professional services.

Property Services includes \$3,500 (up \$250) for a portion of the copier leases.

Other Services includes \$1,000 (level funded) for travel expenses.

Supplies and Materials provide \$2,150 (down \$100) for general supplies.

Property includes \$5,000 (level funded) for technology upgrades and repairs (servers, laptops, desktops, etc.) in the central office.

Other provides \$3,500 (up \$500) for professional development and other miscellaneous costs.

Pre-School Program

\$612,625 – Down \$6,875 or -1.1%

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 \$132,900 (up \$6,225).

Employee Benefits of \$62,525 (down \$13,550) reflect the cost of maintaining existing benefits including health insurance. The decrease is primarily due to changes in health benefit elections.

Professional & Technical Services provide \$15,000 (level funded) 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 \$400,200 (up \$200) for tuition payments to qualified community pre-school providers for students enrolled in the community programs. The budget anticipates enrollment of 120 students.

Supplies & Materials provides \$1,500 (up \$250) for supplies and learning materials used in the program.

Property of \$500 (level funded) provides for miscellaneous equipment.

Instruction – Special Education

\$4,733,150 – Up \$281,000 or 6.3%

This area includes all certified special educators and paraprofessionals who provide direct services to students with individual needs for both EMUU and Stowe districts.

Salaries of \$2,089,350 (up \$120,225). This increase includes an additional 1.50 FTE for paraprofessionals.

Employee Benefits of \$983,025 reflect the cost of maintaining existing benefits including health insurance (up \$118,350).

Professional & Technical Services of \$1,138,800 provides for professional third-party services (e.g., Behavioral Interventionists) based on student-specific needs (up \$60,450).

Property Services of \$24,000 represents the allocation of copier lease costs for all special education functions (level funded).

Other Services of \$488,075 provide for private student tuition (which is the most significant portion of the total) and other costs, such as telephone, postage and travel (down \$16,425).

Supplies and Materials of \$9,000 provides for general supplies and testing materials (down \$1,100).

Property of \$900 includes costs for various equipment and technology needs (down \$500).

Psychological Services – Special Education

\$137,650 – Up \$4,025 or 3.0%

This function includes a portion of the cost of the 1.8 FTE school psychologists employed by the supervisory union.

Salaries of \$99,575 (up \$2,900).

Employee Benefits of \$33,875 (up \$1,125) reflect the cost of maintaining existing benefits including health insurance premium costs.

Supplies and Materials provide \$4,200 (level funded) for general supplies, professional journals and reference materials, computer software, and testing materials.

Speech & Audiology Services – Special Education

\$463,350 – Down \$1,550 or -0.3%

This function covers the cost of providing supervisory union-wide speech and audiology services.

Salaries of \$314,500 (up \$8,825).

Employee Benefits of \$138,850 (down \$4,375) reflect the cost of maintaining existing benefits including health insurance premiums.

Professional & Technical Services provides \$7,500 (down \$6,000) for third-party professional services.

Supplies & Materials provides \$2,500 (level funded) for general supplies, professional books, computer software, testing materials and equipment purchases.

Occupational Therapy/Physical Therapy (OT/PT) – Special Education

\$173,150 – Down \$2,375 or -1.4%

This covers the cost of occupational therapy and physical therapy for students.

Salaries of \$115,200 (up \$500).

Employee Benefits of \$40,900 (up \$4,075) reflect the cost of maintaining existing benefits including health insurance.

Professional & Technical Services of \$14,050 (down \$6,950) 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 (level funded) provides for general supplies and testing materials.

Administrative Services – Special Education

\$156,000 – Up \$19,500 or 14.3%

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 accounted for in the Special Revenues fund.

Salaries of \$91,500 (up \$2,650).

Employee Benefits of \$32,500 (up \$3,350) reflect the cost of maintaining existing benefits including health insurance premiums.

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 \$3,000 (down \$500) for a share of telephone, postage, advertising and travel costs.

Supplies & Materials provides \$8,500 (up \$6,500) for general supplies, professional books and journals, and to maintain computer software specific to tracking IEPs and data submission to the state.

Other includes \$9,500 (up \$7,500) for professional development and membership in professional organizations.

Essential Early Education

\$90,825 – Down \$49,575 or -35.3%

This program addresses the special needs of our preschool population, age 0-5, throughout the supervisory union. Much of the program costs are funded with grant funds (separate from the general fund).

Salaries of \$46,375 (up \$12,450).

Employee Benefits of \$29,100 (up \$2,525) reflect the cost of maintaining existing benefits including health insurance premiums.

Professional and Technical Services provide \$2,000 (down \$61,100). This includes the cost of third party professional services. The FY'19 budget included funds for Behavioral Interventionist costs that were covered using grants.

Property Services provide \$7,250 (level funded) for rental expense to EMUU for classroom space.

Other Services at \$3,100 (down \$1,250) 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 \$3,000 (down \$2,200) for general supplies, books and testing material costs.

Transportation Services – Special Education

\$79,450 – Up \$9,500 or 13.6%

Other Services of \$79,450 include costs for transportation based on student-specific needs (up \$9,500).

Transportation Services

\$784,900 – Up \$61,000 or 8.4%

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 \$651,400 (up \$15,600) for student transportation to and from school and \$133,500 (up \$45,400) for extra-curricular transportation. The increase in extra-curricular is to better reflect actual costs.

Linnville South Supervisory Group
Revenue

Account/Category	FY 18		FY 19		FY 20		Increase/Decrease	
	Actual	Budget	Actual	Budget	Actual	Budget	\$	%
Academic								
Health Services								
EMUJ	\$ 54,373	\$ 55,825	\$ 56,375	\$	\$ 750			
State	\$ 47,325	\$ 47,850	\$ 48,500	\$	\$ 650			
	\$ 101,700	\$ 103,675	\$ 104,875	\$	\$ 2,400		2.3%	
Psychological Services								
EMUJ	\$ 44,925	\$ 45,000	\$ 45,375	\$	\$ 375			
State	\$ 40,425	\$ 41,825	\$ 42,000	\$	\$ 1,575			
	\$ 85,350	\$ 86,825	\$ 87,375	\$	\$ 2,250		2.6%	
Curriculum & Instruction								
EMUJ	\$ 56,100	\$ 111,075	\$ 101,375	\$	\$ (10,700)			
State	\$ 53,525	\$ 110,175	\$ 96,875	\$	\$ (10,300)			
	\$ 109,625	\$ 221,250	\$ 198,250	\$	\$ (23,000)		-10.4%	
Art Services								
EMUJ	\$ 14,875	\$ 17,000	\$ 17,000	\$	\$			
State	\$ 11,825	\$ 17,400	\$ 11,400	\$	\$			
	\$ 26,700	\$ 34,400	\$ 28,400	\$	\$		0.0%	
Administrative Services								
EMUJ	\$ 486,250	\$ 500,000	\$ 478,075	\$	\$ (21,925)			
State	\$ 353,700	\$ 374,575	\$ 359,200	\$	\$ (17,375)			
	\$ 839,950	\$ 874,575	\$ 837,275	\$	\$ (37,300)		-4.3%	
Fiscal Services								
EMUJ	\$ 200,550	\$ 198,250	\$ 223,150	\$	\$ (25,100)			
State	\$ 174,375	\$ 214,350	\$ 195,075	\$	\$ (19,275)			
	\$ 374,925	\$ 412,600	\$ 418,225	\$	\$ (4,675)		-1.1%	
Information Services								
EMUJ	\$ 83,000	\$ 143,150	\$ 126,575	\$	\$ (16,575)			
State	\$ 74,475	\$ 137,400	\$ 118,000	\$	\$ (19,400)			
	\$ 157,475	\$ 280,550	\$ 244,575	\$	\$ (35,975)		-12.8%	
Post-School Programs								
EMUJ	\$ 288,950	\$ 308,025	\$ 317,800	\$	\$ 9,775			
State	\$ 250,900	\$ 311,775	\$ 294,825	\$	\$ (16,950)			
	\$ 539,850	\$ 619,800	\$ 612,625	\$	\$ (7,175)		-1.1%	
Instruction-SPED								
EMUJ	\$ 997,575	\$ 851,150	\$ 925,875	\$	\$ (71,275)			
State	\$ 862,125	\$ 850,000	\$ 800,275	\$	\$ (50,725)			
	\$ 1,859,700	\$ 1,701,150	\$ 1,726,150	\$	\$ (33,550)		-1.9%	
Spec. Services-SPED								
EMUJ	\$ 75,275	\$ 89,425	\$ 70,175	\$	\$ (19,250)			
State	\$ 63,875	\$ 84,200	\$ 67,275	\$	\$ (16,925)			
	\$ 139,150	\$ 173,625	\$ 137,450	\$	\$ (36,175)		-20.8%	
Speech & Audiology-SPED								
EMUJ	\$ 264,800	\$ 311,025	\$ 290,800	\$	\$ (20,225)			
State	\$ 238,650	\$ 273,775	\$ 228,600	\$	\$ (45,175)			
	\$ 503,450	\$ 584,800	\$ 519,400	\$	\$ (65,400)		-11.2%	

Lenoir County Supervisory Union
Revenues

Account/Item	FY 18	FY 19	FY 20	Increase/Decrease	
	Actual	Budget	Budget	\$	%
Assessments					
-OT/PE SPED					
EMBA	\$ 337,500	\$ 81,273	\$ 88,500	\$ (2,675)	
State	\$ 175,901	\$ 88,300	\$ 88,600	\$ 300	
	\$ 223,450	\$ 179,573	\$ 177,100	\$ (2,473)	-1.4%
Admin. Services (PEE)					
EMBA	\$ 25,626	\$ 70,950	\$ 76,125	\$ 5,175	
State	\$ 88,179	\$ 85,550	\$ 75,275	\$ (10,275)	
	\$ 143,805	\$ 156,500	\$ 151,400	\$ (5,100)	-3.3%
Classified Early Education					
EMBA	\$ 34,700	\$ 30,135	\$ -	\$ (34,635)	
State	\$ 13,650	\$ 30,275	\$ -	\$ (16,625)	-100.0%
	\$ 48,350	\$ 60,410	\$ -	\$ (12,060)	-100.0%
Transportation (PEE)					
EMBA	\$ 26,725	\$ 55,825	\$ 60,550	\$ 4,725	
State	\$ 13,500	\$ 15,025	\$ 15,900	\$ 875	
	\$ 40,225	\$ 70,850	\$ 76,450	\$ 5,600	8.0%
Comptrolment					
EMBA	\$ 337,869	\$ 201,900	\$ 234,475	\$ 32,575	
State	\$ 238,770	\$ 710,900	\$ 883,420	\$ 172,520	
	\$ 576,639	\$ 912,800	\$ 1,117,895	\$ 205,095	22.6%
TOTAL ASSESSMENTS	\$ 4,754,089	\$ 4,394,425	\$ 4,849,350	\$ (485,075)	-2.0%
OTHER REVENUES					
Fund Balance Carryforward	\$ 180,000	\$ -	\$ 450,000	\$ 450,000	
Interest Income	\$ 9,108	\$ 5,000	\$ 3,000	\$ (6,108)	
Service Fees	\$ -	\$ 15,000	\$ 15,000	\$ 15,000	
State Transportation Aid	\$ 284,647	\$ 280,000	\$ 280,000	\$ (4,647)	
Miscellaneous	\$ 34,038	\$ -	\$ -	\$ (34,038)	
SPED Maintenance Block Grant	\$ 617,943	\$ 610,000	\$ 610,000	\$ (7,943)	
SPED Fundamentals	\$ 2,162,749	\$ 2,042,000	\$ 2,069,000	\$ (93,749)	
SPED Extraordinary Reimbursements	\$ 134,285	\$ 175,000	\$ 171,000	\$ (4,000)	
YEA Grant	\$ 123,272	\$ 120,000	\$ 90,820	\$ (32,452)	
Services to other LEAs	\$ 48,149	\$ 25,000	\$ 57,000	\$ 31,851	
Vocational Transportation	\$ 31,750	\$ 30,000	\$ 30,000	\$ (1,750)	
State-Focused Student	\$ 689,882	\$ -	\$ -	\$ (689,882)	
Food Service (Pass through)	\$ 313,718	\$ -	\$ -	\$ (313,718)	
TOTAL OTHER REVENUES	\$ 4,249,645	\$ 3,501,800	\$ 4,027,425	\$ (522,220)	-15.0%
TOTAL REVENUES	\$ 9,003,734	\$ 7,896,225	\$ 8,876,775	\$ (920,459)	-4.5%

LSSU FY'20 BUDGET DEVELOPMENT
REVENUES

Fund Balance

The summary of the General Fund balance is as follows:

Fund Balance, June 30, 2018:	\$ 477,325
Carry Forward, FY'19	0
Proposed Carry Forward, FY'20	<u>(450,000)</u>
Unassigned Fund Balance, June 30, 2018	<u>\$ 27,325</u>
Unassigned Fund Balance, June 30, 2017	<u>\$ 22,208</u>

ASSESSMENTS:**Administrative Services:**

This assessment supports the costs of the salary and benefits of the superintendent and a 0.50 FTE administrative assistant, as well as overhead costs of the central office. This assessment is based on the number of full-time professional equivalents (FTE) per district. The FY'20 breakdown is as follows:

	<u>FTEs</u>	<u>Percentage</u>	<u>Assessment</u>
EMUU	85.27	53.24%	\$178,975
Stowe	74.90	46.76%	<u>\$157,200</u>
			<u>\$336,175</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 FY'20 breakdown is as follows:

	<u>FTEs</u>	<u>Percentage</u>	<u>Assessment</u>
EMUU	85.27	53.24%	\$56,375
Stowe	74.90	46.76%	<u>\$49,500</u>
			<u>\$105,875</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 FY'20 breakdown is as follows:

	<u>ADM</u>	<u>Percentage</u>	<u>Assessment</u>
EMUU	843.41	51.12%	\$45,975
Stowe	806.43	48.88%	<u>\$43,950</u>
			<u>\$89,925</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. This function also includes a 1.00 FTE Proficiency Based Learning and Technology Integration Coach. The method for calculating the assessment is ADM. The FY'20 breakdown is as follows:

	<u>ADM</u>	<u>Percentage</u>	<u>Assessment</u>
EMUU	843.41	51.12%	\$101,375
Stowe	806.43	48.88%	\$96,975
			<u>\$198,350</u>

Audit Services

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 FY'20 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, 0.50 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 FY'20 breakdown is as follows:

	<u>FTEs</u>	<u>Percentage</u>	<u>Assessment</u>
EMUU	85.27	53.24%	\$223,150
Stowe	74.90	46.76%	\$195,975
			<u>\$419,125</u>

Information Services

This assessment supports the costs of the Director of Educational Technology, Data Manager and Assistant Data Manager. 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 FY'20 breakdown is as follows:

	<u>ADM</u>	<u>Percentage</u>	<u>Assessment</u>
EMUU	843.41	51.12%	\$126,575
Stowe	806.43	48.88%	<u>\$121,050</u>
			<u>\$247,625</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. The FY'20 breakdown is as follows:

	<u>Percentage</u>	<u>Assessment</u>
EMUU	69.82%	\$925,875
Stowe	30.18%	<u>\$400,275</u>
		<u>\$1,326,150</u>

Psychological Services – Special Education

EMUU & Stowe access psychological services through LSSU. This assessment is based on estimated average daily membership (ADM). The FY'20 breakdown is as follows:

	<u>ADM</u>	<u>Percentage</u>	<u>Assessment</u>
EMUU	843.41	51.12%	\$70,375
Stowe	806.43	48.88%	<u>\$67,275</u>
			<u>\$137,650</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 FY'20 breakdown is as follows:

	<u>ADM</u>	<u>Percentage</u>	<u>Assessment</u>
EMUU	843.41	51.12%	\$236,850
Stowe	806.43	48.88%	<u>\$226,500</u>
			<u>\$463,350</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 FY'20 breakdown is as follows:

	<u>ADM</u>	<u>Percentage</u>	<u>Assessment</u>
EMUU	843.41	51.12%	\$88,550
Stowe	806.43	48.88%	\$84,600
			<u>\$173,150</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 FY'20 breakdown is as follows:

	<u>ADM</u>	<u>Percentage</u>	<u>Assessment</u>
EMUU	843.41	51.12%	\$79,725
Stowe	806.43	48.88%	\$76,275
			<u>\$156,000</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 in FY'20, the Early Essential Education Grant (EEE), which is offset against these expenses, is sufficient to reduce this assessment to zero for the districts. The FY'20 breakdown is as follows:

	<u>ADM (Grades 1-3)</u>	<u>Percentage</u>	<u>Assessment</u>
EMUU	165.00	51.87%	\$0
Stowe	153.10	48.13%	\$0
			<u>\$0</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 (Grades 1-3)</u>	<u>Percentage</u>	<u>Assessment</u>
EMUU	165.00	51.87%	\$317,800
Stowe	153.10	48.13%	\$294,825
			<u>\$612,625</u>

Transportation – Special Education

Transportation is provided as needed based student-specific needs. The assessment is based estimated utilization of special education transportation. The FY'20 breakdown is as follows:

	<u>Percentage</u>	<u>Assessment</u>
EMUU	80.00%	\$63,550
Stowe	20.00%	<u>\$15,900</u>
		<u>\$79,450</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 used to reduce the assessments to the districts.

	<u>Assessment</u>
EMUU	\$172,600
Stowe	<u>\$168,800</u>
	<u>\$341,400</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 FY'20 is as follows:

	<u>Assessment</u>
EMUU	\$61,875
Stowe	<u>\$71,625</u>
	<u>\$133,500</u>

OTHER REVENUES**Fund Balance**

The fund balance as of June 30, 2018 is \$477,325 and \$450,000 has been applied as revenue in FY'20 (there was zero fund balance applied in FY'19).

Interest Income

Interest income is budgeted at \$5,000 for FY'20 (no change from FY'19).

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 (no change from FY'19).

Special Education Block Grant

This grant is provided by the State to support special education costs. These revenues have been applied to reduce the Special Education Instruction

assessments. The amount budgeted for FY'20 is \$610,000 (no change from FY'19).

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. These revenues have been applied to reduce the Special Education Instruction assessments. The amount budgeted for FY'20 is \$2,369,000 (FY'19 was \$2,241,000).

Special Education Extraordinary Reimbursements

The state reimburses the supervisory union at a higher percentage for students whose costs exceed \$60,000 in FY'20 (this has increased from \$50,000 in FY'19). The supervisory union is reimbursed 90% of cost that exceeds the threshold. The amount budgeted for FY'20 is \$121,000 (FY'19 was \$175,000).

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. The amount budgeted for FY'20 is \$90,825 (FY'19 was \$120,000). We have budgeted slightly less based on our actual grant utilization in the past year.

Services to Other Schools

These are costs that are billed to sending schools of students with individual education plans (IEPs). The amount budgeted for FY'20 is \$57,000 (FY'19 was \$25,000).

Transportation Aid:

State law continues to include a provision that partially reimburses schools for the cost of transporting resident students to and from school. The amount budgeted for FY'20 is \$280,000 (same as FY'19).

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 FY'20 is \$30,000 (same as FY'19).

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. We do not budget for these pass-through amounts (only record actuals).

**Audited Financial Statements
and Other Financial Information**

Stowe Town School District

June 30, 2018



Proven Expertise and Integrity

STOWE TOWN SCHOOL DISTRICT

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JUNE 30, 2018

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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, 2018, 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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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, 2018, 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 and OPEB information on pages 4 through 11 and 67 through 72 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

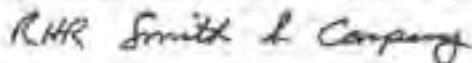
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Stowe Town School District's basic financial statements. The Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund Revenues, Schedule of Departmental Operations - General Fund, combining and individual nonmajor fund financial statements 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, combining and individual nonmajor fund financial statements 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, combining and individual nonmajor fund financial statements 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 January 3, 2019, 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.



Buxton, Maine
Vermont Registration No. 092.0000697
January 3, 2019

**REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2018**

(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, 2018. 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 types 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. Most 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, transportation and program expenses.
- *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: Most 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 is 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 three 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. All other funds are shown as nonmajor and are combined in the "Other Governmental Funds" column on these statements.

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 - Pensions, Schedule of Proportionate Share of the Net OPEB Liability, Schedule of Contributions - OPEB, 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 nonmajor funds, capital asset activity and 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 \$114,672 from \$6,503,178 to \$6,388,506. For business-type activities, the School District's net position increased by \$3,655 from \$41,264 to \$44,919.

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 \$975,650 at the end of the fiscal year. For business-type activities, the balance decreased to \$25,483.

Table 1
Stowe School District
Net Position
June 30,

	Governmental Activities		Business-type Activities	
	2018	2017	2018	2017
Assets:				
Current Assets	\$ 2,937,782	\$ 2,861,113	\$ 67,347	\$ 65,856
Capital Assets	6,296,444	6,595,991	-	-
Total Assets	<u>\$ 9,234,226</u>	<u>\$ 9,457,104</u>	<u>\$ 67,347</u>	<u>\$ 65,856</u>
Deferred Outflows of Resources:				
Deferred Outflows Related to Pensions	\$ 134,233	\$ 147,546	\$ -	\$ -
Total Deferred Outflows of Resources	<u>\$ 134,233</u>	<u>\$ 147,546</u>	<u>\$ -</u>	<u>\$ -</u>
Liabilities:				
Current Liabilities	\$ 1,343,983	\$ 1,224,316	\$ 22,428	\$ 24,592
Long-term Debt Outstanding	1,600,511	1,844,201	-	-
Total Liabilities	<u>\$ 2,944,494</u>	<u>\$ 3,068,517</u>	<u>\$ 22,428</u>	<u>\$ 24,592</u>
Deferred Inflows of Resources:				
Deferred Inflows Related to Pensions	\$ 35,459	\$ 32,955	\$ -	\$ -
Total Deferred Inflows of Resources	<u>\$ 35,459</u>	<u>\$ 32,955</u>	<u>\$ -</u>	<u>\$ -</u>
Net Position:				
Net Investment in Capital Assets	\$ 4,737,772	\$ 4,827,985	\$ -	\$ -
Restricted	675,084	279,233	19,436	-
Unrestricted	975,650	1,395,960	25,483	41,264
Total Net Position	<u>\$ 6,388,506</u>	<u>\$ 6,503,178</u>	<u>\$ 44,919</u>	<u>\$ 41,264</u>

Revenues and Expenses

Revenues for the School District's governmental activities increased by 1.36%, while total expenses increased by 1.86%. The increase in revenues was primarily due to increases in operating grants and contributions and miscellaneous. The increase in expenses was due increases in all expense categories with the exception of direct services, support services-area administrative services, operations and maintenance and transportation.

Revenues for the School District's business-type activities decreased by 3.36%, while total expenses increased by 0.38%.

Table 2
Stowe School District
Changes in Net Position
For the Years Ended June 30,

	Governmental Activities		Business-type Activities	
	2018	2017	2018	2017
Revenues				
<i>Program Revenues:</i>				
Charges for services	\$ 380,512	\$ 551,802	\$ 196,238	\$ 196,652
Operating grants and contributions	1,983,872	1,459,642	55,620	63,160
<i>General Revenues:</i>				
Grants and contributions not restricted to specific programs	11,092,250	11,358,466	-	-
Miscellaneous	167,251	70,948	6,594	7,613
Total Revenues	13,623,885	13,440,858	258,452	267,425
Expenses				
Direct services	7,489,321	8,091,728	-	-
<i>Support services:</i>				
Student services	1,056,847	993,093	-	-
Instructional staff services	268,010	250,567	-	-
General administrative services	201,941	155,139	-	-
Area administrative services	780,901	809,373	-	-
Fiscal services	223,207	183,008	-	-
Operations and maintenance	1,140,359	1,177,260	-	-
Information services	74,475	66,300	-	-
Transportation	254,881	351,839	-	-
On-behalf payments	1,981,567	1,305,769	-	-
Program expenses	85,471	40,859	254,797	253,822
Interest on long-term debt	75,907	62,463	-	-
Capital outlay	105,670	-	-	-
Total Expenses	13,738,557	13,487,398	254,797	253,822
Change in Net Position	(114,672)	(46,540)	3,655	13,603
Net Position - July 1	6,503,178	6,549,718	41,264	27,661
Net Position - June 30	\$ 6,388,506	\$ 6,503,178	\$ 44,919	\$ 41,264

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>2018</u>	<u>2017</u>
Major Funds:		
General Fund:		
Nonspendable	\$ 32,435	\$ 5,285
Assigned	495,614	1,561,613
Total General Fund	<u>\$ 528,049</u>	<u>\$ 1,566,898</u>
Capital Projects Fund:		
Restricted	\$ 675,084	\$ 279,233
Total Capital Projects Fund	<u>\$ 675,084</u>	<u>\$ 279,233</u>

The general fund total fund balance decreased by \$436,849 from the prior fiscal year primarily due to a transfer to capital projects fund. The capital projects fund total fund balance increased by \$395,851 from the prior year primarily due to a transfer from the general fund. There was no change in nonmajor total fund balances.

Budgetary Highlights

There was no difference between the original and final budget for the general fund.

The general fund actual revenues were under budgeted revenues by \$23,463 due primarily to intergovernmental and tuition being received in excess of budgeted amounts.

The general fund actual expenditures were under budget by \$384,614. All expenditure categories were within or under budget except for student services, debt service - interest and food service.

Capital Asset and Long-Term Debt Activity

Capital Assets

As of June 30, 2018, the net book value of capital assets recorded by the School District decreased by \$299,547. This decrease was due to current year capital additions of \$7,092 less current year depreciation expense of \$306,639.

Table 4
Stowe School District
Capital Assets (Net of Depreciation)
June 30,

	<u>2018</u>	<u>2017</u>
Buildings, building improvements and land improvements	\$ 5,918,841	\$ 6,165,919
Infrastructure	286,381	309,507
Furniture and equipment	91,222	120,565
Total	<u>\$ 6,296,444</u>	<u>\$ 6,595,991</u>

Debt

At June 30, 2018, the School District had \$1,558,672 in bonds and a capital lease payable versus of \$1,768,006 in the prior fiscal year. Other obligations include 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 2018-2019 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.

STATEMENT A

STOWE TOWN SCHOOL DISTRICT

STATEMENT OF NET POSITION
JUNE 30, 2018

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 2,545,059	\$ 47,911	\$ 2,592,970
Investments	275,546	-	275,546
Accounts receivable (net of allowance for uncollectibles)	84,742	19,436	104,178
Prepaid items	32,435	-	32,435
Total current assets	2,937,782	67,347	3,005,129
Noncurrent assets:			
Capital assets:			
Buildings, building improvements and other assets, net of accumulated depreciation	6,296,444	-	6,296,444
Total noncurrent assets	6,296,444	-	6,296,444
TOTAL ASSETS	9,234,226	67,347	9,301,573
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	134,233	-	134,233
TOTAL DEFERRED OUTFLOWS OF RESOURCES	134,233	-	134,233
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 9,368,459	\$ 67,347	\$ 9,435,806
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 1,134,649	\$ 22,428	\$ 1,157,077
Current portion of long-term obligations	209,334	-	209,334
Total current liabilities	1,343,983	22,428	1,366,411
Noncurrent liabilities:			
Noncurrent portion of long-term obligations:			
Bonds payable	1,260,000	-	1,260,000
Capital lease payable	89,338	-	89,338
Net pension liability	251,173	-	251,173
Total noncurrent liabilities	1,600,511	-	1,600,511
TOTAL LIABILITIES	2,944,494	22,428	2,966,922
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	35,459	-	35,459
TOTAL DEFERRED INFLOWS OF RESOURCES	35,459	-	35,459
NET POSITION			
Net investment in capital assets	4,737,772	-	4,737,772
Restricted: Capital projects fund	675,084	19,436	694,520
Unrestricted	975,650	25,483	1,001,133
TOTAL NET POSITION	6,388,506	44,919	6,433,425
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 9,368,459	\$ 67,347	\$ 9,435,806

See accompanying independent auditors' report and notes to financial statements.

STATEMENT B

STOWE TOWN SCHOOL DISTRICT

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue & Changes in Net Position	
		Operating Grants & Contributions	Capital Grants & Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:						
Direct services	\$ 7,489,321	\$ 380,512	\$ 2,305	\$ -	\$ -	\$ (7,106,504)
Support services:						
Student services	1,056,847	-	-	-	-	(1,056,847)
Instructional staff services	268,010	-	-	-	-	(268,010)
General administrative services	201,941	-	-	-	-	(201,941)
Area administrative services	780,901	-	-	-	-	(780,901)
Fiscal services	223,207	-	-	-	-	(223,207)
Operations and maintenance	1,140,359	-	-	-	-	(1,140,359)
Information services	74,475	-	-	-	-	(74,475)
Transportation	254,881	-	-	-	-	(254,881)
Program expenses	85,471	-	-	-	-	(85,471)
On-behalf payments	1,981,567	1,981,567	-	-	-	-
Interest on long-term debt	75,907	-	-	-	-	(75,907)
Capital outlay	105,670	-	-	-	-	(105,670)
Total governmental activities	13,738,557	380,512	1,983,872	-	(11,374,173)	(11,374,173)
Business-type activities:						
Food service	254,797	196,238	55,620	-	-	(2,939)
Total business-type activities	254,797	196,238	55,620	-	-	(2,939)
Total government	\$ 13,993,354	\$ 576,750	\$ 2,039,492	\$ -	(11,374,173)	(2,939)
						(11,377,112)

STATEMENT B (CONTINUED)
STOWE TOWN SCHOOL DISTRICT

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018

	Governmental Activities	Business-type Activities	Total
Changes in net position:			
Net (expense) revenue	<u>(11,374,173)</u>	<u>(2,939)</u>	<u>(11,377,112)</u>
General revenues:			
Grants and contributions not restricted to specific programs	11,092,250	-	11,092,250
Miscellaneous	<u>167,251</u>	<u>6,594</u>	<u>173,845</u>
Total general revenues and transfers	<u>11,259,501</u>	<u>6,594</u>	<u>11,266,095</u>
Change in net position	(114,672)	3,655	(111,017)
NET POSITION - JULY 1	<u>6,503,178</u>	<u>41,264</u>	<u>6,544,442</u>
NET POSITION - JUNE 30	<u>\$ 6,388,506</u>	<u>\$ 44,919</u>	<u>\$ 6,433,425</u>

See accompanying independent auditors' report and notes to financial statements.

STATEMENT C

STOWE TOWN SCHOOL DISTRICT

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2018

	General Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 2,545,059	\$ -	\$ -	\$ 2,545,059
Investments	-	275,546	-	275,546
Accounts receivable (net of allowance for uncollectibles)	49,681	3,500	31,561	84,742
Prepaid items	32,435	-	-	32,435
Due from other funds	78,640	451,559	-	530,199
TOTAL ASSETS	<u>\$ 2,705,815</u>	<u>\$ 730,605</u>	<u>\$ 31,561</u>	<u>\$ 3,467,981</u>
LIABILITIES				
Accounts payable	\$ 1,077,766	\$ 55,521	\$ 1,362	\$ 1,134,649
Due to other funds	500,000	-	30,199	530,199
TOTAL LIABILITIES	<u>1,577,766</u>	<u>55,521</u>	<u>31,561</u>	<u>1,664,848</u>
FUND BALANCES				
Nonspendable - prepaid items	32,435	-	-	32,435
Restricted	-	675,084	-	675,084
Committed	600,000	-	-	600,000
Assigned	495,614	-	-	495,614
Unassigned	-	-	-	-
TOTAL FUND BALANCES	<u>1,128,049</u>	<u>675,084</u>	<u>-</u>	<u>1,803,133</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,705,815</u>	<u>\$ 730,605</u>	<u>\$ 31,561</u>	<u>\$ 3,467,981</u>

See accompanying independent auditors' report and notes to financial statements.

STATEMENT D

STOWE TOWN SCHOOL DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION

JUNE 30, 2018

	Total Governmental Funds
Total Fund Balances	\$ 1,803,133
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	6,296,444
Deferred outflows of resources related to pensions are not financial resources and therefore are not reported in the funds	134,233
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	(1,380,000)
Capital leases payable	(178,672)
Net pension liability	(251,173)
Deferred inflows of resources related to pensions are not financial resources and therefore are not reported in the funds	<u>(35,459)</u>
Net position of governmental activities	<u>\$ 6,388,506</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, 2018

	General Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
REVENUES				
Intergovernmental revenues	\$ 11,745,243	\$ -	\$ -	\$ 11,745,243
Tuition	380,512	-	-	380,512
Interest income	45,578	1,521	-	47,099
Miscellaneous revenues	88,592	-	31,560	120,152
TOTAL REVENUES	12,259,925	1,521	31,560	12,293,006
EXPENDITURES				
Current:				
Direct services	7,380,752	-	-	7,380,752
Support services:				
Student services	1,055,284	-	-	1,055,284
Instructional staff services	258,817	-	-	258,817
General administrative services	201,941	-	-	201,941
Area administrative services	778,454	-	-	778,454
Fiscal services	223,207	-	-	223,207
Operations and maintenance	1,070,457	-	-	1,070,457
Information services	74,475	-	-	74,475
Transportation	254,881	-	-	254,881
On-behalf payments	650,688	-	-	650,688
Program expenses	53,911	-	31,560	85,471
Debt service:				
Principal	120,000	-	-	120,000
Interest	75,907	-	-	75,907
Capital outlay	-	105,630	-	105,630
TOTAL EXPENDITURES	12,198,774	105,630	31,560	12,336,004
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	61,151	(104,149)	-	(42,998)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	500,000	-	500,000
Transfers (out)	(500,000)	-	-	(500,000)
TOTAL OTHER FINANCING SOURCES (USES)	(500,000)	500,000	-	-
NET CHANGE IN FUND BALANCES	(438,849)	395,851	-	(42,998)
FUND BALANCES - JULY 1	1,566,898	279,233	-	1,846,131
FUND BALANCES - JUNE 30	\$ 1,128,049	\$ 675,084	\$ -	\$ 1,803,133

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, 2018

Net change in fund balances - total governmental funds (Statement E)	<u>\$ (42,998)</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	7,092
Depreciation expense	<u>(306,639)</u>
	<u>(299,547)</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>(13,313)</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>209,334</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>(2,504)</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>34,356</u>
Change in net position of governmental activities (Statement B)	<u>\$ (114,672)</u>

See accompanying independent auditors' report and notes to financial statements.

STATEMENT G

STOWE TOWN SCHOOL DISTRICT

STATEMENT OF NET POSITION - PROPRIETARY FUNDS
JUNE 30, 2018

	Business-type Activities
	<u>Enterprise Fund</u>
	Food Service
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 47,911
Accounts receivable (net of allowance for uncollectibles)	<u>19,436</u>
Total current assets	<u>67,347</u>
Noncurrent assets:	
Capital assets:	
Furniture and equipment	57,129
Less: accumulated depreciation	<u>(57,129)</u>
Total noncurrent assets	<u>-</u>
TOTAL ASSETS	\$ 67,347
LIABILITIES	
Current liabilities:	
Accounts payable	\$ 22,428
Total current liabilities	<u>22,428</u>
TOTAL LIABILITIES	<u>22,428</u>
NET POSITION	
Restricted	19,436
Unrestricted	<u>25,483</u>
TOTAL NET POSITION	<u>44,919</u>
TOTAL LIABILITIES AND NET POSITION	\$ 67,347

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, 2018		
	Business-type Activities	
	<u>Enterprise Fund</u>	
	Food Service	
	<u> </u>	
OPERATING REVENUES		
Intergovernmental	\$ 55,620	
Charges for services	196,238	
Miscellaneous	6,511	
TOTAL OPERATING REVENUES	<u>258,369</u>	
OPERATING EXPENSES		
Salaries	112,203	
Benefits	8,217	
Contract services	39,931	
Repairs and maintenance	2,268	
Supplies and food	86,976	
Equipment	506	
Other	4,696	
TOTAL OPERATING EXPENSES	<u>254,797</u>	
OPERATING INCOME (LOSS)	<u>3,572</u>	
NONOPERATING REVENUES (EXPENSES)		
Interest Income	83	
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>83</u>	
CHANGES IN NET POSITION	3,655	
NET POSITION - JULY 1	<u>41,264</u>	
NET POSITION - JUNE 30	<u>\$ 44,919</u>	

See accompanying independent auditors' report and notes to financial statements.

STATEMENT I

STOWE TOWN SCHOOL DISTRICT

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	Business-type Activities
	Enterprise Fund
	Food Service
	<u> </u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	\$ 183,313
Intergovernmental receipts	70,222
Payments to suppliers	<u>(255,484)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(1,949)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,866)
CASH AND CASH EQUIVALENTS - JULY 1	<u>49,777</u>
CASH AND CASH EQUIVALENTS - JUNE 30	<u>\$ 47,911</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:	
Operating income (loss)	\$ 3,572
Changes in operating assets, liabilities and deferred inflows of resources:	
(Increase) decrease in accounts receivable	(19,436)
(Increase) decrease in due from other governments	14,602
(Increase) decrease in inventory	680
(Increase) decrease in prepaid items	797
(Decrease) increase in accounts payable	<u>(2,164)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (1,949)</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, 2018

	Agency Funds Student Activities	Total Private-purpose Funds
ASSETS		
Cash and cash equivalents	\$ 177,242	\$ 117,832
Investments	-	2,656,199
TOTAL ASSETS	<u>\$ 177,242</u>	<u>\$ 2,774,031</u>
LIABILITIES		
Accounts payable	\$ -	\$ 466,900
Deposits held for others	177,242	-
TOTAL LIABILITIES	<u>\$ 177,242</u>	<u>466,900</u>
NET POSITION		
Restricted - held in trust		2,307,131
TOTAL NET POSITION		<u>\$ 2,307,131</u>

See accompanying independent auditors' report and notes to financial statements.

STATEMENT K

STOWE TOWN SCHOOL DISTRICT

STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	Total Private-purpose Funds
ADDITIONS	
Investment earnings:	
Income earned	\$ 88,232
Net increase (decrease) in fair value of investments	137,112
Total additions	<u>225,344</u>
DEDUCTIONS	
Scholarship awards	193,500
Administrative expenses	18,382
Total deductions	<u>211,882</u>
CHANGE IN NET POSITION	13,562
NET POSITION - JULY 1	<u>2,293,569</u>
NET POSITION - JUNE 30	<u>\$ 2,307,131</u>

See accompanying independent auditors' report and notes to financial statements.

STOWE TOWN SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

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, 2018, the following statements of financial accounting standards issued by the Governmental Accounting Standards Board became effective:

Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other than Pensions." The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. 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

STOWE TOWN SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. 85, "Omnibus 2017." The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 86, "Certain Debt Extinguishment Issues." The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources - resources other than the proceeds of refunding debt - are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. 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 columns are (a) presented on a consolidated basis by column, and (b) are reported on a full accrual, economic resources basis, which recognizes all long-term assets and

STOWE TOWN SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.) excluding fiduciary activities. 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. Program revenues must be directly associated with the function or business-type activities. 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.

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:

STOWE TOWN SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

Nonmajor Funds:

- a. Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

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) 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.

STOWE TOWN SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 nonmajor funds are combined in a column in the fund financial statements.

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.

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.

STOWE TOWN SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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	\$ 11,609,237
Add: On-behalf payments	650,688
Total GAAP basis	<u>\$ 12,259,925</u>
Expenditures per budgetary basis	\$ 12,048,086
Add: On-behalf basis	650,688
Total GAAP basis	<u>\$ 12,698,774</u>

The following procedures are followed in establishing budgetary data reflected in the financial statements:

1. The annual school budget is the planning management tool, which delineates the District's educational priorities and programs and forms the basis for voter review and approval of the budget according to applicable State of Vermont education finance laws.
2. The Board budget process includes input from school district administration and staff, educational priorities for the next school year, along with public hearings, which include the Board of Commissioners and general public.
3. The budget document itself is based upon the most current funding information available along with the projection of current revenues and expenditures for the next year. At the conclusion of the budget process, a final budget is approved by the Board of Commissioners.

STOWE TOWN SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 \$104,178 for the year ended June 30, 2018. The allowance for uncollectible accounts is estimated to be \$0 as of June 30, 2018.

Prepaid Items

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.

STOWE TOWN SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 both the Governmental and Proprietary 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

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, a capital lease 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

STOWE TOWN SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

OPEB

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, information about the fiduciary net position of the Vermont State Teachers' Retirement System (VSTRS). Additions to/deductions from the VSTRS OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by VSTRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

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, 2018

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.

STOWE TOWN SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. The School District currently has one type of this item, deferred inflows related to pensions. This item is reported 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.

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.

STOWE TOWN SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2018

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, 2018, the School District's cash balance of \$2,888,044 was comprised of bank deposits of \$4,413,672. Of these bank deposits, \$4,169,940 was fully insured by federal depository insurance and consequently was not exposed to custodial credit risk. The remaining deposits of \$243,687 were not collateralized and consequently were exposed to custodial credit risk.

Checking accounts	\$ 493,687
ICS	3,826,308
Cash equivalents	93,632
	<u>\$ 4,413,627</u>

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.

STOWE TOWN SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

At June 30, 2018, 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
Debt securities:					
Corporate bonds: fixed income	\$ 489,659	\$ -	\$ 192,320	\$ 147,475	\$ 150,164
Municipal bonds	68,580	-	20,181	-	48,399
Mutual funds: fixed income	548,039	548,039	-	-	-
Equity securities:					
Common stock	1,277,000	1,277,000	-	-	-
Preferred stock	8,409	8,409	-	-	-
Mutual funds and exchange-traded funds	54,389	54,389	-	-	-
Unit investment trusts	210,123	-	210,123	-	-
Certificates of deposit	275,546	-	275,546	-	-
	<u>\$ 2,931,745</u>	<u>\$ 1,887,837</u>	<u>\$ 697,370</u>	<u>\$ 147,475</u>	<u>\$ 198,563</u>

Of the School District's investments of \$2,931,745, \$500,000 were covered by the Securities Investor Protection Corporation (SIPC). The remaining investments of \$2,431,745 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, 2018:

	June 30, 2018 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)
Investments by fair value level				
Debt securities:				
Corporate bonds: fixed income	\$ 489,659	\$ -	\$ 489,659	\$ -
Municipal bonds	68,580	-	68,580	-
Mutual funds: fixed income	548,039	548,039	-	-
Equity securities:				
Common stock	1,277,000	1,277,000	-	-
Preferred stock	8,409	8,409	-	-
Mutual funds and exchange-traded funds	54,389	54,389	-	-
Unit investment trusts	210,123	210,123	-	-
Total investments by fair value level	<u>\$ 2,431,745</u>	<u>\$ 2,087,960</u>	<u>\$ 558,239</u>	<u>-</u>

STOWE TOWN SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2018

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

Equity securities and mutual funds classified in Level 1 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, 2018 in a manner consistent with the Financial Accounting Standards Board's measurement principles for investment companies. Certificates of deposit held with the local financial institutions for \$275,546 are excluded from the hierarchy as these investments are considered held to maturity and are therefore not measured at fair value.

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 School District does not have an investment policy on credit risk. As of June 30, 2018, the School District's investments in corporate and municipal bonds were rated A- (\$120,689), A (\$9,375), AA (\$48,398), B (\$7,197), BB (\$102,288), BBB+ (\$64,047), BBB (\$111,280) and BB- (\$74,784) by Standard & Poor's Rating Service. Credit ratings were not available for certain other corporate and municipal bond holdings totaling \$20,181.

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 following is a summary of the interfund balances at June 30, 2018.

	Receivables (Due from)	Payables (Due to)
General Fund	\$ 78,640	\$ 500,000
Capital Project Funds	451,559	-
Nonmajor Special Revenue Funds	-	30,199
	<u>\$ 530,199</u>	<u>\$ 530,199</u>

STOWE TOWN SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 4 - CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended June 30, 2018:

	Balance 7/1/17	Additions	Disposals	Balance 6/30/18
Governmental activities:				
Depreciated assets:				
Land improvements	\$ 225,728	\$ -	\$ -	\$ 225,728
Buildings	3,174,619	-	-	3,174,619
Building improvements	8,409,529	-	-	8,409,529
Infrastructure	376,382	-	-	376,382
Furniture and equipment	1,396,727	7,092	-	1,403,819
	13,582,985	7,092	-	13,590,077
Less: accumulated depreciation	(6,986,994)	(308,639)	-	(7,295,633)
	<u>6,595,991</u>	<u>(299,547)</u>	<u>-</u>	<u>6,296,444</u>
Net governmental capital assets	\$ 6,595,991	\$ (299,547)	\$ -	\$ 6,296,444
Business-type activities:				
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	\$ -	\$ -	\$ -	\$ -
Current year depreciation:				
Direct services				\$ 216,442
S.S. - students				1,563
S.S. - staff				9,193
S.S. - area administration				2,447
Operations & maintenance				76,994
Total depreciation expense				<u>\$ 306,639</u>

NOTE 5 - SHORT-TERM DEBT

In June of 2017, the District issued a tax anticipation note in anticipation of tax revenues to meet its operating obligations during the fiscal year. The note, a line of credit, allowed principal draws up to \$1,313,400 with a maturity date of June 29, 2018. June 29, 2018, the note was paid in full. Interest expense for the note was \$16,757.

	Balance, 7/1/17	Additions	Reductions	Balance, 6/30/18
Tax/revenue anticipation note	\$ -	\$ 1,313,400	\$ (1,313,400)	\$ -

STOWE TOWN SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 6 - LONG-TERM DEBT

A summary of long-term debt for the year ended June 30, 2018 is as follows:

	Balance, 7/1/17	Additions	Deletions	Balance, 6/30/18	Current Year Portion
Bonds payable	\$ 1,500,000	\$ -	\$ (120,000)	\$ 1,380,000	\$ 120,000
Capital lease payable	268,006	-	(89,334)	178,672	89,334
Net pension liability	285,529	-	(34,356)	251,173	-
Total	\$ 2,053,535	\$ -	\$ (243,690)	\$ 1,809,845	\$ 209,334

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 \$90,300 through November of 2028. Interest ranging from 3.65% to 4.65% payable semi-annually through November of 2028, with savings allocations ranging from \$1,389 to \$6,608 rebated through November of 2028.	\$ 990,000
\$450,000, Vermont Municipal Bond Bank 2016 Series 2 Refunding Bond due in principal installments of \$30,300 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.	390,000
	<u>\$ 1,380,000</u>

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
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	120,000	32,389	152,389
2024-2028	600,000	84,536	684,536
2029-2034	180,000	6,765	186,765
	<u>\$ 1,380,000</u>	<u>\$ 305,252</u>	<u>\$ 1,685,252</u>

The following is a summary of the outstanding capital lease 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.

STOWE TOWN SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 6 - LONG-TERM DEBT (CONTINUED)

The following is a summary of outstanding capital lease requirements for the following fiscal years ending June 30:

Year Ending June 30:	
2019	\$ 93,280
2020	<u>93,281</u>
Total minimum lease payments	186,561
Less amount representing interest	<u>(7,889)</u>
Present value of future minimum lease payments	<u>\$ 178,672</u>

NOTE 7 - NONSPENDABLE FUND BALANCE

At June 30, 2018, the School District had the following nonspendable fund balance:

General fund:	
Prepaid items	<u>\$ 32,435</u>

NOTE 8 - RESTRICTED FUND BALANCE

At June 30, 2018, the School District had the following restricted fund balance:

Capital projects fund	<u>\$ 675,084</u>
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NOTE 9 - COMMITTED FUND BALANCES

At June 30, 2018, the School District had the following committed fund balances:

General fund:	
Transfer to Capital projects FY 2019 budget	<u>\$ 300,000</u>
	<u>300,000</u>
	<u>\$ 600,000</u>

NOTE 10 - ASSIGNED FUND BALANCE

At June 30, 2018, the School District had the following assigned fund balance:

General fund:	
Reserved for future operations	<u>\$ 495,614</u>

STOWE TOWN SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS

VERMONT STATE TEACHERS' RETIREMENT SYSTEM

Plan Description

All of the teachers employed by the Supervisory Union 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 Union 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, 2017 (the most recent period available), the retirement system consisted of 299 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.

STOWE TOWN SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

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.

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 50 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

STOWE TOWN SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

VSTRS	Group A	Group C - Group # 1	Group C - Group # 2
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

Contributions

VSTRS is a cost-sharing public employee retirement system with one exception: all risks and costs are not shared by the School 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 School 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 School District's employees included in the teacher's retirement plan which approximates \$650,688 or 13.58% of total payroll for employees covered under the plan.

STOWE TOWN SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
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NOTE 11 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

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 \$257,107 during the year and were paid by the School District to the State of Vermont. The School District has no other liability under the plan. The School District's total payroll for all employees covered under this plan was \$4,791,515 for the year ended June 30, 2018.

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 School 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

STOWE TOWN SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
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NOTE 11 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

nominees. The list of four nominees is jointly submitted by the Vermont League of Cities and Schools 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.

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 School 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:

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

STOWE TOWN SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

VMERS	Group A	Group B	Group C	Group D
Benefit Formula - normal service Retirement (no reduction)	1.7% 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.

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

STOWE TOWN SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

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, 2018 totaled \$21,251. The School District contributed \$34,001 for the year ended June 30, 2018. The School District's total payroll for the year ended June 30, 2018 for all employees covered under this plan was \$850,035.

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, 2018. The State's portion of the collective net pension liability that was associated with the School District was as follows:

School's proportionate share of the net pension liability	\$ -
State's proportionate share of the net pension liability associated with the Town	<u>10,282,569</u>
Total	<u>\$ 10,282,569</u>

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, 2017, 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, 2017, the School District's proportion was 0.6936% which was an increase of 0.0187% from its proportion measured as of June 30, 2016.

VMERS Plan

At June 30, 2018, the School District reported a liability of \$251,173 for its proportionate share of the net pension liabilities for each plan. The net pension liabilities were measured as of June 30, 2017, 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

STOWE TOWN SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

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, 2017, the School District's proportion was 0.2073% for VMERS, which was a decrease of 0.0146% from its proportion measured as of June 30, 2016 for VMERS.

Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2018, the School District recognized total pension expense of \$1,196,772 and revenue of \$1,196,772 for support provided by the State of Vermont for the VSTRS plan. In the same period, the School District recognized pension revenue of \$18,539 for the VMERS plan. At June 30, 2018, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	VSTRS		VMERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -	\$ 3,654	\$ 6,218
Changes of assumptions	-	-	52,583	-
Net difference between projected and actual earnings on pension plan investments	-	-	41,834	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	-	2,161	29,241
Contributions subsequent to the measurement date	-	-	34,001	-
Total	\$ -	\$ -	\$ 134,233	\$ 35,459

\$34,001 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, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

STOWE TOWN SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

	VSTRS Plan	VMERS Plan
Plan year ended June 30:		
2018	\$ -	\$ 21,247
2019	-	36,244
2020	-	11,105
2021	-	(3,822)
2022	-	-
Thereafter	-	-

Significant Actuarial Assumptions and Methods

The total pension liability for the June 30, 2017 measurement date was determined by an actuarial valuation as of June 30, 2016 rolled forward to June 30, 2017 using the actuarial assumptions outlined below. These assumptions were selected on the basis of the experience study that was performed on July 27, 2015:

Investment Rate of Return: For both plans, 7.50% per annum.

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 2.50% 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	7.78%
30	6.47%
35	5.60%
40	4.92%
45	4.43%
50	4.09%
55	3.85%
60	3.75%

For the VMERS plan, increases are 5.00% per year.

Deaths After Retirement: The VSTRS plan used the RP-2014 White Collar Employee with generational improvement Table for pre-retirement, the RP-2014 White

STOWE TOWN SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

Collar Annuitant with generational improvement Table for healthy retirees, and the RP-2014 Disabled Mortality Table for disabled retirees.

Mortality rates for pre-retirement, healthy retirees and disabled retirees in the VMERS plan for Groups A, B, C and D were based variations of RP-2014 Tables with generational improvement using Scale SSA-2017 as follows:

- Pre-retirement - Groups A, B, and C blended with a 60% Blue Collar Employee and 40% Healthy Employee, and Group D with a Blue Collar Annuitant Table
- Healthy Retiree - Groups A, B and C with a 60% Blue Collar Annuitant and 40% Healthy Annuitant, and Group D with a Blue Collar Annuitant Table
- Disabled Retiree - All Groups with a Disabled Mortality Table

Separation from Service Before Retirement (Due to Withdrawal and Disability):
 Representative values of the assumed annual rates of withdrawal and disability are as follows:

VSTRS Plan: Age	Withdrawal		Disability	
	Male	Female	Male	Female
25	21.00%	20.00%	0.005%	0.008%
30	12.60%	14.00%	0.008%	0.008%
35	8.40%	11.30%	0.010%	0.008%
40	6.50%	9.03%	0.015%	0.010%
45	5.80%	6.30%	0.026%	0.023%
50	5.40%	5.25%	0.067%	0.070%
55	5.40%	5.04%	0.044%	0.048%
60	5.40%	5.04%	0.147%	0.084%

STOWE TOWN SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

VMERS Plan:

Service	Withdrawal		
	Male	Female	
	All Ages	Ages 25-34	Other Ages
0	22.5%	45.0%	30.0%
1	16.2%	33.0%	22.0%
2	13.5%	27.0%	18.0%
3	12.2%	22.5%	15.0%
4	10.8%	18.0%	12.0%
5	9.0%	15.0%	10.0%
6	8.1%	13.5%	9.0%
7	7.2%	12.0%	8.0%
8	7.2%	9.0%	6.0%
9	6.3%	9.0%	6.0%
10+	3.6%	7.5%	5.0%

Disability

Age	Male	Female
25	0.0100%	0.3050%
30	0.0130%	0.3065%
35	0.0170%	0.3085%
40	0.0300%	0.3150%
45	0.0500%	0.3250%
50	0.0900%	0.3450%
55	0.1800%	0.3900%
60	0.3150%	0.1575%
65	0.3150%	0.1575%

Retirement Rates: For the VSTRS plan:

Age	Reduced Early Retirement		Full Early Retirement
	Group A	Group C	Grandfathered (Group C)
55	6.13%	6.13%	6.13%
56	6.25%	6.25%	6.25%
57	6.25%	6.25%	6.25%
58	6.25%	6.25%	6.25%
59	9.38%	9.38%	9.38%
60	12.50%	18.75%	18.75%
61	18.75%	18.75%	18.75%

STOWE TOWN SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

Service Retirement

Age	Group A	Group C	
		Non-Grandfathered	Grandfathered
60	12.5%	17.0%	N/A
61	18.3%	17.0%	N/A
62	25.0%	20.0%	20.0%
63	22.0%	22.0%	22.0%
64	22.0%	22.0%	22.0%
65	33.0%	33.0%	33.0%
66	33.0%	33.0%	33.0%
67	33.0%	33.0%	33.0%
68	22.0%	22.0%	22.0%
69	33.0%	33.0%	33.0%
70	100.0%	100.0%	100.0%

Retirement After 30 Years of Service

Age	Group A	Grandfathered (Group C)
49	0.00%	0.00%
50	40.00%	40.00%
51	20.00%	20.00%
52	20.00%	20.00%
53	20.00%	20.00%
54	20.00%	20.00%
55	20.00%	8.75%
56	10.00%	6.25%
57	10.00%	6.25%
58	10.00%	10.00%
59	10.00%	10.00%
60	30.00%	25.00%
61	25.50%	17.00%

STOWE TOWN SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

For the VMERS Plan:

Retirement Group A

Age	Male	Female	Age	Male	Female
55	3.0%	4.9%	63	21.0%	22.5%
56	7.5%	7.7%	64	21.0%	25.0%
57	5.0%	7.0%	65	56.0%	25.0%
58	5.0%	4.9%	66	15.0%	20.0%
59	7.2%	7.0%	67	20.0%	30.0%
60	7.2%	4.9%	68	20.0%	20.0%
61	12.0%	10.5%	69	20.0%	20.0%
62	28.0%	10.5%	70	100.0%	100.0%

Retirement Group B

Age	Male	Female	Age	Male	Female
55	4.9%	4.9%	63	24.0%	14.0%
56	4.9%	4.9%	64	18.0%	14.0%
57	4.9%	8.4%	65	48.0%	28.0%
58	4.9%	8.4%	66	30.0%	18.0%
59	4.9%	4.9%	67	30.0%	14.0%
60	4.9%	8.4%	68	30.0%	14.0%
61	14.0%	10.5%	69	30.0%	14.0%
62	36.0%	17.5%	70	100.0%	100.0%

Retirement Group C

Age	Male	Female	Age	Male	Female
55	30.0%	0.0%	63	10.0%	20.0%
56	10.0%	5.0%	64	20.0%	20.0%
57	5.0%	5.0%	65	35.0%	35.0%
58	20.0%	25.0%	66	35.0%	35.0%
59	20.0%	5.0%	67	35.0%	35.0%
60	10.0%	5.0%	68	35.0%	35.0%
61	10.0%	5.0%	69	35.0%	35.0%
62	40.0%	5.0%	70	100.0%	100.0%

STOWE TOWN SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

Retirement Group D

Age	<20 Years of Service	20+ Years of Service	Age	<20 Years of Service	20+ Years of Service
50	0.0%	40.0%	58	10.0%	10.0%
51	0.0%	35.0%	59	10.0%	10.0%
52	0.0%	30.0%	60	15.0%	15.0%
53	0.0%	25.0%	61	10.0%	10.0%
54	0.0%	20.0%	62	25.0%	25.0%
55	15.0%	15.0%	63	25.0%	25.0%
56	10.0%	10.0%	64	25.0%	25.0%
57	10.0%	10.0%	65	100.0%	100.0%

Inactive Members: Valuation liability for the VSTRS plan equals 332.5% of accumulated contributions and 200% for the VMERS plan.

Future Administrative Expenses: No provisions were made for the VSTRS plan. For the VMERS plan, an expense adjustment based on actual expenses for the previous year is reflected in the development of recommended employer contribution levels.

Unknown Data for Participants: For both plans, they are the same as those exhibited by participants with similar known characteristics. If not specified, participants are assumed to be male.

Percent Married: For both plans, 85% of male members are assumed to be married. 35% of female members for the VSTRS plan and 50% of female members for the VMERS plan are assumed to be married.

Spouse's Age: For both plans, husbands are assumed to be three years older than their wives.

Cost-of-Living Adjustments: Adjustments for both plans are assumed to occur on January 1 following one year of retirement. For the VSTRS plan this occurs at the rate of 2.55% per annum for Group A members and 1.40% per annum for Group C members (beginning at age 62 for Group C members who elect reduced early retirement). For the VMERS plan, this occurs at the rate of 1.15% per annum for Group A members and 1.30% per annum for Groups B, C and D members (beginning Normal Retirement eligibility age for members who elect reduced early retirement, at age 62 for Group A, B and D members who receive a disability retirement benefit and at age 55 for members of Group C who receive a disability retirement benefit).

STOWE TOWN SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

Actuarial Cost Method: For both plans is the Entry Age Actuarial Cost Method. Entry age is the age at date of employment, or, if date is unknown, current age minus years of service. Normal Cost and Accrued Actuarial Liability are calculated on an individual basis and are allocated by salary, with Normal Cost determined using the plan of benefits applicable to each participant.

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 a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) developed for each major asset class. These best estimate ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic rates of return for each major asset class included in the target asset allocation as of June 30, 2017 are summarized in the following table:

STOWE TOWN SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
US Equity	16.00%	6.07%
Non-US Equity	16.00%	7.42%
Global Equity	9.00%	6.85%
Fixed Income	24.00%	2.41%
Real Estate	8.00%	4.62%
Private Markets	15.00%	7.80%
Hedge Funds	8.00%	3.95%
Risk Parity	4.00%	4.84%

Discount Rate

The discount rate used to measure the total pension liability was 7.50% 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 which exceeds the actuarially determined contribution rate. 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 School 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 7.50% for both the VSTRS and VMERS plans, 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 (6.50%) or 1 percentage point higher (8.50%) than the current rate:

<u>VMERS:</u> Discount rate	6.50%	7.50%	8.50%
School's proportionate share of the net pension liability	\$ 448,453	\$ 251,173	\$ 87,561

STOWE TOWN SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

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. 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

NOTE 12 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN

VERMONT STATE TEACHERS' RETIREMENT SYSTEM

Plan Description

The Vermont State Teachers' Retirement System provides postemployment benefits to eligible VSTRS employees who retire from the System through a cost-sharing, multiple-employer postemployment benefit (OPEB) plan (the Plan).

The plan covers nearly all public day school and nonsectarian private high school teachers and administrators as well as teachers in schools and teacher training institutions within and supported by the State 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, 2017 (the most recent period available), the plan consisted of 266 participating employers.

Vermont Statute Title 16 Chapter 55 assigns the authority to VSTRS to establish and amend the benefits provisions of the Plan and to establish maximum obligations of the Plan members to contribute to the Plan. Management of the Plan is vested in the Vermont State Teachers' Retirement System Board of Trustees, which consists of the Secretary of Education (ex-officio); the State Treasurer (ex-officio); the Commissioner of Financial Regulation (ex-officio); two trustees and one alternate who are members of the system (each elected by the system under rules adopted by the Board) and one trustee and one alternate who are retired members of the system receiving retirement benefits (who are elected by the Association of Retired Teachers of Vermont).

All assets of the Plan are held in a single trust and are available to pay OPEB benefits to all members. The Vermont State Agency of Administration issues a publicly available Comprehensive Annual Financial Report (CAFR) that includes financial

STOWE TOWN SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 12 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

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.

Benefits Provided

VSTRS retirees and their spouses are eligible for medical, prescription drug and dental benefits on a lifetime basis if the retiree is eligible for pension benefits, as described in the Notes to Financial Statements for Defined Benefit Plan(s).

Contributions

Varying levels of contributions are required from retirees and spouses for medical and prescription drug coverage at the following premium subsidy rates:

	Retiree Subsidy		Spouse Subsidy*	
Retired before June 30, 2010	At least ten years of service-80% of premium Less than ten years of service-0% of premium		0% of premium	
Retired after June 30, 2010	10 years or more of service at June 30, 2010-80% of premium		Years of service at June 30, 2010-80% of premium:	
	Less than 10 years of service at June 30, 2010:			
	Less than 15 years at retirement	Less than 15 years at retirement	Less than 10 years	25 years at retirement
	15-19.99 years at retirement	15-19.99 years at retirement	10-14.99 years	25 years at retirement
	20-24.99 years at retirement	20-24.99 years at retirement	15-24.99 years	10 additional years from June 30, 2010
25 years or more at retirement	25 years or more at retirement	25-29.99 years	35 years at retirement	
		30 or more years	5 additional years from June 30, 2010	

* Spouses of retirees who do not meet the requirements for an 80% subsidy can receive unsubsidized coverage

STOWE TOWN SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2018

NOTE 12 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Premium Reduction Option: Participants retiring on or after January 1, 2007 with a VSTRS premium subsidy have a one-time option to reduce the VSTRS subsidy percentage during the retiree's life so that a surviving spouse may continue to receive the same VSTRS subsidy for the spouse's lifetime. If the retiree elects the joint and survivor pension option but not the Premium Reduction Option, spouses are covered for the spouse's lifetime but pay 100% of the plan premium after the retiree's death.

OPEB Liabilities

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. 75 and the State is treated as a nonemployer to VSTRS. Since the School District does not contribute directly to VSTRS, no net OPEB liability was recorded at June 30, 2018. The State's portion of the collective net OPEB liability that was associated with the School District was as follows:

School District's proportionate share of the net OPEB liability	\$ -
State's proportionate share of the net OPEB liability associated with the School District	<u>588,843</u>
Total	<u>\$ 588,843</u>

The State of Vermont's proportionate share of the net OPEB liability associated with the School District is equal to the collective net OPEB liability, actuarially measured as of June 30, 2017, 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, 2017, the School District's proportion was 0.6317% which was an increase of 0.0379% from its proportion measured as of June 30, 2016.

OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2018, the School District recognized total OPEB expense of \$134,107 and revenue of \$134,107 for support provided by the State of Vermont for the Plan. At June 30, 2018, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

STOWE TOWN SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2018

NOTE 12 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

	VSTRS OPEB Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	.	.
Changes in proportion and differences between contributions and proportionate share of contributions	.	.
Contributions subsequent to the measurement date	-	-
Total	\$ -	\$ -

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to CPEB will be recognized in pension expense as follows:

	VSTRS OPEB Plan
Plan year ended June 30:	
2018	\$ -
2019	-
2020	-
2021	-
2022	-
Thereafter	-

Discount Rate

The discount rate is the single rate of return, that when applied to all projected benefit payments, results in an actuarial present value that is the sum of the actuarial present value of projected benefit payments projected to be funded by plan assets using a long term rate of return, and the actuarial present value of projected benefit payments that are not included in (1) using a yield or index rate for 20 year tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The sensitivity of net OPEB liability to changes in discount rate are as follows:

STOWE TOWN SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 12 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

	1% Decrease	Discount Rate	1% Increase
VSTRS OPEB Plan:			
Discount rate	2.580%	3.580%	4.580%
School District's proportionate share of the net OPEB liability	\$ -	\$ -	\$ -

Healthcare Trend Rate

Health care trend measures the anticipated overall rate at which health plan costs are expected to increase in future years. The trend rate assumptions were developed using Segal's internal guidelines, which are established each year using data sources such as the 2018 Segal Health Trend Survey, internal client results, trends from other published surveys prepared by the S&P Dow Jones Indices, consulting firms and brokers, and CPI statistics published by the Bureau of Labor Statistics. The sensitivity of net OPEB liability to changes in healthcare trend rates are as follows:

	1% Decrease	Healthcare Trend Rates	1% Increase
School District's proportionate share of the net OPEB liability	\$ -	\$ -	\$ -

Actuarial Methods and Assumptions

The total OPEB liability for the Plan was determined by an actuarial valuation as of June 30, 2016, using the following methods and assumptions applied to all periods included in the measurement:

Actuarial Cost Method

The Entry Age Normal Actuarial Cost Method is used to determine costs. Under this funding method, a normal cost rate is determined as a level percent of pay for each active Plan member and then summed to produce the total normal cost for this Plan. The unfunded actuarial liability is the difference between the actuarial liability and the actuarial value of assets.

Amortization

The total OPEB liability of this Plan is amortized on an open 30-year period. The amortization method is a level dollar amortization method.

STOWE TOWN SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2018

NOTE 12 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Asset Valuation Method

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.

The long-term expected rate of return on both plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) developed for each major asset class. These best estimate ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic rates of return for each major asset class included in the target asset allocation as of June 30, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Large cap equity	20.00%	5.92%
International equity	15.00%	6.71%
Emerging international equity	5.00%	9.70%
Core bonds	60.00%	1.38%
Inflation		2.75%
Total	<u>100.00%</u>	

Assumptions

The actuarial assumptions used to calculate the actuarially determined contribution rates can be found in the Report on the Actuarial Valuation of Post-Retirement Benefits of the Vermont State Teachers' Retirement System Prepared as of June 30, 2016 completed by Buck Consulting. As of June 30, 2017, they are as follows:

STOWE TOWN SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2018

NOTE 12 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Discount Rate	3.58%
Salary Increase Rate	Varies by age
Non-Medicare	7.50% graded to 4.50% over 12 years
Medicare	7.75% graded to 4.50% over 11 years
Retiree Contributions	Equal to health trend
Pre-retirement Mortality	98% of RP-2014 White Collar Employee with generational projection using Scale SSA-2017.
Post-retirement Mortality	98% of RP-2014 White Collar Annuitant with generational projection using Scale SSA-2017.

Changes in Net OPEB Liability

Changes in net OPEB liability are recognized in OPEB expense for the year ended June 30, 2018 with the following exceptions:

Changes in Assumptions

Differences due to changes in assumptions about future economic, demographic or claim and expense factors or other inputs are recognized in OPEB expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. The amortization period was six years for June 30, 2017. For the fiscal year ended June 30, 2017, there were no changes in assumptions with the exception of the discount rate was increased from 2.85% to 3.58%.

OPEB Plan Fiduciary Net Position

The schedule of employer allocations and schedule of OPEB amounts by employer are prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles. The schedules present amounts that are elements of the financial statements of VSTRS or their participating employers. VSTRS 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 can be viewed on the State's Department of Finance & Management website at: http://finance.vermont.gov/reports_and_publications/cafr

STOWE TOWN SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 13 - 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 14 - 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 requirements 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.

NOTE 15 - 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.

STOWE TOWN SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 16 - SUBSEQUENT EVENTS

In accordance with the final decision of Act 46, as ratified by the Vermont State Board of Education in November 2018, the Stowe Town School District, along with Elmore-Morristown Unified Union School District, will consolidate into a single entity with an effective date of consolidation of July 1, 2019.

On July 2, 2018, the District issued a tax anticipation note in anticipation of tax revenues to meet its operating obligations during the fiscal year. The note, a line of credit, allows principal draws up to \$1,003,000 with a maturity date of June 28, 2019.

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 - Pensions
- Schedule of Proportionate Share of the Net OPEB Liability
- Schedule of Contributions - OPEB
- Notes to Required Supplementary Information

SCHEDULE 1

STOWE TOWN SCHOOL DISTRICT

**BUDGETARY COMPARISON SCHEDULE – BUDGETARY BASIS
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,566,898	\$ 1,566,898	\$ 1,566,898	\$ -
Resources (Inflows):				
Intergovernmental:				
State/Town support	11,143,975	11,143,975	11,091,850	(52,125)
Other	1,000	1,000	2,705	1,705
Tuition	474,425	474,425	380,512	(93,913)
Interest income	10,000	10,000	45,578	35,578
Miscellaneous	3,300	3,300	88,592	85,292
Amounts Available for Appropriation	<u>13,199,598</u>	<u>13,199,598</u>	<u>13,176,135</u>	<u>(23,463)</u>
Charges to Appropriations (Outflows):				
Direct services	7,572,475	7,572,475	7,380,752	191,723
Support services:				
Student services	1,030,400	1,030,400	1,055,284	(24,884)
Instructional staff services	263,900	263,900	258,817	5,083
General administrative services	225,700	225,700	201,941	23,759
Area administrative services	828,250	828,250	778,454	49,796
Fiscal services	233,225	233,225	223,207	10,018
Operations and maintenance	1,208,500	1,208,500	1,070,457	138,043
Information services	74,475	74,475	74,475	-
Transportation	258,675	258,675	254,881	3,794
Debt service:				
Principal	120,000	120,000	120,000	-
Interest	63,225	63,225	75,907	(12,682)
Food service	53,875	53,875	53,911	(36)
Transfers to other funds	500,000	500,000	500,000	-
Total Charges to Appropriations	<u>12,432,700</u>	<u>12,432,700</u>	<u>12,048,086</u>	<u>384,614</u>
Budgetary Fund Balance, June 30	<u>\$ 766,898</u>	<u>\$ 766,898</u>	<u>\$ 1,128,049</u>	<u>\$ 361,151</u>
Utilization of assigned fund balance	<u>\$ 800,000</u>	<u>\$ 800,000</u>	<u>\$ -</u>	<u>\$ (800,000)</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 LIABILITY
LAST 10 FISCAL YEARS*

	2018	2017	2016	2015	2014
YSTRS:					
Proportion of the net pension liability School's proportionate share of the net pension liability	0.67%	0.67%	0.75%	0.78%	0.73%
State's unapportionate share of the net pension liability associated with the School					
Total	\$ 10,282,569	\$ 8,837,277	\$ 8,936,346	\$ 7,331,730	\$ 7,447,462
	\$ 10,282,569	\$ 8,837,277	\$ 8,936,346	\$ 7,331,730	\$ 7,447,462
Covered-employee payroll	\$ 4,596,262	\$ 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%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	53.98%	55.31%	58.22%	64.02%	60.59%
YMERS:					
Proportion of the net pension liability	0.21%	0.22%	0.32%	0.30%	0.31%
Proportionate share of the net pension liability	\$ 251,173	\$ 285,529	\$ 245,423	\$ 27,730	\$ 112,677
Covered-employee payroll	\$ 846,407	\$ 843,000	\$ 1,112,000	\$ 979,825	\$ 928,725
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	29.68%	33.87%	22.07%	2.83%	12.13%
Plan fiduciary net position as a percentage of the total pension liability	83.64%	80.95%	87.42%	98.32%	92.71%

* The amounts presented for each fiscal year were determined as of June 30, and are for those years for which information is available.

See accompanying independent auditors' report and notes to financial statements.

SCHEDULE 3

STOWE TOWN SCHOOL DISTRICT
 SCHEDULE OF CONTRIBUTIONS - PENSIONS
 LAST 10 FISCAL YEARS*

	2018	2017	2016	2015	2014
<u>VSTRS:</u>					
Contractually required contribution	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	-	-	-	-	-
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 4,791,515	\$ 4,596,262	\$ 4,373,543	\$ 4,200,467	\$ 4,404,717
Contributions as a percentage of covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%
<u>VMERS:</u>					
Contractually required contribution	\$ 34,001	\$ 33,856	\$ 33,720	\$ 44,498	\$ 39,193
Contributions in relation to the contractually required contribution	(34,001)	(33,856)	(33,720)	(44,498)	(39,193)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 850,035	\$ 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%	4.00%

* The amounts presented for each fiscal year are for those years for which information is available.

See accompanying independent auditors' report and notes to financial statements.

STOWE TOWN SCHOOL DISTRICT

SCHEDULE 4

SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
LAST 10 FISCAL YEARS*

	<u>2018</u>	<u>2017</u>
<u>VSTRS OPEB Plan:</u>		
Proportion of the net OPEB liability	0.63%	0.59%
School District's proportionate share of the net OPEB liability	\$ -	\$ -
State's proportionate share of the net OPEB liability associated with the School District	<u>5,888,843</u>	<u>-</u>
Total	<u>\$ 5,888,843</u>	<u>\$ -</u>
Covered-employee payroll	\$ 4,596,262	\$ -
Proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%

* The amounts presented for each fiscal year were determined as of June 30 and are for those years for which information is available.

See accompanying independent auditors' report and notes to financial statements.

SCHEDULE 5

STOWE TOWN SCHOOL DISTRICT
 SCHEDULE OF CONTRIBUTIONS - OPEB
 LAST 10 FISCAL YEARS*

<u>VSTRS OPEB Plan:</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ -	\$ -
Contributions in relation to the contractually required contribution	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 4,791,515	\$ 4,596,262
Contributions as a percentage of covered-employee payroll	0.00%	0.00%

* The amounts presented for each fiscal year are for those years for which information is available.

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, 2018**Changes of Assumptions**

The actuarial assumptions regarding inflation, investment return, salary increase, COLA increase and mortality were changed based on reviews of economic assumptions, rates of mortality and future expectations of experience for VSTRS.

The actuarial assumptions regarding inflation, investment return, COLA increase and mortality were changed based on reviews of economic assumptions, rates of mortality and future expectations of experience for VMERS.

The discount rate increased from 2.85% to 3.58% for the VSTRS OPEB liability.

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
- Combining Balance Sheet - Nonmajor Governmental Funds
- Combining Schedule of Revenues, Expenses and Fund Balances - Nonmajor Governmental Funds
- Combining Balance Sheet - Nonmajor Special Revenues
- Combining Schedule of Revenues, Expenditures and changes in Fund Balances - Nonmajor Special Revenue Funds
- Combining Schedule of Net Position - Fiduciary Funds - Private-Purpose Funds
- Combining Schedule of Changes in Net Position - Fiduciary Funds - Private-Purpose Funds
- 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, 2018

	Original Budget	Fiscal Budget	Actual Amounts	Variance Positive (Negative)
Resources (Inflows):				
Intergovernmental revenues:				
Education spending grant	\$ 11,143,975	\$ 11,143,975	\$ 11,091,850	\$ (52,125)
High school completion reimbursement	-	-	400	400
Shared transportation	-	-	9,000	9,000
Tuition	474,425	474,425	380,512	(93,913)
Interest income	10,000	10,000	45,578	35,578
Miscellaneous:				
Prior year adjustments	-	-	60,040	60,040
Rentals	3,300	3,300	3,975	675
Other receipts	-	-	15,577	15,577
Amounts Available for Appropriation	<u>\$ 11,632,700</u>	<u>\$ 11,632,700</u>	<u>\$ 11,609,237</u>	<u>\$ (23,463)</u>

See accompanying independent auditors' report and notes to financial statements.

SCHEDULE B

STOWE TOWN SCHOOL DISTRICT

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Direct services -				
Pre-school program	\$ 250,500	\$ 250,500	\$ 250,500	\$ -
Other	13,650	13,650	13,650	-
Elementary				
Salaries	1,952,325	1,952,325	1,844,942	107,383
Benefits	665,225	665,225	568,486	96,739
Professional & tech services	39,300	39,300	35,290	4,010
Property services	6,350	6,350	2,848	3,502
Other services	11,300	11,300	8,226	3,074
Supplies & materials	92,475	92,475	106,406	(13,931)
Property	49,125	49,125	42,504	6,621
Other	4,300	4,300	1,573	2,727
Prior year adjustments	-	-	44,301	(44,301)
Secondary				
Salaries	1,492,950	1,492,950	1,459,299	33,651
Benefits	460,625	460,625	449,372	11,253
Professional & tech services	23,575	23,575	23,874	(299)
Property services	20,625	20,625	6,500	14,125
Other services	10,800	10,800	9,717	1,083
Supplies & materials	58,475	58,475	52,614	5,861
Property	42,250	42,250	41,018	1,232
Other	7,800	7,800	6,973	827
Prior year adjustments	-	-	4,482	(4,482)
Middle				
Salaries	1,068,775	1,068,775	1,106,945	(38,170)
Benefits	300,700	300,700	311,462	(10,762)
Professional & tech services	32,350	32,350	21,926	10,424
Property services	11,100	11,100	5,283	5,817
Other services	11,800	11,800	10,065	1,735
Supplies & materials	43,350	43,350	41,341	2,009
Property	43,875	43,875	43,233	642
Other	4,475	4,475	2,878	1,597
Prior year adjustments	-	-	1,559	(1,559)
Special Education				
Elementary	183,500	183,500	183,500	-
Secondary	183,500	183,500	183,500	-
Middle	183,500	183,500	183,500	-
Vocational services				
Other Services	81,800	81,800	82,636	(836)
Athletics				
Secondary				
Salaries	114,550	114,550	123,858	(9,308)
Benefits	8,875	8,875	15,286	(6,411)
Professional & tech services	26,200	26,200	22,674	3,526
Other services	500	500	376	124
Supplies & materials	13,000	13,000	13,061	(61)
Property	13,850	13,850	11,606	2,244
Other	16,000	16,000	18,293	(2,293)

SCHEDULE B (CONTINUED)
STOWE TOWN SCHOOL DISTRICT

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Direct services (continued) -				
Athletics (continued) -				
Middle				
Salaries	21,000	21,000	15,350	5,650
Benefits	-	-	1,174	(1,174)
Professional & tech services	6,000	6,000	5,226	774
Supplies & materials	1,000	1,000	1,352	(352)
Other	1,125	1,125	2,093	(968)
	<u>7,572,475</u>	<u>7,572,475</u>	<u>7,380,792</u>	<u>191,723</u>
Support services -				
Students -				
Elementary -				
Guidance services				
Salaries	80,600	80,600	81,395	(795)
Benefits	9,600	9,600	9,710	(110)
Professional & tech services	25,250	25,250	25,475	(225)
Supplies & materials	500	500	-	500
Health services				
Salaries	64,625	64,625	63,840	785
Benefits	31,975	31,975	18,353	13,622
Professional & tech services	16,275	16,275	16,133	142
Property services	250	250	-	250
Other services	25	25	-	25
Supplies & materials	1,500	1,500	1,113	387
Property	200	200	7,142	(6,942)
Other	200	200	-	200
Secondary -				
Guidance services				
Salaries	125,850	125,850	122,767	3,083
Benefits	38,300	38,300	45,792	(7,492)
Professional & tech services	13,475	13,475	13,475	-
Property services	300	300	-	300
Other services	2,000	2,000	1,600	396
Supplies & materials	100	100	-	100
Other	1,475	1,475	1,446	29
Health services				
Salaries	11,925	11,925	11,862	63
Benefits	2,850	2,850	3,516	(666)
Professional & tech services	16,275	16,275	16,133	142
Property services	275	275	36	239
Other services	25	25	-	25
Supplies & materials	850	850	874	(24)
Property	200	200	-	200
Other	-	-	79	(79)
Psychology services				
Salaries	-	-	21,025	(21,025)
Benefits	-	-	12,717	(12,717)
Middle				
Guidance services				
Salaries	89,775	89,775	89,160	615
Benefits	42,575	42,575	34,031	8,044
Professional & tech services	13,475	13,475	13,475	-
Supplies & materials	200	200	290	(90)
Other	150	150	188	(38)

SCHEDULE B (CONTINUED)
STOWE TOWN SCHOOL DISTRICT

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Support services (continued) -				
Students (continued) -				
Middle(continued) -				
Health services				
Salaries	11,425	11,425	15,680	(4,255)
Benefits	2,650	2,650	2,751	99
Professional & tech services	16,275	16,275	16,133	142
Property services	275	275	36	239
Other	25	25	-	25
Supplies & materials	650	650	594	256
Property	-	-	475	(475)
Other	200	200	70	130
Psychological services	21,125	21,125	21,125	-
Speech & audiological	79,550	79,550	79,550	-
Occupational therapy services	35,300	35,300	35,300	-
Secondary				
Psychological services	21,125	21,125	21,125	-
Speech & audiological	79,550	79,550	79,550	-
Occupational therapy services	35,300	35,300	35,300	-
Middle				
Psychological services	21,125	21,125	21,125	-
Speech & audiological	79,550	79,550	79,550	-
Occupational therapy services	35,300	35,300	35,300	-
	<u>1,030,400</u>	<u>1,030,400</u>	<u>1,055,284</u>	<u>(24,884)</u>
Instructional staff -				
Elementary -				
Curriculum & instruction				
Professional & tech services	17,775	17,775	17,775	-
Library services				
Salaries	61,125	61,125	59,287	1,838
Benefits	25,750	25,750	25,182	568
Supplies & materials	6,500	6,500	6,124	376
Secondary -				
Other services	17,775	17,775	17,775	-
Library services				
Salaries	39,350	39,350	39,491	(141)
Benefits	9,475	9,475	8,664	811
Professional & tech services	125	125	180	(55)
Property services	150	150	-	150
Supplies & materials	4,425	4,425	5,927	(1,502)
Property	6,625	6,625	4,991	1,634
Other	50	50	50	-

SCHEDULE B (CONTINUED)

STOWE TOWN SCHOOL DISTRICT

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Support services (continued) -				
Instructional staff (continued) -				
Middle -				
Curriculum & instruction	17,775	17,775	17,775	-
Library services				
Salaries	39,350	39,350	39,537	(187)
Benefits	10,025	10,025	8,667	1,358
Professional & tech services	100	100	120	(20)
Supplies & materials	3,050	3,050	3,894	(844)
Property	4,425	4,425	3,328	1,097
Other	50	50	50	-
	<u>263,900</u>	<u>263,900</u>	<u>258,817</u>	<u>5,083</u>
General administration-				
Elementary -				
Board of education				
Salaries	1,675	1,675	1,656	19
Benefits	150	150	203	(53)
Professional & tech services	11,275	11,275	8,702	2,573
Other services	4,550	4,550	4,681	(131)
Other	2,350	2,350	561	1,789
Assessment	53,900	53,900	53,900	-
Secondary -				
Board of education				
Salaries	1,675	1,675	1,656	19
Benefits	150	150	106	44
Professional & tech services	11,275	11,275	4,918	6,357
Other services	5,050	5,050	4,961	89
Other	3,850	3,850	636	3,214
Assessment	53,900	53,900	53,900	-
Middle -				
Board of education				
Salaries	1,675	1,675	1,668	(13)
Benefits	150	150	129	21
Professional & tech services	11,275	11,275	4,669	6,606
Other services	6,050	6,050	5,114	936
Other	2,850	2,850	561	2,289
Assessment	53,900	53,900	53,900	-
	<u>225,700</u>	<u>225,700</u>	<u>201,941</u>	<u>23,759</u>
Area administration -				
Principal's office -				
Elementary				
Salaries	156,250	156,250	158,940	(2,690)
Benefits	72,200	72,200	67,857	4,343
Professional & tech services	2,000	2,000	6,055	(4,055)
Property services	32,000	32,000	17,590	14,410
Other services	7,500	7,500	7,144	356
Supplies & materials	7,100	7,100	2,039	5,061
Property	3,000	3,000	914	2,086
Other	8,200	8,200	4,104	4,096

SCHEDULE B (CONTINUED)

STOWE TOWN SCHOOL DISTRICT

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Support services (continued) -				
Area administration (continued) -				
Principal's office (continued) -				
Secondary				
Salaries	239,850	239,850	222,827	17,023
Benefits	55,075	55,075	55,738	(663)
Professional & tech services	9,500	9,500	10,986	(1,486)
Property services	15,500	15,500	16,176	(676)
Other services	9,500	9,500	8,423	1,077
Supplies & materials	6,000	6,000	5,417	583
Property	500	500	572	(72)
Other	7,500	7,500	6,561	939
Middle				
Salaries	113,825	113,825	112,458	1,367
Benefits	35,400	35,400	32,133	3,267
Property services	14,500	14,500	15,985	(1,485)
Other services	4,600	4,600	1,861	2,739
Supplies & materials	2,300	2,300	2,841	(541)
Property	1,000	1,000	5,596	(4,596)
Other	24,950	24,950	16,237	8,713
	<u>628,250</u>	<u>628,250</u>	<u>778,454</u>	<u>49,796</u>
Fiscal services -				
Elementary				
Salaries	325	325	-	325
Benefits	25	25	-	25
Professional & tech services	74,125	74,125	71,579	2,546
Other services	1,450	1,450	1,359	91
Supplies & materials	-	-	383	(383)
Other	500	500	1,178	(678)
Secondary				
Salaries	300	300	-	302
Benefits	25	25	-	25
Professional & tech services	75,125	75,125	71,579	3,546
Other services	1,450	1,450	1,359	91
Supplies & materials	500	500	268	232
Other	1,500	1,500	1,148	352
Middle				
Salaries	300	300	-	300
Benefits	25	25	-	25
Professional & tech services	75,125	75,125	71,579	3,546
Other services	1,450	1,450	1,359	91
Supplies & materials	500	500	268	232
Other	500	500	1,148	(648)
	<u>233,225</u>	<u>233,225</u>	<u>223,207</u>	<u>10,018</u>

SCHEDULE B (CONTINUED)
STOWE TOWN SCHOOL DISTRICT

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Operation and maintenance -				
Elementary				
Salaries	110,725	110,725	133,350	(22,625)
Benefits	45,150	45,150	48,820	(3,670)
Professional & tech services	-	-	1,082	(1,082)
Property services	83,000	83,000	61,611	21,389
Other services	11,450	11,450	11,476	(26)
Supplies & materials	122,900	122,900	89,950	32,950
Property	2,400	2,400	552	1,848
Other	-	-	212	(212)
Secondary				
Salaries	127,575	127,575	98,668	28,907
Benefits	65,275	65,275	50,983	14,292
Professional & tech services	2,100	2,100	1,549	551
Property services	161,775	161,775	156,952	4,823
Other	11,450	11,450	11,561	(111)
Property	-	-	19,005	(19,005)
Supplies & materials	163,700	163,700	111,543	52,157
Middle				
Salaries	41,700	41,700	48,599	(6,899)
Benefits	21,825	21,825	20,712	1,113
Professional services	1,400	1,400	555	845
Property services	107,625	107,625	104,377	3,248
Other	11,450	11,450	11,509	(59)
Supplies & materials	117,000	117,000	74,585	42,415
Property	-	-	12,806	(12,806)
	<u>1,208,500</u>	<u>1,208,500</u>	<u>1,070,457</u>	<u>138,043</u>
Information services -				
Elementary				
	24,825	24,825	24,825	-
Secondary				
	24,825	24,825	24,825	-
Middle				
	24,825	24,825	24,825	-
	<u>74,475</u>	<u>74,475</u>	<u>74,475</u>	<u>-</u>
Transportation -				
Elementary				
Assessment	58,000	58,000	60,238	(2,238)
Field trips	3,250	3,250	-	3,250
Secondary				
Assessment	58,000	58,000	60,238	(2,238)
Field trips	2,000	2,000	1,623	377
Middle				
Assessment	58,000	58,000	60,238	(2,238)
Field trips	9,150	9,150	2,252	6,898
Special Education				
Elementary				
	4,400	4,400	4,400	-
Secondary				
	4,400	4,400	4,400	-
Middle				
	4,400	4,400	4,400	-
Athletics -				
Secondary				
	48,500	48,500	51,335	(2,835)
Middle				
	8,575	8,575	5,757	2,818
	<u>258,675</u>	<u>258,675</u>	<u>254,891</u>	<u>3,784</u>

SCHEDULE B (CONTINUED)
STOWE TOWN SCHOOL DISTRICT

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Debt service				
Principal	120,000	120,000	120,000	-
Interest	63,225	63,225	75,907	(12,682)
	<u>183,225</u>	<u>183,225</u>	<u>195,907</u>	<u>(12,682)</u>
Food service				
Benefits	53,875	53,875	53,911	(36)
	<u>53,875</u>	<u>53,875</u>	<u>53,911</u>	<u>(36)</u>
Transfer to other funds				
Capital projects fund	500,000	500,000	500,000	-
	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>-</u>
TOTAL DEPARTMENTAL OPERATIONS	\$ 12,432,700	\$ 12,432,700	\$ 12,048,086	\$ 384,614

See accompanying independent auditors' report and notes to financial statements.

SCHEDULE C

STOWE TOWN SCHOOL DISTRICT

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	Special Revenue Funds	Total Nonmajor Governmental Funds
ASSETS		
Accounts receivable	\$ 31,561	\$ 31,561
TOTAL ASSETS	<u>\$ 31,561</u>	<u>\$ 31,561</u>
LIABILITIES		
Accounts payable	\$ 1,362	\$ 1,362
Due to other funds	30,199	30,199
TOTAL LIABILITIES	<u>31,561</u>	<u>31,561</u>
FUND BALANCES		
Nonspendable	-	-
Restricted	-	-
Committed	-	-
Assigned	-	-
Unassigned	-	-
TOTAL FUND BALANCES	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 31,561</u>	<u>\$ 31,561</u>

See accompanying independent auditors' report and notes to financial statements.

SCHEDULE D

STOWE TOWN SCHOOL DISTRICT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2018

	Special Revenue Funds	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>
REVENUES		
Other	\$ 31,560	\$ 31,560
TOTAL REVENUES	<u>31,560</u>	<u>31,560</u>
EXPENDITURES		
Other	31,560	31,560
TOTAL EXPENDITURES	<u>31,560</u>	<u>31,560</u>
NET CHANGE IN FUND BALANCES	-	-
FUND BALANCES - JULY 1	<u>-</u>	<u>-</u>
FUND BALANCES - JUNE 30	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditors' report and notes to financial statements.

Special Revenue Funds

Special revenue funds are established to account for the proceeds of specific revenue sources (other than expendable trusts or for major capital projects) that are legally restricted to expenditures for specific purposes.

SCHEDULE E

STOWE TOWN SCHOOL DISTRICT

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
FOR YEAR ENDED JUNE 30, 2018

	Medicaid	SHEP	Standards Board	Title IIIA	Stowe Education Fund	Total
ASSETS						
Accounts receivable	\$ 7,880	\$ 981	\$ -	\$ 18,840	\$ 3,860	\$ 31,561
TOTAL ASSETS	<u>\$ 7,880</u>	<u>\$ 981</u>	<u>\$ -</u>	<u>\$ 18,840</u>	<u>\$ 3,860</u>	<u>\$ 31,561</u>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ 103	\$ 1,259	\$ 1,362
Due to other funds	7,880	981	-	18,737	2,601	30,199
TOTAL LIABILITIES	<u>7,880</u>	<u>981</u>	<u>-</u>	<u>18,840</u>	<u>3,860</u>	<u>31,561</u>
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 7,880</u>	<u>\$ 981</u>	<u>\$ -</u>	<u>\$ 18,840</u>	<u>\$ 3,860</u>	<u>\$ 31,561</u>

See accompanying independent auditors' report and notes to financial statements.

SCHEDULE F

STOWE TOWN SCHOOL DISTRICT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR YEAR ENDED JUNE 30, 2018

	Medicaid	SHEP	Standards Board	Title IIA	Stowe Education Fund	Total
REVENUES						
Other	\$ 7,702	\$ 981	\$ 177	\$ 18,840	\$ 3,860	\$ 31,560
TOTAL REVENUES	<u>7,702</u>	<u>981</u>	<u>177</u>	<u>18,840</u>	<u>3,860</u>	<u>31,560</u>
EXPENDITURES						
Other	7,702	981	177	18,840	3,860	31,560
TOTAL EXPENDITURES	<u>7,702</u>	<u>981</u>	<u>177</u>	<u>18,840</u>	<u>3,860</u>	<u>31,560</u>
NET CHANGE IN FUND BALANCES	-	-	-	-	-	-
FUND BALANCES - JULY 1	-	-	-	-	-	-
FUND BALANCES - JUNE 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditors' report and notes to financial statements.

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.

SCHEDULE G

STOWE TOWN SCHOOL DISTRICT

COMBINING SCHEDULE OF NET POSITION - FIDUCIARY FUNDS
PRIVATE PURPOSE FUNDS
JUNE 30, 2018

	CV Starr Scholarship Fund	Consolidated Scholarship Funds	D & P Webb Scholarship Fund	Total
ASSETS				
Cash and cash equivalents	\$ 92,260	\$ 24,200	\$ 1,372	\$ 117,832
Investments	<u>2,554,195</u>	<u>-</u>	<u>102,004</u>	<u>2,656,199</u>
TOTAL ASSETS	<u>\$ 2,646,455</u>	<u>\$ 24,200</u>	<u>\$ 103,376</u>	<u>\$ 2,774,031</u>
LIABILITIES				
Accounts payable	\$ 466,900	\$ -	\$ -	\$ 466,900
TOTAL LIABILITIES	<u>466,900</u>	<u>-</u>	<u>-</u>	<u>466,900</u>
NET POSITION				
Restricted - held in trust	<u>2,179,555</u>	<u>24,200</u>	<u>103,376</u>	<u>2,307,131</u>
TOTAL NET POSITION	<u>\$ 2,179,555</u>	<u>\$ 24,200</u>	<u>\$ 103,376</u>	<u>\$ 2,307,131</u>

See accompanying independent auditors' report and notes to financial statements.

SCHEDULE H

STOWE TOWN SCHOOL DISTRICT

COMBINING SCHEDULE OF CHANGES IN NET POSITION - FIDUCIARY FUNDS
PRIVATE PURPOSE FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	CV Starr Scholarship Fund	Consolidated Scholarship Funds	D & P Webb Scholarship Fund	Total
REVENUES				
Interest Income	\$ 88,048	\$ 184	\$ -	\$ 88,232
Net increase (decrease) in fair value of investments	134,407	-	2,705	137,112
TOTAL REVENUES	<u>222,455</u>	<u>184</u>	<u>2,705</u>	<u>225,344</u>
EXPENDITURES				
Scholarship awards	193,500	-	-	193,500
Administrative expenses	18,282	-	-	18,282
TOTAL EXPENDITURES	<u>211,782</u>	<u>-</u>	<u>-</u>	<u>211,782</u>
CHANGE IN NET POSITION	10,673	184	2,705	13,562
NET POSITION - JULY 1	<u>2,168,882</u>	<u>24,016</u>	<u>100,671</u>	<u>2,293,569</u>
NET POSITION - JUNE 30	<u>\$ 2,179,555</u>	<u>\$ 24,200</u>	<u>\$ 103,376</u>	<u>\$ 2,307,131</u>

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.

SCHEDULE I

STOWE TOWN SCHOOL DISTRICT

SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION
JUNE 30, 2018

	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	-	134,493	8,183	-	142,676
Other services	-	-	12,300	-	12,300
Operations & maintenance	-	1,742,831	593,862	376,382	2,713,075
Food service	-	-	57,129	-	57,129
Total General Capital Assets	-	11,809,876	1,460,948	376,382	13,647,206
Less: Accumulated Depreciation	-	(5,891,035)	(1,369,726)	(90,001)	(7,350,762)
Net General Capital Assets	\$ -	\$ 5,918,841	\$ 91,222	\$ 286,381	\$ 6,296,444

See accompanying independent auditors' report and notes to financial statements.

SCHEDULE J

STOWE TOWN SCHOOL DISTRICT

SCHEDULE OF CHANGES IN GENERAL CAPITAL ASSETS BY FUNCTION FOR THE YEAR ENDED JUNE 30, 2018

	General Capital Assets 7/1/17	Additions	Deletions	General Capital Assets 6/30/18
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	2,705,983	7,092	-	2,713,075
Food service	57,129	-	-	57,129
Total General Capital Assets	13,640,114	7,092	-	13,647,206
Less: Accumulated Depreciation	(7,044,123)	(306,639)	-	(7,350,762)
Net General Capital Assets	\$ 6,595,991	\$ (299,547)	\$ -	\$ 6,296,444

See accompanying independent auditors' report and notes to financial statements.



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, 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, 2018, 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 January 3, 2019.

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.

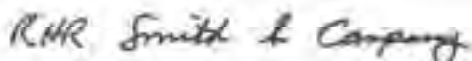
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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



Buxton, Maine
Vermont Registration No. 092.0000097
January 3, 2019

DIRECTORY OF BOARDS & COMMISSIONS

SELECTBOARD 253-7350, P.O. Box 730

Lisa Hagerty, Chair	2850 Mountain Road	508-560-3523	lisahagerty@me.com
William Adams	58 Cemetery Road	802-253-7893	w.w.adams@stoweaccess.com
William Noyes	100 Weeks Hill Road	802-253-8552	willies@stoweaccess.com
Neil Van Dyke	PO Box 1164	802-557-2502	neiljvandyke@gmail.com
Morgan Nichols	PO Box 1107	802-233-7800	Morgan.Nichols15@gmail.com

Town Manager

Charles Safford	P.O. Box 730	802-253-7350	csafford@stowevt.gov
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LISTERS 253-6144; P.O. Box 730

Paul E. Percy, Chair	29 Percy Hill Road	802-253-4092	percyfarms@pshift.com
Ellen E. Thorndike	1864 Taber Hill Road	802-253-4533	ellen@ellenthorndike.com
Adam Davis	676 Stowe Hollow Road	802-253-4187	Cathyadam@stoweaccess.com

Town Appraiser

Tim Morrissey	PO Box 730	802-253-6144	Tmorrissey@stowevt.gov
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CEMETERY COMMISSION

Donna Adams, Chair	PO Box 241, Moscow	802-253-2278	donna.john.adams@gmail.com
Claire Austin	PO Box 24	802-253-9524	skeeter@pshift.com
Barbara Allaire	175 Moulton Lane	802-253-7727	ballaire@stowevt.gov
Karin Gottlieb	PO Box 97	802-253-8220	nerak194@gmail.com
Gerry Griffin	PO Box 238	802-253-2237	Gbgriffin8@gmail.com
Nancy LaVanWay	88 Brook Road	802-253-4691	Craftynn@myfairpoint.net
Judy Smith	93 Wolcott St, Colchester	802-872-2703	redbird47@comcast.net

CONSERVATION COMMISSION

Robert Moore, Chair	18 Innisfree Lane	802-253-7871	rmooore@lcpcevt.org
Andre Blaise	542 Moss Glen Falls Rd	802-734-7259	andrepatrickblaise@yahoo.com
Christine McGowan	632 Covered Bridge Rd	802-253-2920	Cdorsey68@gmail.com
Catherine Drake	1541 Pucker Street	802-999-8839	catherineEDrake@gmail.com
Darsey Moon	PO Box 3328	802-253-0833	Darseymoon@earthlink.net
Robert Johnson	705 Maple Run Lane	802-696-2570	705maplerun@gmail.com
Kevin Hudnell			khudnell@gmail.com

DEVELOPMENT REVIEW BOARD 253-6141, P.O. Box 730

Douglas White, Chair	PO Box 294	802-253-4587	svturtledance@gmail.com
Drew Clymer	150 Upper Sky Acres	267-884-3114	hacllymer@gmail.com
Chris Walton	112 S. Main St. #276	802-253-9260	lbdawgz@aol.com
Tyler Mumley	2393 Randolph Rd.	850-766-2510	tylermumley@hotmail.com
Thomas Hand	331 West Shaw Hill Rd	617-458-9915	Thomas.hand@gmail.com
Andrew Volansky	351 N. Hollow Road	802-793-4999	Andrew@Volanskystudio.com
Paco Amund	45 Foxfire Lane	802-747-8611	Paumond@outlook.com

Alternates:

Michael Diender	PO Box 835	802-253-7159	michael@sunandskiinn.com
Peter Roberts	265 Nebraska Valley Rd	802-343-2492	peterroberts.par@gmail.com
Sarah McLane	3017 Stowe Hollow Rd	802-253-9293	snmclane@gmail.com

Zoning Director & Health Officer (staff support for DRB, SHPC)

Sarah McShane	P.O. Box 730	802-253-6141	smcshane@stowevt.gov
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STOWE HISTORIC PRESERVATION COMMISSION

Sarah McLane, Chair	3017 Stowe Hollow Rd	802-253-9293	snmclaine@gmail.com
Barbara Baraw	PO Box 74	802-253-8428	bbaraw@pshift.com
Gordon Dixon	111 Innisfree Lane	802-253-9367	Gordon@gordondixonconstruction.com
Sam Scofield	PO Box 773	802-253-9948	sam@samarcht.com
McKee MacDonald	PO Box 300	802-375-5009	mckee@mckee.macdonald.com
Alternates:			
George Bambara	5785 Mountain Rd	802-730-6084	George.bambara@pallspera.com
Cindy McKechnie	PO Box 1168	802-253-4605	LMcKechnie@aol.com

LIBRARY COMMISSION

Darla Witmer, chair	PO Box 594	802-253-8702	dwitmer11@icloud.com
Charles Lusk	660 Barnes Hill Road	802-253-2993	ctlusk@pshift.com
David Bryan	475 Tansy Hill Road	802-253-4113	Drbryan43@gmail.com
Richard Johannesen, Jr.	87 Whitney Lane	802-253-8475	dmjohan@stowe.nu
Charlotte Maison Kastner	33 Upper Hollow Rd	802-279-1998	stowelulu@gmail.com
Kim Kaufman	PO Box 3383		Kkbombastic7@gmail.com
Barbara Fox	228 Upper Judson Lane	802-253-4490	Fox.Barbaras@gmail.com

Library Director

Cynthia Weber	PO Box 730	802-253-2706	cweber@stowelibrary.org
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PLANNING COMMISSION 253-2705, P.O. Box 730

Mila Lonetto, Chair		802-279-0790	milalonetto@gmail.com
Chuck Ebel	337 Grey Birch Road	802-253-9654	chas.ebel@gmail.com
Charles Baraw, Jr.	P.O. Box 369	802-760-1082	cbaraw@stoweflake.com
Neil Percy	42 Elizabeth's Lane	802-760-7074	sdiver101@aol.com
Robert Davison	900 Shaw Hill Road	802-253-9065	rdavisonjr@aol.com
Brian Hamor	458 mountain Road	802-497-4224	brian@hamor.com
Arnold Ziegel	60 Dish Lane	802-253-4231	a.ziegel@att.net

Director of Planning (staff support for PC, Conservation Commission)

Tom Jackman	P.O. Box 730	802-253-2705	tjackman@Stowevt.gov
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RECREATION COMMISSION

Brett Loomis, Chair	1400 N. Hollow Rd	802-881-8738	brettlloomis@yahoo.com
Walt Levering	525 Sky Acres Drive		walterblevering@gmail.com
Lynn Altadonna	143 Lower Sanborn Rd	802-253-9006	alta@stoweaccess.com
Michael Loughran	94 Taber Hill Road		mloughran@airlinehyd.com
Adam Rice	515 Sylvan Park Road	802-238-1022	Adam.Rice158@gmail.com
Benjamin Novogroski	525 Cottage Club Rd#34	802-777-1188	bnovogroski@gmail.com

Parks & Recreation Director

Matthew Frazee	PO Box 730	802-253-2264	mfrazee@stowevt.gov
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ELECTRIC COMMISSION

Richard C. Marron	PO Box 1497	802-253-9011	dickmarron@aol.com
Larry Lackey	2359 Stowe Hollow Rd	802-253-7966	ll@pshift.com
Denise Gutstein	1001 Weeks Hill Road	802-253-1801	Gutsteind@gmail.com

Stowe Electric General Manager

Ellen Burt	PO Box 190	802-253-7215	eburt@stoweelectric.com
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2018 EVENTS

JANUARY

FEMA authorized assistance after October storm
Fred Whitcomb appointed Sergeant in the Police Department
Helen Day Art Center honored Jo Darrow as elected trustee emerita
Waterbury police officer Mazzilli joined Stowe force
Stowe village lost 100-year-old tree on Park Street
Frank Kellogg, longtime contributor to the community, passed away at age 91
Apple Tree School celebrated 20 years of working with youth
Chuck Dudley, local author and guide at Stowe Historic Museum passed at age 76
Linda Adams, former longtime Stowe resident passed at age 76

FEBRUARY

Town officials rekindled plans to bury power-lines
After 21 years, Octoberfest will be no more
Trina Hosmer won a gold and two silver medals at the World Master Cup
Sebastian James, 17 and senior at SHS, visited Scotland with Young Tradition Vt music group
Girls Hockey team division 2 champion, and Boys Hockey Team placed 3rd in division 1 playoffs.
Dick Kilburn, a 40-year resident of town and a school board member for 8 years passed away
Hattie Moriarty, senior at SHS, made her 1,000th point in basketball against Peoples Academy
Stowe Vet Gregg Goodson, restored former Foxfire Inn for his Vet Clinic
Jay Cook and Stowe Sign Co formally retired after 41 years in business

MARCH

Town Meeting held with 174 registered voters in attendance
Municipal budget of \$11.8 million approved; Pot holes and the Arena were major subjects
UVM student, Timothy Ferguson died at Bingham Falls
Mark Walker, Fire Fighter for 42 years, received the Cliff Thompson Community Service Award
Lisa Walker appointed Town Clerk
Bill Sweetser, former Town Employee, Fireman, Scout Master, died at age 78
Violet Roy, Stowe Special Olympics athlete, won two silver medals at Killington
Police Officers Bruce Emerson, Steve Stewart and David Knight retired with a cumulative 82 years of service
Route 100 reconstruction between Waterbury and Stowe started
30 students from Stowe, Morrisville and Hardwood travelled to Rwanda for 3 weeks visiting schools

APRIL

Stowe Mountain closed for the season Sunday, April 15
Nathaniel Wells, SHS student, made a member of the cross-country team at VTC in the fall of 2018
50-year-old Edelweiss store/deli sold
60th annual Square and Round Dance Convention held at the Stoweflake
Caitrin Maloney, Director of Land Trust, resigned after 5 years
Claire Francis finished in the top 10% at Boston Marathon in age group 18-34. Heather Pech finished first in age group 55-59 in Boston
Merton Pike, a true Vermonter and Stowe farm fixture, passed at age 98
Patti Clark, Green Mountain Inn named Innkeeper of the Year by Vt Chamber of Commerce
Walt Zuber, Stowe dentist and blueberry farmer, passed away at age 88

MAY

Stowe 5th graders presented “Beauty and the Beast” @ Akeley Memorial Theatre
Stowe High School Jazz Band performed
Stowe Weekend of Hope returned for 18th year
Stowe Woman filed suit against Stowe Company Inttopia & its former COO alleging sexual harassment and discrimination
25th annual kids fishing derby held at Commodores’ Inn
Parker and Stearns, building supply company, closed after 128 years in business, 31 years in Stowe

JUNE

Special Olympics Law Enforcement Torch Run passed through Stowe with members of the Stowe Police Department joining.
Kirkwood Tournament celebrated 51 years in Stowe
Town & Country Resort sold
Elyse Rudner left Stowe Middle School after 30 years
Barb Annetts retired after 32 years at Stowe Elementary School
PA/Stowe track team impressive at Division 2 state championships
Town purchased 3.5 acres abutting current gravel pit
SHS boys’ tennis team lost Division 1 championship to Essex
Former Stowe hockey star Mason Graddock took coaching job at West Point

JULY

Fourth of July an exciting day for parades and festivities

Town tax rates held steady

Eugeniusz Adamczyk, 72, and wife Alfreda, 63, killed in vehicular accident at Randolph Road and Route 100 intersection

Rachel Fussell named executive director of Stowe Trails Partnership, taking the reins from former director Evan Chismark

Hope (Lancaster) Towle, 25-year Stowe Elementary 5th grade teacher passed away at age 93

Dr. Edwin Lang, long time resident of Stowe, passed away at age 98

Charlotte Brynn, executive director of The Swimming Hole, named Wonder Woman of Open Water Swimming

AUGUST

Stowe Land Trust part of purchasing Hunger Mountain 1700 + acres

Nearly 7 miles of Route 108 (Mountain Road) paved

Classic car show started new era in Waterbury

Judy Demeritt, long time Stowe resident and employee of the town for 22 years, passed away

Stowe High School Student Bjorn Westervelt national biathlon champ

2nd Annual Stowe Mountain Classic brought pro tennis players to town

Local developers and Stowe Fire District #3 undertook Lower Village water main replacement

Stowe resident, pilot and owner at Stowe Soaring, and former School Board member Don Post, 70, killed when the glider he was flying crashed into Sterling Mountain; passengers Frank and Suzanne Moroz of Connecticut also killed

SEPTEMBER

Drought took a toll on local water supplies

28th British Invasion weekend a success

Rick & Sally Watts honored by Stowe Land Trust as Volunteers for 2018

20-year veteran Dennis Reinhardt retired from Stowe Mountain Rescue

West Nile virus showed up in a mosquito tested in Stowe

Stowe Police Department held a Cone (ice cream) with a Cop event and 275 attended

8th annual Liam & Solon Bailey Memorial Jamboree drew over 700 youth soccer players

Stowe skier Hilary Engisch-Klein inducted into U.S. Ski and Snowboard Hall of Fame

OCTOBER

Mountain Day of Remembrance held celebrating those for whom the mountain had been significant

Stowe High School won 4th championship in golf; Ben Salvas won individual division 2 title

Kathryn Meyer, junior at SHS, selected to perform at the National Association of Music Educators at the Coronado Resort at Walt Disney World

Vermont State Board of Education announced plan to force merger of Stowe and Elmore-Morristown school districts

Joan “Bunny” Libby, founding member of Stowe Rescue, passed away

NOVEMBER

Stowe Boys won sixth state championship title in soccer

St. Johnsbury beat Stowe girl’s field hockey in championship game 2-0

SHS boys division 3 cross country team win state championship

Stowe Electric got DRB approval for Moscow project

5th annual Veterans/community pancake breakfast well attended

New sidewalks & buried power lines approved by voters, 64% of voters participated in mid-term election & voting

Stowe Mountain Resort opened for season November 16

SHS boys soccer team Division 3 State Champions for 7th straight year

Stowe Peace Park, located at Thompson Park, opened on October 20th to honor the 100th anniversary of Armistice Day

DECEMBER

Sprinkler malfunction at the Library and Helen Day Art Center building caused flooding, major damage; 14,000 books were damaged, building to be out of operation until Spring 2019

David Jaqua left the Stowe Conservation Commission after 22 years of service

Stowe Alumni Hockey Game held with donations going to the Postie Legacy Fund in honor of Don Post.

Ann Lackey, longtime Stowe Resident and volunteer, and owner of Lackey’s Variety Store, passed away at 86

MARCH 2018 TOWN MEETING SNAP SHOT

174 of 4,362 registered voters present at Annual Town/School District Meeting (floor vote) – 3.99% of voters

Australian Ballot Items

711 voters cast ballots out of registered voters – 16.30% of voters

Leighton Detora elected Town & School District Moderator – 1 year term (Town 651 votes & School 645 votes)

Lisa Hagerty elected Selectboard – 3 year term (585 votes)

Neil Van Dyke elected Selectboard – 2 year term (630 votes)

Leigh Pelletier elected School Director – 3 year term (548 votes)

Lindsey Lamb elected School Director – 2 year term (394 votes)

Ellen Thorndike elected Lister – 3 year term (630 votes)

School Budget of \$12,079,275 passed with 567 (YES) and 124 (NO)

Shall general obligation bonds of the Town of Stowe in an amount not to exceed FIVE HUNDRED THOUSAND and 00/100 DOLLARS (\$500,000.00) be issued for the benefit of Stowe Electric Department to acquire, replace or construct municipal electric plant improvements, which bonds are to be payable from the net revenues of the Stowe Electric Department? 578 (YES) 106 (NO)

ANNUAL TOWN/SCHOOL DISTRICT MEETING MINUTES

MARCH 6, 2018 8:00 A.M.

STOWE HIGH SCHOOL AUDITORIUM

Moderator Leighton Detora called the meeting to order at 8:01am. Present were 174 registered voters of the Town of Stowe. The meeting began with the Pledge of Allegiance.

Conservationist of the Year award was presented by Rob Moore to Bowie and Helen Duncan for their funding and support of educational programs through the Summer Naturalist Program and the Mill Trail property. Caitrin Maloney, Executive Director of Stowe Land Trust, accepted the award and thanked the donors who made the programs possible.

Moderator Detora provided an invocation and Orders of the Day. The Orders of the Day were passed without objection.

SCHOOL DISTRICT MEETING

Article 1: Cara Zimmerman 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: Emily Rosenbaum made the motion, seconded by James Brochhausen, 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. There was no discussion and the motion was unanimously approved.

Article 3: James Brochhausen made the motion, seconded by Cara Zimmerman, to authorize the payments of its School Directors and other elected officials for the ensuing fiscal year. Cara Zimmerman made a motion, seconded by James Brochhausen, to amend the motion to include the amount as it is currently set at \$1,000. There was no discussion and the motion to amend was considered a friendly amendment. The motion as amended was unanimously approved.

Article 4: Cara Zimmerman made the motion, seconded by Emily Rosenbaum, to authorize the Stowe School Board of Directors to apply three hundred thousand dollars (\$300,000) of the school district's current fund balance as revenue for the 2018-2019 school year budget, three hundred thousand dollars (\$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 amount.

Cara Zimmerman stated that when the School Board is developing a budget it is a best estimate, and that when they have extra money leftover it goes into the reserve fund. The recommended carry forward is the same as last year. The capital fund currently has \$779,233 in it, and the additional \$300,000 would go towards planned building improvements including boiler and heat system improvements at both Stowe Elementary School and Stowe High School, bleachers at Stowe High School, kitchen upgrades and repairs at the High School, and professional services for the capital committee. Ms. Zimmerman noted that the School Board has recently approved guidelines for the Capital Projects Fund, which includes a five-year plan with needs and estimated costs.

The Article was approved.

Article 5: Other Business.

Cara Zimmerman made a motion, seconded by Emily Bradbury, asking that the voters discuss and give the School Board input on proposed changes to the current Facility Use Policy to allow for municipal and school use only. She explained that as a municipality the School Board must be mindful of constitutional freedoms and cannot have policies that exclude use based on content. The School Board can limit use of the facility to municipal and school use only. Community Members spoke out unanimously in support of keeping the policy as it currently stands. The motion to advise the School Board on changes to the current Facility Use Policy to allow for municipal and school use only failed unanimously. Cara Zimmerman thanked the voters for their open input.

The School District Meeting adjourned at 8:54am.

The Cliff Thompson Award was presented to Mark Walker for his 42 years of service to the Town of Stowe as a firefighter. The Selectboard also presented Mark Walker with a plaque recognizing his decades of service.

TOWN MEETING

Article 1: William Adams made the motion, seconded by Neil Van Dyke, to 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. Expenses identified in the Fiscal Year 2018 Proposed Town Operating Budget as follows:

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

Lisa Hagerty noted that the proposed budget shows a 2.5% increase in the budget, and the Town has predicted a 2.5% growth in the Grand List.

Voters discussed concerns about the Arena budget, conditions of Stowe roads, and replacement of the Gale Recreation Center. They also discussed the Social Services and Community and Economic Development budgets and how the Selectboard determines how much money to give to each organization. Motions were made to increase funding to specific organizations, all failed.

The motion to approve the Selectboard's proposed General Fund Budget of eleven million eight hundred twenty-one thousand three hundred twenty nine dollars (\$11,821,329) passed.

Article 2: William Adams made a motion, seconded by Morgan Nichols, to 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 Designs	\$370,000
Rec Path Gables Bridge Underpass Scoping Study	\$45,000
Memorial Park Tennis Courts, Fencing & Lighting Replacement	\$175,000

Mr. Adams noted that the Capital Fund is supported by Local Option Tax money, which also supports the Arena debt service. There was discussion on each project.

The motion to approve the Selectboard allocating five hundred ninety thousand dollars (\$590,000) of the accumulated Capital Fund for the three proposed projects passed.

Article 3: Neil Van Dyke made a motion, seconded by William Noyes, to 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.

The motion was approved.

Article 4: Marina Meerburg made a motion, seconded by Olivia Thompson, to adopt the 350VT Renewable Energy Town Meeting Day Resolution on page 17 of the Annual Report as an advisory item.

Marina Meerburg stated that the resolution encourages the State to make meaningful progress towards its goal of using 90% renewable energy by 2050. Ms. Meerburg stated the State is not currently on target to meet those goals, and she hopes the voters of Stowe will send the message to the State that they want action to reach the goal. She stated that the resolution was in line with the Stowe Town Plan. Voters voiced concerns over some of the wording in the resolution.

Tom Evslin made a motion, seconded by Mary Evslin, to replace line 1B from the resolution and replace it with “Firmly commit to reducing carbon emissions 35-45% from their 1990 levels by 2030.” Marina Meerburg stated that she would support the addition of Tom’s statement but not replacing what was already there.

Larry Lackey made a motion, seconded by Sara, to amend the amendment to include “Firmly commit to reducing carbon emissions 35-45% from their 1990 levels by 2030” but also to keep line 1B of the resolution, which states “Firmly commit to at least 90% renewable energy for all people in Vermont.”

The motion was approved. The motion to amend the motion was approved.

The motion to adopt the 350VT Renewable Energy Town Meeting Day Resolution on page 17 of the Annual Report as an advisory item as amended was approved.

Article 5: William Adams made a motion, seconded by Morgan Nichols, to hear and act on the report of the Town officers and the Auditors report for the budget period July 1, 2016 to June 30, 2017. There was no discussion. The motion passed.

Moderator Detora opened up the meeting for other business related to Town business, policies and procedures.

Cody Lilly and Jack Levine, 5th graders at Stowe Elementary, were allowed to speak about their request to have the town reconsider a shelter on the Polo Fields.

On a motion by William Adams, seconded by William Noyes, the 2018 Town Meeting was adjourned at 1:42pm.

(Edited for the Town Report. A complete copy of the 2018 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	24.08	14
0.21	ALLAIRE BARBARA	21.22	44
1.00	ALLEN JOHN E.	22.51	19
1.00	BARUP RAY T.	19.81	4
1.00	BATES ERIC J.	21.64	15
1.00	BAUMANN JEFFREY	20.07	5
1.00	BLACK SAMUEL C.	20.07	5
1.00	BOEK EMILY A.	24.08	4
1.00	CASHIN RYAN T.	23.78	4
1.00	DEMERITT STEVE M.	26.52	15
1.00	DONATI JOSEPH J.	24.55	0
1.00	EARLE ABIGAIL E.	23.79	2
1.00	FUDALA MATTHEW A	21.57	1
1.00	HOADLEY ROBERT E.	20.41	12
1.00	HOADLEY TERESA E.	20.57	1
1.00	HODGDON ARCHIE III	19.81	6
1.00	KEENE SCOTT S.	29.38	2
1.00	KELLY LAUREN	17.95	1
1.00	LAMBERT TIMOTHY M.	22.06	2
1.00	LONGE BRYAN G.	35.26	16
1.00	MANNING MICHAEL	28.41	32
1.00	MARTIN JOSEPH O.	22.51	24
1.00	MAZZILLI ANTHONY J.	26.88	1
1.00	MCCARTHY ROBERT W.	24.54	3
1.00	MERRIAM BRUCE	36.43	34
1.00	MILLICK KELLI S.	18.55	2
1.00	O'STEEN BROOKE	23.68	2
1.00	PICKETT JULIE S.	31.67	32
1.00	PRAY DUSTIN L.	22.76	1
1.00	PSAROS JESSICA L.	20.67	4
1.00	RHODES LAWRENCE G.	23.63	28
1.00	ROGERS CHRISTOPHER B.	34.68	22
1.00	ROSS ALLEN R.	30.19	21
1.00	RUMERY NANCY L.	17.95	1
1.00	SAWYER JAMES L.	29.63	2

<u>FTE</u>	<u>Employee Name</u>	<u>Hourly Rate</u>	<u>Years of Service</u>
1.00	SMALL DAREN H.	27.36	5
1.00	STIREWALT MARK A.	27.63	11
1.00	TABOR DARRON L.	28.55	25
1.00	WALKER CHARLENE	18.55	1
1.00	WALKER KYLE R.	33.00	11
1.00	WELLS JASSON	25.05	16
1.00	WELLS MELVIN R.	26.05	30
1.00	WHITCOMB FREDERICK G.	36.43	19
1.00	WIERZBICKI DANIEL S.	23.78	1
1.00	WILKESMAN JESSE K.	29.56	14
1.00	WILKINS-MANDIGO GWYN	23.63	37

<u>FTE</u>	<u>Employee Name</u>	<u>Weekly Rate</u>	<u>Years of Service</u>
1.00	BONNEAU STEPHEN J.	2,079.47	29
1.00	BRINKMAN SCOTT	1,776.52	8
1.00	FRAZEE MATTHEW	1,978.91	6
1.00	FULLER CYNTHIA C.	2,118.21	4
1.00	GODIN BRUCE	2,079.47	38
1.00	GROGAN RICHARD L.	1,941.25	7
1.00	HULL DONALD	2,292.60	7
1.00	JACKMAN THOMAS	2,079.47	16
1.00	JOLLY CHRISTOPHER J.	1,829.82	4
1.00	MCSHANE SARAH C.	1,716.44	1
1.00	MORRISSEY TIMOTHY	1,892.37	6
1.00	SABIN SANDRA J.	1,659.70	0
1.00	SAFFORD CHARLES M.	2,912.00	12
1.00	SHEPARD HARRY J. III	2,551.84	9
1.00	WALKER LISA A.	1,732.91	5
1.00	WEBER CYNTHIA K.	1,776.52	6
1.00	WHITAKER ANTHONY J.	1,659.70	11

STOWE ELECTRIC DEPARTMENT WAGE REPORT

<u>FTE</u>	<u>Name</u>	<u>Hourly Rate</u>	<u>Years of Service</u>
1.00	Bendick, Sara	\$24.04	0
1.00	Bonneau, Hope	\$24.04	0
1.00	Fortunati, Adam	\$36.82	3
1.00	Hackwell, Beth	\$21.40	4
1.00	Hammond, Tammy	\$24.04	3
0.50	Mandigo, Randy	\$25.77	40
1.00	McAllister III, Wilfred	\$36.82	3
1.00	Percy, Tim	\$31.29	3
1.00	Power, Silas	\$39.76	9

<u>FTE</u>	<u>Name</u>	<u>Weekly Salary</u>	<u>Years of Service</u>
1.00	Brewster, Jamie	\$1,286.85	6
1.00	Burgess, Lily	\$1,440.30	12
1.00	Burt, Ellen	\$2,859.13	23
1.00	Kresock, David	\$1,975.82	2
1.00	Rutherford, Matt	\$1,188.46	4
1.00	Sullivan, Denise	\$1,826.92	1
1.00	Waugh, Patricia	\$1,606.65	4

**Stowe School District
Administration, Faculty and Staff**

<u>Last Name</u>	<u>First Name</u>	<u>Hourly Rate/Salary</u>	<u>Position</u>
Anthony	Jennifer	\$57,126.00	Art/Family and Consumer Science
Armstrong	Robyn	\$55,232.00	Middle Level
Bal	Agata	\$67,910.00	Middle Level - 1 yr
Barney	Brian	\$70,191.00	Physical Education
Bartholomew	Kathleen	\$15.41	Kindergarten Aide
Bedell	Michael	\$43,179.00	Head Custodian
Bradford	Elizabeth	\$85,190.00	Elementary
Brown	Mariah	\$14.26	Playground Super/Instruct. Aide
Brownstein	Nicole	\$39,655.00	Administrative Assistant
Bullis	David	\$69,009.00	Facilities Manager
Buzzell	Stephen	\$76,530.00	Middle Level
Carter	Chelsea	\$15.16	Math Support Aide
Casey	Gretchen	\$75,409.00	Literacy Teacher Leader
Childress	Jennifer	\$78,464.00	Literacy Teacher Leader
Chutter-Ames	Gaelan	\$51,522.00	Social Studies
Conti	Lauren	\$58,595.00	School Counselor
Crawford	Mary Karen	\$45,530.00	Associate School Nurse
Crouse	Kathryn	\$64,200.00	Art Teacher
Dacales	Jeffrey	\$85,190.00	Elementary
Davis	Danielle	\$15.41	Strategic Math Support Aide
Delena	Davida	\$78,385.00	Elementary
Donnally	Marianna	\$52,876.00	Student Assistance Counselor
Economou	Anne	\$75,757.00	Elementary
Emory	Paige	\$72,046.00	Middle Level
Faith	Jennifer	\$61,571.00	Library/Media Specialist
Gagnon	Andrew	\$48,507.00	Music
Garon	Tegan	\$45,530.00	Mathematics
Garrett	Gerlisa	\$43,636.00	Middle Level
Goddard	Ashley	\$45,530.00	Elementary
Godin	Janet	\$17.94	School Nurse Assistant
Gordon	Charles	\$85,190.00	Middle Level
Greene	Aimee	\$71,660.00	Elementary

<u>Last Name</u>	<u>First Name</u>	<u>Hourly Rate/Salary</u>	<u>Position</u>
Greene	Micah	\$71,660.00	Elementary
Griggs	Kimberly	\$17.12	Custodian
Grogan	Jeffrey	\$81,748.00	Middle Level
Hague	Hunter	\$47,038.00	High School - 1 yr
Harper	Jennifer	\$55,232.00	Elementary
Harris	Mairead	\$50,748.00	Foreign Language
Hayden	Dorothy	\$39,267.00	Administrative Assistant
Hoffman	Kayla	\$45,700.80	.8 FTE Art Teacher
Hoffmann	Heather	\$79,893.00	English
Horton	Sarah	\$75,409.00	Mathematics
Hough	Maryanne	\$51,026.00	Administrative Assistant
Hubbard	Tarah	\$36,050.00	Secretary
Hulbert	Madeline	\$60,837.00	Elementary
Joy	Kathryn	\$62,692.00	Elementary
Kalp	Laura	\$73,515.00	Foreign Language
Keaton	Rachael	\$72,046.00	Elementary
Kennedy	John	\$72,781.00	English
Kennedy	Dale	\$85,190.00	Middle Level
King	Mary	\$15.41	Literacy Tutor
LaClair	Dana	\$55,746.00	Music
Lacoss	Heather	\$15.41	Literacy Aide
Lambert	Jane	\$85,190.00	Instrumental Music
Lipple	Kevin	\$39,140.00	Athletic Director
Lowe	Constance	\$80,706.00	Mathematics
Mallory	Megan	\$15.41	Literacy Tutor
Marineau	Seth	\$72,781.00	Foreign Language
McDowell	Donald	\$85,190.00	Science
McIntryre	Darren	\$40,120.50	.5 FTE Driver Education
Meagle	Susan	\$80,706.00	Elementary
Meier	Christopher	\$62,306.00	Library/Media Specialist
Meyer	Kaaren	\$85,190.00	Math Teacher Leader
Minkoff	Alexander	\$42,080.00	Lead Technical Support
Monahan	Wendy	\$82,948.00	Guidance
Morrison	Daniel	\$97,691.00	Principal
Murphy	Roger	\$83,990.00	Alt. Education/English/Social Studies
North	Tamara	\$66,442.00	Elementary
O'Grady	Susan	\$17.03	Secretary

<u>Last Name</u>	<u>First Name</u>	<u>Hourly Rate/Salary</u>	<u>Position</u>
Oleks	Christopher	\$100,425.00	Principal
O'Neil	Judith	\$38,777.00	Registrar
Peterson	Lucas	\$64,548.00	Middle Level
Rapoport	Michael	\$72,394.00	Elementary
Raymond	Pamela	\$85,190.00	Elementary
Reina	Soraya	\$76,996.00	Foreign Language
Resch	Caroline	\$68,336.00	Elementary
Rock	Robert	\$36,256.00	Technical Support Specialist
Schafer	Anastasia	\$60,837.00	History/Social Studies
Schnee	Karen	\$59,716.00	English
Semler	Sean	\$75,796.00	Elementary
Shea	Ian	\$60,837.00	Middle Level
Shedd	Navia	\$16.02	Custodian
Slocum	Kathleen	\$15.41	Library Aide
Smith	David	\$70,191.00	Middle Level
Smythe	Kathleen	\$56,353.00	Elementary
Sorrell-Lacasse	Martha	\$95,093.00	Principal
Stanton	Catherine	\$66,442.00	Literacy Interventionist
Stetson	Chelsea	\$57,126.00	Elementary
Tomashot	Patricia	\$80,706.00	School Counselor
Vietze	Heidi	\$75,796.00	Foreign Language
Waite	Timothy	\$48,893.00	Design and Technology Education
Walls	Regina	\$15.42	Custodian
Wasserman	Theodore	\$16.17	Custodian
Wells	Jessica	\$66,442.00	Science
Williams	Norman	\$85,190.00	Social Studies
Yalicki	Joseph	\$47,386.00	Physical Education
Ziegler	Timothy	\$76,996.00	Science
Zimbalatti	Carleen	\$51,638.40	.8 FTE Art Teacher

**Lamoille South Supervisory Union
Administration, Faculty and Staff**

<u>Last Name</u>	<u>First Name</u>	<u>Hourly Rate/Salary</u>	<u>Position</u>
Allen	Heidi	\$ 15.16	Paraprofessional
Alperen	Jana	\$59,716.00	Special Educator
Angione	Rita	\$78,464.00	Speech/Language Pathologist
Banfi-Graupe	Katalin	\$14.16	Paraprofessional
Barberi	Andrea	\$73,515.00	Special Educator
Bataille	Jeanne	\$78,464.00	Speech/Language Pathologist
Belitsos	Leah	\$60,450.00	Special Educator
Bellavance	Ericka	\$17.14	Program Aide
Bleh	Rachel	\$14.91	Paraprofessional
Boerger	Patty	\$83,990.00	Consulting Teacher
Bolio	Dixie	\$18.74	Paraprofessional
Bradley	Kate	\$58,982.00	Special Educator
Brynn	Jeffery	\$62,246.00	Food Service Director
Bujold	Kate	\$40,000.00	.6 FTE Occ Therapist
Bullard	Raquel	\$15.41	Paraprofessional
Calhoun	James	\$81,184.00	School Psychologist
Carter	Denise	\$15.41	Early Ed Paraprofessional
Christensen	Carrie	\$53,632.00	Accountant
Cidre	Veronica	\$15.16	Paraprofessional
Clarkin	Rachel	\$15.16	Paraprofessional
Cote	Robin	\$14.91	Paraprofessional
Crittenberger-Geissler	Jacqueline	\$15.41	Learning Center Assistant Superintendent's Assistant/ HR Manager
Cross	Lisa	\$61,090.00	HR Manager
Davis	Cathy	\$15.41	Paraprofessional
Desrochers	Julie	\$15.41	Paraprofessional
Dessureau	Carrie	\$47,100.00	.6 FTE Physical Therapist
Dixon	Kelly	\$41,913.00	Accountant
Dunkley	Kim	\$15.80	Early Ed Paraprofessional
Earle	Kristina	\$14.26	Speech Language Aide
Finigan	CaitlinGrace	\$15.16	Paraprofessional
Finn	Julia	\$57,126.00	Special Educator
Fish	Patricia	\$64,586.00	Special Educator
Fisher	J. Bryn	\$67,910.00	Early Education Special Educator

<u>Last Name</u>	<u>First Name</u>	<u>Hourly Rate/Salary</u>	<u>Position</u>
Fitzgerald	Michelle	\$14.26	Paraprofessional
Gabaree	David	\$15.41	Paraprofessional
Gagnon	Leah-Marie	\$15.41	Paraprofessional
Gamble	Laurel	\$14.26	Paraprofessional
Gillen	Melissa	\$64,228.00	Data Manager
Gombar	Heather	\$15.16	Paraprofessional
Grant	Lesley	\$15.41	Early Ed Speech Language Aide
Gravel	Julie	\$15.41	Speech Language Aide
Gregory	Hilary	\$15.41	Paraprofessional
Griffith	Tammy	\$14.11	Paraprofessional
Grove	Jennifer	\$36,424.00	.8 FTE Early Ed Teacher
Guihan	Marian	\$14.91	Paraprofessional
Herman	Megan	\$41,200.00	Human Resources Coor.
Hodge	David	\$15.16	Speech Language Aide
Jones	Alice	\$14.91	Paraprofessional
Judd	Crystal	\$14.16	Paraprofessional
Keith	Amanda	\$14.01	Paraprofessional
King	Eric	\$77,999.00	Special Educator
King	Anne	\$82,135.00	Special Educator
Lamson	Heidi	\$59,049.00	Accounting Manager
Lapan	Emily	\$14.01	Paraprofessional
Lively	Rebecca	\$80,093.00	School Psychologist
Locke	Amanda	\$40,186.00	Administrative Assistant
Lundeen	Andrew	\$94,848.00	Dir of Finance and Operations
Macy	Kelly	\$66,442.00	Speech/Language Pathologist
Marshall	Amy	\$75,796.00	Consulting Teacher
McNall	Mark	\$15.41	Paraprofessional
Meyer	John	\$81,615.00	Dir of Educational Technology
Mickelsen	Betsy	\$47,038.00	Early Education Teacher
Myerson	Jordan	\$69,710.00	Director of Nursing Services
Nadeau	Michelle	\$49,241.00	Pre-School Program Teacher
O'Laughlin	Ann	\$22.39	Paraprofessional
Oplinger	Leslie	\$79,893.00	Special Educator
Paterniti	Arlo	\$15.41	Paraprofessional
Pelkey	Marcella	\$78,394.00	Occupational Therapist
Peterson	Ruthanne	\$52,642.00	Special Educator

<u>Last Name</u>	<u>First Name</u>	<u>Hourly Rate/Salary</u>	<u>Position</u>
Puopolo	Joshua	\$15.41	Paraprofessional
Rice	Linda	\$15.16	Speech Language Aide
Sanner	Elizabeth	\$58,595.00	Special Educator
Saphier	Kelly	\$66,055.00	ESL Instructor
Schleupner	Heather	\$15.41	Paraprofessional
Schulze	Susan	\$70,191.00	Consulting Teacher
Scott	Philip	\$15.16	Paraprofessional
Sherman	Todd	\$15.16	Paraprofessional
Slaimen	Carrie	\$15.16	Paraprofessional
Small	Carmen	\$14.66	Paraprofessional
Smith	Terrie	\$14.66	Paraprofessional
Spaulding	Britney	\$14.26	Paraprofessional
Spencer	Jessica	\$88,830.00	Director of Special Ed.
Squires	Rachel	\$19.13	Paraprofessional
Stevens	Terri	\$15.41	Paraprofessional
Sullivan	Valerie	\$106,614.00	Dir of Curriculum and Instruction
Tallman	Bonnie	\$14.16	Paraprofessional
Thomas- Crowder	Rochelle	\$73,940.00	Speech/Language Pathologist
Tilton	Kaitlyn	\$15.41	Early Ed. Paraprofessional
Viiu	Elisabeth	\$14.16	Paraprofessional
Voyer	Katy	\$40,000.00	Assistant Data Manager
Wadlington	Anna	\$15.16	Paraprofessional
Walsh	Christopher	\$15.41	Paraprofessional
Walsh	Peter	\$15.16	Paraprofessional
Wieler	Maura	\$70,000.00	PBL/Technology Coach
Wills	Jessica	\$66,442.00	Special Educator
Wiltshire	Carrie	\$15.41	Paraprofessional
Wrend	Tracy	\$ 141,383.00	Superintendent of Schools
Wyman	Naomi	\$16.74	Early Ed. Paraprofessional
Yip	Huey Ling	\$30,000.00	Chinese Lang & Culture Intern
Zalewski	Anna	\$15.41	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 250th 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 60th and last meet in Stowe. Park Street made one-way to create additional parking spaces.
- 2018 Voters approve Village sidewalk replacement and undergrounding of power lines on Main Street. Sprinkler malfunction causes flooding, severe damage to the Stowe Free Library and Helen Day Art Center.

This Report would not be possible without the input and help from so many, but I would like to give special thanks to Barbara Allaire for her historical record keeping and all-around assistance, to Kelli Millick for her technical assistance and making this beautiful cover come to life, to Caleigh Cross and Charles Safford for encouragement and editing, and to Lisa Cross at LSSU for pulling together the School Board reports.

NOTES



Don “Postie” Post: A Tireless Advocate for Stowe Students

We were deeply saddened by the unexpected passing of Don “Postie” Post on August 29, 2018. Don devoted countless hours of service to our students and was a valued member of the Stowe School District community. The Stowe School District is honored to dedicate this Annual Report to Don for his numerous contributions to our schools.

Don served as a member of the Stowe School District Board of Directors from 1991 to 2014, and filled many important roles on committees, councils and the LSSU board. He was an influential and important voice throughout decades of change that included Act 60, major facilities renovations, energy efficiency improvements and projects and processes from capital committees to the CV Starr Scholarship Fund. Don was a strong supporter of our schools and a tireless advocate for students and is sorely missed.



INFORMATION MEETING

6:00pm Monday, February 25, 2019

Akeley Memorial Building

VOTING

7:00am-7:00pm

Tuesday, March 5, 2019

Stowe High School Gymnasium

ANNUAL MEETING

Beginning at 8:00am

Tuesday, March 5, 2019

Stowe High School Auditorium