

INFORMATION MEETING  
5:00 PM Monday, March 2, 2015  
Akeley Memorial Building

VOTING  
7:00 AM – 7:00 PM  
Tuesday, March 3, 2015  
Stowe High School Gymnasium

ANNUAL MEETING  
Beginning at 8 AM  
Tuesday, March 3, 2015  
Stowe High School Auditorium

TOWN OF STOWE

ANNUAL REPORT  
TOWN AND TOWN SCHOOL DISTRICT

The logo for the Town of Stowe, featuring the word "Stowe" in a stylized, cursive script. A blue pen nib is positioned at the end of the 'e', as if writing the word.

2014 ANNUAL REPORT

FISCAL YEAR  
July 1, 2013 – June 30, 2014  
Bring This Copy to Town Meeting

## Dedication



This year's Annual Report is dedicated to **Cliff Johnson** in recognition of his professionalism, expertise and dedication to the Town and the Stowe community. Cliff retired in 2007 after working with the Town starting first as a consultant in 1998 and then being appointed the Town's first Public Works Director in 1999 supervising the Highway, Water, Wastewater and Parks Department's ongoing operations and budgets. Among his many accomplishments with the Town of Stowe, most notably would be overseeing the completion of the \$30 million infrastructure improvements for the water and wastewater operations. Cliff carried a

tremendous work load not only administering to all the firms surrounding these new facilities and services but managing all highway paving, sidewalk tasks and capital projects. On a daily basis, his office light would burn long into the night after the rest of staff went home.

In addition to his duties as PW Director, Cliff was Road Commissioner, Deputy Health Officer, Lamoille County Planning Commission rep and acted as Interim Town Administrator. His volunteer efforts should not go unnoticed before and in his retirement. He continues to give unselfishly of his time, expertise and good spirits to the Stowe Rotary Club, Stowe Land Trust and St. Johns in the Mountains. He served many years with the District 5 Environmental Commission, member of the Community Health Services of Lamoille County and VT Mozart Festival Board.

In 2006, Town Administrator John Drury noted on a performance review that "Cliff is a true professional with the highest ethical standard" and we agree. Please join the Selectboard in thanking and honoring Clifford W. Johnson for his service to the Town of Stowe.

### About the Cover...

Frank Larson lives close to the Stowe area in the rolling hills and townlands of Westford, Vermont. He is a well known landscape painter who captures the light and color of rural, northern Vermont as a career. Typically, he heads out in his pickup truck scouting for a picture. Long ago he learned that working in the wind and sun helped stabilize his palette. Mr. Larson paints the uncommon beauty of Vermont's commonplace waysides and fills them with clear, marvelous colors and shadows. His brush reveals the quiet harmony of our northern fields, rivers and hills; and, invites the eye to linger and wander at his view of the world.

Mr. Larson earned a Post BFA and Yale MFA in the 1940's, and in a previous incarnation was a hugely successful graphic illustrator with some of America's largest corporations, including General Foods Corporation, Gillette, International Paper and the Museum of Modern Art, New York, NY. In the late 1980's he came to Johnson and the Vermont Studio Center to study painting. Soon after, he moved to the hills of Vermont to follow his dream and paint the light.

Robert Paul Galleries, 294 Mountain Road, PO Box 1413, Stowe - robertpaulgalleries.com - is proud to show the works of American artist Frank Larson.



*OUR THOUGHTS and PRAYERS are with the  
MEN AND WOMEN and their families who  
continue to SERVE OUR COUNTRY, both  
overseas and here in the  
United States of America.*

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

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***Bring This Copy To Town Meeting***

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**TOWN OFFICERS****ELECTED**  

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## Town Moderator:

Town Moderator:  
Term expires 2015

Leighton C. Detora

## Selectboard:

Term expires 2015  
Term expires 2015  
Term expires 2016  
Term expires 2016  
Term expires 2017

Lisa G. Hagerty  
Adam Davis  
William Adams II  
Cornelius Van Dyke  
William Noyes

## Listers:

Term expires 2015  
Term expires 2016  
Term expires 2017

Ellen Thorndike  
Paul E. Percy  
Leo V. Clark

## School District Moderator

Term expires 2015

Leighton C. Detora

## School Directors:

Term expires 2015  
Term expires 2015  
Term expires 2016  
Term expires 2016  
Term expires 2017

Emily Bradbury  
James Brochhausen  
Richard N. Bland  
Susan Segal  
C. Cameron Page

## Justices of the Peace:

All terms expire January 31, 2017

Mary Black  
Marshall Faye  
Norman Williams III  
Kermit R. Spaulding  
Susie Connerty  
Lyndall P. Heyer

Elizabeth Lackey  
Charles T. Lusk  
Mitzi McInnis  
Leighton C. Detora  
Pall D. Spera  
Richard C. Marron

**APPOINTED  
ALL TERMS EXPIRE APRIL 30TH OF THE YEAR**

Cemetery Commissioners:

Term expires 2015	Claire "Skeeter" Austin
Term expires 2016	Judy Demeritt
Term expires 2016	Peter Smith
Term expires 2016	Gerry Griffin
Term expires 2016	Karin Gottlieb
Term expires 2017	Donna Adams
Term expires 2017	Barbara Allaire

Library Trustees:

Term expires 2015	Amanda Kuhnert
Term expires 2015	Elizabeth Wechsler
Term expires 2016	Darla Witmer
Term expires 2016	David Bryan
Term expires 2016	Stefi Clymer
Term expires 2017	Charles Lusk
Term expires 2017	Richard Johannesen Jr.

Recreation Commissioners:

Term expires 2015 .....	Brett Loomis
Term expires 2015	Walter Levering
Term expires 2015 .....	(vacant)
Term expires 2015	Theresa Wehse
Term expires 2016	Tom Ashworth
Term expires 2017 .....	Pascale Savard
Term expires 2017	Norman Williams III

Development Review Board:

Term expires 2015	Chris Walton
Term expires 2015	Peter Collotta
Term expires 2015	Michael Beugnies
Term expires 2015	Drew Clymer
Term expires 2016	Michael Diender
Term expires 2016 (alternate).....	Nick Lizotte
Term expires 2017	Tyler Mumley
Term expires 2017	Douglas White
Term expires 2017(alternate.....)	Tom Hand

**Planning Commission:**

Term expires 2015	Robert Davison
Term expires 2015	Neil Percy
Term expires 2016	Mila Lonetto
Term expires 2016	Chuck Ebel
Term expires 2016	Arnold Ziegel
Term expires 2017	Charles Baraw, Jr.
Term expires 2017	Terry McNabb

**Conservation Commission:**

Term expires 2015	Marina Meerburg
Term expires 2015	(vacant)
Term expires 2016	Andre Blaise
Term expires 2016	Gar Anderson
Term expires 2017	Robert Moore
Term expires 2017	David Jaqua
Term expires 2017	Christine McGowan

**Historic Preservation Commission:**

Term expires 2015	Gordon Dixon
Term expires 2015 (alternate)	Cindy McKechnie
Term expires 2015	Sam Scofield
Term expires 2016	Barbara Baraw
Term expires 2016 (alternate)	George Bambara
Term expires 2017	McKee MacDonald
Term expires 2017	Sarah McLane

**Stowe Electric Utility Commissioners:**

Term expires 2015	Richard C. Marron
Term expires 2016	Mary Lintermann
Term expires 2017	Larry Lackey

**TOWN DEPARTMENTS**

Town Manager .....	Charles Safford
Executive Assistant and Clerk to Selectboard ...	Susan H. Moeck
Town Clerk & Collector of Delinquent Taxes ..	Alison A. Kaiser
Treasurer .....	Alison A. Kaiser
Assistant Town Clerks .....	Megan Gregory & Lisa Walker
Assistant Treasurer .....	Mark Lyons
Finance Manager .....	Mark Lyons

Assistant Finance Manager .....Linda Kelly  
 Payroll/Accounts Payable Specialist .....Nicole Adams  
 Deputy Registrars ..... Megan Gregory, Lisa Walker,  
 .....

Chris Palermo & Mark Faith

Director of Planning .....Tom Jackman  
 Zoning Director .....Richard Baker  
 Acting Zoning Administrator .....Tom Jackman  
 Secretary to Recreation, Cemetery .....Barbara S. Allaire  
 Commissions and Development Review Board

Public Works Director ..... Harry Shepard  
 Assistant Public Works Director.....Richard Grogan  
 Road Commissioner .....Charles Safford  
 Highway Superintendent .....Stephen J. Bonneau  
 Highway Foreman .....Daren Small  
 Road Crew: John Allen, Eric Bates, Melvin Wells, Joe Martin, Jasson

Wells, Archie “Bunker” Hodgdon, Todd Barup

Town Mechanic .....Greg Adams  
 Fire Chief .....Mark Sgantas  
 First Assistant Chief.....Mark Walker  
 Second Assistant Chief .....Chris Walker  
 Captains ..... Kyle Walker & Scott Reeves  
 Fire Director..... Wendall Mansfield  
 Police Chief ..... Donald B. Hull

Patrol Sergeants: Steve Stewart, Bruce Merriam.; Patrol Corporal:

David Knight and Christopher Rogers; Detective: Frederick Whitcomb; Patrol Division: Bruce Emerson, Kyle Walker, Neil Mogerley, Lucas Marcoux; Scott Kirkpatrick, Ryan Cashin; Technology Officer: Darron Tabor.

Part-Time Officers: Matthew Andrews, Francis Gonyaw, Pierce Reid,

David Selby, Jon Zygmuntowicz, Michael Dougherty, Andre Labier, Steve Holbrook, Christian Mellen

Wastewater Superintendent .....Greg Lewis  
 Chief Plant Operator .....Bryan Longe  
 Plant Operator .....Mark Stirewalt  
 Plant Operator .....Jesse Wilkesman  
 Lead Lab Technician .....Gwyn Wilkins-Mandigo

Water Superintendent.....Richard Grogan  
 Chief Water Plant Operator .....Michael Mandigo  
 Water Plant Operator ..... Allen Ross  
 Parks & Recreation Director .....Matthew Frazee  
 Program Director .....Emily Boek  
 Administrative Assistant.....Tessa Massett

Arena Superintendent .....Tony Whitaker  
 Arena Foreman .....Steve Demeritt  
 Arena Attendant/Groundskeepers.....Sam Black & Jeff Baumann  
 Parks Superintendent ..... Bruce Godin  
 Parks Foreman ..... Michael Manning  
 Parks Seasonal Laborers ..... Jack Bent,  
 Michael Hall, Robert Hepburn, Michael Hughes, Jay Leonard,  
 Samantha Vance

Electric Department:

General Manager ..... Ellen Burt  
 Controller ..... Kevin Weishaar  
 Director of Operations .....Doug Haselton  
 Business & Customer Care..... Patricia Waugh  
 Office Manager ..... Lily Burgess  
 Systems Administrator.....James Brewster  
 Mgr. of Regulatory Compliance.....Matt Rutherford  
 Accountant ..... Tracy West  
 Billing ..... Diane Darling  
 Billing Clerk ..... Bethany Hackwell  
 Working Foreman ..... Steve Cutler  
 1st Class Lineman .....Silas Power  
 1st Class Lineman .....Norman Griffith  
 2nd Class Lineman ..... Jamie Piper  
 3rd Class Lineman ..... Evan Bilodeau  
 Meter Reader .....Randall Mandigo

EMS Director .....Scott Brinkman  
 EMS Provider/Adm. Assistant..... Larry (Duke) Rhodes  
 EMS Paramedic .....(vacant)  
 Stowe Rescue Volunteer Association Chair.....Tim Lambert

Library:

Director .....Cynthia Weber  
 Children's Librarian/Assistant Director..... Julie Pickett  
 Program and Systems Librarian .....Kelly McElligott  
 Technical Services Librarian ..... Katharine DeSanto  
 Library Assistant, Circulation ..... Marcia Smith  
 Library/Art Center Custodian ..... Peter Smith  
 Akeley Memorial Building/Public Safety Facility Custodian  
 ..... Robert Hoadley

Other Appointments

Lamoille Regional Solid Waste Management

District Supervisor .....Willie Noyes  
 Health Officer .....Richard Baker  
 Deputy Health Officer .....Tom Jackman  
  
 State Public Health Veterinarian ..... Robert Johnson, DVM  
 1-800-640-4374 or 253-4426(h)  
 Constable .....Donald Hull  
 Grand Juror .....Mark Kolter  
 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 .....Reverend Bruce Comiskey  
 Lamoille County Planning Commission Reps ..... Arnie Ziegel  
 LCPC Transportation Advisory Committee .....Tom Jackman  
 LCPC Brownsfield Committee Rep .....Tom Jackman  
 LECP Lamoille Emergency Planning Committee ..... Ed Stewart  
 Alternate..... Derek Libby  
 Stowe Transit Advisory Committee.....Tom Jackman,  
 Bonnie Waninger, Richard Marron, Robert Apple, Ed Stahl,  
 Sheri Baraw, Neil Van Dyke  
 Stowe Land Trust Rep .....Tom Jackman  
 Green Mountain Byway  
 Steering Committee Co-Chair .....Tom Jackman  
 Green Up Day Coordination... Stowe Conservation Commission  
 Emergency Management Coordinator ..... Ed Stewart  
 E 9-1-1 Address Contact Person .....Richard Baker  
 Sheriff's Advisory Board Rep .....(vacant)

**OFFICIAL WARNING  
AUSTRALIAN BALLOT VOTING  
TOWN OF STOWE, VERMONT  
MARCH 3, 2015**

The inhabitants of the Town of Stowe who are legal voters in Town Meeting and in School District Meeting of said Stowe, respectively, are hereby notified and warned to vote by Australian Ballot on Tuesday, March 3, 2015, at the Stowe High School Gym. The polls shall open at seven o'clock in the morning, (7:00 a.m.), and shall close at seven o'clock in the evening, (7:00 p.m.), during which time the following articles are to be acted upon:

- Article 1: To elect a Moderator of the Town Meetings and Moderator of the School District Meetings, respectively.  
Australian Ballot
- Article 2: To elect all Town officers as required by law, to wit:  
a. One Selectboard member for a three (3) year term.  
b. One Selectboard member for a two (2) year term.  
c. One Town Lister for a three (3) year term.  
Australian Ballot
- Article 3: To elect all School Directors of the Stowe Town School District:  
a. One for a term of three (3) years.  
b. One for a term of two (2) years.  
Australian Ballot
- Article: 4 Shall the voters of the Stowe School District approve a budget with a total expenditure of twelve million two hundred seventeen thousand five hundred seventy five dollars (\$12,217,575) for the support of its schools for the fiscal year beginning July 1, 2015?  
Australian Ballot
- Article 5: Shall general obligation bonds for the Town of Stowe in an amount not to exceed eight-hundred-thousand dollars (\$800,000) payable out of Electric Department revenue, be issued, subject to Public Service Board approval, for the purpose of acquiring, replacing and/or constructing municipal

electric plant improvements, namely substation transformers, CIS billing system & IT improvements and vehicle replacements of Digger Derrick and Bucket trucks?

Australian Ballot

ATTEST:

The Selectboard, Town of Stowe,  
Vermont, dated this 29th day of  
January, 2015.

LISA G. HAGERTY  
WILLIAM W. ADAMS, II  
WILLIAM NOYES  
CORNELIUS VAN DYKE  
ADAM DAVIS

ATTEST:

The School Directors,  
Stowe School District,  
Vermont, dated this 29th  
day of January, 2015.

C. CAMERON PAGE  
EMILY BRADBURY  
JAMES BROCHHAUSEN  
RICHARD BLAND  
SUSAN SEGAL

**OFFICIAL WARNING**  
**ANNUAL TOWN MEETING AND SCHOOL DISTRICT MEETING**  
**STOWE VERMONT**  
**MARCH 3, 2015**

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 3, 2015 at 8:00 AM to act upon any of the following articles not involving Australian Ballot:

**SCHOOL DISTRICT MEETING:**

- Article: 1 Will the voters accept the annual report of the School Directors as presented?
- Article: 2 Will the voters authorize the School Directors to borrow money to pay current expenses and debts of said District, in anticipation of the collection of taxes and receipt of returns from the State for such purposes, evidenced by notes of the District for that purpose?
- Article: 3 Will the voters authorize the payment of its School Directors and other elected officials for the ensuing fiscal year, and if so, the amount?
- Article: 4 Will the voters authorize the Stowe School Board of School Directors to apply five hundred eighty thousand dollars (\$580,000) of the school district's current fund balance as revenue for the 2015-2016 school year budget, one hundred thousand dollars (\$100,000) for the school district's construction fund for the purpose of building improvements and repairs, and establish a reserve fund for the purpose of defraying future educational expenses utilizing all carry forward exceeding the above amounts?
- Article: 5 To do other business that may legally come before said meeting.

**TOWN MEETING:**

Article 1: Shall the voters approve the Selectboard's proposed General Fund Budget of eleven million eighty three thousand seventy five dollars (\$11,083,075) of which eight million three hundred fifty two thousand two hundred fifty four dollars (\$8,352,254) is to be raised by property taxes and two million five hundred three thousand one hundred forty seven dollars (\$2,503,147) is to be funded by non-tax revenues?

Department	Budget Request
Accounting	\$ 260,725
Administration	\$ 408,465
Akeley Memorial Bldg	\$ 130,541
Annual Leave Reserve Fund Transfer	\$ 120,000
Arena	\$ 535,354
Cemetery	\$ 16,008
Community Affairs	\$ 79,522
Cultural Campus	\$ 35,937
Debt Management	\$ 1,256,417
Elections	\$ 3,387
Emergency Management	\$ 2,406
EMS	\$ 447,341
Equipment Reserve Fund Transfer	\$ 400,000
Fire	\$ 220,847
General Government	\$ 574,992
Highway	\$ 1,967,045
Insurance	\$ 209,871
Library	\$ 561,995
Listers	\$ 105,542
Mountain Rescue	\$ 19,689
Parks	\$ 504,833
Planning	\$ 139,066
Police	\$ 1,657,310
Public Safety Building	\$ 135,227
Public Works Administration	\$ 327,561
Recreation	\$ 487,366

Solid Waste	\$ 550
Street Lights	\$ 28,252
Town Clerk	\$ 312,996
Zoning	\$ 133,830

Article 2: Shall the voters approve the Selectboard allocating four hundred sixty thousand dollars (\$460,000) of the accumulated Capital Fund for the following capital projects:

Trash/Recycling Receptacles	\$ 20,000
Bridge Street Bridge Local Match	\$ 160,000
Village Sidewalk Replacement Preliminary Engineering	\$ 75,000
Luce Hill Road Culvert Rehabilitation	\$ 65,000
West Branch Erosion Mitigation Design & Permitting	\$ 50,000
MRV Sidewalk Phase 2 Design & Permitting	\$ 30,000
Town Clock Rehabilitation	\$ 10,000
Main St. Utility Line Relocation Feasibility & Preliminary Design	\$ 50,000

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 seventy-five dollars (\$75) 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, 2013 to June 30, 2014.

Article 5: To do other business that may legally come before said meeting.

ATTEST:  
The Selectboard, Town of Stowe,  
Vermont, dated this 29th day of  
January, 2015.

ATTEST:  
The School Directors,  
Stowe School District,  
Vermont, dated this 29th  
day of January, 2015.

LISA G. HAGERTY  
WILLIAM W. ADAMS, II  
WILLIAM NOYES  
CORNELIUS VAN DYKE  
ADAM DAVIS

C. CAMERON PAGE  
EMILY BRADBURY  
JAMES BROCHHAUSEN  
RICHARD BLAND  
SUSAN SEGAL

**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. You must apply by 5:00 pm Wednesday, February 25, 2015, if you want to vote in the Town and School District Meeting. Check to make sure your name appears on it. **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 2, 2015. **SAMPLE BALLOTS WILL BE POSTED!** You can see the ballot ahead of time. Sample ballots will be posted no later than **WEDNESDAY, FEBRUARY 11, 2015.**

**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:** Have a friend tell an election official. A ballot may be brought out to your car by two officials if you so choose to vote there.

**IT IS ILLEGAL TO:**

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

**PLEASE DO NOT:**

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

## ANNUAL MEETING FY 16 FAST FACTS

**Net FY'16 Budget:** The net budget increased from \$8,094,347 in FY'15 to \$8,352,254 in FY'16, an increase of \$257,907 or 3.19%.

**Tax Rate:** The proposed net budget increase represents a projected increase in the tax rate from \$0.3950 to \$0.4046 (+\$0.0096 or 2.42%). For every \$100,000 in property value, this represents an increase in municipal taxes of \$9.60.

At \$0.4046 for every \$100,000 in assessed value your town (non-school property) taxes would be \$404.60. For a home valued at \$500,000 the town property taxes would be \$2,023.00.

**Grand List:** For budgeting purposes, the Grand List has been projected to increase 0.75% from \$20,491,908 to 20,645,597. One cent on the tax rate is projected to raise \$206,456 in property taxes.

**Fund Balance:** The General Fund had a fund balance of \$870,187 as of June 30, 2014. Of this amount, \$432,301 is nonspendable inventory and prepaid expenses and \$26,162 is restricted for old age assistance, recreation scholarship expenses and library development expenses. There is \$612,020 of assigned and nonspendable fund balance which will reduce property taxes in fiscal year 2015, leaving \$232,005 assigned for future expenses. It should be understood that this assumes the FY'15 General Fund Budget comes in on-line.

**Employment Levels:** No changes in employment levels are proposed.

**Pay:** Employees who fall under the Personnel Regulations, Police Association Contract, and the IBEW Agreement are scheduled to receive a 1.5% pay increase, plus any step increase they may be eligible for. The cost of living for these employees is tied to the change in the CPI-U from October 2013 to October 2014.

**Capital Fund:** The FY'16 capital budget is comprised of \$460,000 in proposed projects. The funding for these projects comes from \$445,250 in projected FY'16 local options taxes and \$14,750 from unallocated capital reserves. The proposed projects are:

Bridge St. Bridge Reconstruction—Local Match (\$160,000)

Village Sidewalk Replacement—Preliminary Engineering (\$75,000)

Luce Hill Culvert (\$65,000)

Main St. Utility Line Relocation—Feasibility & Preliminary Design (\$50,000)

West Branch Erosion Mitigation—Design & Permitting (\$50,000)

Mountain Road Village—Phase 2 Design & Permitting (\$30,000)

Trash/Recycling Receptacles (\$20,000)

Town Clock Rehabilitation (\$10,000)

**Equipment Fund:** The following pieces of equipment are scheduled to be replaced through the Equipment Fund in FY'16:

4x4 Fire Truck With Pump (\$220,000)

Highway—Wheel Loader (\$150,000)

Highway – Foreman’s Pickup Truck (\$35,000)

Parks – 72” Mower (\$13,000)

Parks – 2 Pickup Trucks (\$25,000 each)

Police—2 Patrol Cars (\$46,805 each)

\* \* \* \*

TOWN OF STOWE  
COMPARATIVE BUDGET SUMMARY SHEET

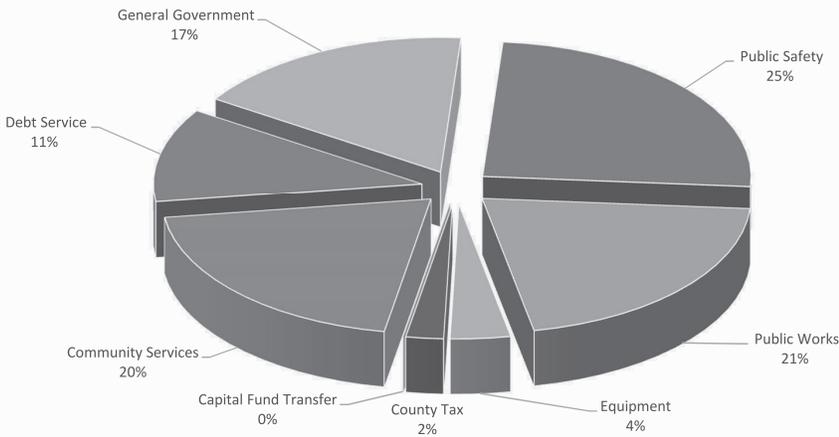
**TOTAL OPERATING EXPENDITURES**

Department	FY 14 Adopted	FY 14 Actual	FY 15 Budget Request	FY 16 Budget Request	FY 15 - FY 16 \$ Change (Decrease)	FY 15 - FY 16 % Change (Decrease)
Accounting	278,838	258,268	284,770	260,725	(24,045)	-8.44%
Administration	386,684	408,068	397,800	408,465	10,665	2.68%
Akeley Memorial Building	116,201	134,047	120,130	130,541	10,411	8.67%
Annual Leave Reserve Fund Transfer	50,000	55,556	120,000	120,000	-	-
Arena	425,875	377,367	510,395	535,354	24,959	4.89%
Capital Fund Transfer	268,000	268,000	50,000	-	(50,000)	-100.00%
Cemetery	14,289	6,884	14,333	16,008	1,675	11.69%
Community Affairs	65,005	64,950	66,422	79,522	13,100	19.72%
Cultural Campus	36,635	36,834	35,092	35,937	845	2.41%
Debt /Rooms & Meals Tax	1,159,169	1,178,087	1,283,094	1,256,417	(26,677)	-2.08%
Elections	2,307	1,248	5,357	3,387	(1,970)	-36.78%
Emergency Management	2,376	2,300	2,376	2,406	30	1.25%
EMS	423,426	394,137	429,256	447,341	18,085	4.21%
Equipment Reserve Fund Transfer	380,000	380,000	390,000	400,000	10,000	2.56%
Fire	208,923	190,256	219,231	220,847	1,616	0.74%
General Government	575,607	545,551	554,797	574,992	20,195	3.64%
Highway	1,811,989	1,806,353	2,101,057	1,967,045	(134,012)	-6.38%
Insurance	201,463	187,690	203,951	209,871	5,921	2.90%
Library	531,462	534,004	549,286	561,995	12,709	2.31%
Listers	106,349	106,577	103,518	105,542	2,024	1.95%
Mountain Rescue	17,542	19,532	18,575	19,689	1,114	6.00%
Parks	488,265	448,740	491,321	504,833	13,512	2.75%
Planning	125,982	130,742	133,485	139,066	5,581	4.18%
Police	1,598,152	1,620,444	1,648,779	1,657,310	8,531	0.52%
Public Safety Building	130,327	136,102	142,977	135,227	(7,750)	-5.42%
Public Works - Administration	298,160	292,533	312,144	327,561	15,417	4.94%
Recreation	514,751	452,890	502,598	487,366	(15,232)	-3.03%
Solid Waste	550	550	550	550	-	-
Street Lights	29,394	28,862	28,252	28,252	0	0.00%
Town Clerk	260,888	274,718	295,877	312,996	17,119	5.79%
Zoning	130,406	116,116	133,709	133,830	121	0.09%
<b>EXPENDITURE TOTAL:</b>	<b>10,639,015</b>	<b>10,457,406</b>	<b>11,149,131</b>	<b>11,083,075</b>	<b>(66,056)</b>	<b>-0.59%</b>

## TOTAL OPERATING REVENUES

Department	FY 14 Budget Request	FY 14 Actual	FY 15 Budget Request	FY 16 Budget Request	FY 15 - FY 16 \$ Change (Decrease)	FY 15 - FY 16 % Change (Decrease)
Accounting	53,351	49,338	20,300	20,000	(300)	-1.48%
Administration	630,685	674,182	633,271	689,023	55,752	8.80%
Akeley Memorial Building	-	-	-	-	-	-
Arena	301,030	251,994	397,806	425,566	27,750	6.98%
Capital	268,000	268,000	-	-	-	-
Cemetery	1,200	1,400	1,200	1,200	-	-
Cultural Campus	1,872	1,424	1,496	1,496	-	-
Debt/Rooms & Meals Tax	350,000	350,000	350,000	350,000	-	-
Emergency Management	-	-	-	-	-	-
EMS	258,049	224,871	189,000	201,505	12,505	6.62%
Fire	750	979	750	750	-	-
General Government	-	-	-	-	-	-
Highway	182,300	193,490	185,600	182,500	(3,100)	-1.67%
Library	28,558	29,687	29,296	28,500	(796)	-2.72%
Listers	15,500	15,509	7,500	7,500	-	-
Mountain Rescue	500	836	500	500	-	-
Parks	31,688	48,345	38,030	35,743	(2,287)	-6.01%
Planning	7,000	26,606	2,500	2,500	-	-
Police	134,096	214,204	123,800	112,000	(11,800)	-9.53%
Public Works - Administration	44,000	44,000	44,000	47,000	3,000	6.82%
Recreation	194,510	174,004	196,320	172,205	(24,115)	-12.28%
Town Clerk	158,170	156,390	173,670	172,916	(754)	-0.43%
Zoning	48,215	63,436	47,725	52,253	4,528	9.49%
Revenue:	2,706,474	2,788,695	2,442,764	2,503,147	60,383	2.47%
Add Surplus Carry Forward	237,102	-	612,020	227,674	(384,346)	-62.80%
<b>TOTAL REVENUE</b>	<b>2,943,576</b>	<b>2,788,695</b>	<b>3,054,784</b>	<b>2,730,821</b>	<b>(323,963)</b>	<b>-10.61%</b>
<b>NET BUDGET</b>	<b>7,695,439</b>	<b>7,668,711</b>	<b>8,094,347</b>	<b>8,352,254</b>	<b>257,907</b>	<b>3.19%</b>
<b>TOWN GRAND LIST</b>	<b>20,409,640</b>	<b>20,491,908</b>	<b>20,491,908</b>	<b>20,645,597</b>	<b>153,689</b>	<b>0.75%</b>
<b>TOWN TAX RATE</b>	<b>0.3770</b>	<b>0.3775</b>	<b>0.3950</b>	<b>0.4046</b>	<b>0.0096</b>	<b>2.42%</b>

**FY16 Budgeted Expenses - General Fund**



**CATEGORY KEY**

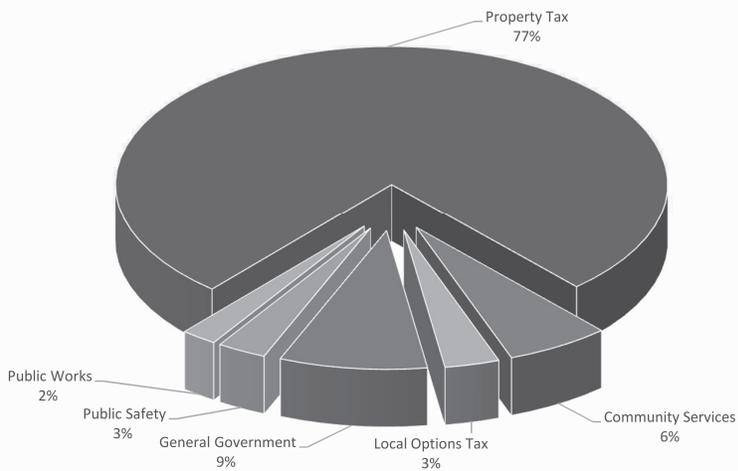
**General Government:** Accounting, Administration, Akeley, Annual Leave, Elections, General Government, Miscellaneous, Insurance, Listers, Planning, Town Clerk, Zoning

**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

**FY16 Budgeted Revenues - General Fund**



**FY 16 PROPOSED COMMUNITY AFFAIRS BUDGET**

Central VT Adult Ed	\$ 3,500
Central VT Community Action	\$ 800
Central VT Council Aging	\$ 3,000
Childrens Room	\$ 500
Clarina Howard Nichols Center	\$ 2,750
Green-Up Day	\$ 200
Habitat for Humanity	\$ 1,000
LCNat.ResourceConservation District	\$ 100
Lamoille Eco Dev Corp	\$ 3,000
Lamoille Home Health Assoc	\$12,942
Lamoille Housing Partnership	\$ 250
Lamoille Family Center	\$ 3,000
Lamoille Food Share	\$ 5,000
Lamoille Restorative Center	\$ 1,250
LC Mental Health	\$ 5,000
Meals on Wheels (LENS)	\$ 2,000
Maple Leaf Farm	\$ 3,000
No Country Animal League	\$ 1,000
No Central VT Recovery Center	\$ 1,000
Rural Community Transportation	\$ 2,200
Out & About	\$ 1,000
Retired Senior Volunteer Program	\$ 660
Stowe American Legion	\$ 350
Stowe Historical Society	\$ 4,000
Stowe Land Trust	\$ 6,000
Stowe Performing Arts	\$ 1,000
Stowe Youth Baseball/Softball	\$ 2,000
Stowe Vibrancy	\$12,000
VT Association for the Blind	\$ 500
VT Center for Independent Living	\$ 420
VT Rural Protection Task Force	\$ 100
<b>Total</b>	<b>\$79,522</b>

5 YEAR EQUIPMENT FUND

DEPT	VEHICLE	MAKE	PURCHASE YEAR	Next REPLACEMENT Fiscal Year	Replacement value	Life Cycle	FY15 Budget	FY 16 Budget	FY 17 Budget	FY 18 Budget	FY 19 Budget	
FIRE	SILVERADO UTILITY TRUCK	CHEVY	2003	2018	32,000	15	-	-	-	32,000	-	
FIRE	4X4 TRUCK W/PUMP E3	INTERNATIONAL	1986	2016	200,000	30	-	220,000	-	-	-	
HIGHWAY	WHEELLOADER 2	JOHN DEERE	2000	2015	150,000	15	-	150,000	-	-	-	
HIGHWAY	DUMP - 7600 6 WHEELER	INTERNATIONAL	2015	2027	170,000	12	170,000	-	-	-	-	
HIGHWAY	DUMP - 7600 TANDEM	INTERNATIONAL	2015	2027	170,000	12	170,000	-	-	-	-	
HIGHWAY	DUMP - 7600 TANDEM	INTERNATIONAL	2007	2019	170,000	12	-	-	-	-	170,000	
HIGHWAY	F-350 PICKUP (SHOP)	FORD	2008	2018	35,000	10	-	-	-	35,000	-	
HIGHWAY	F-250 FOREMAN'S PICKUP	FORD	2011	2016	35,000	5	-	35,000	-	-	-	
HIGHWAY	5600 TURBO WORK MACHINE	BOBCAT	2007	2017	40,000	10	-	-	40,000	-	-	
HIGHWAY	EXCAVATOR EW7D	VOLVO	2001	2017	180,000	16	-	-	180,000	-	-	
MTN RES	CREW CAB 4WD PICKUP	0	2003	2018	35,000	15	-	-	-	35,000	-	
PARKS	72" EXMARK MOWER	EXMARK	2008	2016	13,000	8	-	13,000	-	-	-	
PARKS	72" EXMARK MOWER	EXMARK	2009	2017	13,000	8	-	-	13,000	-	-	
PARKS	72" EXMARK MOWER	EXMARK	2010	2018	13,000	8	-	-	-	13,000	-	
PARKS	72" EXMARK MOWER	EXMARK	2011	2019	13,000	8	-	-	-	-	13,000	
PARKS	BOBCAT UTILITY	0	2008	2018	20,000	10	-	-	-	20,000	-	
PARKS	SKID STEER BOBCAT	0	2008	2018	25,000	10	-	-	-	25,000	-	
PARKS	F-350 PICKUP	FORD 2 wheel drive	2006	2016	25,000	10	-	25,000	-	-	-	
PARKS	F-350 PICKUP	FORD 2 wheel drive	2006	2016	25,000	10	-	25,000	-	-	-	
PARKS	F-350 PICKUP - 4x4	FORD 4x4	2008	2018	30,000	10	-	-	-	30,000	-	
PARKS	F-350 DUMP 4x4	FORD 4x4	2007	2017	35,000	10	-	-	35,000	-	-	
PARKS	F-350 PICKUP - 4x4	FORD	2005	2015	30,000	10	30,000	-	-	-	-	
POLICE 2	CHIEF SMALL SUV	FORD	2009	2017	30,000	8	-	-	30,000	-	-	
POLICE 3	SUPERVISORS FULL SUV	CHEVY	2011	2017	37,000	6	-	-	46,805	-	-	
POLICE 4	PATROL 1 FULL SUV	CHEVY	2010	2014	37,000	4	-	-	-	46,805	-	
POLICE 5	PATROL 2 FULL SUV	CHEVY	2012	2016	37,000	4	-	46,805	-	-	-	
POLICE 6	PATROL 3 FULL SUV	CHEVY	2011	2015	37,000	4	37,000	-	-	-	46,805	
POLICE 7	PATROL 4 FULL SUV	CHEVY	2012	2016	37,000	4	-	46,805	-	-	-	
RESCUE 1	AMBULANCE -1	International/Osage	2012	2021	186,000	9	-	-	-	-	-	
RESCUE 2	AMBULANCE -2	FORD	2003	2012	186,000	9	230,000	-	-	-	-	
RESCUE 3	ALST	0	2018	2027	-	9	-	-	-	-	-	
							Annual Expense:	687,000	561,610	344,805	229,805	
							Beginning Fund Balance:	457,339	160,339	(1,271)	63,924	247,119
							General Fund Transfer:	390,000	400,000	410,000	420,000	430,000
							Other Expenditures:	-	-	-	-	-
							Other Revenues:	-	-	-	-	-
							Ending Fund Balance:	160,339	(1,271)	63,924	247,119	447,314

## **SELECTBOARD REPORT**

Fiscal year 2015 has been an active and productive year for Stowe's town departments. Here are the highlights:

### **Planning:**

As the Planning Commission began its every fifth year task of updating the Town Plan, the Selectboard requested that the process begin with an open discussion amongst community members with the intent of raising as many points of view as possible. The conversation was the catalyst for the formation of three community task forces to advance potentially impactful initiatives without requiring immediate additional municipal funds.

The Website Task Force was tasked to help select a developer and platform for a new Town website. The task force reviewed the scope of project, analyzed open source versus commercial applications and reviewed presentations by several different developers. A developer has been selected and approved by the Selectboard, funds had already been approved for this project and the new Website should be completed during 2015.

An Arts and Culture Task Force comprised of a group of local Arts and Culture organization volunteers advised the Selectboard of the formation of an ongoing Council primarily for the purpose of calendar and marketing collaborations. The overall intent the Council is to enhance the overall Arts and Cultural experience for the residents and visitors of Stowe

And lastly, The Village Vision Task Force is working to update a Village Vision document through focus groups and a town-wide survey. This visionary exercise happens concurrently with the Town Plan update. Together, these documents will provide great resources for the Selectboard and community members as they consider what Stowe should look like today, tomorrow and 20 years from now. The preliminary findings will have been presented to the Selectboard by the time of the Annual Meeting.

We'd also like to thank the Planning Commission for its diligent work over the past year on the Town Plan and we look forward to its review and adoption by the end of the first Quarter of 2015. We thank the many community members and town employees who have worked on these various task forces. This is the community visioning and engagement that enables the Town to remain vital and enticing.

### **Capital Projects:**

The Town has completed several significant capital projects this year. In December, we celebrated the completion of Phase I of the Mountain Road Village Sidewalk project. Improvements to the Mayo Farm Events Field and the Cady Hill Trail system were also completed. Mountain Biking continues

to grow as an important Stowe recreational offering; adding to the overall Stowe experience.

Infrastructure projects completed in 2014 include Village paver replacements, a water and sewer line extension to the Parks offices and the Village substation remediation. Additionally, four tennis courts at the Stowe Middle/High School were restored with the help of a capital contribution from the Town. They are available to the public when not occupied by students.

In the coming year the Town will complete the Village staircase that will provide covered and lighted access from the Rec Path parking lot to Main Street. This will increase convenient and safe Main Street access to 45 additional village parking spaces. We are working to permit and complete the Quiet Path Bridge this year.

As always, there are unanticipated expenses that arise from events out of our control. As a result of a storm event last spring, sections of the Recreation Path adjacent to Thompson Park and Bouchard Farm failed. We hired the firm of Milone & MacBroom to study the matter, and it has provided the Town with a range of suggested solutions. This year's capital request includes money to advance the study of widening the River channel; a significant but long-term solution to what would otherwise likely be a repeat issue. The work resulting from this study will be voted on for final appropriation next year.

The Selectboard is currently reviewing the viability of two longstanding capital appropriations that were not advanced for a variety of reasons. \$100,000 was approved in 2006 for the construction of a Skate Park in the Memorial Park area and \$33,000 was approved in 2005 for a shelter at the Polo Fields. In an effort to secure further guidance from the community, the Selectboard warned discussion and heard from interested parties on each of these projects at their early January meeting. The Selectboard will reconsider each of these projects after we receive the updated information from the project proponents by July of 2015.

The Selectboard will continue to work with the Town Manager and staff on the development of a comprehensive infrastructure capital program so that we have better visibility into our existing financial obligations as we consider new capital projects.

### **Roads and Bridges:**

The State has completed its work on the Gold Brook Bridge, the first of three major bridge projects happening in Stowe over an 18-month period. While the construction went according to plan and was efficiently transacted, the safety of the guardrail installed has since been called into question and some cracks have appeared in the Bridge beams. The Town is in discussions with the State to monitor both situations. The guardrail continues to be a federally approved product and the results of a load test, while unofficial at

the time of this report, show that the bridge meets or exceeds its design load capacity.

The State has two additional bridge projects planned for Stowe in the upcoming year. The Bridge Street Bridge along with its covered pedestrian bridge will undergo replacement beginning in early April. Traffic will be detoured to West Hill Road for a seven-week period and a temporary traffic light will be installed at the intersection of West Hill Road and Route 100. After the bridge is reopened (prior to Memorial Day Weekend), there will be intermittent single lane closures. It is anticipated that this project will be completed by August 18, 2015.

A temporary two-way bridge to facilitate the replacement of the Gables Bridge on Route 108 will be installed in the Fall of 2015 with bridge replacement work to be completed during 2016. This will require temporary relocation of a town water main currently located on the bridge.

While the Town does not have primary control over these projects, Town officials are working closely with the State to ensure minimal disruptions and the efficient coordination of any town infrastructure work. These projects have somewhere between a 50 and 100 year estimated life and absolutely necessary.

#### **Contracts and Agreements:**

The Town entered into negotiations with the Stowe Police Officers Association (SPOA). The primary focus was to achieve reductions in the annual and maximum caps for sick and leave time accruals – a concern expressed by voters at last years annual meeting. The new five-year contract reduces annual and maximum accrual of leave time for new employees and more moderate reductions for existing employees. The expense savings from these changes will be realized over time. We appreciate the members of SPOA working with us to create a more sustainable earned time off system.

The Town reached an important agreement with the many entities that own and operate the Spruce Peak Development – this was required before the State would issue an Act 250 permit authorizing the Spruce Peak Adventure Center Development. These negotiations also provided an opportunity to clarify the functional and financial responsibilities involving the Town and these entities associated with future infrastructure repairs. The Public Works Department did an excellent job of identifying the issues and a fair path to agreement.

The Selectboard approved a capacity allocation and a Sewer and Wellhead Protection Agreement with the Alchemist Brewery – important milestones in the planned Brewery/Retail development on Cottage Club Road. The new development is within the Town's wellhead protection area and the agreement built in extra conditions to properly protect the Town's water supply.

The Selectboard also granted additional capacity allocations to the Trapps Brewery expansion project, and approved a high strength waste agreement to insure that the Town is reimbursed for the additional costs of water treatment.

### **Service Acknowledgements**

We would like to recognize the many contributions by the members of our town committees – Cemetery, Conservation, Development Review Board, Electric, Historic Preservation, Library, Planning, and Recreation and other community volunteers. We would also like to extend special appreciation to our volunteer emergency management personnel. All of our community volunteers help to make Stowe a better place to live, work and play.

Of special note, we congratulate Megan Carder on her retirement from Stowe Free Library after 19 years and Alan Shatney on his retirement after 17 years as mechanic with Stowe’s Highway Department. We thank them for their many years of dedicated service.

We also remember Deb Wells for her years of service to our town as summer laborer with Stowe Parks Department crew and her many contributions to school students in our area.

### **Property Tax Rate**

Trying to find the right balance between new initiatives and the proper maintenance of existing infrastructure is a challenge that all communities face, but is particularly complex for resort towns such as Stowe. Add into the mix the fact that Stowe remains the largest net contributor of property taxes to the Vermont Education Fund, contributing nearly \$20 million of net property taxes and one can more easily understand the daily challenges of balancing this Town’s wants and needs. Town Manager Charles Safford and staff continue to do an excellent job at delivering municipal services with only modest increases in the municipal tax rate in spite of minimal growth in the Grand List (the town’s property tax base), on-going increases in costs such as medical insurance and worker’s compensation insurance premiums, and the required maintenance and upgrades to our infrastructure.

The Selectboard continues to work diligently to preserve what is the best of Stowe while working within the realities of the current environment. Stowe is a very special place community and we are honored to serve as your legislative body.

Respectfully submitted,

Lisa Hagerty, Chair  
Billy Adams, Vice Chair  
Adam Davis  
Neil Van Dyke  
Willie Noyes



### STOWE CEMETERY COMMISSION

The Cemetery Commission is a seven member board consisting of Gerry Griffin, Karin Gottlieb, Judy Demeritt, Skeeter Austin, Treasurer, Barbara Allaire, Secretary, Peter Smith, Vice-Chair, and Donna Adams, Chair. Bruce Godin is the Superintendent of Cemeteries, and he and his crew do a stellar job in keeping all seven of the town's cemeteries in beautiful condition.

Stone restoration is the biggest job in the cemeteries, especially this year in Old Yard where the work is progressing and due to be finished by summer of 2015 to straighten many of the oldest memorials and put foundations under them to keep them upright.

Many trees in Riverbank and West Branch cemeteries, especially the pines, are reaching the end of their life cycles, and the commission is actively removing and replacing those before they can fall and damage memorials.

We are updating and adding informational brochures to kiosks in Old Yard, Riverbank and West Branch and encourage visitors to view the historic Victorian hearses housed in the building next to the White House at Riverbank.

In addition, Pat Haslam's second book, "The Annotated Cemetery Book II, Stowe, Vermont 1798-1915: Four Record Books" is for sale at the Town Clerk's office and on the town website.

We meet the first Tuesday of the month and welcome the public to our meetings.

Respectfully submitted,

Donna Adams

## CONSERVATION COMMISSION

Among its roles and responsibilities, the Stowe Conservation Commission's number one priority is the stewardship of town-owned conserved properties. These include:

- Sterling Forest (1,530 acres)
- Cady Hill Forest (320 acres, including what was formerly known as Macutchan Forest)
- Mayo Farm (235 acres)
- Sunset Rock (32 acres)
- Sterling Gorge Conservation Lot (3.7 acres) (provides a buffer for Sterling Gorge)
- Moscow Recreation Field (4.7 acres)

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 2014:

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

At the annual Town Meeting in March, the Commission presented its Conservationist of the Year award to Paul Percy in recognition of his leading role in preserving Stowe's working landscape.

### **Green-up Day**

The Commission coordinated another very successful Green-Up Day on May 3rd with 150 people participating. We look forward to continuing this effort and invite everyone to join us on Saturday, May 2, 2015 at the Sunset Grille and Taproom, starting at 8:00 AM.

### **Cady Hill Forest**

The Town partnered with the Stowe Mountain Bike Club to complete the Phase 2 Cady Hill Forest Trail Plan. This included the construction of two new trails named Snake and Florence (Flo) which have already become extremely popular, as well as upgrades to existing trails to make them more sustainable for the increased usage. The Commission is currently working on a Cady Hill Forest Management Plan to provide a framework for balancing recreational uses with environmental quality.

### **Sterling Forest**

The Commission partnered with the Sterling Gorge Falls Natural Area Trust and the Catamount Trail Association to construct a new bridge over Sterling Brook to reroute the Catamount Trail off the Sterling Gorge Rd. bridge.

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 as large as 5 acres with the intention of creating songbird habitat as well as browse for moose and deer.

### **Sunset Rock**

The Commission completed a comprehensive review and update of the Sunset Rock Management Plan, which was adopted by the Selectboard on April 14, 2014.

Conservation Commission members in 2014 included:

Marina Meerburg, Chair, Robert Fahey, Vice-chair, David Jaqua, Christine McGowen, Gar Anderson, Rob Moore and Andre Blais.

### **Mayo Farm**

With input from the community received in numerous public meetings, the Commission completed a comprehensive review and update of the Mayo Farm Management Plan. The Plan was adopted by the Selectboard on March 25, 2013.

Conservation Commission members in 2013 included:

Marina Meerburg, Chair, Robert Fahey, Vice-chair, David Jaqua, M.E. Lawlor, Jason Kirchick, Gar Anderson and Andre Blais.

Respectfully submitted,

Tom Jackman, *Planning Director*

### **Sterling Falls Gorge Natural Area Trust**

The Sterling Falls Gorge Natural Area Trust (SFGNAT) is a 501(c)(3) non-profit organization that owns Sterling Falls Gorge and provides recreational and educational opportunities to visitors free of charge. SFGNAT partners with the Conservation Commission to maintain and enhance the Sterling Forest trail system.

SFGNAT provided the following volunteer work and contributions to assist the Stowe community and enhance the Sterling Valley conservation areas located in both Stowe and Morristown:

SFGNAT volunteers constructed the new Catamount Trail bridge, crossing Sterling Brook on the north side of the Sterling Gorge parking area adjacent to the Sterling Valley Historic Mill Site. Funding for the steel beams and bridge wood was supplied by the Stowe Conservation Commission, the Catamount Trail Association and public donations.

Following a bridge accident last winter, the Conservation Commission funded a new set of railings on the Upper Gorge Loop Trail's Twin Bridges, installed by SFGNAT volunteers..

Printed and distributed over 1,000 Sterling Forest Trail Maps for the two Sterling Forest public parking lots.

Sponsored a National Trails Day event in June to remove trees and branches that were cut on the new Ruschp Sterling Ridge Trail.

The Catamount Trail Association and SFGNAT sponsored several Trails Day events to rebuild a portion of the Catamount Trail leading to Morristown to avoid what had become a large water filled area.

Just prior to the winter XC ski season, SFGNAT and the Conservation Commission assisted the Catamount Trail Association in rerouting the Catamount Trail along a section of the Marston Trail to avoid passing a new home site currently under construction.

Added new culverts on both the Catamount Trail and the VAST Trail to help each trail cross what had become a heavy water flow area.

Hosted the annual Stowe Mountain Bike Club's annual Pond Jump Party.

Contributed approximately half a dozen truck loads of stones used to construct the new "Parsonage Park" across from Stowe Community Church.



Fantastic view from Sterling Ridge

## COLLECTOR OF DELINQUENT TAXES

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

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

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

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

Respectfully submitted,

ALISON A. KAISER

*Collector of Delinquent Taxes*

## Summary of Delinquent Taxes

<u>Warrant Date</u>	<u>Amount Billed</u>	<u>Delinquent Warrant Amount</u>	<u>% Delinquent of Total Billed</u>	<u>Remaining Delinquent Amount 6/30/2014</u>
August, 2009	\$9,842,981	\$784,705	7.97%	\$0
November, 2009	\$9,842,981	\$417,130	4.24%	\$0
February, 2010	\$9,842,981	\$605,426	6.15%	\$0
May, 2010	\$9,842,981	\$602,405	6.12%	\$0
TOTAL	\$39,371,923	\$2,409,667	6.12%	
August, 2010	\$9,828,959	\$613,408	6.24%	\$0
November, 2010	\$9,828,959	\$795,831	8.10%	\$0
February, 2011	\$9,828,959	\$866,294	8.81%	\$0
May, 2011	\$9,828,959	\$744,501	7.57%	\$0
TOTAL	\$39,315,836	\$3,020,034	7.68%	
August, 2011	\$8,922,044	\$535,140	6.00%	\$0
November, 2011	\$8,922,044	\$586,529	6.57%	\$0
February, 2012	\$8,922,044	\$753,189	8.44%	\$0
May, 2012	\$8,922,044	\$641,986	7.20%	\$0
TOTAL	\$35,688,178	\$2,516,844	7.05%	
September, 2012	\$9,489,489	\$294,472	3.10%	\$0
November, 2012	\$9,489,489	\$781,642	8.24%	\$12
February, 2013	\$9,489,489	\$777,514	8.19%	\$792
May, 2013	\$9,489,489	\$650,174	6.85%	\$7,155
TOTAL	\$37,957,956	\$2,503,802	6.60%	
August, 2013	\$9,525,734	\$640,779	6.73%	\$22,362
November, 2013	\$9,525,734	\$667,498	7.01%	\$71,021
February, 2014	\$9,525,734	\$801,391	8.41%	\$118,390
May, 2014	\$9,525,734	\$717,748	7.53%	\$201,140
TOTAL	\$38,102,936	\$2,827,416	7.42%	
<b>TOTAL OUTSTANDING DELINQUENCIES AS OF 6/30/2014</b>				<b>\$420,873</b>

## 2014 REPORT OF THE DEVELOPMENT REVIEW BOARD

In 2014 the Development Review Board reviewed and issued decisions for 12 new or amended subdivisions, 13 conditional uses, 10 Ridge and Hillside Overlay projects and 1 setback variance.

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

Once again this year, Barbara Allaire has served as the Board's secretary. We appreciate her many years of continued service. Brian Leven resigned from the Commission in December 2014. The Commission thanks him for his eight years of dedicated service.

DOUGLAS WHITE, Chair  
Stowe Development Review Board

MICHAEL BEUGNIES  
PETER COLLOTTA  
DREW CLYMER  
MICHAEL DIENDER  
CHRIS WALTON  
TYLER MUMLEY



Barrows Road paving project 2014

## TOWN OF STOWE ELECTRIC DEPARTMENT

The Town of Stowe Electric Department (“SED”) had an intense and very productive 2014.

SED applied a 3.5% uniform rate reduction to all current rates and issued approximately \$278,000 in customer refunds retroactive to July 2013. The uniform rate reduction resulted in annual savings to Stowe ratepayers of more than \$385,000.

A complete redesign of all our rates - maintaining a continued focus on cost containment, while ensuring the reliability of our system and allowing us to pass savings on to our valued customers - has been filed with the Public Service Board on January 7, 2015. The best news is that we eliminated Residential Demand Rate 06, which will benefit our ratepayers using 2,000 kWh or more per month.

SED is the first VT utility to install and own electric vehicle (EV) charging stations. The EV charging stations at Stowe Mountain Resort and Green Mountain Inn are served under a special tariff. SED has also received approval for a grant from VLITE for \$162,134 to fund the Stowe Electric Vehicle Tourism Initiative which is designed to promote electric vehicle tourism by installing 8 new EV charging stations in town. SED plans to complete the installation phase in December 2015.

Throughout the year, SED linemen have provided mutual aid to New Hampshire Electric Coop, Morrisville Water & Light, Vermont Electric Coop, Hardwick Electric and Washington Electric Coop.

Other noteworthy projects of 2014 were:

- Replaced two failed Substation Transformers at the Houston Substation located on Mountain Road.
- Replaced poles and crossarms on Stowe Hollow Road.
- Launched our new website at [www.stowelectric.com](http://www.stowelectric.com).
- Launched CustomerConnect, a new web-based service that uses “smart grid” technology to allow ratepayers to review their individual electrical usage online.
- Increased the tree trimming budget by 72% to even more extensively reduce potential outages.

To date SED has 30 (thirty) net-metering customers in our territory which equate to 1.56% of Stowe’s peak load. This means there is a lot of opportunity for SED customers to install their own net-metering systems before SED

will reach the 15% cap set by Vermont statute. SED furthermore continues to support environmentally viable and economically sound power from local sources. Last year, SED purchased additional wind and hydro power. We have thus met our renewable portfolio goal in 2014, well ahead of the 2017 deadline set by the VT legislature. Below is a chart of SED's power resources for 2014, showing that our percentage of renewable power is 55%.

On Town Meeting Day 2015, subject to Public Service Board approval, SED will be requesting approval from the voters to borrow an amount not to exceed \$800,000 for the purpose of acquiring, replacing and constructing municipal electric plant improvements, namely the replacement of Substation transformers, one Bucket truck and one Digger Derrick truck, IT infrastructure improvements and a new billing system.

Thank you to all our ratepayers for your continuing support. The SED Commission and Management will continue to be dedicated to increasing efficiency, customer service and reliability.

Respectfully submitted,

Ellen L. Burt, *General Manager*  
Town of Stowe Electric Department





## DEPARTMENT OF EMERGENCY MEDICAL SERVICES

The year of July 1, 2013 – June 30, 2014 (FY2014), has been a good year for The Department of EMS. Our department is staffed with three full-time employees, four Per-Diem employees, and 35 volunteers. 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.

The Volunteer Base includes almost 35 members. Our volunteers are certified at the following levels: EMT, AEMT (Advanced EMT), Paramedic, and CPR/Driver. Our volunteers' years of service range from 1 year to 30+ years of service. As our volunteers continue to serve and give their scarce free time, we are ever more thankful for their dedication, and to the support of their families and employers; without this support we would not have the robust service we do.

The following table illustrates the call distribution for the year:

Type of Call	Number
Treated, Transported by EMS	460
Treated, Transferred Care	2
Treated and Released	4
Standby Only – No Patient Contact	62
Patient Refused Care	124
No Treatment Required	17
No Patient Found	2
Dead at Scene	2
Cancelled	<u>20</u>
Total	693

Through a direct fund raising campaign Stowe Rescue Squad, Inc. continues to support the Town Department with gifts of equipment from time to time, as well as supporting the training needs of volunteers and by providing community outreach and education programs.

Stowe EMS enjoys a close working relationship with the Stowe Fire Department, Stowe Mountain Rescue, Stowe Emergency Management, and the Stowe Police Department. The work of these departments would not get done without many, many hours volunteered by members of these agencies. I would personally like to thank each volunteer for their commitment and dedication.

Respectfully submitted,

SCOTT BRINKMAN, *EMS Chief*

## FINANCE DEPARTMENT

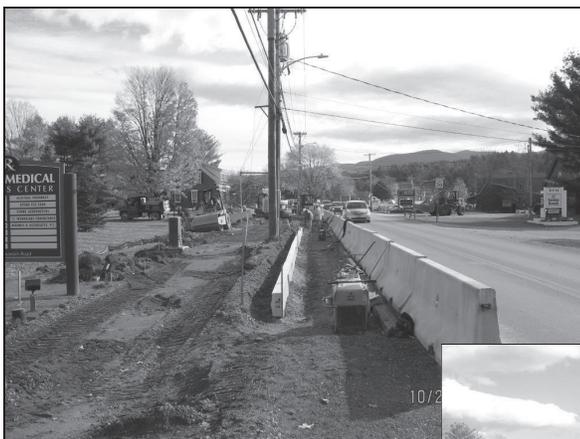
The Finance Department is responsible for processing accounts payable, payroll, water and sewer loans; performing bank reconciliations, tracking fixed assets, accounting for grants and accounts receivable; maintaining the Town's accounts in good order, preparing for the annual audit, managing benefits, assisting in contract negotiations, assisting all departments with their budgets and preparing the budget for distribution. We also monitor and report to the Select Board, Town Manager, and Department Heads monthly revenues and expenses as they relate to our yearly budgets. Additionally, the Finance Department responds to many other issues that daily come before us.

The finance office welcomes our newest member, Nicole Adams, who has taken on the responsibility of payroll and accounts payable processing.

Linda, Nicole and I take pride in the work we do and consider it an honor to serve the citizens and staff of the Town of Stowe in our respective roles.

Respectfully submitted,

**MARK LYONS**  
*Finance Director*



Mountain Road Village sidewalk construction completed in November 2014 from Cape Cod Road to Gale Farm Center.





## STOWE FIRE DEPARTMENT

The Stowe Fire Department graciously thanks the community of Stowe for its support and caring. We take great pride in being a professional volunteer fire department. My appreciation goes out to my fellow officers and members of the department that work hard throughout the year, training and responding to fire calls.

For the period 1/1/2013- 12/31/13 the fire department responded to 219 calls. The following is a breakdown:

Fire alarm and smoke detector activations	58
Fire alarm and smoke detector malfunctions	40
Carbon monoxide activations and malfunctions	30
Motor vehicle accidents	21
Structure fires	9
Car fire/ chimney fire	5
Sprinkler alarm activations	3
Electrical fires	7
Brush fires	3
Hazardous conditions/ misc. calls	25
Elevator rescue	2
Assist EMS	3
Assist Mt. Rescue	3
Mutual aid structure fire	5
Mutual aid stand-by	4
Natural disaster	1

This past year the department has been involved in recruiting new members through Facebook and our webpage. The response has been good but we still need to increase our ranks. You can see more at [stowefire.org](http://stowefire.org) and stowefire Facebook.

Stowe Fire Department provides a fire prevention program each fall for school age children. We also have a Junior firefighting program for ages sixteen and up. Eligible candidates will be trained with the department laying the ground work for future firefighting duties. If interested call, 253-4315 for more information.

The firefighters association prepares a holiday meal for seniors, every December. We also completed our financial support for Breezy Point Fire Department, Long Island, a volunteer department whose members were dev-

astated by flooding and fire at the same time.

A reminder for all to change batteries in your smoke detectors, twice a year when we change the clocks. Check that your fire alarm has been updated and or inspected. Prune tree limbs on your driveways so our fire trucks can navigate safely. If you have a dry hydrant on your property, make sure it is clear so we can access year round.

In closing, in the words of the International Fire Chiefs, without volunteers, many small and rural fire and emergency services agencies would not be able to respond to the needs of their residents in a timely manner. Without volunteers, many communities would not be able to bear the financial burden of protecting their citizens. Without volunteers, many community safety tasks would be left undone.

Respectfully submitted,  
MARK SGANTAS, *Chief*

## HELEN DAY ART CENTER

Helen Day Art Center, 90 Pond Street, PO Box 411, Stowe, VT 05672,  
802 253 8358 [www.helenday.com](http://www.helenday.com)  
Gallery Hours: Wednesday –Sunday 12:00:00 during exhibits.

*Helen Day Art Center's mission is to enhance the human experience through the visual arts.*

2014 was an incredible year for dynamic and engaging exhibitions and tremendous growth for our classes and public programs. We opened the year with the *Surveillance Society* exhibition curated by Nathan Suter in the Main Galleries, and two solo exhibitions in our west gallery: *Claire Desjardins*, a colorful abstract painter from Montreal and *Andrea Lilenthal*, a Brooklyn-based mixed media artist. Following that, our exhibitions included *The Appearance of Clarity: Works in Black and White* curated by Amy Rahn, our 23rd annual *Exposed Outdoor Sculpture Exhibition*, *Unrest: Art, Activism and Revolution*, *In No Time: A Retrospective of Ideas*, *Student Art Show*, *The Age of Consequences* by Matthew Christopher, *Members Art Show & Sale*, and *Festival of Trees and Light*. In total, we had 10 exhibitions, 7 public programs, a month-long performance residency, and 12 school tours throughout the year. Assistant Director Rachel Moore curated all exhibits in 2014 except where noted, and continues to organize the exhibitions and programs schedule with assistance from Katharine Longfellow, Gallery Manager.

Susan Holliday joined the Center as our Education Coordinator in July 2014 and has continued to expand our education opportunities for youth, adults and the community with 72 classes this year. Susan was a fundamental part of launching the Art Apres program at the Stowe Mountain Resort, which offers art classes to youth several times a week. She also began the popular “Draw and Sip” series which meets once a month for wine and a laid-back creative environment and partners with Picasso. Susan has continued to grow the increasingly popular Teen Art Studio, which meets twice a month and has involved artists of all different backgrounds and practices. Sarah Sprague joined the Art Center in December as lead Art Teacher and Program Assistant and has been a key part of the expansion of the Education programming.

We offered an arts focused trip to Cuba in partnership with Cuba Puentes. Participants visited Paseo del Prado, the Capitolio, The Plaza de la Revolucion and the University of Havana along with visits to top Cuban artists to explore the creative artist community.

Community Events included Family Day as well as Saturday workshops and our second annual Steamroller Printmaking Workshop, partnered with Sushi Yoshi.

The Art Center board has continued to be a tremendous support and we have to thank Toni Barr, Adam Blue, Robin Coggins, Jay Ericson, Scott Griffith, Remy Joseph, Giulia Eliason, Molly Triffin, Lance Violette and Yu-wen Wu. We inspired our region in 2014 through exhibitions, arts education, public programs, and special events with tremendous support from our Board of Trustees, staff, community volunteers and the numerous sponsors, donors and members who make what we do possible. Thank you!

We are very proud of our accomplishments and contributions in 2014. Don't miss one inspirational moment; visit the Helen Day Art Center in 2015!

Be Creative

NATHAN SUTER, *Executive Director*

## 2014 HISTORIC PRESERVATION COMMISSION REPORT

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

In 2014, the Commission reviewed 36 applications. Richard Baker, Zoning Director, serves as staff to the SHPC for design review. Tom Jackman, Planning Director, serves as staff to the SHPC for town historic preservation projects. Chris Carey resigned from the Commission in 2014. The Commission thanks him for his eleven years of dedicated service.

Respectfully Submitted,  
Sarah Noelle McLane, Chair

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



Samantha Vance of the Parks Department keeps Main Street flowers looking beautiful.

## STOWE FREE LIBRARY ANNUAL REPORT

### TO WELCOME ... TO INSPIRE ... TO ENRICH THE MIND

As a librarian in the 21<sup>st</sup> century, I am often asked about the relevance of public libraries today. And as a librarian, I am taken aback each time this question is asked.

I maintain that libraries have never been more relevant. (See statistics below.) Technology has advanced at an exponential rate, and many struggle to navigate the seemingly endless supply of information using the latest “make your life easier” device. Interaction with family, friends, the government, business, and educators often requires knowledge of the newest technology.

Librarians act as gatekeepers, navigators, instructors, coaches, and mentors. We provide assistance and guidance in accessing information of all kinds. We value lifelong learning and encourage self-advancement. Most of all, we value each and every one of you who cross the library’s threshold, physically and virtually. Thank you, the residents of Stowe and all of our library patrons, for allowing us to serve you and to be part of this great community.

Additional thanks to the following: the Town of Stowe Select Board, the Stowe Free Library Board, the Friends of the Stowe Free Library, the Library Staff and Volunteers, the Town Office personnel, the Copley-Munson Foundation, the Oakland Foundation, the Vermont Department of Libraries, the Green Mountain Coffee Roasters, the Stowe Garden Club, the Helen Day Art Center, the Stowe Historical Society, and all who have provided support and funding.

Highlights at the Stowe Free Library in the past year include: a Geek the Library Promotional Campaign (centering on the interests of community members), an Impact Survey (discovering how patrons use library technology; see results below), an Edge Initiative Assessment (assessing technology within the library and devising ways for improvement), the development of a new adult book discussion group (meeting the first Thursday of every month), the new Dorothy Canfield Fisher Award Book Club (for kids grades 5 and up), two Family Math Days (in conjunction with the Vermont Early Literacy Initiative Program), a partnership with the Lamoille Neighborhood Food Project (food donations collected at the library), and the marriage proposal and acceptance of one visiting New Jersey librarian to another (see picture on our Facebook page).

In the coming months, the Library will be working on its 5-year Strategic Plan. If you would be interested in participating in a focus group or infor-

mally sharing your thoughts and concerns, please contact me, at [cweber@stowelibrary.org](mailto:cweber@stowelibrary.org) or 253-6145. The library is always open to suggestions as we strive to meet the needs of our patronage.

Gratefully and respectfully submitted,  
Cindy Weber, Library Director

### **Statistics:**

Total current collection size: 34,000 physical items

Total circulation of materials for the year: 91,527

Total uses of public computers for the year: 7,613

Total programs / attendees for the year: 168 / 2,824

Total current registered cardholders: 5,478

### **Impact Survey Results:**

**Access** - 68% of our survey respondents say they have alternate Internet access but chose to use the library's technology and Internet connection. 84% of them received help at the library.

**Employment** - 50% of public technology users used the library's connection for employment purposes. 32% of them applied for a job. 25% were granted an interview, and 21% were hired for a new position.

**Education** – 39% of respondents used library technology for educational purposes. 73% of them took an online class, did research, or did homework for a class.



*Homework at the Stowe Free Library*

## STOWE FREE LIBRARY TRUSTEE'S REPORT

Years ago, someone in a Town Report wrote "...this town is as its citizens are generous with their time and their energy and their creativity." Replace the second noun with "volunteer and employees" and we have in a capsule why the Stowe Free Library is such a special place. Example: In the 43 hours the Library is open in a typical week, volunteers provide an average of 15 hours assisting at the circulation desk, and re-shelving returned books. Those of you who have snapped up bargains and rediscovered treasures from a long-ago past at the Annual Book Sale are the beneficiaries of countless hours of organizing (really!) tons of donated books. Which of course need to be hauled up, with tables, from the catacombs of Helen Day and displayed on the front porch in scores of feet of rows, divided by subject matter. Which, of course, requires (more) volunteers to transact the sales, and restock the tables as the books are sold, and respond to occasionally weather extremes with ever-present sheets of poly.

So, time for some thankers to become the thanked. Bonnie, Margo, Sally: You bring order out of chaos on that porch, overseeing the Book Sale from beginning to end, raising money for activities which would not be in the Library's budget, and, importantly, fostering enthusiasm and, yes, the joy of participating in a shared enterprise for an organization we love.

Worth of note is that some of the revenue raised supplemented generous donations to a fund which purchased a durable outdoor book drop in memory of Carol McKeon, a long-time volunteer whose untimely passing was mourned by the entire library family.

Speaking of family, 2015 will see the departure of two very special long-time employees of the Library. Megan Carder, the Circulation and Adult Programs Librarian, and Marcia Smith, steady hand on the circulation desk, have elected to retire. We are sad to see them go, but grateful for their years of exceptional service.

On the subject of 2015, the Board and staff of the Library will be soon undertaking a Strategic Planning initiative. A task force has been appointed to design a process to learn from the community how it wishes library excellence to be defined, so we can together work to provide the highest level of service to meet that definition. This will require that we hear from multiple voices; please consider participating in some of the forums and responding to the surveys that will be coming soon.

Respectfully submitted,

Charles Lusk, Chair

David Bryan Stefi Clymer Amanda Kuhnert Elizabeth Wechsler

Richard Johannesen, Jr. Darla Witmer

STOWE FREE LIBRARY  
INCOME SUMMARY  
FISCAL YEAR ENDING JUNE 30, 2014

Book Sale Share from Friends.....	\$6,000
Copier Fees .....	1,598
Registration Fees .....	4,095
Fines.....	3,007
Material Replacement.....	1,488
Bank Account Interest .....	35
Donations .....	5,032
Endowment Income.....	14,843
Other Income .....	148
Income before Grants/Bequests .....	\$36,246
 Total Grant Income .....	 \$6,414

STOWE FREE LIBRARY ASSETS  
June 30, 2014

CASH

Checking Account .....	\$8,052
Development Account.....	20,733
Cash Drawer.....	75
Total Cash Accounts.....	\$28,860

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 .....	\$512,755
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*Susan W. Downer and Mrs. A. H. Slayton Fund*

Unrestricted. Income can be used as desired. Principal should remain untouched. Union Bankshare Common Stock .....	\$179,208
Fidelity Short-term Bond Fund.....	15,165
Total.....	\$194,373

*Rogers 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% .....	\$17,718
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*Doris Houston Fund*

Restricted. Income to be used for library expenses. Principal to remain untouched. Dodge & Cox Balanced Fund .....	\$52,470
Dodge & Cox International Fund .....	6,038
Total.....	\$58,508

Total Endowment Funds .....	\$783,354
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## **THE FRIENDS OF THE STOWE FREE LIBRARY**

The Friends of Stowe Free Library is a non-profit, 501(c)3 organization founded by a group of volunteers in 2006 for the purpose of enhancing the services, programs and circulation materials of the Library.

Our summer book sale is very popular with both locals and tourists. It is also our largest source of revenue. The book sale co-chairs, Bonnie Knight, Sally Nolan and Margot Hall work year round sorting books and planning for the sale. We also have many dedicated volunteers who help set up and close up the sale, as well as sell books, restock and tidy the tables during the sale. And, of course, we could not do it without the donations of books and DVDs from the community. There is also an ongoing book sale inside the Library near the circulation desk.

Our other main source of funds comes from membership dues and donations. This year we also had a raffle for an American Girl Doll donated by the company.

The Friends have continued our yearly financial commitments including sponsorship of the weekly Baby and Toddler Story Hour, co-sponsorship of the Gazebo Concert series, t-shirts for Reading Olympics participants, funding of the Library DVD collection and the purchase of passes to local museums and attractions. A high school intern was again hired for the summer to assist with the children's programs. We also continue to have the popular In Our Own Backyard program, a series of six talks by local authors, coordinated by Lisa Grady. An additional unrestricted \$6000 is given to the Library budget.

The Friends also provided for some special projects this year. Along with the Library Board of Trustees, we funded a much need upgrade to the Library website. A summer reading program and microfilming of back issues of the Stowe Reporter were also supported by the Friends.

The family of Carol McKeon, a longtime Library volunteer who passed away in March, asked that donations in her memory go to the Library. With those donations and some additional funds from the Friends, a new book deposit bin was purchased for the front of the Library.

We sincerely thank all of our members, donors and volunteers who have given so generously to help support the Friends and our Library.

Respectfully submitted,

Dee Reeve, President  
Friends of Stowe Free Library

## **STOWE BOARD OF LISTERS**

Property values have been fairly stable over the past year. The most recent equalization study done by the State of Vermont shows the Common Level of Appraisal (CLA) in Stowe is 98.52%. The CLA is used to determine education property tax rates. The State study uses sales from 4/1/11 to 3/31/14 to determine the CLA. Town Appraiser Tim Morrissey has conducted a study over the same period which shows that the CLA should be closer to 100%. The Town of Stowe is appealing the study because an incorrect CLA has a big impact on the amount of Stowe education tax dollars sent to the state.

The appeal of the 2012 CLA was heard in the Fall of 2014 by the State Valuation Appeal Board and a decision on that appeal is expected soon.

Four condominium projects assessments were adjusted in the 2014 Grand List because recent sales indicated the market was declining in those projects. The Listers will keep a close eye on sales and will correct assessments if any trends necessitate an adjustment to keep the Grand List equitable.

In 2013 the State of Vermont required towns to tax solar arrays on the Municipal Grand List if they generated more than 10 Kilowatts of power. Eight properties were taxed on the 2014 Grand List. This past legislative session the law was amended to only tax solar arrays generating more than 50 Kilowatts of power. Currently, all of the Stowe solar arrays are smaller than 50 Kilowatts and they will be removed from property taxes on the 2015 Grand List.

The Board of Listers met in the Fall of 2014 to discuss public, pious & charitable properties which are exempt from taxation. The Board decided to exempt the Sterling Falls Gorge Natural Area Trust property from property taxes in 2015 because of a recent amendment made in the last legislative session to the State's definition of properties which qualified for this type of exemption.

The Board of Listers continues to strive for equity in the Grand List and will closely monitor assessments and make changes as warranted. We have an open door policy and Listers property records are available for inspection during regular office hours

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

**BREAKDOWN OF GRAND LIST BY PROPERTY CATEGORY**

12/15/2014  
11:18 am

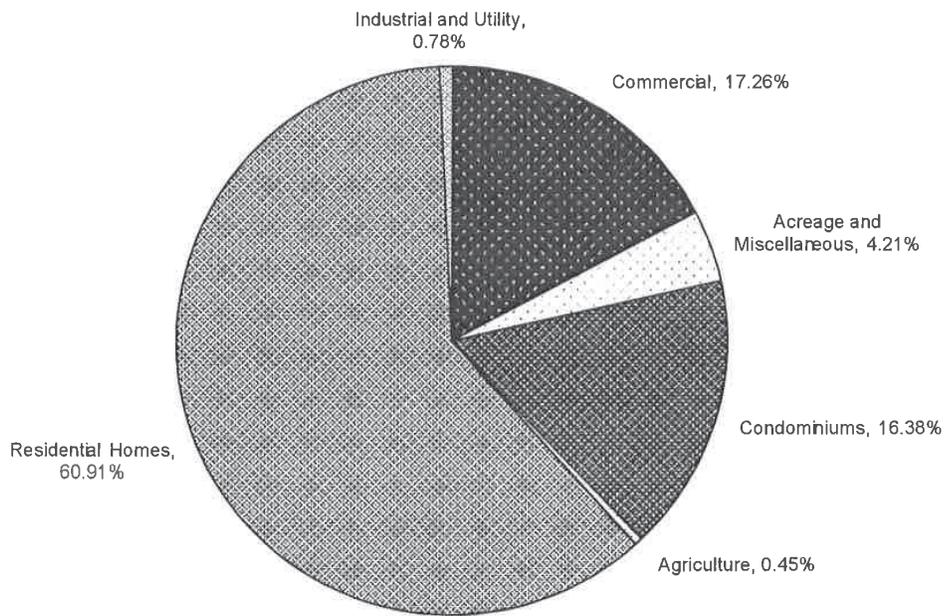
Stowe 2014-2015 Grand List  
Form 411 - (Town code: 621)  
Main District

(Taxable properties only - State and Non-tax status properties are not listed below)						
REAL ESTATE Category/Code	Parcel Count	Municipal Listed Value	Homestead Ed Listed Value	Non-Resi Ed. Listed Value	Total Education Listed Value	
Residential I R1	1,608	709,643,400	311,463,500	398,179,900	709,643,400	
Residential II R2	529	584,982,700	187,811,200	397,171,500	584,982,700	
Mobile Homes-U MHU	4	386,500	58,300	328,200	386,500	
Mobile Homes-L MHL	9	1,390,600	1,011,000	379,600	1,390,600	
Seasonal I S1	9	1,469,800	0	1,469,800	1,469,800	
Seasonal II S2	7	3,391,300	0	3,391,300	3,391,300	
Commercial C	244	354,716,600	4,749,900	349,966,700	354,716,600	
Commercial Apts CA	28	14,070,300	1,411,300	12,659,000	14,070,300	
Industrial I	3	1,635,000	0	1,635,000	1,635,000	
Utilities-E UE	4	14,505,700	0	14,505,700	14,505,700	
Utilities-O UO	14	480,700	0	480,700	480,700	
Farm F	8	9,626,000	4,531,000	5,095,000	9,626,000	
Other O	1,007	349,928,600	23,731,500	326,197,100	349,928,600	
Woodland W	19	3,945,400	0	3,945,400	3,945,400	
Miscellaneous M	265	86,075,400	0	86,075,400	86,075,400	
<b>TOTAL LISTED REAL</b>	<b>3,758</b>	<b>2,136,248,000</b>	<b>534,767,700</b>	<b>1,601,480,300</b>	<b>2,136,248,000</b>	
P.P. Cable	1	145,100		145,100	145,100	
P.P. Equipment	0	0				
P.P. Inventory	0	0				
<b>TOTAL LISTED P.P.</b>	<b>1</b>	<b>145,100</b>		<b>145,100</b>	<b>145,100</b>	
<b>TOTAL LISTED VALUE</b>		<b>2,136,393,100</b>	<b>534,767,700</b>	<b>1,601,625,400</b>	<b>2,136,393,100</b>	
<b>EXEMPTIONS</b>						
Veterans 10K	11	110,000	110,000	0	110,000	
Veterans >10K		330,000				
<b>Total Veterans</b>		<b>440,000</b>	<b>110,000</b>	<b>0</b>	<b>110,000</b>	
P.P. Contracts	1	145,100				
Contracts Apprv VEPC	0	0	0	0	0	
Grandfathered	0	0	0	0	0	
Non-Apprv (voted)	9	6,236,100				
Owner Pays Ed Tax	0	0				
<b>Total Contracts</b>	<b>10</b>	<b>6,381,200</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Farm Stab Apprv VEPC	0	0	0	0	0	
Farm Grandfathered	0	0	0	0	0	
Non-Apprv (voted)	0	0				
Owner Pays Ed Tax	0	0				
<b>Total FarmStab Contr</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Current Use</b>	<b>118</b>	<b>80,192,000</b>	<b>18,120,600</b>	<b>62,071,400</b>	<b>80,192,000</b>	
<b>Special Exemptions</b>	<b>13</b>		<b>0</b>	<b>15,340,700</b>	<b>15,340,700</b>	
<b>Partial Statutory</b>	<b>1</b>	<b>90,000</b>	<b>0</b>	<b>90,000</b>	<b>90,000</b>	
<b>Sub-total Exemptions</b>		<b>87,103,200</b>	<b>18,230,600</b>	<b>77,502,100</b>	<b>95,732,700</b>	
<b>Total Exemptions</b>		<b>87,103,200</b>	<b>18,230,600</b>	<b>77,502,100</b>	<b>95,732,700</b>	
<b>TOTAL MUNICIPAL GRAND LIST</b>		<b>20,492,899.00</b>				
<b>TOTAL EDUCATION GRAND LIST</b>			<b>5,165,371.00</b>	<b>15,241,233.00</b>	<b>20,406,604.00</b>	
<b>NON-TAX</b>						<b>65 NON-TAX PARCELS ARE NOT INCLUDED ON THE 411</b>

Year to Year Comparison of Grand List Totals, Budgets and Tax Rates										
YEAR	GRAND LIST HOMESTEAD	GRANDLIST NON HOMESTEAD	RATIO TO FMV	TOWN BUDGET	SCHOOL TAX RAISED HOMESTEAD	SCHOOL TAX RAISED NON HOMESTEAD	TAX RATE Homestead	TAX RATE Non Homestead		
1977	132,917,100		100%	630,833	1,288,000		1.44			
1978	138,127,700		95%	676,826	1,256,963		1.40			
1979	143,687,400		88%	787,407	1,339,167		1.48			
1980	150,217,500		83%	941,864	1,446,595		1.59			
1981	157,978,100		78%	1,034,756	1,540,286		1.63			
1982	173,020,100		70%	1,200,892	1,808,990		1.74			
1983	182,434,800		65%	1,311,392	1,842,100		1.73			
1984	327,917,100		100%	1,690,226	2,095,170		1.16			
1985	340,685,500		97%	1,707,190	2,272,500		1.17			
1986	362,297,300		92%	2,006,031	2,387,000		1.22			
1987	383,100,000		80%	2,270,215	2,779,815		1.32			
1988	403,015,000		70%	2,570,285	3,159,634		1.43			
1989	426,135,700		62%	2,850,687	3,508,586		1.50			
1990	437,801,000		64%	2,976,547	3,993,591		1.60			
1991	446,500,300		65%	3,036,078	4,378,404		1.67			
1992	452,171,300		65%	3,079,764	4,603,450		1.70			
1993	461,886,200		64%	3,140,826	4,849,805		1.73			
1994	469,544,100		64%	3,145,945	5,071,076		1.75			
1995	480,519,700		63%	3,073,667	5,110,876		1.704			
1996	743,047,600		100%	3,470,728	5,292,400		1.179			
1997	754,068,800		98%	3,564,544	5,330,900		1.178			
1998	746,664,300		97%	3,403,415	7,893,032		1.513			
1999	763,519,500		96%	3,481,112	8,441,295		1.562			
2000	787,212,300		93%	3,732,303	8,712,858		1.577			
2001	816,277,400		88%	3,860,228	9,286,024		1.611			
2002	842,922,200		82%	4,829,625	10,125,159		1.750			
2003	852,293,300		73%	5,175,631	11,260,846		1.9104			
2004	294,701,666	578,982,773	64%	5,648,150	6,115,942	12,162,692	2.7209	2.7463		
2005	545,798,515	1,215,950,084	100%	5,963,286	6,154,970	14,102,588	1.4653	1.4974		
2006	547,831,800	1,271,743,000	96%	5,974,533	7,162,353	17,008,290	1.6395	1.6695		
2007	540,551,500	1,359,506,800	89%	6,308,143	7,458,530	19,215,269	1.7107	1.7443		
2008	522,063,200	1,451,267,200	82%	6,870,370	7,789,183	22,218,901	1.8388	1.8778		
2009	542,931,100	1,449,557,600	82%	7,008,620	8,577,225	23,777,093	1.9358	1.9663		
2010	542,119,200	1,449,638,100	83%	7,100,615	8,463,023	23,827,701	1.9176	2.0002		
2011	560,926,000	1,424,848,300	94%	7,221,375	7,926,445	20,634,653	1.7755	1.8106		
2012	561,574,900	1,454,700,400	100%	7,313,749	8,019,290	20,949,140	1.7922	1.8043		
2013	525,465,200	1,505,173,600	100%	7,702,577	7,756,917	22,485,788	1.8585	1.8762		
2014	516,537,100	1,524,123,300	100%	8,094,349	7,689,171	23,174,295	1.8885	1.9204		

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

DISTRIBUTION OF 2014 GRAND LIST TAX ASSESSMENT



Residential Homes - 38.59% are Homestead Property and 61.41% are Non Residential Property

## **PARKS & RECREATION DEPARTMENT**

### **Stowe Arena**

The Stowe Arena saw its first full calendar year of operation including the first ever Spring Indoor Turf Season and Summer/Fall Ice Season. The Arena now features ice from the second week in June through the third week in March and offers indoor turf April through May.

The Turf season allowed usage from Stowe Soccer Club, Stowe Youth Lacrosse, Stowe Baseball/Softball Association and many Stowe residents and neighbors participating in indoor soccer leagues through the Capital Soccer Programs as well as a variety of drop-in programs including soccer, lacrosse, baseball, and walking.

The Summer Ice Season allowed many of our long standing, devoted local adult hockey groups to extend their seasons and get on the ice as early as June. The summer also featured new hockey camps and tournaments including Planet Hockey, Vermont Stars tournament, and several NAHA hosted camps and tournaments.

The Arena has begun to attract more tournaments and camps while the local traditions and usage continues. The Hyde Cup tournament was once again full with 8 teams and more than 100 participants. Stowe Youth Hockey Associations numbers continue to grow as does their Annual Winter Carnival Tournament and will be hosting Squirt and Pee Wee Vermont State Play downs again this year after a successful hosting for the first time last winter.

The Learn to Skate and Hockey Initiation programs also continue to grow and gain in popularity. We have had 59 participants thus far this season for Learn to Skate. The first session of Hockey Initiation had 35 participants and we expect strong numbers again for session two. The program is a very successful collaboration between our department and Stowe Youth Hockey Association.

### **Recreation**

This past August, we developed and released our first ever Fall & Winter Program Guide which includes information on all of our park, facilities, programs, and events for the Fall and Winter. Thank you to the brochure sponsors Bourne's Energy and Sushi Yoshi. This February we will be releasing our first Spring & Summer Program Guide. The goal of this is to ensure our programming and information is available on a consistent, timely basis to provide adequate time for marketing and promotion, registration and planning. Going forward you can expect a bi-annual program guide from us every August and February.

Emily Boek was hired as our new Program Director and has brought a lot of new ideas and energy. We continue to offer a variety of programs for

all ages including: Kid's Night Out, Teen Night Out, Vacation Camps, After School Program, Summer Camp, Hunting Education, Dog Training classes, and much more. We have also offered new programming with a focus on promoting health, fitness and all that Stowe has to offer including: Gold Panning, Mountain Biking, Yoga, Pilates, Rock Climbing, Ice Climbing, Dance Classes, and Pickleball just to name a few.

Our Summer Camp had 219 different children participate throughout the season, averaged 70-80 kids per week, and featured a vast variety of activities, learning, friendships, exploration, field trips and adventures. We had a great Summer Camp staff this year and hope to have many returning next year. The revamped after school program – Stowe Rec Adventures Club has seen participation numbers increase from a daily average of 4-6 to 15-18 kids. Our Community Garden had another successful season with 42 participants.

Our events were well attended this year, with help for the most part from Mother Nature who, unlike last year gave us a rain free night on July 4<sup>th</sup>. We weren't so fortunate for our Family in the Park event, but we promise to make it up next year! Other events included: Halloween Party and Candy Drop, Easter Egg Hunt, Kid's Kaos, Skate with Santa, and Welcome to Winter.

#### Parks

Events fields -- Staff spent close to 2 months preparing the field A with a private contractor this past spring leveling, seeding and fertilizing. There is more work to do, such as filling in small areas with topsoil and seeding. Overall the field held up well, but will continue the need to have some minor work to it to adjust to use.

Cemetery-- Stone restoration at Riverbank and most of the work at Old Yard. The major part of work was in O.Y. and will continue this spring as well as going thru other cemeteries to do more restoration. Riverbank Cemetery saw a lot of wind damage this past November which will take considerable time to clean up this spring. West Branch Cemetery will have a major cleanup this winter and into February.

Moscow—The Moscow field saw extensive damage to its riverbanks during the last high water and at this point is unusable for any full size field layout such as soccer, and lacrosse, however one could fit youth size fields with a moderate amount of work.

Recreation Path—as you may have seen the banks below the Tobe Reed parking lot has had extensive damage due to flooding this past year. Staff with the landowners consent cut tree's and filled in an area so it could continue to be used, however this area needs more work with better safety barriers for next spring until the project is corrected. The Rec. path continues to be very busy and at times very difficult to work on. This past fall the planking on bridge 1 was replaced and bridge 2 is next to be replaced at some point this spring.

Recycling -- the past few years we have been thinning out trees at Riverbank and replanting as we do this. Lumber has been save, reused for different projects including residing the Events barn lower sections. The plan for this is to do this by spring, but time allotted has been tough to find, but we will get it finished.

Misc. – The Parks Dept. removed the trees between The Library and the Condo’s next door and replaced the hedge. The vault roof, some siding on the White house at Riverbank have been replaced. Tree’s at the Rec. Ctr. Have been cleaned out and a line of cedar’s have replaced them. Other work such the stone sidewalk has also been completed. There are many small projects ongoing that will continue to take time to finish with the limited amount of time we have.

Fields—High School fields have been aerated, over seeded as well as other work completed. All events fields have been aerated and over seeded as well as other work completed. With the use of these fields as high as they are it is sometimes difficult to get it all done. Any of the fields that are being used see some work done to them over the course of the summer.

The Parks Dept. lost a valuable employee this past fall, Deb Wells and she will be greatly missed.

At this time I would like to thank all Stowe taxpayers for their continued support for our dept. and thank all those who worked for this dept. this past year, Mike, Jack, Sammy, Mike H, Jay, Rob, Mike, Jeff and Sam.

Thank you

Bruce Godin, Parks Superintendent

I want to thank all of our staff, volunteers and sponsors for their contributions to our department and community. Also would like recognize our Arena advertisers and sponsors: Stowe Mountain Resort, Union Bank, Copley Hospital, Mansfield Orthopedics, Irving Energy, Malt Shop, Sushi Yoshi, Trapp Family Lodge, Copley Professional Services Group, Harvest Market, Bourne Energy, Power Play Sports, Fred’s Energy, Breadloaf, Top Notch Resort, Ben & Jerry’s, and Stowe Vet.

Finally, thanks to all the Recreation Commission members for their contributions over the past year, Terrie Wehse, Norm Williams, Tom Ashworth, Tyler Mumley, Brett Loomis, Walt Levering, Pascale Savard, and Paul Lawson.

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

Respectfully submitted,

MATT FRAZEE

*Park & Recreation Director*



2014 Summer Rec Program, Rusty and Dinoman entertain !

**STOWE ARENA -**  
Great ice and terrific turf!



## **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.

Preparing recommended building, plumbing, fire, electrical, housing, and related codes and enforcement procedures, and construction specifications for streets and related public improvements.

The Commission's main task in 2014 was to conduct a comprehensive review and update of the Stowe Town Plan. By state statute, the Town Plan expires after 5 years from adoption by the Selectboard, so it needs to be updated and re-adopted at least every 5 years. The Commission held 20 public meeting devoted to the Town Plan update and scheduled a public hearing for February 18, 2015.

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

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

Stowe Land Trust Board of Directors  
Stowe Vibrancy Design and Economic Development Committee  
Lamoille County Transportation Advisory Committee  
Green Mt. Byway Steering Committee  
Lamoille County Brownfields Steering Committee  
Stowe Transit Advisory Committee  
Stowe/Morrisville Multi-use Path Steering Committee  
Smuggler's Notch Partnership

The Planning Director's work in 2014 also included:

Providing GIS mapping services  
Serving as acting Zoning Administrator  
Serving as Deputy Health Officer  
Town liaison with the Stowe Mountain Bike Club  
Trail enhancements in Cady Hill Forest and Sterling Forest  
Coordinating Green-up Day  
Grant writing and administration



## STOWE POLICE DEPARTMENT

The Stowe Police Department continues to serve the citizens, business owners and visitors of Stowe by providing professional, compassionate and effective police services. We pride ourselves in our community involvement and positive customer satisfaction.

The Stowe Police Department currently has 12 full-time officers and 8 part-time officers that provide continuous 24/7 coverage for the Town.

The officers of the Stowe Police Department had 4817 incidents in 2014. A summary of those incidents included:

281 Motor Vehicle Accidents	570 Alarms	11 Assaults
1 Motor Vehicle Fatality	140 Animal Complaints	12 Drug/Narcotic
21 Fraud/Embezzlement	34 Burglary	124 Theft
99 Driving Under Influence	10 Juvenile Incidents	106 Medical Calls
172 Motor Vehicle Complaints	6 Missing Persons	120 Fire Assists
244 Suspicious Persons/Circumstances	36 Noise Disturbance	99 Traffic Hazards

As a result of these incidents and investigations there were 435 charges/arrests filed.

During 2014 there were 1317 Motor Vehicle Stops that resulted in 528 Traffic Citations and 1204 Warnings issued.

The officers of the Stowe Police Department also work many events and details throughout the year, in addition to their regular patrol shifts. Stowe Police Officers had to cover 45 events and details, which resulted in over 2100 hours of work.

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

The Stowe Police Department works with other law enforcement agencies on highway safety campaigns and participates in Vermont Governor's Highway Safety Programs.

In May 2014 Officer Michael Dougherty retired from the Stowe Police Department. We thank him for his service to Stowe.

The Stowe Police Department continues to work closely with all of the Town Public Safety Departments to meet all of the public safety needs for the Town.

The Stowe Police Department is very appreciative of the support received from the community throughout the year. If you have a question or need assistance, please do not hesitate to call me.

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, Chief Donald B. Hull

**PUBLIC WORKS DEPARTMENT**

PO Box 730  
Stowe, VT 05672  
802-253-8770  
HShepard@townofstowe.vermont.org

The Public Works Department consists of the writer and Richard Grogan, who in 2014 was promoted to Assistant Director/Water Superintendent. We are responsible for the Highway, Sewer and Water Departments, the development and implementation of Capital Projects and providing technical assistance to other departments. In 2014 we opened 108 project files. Noteworthy projects include the Sewer/Streambank Stabilization at 3115 Mountain Road, Rec. Path/Streambank Failures near Thompson Park, the temporary water main relocation for the forthcoming Bridge Street Bridge reconstruction project, the reconstruction of Barrow Road, the construction of Phase 1 of the Mountain Road Village sidewalk, the Village Substation Remediation and Paver Sidewalk Reconstruction on the north side of Main Street. We were also very active in the Public Works aspects of the Spruce Peak Adventure Center, Trapp's Brewery and Alchemist Brewery and numerous other smaller private development projects completed in Town.

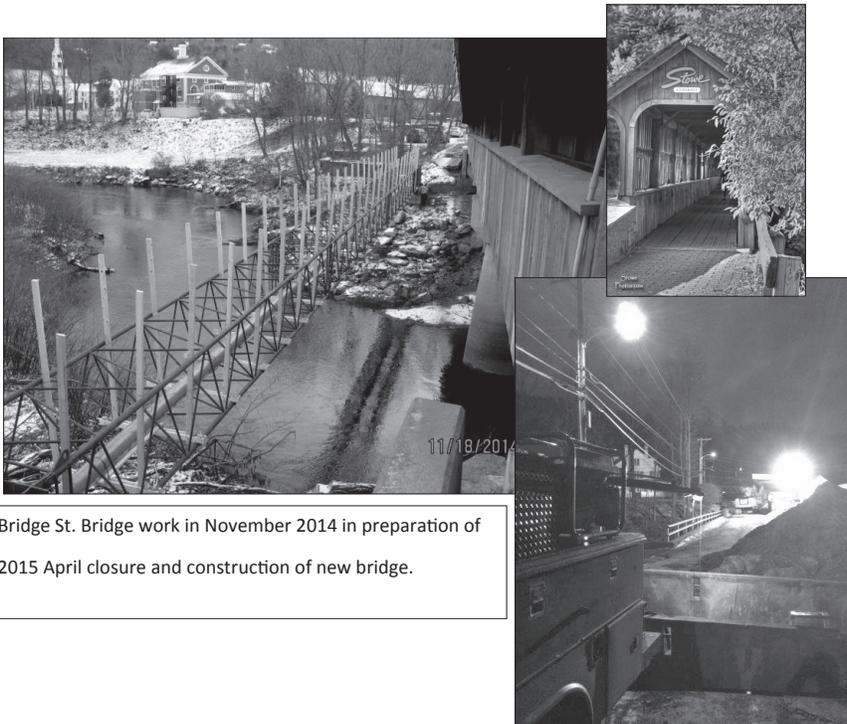
The Highway Department continues its steady and productive efforts led by Steve Bonneau, Highway Superintendent, in the maintenance and repair of almost 100 miles of roads, 24 bridges, over 600 culverts and our sidewalks and municipal parking facilities. The Highway crew is also our go-to guys for all things in between. Their efforts in the wee hours of the morning and holidays when required should be appreciated by all. I often recall cooking turkey Thanksgiving morning thinking about our Highway guy's doing their duty on Stowe's roads and not being with home their families. Daren Small has been hired to fill the Forman's vacancy. Alan Shatney has retired this year after 18 years of service as the Town's Fleet and Equipment Mechanic. Greg Adams has been promoted to Mechanic and Todd Barup has been hired to fill Greg's previous position.

The Sewer Department, led by Greg Lewis, Sewer Superintendent, operates, maintains and repairs our wastewater treatment plant and a collection system consisting of approximately 19 miles of sewer and 3 sanitary sewer pump stations. We currently have an average daily discharge of 380,000 gallons/day but because of the seasonal nature of our community, flows can vary from 200,000-700,000 gallons/day. This introduces unique challenges to the operation of our sewer system but we continue to comply with our discharge permit requirements. We continue our efforts to require more effective grease entrapment within our service area. This helps reduce odor issues at

our plant. However, we continue to have odor control challenges, thankfully less frequently, and do all that is practicable with our systematic limitations to minimize these nuisance occurrences.

The Water Department is now lead by Dick Grogan and is responsible for the operations, maintenance and repair of the Town water system which consists of 2 well supplies and treatment works generating an average of 465,000 gallons/day, 9 storage tanks, 11 pump stations and 18 miles of distribution system. We also supply water to and undertake various levels of operational responsibility for 5 consecutive systems connected to our system. We are making progress on addressing the many needs with the system and department even given the limitations imposed by the water funds debt obligations, which continue to be a challenge.

Respectfully Submitted,  
HARRY J SHEPARD III, PE  
*Public Works Director*



Bridge St. Bridge work in November 2014 in preparation of 2015 April closure and construction of new bridge.

## STATUS OF EXISTING CAPITAL PROJECTS

**Village Staircase to Rec. Path Parking Lot:** In the process of being designed. The Town intends to proceed with construction during the 2015 construction season.

**Quite Path Bridge:** In the process of being designed and obtaining permits with the goal of construction it during the 2015 construction season.

**Lower Village Sidewalk:** Stowe received a federal earmark to build an asphalt sidewalk in the Lower Village (from Sylvan Park Road to River Road) to connect to the existing sidewalk network. The Selectboard has accepted the conceptual design and VTrans has agreed to implement the sidewalk at the same time they repave this section of Rte. 100, which is tentatively scheduled for 2016.

**Bridge Street Bridge Replacement:** The State will be replacing the Bridge Street Bridge during the 2015 construction season. The Bridge is on Rte. 108 adjacent to its intersection with Rte. 100. It is the one with the covered pedestrian bridge. The bridge will be closed to through traffic for a 7 week period starting in early April and ending in late May. Traffic will be detoured around the project using the same detour provided for in the November 2014 period, however, a temporary light signal will be installed at the intersection of VT 100 and Pucker Street (near Shaws). After the bridge has reopened to two way traffic, there should only be intermittent single lane closures for construction while the rest of the drainage, roadway, walkway and sidewalk work is completed. Project completion is scheduled for August 28, 2015.

**Gables Bridge:** This is the bridge on Rte. 108 adjacent to the Gables Inn. The State is tentatively planning on installing a two-lane temporary bridge in the fall of 2015 and replaces the bridge in 2016. The Town's water main is located on the bridge and will have to be temporarily relocated to accommodate the bridge reconstruction or moved. This is scheduled for going to bid next month and construction in early summer 2015.

**Skate Park:** \$100,000 was set aside to construct a new skate park in Memorial Park with the remainder of the money to come from private donations. The Memorial Park Master Plan calls for it to be located where the tennis courts are currently located. The Memorial Park Master Plan suggested an alternative location for the tennis courts, the existing Park Department maintenance shed and is not considered an ideal location. Moving the tennis courts is likely to add significantly to the cost of the project. No formal design, cost estimates or permitting has been done. The - Selectboard - has asked the Stowe Skateboard Coalition to report back to them in July, so they can decide whether to advance the project or close it out.

**Polo Field Shelter:** Intended to provide shelter during inclement weather at the Polo Recreation Fields. It has not been designed or permitted. This was originally envisioned when the town anticipated construction as many as six new fields. However, it is likely that the Town could only construct one additional field due to wet lands. No design, cost estimate or permits have been obtained. -Some have suggested an expanded program with changing rooms and storage. The Selectboard has indicated that an expanded program increasing the tax payer cost would be considered a different project. If this is what is desired, the Selectboard indicated the existing project should be closed out and a new project proposal submitted. The Selectboard has asked the Recreation Commission to report back to them regarding their desired program by the end of March to consider if the shelter project should be pursued or closed out.

**Recreation Path Streambank Stabilization:** Sections of the Recreation Path adjacent to Thompson Park and the Bouchard Farm failed during the spring of 2014. The Town hired Milone & MacBroom to evaluate the conditions that lead to the streambank failure and propose alternatives for the community's consideration. At the Selectboard's 12/8/14 meeting they provided alternatives that ranged from rip-rapping to removing bridge #7 and widening the river channel to allow sediment to more readily move downstream. While less expensive, rip-rapping is considered a shorter term solution that we may not be able to receive permits for. It may also exacerbate continuing scouring of the river bed. Widening the river channel is considered a longer term solution, but will require removing a portion of Thompson Park and will change the river beds appearance. The Selectboard included money in the proposed capital budget to advance the designs to see if we can obtain federal grants for widening the river channel and to evaluate the feasibility of obtaining permits to rip-rap if we are not able to do so. The work is tentatively scheduled for 2016.

Heyer Bridge: Final design in progress for deck replacement. To be bid this spring for summer construction.

### CAPITAL PROJECTS COMPLETED

Mountain Road Sidewalk Phase 1, Cady Hill Trail Improvements, Village Paver Replacement, Akeley Repairs, Mayo Farm Events Field Improvements, Water / Sewer line extension to the Parks Offices / Sheds, Village Substation Remediation, and Stowe High School Tennis Courts that were done by the High School with a contribution from the Town.



## STOWE MOUNTAIN RESCUE



Stowe Mountain Rescue responded to 36 requests for assistance in 2014. These included several technical rope rescues in Smugglers' Notch and Mount Mansfield.

The missions are delineated accordingly:

TYPE OF CALL	TOTAL
I. SEARCH	10
II. LITTER CARRY	9
IV. HIGH ANGLE/ROPE	6
V. STAND BY - FLOODING	2
VI. CANCELED	3
VII. WATER	1
2014 CALL OUT TOTALS	36

Stowe Mountain Rescue applied for and was awarded two grants through the Vermont Department of Public Safety (Federal Homeland Security Funding). The first grant provided funding for new portable radios for team members and three new mobile radios. The second grant provided for backcountry rescue equipment, swiftwater rescue gear, ice rescue suits and medical equipment. These grants are invaluable, allowing Stowe Mountain Rescue to execute missions safely and efficiently.

SMR joint training with VT Fish and Game and VT State Police on Mt Mansfield.

Neil Van Dyke	Dennis Reinhardt
Ed Stewart	Tom Rogers
Marc Couper	Andrew Ruschp
Sahmon Fallahian	Greg Speer
Derek Libby	Todd Westervelt
Ed Miller	



## TOWN CLERK & TREASURER

The Town Clerk's Office is a leading point of contact for people with questions about our community. Whether it's how to get theater tickets, property tax questions or how to research your real estate records, 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 following is a comparison of 2013 vs. 2014 statistics for some of the services we offer:

	<u>2013</u>	<u>2014</u>
Dog Licenses Issued	590	526
Fish & Wildlife Licenses Sold	54	43
Land Records Processed	10,836 pages	9,259 pages
Land Record Office Visits	over 2,000	over 2,000
Liquor Licenses/App. Processed	161	140
Marriage Licenses Issued	160	191
Motor Vehicle Reg. Renewals	104	101
Passports Issued	233	171
Passport Photos Issued	304	305

In addition to the services listed above, the Clerk/Treasurer's Office is responsible for the billing and collection of over 3,700 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 in our office or through the Town's web site. Visit [www.townof-stovevt.org](http://www.townof-stovevt.org) for a complete list.

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

Respectfully Submitted,

ALISON A. KAISER, *Town Clerk & Treasurer*  
 MEGAN GREGORY, *Assistant Clerk/Treasurer*  
 LISA WALKER, *Assistant Clerk/Treasurer*

### DOG LICENSES

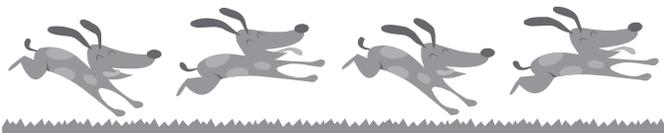
Dog licenses and tags are available at the Town Clerk's office Monday thru Friday from 8:00 to 4:30. All dogs that are more than six months old must be registered in accordance with the provisions of the Stowe Dog Ordinance. A person keeping a dog contrary to license provisions of the Ordinance shall be guilty of a misdemeanor. The deadline for licensing is April 1st. A copy of the rabies certificate and alteration should be provided at the time of licensing. 526 dogs were licensed in 2014.

<b>On or Before April 1st.</b>	<b>FEE</b>
Spayed/Neutered	\$10.50
Un-Altered	\$14.50

<b>After April 1st</b>	
Spayed/Neutered	\$12.50
Un-Altered	\$18.50

**SPECIAL LICENSES** - Issued for **non-neutered** 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.

Keep Stowe beautiful...



Please pick up after your dog.  
Thank you!

## **2014 REPORT OF THE ZONING DIRECTOR AND HEALTH OFFICER**

In 2014 the Zoning Administrator issued approximately 149 zoning permits that included construction of 24 new single-family dwellings. In addition, staff assistance to the Development Review Board was provided for 39 applications involving conditional use reviews, subdivisions and Ridge and Hillside Overlay reviews. Staff assistance was also provided to the Stowe Historic Preservation Commission who reviewed 36 applications involving historic renovations. The number of permits issued over the last three years has been fairly stable with 148 permits in 2012; 161 permits in 2013 and 149 permits in 2014.

Permits for new residential houses in 2014 have varied in size from 906 square feet of heated space to 7,500 square feet of heated space. The average new house approved in 2014 had approximately 3,508 square feet of heated area up from 2,980 square feet in 2013. In the last three years there have been only 14 house permits with less than 2,000 square feet of heated space and 6 of those house permits were approved in 2014.

A zoning permit is required for any development project involving:

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

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

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

The Stowe Zoning Department is available to assist you with your development approvals. Assistance includes review of existing zoning records, review of applicable regulations, and guidance regarding other approvals that may need to be obtained. A preliminary project review is available and can save time and costs before proceeding with final design work. The Stowe Zoning Ordinance and Development Applications are available at the Zoning Office and at <http://www.townofstowevt.org/>.

Richard Baker  
*Zoning Director*  
*Health Officer*  
911 Coordinator  
PO Box 216  
Stowe VT 05672  
802-253-6141  
[rbaker@townofstovermont.org](mailto:rbaker@townofstovermont.org)



Crushing and Screening operations at the Town gravel pit. Next winter's sand and crushed gravel for the roads in the summer. Boys playing with big toys....

## PLANNING & ZONING FEE SCHEDULE

**Last Revised: 1/1/10**

### Administrative

Copy of Zoning/Subdivision Regulations (Paper) (Free to download from Stowe web site)	\$	18.00
Zoning Maps – Color:	\$	12.00
Photocopies (black & white)		\$.25/page
Photocopies (color)		\$1.00/page

### Application Fee - Permitted Uses

Construction, Renovations, Additions & Alterations (heated/enclosed spaces) per sq. ft.	\$	0.18
Porches, decks, garages, sheds, or other unenclosed or unheated space(s) per sq. ft.:	\$	0.12
Pools, tennis courts, ponds, non-exempt agricultural structures or similar unenclosed structures:	\$	0.06
Minimum Permit Application Fee for any Permitted Use Categories	\$	40.00
Sign Permits	\$	50.00
Additional Recording Fee for Permit (set by state law)	\$	10.00

Banners		
Banners (per week)	\$	25.00

### Application Fee – Conditional Uses (Per Sq. Ft.)

Construction, Renovations, Additions & Alterations (heated/enclosed spaces)	\$	0.18
Porches, decks, garages, sheds, or other unenclosed or unheated space:	\$	0.12
Land Base Uses (e.g. Golf Course, Gravel Pit, Ski Trail, etc.)		\$1.80/\$1,000
All Categories, Minimum Fee (e.g. Conditional Use Review)	\$	200.00
Administrative Amendment by Zoning Administrator	\$	50.00
Appeal of Action of Zoning Administrator	\$	200.00
Appeal for Variance	\$	200.00
Additional Recording Fee for decision notice and permit (set by state law)	\$	20.00

### Subdivision of Land (includes PRD's & PUD's):

Preliminary Layout Application (Base Fee)	\$	200.00
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Preliminary Layout (Fee per unit or lot if equal to and/or more than 5 lots)	\$	250.00
Final Plat Application (Base Fee)	\$	200.00
Final Plat Application (additional fee per unit or lot if preliminary layout was not required)	\$	100.00
Minor Subdivision - Lot Line Adjustment	\$	75.00
Additional Recording Fee for decision notice and permit (set by state law)	\$	20.00
Final Plat Recording Fee (per map page) (set by state law)	\$	15.00
<b>Certificate of Occupancy:</b>		
Certificate of Occupancy Site Inspection (per visit)	\$	30.00
Additional Recording Fee (set by state law)	\$	10.00

All fees are subject to the Fee Policy adopted by the Select Board.



Stowe Water Department  
Hydrant Flushing



## **CENTRAL VERMONT ADULT BASIC EDUCATION IN STOWE**

### *~~Local Partnerships in Learning~~*

Central Vermont Adult Basic Education (CVABE) is a community-based nonprofit organization serving the basic education and literacy needs of Stowe adults and teens for forty-nine years.

CVABE serves as central Vermont's resource for free, individualized academic tutoring for individuals (ages 16- 90+) in:

- basic reading, writing and math literacy
- English language skills for immigrants and refugees
- college and employment readiness skills
- GED (General Equivalency Diploma) and high school diploma preparation and assessment

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

Last year alone, 15 Stowe residents enrolled in CVABE's free programs. Teachers instruct students one-to-one and/or in small groups. Each student has a personalized education plan to address his/her learning goals. These goals might include: getting or improving one's job, earning a high school credential, helping one's children with homework, budgeting and paying bills, reading important information, obtaining a driving license, preparing for college, gaining citizenship, and more. *As parents gain literacy, their children are twice as likely to grow up literate themselves.*

In recent years, CVABE has provided free instruction to 500-600 people annually in its overall service area of Washington, Orange and Lamoille Counties. *Nearly all students are low income.* Over 100 community volunteers, including 5 volunteers from Stowe, work with CVABE's professional staff to meet the large need for these services while keeping overhead low.

We are deeply appreciative of Stowe's voter-approved past support. This year, your level support of \$3,500 is again critical to CVABE's free, local education services. Only a portion of CVABE's budget is comprised of state and federal support. *Funding is needed each year from the private sector and from the towns and cities we serve, or we could not help many of the neighbors who need education for a better life.*

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

**CVABE's Morrisville Learning Center**

52 Portland Street, PO box 478

Morrisville, VT 05661

(802) 888-5531

or

**CVABE's Waterbury Learning Center**

141 South Main Street

Waterbury, Vermont 05676

(802) 244-8765

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



### FALL 2014 REPORT TO THE CITIZENS OF STOWE

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 16,257 people in 7,310 Vermont households through Head Start and Early Head Start, business development, financial education, food shelves and nutrition resources, housing counseling, tax preparation, teen parent education, emergency heating assistance, home weatherization, workforce training, healthcare navigation, ongoing disaster relief, and more.

- Programs and services accessed by 86 Stowe households representing 193 individuals this past year included:
- 109 individuals in 46 households accessed nutritious meals and/or meal equivalents at the food shelf.
- 11 households with 34 family members were able to keep heating their homes with help from our Crisis & Supplemental fuel programs as well as other utility costs.
- 15 individuals in 8 households worked with housing counselors to find and retain affordable, safe, secure housing.
- 2 homeless individuals with 2 homeless family members worked with housing counselors to find and retain affordable, safe, secure housing.
- Veterans in 2 households worked with veteran housing counselors to find and retain affordable, safe, secure housing.
- 3 children were in Head Start and Early Head Start programs that supported 6 additional family members.
- 1 household was weatherized at no charge, making them warmer and more energy efficient for 1 resident.
- 1 person found and maintained reliable transportation with support from the Capstone Transportation Project, including a car purchase.
- 4 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.

6 women received training, counseling and technical assistance from the Vermont Women's Business Center to pursue dreams of business ownership.

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



**CENTRAL VERMONT COUNCIL ON AGING**  
*Information and Resources for Seniors*  
**REPORT OF SERVICES TO THE**  
**TOWN OF STOWE**

Central Vermont Council on Aging is the primary agency serving older Vermonters aged 60 and over as well as their families and caregivers throughout the 54 towns of Central Vermont. We are a private nonprofit organization that assists these elders to remain independent for as long as possible. All services are made available to our clients at no charge, without regard to health, income or other resources.

The funding provided by the 54 Central Vermont towns we serve is essential to CVCOA, and directly serves its mission of supporting elders and family caregivers in leading self-determined, healthy, interdependent, meaningful and dignified lives in their homes and communities. We accomplish this by connecting seniors to a wide array of benefit programs and services that they need to thrive.

The financial support from Stowe helps to ensure that the resources are available to support the well-being of older Vermonters in your town. Please review the report that accompanies this request for information on some of the many services that we make available to seniors throughout Central Vermont.

All of us at CVCOA thank 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.

## CLARINA HOWARD NICHOLS CENTER

### SERVICE STATISTICS

Fiscal Year	08-09	09-10	10-11	11-12	12-13	13-14
In Shelter	43	50	65	73	86	49
People Turned away due to lack of space	n/a	39	59	31	54	53
Individuals Served (Advocacy, Hotline, Shelter)	498	474	414	401	437	395

Town of Stowe: Clarina served 20 Stowe residents through shelter, advocacy, or related support. Clarina does not require user's to disclose location, and an additional 122 people who relied on Clarina's services did not indicate a town of residence.

Offering far more than shelter and hotline, most of Clarina's advocacy, outreach, and prevention work takes place in the community. Clarina also offered a free 20 hour Community Advocacy Training at Johnson State College and Community College of Vermont this year to more than 40 participants. This important educational offering provides participants with opportunities to help spread the word about our work to end domestic and sexual violence. Clarina engaged in new community outreach opportunities to strengthen local connections, including Stories Matter displays during DVAM and SVAM at area libraries, Morrisville Rocktoberfest, and more. Additionally, Clarina launched DIIVAS, an empowering youth group for girls.

Shelter programs and updates continued in 2013-2014. Clarina was operational for 351 days, closed only for 14 days during an accessibility renovation. This year, Clarina became Vermont's first SAF-T (Sheltering Animals and Families Together) shelter, opening space to survivors and domestic animals. This year, Clarina's services reached 395 survivors of domestic, sexual, dating, or interpersonal violence in 2013-2014, a total consistent with prior years. This year, Clarina served more individuals without children and accommodated slightly longer shelter stays than prior years. The number of people seeking shelter that Clarina was unable to house was 53,\* which remains limited by housing capacity.



### **LAMOILLE COUNTY HABITAT FOR HUMANITY**

Lamoille County Habitat for Humanity is a local, non-profit organization pursuing the building of decent, affordable homes 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 and future homes. They must be able to repay an interest-free loan that covers the cost of materials and land. Labor is provided by local volunteers so the home is built affordably.

The local Board currently coordinates and oversees fundraising, family selection and site selection for homes to be built in Lamoille County. When adequate funds are accumulated, the Board coordinates and oversees construction, while continuing to work with the selected family to insure success as homeowners.

The repayment of the loan and ongoing fundraising will provide funds to begin another home for another family. Habitat for Humanity International's thirty seven years of building in this manner provides a successful map for our local chapter to follow and realize its goals.

Lamoille County Habitat for Humanity finished its first house in partnership with a hard-working local family, many volunteers and local businesses making this project possible. Mortgage papers were signed and the Cleveland family was able to move into their new home in Morrisville on September 25, 2014. Now, LCHFH is building our team and working on our revolving fund to enable us to build our next house.

On behalf of the Board of Directors, your support to bring affordable housing to another family of Lamoille County is greatly appreciated.

Volunteers for this project are welcomed.

Kathleen O'Neill, President  
Lamoille County Habitat for Humanity  
P O Box 1306  
Morrisville, Vermont 05661  
LamoilleHabitat@gmail.com  
www.LamoilleHabitat.org

**LAMOILLE COMMUNITY FOOD SHARE, INC.**

Lamoille Community Food Share is a locally funded, volunteer powered 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 supplement 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. ! As of November 2014, we have seen 178 individuals from Stowe visit our pantry. This represents a slight increase over our numbers from 2013. We have served 61 families including 117 adults and 61 children. 23 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.

Board of Directors:  
Joan Greene – President

Caroline Ballard  
Betty Bevans  
Heather Bradley  
Joan Greene  
Pam Hammel  
Karen Loh  
Jan Tichansky  
Ellen Waldman  
Tom Younkman

## LAMOILLE COUNTY CONSERVATION DISTRICT

LCCD is a tax exempt organization that exists as a local branch of government by the Soil and Water Conservation Act categorized by the Internal Revenue Service per section 170(c)(1). Your charitable contribution to the district is tax-deductible. Since 1945 we've worked to educate, conserve, and protect the natural resources of Lamoille County with farmers, landowners, and municipalities. Our mission is to be a local voice for conservation, preservation, and stewardship of all natural resources and work in conjunction with other agencies (private and public) at the grassroots level. Here are some of LCCD's 2013 Highlights:

- Installed riparian buffers throughout the West Branch Watershed
- Coordinated a Portable Skidder Bridge rental program for loggers
- Coordinated a Hydroseeder Program for municipalities
- Led service learning programs to 111 elementary, middle, and high school students
- Facilitated 2,249 hours of volunteer service benefiting Lamoille County
- Delivered conservation education programs to 2,612 students, teachers, and citizens including Stowe Recreation Department, Stowe Free Library, and Stowe Middle School

Last year our expenditures totaled approximately \$137,666 of which less than \$8,000 came from the state with no strings attached. The difference is made up in grants, partners, foundations and our local communities. As a county resource working at the local level, we appreciate receiving financial support from the municipalities we serve. Please do not hesitate to contact us with additional questions.

Sincerely,

KIMBERLY KOMER

*Director*

## 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. This past year we have focused our energy on strengthening our services for people with developmental disabilities, adults with severe and persistent mental illness and supporting children, youth and their families. Over the past year we provided quality services to the Morristown residents with many of our programs including a 24 hour 365 day a year Emergency Crisis response team that works with local police, EMT, Copley Hospital ER, Lamoille Valley school districts and other providers. This is the only full time emergency crisis response service in the region. For the fiscal year ended June 30, 2014 we served 53 Stowe individuals.

We have been collaborating with our community partners on a new 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.

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

Sincerely,

Savi Van Sluytman  
*Executive Director*

## **THE 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 as well as five elected County Directors.

Lamoille County Planning Commission implements projects and programs tailored to local, regional, and statewide needs in the areas of municipal plans & bylaws, brownfields, transportation planning, emergency management, watershed planning, community development and infrastructure planning, geographic information services (mapping), special projects, and grant writing and administration.

Lamoille County Planning Commission assisted Stowe with:

Regional Directors  
Arnold Ziegel & Vacant

Transportation Advisory Committee  
Tom Jackman

Regional Directors  
Arnold Ziegel & Vacant

Transportation Advisory Committee  
Tom Jackman

Local Emergency Operations Plan update  
Mapping and technical assistance for Stowe Cemetery Commission  
Trails mapping  
Road erosion assessment grant application  
Stowe-Morristown Path feasibility study  
Emergency Management Director roles and responsibilities  
Traffic and bicycle and pedestrian counts  
Stowe Land Trust 2014 Strategic Land Conservation Plan mapping  
Rt. 100/Moscow Road speed limit reduction request  
FEMA Benefit Cost Analysis for Stowe Recreation Path/Floodplain Restoration  
Hazard Mitigation Plan update  
Green Mountain Byway Steering Committee facilitation and mapping  
Managed planning and construction of improvements to the Smugglers Notch Scenic Highway, including Notch Proper trail design, sign design, Long Trail relocation design & construction, and Barnes Camp Visitor Center design, construction, and operations planning

PO Box 1637 • 52 Portland Street • Morrisville, VT 05661 Phone: (802) 888-4548 • Fax: (802) 888-6938 -Web: [www.lcpcvt.org](http://www.lcpcvt.org)

Lamoille County Sheriff's Department  
2014 Annual Report

The Lamoille County Communication's Center received 12,979 E911 calls this last year, slightly down from the 13,515 in 2013. The new communications tower on Davis hill was completed in August. It is a very modern facility and operating well. A repeater was installed between Hyde Park and North Hyde Park to enhance the radio reception for the fire departments serving Hyde Park and Eden. The cost of this was paid by LCSD drug seizure money. As the statistics below show, we had another busy year in the Dispatch Center. You will note calls for the Franklin County Sheriff's Office, as we started dispatching for them October 1st, covering when they do not have a dispatcher in their office. LCSD continues to identify sources of revenue to help offset costs. The FCSO contract will offset the \$20,000.00 per year in electricity that the dispatch facility incurs.

Fire		Ambulance		Police	
Agency	Total Calls	Agency	Total Calls	Agency	Total Calls
Barre	194	Barre	3382	Barre Town	4980
Elmore	49	Hardwick	483		
Hardwick	72	NEMS	714	LCSD	5343
Johnson	141	Cambridge	353	Stowe PD	4820
North Hyde / Eden	69	Morristown	628	Hardwick PD	3016
Wolcott	51	Stowe	641	Morristown PD	4601
Cambridge	185				
Greensboro	33			FCSO	1585
Hyde Park	90				
Morristown	195				
Stowe	284				
<b>Total</b>	<b>1,363</b>	<b>Total</b>	<b>6,201</b>	<b>Total</b>	<b>24,345</b>

The LCSD Patrol Division was at full staff for most of the year with the addition of two new full-time deputies to fill 2 vacancies. The LCSD Patrol Division responded to 4067 calls for service providing 24hour/7day a week patrol coverage in Hyde Park, Johnson, and Wolcott; this included one homicide in Hyde Park. The detective was promoted to Patrol Sergeant in October 2014 and the department has been actively looking to fill the detective position. The Patrol Division has been utilizing several part-time deputies to conduct various directed patrols, foot patrols and property watches. These deputies conducted a total of 122 directed patrols, 11 foot patrols, and 15 property watches in the towns of Hyde Park, Johnson and Wolcott. Because the LCSD patrol utilized part time deputies for these patrols, there were no additional costs to the tax payers. A part from the patrol budget, LCSD provides deputies to the Lamoille County Special Investigation Unit, a School Resource Officer to Lamoille Union High School and a deputy to the Federal Drug Enforcement Task Force. These positions are paid through either grants or separate budgets.

Nature of Call	Johnson	Hyde Park	Wolcott
Traffic Accident	71	53	38
Burglary	15	2	2
Citizen Dispute/Family Fight/Domestic	91	32	23
DUI	5	8	1
Motor Vehicle Complaint	102	84	31
Noise Disturbance	44	14	1
Theft	82	31	11
Traffic Tickets	174	135	72
	Fine Amount \$32,985	Fine Amount \$20,795	Fine amount \$5,673

Respectfully,  
Roger M. Marcoux Jr.  
Lamoille County Sheriff

## LAMOILLE ECONOMIC DEVELOPMENT CORPORATION



The travel and tourism industry continues to contribute to 2/3rds of the economy in Lamoille County

and Stowe remains a major economic driver in the region. As such, many businesses directly related to or dependent upon the travel and tourism industry choose to locate in the town as well as many others who are there because of their historical and/or family ties or because of the attraction of Stowe as a great place to live and do business. The LEDC works with your Town leadership to assist in any way we can to help you meet your goals for attracting the kind of new businesses and business expansion that meet your Town Plan.

We continue to work with the Stowe Mountain Bike Club in an advisory capacity to assist them in planning their continued expansion and sustainability of the Stowe Mountain Bike Center. We continue to be a key player in the Barnes Camp Partnership. We are also supporting the regionwide effort to create the Lamoille Valley Rail Trail which, when completed, will offer a seamless way to snowmobile, ski, snowshoe, bicycle or travel by horseback all the way from St. Johnsbury to Swanton. We are also assisting the group of individuals from Stowe and Morrisville working to create a recreation path between Stowe and Morrisville which would have a direct hook-up with the Rail Trail. When completed this will offer a fantastic connection between Kingdom Trails mountain biking in Burke and the Stowe Mountain Biking Center.

There continue to be many countywide initiatives that are also of direct benefit to Stowe. These include eight additional low cost workshops for small businesses which were attended by many Stowe residents and business owners. Again this year, more than 220 residents of Lamoille County attended these workshops. We continue our leadership role in the local Workforce Investment Board, membership on the Regional Advisory Board for the Green Mountain Technology and Career Center for which our Executive Director was elected vice chair in September 2014, chairing the Lamoille Brownfields Community Advisory Committee and membership on the Lamoille Transportation Advisory Committee for which our Executive Director was elected Co-chair this past fall. We have been very active this year in implementing our focus on tourism, agritourism, value-added and sustainable agriculture and web-based businesses. Our second on-line farmer's market, [www.yourfarmstand.com](http://www.yourfarmstand.com), continues to operate at the Stowe Kitchen, Bath and Linens store on Mountain Rd. The LEDC is very active in a leadership position in the Vermont Farm to Plate Initiative and on the Vermont Agriculture and Forestry Product Development Board.

We worked for over a year to expand the existing Foreign Trade Zone in the Northeast Kingdom to include all of Lamoille County and are pleased that this is approved and should be officially in place by the end of December 2014.

We are now in our 16th year of hosting the local office of the Vermont Small Business Development Center manned by Dave Rubel and Charlie Ininger. Charlie's years of experience in the hotel and restaurant business and tenure as an instructor at NECI make him particularly sought after for his assistance by new businesses in these areas.

As always, we carefully monitor and assess legislative proposals at both the State and Federal levels that affect Lamoille businesses specifically as well as all businesses in general and, where appropriate, offer our testimony or in other ways ensure that Lamoille business interests are looked after. We were very involved on our own and through The Regional Development Corporations of Vermont in trying to do away with the so-called Cloud Tax. We will be paying particular attention in the coming legislative session to budget and tax policy, health care, tourism funding, growth and development and workforce training.

Once again the LEDC thanks the Stowe staff and select board for their assistance. We will continue to do our best to do our part to support and maintain a robust local economy by supporting all efforts to create and retain local jobs.

Respectfully submitted on behalf of the LEDC Board of Directors by John Mandeville, Executive Director.



**LAMOILLE FAMILY CENTER  
REPORT TO THE TOWN OF STOWE**

...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 in its 39th year of service to children, youth and families! During this time, 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 2014, more than 1,600 children, youth, parents and caregivers throughout the Lamoille Valley were served by our 35 caring and dedicated staff. Examples of Stowe residents served include:

- Our Children's Integrated Services team made home visits, providing family support and early intervention, for 33 children.
- 26 children received toys, games, books, and stocking stuffers through the annual Holiday Project
- 6 families received emergency assistance including funding for rent and fuel and goods such as diapers, clothing and furniture
- 31 families attended a weekly playgroup
- Dozens of families and child care providers received child care support services including assistance with referral to regulated programs, professional development for child care staff, and participation in the Child and Adult Care Food Program
- On any given day approximately 23 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, step by step, we will reach the day when all children are safe, healthy and loved.

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

Scott Johnson, *Executive Director*

Lamoille Family Center 480 Cadys Falls Road Morrisville, VT 05661

(802) 888-5229 ext 124 [sjohnson@lamoillefamilycenter.org](mailto:sjohnson@lamoillefamilycenter.org)

## LAMOILLE HOME HEALTH & HOSPICE

Newspaper reporters try to include the comprehensive what, where, when, why and who answers in their articles – and so it seems like a good way to tell you about our Agency and how we served your community since the last Town Meeting.

**WHAT:** We are a non-profit visiting nurse organization providing home health and hospice care to people of all ages in our communities. Nurses, licensed nursing assistants, physical, occupational, & speech therapists, medical social workers, personal care attendants/homemakers travel in any kind of weather to deliver skilled and compassionate health care to patients, many of whom cannot leave their homes for care.

**WHERE:** Our office is in Morrisville, but we make visits to all ten Lamoille County towns.

**WHEN:** Visits are made at all times of the day and night depending on the needs of the patient – it could be an assessment of congestive heart failure at 10 a.m., a mom-to-be teaching session at 4:40 p.m., a 7:30 a.m. shower for the person with severe arthritis, the 1:00 p.m. exercise regime for the client just back from hip surgery, the grocery run at 9:00 a.m. when the store is quiet, or the 2:00 a.m. visit to the Hospice patient.

**WHY:** Our mission is to support health, independence and dignity through quality care in the home.

**WHO:** The total of **4,291** visits made to **Stowe** residents looks like this:

Nursing ~ 1,399	Licensed Nursing Assistants ~ 1,048
Physical Therapy ~ 1,053	Medical Social Work ~ 98
Occupational Therapy ~ 81	Personal Care Attendants ~ 564
Speech Therapy ~ 1	Hospice Volunteers ~ 47

After the five “W’s”, there are also two more important words ~ **THANK YOU** for your long history of supporting the mission of Lamoille Home Health & Hospice through your dollars, through your words of appreciation and the work of your Hospice volunteers. It really takes all of us to make high quality home care happen.

## LAMOILLE HOUSING PARTNERSHIP, INC.



### STOWE - PROPERTIES AND SERVICES

The Lamoille Housing Partnership [LHP] was created in 1991 to develop, rehabilitate and maintain 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.

LHP owns and operates over 250 units of affordable housing in our service area. 39 of those units are located in Stowe, VT. We are gratified and proud of our 5+ years of working with the Stowe community. Leslie Whitaker, a resident of our Sylvan Woods property in Stowe, and LHP Board Member, recently remarked, "The day before Thanksgiving in 2008 I purchased my home something I had tried long and hard to accomplish. [...] I remember those who helped make that dream a reality. Thank you Lamoille Housing Partnership for working so hard on my behalf and helping to make my dream come true. I am forever grateful!" It is these kinds of rewarding sentiments that inspire our initiative.

We look forward to continuing our work assisting our neighbors in Stowe and the rest of our service area. LHP Properties in Stowe

#### LHP Properties in Stowe

##### 1. Sylvan Woods Housing Limited Partnership [HLP]

– In 2006 constructed 28 family rental apartments and 8 condominium homes

- 58 residents
  - 22 children
  - 31 adults
  - 5 seniors
- 2 handicap adaptable apartments
- Senior friendly
- Appliances are energy efficient

##### 2. Little River

- Purchased and renovated 3 units of family housing
- Recently renovated to improve energy efficiency
- 5 residents
  - 3 children
  - 2 adults
  - 1 disabled resident

- 1 three-bedroom handicapped adaptable unit
- Senior friendly
- Appliances are energy efficient
- Part of Morrisville Community HLP

PROPERTY NAME	PROJECT NAME	ADDRESS	UNITS	FAMILY UNITS
Little River	Part of Morrisville Community HLP	1621 Pucker Street, Stowe	3	3
Sylvan Woods	Sylvan Woods 066	66 Sylvan Woods Drive, Stowe	2	2
Sylvan Woods	Sylvan Woods 085	85 Sylvan Woods Drive, Stowe	2	2
Sylvan Woods	Sylvan Woods 086	86 Sylvan Woods Drive, Stowe	2	2
Sylvan Woods	Sylvan Woods 096	96 Sylvan Woods Drive, Stowe	2	2
Sylvan Woods	Sylvan Woods 098	98 Sylvan Woods Drive, Stowe	2	2
Sylvan Woods	Sylvan Woods 099	99 Sylvan Woods Drive, Stowe	2	2
Sylvan Woods	Sylvan Woods 108	108 Sylvan Woods Drive, Stowe	2	2
Sylvan Woods	Sylvan Woods 118	118 Sylvan Woods Drive, Stowe	3	3
Sylvan Woods	Sylvan Woods 120	126 Sylvan Woods Drive, Stowe	3	3
Sylvan Woods	Sylvan Woods 132	132 Sylvan Woods Drive, Stowe	2	2
Sylvan Woods	Sylvan Woods 144	144 Sylvan Woods Drive, Stowe	2	2
Sylvan Woods	Sylvan Woods 146	146 Sylvan Woods Drive, Stowe	2	2
Sylvan Woods	Sylvan Woods 154	154 Sylvan Woods Drive, Stowe	2	2

PO Box 637 Morrisville, VT 05661 802-888-5714

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

## LAMOILLE RESTORATIVE CENTER (LRC)

Thirty five years ago, Lamoille County Court Diversion opened its doors with one part-time case manager helping youth avoid court and make amends for crimes they committed. Since then, we've changed and grown to meet community needs; so much so that we outgrew our name.

Lamoille County Court Diversion Restorative Justice Programs is now Lamoille Restorative Center (LRC).

Thousands of individuals throughout the Lamoille Valley have received support from LRC over the years; **nearly 900** last year alone.

Some highlights:

- **199 children** (ages 6-15) improved **school attendance** after truancy program intervention
- **131 young people** (ages 16-20) were **screened for substance abuse** and/or addiction and received supportive services
- **49 young adults** gained **job skills** to become valuable members of the workforce
- **175 individuals** met with community members and developed agreements to **restore harm** caused by their crimes
- **66 children** received comprehensive **supports** for success at home, school and in the community

From truancy intervention to employment support to alternative justice opportunities, Lamoille Restorative Center's primary goal is to keep people out of the criminal justice system by **empowering them to make good choices and connect positively to their community**.

The combination of staff and volunteers has been central to our mission since we opened in 1979. We are grateful to our 35 volunteers and couldn't do this work without them.

We are also grateful to you - fellow community members and taxpayers - who help make our work possible. We appreciate your town's support.

To learn more about Lamoille Restorative Center, visit our website at [www.lrcvt.org](http://www.lrcvt.org) or stop by our office on Main Street in Hyde Park.

Sincerely,

Heather Hobart  
Executive Director



### Maple Leaf Farm – From Addiction to Recovery

Maple Leaf Treatment Center is one of the oldest, continuously operating residential substance abuse programs in the country (We have changed our trade name to better reflect what we do.). We offer clinically monitored detoxification and residential treatment programs to men and women in a serene setting in the foothills of Mt. Mansfield. Maple Leaf is accredited by the Commission on Accreditation of Rehabilitation Services, is licensed by the State of Vermont, and operates as a non-profit, 501(c)(3) organization. In this past fiscal year, July 1, 2013 through June 30, 2014, 952 men and women spent 12,534 residential days addressing their substance abuse issues at Maple Leaf Treatment Center. Services were provided to 4 residents of Stowe who spent 55 days in treatment.

No one is ever turned away from treatment at Maple Leaf, regardless of financial circumstances. Over 75% of patients treated last year were covered by Vermont Medicaid. Medicaid reimburses us at a rate that is less than the actual cost of providing care and some services, including medication for uninsured people, are not reimbursed at all. We rely on tertiary income sources such as United Ways, grants, town appropriations and donations to make up the difference so that we may continue providing our essential services to everyone who asks for our help, regardless of financial status. An appropriation from the Town of Stowe directly benefits another member of your community seeking recovery.

Thank you for your consideration.

William Young, Executive Director  
Maple Leaf Farm  
10 Maple Leaf Road  
Underhill VT 05489  
[www.mapleleaf.org](http://www.mapleleaf.org)  
[wyoung@mapleleaf.org](mailto:wyoung@mapleleaf.org)  
899-2911 ext. 206

## **MEALS ON WHEELS OF LAMOILLE COUNTY**

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

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

Our work is only possible because of support from communities throughout Lamoille County! In fact, community support through town funding, United Way funding, grants, fundraising activities, and client contributions makes up 59% of our budget and offsets the difference between our federal/state funding and the cost to provide the meals. MOWLC has to raise \$3.08 per meal in fundraising activities alone! Volunteers from the community are also crucial to our success. 7 out of 8 delivery routes are covered by volunteers Monday-Friday. Staff and volunteers travel a combined 245 miles each day delivering meals. This past fiscal year we had 198 community members volunteer for our program as delivery drivers, kitchen assistants, event helpers, Board members and office assistants. They donated over 4,700 hours and drove 41,000+ miles! We are truly YOUR community Meals on Wheels program!

During our last fiscal year, October 1, 2013 to September 30, 2014, MOWLC provided 41,794 meals to 471 individuals. Of this total, 23 were residents of Stowe, and they received a total of 2,432 meals.

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

\*74% can continue to live in their own home as a result of receiving our home delivered meals.

\*72% eat a healthier variety of food as a result of the meals.

\*96% rated our program as good to excellent, with 55% selecting excellent, 27% very good, and 14% as good.

\*98% would recommend our program to a friend.

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

Respectfully Submitted,  
Brynn M. Evans  
*Executive Director*

## **NORTH COUNTRY ANIMAL LEAGUE**

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

### **Mission Statement**

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

### **Programs**

- Sheltering of homeless animals in our Pet Adoption Center with the philosophy of a commitment to providing any animal in the shelter a warm and friendly environment with nutritious food and training to prepare them for their new homes
- Adoption of homeless animals with an average of 700 animals per year from 1998 through 2014 finding new homes through the assistance of professional adoption counselors who help families and individuals make the perfect match
- Education and outreach through humane education in classrooms, off-site presentations, open houses, READ project, dog bite prevention workshops, high school mentoring programs and children's summer camp
- Spay/neuter of all animals put up for adoption by NCAL and low cost spay/neuter days throughout the year
- Support of cruelty prevention with NCAL serving as lead agency in Lamoille County for the Cruelty Response System, a collaboration between agencies and individuals in the county working to protect animals from cruelty; the general public can report animal cruelty by calling NCAL or entering an online submission at [www.reportanimal-cruelty.com](http://www.reportanimal-cruelty.com)

### **Stowe Town Statistics-January 1-December 31, 2014**

- 4 strays and 4 surrenders for a total of 8 stray and surrendered animals from Stowe
- 34 Stowe residents adopted dogs and cats from NCAL in 2014
- \$7,250 average cost for NCAL to care for Stowe animals (\$725/animal for average three-week stay)

Respectfully submitted,

Sallie Scott, Executive Director

Phone: 802-888-5065 x 110 [adopt@ncal.com](mailto:adopt@ncal.com)

**LAMOILLE DAY HEALTH SERVICES (AKA OUT AND ABOUT)**  
**11 COURT STREET**  
**MORRISVILLE, VERMONT 05661**  
**(802) 888-7045**

Lamoille Day Health Services (aka Out and About) is proud to serve the community by fulfilling our mission of providing adults with an alternative choice for long-term healthcare while remaining as independent as possible in the care setting of their choice. We are honored the community is continuing to choose Lamoille Day Health Services (aka Out and About) to fulfill their needs in this way.

The number of participants we continue to serve has remained steady at an average of 20 to 25 people per day. We believe we are able to sustain these daily numbers due to our excellent care, devoted staff and positive atmosphere. The appropriations the town of Stowe gives is crucial in our ability to provide the services our community members require. Some of the services we provide in which the appropriations make possible are assistance with personal care, transportation, nursing care, fun activities, nutritious meals, and caregiver respite.

We look forward to another year of serving the residents of Stowe and contributing to the well-being of the community. Thank you for your time and consideration.

Sincerely,

Andrea Stauffeneker  
Secretary/Treasurer of Board of Directors

### **Our Services**

#### **Home-cooked meals and snacks**

We provide a light breakfast, lunch and snack daily. We can accommodate most dietary restrictions whether it is personal or medical.

#### **Nursing services**

We have two nurses on staff to provide skilled nursing care daily. This care can include medication administration, wound care, nail care, vital signs assessment, weight monitoring, diabetic care, as well as coordination of other Health and Community services.

#### **Personal care**

We have aides to assist with personal care. This care can include assis-

tance with ambulation and transfers, incontinence care, toileting, bathing, dressing, and eating.

### **Activities and Socialization**

We offer a variety of therapeutic and stimulating activities including; Bingo, live music performances, animal visits, group exercises, card games and more. We also like to laugh and have lots of fun.

### **Art Program**

We staff a professional artist one day a week; offering one on one instruction, tailoring the program to each participant and their abilities.

### **Caregiver Respite**

We offer a safe, fun and caring environment for our participants; offering families or caregivers the opportunity to do errands, maintain a job or just have a break without worry.

### **Transportation**

Door-to-door transportation to and from our facility is provided via Rural Community Transportation (RCT). Modes of transport include wheelchair accessible vans and volunteer drivers.



# RSVP



*"Volunteers getting things done in Central Vermont and the Northeast Kingdom"*

RSVP Volunteers are essential to our community - from delivering Meals on Wheels and staffing at the AARP Tax Aid, to Bone Builders exercise program. Volunteers of all ages are crucial to helping meet our community's needs. Without RSVP volunteers, many of our non-profit organizations would find it difficult to maintain the services needed by our friends and neighbors.

The money requested from Stowe is used to help offset the cost supporting volunteers. These costs are: travel, insurance, training, recognition and coordination time.

What Does RSVP Mean? The acronym stands for the Retired & Senior Volunteer Program, whose mission is to engage volunteer 55 and better in service. This however poses a problem because as soon as someone younger hears the meaning of the acronym they thought they were ineligible to serve, this is not true. Our communities' nonprofits need people of all ages.

RSVP simply means an agency dedicated to volunteers of all ages and to the nonprofit organizations and businesses in our communities. RSVP also means the Bone Builders program, designed to prevent and slow the onset of osteoporosis in older citizens. RSVP means having volunteers providing transportation, helping at the Food Shares, elementary schools, hospitals, nursing homes, adult education, transportation programs, and wood banks.

For more information, or to volunteer here in your community, please contact Dan Noyes at 888-2190 or [dnoyes@cvcoa.org](mailto:dnoyes@cvcoa.org). RSVP Volunteer Center is an invitation to serve. Sponsored by the Central Vermont Council on Aging, it is a national program designed to provide opportunities for persons of any age who continue to remain actively involved in the life of their community. The aim is to develop specific volunteer opportunities that utilize the particular skills and interests of each individual volunteer, at the same time keeping an eye to what needs to get done in the community. Offices are located in Morrisville, Barre, and Waterbury or visit [www.volunteervt.com](http://www.volunteervt.com) to learn of other opportunities in your community.

**RURAL COMMUNITY TRANSPORTATION, INC.**



1161 Portland Street  
Saint Johnsbury, Vt. 05819  
(802) 748-8170  
Fax: (802) 748-5275



RCT has been providing service in your community for over nineteen years and must reach out again for community support in order to maintain the quality of service that is needed for the members of our community.

RCT is a private nonprofit corporation. We are a transportation brokerage service that uses all modes of transportation including bus, vans, taxi, and volunteer drivers to provide transportation to the elderly and disabled, Medicaid and general public. Between all of our programs, RCT provided 207,379 rides last year.

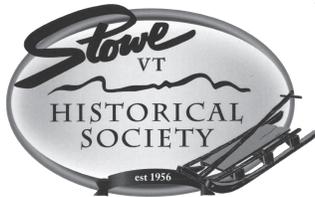
During last year RCT provided 49 Stowe residents with 3,277 trips, accumulating approximately 98,016 miles, transporting residents to: adult-day service facilities, senior meal sites and necessary medical treatments such as, dialysis, radiation therapy, chemotherapy, physical therapy, special medical needs and other appointments.

Thank you, citizens of Stowe for your support.

Respectfully,

MARY GRANT

*Executive Director*



## STOWE HISTORICAL SOCIETY

Visitors came from as far away as Thailand and nearby as the Elementary School to the museum. The fourth graders attended class in the Bloody Brook School, which was followed by a visit to the museum. A few weeks later, a fourth grader brought her parent to the museum and gave the tour that we had given the class. Several people with family ties made the trip to Stowe to give us memorabilia from the home town- a family Bible, a Child's Gazetteer, class photos and a tin type of Ivory and Aurilla Luce, earliest settlers of Mansfield. Some came to inquire about ancestors; others stopped by to chat.

To celebrate the 20th year of Stowe Theater Guild performances in the Town Hall Theatre, Evelyn Frey, prop mistress of the Guild, and Wendy Parrish of SHS mounted our yearlong exhibit "Come Play with Us The opening evening brought together founding members of STG board, current board members, performers, long time STG supporters who visited the Museum for the first time, and SHS members to reminisce." If you haven't had a chance to see the many props created by Evelyn, posters of Guild's plays, playbills from the 1800's, and photos of early 20th C performances in the Akeley Auditorium from SHS collection, the exhibit will be up until May 2015.

Our exhibit, "Artist and Artisans: The Art of Craft the Craft of Art" for History Expo 2014 was created by Karin Gotlieb and Pat Haslam with a Chuck Dudley power point. Some of the artists represented were Stan Marc Wright, Walton Blodgett, Dortha Taber, and Alice Blodgett. Weavings by Doris Houston, a hat from Moriaritys, jewelry by Joe Skinger, wooden products by Stoware, and wrought iron statuary by Bob Bourdon represented crafts persons of mid 20th century Stowe. The exhibit was reassembled at the museum and hung throughout summer and fall.

Ruth Hamilton, Lyn Baumrind, Jan Ebal, Chuck Dudley and several more elves created alphabetical ornaments with photos of artifacts and art in the Stowe Historical Society collection, with a focus on the works of the artists and artisans of the EXPO exhibit.

Our 2014 Civil War program was the presentation by Tom Ledoux and Deanna French of their book "Spunky Lamoille-the Boys in Blue". It is a collection of letters from soldiers of each of the Lamoille county towns and a brief biography of each soldier. It is available for purchase at the museum.

Annual Meeting 2014 was held at the newly renovated Barnes Camp at the southern gateway to Smugglers Notch. The keynote speak, Park Ranger Aaron Jacobs spoke about the natural history of the area and opportunities for visitors to enjoy the area. Barbara Baraw presented the history of the building

as a hostelry. An exhibit of historic post cards from the SHS and W Parrish collections was on display and will be incorporated in the Visitor Center.

Big thanks go to Alice Spencer, chairperson of the Stowe Speaks project, and to Amanda Kuhnert, primary interviewer, and those who were interviewed. Terry Pyle is our transcription specialist and does an extraordinary job.

We welcome you via Facebook, our website [www.stowehistoricalsociety.org](http://www.stowehistoricalsociety.org), email, or in person.

Keeping History Alive,

Barbara Baraw, *President*



Stowe PW Department overseeing relocation of municipal sewer and water to accommodate SMR Adventure Center construction.



## STOWE LAND TRUST

Stowe Land Trust (SLT) has been working to conserve and care for significant scenic, recreational and productive farm and forest land for the benefit of the greater Stowe community since 1987. SLT, a 501(c)3 non-profit organization, has worked with the community and a diverse set of partners to complete 30 land protection projects. SLT owns and manages 5 properties: Wiessner Woods, Kirchner Woods, Mill Trail, Dumont and Page Forest. Each of these SLT-owned properties is open to the public, and offer trails. 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 members and donors. Thank you for your support!

2014 was the second year for SLT's Summer Naturalist Program, which engaged over 700 children, parents, and teachers in educational programming and volunteer opportunities. The program is based out of the historic Mill Trail cabin which was built by the Lichtenthaler family in the 1930's, and is located at the SLT-owned Mill Trail property on Notchbrook Road. As part of the Summer Naturalist program, the cabin was open to the public on Saturdays throughout the summer. SLT's naturalist also welcomed the entire Stowe 4th grade to the cabin this fall as part of their studies about Stowe history. SLT plans to re-open the cabin and host the Summer Naturalist Program again in summer 2015.

SLT completed several improvement projects on SLT-owned properties in 2014, including restoring and replacing some of the windows and doors at the historic Mill Trail cabin. Volunteers from the Laraway School, Stowe Bible Camp, and Stowe Parks & Rec Summer Camp replaced the decking on the Howard Carroll Memorial Bridge using locally-harvested and milled hemlock boards. SLT also worked with Lipsky Logging LLC to remove the collapsed sugarhouse at Kirchner Woods.

Each year, SLT stewardship staff and volunteers work with the owners of other SLT-conserved properties, such as Cady Hill Forest and Adam's Camp, to ensure that the land is cared for. Properties are visited and monitored at least once a year, and staff responds to questions, concerns, and requests.

Lastly, SLT continues to work to protect the working forests, farms, and trails that make Stowe special. While SLT has completed 30 projects to date, there are still some key lands that remain unprotected. We value our community's participation in conserving the most important places in Stowe, and invite everyone to become a member. 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. Visit <http://www.stowelandtrust.org> to learn more about conservation in Stowe, and to join!

Respectfully,

Caitrin Maloney  
*Executive Director*

Stowe Land Trust  
PO Box 284  
Stowe, VT 05672  
802.253.7221  
<http://www.stowelandtrust.org>



STOWE VIBRANCY!



## 2014 Annual Report to the Stowe Select Board January 26, 2015

Stowe Vibrancy, Inc. is a Vermont non-profit corporation established as a public-private partnership with the following mission:

*To increase the vibrancy of the Town of Stowe through the enhancement of social, recreational, cultural, economic, and physical characteristics of the Village.*

Formed in 2009 as a result of the Select Board's desire to revitalize the Village, its first five full years of operation have resulted in substantial progress in fulfilling and sustaining this mission. As economic activity in the village has grown over the course of these five years, much of this has been due to the great work of Stowe Vibrancy, Inc.

Once again this year, Stowe Vibrancy produced or co-produced 8 major events and series of events. From our inaugural Chowderpalooza and the Fourth of July Celebration, to the two car show block parties and the many artisan events we now produce, and, finally, to our Traditional Christmas in Stowe, literally thousands of residents and tourists came to the Village, and to the Town itself to shop, eat, and enjoy the experience.

Stowe Vibrancy continued to partner with the Town of Stowe, and so many other local organizations to make these events both accessible and fun for the widest possible audiences. And, again this year, these efforts paid off with more and more people attending all of them. Even with weather being a factor in our numerous Art on Park events, artisans continued to want to come to Stowe to sell their wares, and residents and visitors continued to come to the markets to buy them.

Stowe Vibrancy, Inc. expects to continue virtually all of its 2014 event programs again in 2015. They will, however, continue to be fine-tuned and enhanced in order to make them even more successful. We will also continue to look for additional opportunities.

In addition to our events, Stowe Vibrancy Inc. has become a key partner of the Town's and of the many local businesses in all of the efforts to support our infrastructure and economic development tools for the village. With the completion of the significant renovations to bring 91 Main Street back on line with its mixture of uses, to the newly constructed retail establishment at 35 South Main Street, it is clear that the village of Stowe remains a great place to invest and grow.

It is also necessary, however, to ensure proper long-term planning for the village and community of Stowe. Stowe's Planning Commission is in the midst of updating the Stowe Town Plan, and the Select Board continues its work for the entire Stowe

77 Worcester Road | Stowe, Vermont 05672 | (802) 881-8091 | [www.stowevibrancy.com](http://www.stowevibrancy.com)

### **Board of Directors**

Heidi Scheuermann, President; Michael McNulty, Vice-President; Tom Barnes, Treasurer; Michael Diender, Secretary  
Leslie Anderson; Ken Biedermann; Alexander Kloeti; George Lewis; Elise McKenna; Scott Noble;  
Susan Spera; Ed Stahl; Trudy Trombley; Christopher Vigneau; Charlene Walker

community. Stowe Vibrancy believes strongly, however, that long-term planning for the village of Stowe specifically is also critical.

Toward that end, Stowe Vibrancy is taking the lead in developing a Village Plan to be used by the Town Planning Commission and Select Board as decisions are contemplated with regard to policy, capital projects, and infrastructure. We have already begun to bring interested parties to the table to develop this plan, so that it is the multi-faceted, comprehensive plan we envision. We believe strongly that this tool will be a useful one as we strive to ensure our community continues to be the warm, welcoming community it has become for residents and visitors alike.

Finally, as the Stowe Planning Commission worked diligently to update the Stowe Town Plan, Stowe Vibrancy was proud this year to present to the Commission some specific Policies and Tasks that, in our view, would be of great benefit to the entire Stowe community. And, we were pleased that some of those have been included in the Plan as presented to the Select Board.

Attached to this report is a financial statement for Stowe Vibrancy, Inc. It outlines the organization's 2014 financial statement, and its 2015 Budget. Results in 2014 were very much in line with projections, despite the substantial increase in the number and scope of new activities undertaken. The generous support of the Town, local businesses, and individuals was critical to making every initiative successful.

Also attached to this report for your information is Stowe Vibrancy's 2014-2019 Strategic Plan that was adopted just last year. In it, you will see our work outlined and the goals we have in place for the foreseeable future. You will note the considerable amount of work we do each year and the additional efforts we have envisioned in order to continue to ensure the vitality of our traditional New England village, and the entire community of Stowe.

Stowe Vibrancy, Inc. is very appreciative of the support of the Town and its many involved volunteers and generous businesses, and promises to continue to work to enhance the quality of life of the village, and thereby the Town, in the years to come.

77 Worcester Road | Stowe, Vermont 05672 | (802) 881-8091 | [www.stowevibrancy.com](http://www.stowevibrancy.com)

**Board of Directors**

*Heidi Scheuermann, President; Michael McNulty, Vice-President; Tom Barnes, Treasurer; Michael Diender, Secretary  
Leslie Anderson; Ken Biedermann; Alexander Kloeti; George Lewis; Elise McKenna; Scott Noble;  
Susan Spera; Ed Stahl; Trudy Trombley; Christopher Vigneau; Charlene Walker*



## THE EARLY EDUCATION RESOURCE CENTER OF WATERBURY

The Children's Room, The Early Education Resource Center of Waterbury, has deeply appreciated the support of the people of Stowe over the past 30 years. In addition to various fundraising events, we depend on generous grants from local businesses and user donations for our sustainability. We greatly appreciate the funds we have received in the past and would like to ask for your continued support in 2015 of funds not to exceed \$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 and care-giving resources. Our goal is to promote children's intellectual, emotional, social and physical development through highly accessible programming options.

The town's support will be essential in helping us to maintain our quality programming. As the higher-cost private programs become even further out of the economic reach of many families in our community, we've seen an increased demand for our free or extremely low-cost learning enrichment programs. These include weekly story and music hours, nature programs, daily gym time, field trips to local attractions, parenting forums, and special educational events. In addition, The Children's Room sponsors many special events throughout the year to promote strong family and community relationships while supporting local businesses and organizations. These include our Barn Dance, Halloween Party, Big Toy Night, Kids Fest, First Aid and CPR courses, and the Wallace Farm field trip. Our center also provides access for meetings and childcare for local organizations, such as the PTO, ELF, DCF, Odyssey of the Mind and others.

The Children's Room is an active participant in early child development in Waterbury and its neighboring communities. Our sign-in sheets indicate we served over 275 families last year, consisting of 2,192 child visits and 1,687 adult visits. Of those at least 25 Stowe families utilized our services during the year on many different occasions. These members do not include attendance at our special events and monthly weekend playgroups, attracting upward of 50 families per event.

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

Best Regards,

Christine Wulff and Tammy Rost, *Co-Presidents*  
The Children's Room

## **THE NORTH CENTRAL VERMONT RECOVERY CENTER**

The North Central Vermont Recovery Center is open 7 days/49 hours per week and has received an average of 885 visitors per month throughout this past year.

The Center hosts many support groups, both 12-step and non 12-step. Meetings and groups include AA, Narcotics Anonymous, Al-Anon, Families Anonymous, Dual Recovery Anonymous, All Recovery, Making Recovery Easier, Letting Go, Food for the Soul (Women's Group) and Parental Alienation Peer Support Group.

We continue to facilitate our two unique mentoring groups for young men and young women, ages approximately 16-26, called G.Y.S.T. (Get Your Stuff Together) and GYSTpync. These groups meet weekly and create their own peer support, with the assistance of positive older role models in recovery. A variety of vocational, educational, and health topics are presented through role modeling, group activities and speakers from the community. They have been involved in several community outreach opportunities this past year, including the Rotary Coat Drive, the Lamoille firewood project, and a family fun day to raise money for Clarina Howard Nichols Center. We are presently in the process of passing the G.Y.S.T. model on to the Recovery Center in St. Johnsbury, VT.

We have Recovery Coaches who are trained to work individually with people interested in one on one recovery support and guidance. We also have a trained staff member available to help people working on recovery from opiates (heroin, prescription medications, etc.) through medication assisted treatment and recovery plans.

All of our services and programs are free of charge.

We have held an open house, and our annual Thanksgiving meal and Christmas party this past year. These events allow many people to celebrate holidays in a safe, substance free environment with other people in recovery.

We collaborate with many other organizations in the community, including The Family Center, Court Diversions, local High Schools, Laraway School, the medical and mental health services within Community Health Services of Lamoille Valley, just to name a few.

Thank you for considering us again for the Town of Stowe appropriations this year.

Sincerely,

Stefani J. Capizzi  
*Executive Director*

P.O. Box 862 Morrisville, VT 05661 (802)851-8120  
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## VERMONT ASSOCIATION FOR THE BLIND AND VISUALLY IMPAIRED

More than 10,500 Vermont residents are blind or visually impaired. Since our state has an aging population, many of them are experiencing age-related vision loss. Visual impairments can make performing daily tasks, staying mobile, and enjoying leisure activities very difficult. Additionally, Vermont's rural nature makes it less likely for those with visual impairments to encounter those facing similar challenges, thus creating feelings of isolation and depression. We counter this trend by providing the tools, services, and support necessary to help blind and visually impaired Vermonters to be independent, confident, and productive.

During Fiscal Year 2014, VABVI served 1,409 clients from all 14 counties in Vermont, including 34 adult clients and 14 students in Lamoille County.

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

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

VABVI has offices in Brattleboro, Montpelier, Rutland and South Burlington. Contact us at (800) 639-5861 or [general@vabvi.org](mailto:general@vabvi.org). Learn more about us at [www.vabvi.org](http://www.vabvi.org) or like us at [www.facebook.com/vavbi.org](http://www.facebook.com/vavbi.org) for updates.

### Contact Information:

Emily Mason

Development Coordinator

Vermont Association for the Blind and Visually Impaired (VABVI)

[emason@vabvi.org](mailto:emason@vabvi.org)

(800) 639-5861 ext. 217

## THE VERMONT CENTER FOR INDEPENDENT LIVING TOWN OF STOWE SUMMARY REPORT

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

Final numbers for our FY'14 (10/2013-9/2014) show VCIL responded to over **2,383** 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 **304** individuals to help increase their independent living skills (including **12** peers who were served by the AgrAbility program and **6** peers who received specialized Benefits to Work Counseling). VCIL's Home Access Program (HAP) assisted **215** households with information on technical assistance and/or alternative funding for modifications; 51 of these received financial assistance to make their bathrooms and/or entrances accessible. Our Sue Williams Freedom Fund (SWFF) provided **125** individuals with information on assistive technology; 36 of these individuals received funding to obtain adaptive equipment. **447** individuals had meals delivered through our Meals on Wheels (MOW) program for individuals with disabilities under the age of 60.

VCIL's central office is located in downtown Montpelier and we 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.

During FY '14, **8** residents of **Stowe** received services from the following programs:

- Peer Advocate Counseling Program (PAC)
- 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](http://www.vcil.org).

## VERMONT LEAGUE OF CITIES AND TOWNS 2014 OVERVIEW

### *Serving and Strengthening Vermont Local Government*

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

VLCT's mission is to serve and strengthen Vermont local government. All 246 Vermont cities and towns

are members of VLCT, along with 134 other municipal entities, including villages, solid waste districts, regional planning commissions and fire districts.

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

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

- Legal, consulting, and education services. In the past year, VLCT's Municipal Assistance Center (MAC) responded to nearly 3,500 inquiries for assistance from municipal officials. MAC also conducted 18 workshops that attracted more than 1,250 people. For example, our workshop on how to comply with the new Open Meeting Law changes and the Public Records Act drew more than 140 attendees. Additionally, we conducted 10 on-site workshops held at municipal offices on a wide range of topics, and we provided 26 municipalities with legal review of ordinances and policies, financial assistance, and other specialized consulting services. We produced new materials to help members comply with the Open Meeting Law and revised our Town Officers Handbook. These and all of our publications may be purchased or accessed free of charge on our website at our Resource Library. The Library also contains nearly 1,000 other electronic documents, including technical papers, model policies, and newsletter articles that are currently accessible to the general public. MAC has also retained the services of professionals in municipal finance, administration, and policing to provide consulting advice to towns.
- Advocacy representation before the state and national governments to ensure that municipalities have the resources and authority they need to serve their citizens. VLCT is a leader in the education property tax debate, enhancing local voter authority in governance decisions, municipal efforts to clean up our lakes and rivers, and securing revenues for town highway and bridge maintenance programs.

Municipalities will face significant challenges in the 2015 legislature as limited financial resources at the national and state level continue to force more demand for services to the local level. We also provide a *Weekly Legislative Report* that details legislative issues affecting municipal government. It is available to all free-of-charge on the VLCT website.

- Purchasing opportunities to provide needed services at the lowest cost. Examples include municipal unemployment, property, casualty and workers' compensation insurance coverage for town operations. The **VLCT Employee Resource and Benefit (VERB) Trust** continues to assist towns navigate their way to Vermont Health Connect and to help municipalities not in the exchange to secure health insurance through the marketplace. The substantial municipal damages resulting from recent weather events makes the value of **VLCT Property and Casualty Intermunicipal Fund (PACIF)** to all our members quite clear, as members benefit from the broad coverage, excellent reinsurance, and prompt service and claims payments. Our two Trusts are responsible in 2014 for \$24 million in municipal tax dollars spent for insurance and risk management services.

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

## YOUTH BASEBALL

Stowe Youth baseball provides instruction and fair play for approximately 80 kids ranging from ages 5 years to 15 years old. Baseball is thriving here in Stowe and this last year we saw our numbers almost double from the previous year. We enjoy one of the best venues in the State and with your support last year we were able to host once again the Stowe Invitational Little League Tournament which hosted eight (8) teams from Lamoille County, Waterbury and Essex. We provided a stellar tournament that brought a number of families to Town and they all expressed hopes that we would continue to host this event ongoing. We also saw fees assessed by the town for the first time and we supported the Stowe Rink by booking Turf time and a Clinic. In addition we found that with more participants and more games was the need for more umpires. Unfortunately the days of volunteers umpiring games are no longer and we found we had to pay for umpires adding costs there.

Our needs are mainly based on our league fees, insurance, equipment, field usage fees, rink fees, tournament fees and umpire fees. We basically were able to break even with the help of the town's contribution. Little League Insurance covers our needs in case of accidents during practices and games.

The equipment needed includes Catcher gear, Bats, Baseballs, Umpire Gear and general field needs.

We found that with the lack of volunteers we needed to pay for the Umpires to ensure a quality game experience and a safe approach to the game.

The league also covers all volunteers and coaches in Stowe Youth Baseball going through background checks as dictated by Little League and the Insurance Carriers.

Lastly, we also provide families in need the program at no charge which assisted approximately 10 families and their kids this last year.

Thank you,

Steve Cunningham, *President*

Stowe Youth Baseball

**TOWN OF STOWE, VERMONT**

**AUDIT REPORT**

**JUNE 30, 2014**

TOWN OF STOWE, VERMONT  
AUDIT REPORT  
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**Sullivan, Powers & Co., P.C.**

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**Independent Auditor's Report**

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

***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Stowe, Vermont, as of and for the year ended June 30, 2014, 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. We did not audit the financial statements of the Electric Fund, which is a major fund, and represents forty-nine percent (49%), thirty-one percent (31%) and eighty-two percent (82%), respectfully, of the assets, net position and revenues of the business-type activities.

***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 forty-nine percent (49%), thirty-one percent (31%) and eighty-two percent (82%), respectfully, of the assets, net position and revenues of the business-type activities. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Electric Fund, is based on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in "Government Auditing Standards", issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

Town of Stowe, Vermont

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

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

***Opinions***

In our opinion, based on our audit and the report of other auditors, 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, 2014, 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***

***Correction of Errors***

As described in Note III.D. to the financial statements, certain errors resulting in an overstatement of capital assets in the Electric Fund were corrected by management during the current year. The opinion of the other auditors is not modified with respect to this matter.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and the budgetary comparison information on pages 4 through 10 and Schedule 1 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

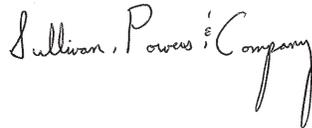
***Other Information***

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 February 2, 2015 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.

February 2, 2015  
Montpelier, Vermont  
VT Lic. #92-000180



TOWN OF STOWE, VERMONT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2014

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, 2014. The Town of Stowe Electric Fund has been audited separately as of and for the year ended June 30, 2014 and is incorporated into this report. Their financial statements are included in the Town Report.

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

#### **Financial Highlights**

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

- The Town's assets exceeded liabilities on June 30, 2014 by \$44,778,105 (Total Net Position). Of this amount, \$19,138,791 represents governmental activities and \$25,639,314 represents our water, sewer and electric departments (business funds). Of these amounts, \$2,120,917 of general government funds and \$8,707,418 of business funds are unrestricted net position and may be used to meet the Town's future obligations.
- The Town's Governmental Activities net position increased by \$914,010 during the year while the Business-Type activities net position increased by \$55,431.

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

- Fund balance of governmental funds decreased by \$888,153 in FY 14. The decrease can be primarily attributed to fully spent bond resources in the Rink Renovation Fund.
- The General Fund balance decreased \$24,692. The General Fund balance at the end of FY 14 was \$870,187, the entire amount being either non spendable, restricted or assigned and not available for current expenditures.
- The Capital Fund balance increased by \$145,426 in FY 14. The total amount in this fund at year-end was \$1,268,093 and the entire amount is restricted, committed or assigned for future projects such as sidewalk replacement, road culvert repairs and bridge improvements.
- The Rink Renovation Fund balance decreased by \$1,449,600 to \$35,103. This was due to completing the project.
- The Water Fund ended the fiscal year with a net position balance of \$3,229,873 an increase of \$457,101.

- The Sewer Fund ended the fiscal year with a net position balance of \$14,539,994, a decrease of (\$132,055).
- The Electric Fund ended the fiscal year with a net position balance of \$7,869,404, a decrease of \$269,615.

### 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 and liabilities 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 7.

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

	Governmental Activities		Business Type Activities		Total	
	FY 2014	FY 2013	FY 2014	FY 2013	FY 2014	FY 2013
<b>Assets</b>						
Current & Other Assets	5,264,272	6,839,349	33,468,200	34,751,858	38,732,472	41,591,207
Capital Assets	28,613,542	24,598,967	33,612,748	33,925,051	62,226,290	58,524,018
Total Assets	33,877,814	31,438,316	67,080,948	68,676,909	100,958,762	100,115,225
<b>Liabilities</b>						
Current Liabilities	977,747	1,610,205	1,042,304	1,020,822	2,020,051	2,631,027
Long Term Liabilities	13,714,028	11,591,071	39,819,182	41,366,730	53,533,210	52,957,801
Total Liabilities	14,691,775	13,201,276	40,861,486	42,387,552	55,553,261	55,588,828
Deferred Inflows of Resources	47,248	12,259	580,148	705,474	627,396	717,733
<b>Net Position</b>						
Invested in Capital Assets Net of Related Debt	15,673,542	15,228,670	16,931,896	15,867,103	32,605,438	31,095,773
Restricted	1,344,332	1,229,953	-	-	1,344,332	1,229,953
Unrestricted	2,120,917	1,766,158	8,707,418	9,716,780	10,828,335	11,482,938
Total Net Position	19,138,791	18,224,781	25,639,314	25,583,883	44,778,105	43,808,664

As stated above, total net position exceeded liabilities by \$44,778,105 at the end of fiscal year 2014. In future years, this number 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 - \$32,605,438 (72.8%). 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 2014, the Town of Stowe has positive balances in all three categories of total net position for the entire government and all individual funds except for the Water Fund which had an unrestricted deficit of \$895,610.

## Town of Stowe, Statement of Activities

	Governmental Activities		Business Type Activities		Total	
	FY 2014	FY 2013	FY 2014	FY 2013	FY 2014	FY 2013
<b>Revenues</b>						
Program Revenues						
Charges for Services	1,105,479	1,047,395	14,283,701	14,093,509	15,389,180	15,140,904
Operating Grants & Contributions	327,139	428,661	-	-	327,139	428,661
Capital Grants & Contributions	276,242	1,500,251	185,480	29,699	461,722	1,529,950
General Revenues					-	-
Property Taxes	7,690,624	7,264,134	-	-	7,690,624	7,264,134
Penalties & Interest on Delinquent Taxes	158,457	154,851	-	-	158,457	154,851
Local Options Tax	774,617	713,712	-	-	774,617	713,712
Investment Earnings	190,086	134,289	491,318	428,421	681,404	562,710
General State Grants	327,887	295,915	-	-	327,887	295,915
LCP Equity Dividends	-	-	1,080,704	1,095,559	1,080,704	1,095,559
Other Revenue	9,288	4,243	-	-	9,288	4,243
<b>Total Revenues</b>	<b>10,859,819</b>	<b>11,543,451</b>	<b>16,041,203</b>	<b>15,647,188</b>	<b>26,901,022</b>	<b>27,190,639</b>
<b>Expenditures</b>						
Governmental Activities						
General Government	2,070,804	2,217,644	-	-	2,070,804	2,217,644
Public Safety	2,933,892	2,568,444	-	-	2,933,892	2,568,444
Public Works	2,255,083	2,431,243	-	-	2,255,083	2,431,243
Culture & Recreation	2,230,377	2,402,980	-	-	2,230,377	2,402,980
Cemeteries	10,837	13,041	-	-	10,837	13,041
Interest	477,816	407,677	-	-	477,816	407,677
Business Type Activities					-	-
Water	-	-	845,883	855,334	845,883	855,334
Sewer	-	-	1,677,224	1,646,869	1,677,224	1,646,869
Electric	-	-	13,429,665	11,864,871	13,429,665	11,864,871
<b>Total Expenditures</b>	<b>9,978,809</b>	<b>10,041,029</b>	<b>15,952,772</b>	<b>14,367,074</b>	<b>25,931,581</b>	<b>24,408,103</b>
Transfers In/(Out)	33,000	33,000	(33,000)	(33,000)	-	-
Changes in Net Position	914,010	1,535,422	55,431	1,247,114	969,441	2,782,536
Net Position - Beginning of Year	18,224,781	16,689,359	25,583,883	24,336,769	43,808,664	41,026,128
Net Position - End of Year	<b>19,138,791</b>	<b>18,224,781</b>	<b>25,639,314</b>	<b>25,583,883</b>	<b>44,778,105</b>	<b>43,808,664</b>

**Governmental activities:** Governmental activities increased the Town's net position by \$914,010 in FY14. The Town added \$4,014,575 to its inventory of capital assets net of current year depreciation (funded with \$276,242 of capital contributions). Major additions included completion of the Jackson Arena, various public works infrastructure projects, the purchase of two police vehicles and one public works vehicle.

**Business-type activities:** Business-type activities increased the Town's net position by \$55,431.

**Financial Analysis of Major Funds****General Fund**

The General Fund balance decreased by \$24,692 during the year. The Town intended to lose (use up surplus) of \$237,102 so the net result is a favorable variance of \$212,410. The total fund balance at year-end was \$870,187. Of this amount, \$432,301 is nonspendable inventory and prepaid expenses and \$26,162 is restricted for old age assistance, recreation scholarship expenses and library development expenses. There is \$612,020 of assigned and nonspendable fund balance which will reduce property taxes in fiscal year 2015, leaving \$232,005 assigned for future expenses.

Revenues were \$17,067 less than expected and comprised of a combination of budgets being variously over and under what was expected. The major contributors coming in under budget included: the Arena (\$49,046) due to being open less than a full year, Property Taxes (\$43,812) due to an increase in delinquent property taxes, Rescue/EMS (\$33,030) because of adjustments made to uncollectible accounts, and Recreation (\$20,507) because of lower than expected Creative Learning and Special Activities Programs revenues. Revenues coming in significantly over budget included: Administration \$43,494 because of increased State Land use reimbursement, Delinquent Tax Interest and Miscellaneous revenues, Police \$43,428 because of unbudgeted grants and increased special events revenues, Planning \$19,606 due to unbudgeted Sterling Trail and Historic Sites grant revenues.

Expenditures were \$180,921 under budget. This was primarily due to the following departments coming in under budget: Recreation \$61,860 due primarily to savings in salary and benefits, Arena \$48,239 due primarily to savings in salary and benefits, and also electricity costs, Parks and Grounds \$39,525 also due primarily to savings in salary and benefits, General Government \$30,056 due to reduced Lamoille County tax.

**Capital Fund**

The Capital fund had a fund balance of \$1,268,093. This Fund balance increased \$145,426. The Fund was funded with \$774,617 of local option taxes, \$75,782 of grants, \$1,186 of interest and \$315,000 of bond proceeds. The fund spent \$626,699 on capital related items, \$44,460 on non-capital items and transferred \$350,000 to the General Fund to assist in funding debt service for the arena. The increase in fund balance is primarily due to collection of grant funds and local options tax receipts.

**Rink Renovation Fund**

The Rink Renovation Fund ended the year with a \$35,103 fund balance. It received \$52,450 in grants/rebates and \$2,500,000 in bond proceeds as well as \$20,000 from the sale of equipment. It spent \$4,022,367 on rink renovation costs.

**Water Fund**

The Water Fund had operating income of \$559,029 and an increase in net position of \$457,101. The operating income was due primarily to revenues in excess of expenses which was planned due to lowering the unrestricted operating deficit.

**Sewer Fund**

The Sewer Fund had an operating loss of \$273,129 and a decrease in net position in the amount of \$132,055. The operating loss was due primarily to expenses in excess of revenues, mainly depreciation of \$507,480.

**Electric Fund**

The Electric Fund had an operating loss of \$724,155 and a decrease in net position of \$269,615. This was caused by higher than anticipated purchased power costs.

**Non-Major Funds**

The Town had the following non-major funds as of June 30, 2014. Their fund balances were as follows:

Recreation Path Fund	\$ 8,181
Police DEA Fund	4,882
Conservation Reserve and Trails & Greenway Fund	682
Appraisal Fund	48,040
Records Preservation Fund	35,329
Equipment Fund	458,063
Cemetery Fund	435,744
Library Endowment Fund	<u>783,352</u>
 Total	 <u>\$1,774,273</u>

**Capital Asset Administration**

The Town of Stowe's investment in capital assets for its governmental activities as of June 30, 2014 totaled \$28,613,542 (net of depreciation). These assets include land, buildings and building improvements, roads and bridges, vehicles, machinery, equipment, antiques and furniture.

The Town spent \$4,983,042 on Governmental Activities capital assets during the year.

Major capital asset transactions during the year included the following additions:

- Completion of Jackson Arena Renovation
- Cemetery Road Reconstruction
- Village Paver Replacement
- Mayo-Farm Events Field Improvements
- Sledding Hill Land Purchase
- Sewer Line Extension to Grounds Maintenance Building
- Zamboni Ice Resurfacers
- Various Paving within the Town

Capital assets disposed of during the year included the following deletions:

- Sold or Traded:
  - 2003 Chevy Tahoe
  - 2008 Ford Expedition
  - 2004 Ford F350 Pick-up
  - Arena Zamboni
  - Arena Chiller System

The Town's investment in capital assets for its business-type activities as of June 30, 2014 totaled \$33,612,748. There were no major capital purchases for the water and sewer funds. Refer to the separate Electric Department audit for information on their capital assets.

**Debt Administration**

As of June 30, 2014, long-term debt of governmental activities of the Town of Stowe was \$12,940,000. As of June 30, 2013, the debt was \$10,835,000. During the year, the Town paid \$710,000 on older bonds and notes, and issued \$2,815,000 in new bonds to finance the Jackson Arena and purchase the Sledding Hill property.

The Business type activities had bonds and notes outstanding with a total principal debt of \$39,624,624. At the beginning of the fiscal year there was \$41,159,405 in outstanding debt. There was reduction in the amount of \$1,534,781 in bonds and notes payable.

**Economic Factors and FY 15 Budgets and Rates**

- The Town of Stowe's Grand List saw a 0.46% increase for FY 14 which, because of equity adjustments to several condominium projects, was lower than the projected 1.0% increase.
- Health insurance rates for FY 15 were estimated to increase between 5.2% and 7.2% for VHP participants and 9.2 and 10.2% for VFP participants, utilizing the average rate increase over the previous three years and information provided to the Town by our insurance carrier. All employees are paying a portion for their health care premiums. Additionally, on January 1, 2016 the Town will be required to purchase health insurance from the Vermont Health Connect Exchange.
- Dental insurance is not expected to increase from FY14 rates. All employees contribute a portion for their dental coverage as well as their health insurance.
- Prices for #2 fuel oil, diesel fuel, liquid propane and gasoline were estimated using a 3 year average cost multiplied by the % change (from October 31, 2012 to October 31, 2013) in the CPI for each product in the Northeast USA and have thus been budgeted to increase an estimated 3.2% for FY 15.
- Electric rates have been budgeted with the expectation that rates will decrease by 3.5%.

These factors were taken into consideration in preparing the fiscal year 2015 budgets. The General Fund expense for FY 15 is \$11,149,131, an increase of 7.6%, due mainly to Arena debt service and increased budgeting for Town road maintenance. Revenues have been budgeted at \$2,442,764, a .18% increase.

Looking forward from FY16 and beyond the Town is experiencing much welcomed growth that includes the following:

- Major expansion at Spruce Peak which includes a 108,324 square foot adventure center, an underground parking garage, an outdoor skating rink and an 2,834 square foot open pavilion
- An expanded Trapp's brewery which will consist of 40,880 square feet of brewery operations and 6,620 square feet for a 150 seat restaurant and small retail space
- The Alchemist is in the process of obtaining permits to build a planned 14,362 square foot brewery and small retail space
- Completion of the renovation of the Ferro Properties at 91 Main St. which includes the Ferro Estate and Custom Jewelers, Coldwell Banker Carlson Real Estate, the Plate restaurant, the Academy Mortgage Corporation and four two bedroom condominiums on the second floor
- Completion of the Von Bargaen's building at 35 South Main St. which contains 1,800 square feet of first floor retail space and 1,800 square feet that is planned as an apartment.

**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, 2014

	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
Cash	\$ 2,414,787	\$ 2,117,920	\$ 4,532,707
Investments	2,114,650	0	2,114,650
Receivables (Net of Allowance for Uncollectibles)	690,548	2,345,941	3,036,489
Loans Receivable	0	4,838,162	4,838,162
Internal Balances	(388,014)	388,014	0
Prepaid Expenses	309,222	405,643	714,865
Inventory	123,079	147,548	270,627
Restricted Cash	0	450,000	450,000
Investment in Associated Companies	0	22,771,002	22,771,002
Deferred Charges	0	3,970	3,970
Capital Assets:			
Land and Easements	6,002,090	51,370	6,053,460
Construction in Progress	879,299	969,986	1,849,285
Antiques	80,000	0	80,000
Other Capital Assets, (Net of Accumulated Depreciation)	21,652,153	32,591,392	54,243,545
Total Assets	<u>33,877,814</u>	<u>67,080,948</u>	<u>100,958,762</u>
<u>LIABILITIES</u>			
Accounts Payable	720,910	822,611	1,543,521
Accrued Payroll and Benefits Payable	113,574	44,511	158,085
Other Accrued Expenses	0	53,442	53,442
Unearned Revenue	84,724	0	84,724
Accrued Interest Payable	58,539	121,740	180,279
Noncurrent Liabilities:			
Due within One Year	820,750	1,543,629	2,364,379
Due in More than One Year	12,893,278	38,275,553	51,168,831
Total Liabilities	<u>14,691,775</u>	<u>40,861,486</u>	<u>55,553,261</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Prepaid Property Taxes	47,248	0	47,248
Deferred Contribution for Capital Assets	0	445,000	445,000
Deferred Gain on Hedge Sale	0	135,148	135,148
Total Deferred Inflows of Resources	<u>47,248</u>	<u>580,148</u>	<u>627,396</u>
<u>NET POSITION</u>			
Net Investment in Capital Assets	15,673,542	16,931,896	32,605,438
Restricted	1,344,332	0	1,344,332
Unrestricted	2,120,917	8,707,418	10,828,335
Total Net Position	<u>\$ 19,138,791</u>	<u>\$ 25,639,314</u>	<u>\$ 44,778,105</u>

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

Exhibit B

TOWN OF STOWE, VERMONT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2014

	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Functions/Programs:</b>							
<b>Primary Government:</b>							
<b>Governmental Activities:</b>							
General Government	\$ 2,670,804	\$ 290,095	\$ 101,088	\$ 0	\$ (1,679,621)	\$ 0	\$ (1,679,621)
Public Safety	2,433,892	312,455	(6,874)	63,562	(2,551,001)	0	(2,551,001)
Public Works	2,455,083	12,282	179,243	173,649	(1,889,809)	0	(1,889,809)
Culture and Recreation	2,200,377	473,347	39,934	39,031	(1,678,065)	0	(1,678,065)
Cemetery	10,837	17,500	0	0	6,463	0	6,463
Interest on Long-Term Debt	477,816	0	0	0	(477,816)	0	(477,816)
<b>Total Governmental Activities</b>	<b>9,978,809</b>	<b>1,105,479</b>	<b>327,139</b>	<b>276,242</b>	<b>(8,269,949)</b>	<b>0</b>	<b>(8,269,949)</b>
<b>Business-type Activities:</b>							
Water	845,883	1,254,839	0	47,338	0	456,294	456,294
Sewer	1,677,224	1,404,095	0	138,142	0	(134,987)	(134,987)
Electric	13,429,665	11,624,767	0	0	0	(1,804,898)	(1,804,898)
<b>Total Business-type Activities</b>	<b>15,952,772</b>	<b>14,283,701</b>	<b>0</b>	<b>185,480</b>	<b>0</b>	<b>(1,483,591)</b>	<b>(1,483,591)</b>
<b>Total Primary Government</b>	<b>\$ 25,931,581</b>	<b>\$ 15,389,180</b>	<b>\$ 327,139</b>	<b>\$ 461,722</b>	<b>(8,269,949)</b>	<b>(1,483,591)</b>	<b>(9,753,540)</b>
<b>General Revenues:</b>							
Property Taxes				7,690,624		0	7,690,624
Interest on Delinquent Taxes				158,457		0	158,457
Local Option Sales Tax				774,617		0	774,617
General State Grants				327,887		0	327,887
Unrestricted Investment Earnings				190,086		491,318	681,404
LCP Equity Dividends				0		1,080,704	1,080,704
Other Revenues				9,288		0	9,288
Transfers:				33,000		(33,000)	0
<b>Total General Revenues and Transfers</b>				<b>9,183,959</b>		<b>1,539,022</b>	<b>10,722,981</b>
<b>Change in Net Position</b>				<b>914,010</b>		<b>55,431</b>	<b>969,441</b>
<b>Net Position - July 1, 2013 - As Restated</b>				<b>18,224,781</b>		<b>25,583,883</b>	<b>43,808,664</b>
<b>Net Position - June 30, 2014</b>				<b>\$ 19,138,791</b>		<b>\$ 25,639,314</b>	<b>\$ 44,778,105</b>

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

(12)

Exhibit C

TOWN OF STOWE, VERMONT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2014

	General Fund	Capital Fund	Rink Renovation Fund	Non-Major Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash	\$ 2,249,005	\$ 0	\$ 112,447	\$ 53,335	\$ 2,414,787
Investments	937,552	0	0	1,177,098	2,114,650
Receivables (Net of Allowance for Uncollectibles)	557,944	124,104	0	8,500	690,548
Due from Other Funds	0	1,168,677	87,595	567,743	1,824,015
Prepaid Expenses	309,222	0	0	0	309,222
Inventory	123,079	0	0	0	123,079
<b>Total Assets</b>	<b>\$ 4,176,802</b>	<b>\$ 1,292,781</b>	<b>\$ 200,042</b>	<b>\$ 1,806,676</b>	<b>\$ 7,476,301</b>
<b>LIABILITIES</b>					
Accounts Payable	\$ 535,093	\$ 8,187	\$ 164,939	\$ 12,691	\$ 720,910
Accrued Payroll and Benefits Payable	113,574	0	0	0	113,574
Due to Other Funds	2,193,381	0	0	18,648	2,212,029
Unearned Revenue	83,660	0	0	1,064	84,724
<b>Total Liabilities</b>	<b>2,925,708</b>	<b>8,187</b>	<b>164,939</b>	<b>32,403</b>	<b>3,131,237</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Prepaid Property Taxes	47,248	0	0	0	47,248
Unavailable Property Taxes and Interest	321,000	0	0	0	321,000
Unavailable Ambulance Fees	8,000	0	0	0	8,000
Unavailable Grants	0	16,501	0	0	16,501
Unavailable Miscellaneous Revenue	4,659	0	0	0	4,659
<b>Total Deferred Inflows of Resources</b>	<b>380,907</b>	<b>16,501</b>	<b>0</b>	<b>0</b>	<b>397,408</b>
<b>FUND BALANCES</b>					
Nonspendable	432,301	0	0	250,295	682,596
Restricted	26,162	50,000	0	1,017,875	1,094,037
Committed	0	1,200,271	0	0	1,200,271
Assigned	411,724	17,822	35,103	506,103	970,752
<b>Total Fund Balances</b>	<b>870,187</b>	<b>1,268,093</b>	<b>35,103</b>	<b>1,774,273</b>	<b>3,947,656</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 4,176,802</b>	<b>\$ 1,292,781</b>	<b>\$ 200,042</b>	<b>\$ 1,806,676</b>	
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:					
Capital Assets Used in Governmental Activities are not Financial Resources and, Therefore, are not Reported in the Funds.					28,613,542
Other Assets are not Available to Pay for Current-Period Expenditures, and, Therefore, are Deferred in the Funds.					350,160
Long-Term and Accrued Liabilities, Including Bonds Payable, are not Due or Payable in the Current Period and, Therefore are Not Reported in the Funds.					(13,772,567)
<b>Net Position of Governmental Activities</b>					<b>\$ 19,138,791</b>

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

Exhibit D

TOWN OF STOWE, VERMONT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2014

	General Fund	Capital Fund	Rink Renovation Fund	Non-Major Governmental Funds	Total Governmental Funds
<b>Revenues:</b>					
Property Taxes	\$ 7,651,624	\$ 0	\$ 0	\$ 0	\$ 7,651,624
Interest on Delinquent Taxes	158,457	0	0	0	158,457
Local Option Sales Tax	0	774,617	0	0	774,617
Intergovernmental	651,494	75,782	52,450	55,219	834,945
Charges for Services	728,427	0	0	24,909	753,336
Permits, Licenses and Fees	450,595	0	0	0	450,595
Fines and Forfeits	11,829	0	0	0	11,829
Investment Income	46,640	1,186	317	141,943	190,086
Donations	9,482	0	0	200	9,682
Other	12,281	0	0	250	12,531
<b>Total Revenues</b>	<b>9,720,829</b>	<b>851,585</b>	<b>52,767</b>	<b>222,521</b>	<b>10,847,702</b>
<b>Expenditures:</b>					
General Government	2,059,426	0	0	8,770	2,068,196
Public Safety	2,577,118	0	0	15,963	2,593,081
Public Works	1,858,861	25,110	0	0	1,883,971
Culture and Recreation	1,816,395	19,350	49,185	3,146	1,888,076
Cemetery	6,884	0	0	2,518	9,402
Capital Outlay:					
General Government	6,810	0	0	0	6,810
Public Safety	28,480	0	0	60,897	89,377
Public Works	240,000	130,847	0	31,155	402,002
Culture and Recreation	4,943	495,852	3,973,182	10,876	4,484,853
Debt Service:					
Principal	710,000	0	0	0	710,000
Interest	468,087	0	0	0	468,087
<b>Total Expenditures</b>	<b>9,777,004</b>	<b>671,159</b>	<b>4,022,367</b>	<b>133,325</b>	<b>14,603,855</b>
Excess/(Deficiency) of Revenues Over Expenditures	(56,175)	180,426	(3,969,600)	89,196	(3,756,153)
<b>Other Financing Sources/(Uses):</b>					
Proceeds from Long-Term Debt	0	315,000	2,500,000	0	2,815,000
Proceeds from Sale of Equipment	0	0	20,000	0	20,000
Transfers In	411,483	0	0	380,000	791,483
Transfers Out	(380,000)	(350,000)	0	(28,483)	(758,483)
<b>Total Other Financing Sources/(Uses)</b>	<b>31,483</b>	<b>(35,000)</b>	<b>2,520,000</b>	<b>351,517</b>	<b>2,868,000</b>
<b>Net Change in Fund Balances</b>	<b>(24,692)</b>	<b>145,426</b>	<b>(1,449,600)</b>	<b>440,713</b>	<b>(888,153)</b>
Fund Balances - July 1, 2013	894,879	1,122,667	1,484,703	1,333,560	4,835,809
Fund Balances - June 30, 2014	\$ 870,187	\$ 1,268,093	\$ 35,103	\$ 1,774,273	\$ 3,947,656

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

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, 2014

Exhibit E

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)	\$ (888,153)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets (\$4,983,042) is allocated over their estimated useful lives and reported as depreciation expense (\$1,078,202). This is the amount by which capital outlays exceeded depreciation in the current period.	3,904,840
The net effect of various transactions involving capital assets (i.e., sales, losses on disposal of assets, trade-ins and capital grants) is to reduce net position.	(66,108)
The effect of a capital grant for the construction of a Town bridge by the State of Vermont is to increase net position.	175,843
The issuance of long-term debt (\$2,815,000) (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt (\$710,000) 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.	(2,105,000)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(79,726)
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>(27,686)</u>
Change in net position of governmental activities (Exhibit B)	<u>\$ 914,010</u>

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

Exhibit F

TOWN OF STOWE, VERMONT  
STATEMENT OF FUND NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2014

	Water Fund	Sewer Fund	Electric Fund	Total
<b>ASSETS</b>				
Current Assets:				
Cash	\$ 0	\$ 0	\$ 2,117,920	\$ 2,117,920
Receivables (Net of Allowance for Uncollectibles)	103,503	117,716	917,209	1,138,428
Unbilled Receivables	112,019	116,312	862,078	1,090,409
Loans Receivable - Current Portion	22,816	562,794	0	585,610
Accrued Interest Receivable	0	0	117,104	117,104
Due from Other Funds	0	1,739,326	0	1,739,326
Prepaid Expenses	280,281	122,049	3,313	405,643
Inventory	16,140	8,840	122,568	147,548
Total Current Assets	534,759	2,667,037	4,140,192	7,341,988
Noncurrent Assets:				
Restricted Cash	0	0	450,000	450,000
Loans Receivable - Noncurrent Portion	122,752	4,129,800	0	4,252,552
Investment in Associated Companies	0	0	22,771,002	22,771,002
Deferred Charges	0	0	3,970	3,970
Capital Assets:				
Land	8,647	42,723	0	51,370
Construction in Progress	12,160	18,374	939,452	969,986
Buildings and Building Improvements	0	15,584,232	269,867	15,854,099
Machinery and Equipment	186,298	644,640	1,541,100	2,372,038
Distribution and Collection Systems	11,529,386	10,882,065	9,308,692	31,720,143
Less: Accumulated Depreciation	(2,507,129)	(8,706,063)	(6,141,696)	(17,354,888)
Total Noncurrent Assets	9,352,114	22,595,771	29,142,387	61,090,272
Total Assets	\$ 9,886,873	\$ 25,262,808	\$ 33,282,579	\$ 68,432,260
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable	\$ 49,100	\$ 35,282	\$ 738,229	\$ 822,611
Accrued Payroll and Benefits Payable	4,999	11,329	28,183	44,511
Other Accrued Expenses	0	0	53,442	53,442
Due to Other Funds	1,351,312	0	0	1,351,312
Accrued Interest Payable	83,559	0	38,181	121,740
Notes Payable - Current Portion	0	0	63,455	63,455
General Obligation Bonds Payable - Current Portion	498,613	846,561	135,000	1,480,174
Total Current Liabilities	1,987,583	893,172	1,056,490	3,937,245
Noncurrent Liabilities:				
Compensated Absences Payable	64,151	62,480	67,927	194,558
Notes Payable - Noncurrent Portion	0	0	20,383,610	20,383,610
General Obligation Bonds Payable - Noncurrent Portion	4,605,223	9,767,162	3,325,000	17,697,385
Total Noncurrent Liabilities	4,669,374	9,829,642	23,776,537	38,275,553
Total Liabilities	6,656,957	10,722,814	24,833,027	42,212,798
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Contribution for Capital Assets	0	0	445,000	445,000
Deferred Gain on Hedge Sale	0	0	135,148	135,148
Total Deferred Inflows of Resources	0	0	580,148	580,148
<b>NET POSITION</b>				
Net Investment in Capital Assets	4,125,526	7,852,248	4,954,122	16,931,896
Unrestricted/(Deficit)	(895,610)	6,687,746	2,915,282	8,707,418
Total Net Position	3,229,916	14,539,994	7,869,404	25,639,314
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 9,886,873	\$ 25,262,808	\$ 33,282,579	\$ 68,432,260

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, 2014

	Water Fund	Sewer Fund	Electric Fund	Total
Operating Revenues:				
Charges for Services	\$ 1,254,839	\$ 1,404,095	\$ 11,357,348	\$ 14,016,282
Total Operating Revenues	<u>1,254,839</u>	<u>1,404,095</u>	<u>11,357,348</u>	<u>14,016,282</u>
Operating Expenses:				
Administrative	77,020	96,438	1,241,175	1,414,633
Power	0	0	9,125,248	9,125,248
Distribution and Collection	422,743	1,073,306	1,293,993	2,790,042
Taxes	0	0	117,796	117,796
Depreciation and Amortization	196,047	507,480	303,291	1,006,818
Total Operating Expenses	<u>695,810</u>	<u>1,677,224</u>	<u>12,081,503</u>	<u>14,454,537</u>
Operating Income/(Loss)	<u>559,029</u>	<u>(273,129)</u>	<u>(724,155)</u>	<u>(438,255)</u>
Non-Operating Revenues/(Expenses):				
Connection Fees and Related Interest	47,338	138,142	0	185,480
LCP Equity Dividends	0	0	1,080,704	1,080,704
Other Income	0	0	267,419	267,419
Investment Income	807	2,932	487,579	491,318
Interest Expense	<u>(150,073)</u>	<u>0</u>	<u>(1,348,162)</u>	<u>(1,498,235)</u>
Total Non-Operating Revenues/(Expenses)	<u>(101,928)</u>	<u>141,074</u>	<u>487,540</u>	<u>526,686</u>
Net Income/(Loss)	<u>457,101</u>	<u>(132,055)</u>	<u>(236,615)</u>	<u>88,431</u>
Other Financing Sources/(Uses):				
Transfers Out	<u>0</u>	<u>0</u>	<u>(33,000)</u>	<u>(33,000)</u>
Total Other Financing Sources/(Uses)	<u>0</u>	<u>0</u>	<u>(33,000)</u>	<u>(33,000)</u>
Change in Net Position	457,101	(132,055)	(269,615)	55,431
Net Position - July 1, 2013 - As Restated	<u>2,772,815</u>	<u>14,672,049</u>	<u>8,139,019</u>	<u>25,583,883</u>
Net Position - June 30, 2014	<u>\$ 3,229,916</u>	<u>\$ 14,539,994</u>	<u>\$ 7,869,404</u>	<u>\$ 25,639,314</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, 2014

	Water Fund	Sewer Fund	Electric Fund	Total
<b>Cash Flows From Operating Activities:</b>				
Receipts from Customers and Users	\$ 1,439,561	\$ 1,402,602	\$ 11,402,948	\$ 14,245,111
Payments for Purchased Power	0	0	(8,447,027)	(8,447,027)
Payments to Suppliers	(225,331)	(618,279)	(2,268,668)	(3,112,278)
Payments for Interfund Services	(47,000)	(47,000)	0	(94,000)
Payments for Wages and Benefits	(221,331)	(502,760)	(1,110,249)	(1,834,340)
Net Cash Provided/(Used) by Operating Activities	945,899	234,563	(422,996)	757,466
<b>Cash Flows From Noncapital Financing Activities:</b>				
Other Receipts	0	0	142,093	142,093
Decrease/(Increase) in Due from Other Funds	0	(20,922)	0	(20,922)
(Decrease)/Increase in Due to Other Funds	(307,454)	0	0	(307,454)
Transfers Paid to Other Funds	0	0	(33,000)	(33,000)
LCP Equity Dividends	0	0	1,080,704	1,080,704
Net Cash Provided/(Used) by Noncapital Financing Activities	(307,454)	(20,922)	1,189,797	861,421
<b>Cash Flows From Capital and Related Financing Activities:</b>				
Payments Received on Loans Receivable	51,249	647,643	0	698,892
Proceeds of Capital Grants	0	0	17,763	17,763
Acquisition and Construction of Capital Assets	(41,272)	(17,654)	(653,191)	(712,117)
Principal Paid on General Obligation Bonds Payable	(492,948)	(846,562)	(135,000)	(1,474,510)
Principal Paid on Notes Payable	0	0	(60,271)	(60,271)
Interest Paid on General Obligation Bonds Payable	(156,281)	0	(155,065)	(311,346)
Interest Paid on Notes Payable	0	0	(1,194,115)	(1,194,115)
Net Cash Provided/(Used) by Capital and Related Financing Activities	(639,252)	(216,573)	(2,179,879)	(3,035,704)
<b>Cash Flows From Investing Activities:</b>				
Purchase of Capital Stock	0	0	(425,700)	(425,700)
Receipt of Interest and Dividends	807	2,932	473,254	476,993
Net Cash Provided by Investing Activities	807	2,932	47,554	51,293
Net Increase/(Decrease) in Cash	0	0	(1,365,524)	(1,365,524)
Cash - July 1, 2013	0	0	3,933,444	3,933,444
Cash - June 30, 2014	\$ 0	\$ 0	\$ 2,567,920	\$ 2,567,920
<b>Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:</b>				
Operating Income/(Loss)	\$ 559,029	\$ (273,129)	\$ (724,155)	\$ (438,255)
Depreciation and Amortization	196,047	507,480	303,291	1,006,818
(Increase)/Decrease in Accounts Receivable	184,722	(1,493)	(48,112)	135,117
(Increase)/Decrease in Prepaid Expenses	(722)	(2,846)	5,006	1,438
(Increase)/Decrease in Inventory	(3,076)	3,562	12,003	12,489
Increase/(Decrease) in Accounts Payable	8,615	(2,702)	33,476	39,389
Increase/(Decrease) in Accrued Payroll and Benefits Payable	481	2,514	28,183	31,178
Increase/(Decrease) in Other Accrued Expenses	0	0	(17,941)	(17,941)
Increase/(Decrease) in Compensated Absences Payable	803	1,177	(14,747)	(12,767)
Net Cash Provided/(Used) by Operating Activities	\$ 945,899	\$ 234,563	\$ (422,996)	\$ 757,466

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

TOWN OF STOWE, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014

The Town of Stowe, Vermont, (herein the "Town") operates under a Manager/Selectboard 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 (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 funds of the Town of Stowe, Vermont. The 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 burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government. Based on these criteria, there are no other entities that should be combined with the financial statements of the Town.

##### **B. Basis of Presentation**

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

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

TOWN OF STOWE, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
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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.

Rink Renovation Fund – This fund accounts for the capital expenditures related to the construction of the Jackson Arena.

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 Wastewater Department.

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

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

TOWN OF STOWE, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014

**C. Measurement Focus**

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

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

**D. Basis of Accounting**

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

The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred, regardless of when the related cash flow takes place. Nonexchange transactions, in which the Town gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Local option sales taxes collected and held by the State at year-end on behalf of the Town are also recognized as revenue. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

TOWN OF STOWE, VERMONT  
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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. Future Changes in Accounting Standards**

The Governmental Accounting Standards Board (GASB) issued Statement No. 68, "Financial Reporting for Pension Plans" – an amendment of GASB Statement No. 27, effective for fiscal years beginning after June 15, 2014. This new accounting and reporting standard may impact the Town's measurement and recognition of pension liabilities, deferred outflows of resources, deferred inflows of resources, and expenses/expenditures in government-wide and/or enterprise fund financial statements. The requirements of this statement may require restating of beginning net position. The Town is currently not planning to early implement this Statement and has made no estimation of the effect this statement will have in the financial statements.

TOWN OF STOWE, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014

**G. 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.

**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 Department 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 Department 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. 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".

**5. Unbilled Receivables and Revenue Recognition**

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

TOWN OF STOWE, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
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#### 6. 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.

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.

#### 7. 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. The Town did not have any items that qualified for reporting in this category.

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. The Town has five types of items which arise under the modified accrual basis of accounting and three types which arises under the accrual basis of accounting that qualify for reporting in this category. Accordingly, the item, "unavailable revenue" is reported in the statement of net position and governmental funds balance sheet. The governmental activities reports unavailable revenues from one source; prepaid property taxes. The governmental funds reports unavailable revenues from five sources; prepaid property taxes, unavailable property taxes and interest, unavailable ambulance fees, unavailable grants and unavailable revenues. The business-type activities and the proprietary funds reports unavailable revenues from two sources; deferred contribution for capital assets and deferred gain on hedge sale. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

#### 8. 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 fair 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.

TOWN OF STOWE, VERMONT  
 NOTES TO THE FINANCIAL STATEMENTS  
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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:

	Capitalization Threshold	Estimated Service Life
Land and Easements	\$ 5,000	Not Depreciated
Antiques	5,000	Not Depreciated
Buildings and Building Improvements	10,000	20-75 Years
Land Improvements	10,000	15-50 Years
Infrastructure	10,000	8-75 Years
Machinery and Equipment	5,000	4-30 Years
Water, Sewer and Electric Distribution and Collection Systems	10,000	10-100 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 acquired.

**9. 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.

**10. Compensated Absences**

It is the Town’s policy to permit employees to accumulate earned but unused annual leave up to one thousand forty (1,040) hours and up to forty (40) hours of comp time for hourly employees. These amounts are pro-rated for part-time employees. It is also the policy of the Town to allow salaried employees to accumulate up to one thousand forty (1,040) hours of annual leave. Police officers can accumulate up to one thousand three hundred thirty six (1,336) 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.

TOWN OF STOWE, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
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**11. Long-term Liabilities**

Long-term liabilities include bonds payable, notes payable, capital leases and other obligations such as compensated absences. 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 assets and liabilities on their balance sheets.

**12. 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 type 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 fund financial statements 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 Selectboard'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.

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.

#### B. Budgeted Deficit

The Town budgeted a current year's deficiency in the General Fund of \$237,102 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 statement.

#### D. Restatement of Net Position

The net position of the Business-type activities and the Electric Fund were restated as follows:

	Business-type Activities			Total
	Water Fund	Sewer Fund	Electric Fund	
Net Position - June 30, 2013, As Originally Reported	\$ 2,772,815	\$ 14,672,049	\$ 8,790,305	\$ 26,235,169
Correction of Misstatements: Overstatement of Capital Assets	<u>0</u>	<u>0</u>	<u>(651,286)</u>	<u>(651,286)</u>
Net Position - June 30, 2013, As Restated	<u>\$ 2,772,815</u>	<u>\$ 14,672,049</u>	<u>\$ 8,139,019</u>	<u>\$ 25,583,883</u>

The correction of the Business-type Activities and the Electric Fund was the result of an overstatement of capital assets. The effect of this correction on the Business-type Activities Statement of Net Position is to decrease assets and net position by \$651,286. The effect on the 2013 Statement of Activities is not known. The effect of this correction on the Electric Fund Statement of Fund Net Position is to decrease assets and net position by \$651,286. The effect on the 2013 Statement of Revenues, Expenses and Changes in Fund Net Position is not known.

TOWN OF STOWE, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014

**IV. DETAILED NOTES ON ALL FUNDS**

**A. Cash and Investments**

The Town's cash and investments as of June 30, 2014 consisted of the following:

Restricted Cash:	
Deposits with Financial Institutions	\$ <u>450,000</u>
Total Restricted Cash	<u>450,000</u>
Unrestricted Cash:	
Deposits with Financial Institutions	4,407,354
Deposits with Investment Company	121,734
Cash on Hand	<u>3,619</u>
Total Unrestricted Cash	<u>4,532,707</u>
Total Cash	<u>4,982,707</u>
Investments:	
Certificate of Deposit	937,552
Mutual Funds – Equities	827,081
Common Stock	<u>350,017</u>
Total Investments	<u>2,114,650</u>
Total Cash and Investments	<u>\$7,097,357</u>

The Town has one (1) certificate of deposit with Union Bank in the amount of \$937,552 with an interest rate of 0.5%. The Town's certificate of deposit will mature during fiscal year 2015.

**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 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 deposits and certificate of deposit.

TOWN OF STOWE, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014

	<u>Book Balance</u>	<u>Bank Balance</u>
Insured - FDIC/SIPC	\$ 1,147,955	\$ 1,147,955
Uninsured, Uncollateralized, Secured by Mortgage Loans Held by the Bank but not in the Name of the Town	4,534,144	5,237,079
Uninsured, Collateralized - Electric Department	<u>234,541</u>	<u>234,541</u>
Total	<u>\$ 5,916,640</u>	<u>\$ 6,619,575</u>

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

The book balance is comprised of the following:

Cash – Deposits with Financial Institutions	\$4,407,354
Cash – Deposits with Investment Company	121,734
Restricted Cash – Deposits with Financial Institutions	450,000
Investments – Certificate of Deposit	<u>937,552</u>
Total	<u>\$5,916,640</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 its exposure to interest rate risk. The Town's certificate of deposit and common stock are exempt from interest rate risk disclosure. The Town's mutual funds are open-ended and, therefore, are also exempt from interest rate risk disclosure.

**Credit Risk**

Generally, credit risk that is the risk 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. The Town's certificate of deposit and common stock are exempt from the credit risk analysis. The Town's mutual funds are open-ended and, therefore, are also excluded from the credit risk analysis.

**Concentration of Credit Risk**

The Town does not have any limitations on the amount that can be invested in any one issuer. The Town has no investments subject to concentration of credit risk other than the Investment in Associated Companies as described in Note IV.D.

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**Restricted Cash**

There is one cash account in the Electric Department Fund that is restricted as to use. The restricted cash is held at Citizens Bank. The Town received \$750,000 from Spruce Peak as a contribution in aid of construction towards the 115kV Project. Interest earned on these funds is unrestricted. The amount of restricted cash is \$450,000.

**B. Receivables**

Receivables as of June 30, 2014, 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	\$ 424,237	\$ 0	\$ 424,237
Interest Receivable	30,797	0	30,797
Tax Sale Receivable	57,887	0	57,887
Local Option Sales Tax Receivable	107,603	0	107,603
Grants Receivable	25,001	0	25,001
Accounts Receivable	19,079	0	19,079
Ambulance Receivables	215,944	0	215,944
Billed Services	0	1,138,835	1,138,835
Unbilled Services	0	1,090,409	1,090,409
Accrued Interest Receivable	0	117,104	117,104
Accounts Receivable - Sewer Reserve Fees	0	3,593	3,593
Allowance for Doubtful Accounts	<u>(190,000)</u>	<u>(4,000)</u>	<u>(194,000)</u>
	<u>\$ 690,548</u>	<u>\$ 2,345,941</u>	<u>\$ 3,036,489</u>

**C. Loans Receivable**

**Governmental Activities**

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

Loan Receivable	\$735,000
Accrued Interest Receivable	<u>88,200</u>
Total	823,200
Less: Allowance for Doubtful Loans/Interest	<u>(823,200)</u>
Reported Value at June 30, 2014	\$ <u>0</u>

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**Business-type Activities**

The Town has fifteen (15) outstanding sewer loans totaling \$32,310 to homeowners in the Sylvan Park Development. Homeowners were assessed a hook-on fee which the Town is financing for them. Each loan is billed quarterly with interest at 2%. The Town also has ninety-two (92) outstanding sewer loans totaling \$4,660,284 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 \$21.60 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 has determined that all loans are collectible as they have a lien on the home or business thus no allowance for doubtful loans is needed. The Town also has twenty-three (23) outstanding loans totaling \$145,568 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, 2014 is \$4,838,162. The Town estimates that \$585,610 will be collected during fiscal year 2015 and the remainder of \$4,252,552 in future years.

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

Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014
\$ 5,351,574	\$ 120,621	\$ 634,033	\$ 4,838,162

**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 at June 30, 2014.

	<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	967,443	9,861,740
VT Transco, LLC - Class B - Membership Units	1,231,290	12,551,290
Total		\$ <u>22,771,002</u>

**E. Deferred Charges**

The SED 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 Period</u>	<u>Current Amortization</u>	<u>Unamortized Balance</u>
Bond Issuance Costs	20 Years	\$ <u>160</u>	\$ <u>3,970</u>

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**F. Capital Assets**

Capital asset activity for the year ended June 30, 2014 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities</b>				
Capital Assets, Not Being Depreciated:				
Land and Easements	\$ 5,673,484	\$ 328,606	\$ 0	\$ 6,002,090
Construction in Progress	3,023,343	573,846	2,717,890	879,299
Antiques	62,000	18,000	0	80,000
Total Capital Assets, Not Being Depreciated	<u>8,758,827</u>	<u>920,452</u>	<u>2,717,890</u>	<u>6,961,389</u>
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	11,753,755	6,396,569	160,548	17,989,776
Land Improvements	1,741,051	53,138	0	1,794,189
Infrastructure	2,863,334	239,786	0	3,103,120
Machinery and Equipment	6,679,508	310,552	175,830	6,814,230
Totals	<u>23,037,648</u>	<u>7,000,045</u>	<u>336,378</u>	<u>29,701,315</u>
Less Accumulated Depreciation for:				
Buildings and Building Improvements	2,035,575	415,280	134,728	2,316,127
Land Improvements	200,829	16,607	0	217,436
Infrastructure	1,393,100	260,516	0	1,653,616
Machinery and Equipment	3,568,004	385,799	91,820	3,861,983
Totals	<u>7,197,508</u>	<u>1,078,202</u>	<u>226,548</u>	<u>8,049,162</u>
Total Capital Assets, Being Depreciated	<u>15,840,140</u>	<u>5,921,843</u>	<u>109,830</u>	<u>21,652,153</u>
Governmental Activities Capital Assets, Net	<u>\$ 24,598,967</u>	<u>\$ 6,842,295</u>	<u>\$ 2,827,720</u>	<u>\$ 28,613,542</u>
	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-type Activities</b>				
Capital Assets, Not Being Depreciated:				
Land	\$ 51,370	\$ 0	\$ 0	\$ 51,370
Construction in Progress	365,337	604,649	0	969,986
Total Capital Assets, Not Being Depreciated	<u>416,707</u>	<u>604,649</u>	<u>0</u>	<u>1,021,356</u>
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	15,854,099	0	0	15,854,099
Machinery and Equipment	2,335,613	36,425	0	2,372,038
Distribution and Collection Systems	31,890,958	165,893	336,708	31,720,143
Totals	<u>50,080,670</u>	<u>202,318</u>	<u>336,708</u>	<u>49,946,280</u>
Less Accumulated Depreciation for:				
Buildings and Building Improvements	4,635,939	271,227	0	4,907,166
Machinery and Equipment	1,836,401	113,149	0	1,949,550
Distribution and Collection Systems	10,099,985	622,282	224,095	10,498,172
Totals	<u>16,572,325</u>	<u>1,006,658</u>	<u>224,095</u>	<u>17,354,888</u>
Total Capital Assets, Being Depreciated	<u>33,508,345</u>	<u>(804,340)</u>	<u>112,613</u>	<u>32,591,392</u>
Business-type Activities Capital Assets, Net	<u>\$ 33,925,052</u>	<u>\$ (199,691)</u>	<u>\$ 112,613</u>	<u>\$ 33,612,748</u>

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Depreciation was charged as follows:

Governmental Activities:		Business-type Activities:	
General Government	\$ 32,159	Water	\$ 196,047
Public Safety	354,770	Sewer	507,480
Public Works	402,180	Electric	<u>303,131</u>
Culture and Recreation	287,658		
Cemeteries	<u>1,435</u>		
Total Depreciation Expense - Governmental Activities		Total Depreciation Expense - Business-type Activities	
	\$ <u>1,078,202</u>		\$ <u>1,006,658</u>

### G. Interfund Balances and Activity

The composition of interfund balances as of June 30, 2014 are as follows:

Fund	Due from Other Funds	Due to Other Funds
General Fund	\$ 0	\$ 2,193,381
Capital Fund	1,168,677	0
Rink Renovation Fund	87,595	0
Non-Major Governmental Funds	567,743	18,648
Water Fund	0	1,351,312
Sewer Fund	<u>1,739,326</u>	<u>0</u>
Total	\$ <u>3,563,341</u>	\$ <u>3,563,341</u>

Interfund transfers during the year ended June 30, 2014 were as follows:

Transfer From	Transfer To	Amount	Purpose
General Fund	Annual Leave Fund	\$ 50,000	* Annual Contribution
General Fund	Recreation Scholarship Fund	1,000	* Annual Contribution
General Fund	Equipment Fund	380,000	Annual Contribution
Library Operations Fund	General Fund	28,558	* Annual Contribution
Capital Fund	General Fund	350,000	Fund Debt Service
Appraisal Fund	General Fund	14,000	Fund Appraisal Expenses
Cemetery Fund	General Fund	7,000	Annual Contribution
Library Endowment Fund	Library Operations Fund	7,483	Transfer Earnings
Electric Fund	General Fund	<u>33,000</u>	PILOT
Total		\$ <u>871,041</u>	

\* The transfer from the General Fund to the Annual Leave Fund and Recreation Scholarship Fund and transfer from the Library Endowment Fund to the Library Operations Fund are netted within the General Fund as these funds are consolidated within the General Fund in order to comply with GASB Statement No. 54.

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**H. Unearned Revenue**

Unearned revenue in the General Fund consists of \$21,708 of advertising fees and \$61,952 of recreation fees received in advance. Total unearned revenue in the General Fund is \$83,660.

Unearned revenue in the Non-Major Governmental Funds consists of \$1,064 of grant revenue received in advance.

**I. Deferred Inflows of Resources**

Deferred inflows of resources in the General Fund consists of \$321,000 of delinquent property taxes and interest on those taxes, \$8,000 of ambulance fees and \$4,659 of miscellaneous revenue not collected within sixty (60) days after year-end as these would not be available to liquidate current liabilities. It also includes \$47,248 of prepaid property taxes. Total deferred inflows of resources in the General Fund is \$380,907.

Deferred inflows of resources in the Capital Fund consists of \$16,501 of grant revenue not collected within sixty (60) days after year-end as these would not be available to liquidate current liabilities.

On September 23, 2005, the Stowe Electric Department (SED) entered into an agreement with Spruce Peak Realty, LLC ("SPR"). SPR requires an additional firm electric load for expansion of its facilities and represents a portion of the additional capacity capability that the Lamoille County (LC) 115KV project will provide SED and its surrounding areas. SPR has agreed to provide \$2,100,000 toward SED's allocation of LC 115KV project costs from VT. Transco LLC ("Transco"). An initial contribution of \$750,000 received in 2005 has been recorded as a deferred inflow of resources and will be amortized to revenue over the initial ten year service period of the project. The deferred amount remaining as of June 30, 2014 is \$445,000.

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, 2014 is \$135,148.

**J. Long-term Liabilities**

The Town issues general obligation bonds to provide resources for the acquisition and construction of major capital facilities and to refund prior issues. General obligation bonds have been issued for both general governmental and proprietary activities. Bonds are reported in governmental activities if the debt is expected to be repaid from general governmental revenues and in business-type activities if the debt is expected to be repaid from proprietary fund revenues.

General obligation bonds are direct obligations and pledge the full faith and credit of the Town. New bonds generally are issued as 10 to 20 year bonds. Refunding bonds are issued for various terms based on the debt service of the debt refunded.

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The Town has other notes payable to finance various capital projects and purchase 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.

Long-term liabilities outstanding as of June 30, 2014 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, Tri-Centennial Acquisition, Principal Payments of \$30,000 Payable on December 1 Annually, Interest Rates Ranging from 4.8% to 5.85% Payable on June 1 and December 1, Due December, 2015	\$ 90,000	\$ 0	\$ 30,000	\$ 60,000
Bond Payable, Vermont Municipal Bond Bank, Library Expansion, Principal Payments of \$30,000 Payable on December 1 Annually, Interest Rates Ranging from 4.89% to 5.666% Payable on June 1 and December 1, Due and Paid December, 2013	30,000	0	30,000	0
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 December 1 Annually, Interest Rates Ranging from 6.8% to 7.0% Payable on May 15 and November 15, Due November, 2019	115,000	0	20,000	95,000
Bond Payable, Vermont Municipal Bond Bank, Bingham Falls Land Purchase, Garage Land Purchase and Former Water and Light Building Improvements, Principal Payments of \$25,000 Payable on December 1 Annually, Interest Rates Ranging from 2.8% to 5.18% Payable on June 1 and December 1, Due December, 2021	225,000	0	25,000	200,000

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	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Bond Payable, Vermont Municipal Bond Bank, 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	\$ 240,000	\$ 0	\$ 20,000	\$ 220,000
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	375,000	0	25,000	350,000
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	5,760,000	0	360,000	5,400,000
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	4,000,000	0	200,000	3,800,000
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>0</u>	<u>2,815,000</u>	<u>0</u>	<u>2,815,000</u>
Total Governmental Activities	<u>\$10,835,000</u>	<u>\$2,815,000</u>	<u>\$710,000</u>	<u>\$12,940,000</u>

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## Business-type Activities:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Bond Payable, State of Vermont Special Environmental Revolving Fund, Water Expansion, Principal Payments of \$125,820 Payable on December 15 Annually, 0% Interest, Due December, 2021	\$ 1,006,558	\$ 0	\$ 125,820	\$ 880,738
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	2,145,766	0	151,195	1,994,571
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	201,009	0	18,273	182,736
Bond Payable, Vermont Municipal Bond Bank, Water Upgrade, Principal Payments of \$160,000 Payable on December 1 Annually, Interest Rates Ranging from 1.55% to 5.0% Payable on June 1 and December 1, Due December, 2022	1,600,000	0	160,000	1,440,000
Bond Payable, State of Vermont Special Environmental Revolving Fund, Sunset Hill Project, Principal and Interest Payments of \$57,335 Payable on July 1, Interest at 1%, Administrative Fee at 2%, Due July, 2026	643,451	0	37,660	605,791
Bond Payable, State of Vermont Special Environmental Revolving Fund, Sewer Improvements, Principal Payments of \$51,328 Payable on December 15 Annually, 0% Interest, Due December, 2017	256,645	0	51,328	205,317

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	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Bond Payable, State of Vermont Special Environmental Revolving Fund, Sewer Improvements, Principal Payments of \$103,550 Payable on July 1 Annually, 0% Interest, Due July, 2020	\$ 828,400	\$ 0	\$ 103,550	\$ 724,850
Bond Payable, State of Vermont Special Environmental Revolving Fund, Sewer Improvements, Principal Payments of \$691,684 Payable on April 1 Annually, 0% Interest, Due April, 2028	10,375,240	0	691,684	9,683,556
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	3,595,000	0	135,000	3,460,000
Note Payable, Key Bank National Association, Electric Capital Improvements, Principal Due in Full December 30, 2018, Interest at 5.7%, Requiring Quarterly Interest Payments, Secured by all Membership Units of VT Transco	18,700,000	0	0	18,700,000
Note Payable, Union Bank, Electric Investment Purchases, Quarterly Principal and Interest Payments of \$20,525, Interest at 6.5%, Due February, 2020	857,989	0	27,257	830,732
Note Payable, Union Bank, Electric Investment Purchases, Quarterly Principal and Interest Payments of \$23,267, Interest at 6.5%, Due February, 2020	<u>949,347</u>	<u>0</u>	<u>33,014</u>	<u>916,333</u>
Total Business-type Activities	<u>\$41,159,405</u>	<u>\$ 0</u>	<u>\$1,534,781</u>	<u>\$39,624,624</u>

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental Activities</b>					
General Obligation Bonds Payable	\$ 10,835,000	\$ 2,815,000	\$ 710,000	\$ 12,940,000	\$ 820,750
Compensated Absences	<u>756,071</u>	<u>17,957</u>	<u>0</u>	<u>774,028</u>	<u>0</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 11,591,071</u>	<u>\$ 2,832,957</u>	<u>\$ 710,000</u>	<u>\$ 13,714,028</u>	<u>\$ 820,750</u>
<b>Business-type Activities</b>					
General Obligation Bonds Payable	\$ 20,652,069	\$ 0	\$ 1,474,510	\$ 19,177,559	\$ 1,480,174
Notes Payable	20,507,336	0	60,271	20,447,065	63,455
Compensated Absences	<u>207,325</u>	<u>0</u>	<u>12,767</u>	<u>194,558</u>	<u>0</u>
Total Business-type Activities Long-Term Liabilities	<u>\$ 41,366,730</u>	<u>\$ 0</u>	<u>\$ 1,547,548</u>	<u>\$ 39,819,182</u>	<u>\$ 1,543,629</u>

Compensated absences are paid by the applicable fund where the employee is charged.

Debt service requirements to maturity are as follows:

Year Ending June 30	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2015	\$ 820,750	\$ 466,989	\$ 1,543,629	\$ 1,471,032
2016	815,750	444,121	1,553,496	1,450,572
2017	785,750	420,874	1,564,393	1,428,529
2018	785,750	397,091	1,575,211	1,406,030
2019	785,750	348,372	20,235,384	1,115,875
2020-2024	3,818,750	1,440,405	7,905,371	927,447
2025-2029	3,623,750	697,343	3,812,140	455,875
2030-2034	1,503,750	142,525	675,000	956,523
2035-2039	0	0	675,000	114,107
2040	<u>0</u>	<u>0</u>	<u>85,000</u>	<u>2,295</u>
Total	<u>\$ 12,940,000</u>	<u>\$ 4,357,720</u>	<u>\$ 39,624,624</u>	<u>\$ 9,328,285</u>

#### K. 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 Selectboard's intended use of the resources); and unassigned.

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Special revenue funds are created only to report a revenue source (or sources) that is restricted or committed to a specified purpose, and that the revenue source should constitute a substantial portion of the resources reported in that fund. Special revenue funds cannot be used to accumulate funds that are not restricted or committed. These amounts will have to be reflected in the General Fund.

Amounts constrained to stabilization (rainy-day funds) will be reported as restricted or committed fund balance in the General Fund if they meet the other criteria for those classifications. However, stabilization is regarded as a specified purpose only if the circumstances or conditions that signal the need for stabilization (a) are identified in sufficient detail and (b) are not expected to occur routinely. The Town does not have any stabilization arrangements.

Some governments create stabilization-like arrangements by establishing formal minimum fund balance policies. The Town does not have any minimum fund balance policies.

When expenditures are incurred for purposes for which both restricted and unrestricted amounts are available, it is the Town's policy to first consider restricted amounts to have been spent, followed by committed, assigned, and finally unassigned amounts.

The purpose for each major special revenue fund, including which specific revenues and other resources are authorized to be reported in each, are described in the following section.

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

Major Funds

General Fund:	
Nonspendable Prepaid Expenses	\$309,222
Nonspendable Inventory	<u>123,079</u>
Total General Fund	<u>432,301</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>\$682,596</u>

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

Major Funds

General Fund:

Restricted for Old Age Assistance by Donations	\$ 1,289
Restricted for Library Development by Donations	20,733
Restricted for Recreation Scholarship Expenses by Donations	<u>4,140</u>
Total General Fund	<u>26,162</u>

Capital Fund:

Restricted for Quiet Path Bridge by Donations	<u>50,000</u>
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Non-Major Funds

Special Revenue Funds:

Restricted for Recreation Path Expenses by Donations (Source of Revenue is Donations)	8,181
Restricted for Police Expenses by Agreement (Source of Revenue is Grant Revenue)	4,882
Restricted for Conservation Reserve and Trails & Greenways Expenses by Donations (Source of Revenue is Donations)	682
Restricted for Records Preservation Expenses by Statute (Source of Revenue is Grant Revenue)	<u>35,329</u>
Total Special Revenue Funds	<u>49,074</u>

Permanent Funds:

Restricted for Cemetery Fund by Trust Agreements – Expendable Portion	220,744
Restricted for Library Endowment Fund by Trust Agreements – Expendable Portion	<u>748,057</u>
Total Permanent Funds	<u>968,801</u>

Total Non-Major Funds 1,017,875

Total Restricted Fund Balances \$1,094,037

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

Major Funds

Capital Projects Funds:

Committed for Capital Projects by the Voters	<u>\$1,200,271</u>
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Total Committed Fund Balances \$1,200,271

TOWN OF STOWE, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014

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

Major Funds

General Fund:

Assigned to Reduce Property Taxes in Fiscal Year 2015	\$ 612,020
Assigned for Transportation Expenses	3,102
Assigned for Library Operations Expenses	8,018
Assigned in Excess of Available Fund Balance	<u>(211,416)</u>
Total General Fund	<u>411,724</u>

Capital Fund:

Assigned for Capital Project Expenditures	<u>17,822</u>
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Rink Renovation Fund:

Assigned for Rink Renovation Expenditures	<u>35,103</u>
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Non-Major Funds

Special Revenue Funds:

Assigned for Appraisal Expenses (Source of Revenue is Grant Revenue)	48,040
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Capital Projects Funds:

Assigned for Equipment Expenditures	<u>458,063</u>
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Total Non-Major Funds	<u>506,103</u>
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Total Assigned Fund Balances	<u>\$ 970,752</u>
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**L. Restricted and Designated Net Position**

The restricted net position of the Town as of June 30, 2014 consisted of the following:

Governmental Activities:

Restricted for Old Age Assistance by Donations	\$ 1,289
Restricted for Library Development by Donations	20,733
Restricted for Recreation Scholarship Expenses by Donations	4,140
Restricted for Underground Utility Poles or Work on Recreation Paths by Donations	50,000
Restricted for Recreation Path Expenses by Donations	8,181
Restricted for Police Expenses by Agreement	4,882
Restricted for Conservation and Trails & Greenways Expenses by Donations	682

TOWN OF STOWE, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014

Restricted for Records Preservation Expenses by Statute	\$ 35,329
Restricted for Cemetery Fund by Trust Agreements – Non-Expendable Portion – Estimated	215,000
Restricted for Cemetery Fund by Trust Agreements – Expendable Portion	220,744
Restricted for Library Endowment Fund by Trust Agreements – Non-Expendable Portion	35,295
Restricted for Library Endowment Fund by Trust Agreements – Expendable Portion	<u>748,057</u>
 Total Governmental Activities	 <u>\$1,344,332</u>

The designated net position of the Town as of June 30, 2014 consisted of the following:

Business-Type Activities:

Water Fund:	
Designated for Investment in Long-Term Loans Receivable	\$ 145,568
Designated for Water Capital	475,627
Designations in Excess of Unrestricted Net Position	<u>(621,195)</u>
 Total Water Fund	 <u>0</u>
Sewer Fund:	
Designated for Investment in Long-Term Loans Receivable	4,692,594
Designated for Sewer Capital	<u>244,449</u>
 Total Sewer Fund	 <u>4,937,043</u>
 Total Business-Type Activities	 <u>\$4,937,043</u>

The unrestricted deficit in the Water Fund of \$895,610 will be funded in future years with additional revenues.

**V. OTHER INFORMATION**

**A. BENEFIT PLANS**

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 \$4,225,828 while covered payroll was \$989,465. Pension expense was \$104,820. 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 \$9,044.

TOWN OF STOWE, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014

Certain employees are covered under the State of Vermont Municipal Employees' Retirement System Plan (VMERS), a defined benefit program. The system requires that both the Town and employee contribute to the plan, which provides retirement, disability and death benefits. The Town has entered into Plan B which requires employees to contribute 4.625% of gross wages while the Town contributes 5.125%. The Town has elected to contribute both shares to the plan. The Town has also entered into Plan C which requires employees to contribute 9.5% of their gross salary and the Town contributes 6.75%, however, the Town actually contributes 10.6% and the employee contributes 5.65%. The Town has also entered into Plan D which requires employees to contribute 11.125% of their gross salary and the Town contributes 9.625%, however the Town actually contributes 10.6% and the employee contributes 10.15%. Effective October 1, 2008, all new hires of unionized employees are covered under the VMERS Plan B and existing unionized employees had the option to move over.

The Town pays all costs accrued each year for the plans. The premise of these plans is to provide a retirement plan covering municipal employees at a uniform state-wide contribution rate based upon an actuarial valuation of all State of Vermont municipal employees. Activity in these plans is done in the aggregate, not by municipality. The net position available for benefits as well as the present value of vested and nonvested plan benefits by municipality are not available. Covered payroll for these plans was \$2,731,082. Pension expense for the years ended June 30, 2014, 2013 and 2012, including the amount paid on behalf of the employees, were \$274,639, \$247,205 and \$231,482, respectively.

Additional information regarding the State of Vermont Municipal Employees' Retirement System is available upon the request from the State of Vermont.

The Electric Department offers its employees, and non-Electric Department employees who have elected to be covered under this plan, a defined contribution plan under IRC Section 401(a) which covers all of the present employees. This Plan is administered by an outside third party. Employees with one or more years of service and who have attained the age of 18 are eligible for participation. All active members are immediately vested at 100%. All Electric Department's union employees receive 10.6% of their pay. There are three non-union employees who received different contribution amounts. The Electric Department contributed 11.6% of gross pay for the Controller and Superintendent and 15% of gross pay for the General Manager. Total covered payroll for the Electric Department for the year ended June 30, 2014 was \$1,110,249 and contributions by the Department for the years ended June 30, 2014, 2013 and 2012 were \$93,759, \$93,573 and \$87,076, respectively.

TOWN OF STOWE, VERMONT  
 NOTES TO THE FINANCIAL STATEMENTS  
 JUNE 30, 2014

**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 Unemployment Insurance Trust. The Unemployment Trust is a nonprofit corporation formed to provide unemployment coverage for Vermont municipalities and is owned by the participating members. The agreement does not permit the Unemployment Trust to make additional assessments to its members.

**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. The tax rate for 2014 was as follows:

	<u>Residential</u>	<u>Non-Residential</u>
Education	1.4762	1.4939
Farmers Contracts	.0048	.0048
Town	<u>.3775</u>	<u>.3775</u>
Total	<u>1.8585</u>	<u>1.8762</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.

TOWN OF STOWE, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014

**E. 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.

**F. 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 over the next four (4) years, however, have renewal options. Future guaranteed lease payments for the next four years are estimated to be as follows:

2015	\$62,890
2016	\$62,890
2017	\$63,746
2018	\$63,746

The SED leases its office building. The lease expired April 30, 2012; however the SED continues to rent on a month to month basis. The monthly rent is \$4,000.

**G. COMMITMENTS**

The SED entered into a management agreement with a neighboring local municipal utility whereby it provides finance, administration, municipal accounting and management services relating to the day to day operations, and representation of the utility with the Vermont Public Power Supply Authority. Both parties agreed to terminate the agreement as of August 31, 2013. Total management fees received for the year ending June 30, 2014 was \$10,000.

**H. CONCENTRATION OF REVENUE**

The Electric Department's largest customer represents approximately 21.7% of operating revenue and 5.7% of accounts receivable.

**I. 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 project specific facility operating costs 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.

TOWN OF STOWE, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014

#### J. 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, 2014 held by SED is as follows:

##### Hydro Quebec:

SED has the following annual entitlements to Hydro Quebec power:

<u>Firm Commitment</u>	<u>Kilowatts</u>	<u>Term</u>
Schedule B	2,288	1995-2015
Schedule C-3	38	1995-2015

Kilowatt quantities above include the Washington Electric Cooperative (WEC) share of Schedule C power assumed by SED in May 1990, totaling 681kW, with terms expiring between 2012 and 2015.

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 inflations, and carries limits on year-to-year price fluctuations.

<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

TOWN OF STOWE, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014

**New York Power Authority:**

The New York Power Authority ("NYPA") provides power to the utilities in Vermont under two contracts. SED's share of the first contract is a 9 kW entitlement to the Robert Moses Project (a.k.a. St. Lawrence). The contract for St. Lawrence currently extends through April 30, 2017. SED's share of the second contract, the Niagara Project, has been an average of 480 kW. Effective September 1, 2007, the Niagara contract was renewed through September 1, 2025 with an entitlement of 481kW.

**VEPPI (Vermont Electric Power Producers, Inc.):**

SED receives power from a group of independent power 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 and one wood-fired facility. There are 19 VEPPI units. As of December 31, 2012, three 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. Also on October 31, 2012, Rygate expired, but the contract is under negotiation to continue. SED's current pro rata share of the VEPPI production is 1.325%, which started November 1, 2012 and ran through October 31, 2013. The VEPPI contracts are priced with relatively high energy rates and modest fixed costs. The VEPPI contracts have varying maturities; the last VEPPI contract is scheduled to end in 2020.

**SPEED (Sustainable Prices Energy Enterprise Development):**

SPEED is a program set up under the order of 4.3 of the Vermont PSB. The program has the goal 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 of load reduced by the output of the generation. Stowe receives a modest capacity credit for these resources, to reflect the output of the generation. The cost paid to the SPEED projects are set based on the generation type. The SPEED program is set for 25 years starting in the fourth quarter of 2010.

**Stony Brook:**

SED has entered into a Power Sales Agreement with the Massachusetts Municipal Wholesale Electric Company (MMWEC) for 1.66% (approximately 5,832 kW) of MMWEC's Stony Brook Project, an operating fossil fuel plant. MMWEC, a public corporation of Massachusetts, is a coordination and planning agency for the development of the bulk power supply requirements of its members and project participants. The Power Sales Agreement for the project requires each participant to pay its share of MMWEC's costs related to the project which includes debt service on bonds issued by MMWEC to finance the project, plus 10% of debt service to be paid into a reserve and contingency fund. As of July 1, 2008, Stony Brook Intermediate Series A Bonds were paid in full.

TOWN OF STOWE, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014

**Phase 1 Hydro-Quebec Interconnection:**

SED has entered into contracts with Vermont Electric Power Company (VELCO) to participate in Phase I of the Hydro-Quebec interconnection, a 450 KVHVD transmission line directly connecting the Hydro - Quebec electric system with ISO-NE at the Comerford Generating Station. Under these agreements, SED provided capital for the cost of construction through purchase of VELCO Class C preferred stock and will provide support for the operation of the line. SED is entitled to a portion of the benefits and has an obligation for a corresponding portion of the costs associated with Phase I.

**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%. Charges for debt service should end around the summer of 2014. The bonds will be paid off in June 2015. The last year of payments will be made from the debt service reserve fund.

The McNeil wood-fired plant was retrofitted in 2008 to make it eligible to generate Connecticut Class I Renewable Energy Certificates (RECs). The project was financed via a VPPSA line of credit to fund their share, and thus SED's share, of the capital project. The line of credit was paid down using the revenue generated from the REC sales. The NOX project debt was paid off in November 2010, and REC credits started in December 2010.

**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

**Market Contracts:**

SED's portfolio contains market contracts from a variety of counterparties. For the Mount Mansfield ski resort, SED has obtained a product that will follow the snow making load and will provide optimal supply flexibility for this load type.

SED has signed a purchase power agreement for 2.613% of the Miller Hydro Project. Miller Hydro is a run of river unit. This resource should equate to 2.685% of SED's energy. This purchase began on March 1, 2010 and ended on February 28, 2013. On February 28, 2011, SED amended the agreement to extend through May 31, 2016. In addition it amends the contract to include installed capacity and ancillary services as products of the contract effective on March 1, 2013.

TOWN OF STOWE, VERMONT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014

**Sources of Energy**

The percentages of energy (kWh) acquired for the year ended June 30, 2014 was as follows:

Resource	FCM	Description	(MWH)	kWh's	% of Total Resources	Fuel	Location	Termination Date
Niagara	0.490	Block	2,989	2,988,503	3.8%	Hydro	Roseton	9/1/2025
St. Lawrence		Block	75	75,162	0.1%	Hydro	Roseton	4/30/2017
HQ Schedule B	2.326	Dispatchable	16,192	16,191,648	20.7%	Hydro	HQ Highgate 120	10/31/2015
HQ Schedule C-3		Dispatchable	269	268,750	0.3%	Hydro	HQ Highgate 120	10/31/2015
HQ Contract		ISO Bilateral	6,027	6,026,776	7.7%	Hydro	HQ Highgate 120	10/31/2038
VEPPI	0.328	PURPA	3,664	3,663,991	4.7%	Wood/Hydro	VT Nodes	Exp. Varies
McNeil	1.560	Wood Unit	9,464	9,463,633	12.1%	Wood	Essex	Life of Unit
Stony 1A/1B/1C	4.916	Dispatchable	2,857	2,857,452	3.7%	Natural	Stonybrk 115	Life of Unit
Miller Hydro Purchase		Run of River	2,426	2,425,522	3.1%	Hydro	TopSham Mitr	05/31/2016
Market Contracts - ENE Snow		ISO Bilateral	10,128	10,128,280	13.0%		Mass hub	04/30/2014
ISO Energy Net Interchange			<u>24,090</u>	<u>24,089,639</u>	<u>30.8%</u>			
Totals			<u>78,181</u>	<u>78,179,356</u>	<u>100.00%</u>			

Schedule 1  
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TOWN OF STOWE, VERMONT  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - BUDGETARY BASIS  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual	Variance Favorable/ (Unfavorable)
Revenues:			
Property Taxes	\$ 7,695,436	\$ 7,651,624	\$ (43,812)
Administration	567,205	610,699	43,494
Wireless Lease	61,980	62,219	239
Auditors School Report	1,500	1,318	(182)
Town Clerk	155,170	149,278	(5,892)
Accounting/Finance	21,190	20,576	(614)
Fire	750	979	229
Highway Department	182,300	189,332	7,032
Listers' Office	1,500	1,509	9
Library	0	1,129	1,129
Rescue/EMS	258,549	225,519	(33,030)
Cultural Campus Telephone	1,872	340	(1,532)
Planning	7,000	26,606	19,606
Zoning	48,215	63,436	15,221
Police Department	134,096	177,524	43,428
Cemetery	1,200	1,400	200
Public Works Administration	44,000	44,000	0
Parks and Grounds	31,688	49,080	17,392
Recreation	194,510	174,003	(20,507)
Arena Revenue	301,030	251,984	(49,046)
Investment Income	32,161	21,730	(10,431)
Transfer from Capital Fund - Local Option Taxes	350,000	350,000	0
Transfer from Library Operations Fund	28,558	28,558	0
Transfer from Appraisal Fund	14,000	14,000	0
Total Revenues	10,133,910	10,116,843	(17,067)
Expenditures:			
Administration	386,684	408,068	(21,384)
Elections	2,307	1,248	1,059
Town Clerk	260,888	274,097	(13,209)
Health/Zoning	130,406	116,116	14,290
Listers' Office	106,350	116,725	(10,375)
Treasurer/Finance	278,839	256,279	22,560
Planning	125,981	130,742	(4,761)
Public Safety Building	130,326	134,802	(4,476)
Police Department	1,598,153	1,620,115	(21,962)
Fire Department	208,923	190,256	18,667
Emergency Medical Service	423,426	394,113	29,313
Mountain Rescue	17,541	19,532	(1,991)
Emergency Management	2,376	2,301	75
Highway	1,811,988	1,806,353	5,635
Public Works	298,160	292,509	5,651
Akeley Memorial Building	116,201	135,347	(19,146)

See Disclaimer in Accompanying Independent Auditor's Report.

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TOWN OF STOWE, VERMONT  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - BUDGETARY BASIS  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual	Variance Favorable/ (Unfavorable)
Expenditures/(Cont'd):			
Cultural Campus	\$ 36,635	\$ 36,834	\$ (199)
Street Lights	29,394	28,862	532
Solid Waste	550	550	0
Cemeteries	14,289	6,884	7,405
Community Affairs	65,005	64,950	55
General Government	575,607	545,551	30,056
Parks and Grounds	488,265	448,740	39,525
Recreation	514,750	452,890	61,860
Arena	425,874	377,635	48,239
Library	531,462	532,816	(1,354)
Debt Management	1,159,169	1,178,087	(18,918)
Insurances	201,463	187,689	13,774
Transfer to Annual Leave Fund	50,000	50,000	0
Transfer to Equipment Fund	380,000	380,000	0
	<u>10,371,012</u>	<u>10,190,091</u>	<u>180,921</u>
Total Expenditures			
Excess/(Deficiency) of Revenues			
Over Expenditures	\$ <u>(237,102)</u>	(73,248)	\$ <u>163,854</u>
Adjustments to Reconcile from the Budgetary Basis of Accounting to the Modified Accrual Basis of Accounting:			
Annual Leave Fund Income		57	
Annual Leave Fund Transfer In		50,000	
Transportation Fund Income		5	
Library Operations Fund Income		33,126	
Library Operations Fund Expenses		(10,257)	
Library Operations Fund Transfer In		7,483	
Library Operations Fund Transfer Out		(28,558)	
Recreation Scholarship Fund Income		3,356	
Recreation Scholarship Fund Expenses		(7,656)	
Recreation Scholarship Fund Transfer In		<u>1,000</u>	
Net Change in Fund Balance		(24,692)	
Fund Balance - July 1, 2013		<u>894,879</u>	
Fund Balance - June 30, 2014		<u>\$ 870,187</u>	

The reconciling items are due to combining four (4) funds, the Annual Leave Fund, the Transportation Fund, the Library Operations Fund and the Recreation Scholarship Fund, with the General Fund in order to comply with GASB Statement No. 54.

See Disclaimer in Accompanying Independent Auditor's Report.

Schedule 2

TOWN OF STOWE, VERMONT  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2014

	Special Revenue Funds	Capital Projects Fund Equipment Fund	Permanent Funds	Total
<u>ASSETS</u>				
Cash	\$ 0	\$ 0	\$ 53,335	\$ 53,335
Investments	0	0	1,177,098	1,177,098
Receivables	8,500	0	0	8,500
Due from Other Funds	<u>98,804</u>	<u>468,939</u>	<u>0</u>	<u>567,743</u>
Total Assets	<u>\$ 107,304</u>	<u>\$ 468,939</u>	<u>\$ 1,230,433</u>	<u>\$ 1,806,676</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Accounts Payable	\$ 1,815	\$ 10,876	\$ 0	\$ 12,691
Due to Other Funds	7,311	0	11,337	18,648
Unearned Revenue	<u>1,064</u>	<u>0</u>	<u>0</u>	<u>1,064</u>
Total Liabilities	<u>10,190</u>	<u>10,876</u>	<u>11,337</u>	<u>32,403</u>
<u>FUND BALANCES</u>				
Nonspendable	0	0	250,295	250,295
Restricted	49,074	0	968,801	1,017,875
Assigned	<u>48,040</u>	<u>458,063</u>	<u>0</u>	<u>506,103</u>
Total Fund Balances	<u>97,114</u>	<u>458,063</u>	<u>1,219,096</u>	<u>1,774,273</u>
Total Liabilities and Fund Balances	<u>\$ 107,304</u>	<u>\$ 468,939</u>	<u>\$ 1,230,433</u>	<u>\$ 1,806,676</u>

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Schedule 3

TOWN OF STOWE, VERMONT  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NON-MAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2014

	Special Revenue Funds	Capital Projects Fund Equipment Fund	Permanent Funds	Total
Revenues:				
Intergovernmental	\$ 55,219	\$ 0	\$ 0	\$ 55,219
Charges for Services	9,259	0	15,650	24,909
Investment Income	90	724	141,129	141,943
Donations	200	0	0	200
Other	0	0	250	250
	<u>64,768</u>	<u>724</u>	<u>157,029</u>	<u>222,521</u>
Total Revenues				
Expenditures:				
General Government	8,770	0	0	8,770
Public Safety	15,963	0	0	15,963
Culture and Recreation	3,146	0	0	3,146
Cemetery	0	0	2,518	2,518
Capital Outlay:				
Public Safety	0	60,897	0	60,897
Public Works	0	31,155	0	31,155
Culture and Recreation	0	10,876	0	10,876
	<u>27,879</u>	<u>102,928</u>	<u>2,518</u>	<u>133,325</u>
Total Expenditures				
Excess/(Deficiency) of Revenues Over Expenditures	<u>36,889</u>	<u>(102,204)</u>	<u>154,511</u>	<u>89,196</u>
Other Financing Sources/(Uses):				
Transfers In	0	380,000	0	380,000
Transfers Out	<u>(14,000)</u>	<u>0</u>	<u>(14,483)</u>	<u>(28,483)</u>
Total Other Financing Sources/(Uses)	<u>(14,000)</u>	<u>380,000</u>	<u>(14,483)</u>	<u>351,517</u>
Net Change in Fund Balances	22,889	277,796	140,028	440,713
Fund Balances - July 1, 2013	<u>74,225</u>	<u>180,267</u>	<u>1,079,068</u>	<u>1,333,560</u>
Fund Balances - June 30, 2014	<u>\$ 97,114</u>	<u>\$ 458,063</u>	<u>\$ 1,219,096</u>	<u>\$ 1,774,273</u>

See Disclaimer in Accompanying Independent Auditor's Report.

Schedule 4

TOWN OF STOWE, VERMONT  
 COMBINING BALANCE SHEET  
 NON-MAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2014

ASSETS	Recreation Path Fund	Police DEA Fund	Conservation Reserve and Trails & Greenways Fund	Appraisal Fund	Records Preservation Fund	Grant Fund	Total
Receivables Due from Other Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 8,500	\$ 8,500
	8,181	4,882	682	48,040	37,019	0	98,804
Total Assets	\$ 8,181	\$ 4,882	\$ 682	\$ 48,040	\$ 37,019	\$ 8,500	\$ 107,304
<b>LIABILITIES AND FUND BALANCES</b>							
Liabilities:							
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,690	\$ 125	\$ 1,815
Due to Other Funds	0	0	0	0	0	7,311	7,311
Unearned Revenue	0	0	0	0	0	1,064	1,064
Total Liabilities	0	0	0	0	1,690	8,500	10,190
Fund Balances:							
Restricted	8,181	4,882	682	0	35,329	0	49,074
Assigned	0	0	0	48,040	0	0	48,040
Total Fund Balances	8,181	4,882	682	48,040	35,329	0	97,114
Total Liabilities and Fund Balances	\$ 8,181	\$ 4,882	\$ 682	\$ 48,040	\$ 37,019	\$ 8,500	\$ 107,304

See Disclaimer in Accompanying Independent Auditor's Report.

Schedule 5

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, 2014

	Recreation Path Fund	Police DEA Fund	Conservation Reserve and Trails & Greenways Fund	Appraisal Fund	Records Preservation Fund	Grant Fund	Total
Revenues:							
Intergovernmental	\$ 0	\$ 0	\$ 0	\$ 36,110	\$ 0	\$ 19,109	\$ 55,219
Charges for Services	0	0	0	0	9,259	0	9,259
Investment Income	12	7	1	22	48	0	90
Donations	200	0	0	0	0	0	200
<b>Total Revenues</b>	<b>212</b>	<b>7</b>	<b>1</b>	<b>36,132</b>	<b>9,307</b>	<b>19,109</b>	<b>64,768</b>
Expenditures:							
General Government	0	0	0	0	8,770	0	8,770
Public Safety	0	0	0	0	0	15,963	15,963
Culture and Recreation	0	0	0	0	0	3,146	3,146
<b>Total Expenditures</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,770</b>	<b>19,109</b>	<b>27,879</b>
Excess of Revenues Over Expenditures	212	7	1	36,132	537	0	36,889
Other Financing Sources/(Uses):							
Transfers Out	0	0	0	(14,000)	0	0	(14,000)
<b>Total Other Financing Sources/(Uses)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(14,000)</b>	<b>0</b>	<b>0</b>	<b>(14,000)</b>
Net Change in Fund Balances	212	7	1	22,132	537	0	22,889
Fund Balances - July 1, 2013	7,969	4,875	681	25,908	34,792	0	74,225
Fund Balances - June 30, 2014	\$ 8,181	\$ 4,882	\$ 682	\$ 48,040	\$ 35,329	\$ 0	\$ 97,114

See Disclaimer in Accompanying Independent Auditor's Report.

## Schedule 6

TOWN OF STOWE, VERMONT  
 COMBINING BALANCE SHEET  
 NON-MAJOR PERMANENT FUNDS  
 JUNE 30, 2014

	<u>Cemetery Fund</u>	<u>Library Endowment Fund</u>	<u>Total</u>
<u>ASSETS</u>			
Cash	\$ 53,335	\$ 0	\$ 53,335
Investments	<u>393,746</u>	<u>783,352</u>	<u>1,177,098</u>
Total Assets	<u>\$ 447,081</u>	<u>\$ 783,352</u>	<u>\$ 1,230,433</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Due to Other Funds	\$ <u>11,337</u>	\$ <u>0</u>	\$ <u>11,337</u>
Total Liabilities	<u>11,337</u>	<u>0</u>	<u>11,337</u>
Fund Balances:			
Nonspendable	215,000	35,295	250,295
Restricted	<u>220,744</u>	<u>748,057</u>	<u>968,801</u>
Total Fund Balances	<u>435,744</u>	<u>783,352</u>	<u>1,219,096</u>
Total Liabilities and Fund Balances	<u>\$ 447,081</u>	<u>\$ 783,352</u>	<u>\$ 1,230,433</u>

See Disclaimer in Accompanying Independent Auditor's Report.

Schedule 7

TOWN OF STOWE, VERMONT  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 NON-MAJOR PERMANENT FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2014

	Cemetery Fund	Library Endowment Fund	Total
	<u>          </u>	<u>          </u>	<u>          </u>
Revenues:			
Charges for Services	\$ 15,650	\$ 0	\$ 15,650
Investment Income	40,421	100,708	141,129
Other	<u>250</u>	<u>0</u>	<u>250</u>
Total Revenues	<u>56,321</u>	<u>100,708</u>	<u>157,029</u>
Expenditures:			
Cemetery	<u>2,518</u>	<u>0</u>	<u>2,518</u>
Total Expenditures	<u>2,518</u>	<u>0</u>	<u>2,518</u>
Excess of Revenues Over Expenditures	<u>53,803</u>	<u>100,708</u>	<u>154,511</u>
Other Financing Sources/(Uses):			
Transfers Out	<u>(7,000)</u>	<u>(7,483)</u>	<u>(14,483)</u>
Total Other Financing Sources/(Uses)	<u>(7,000)</u>	<u>(7,483)</u>	<u>(14,483)</u>
Net Change in Fund Balances	46,803	93,225	140,028
Fund Balances - July 1, 2013	<u>388,941</u>	<u>690,127</u>	<u>1,079,068</u>
Fund Balances - June 30, 2014	<u>\$ 435,744</u>	<u>\$ 783,352</u>	<u>\$ 1,219,096</u>

See Disclaimer in Accompanying Independent Auditor's Report.

**Sullivan, Powers & Co., P.C.**  
CERTIFIED PUBLIC ACCOUNTANTS

77 Barre Street  
P.O. Box 947  
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Fred Duplessis, CPA  
Richard J. Brigham, CPA  
Chad A. Hewitt, CPA  
Wendy C. Gilwee, CPA  
VT Lic. #92-000180

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, 2014, 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 February 2, 2015. 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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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. However, as described in the accompanying Schedule of Findings and Deficiencies in Internal Control, we identified a certain deficiency that we consider to be a material weakness and another that we consider to be a significant deficiency.

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

Town of Stowe, Vermont

-2-

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. We consider the deficiency described in the accompanying Schedule of Findings and Deficiencies in Internal Control as Item 14-1 to be a material weakness.

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. We consider the deficiency described in the accompanying Schedule of Findings and Deficiencies in Internal Control as Item 14-2 to be a significant deficiency.

#### ***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".

We also noted certain other matters that we reported to the management of the Town of Stowe, Vermont in a separate letter dated February 2, 2015.

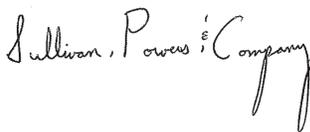
#### ***Town of Stowe, Vermont's Response to Findings***

The Town of Stowe, Vermont's response to the findings identified in our audit is included with the accompanying Schedule of Findings and Deficiencies in Internal Control. The Town of Stowe, Vermont's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

#### ***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.

February 2, 2015  
Montpelier, Vermont  
VT Lic. #92-000180



TOWN OF STOWE, VERMONT  
SCHEDULE OF FINDINGS AND DEFICIENCIES IN INTERNAL CONTROL  
JUNE 30, 2014

Deficiencies in Internal Control:

Material Weakness:

14-1 Accrued Payroll Reconciliation

*Criteria:*

Internal controls should be in place to ensure that the accrued payroll account is reconciled to supporting documentation in order to detect and correct errors in the account balance.

*Condition:*

The accrued payroll account was not reconciled to the actual balance at year end which resulted in various adjustments to payroll expenses.

*Cause:*

Unknown.

*Effect:*

The Town's account balance was incorrect.

*Recommendation:*

We recommend that accrued payroll be reconciled to supporting documentation in order to detect and correct errors.

Significant Deficiency:

14-2 Netting Revenues and Expenditures

*Criteria:*

Internal controls should be in place to ensure that revenues are not netted with expenses in order to conform with generally accepted accounting principles.

TOWN OF STOWE, VERMONT  
SCHEDULE OF FINDINGS AND DEFICIENCIES IN INTERNAL CONTROL  
JUNE 30, 2014

*Condition:*

The Town netted an expense with a revenue during the year. This nets out the revenue and expense as if they did not exist and results in the understatement of both revenue and expenses.

*Cause:*

Unknown.

*Effect:*

This resulted in the understatement of revenue and expenses.

*Recommendation:*

We recommend that the Town implement controls to ensure that they do not net revenue and expenses. This could be accomplished by a review of the general ledger detail on a monthly basis.

## Town of Stowe

---

Mark Lyons  
Finance Manager  
P.O. Box 730  
Stowe, VT 05672

February 3, 2015

Chad Hewitt  
Sullivan, Powers, & Company  
77 Barre Street  
PO Box 947  
Montpelier, VT 05601

Dear Chad,

Sullivan, Powers, & company has conducted an audit of the Town of Stowe's financial statements for the period ending June 30, 2014. I am writing this to you in response to said audit's findings numbered 14-1 and 14-2.

#### 14-1 ACCRUED PAYROLL RECONCILIATION—RESPONSE

The accrued payroll account was not properly reconciled to the actual balance at year end due to an error made by the Finance Director. Accrued payroll has always, and will continue be, properly reconciled annually going forward.

#### 14-2 NETTING REVENUES AND EXPENDITURES—RESPONSE.

Netting revenues and expenses is not a normal, or accepted, practice for the Town Finance Office. Occasionally coding errors are made by Town staff but are almost always caught by the Finance Office staff during data entry or during our checking process. Finance Office staff will be advised of this this happening and reminded of the need to maintain careful attention to detail in processing financial records.

Thank You,



Mark Lyons

**Sullivan, Powers & Co., P.C.**  
CERTIFIED PUBLIC ACCOUNTANTS

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Chad A. Hewitt, CPA  
Wendy C. Gilwee, CPA  
VT Lic. #92-000180

February 2, 2015

Selectboard  
Town of Stowe  
P.O. Box 730  
Stowe, Vermont 05672

We have audited the financial statements of the Town of Stowe, Vermont as of and for the year ended June 30, 2014 and have issued our report thereon dated February 2, 2015. 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 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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore material weaknesses or significant deficiencies may exist that were not identified. 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. However, as discussed as follows, we identified a certain deficiency in internal control that we consider to be a material weakness and another deficiency that we consider to be a significant deficiency.

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. We consider the deficiency, described in the accompanying Schedule of Deficiencies in Internal Control and Other Recommendations as Item 14-1, to be a material weakness.

Town of Stowe, Vermont

-2-

February 2, 2015

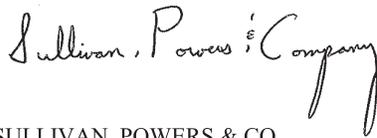
A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider item 14-2, described in accompanying Schedule of Deficiencies in Internal Control and Other Recommendations, to be a significant deficiency.

We have also noted other matters during our audit as indicated in the accompanying Schedule of Deficiencies in Internal Control and Other Recommendations that are opportunities for strengthening internal 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 Selectboard 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 the recommendation 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 DEFICIENCIES IN INTERNAL CONTROL  
AND OTHER RECOMMENDATIONS  
JUNE 30, 2014

Deficiencies in Internal Control:

Material Weakness:

14-1 Accrued Payroll Reconciliation

*Criteria:*

Internal controls should be in place to ensure that the accrued payroll account is reconciled to supporting documentation in order to detect and correct errors in the account balance.

*Condition:*

The accrued payroll account was not reconciled to the actual balance at year end which resulted in various adjustments to payroll expenses.

*Cause:*

Unknown.

*Effect:*

The Town's account balance was incorrect.

*Recommendation:*

We recommend that accrued payroll be reconciled to supporting documentation in order to detect and correct errors.

Significant Deficiency:

14-2 Netting Revenues and Expenditures

*Criteria:*

Internal controls should be in place to ensure that revenues are not netted with expenses in order to conform with generally accepted accounting principles.

*Condition:*

The Town netted an expense with a revenue during the year. This nets out the revenue and expense as if they did not exist and results in the understatement of both revenue and expenses.

TOWN OF STOWE, VERMONT  
SCHEDULE OF DEFICIENCIES IN INTERNAL CONTROL  
AND OTHER RECOMMENDATIONS  
JUNE 30, 2014

*Cause:*

Unknown.

*Effect:*

This resulted in the understatement of revenue and expenses.

*Recommendation:*

We recommend that the Town implement controls to ensure that they do not net revenue and expenses. This could be accomplished by a review of the general ledger detail on a monthly basis.

Other Recommendations:

Ambulance Allowance/Write-offs

The Town has given the third party ambulance billing administrator the sole discretion to write off an account when it is no longer collectable. It appears this has not been happening. The Town has ambulance receivables dating back greater than four years that the Town is no longer pursuing. The Town should request that the administrator analyze these accounts and either pursue them for collection or write them off as this overstates the true receivables for the Town.

We recommend that the Town and the ambulance administrator assess the collectability of their ambulance receivables and either pursue them for collection or write them off so as to not overstate receivables.

Tax Sale Receivables

The Town typically utilizes the tax sale process to enforce collection on past due delinquent tax accounts. Over the past several years, the Town has purchased some parcels at tax sale themselves thus initiating the one year redemption period. The Town has not followed up on these parcels and it is unclear, in some cases, whether the Town owns the parcel or is still owed the delinquent taxes and related fees by the homeowner.

We recommend that the Town follow up on all tax sales through the redemption period to ensure that the Town has either been paid or whether they should have been deeded the property.

TOWN OF STOWE, VERMONT  
SCHEDULE OF DEFICIENCIES IN INTERNAL CONTROL  
AND OTHER RECOMMENDATIONS  
JUNE 30, 2014

Water and Sewer Billings

The Town contracts with the Stowe Electric Department to do the billings for the Water and Sewer Funds. These bills are not reviewed by anyone prior to going out in the mail and, in many cases, there were errors. These errors were identified by the customers upon receiving the bills which later required large billing adjustments.

We recommend that the Town or the Electric Department develop a process to review the bills for reasonableness and consistency prior to being mailed so that billing adjustments can be minimized.

TOWN OF STOWE SCHEDULE OF INDEBTEDNESS AT 6/30/14

Type	Bonds, Bond Anticipation, Notes Payable:	Date of Issue	Maturity Date	Interest Rate	Balance 7/1/2013	Deletions	Additions	Balance 6/30/2014
G	Library Expansion	7/15/1993	12/1/2013	Variable	30,000	(30,000)	-	-
G	Tri Centennial:	8/4/1995	12/1/2015	Variable	90,000	(30,000)	-	60,000
G	Fire Truck/Sunset/Rink Imp	7/22/1999	12/1/2019	Variable	115,000	(20,000)	-	95,000
G	Bingham, Garage, Water Bld	12/1/2001	12/1/2021	Variable	225,000	(25,000)	-	200,000
G	Ladder Trk/Nichols Ease	12/1/2004	12/1/2024	Variable	240,000	(20,000)	-	220,000
G	Adams Camp Mem Eng Bond	7/26/2007	12/1/2027	Variable	375,000	(25,000)	-	350,000
G	Public Safety Building Bond	7/22/2008	11/15/2028	Variable	5,760,000	(360,000)	-	5,400,000
G	Ice Rink #1	8/1/2012	11/15/2032	3.62%	4,000,000	(200,000)	-	3,800,000
G	Ice Rink #2/Sledding Hill	7/30/2013	11/15/2033	Variable	-	-	2,815,000	2,815,000
	<b>General Fund Totals</b>				<b>10,835,000</b>	<b>(710,000)</b>	<b>2,815,000</b>	<b>12,940,000</b>
BW	Water Bond	4/1/2005	4/1/2024	0.00%	201,009	(18,273)	-	182,736
BW	Water-Sunset Hill	11/1/2006	11/1/2025	3.00%	643,451	(37,659)	-	605,792
BW	Water Expansion	12/15/1998	12/15/2021	0.00%	1,006,558	(125,820)	-	880,738
BW	Water Upgrade Bond	12/1/2003	12/1/2022	Variable	1,600,000	(160,000)	-	1,440,000
BW	Water Improvements	6/27/2001	7/1/2005	3.00%	2,145,766	(151,195)	-	1,994,571
	<b>Water Totals</b>				<b>5,596,784</b>	<b>(492,947)</b>	-	<b>5,103,837</b>
BS	Sewer Improvements	12/1/1998	12/15/2017	0.00%	256,645	(51,328)	-	205,316
BS	Sewer Improvements	7/15/1996	1/1/2020	0.00%	828,400	(103,550)	-	724,850
BS	Sewer Note	4/1/2002	4/1/2014	0%	10,375,240	(691,683)	-	9,683,558
	<b>Sewer Totals</b>				<b>11,460,285</b>	<b>(846,561)</b>	-	<b>10,613,724</b>
BE	Electric Investment Purch	12/29/2010	2/1/2020	6.50%	857,989	(27,257)	-	830,732
BE	Electric Investment Purch	12/29/2009	2/1/2020	6.50%	949,347	(33,013)	-	916,334
BE	Electric Improvements Bond	7/21/2009	11/15/2039	4.66%	3,595,000	(135,000)	-	3,460,000
BE	Electric Investment Purch	3/1/2011	12/30/2018	5.70%	18,700,000	-	-	18,700,000
					<b>24,102,336</b>	<b>(195,270)</b>	-	<b>23,907,066</b>
	<b>Grand Totals</b>				<b>51,994,405</b>	<b>(2,244,778)</b>	<b>2,815,000</b>	<b>52,564,627</b>

**2013-2014  
SCHEDULE OF TAXES RAISED**

Grand List:	Municipal Grand List	\$20,403,491
	Total Municipal Grand List	\$20,403,491
Education Grand List:	Real Estate-Non Residential Homestead	\$15,051,736
	Real Estate-Homestead Education	\$5,254,652
	Cable TV	\$1,451
	Total Education Grand List	\$20,307,839
Taxes Billed:		
General Property:	Real Estate-Municipal ( 20,403,491 x .3775)	\$7,702,317.80
	Education-Non Residential (15,051,736 x 1.4939)	\$22,485,788.41
	Education-Residential (5,254,652 x 1.4762)	\$7,756,917.28
	Local Agreements-Farmers ( 20,306,388 x .0048)	<u>\$97,470.66</u>
	Sub-Total.....	\$38,042,494.15
	VT State Lands - 1% of Value	\$60,443.00
	Total Taxes Billed	\$38,102,937.15
Taxes Accounted For as Follows:		
	General Property	\$35,275,520.97
	Taxes to Delinquent Collector	<u>\$2,827,416.18</u>
	Total Taxes Accounted For	\$38,102,937.15

**DIVISION OF TAXES**

	Taxes Assessed	Tax Rate
Town Assessment	\$7,702,317.80	\$ 0.3775
School Assesment-Homestead	\$7,756,917.28	\$ 1.4762
School Assesment-Non Homestead	\$22,485,788.41	\$ 1.4939
Local Agreements-Farmers Contracts	\$97,470.66	\$ 0.0048
HS-131 Late Penalty		



**Town Manager**  
Office of the Selectboard  
PO Box 730  
67 Main Street  
Stowe, VT 05672

**TAX RATE CERTIFICATE**

**BE IT KNOWN BY ALL PERSONS PRESENT**, the Selectboard of the Town of Stowe finds the TOWN GRAND LIST to be \$20,491,908 and Town General Fund Tax Rate to be \$.3950 to raise \$8,094,349 for the Town General Fund Taxes and pursuant to VSA Title 17, Section 2264, Title 16, Section 428 and 32 VSA Section 5402 (b)(1), hereby certifies the Tax Rate for the period July 1, 2014 through June 30, 2015 (FY 15) to be as follows:

**Homestead Tax Rate:**

\$0.3950 Town General Fund Tax  
\$1.4886 State and Local Education Taxes  
\$0.0049 Voter Approved Tax Exemptions

**\$1.8885 Total Tax Rate**

**Non-Residential Tax Rate:**

\$0.3950 Town General Fund Tax  
\$1.5205 State and Local Education Taxes  
\$0.0049 Voter Approved Tax Exemptions

**\$1.9204 Total Tax Rate**

Given under our hands in Stowe, Vermont this 1st day of July 2014 by Selectboard of the Town of Stowe, Vermont. ATTEST:

Constance Van Dyke      ADAM DAVIS  
[Signature]      \_\_\_\_\_  
\_\_\_\_\_

UNDER SEAL OF THE TOWN, received, filed and recorded this 1<sup>st</sup> day of July, 2014, at 1:40 A.m. before me.

Alicia Kaiser  
Town Clerk

Tel: (802)253-7350 Fax: (802)253-6137 email: [csa\(ford@townofstowevermont.org](mailto:csa(ford@townofstowevermont.org)  
Website: [townofstowevt.org](http://townofstowevt.org)

**TOWN OF STOWE SCHOOL BOARD REPORT**

The Stowe School Board once again thanks the community, administration, teachers and parents for your dedication and continued support of Stowe’s schools. As in any school year, we’ve addressed challenges and seized opportunities, while providing outstanding public education for our students.

One of the major changes that will be implemented this July is the consolidation of Special Education Services at the Supervisory Union level. The consolidation of Special Education Services has been newly mandated by state law. The LSSU Board, the Stowe School Board, and the administration are developing a plan to enhance student outcomes, provide greater flexibility of resources to address each district’s constantly changing needs, apply a consistent standard throughout the Supervisory Union, gain greater efficiencies of scale within Special Education Services, and develop/implement “best practices.” Due to the consolidation, the budgetary details of Special Education Services will appear to be markedly different for the Stowe School District’s and LSSU budgets.

The Stowe School District’s publicly funded Pre-K program began in September of 2013 with 50 students. This past September, the Pre-K enrollment has grown to 62 students. The growth in Pre-K student enrollment bodes well for continued future growth of our overall student enrollment. The Stowe District’s increase in enrollment is important as it works in our favor in the tax rate formulas.

With continued focus and commitment, we have expanded technology as a teaching tool. We have made the investment to provide universal technology access at the middle and high school levels and significantly increased access at the elementary school level. We are using Google Apps for Education to provide the platform to enhance communication, construct and create remarkable projects in the sciences/ math/arts, collaboration amongst students and teachers and provide mobile flexibility.

Stowe students continue to lead in academics as measured by the latest 2013 NECAP standardized tests.

- Our 4th graders scored a proficiency rate of 68% in science, which is 42% above the statewide score.
- Middle School 8th graders’ scores were 53% above the state’s average score for proficiency in science.

At the High School level, the national SAT-1 test measures critical reading, writing and quantitative reasoning. The latest test results are as follows:

	Math	Reading	Writing
Stowe	539	542	540
State of Vermont	519	516	505
National Average	514	496	488

Stowe Schools have implemented several programs and established new clubs to foster our students to become responsible citizens: “A World of Difference,” which seeks to eliminate bias, discrimination, bullying and other negative climate issues in our schools and community; “Farm to Table Project,” whereby students grow and supply food for the cafeteria; “Stowe Trading Company,” a store run by students whose profit goes into a fund earmarked for student educational or entrepreneurial endeavors; and “Anagnorisis,” a four-year personal learning plan of self-discovery and celebration of student’s progress in achieving school-wide expectations.

The successes and increasing popularity of the Stowe School District are due, in no small part, to an experienced and dedicated faculty and administration, and involved parents who seek a superior education for all children in this community.

Respectfully submitted;

Cameron Page, Chair

Richard Bland, Jim Brochhausen, Emily Bradbury, Susan Segal



Cam Page, Susan Segal, Jim Brochhausen,  
Richard Bland, Emily Bradbury

Stowe School District 2015-2016 Proposed School Budget Highlights**What is the overall proposed school budget for next year?**

- The total proposed Stowe School budget is \$12,217,575.

**How does this compare to the current school budget?**

- The 2015-2016 proposed school budget is \$382,925 more than the current budget. This represents a 3.2% increase.

**Does the proposed budget affect any program offerings?**

- The proposed FY16 Stowe School District budget eliminates a 0.33 FTE Business position at Stowe High School. Currently, 14 students are enrolled in business courses. Opportunities for students who wish to pursue business as an area of study will be available through Green Mountain Career and Technical Center programs, on-line offerings, individualized studies, internships and within existing coursework as appropriate.
- Dual Enrollment, or up to two publically funded college courses for high school juniors and seniors, is included in this budget. Dual Enrollment courses count towards high school graduation requirements and towards college and local school district funding of half of the cost of tuition is required. This is a new requirement for the FY16 budget.

**What are the main cost drivers behind the \$382,925 budget increase?**

- Expenses associated with universal pre-kindergarten are increasing due to the phasing out of grant funding and the establishment of a statewide tuition rate that is higher than current year rates.
- The budget also addresses inflationary increases such as for health insurance, and salary increases, and additional funds to address the anticipated impacts of the Affordable Care Act.
- A 1.0 FTE custodial position at Stowe Middle/High School has been added in the proposed budget to provide much needed assistance with cleaning and maintenance.
- These areas of increase are partially offset by reductions in the special education expenditures and the staffing reduction, addressed through attrition, mentioned above.

**Are there any other changes of note?**

- Special Education services are required to be provided by supervisory unions. As a result, both the Stowe School District budget and the LSSU budget are presented differently from prior years. Overall, expenditures for Special Education within the Stowe budget have decreased from the current year to the next, 2015-2016 budget year.
- The budget for school health services has been adjusted to reflect actual expenditures and allows for restructuring for a School Nurse Supervisor model in partnership with the Morristown School District. Restructuring will allow an increase in school health staffing and promote a strong, systemic approach to comprehensive school based health services.
- The budget proposes a decrease in carry forward as revenue and a contribution of \$100,000 to a capital fund. The board is seeking to decrease reliance on carry

forward as a revenue source to strengthen budget stability from year to year, and to increase stability in management and funding of capital projects.

**How will the proposed school budget affect my property taxes?**

- This projected increase in the Estimated Local Homestead Tax is 4.7 cents (\$0.047), or 3.1%, to \$1.535. This is an increase of \$47.00 per \$100,000 of assessed homestead value.
- The Statewide Non-Homestead Tax Rate is projected to increase by 2 cents (\$0.02) to \$1.535. However, after the CLA is applied, the estimated Local Non-Homestead tax rate increase is expected to be \$1.558 or an increase of 3.8 cents (\$0.038). This translates to \$38.00 per \$100,000 of assessed property value. Non-Homestead tax rates are not directly affected by our local school budget; they are affected by CLA and statewide education spending.
- The Statewide Percentage for Income Sensitivity is projected to increase to 1.94%. After adjustments for local budget decisions, individuals eligible for Estimated Income Sensitivity will see an increase in the maximum amount of Homestead Property Tax of 0.21% to 2.934% or, assuming a household income of \$50,000, an increase of \$115 for the household.

**How does Stowe's school budget compare to those of other school districts?**

- The FY15 District Spending Adjustment (DSA) for Stowe is 151.351% or 143rd out of 266 Vermont school districts. Fifty-four percent (54%) of school districts in Vermont had a greater DSA than Stowe.
- In FY16, the DSA is proposed to decrease from 151.351% to 151.249%.
- The DSA is useful for comparing homestead taxpayer effort across districts. The decrease in percentage and the increasing numbers of districts with higher DSA as compared to Stowe reflect efficient management of expenditures on a per pupil basis as compared to other districts and prior year budgets.

**When and where is the vote on Stowe's proposed school budget?**

- The vote on the school budget is by Australian ballot in the Stowe High School Gym, 7:00 A.M. to 7:00 P.M. on Town Meeting Day – Tuesday, March 3, 2015.
- Voters may also vote early at the Town Clerk's office.

STOWE SCHOOL DISTRICT  
ENROLLMENTS  
2014-2015

Grade	# Students
K	45
1	54
2	62
3	41
4	64
5	51
6	61
7	65
8	57
9	62
10	61
11	51
12	60

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**734**



Stowe Elementary School  
production of Mary Poppins  
at Akeley Memorial  
Building Theatre May 2014



**STOWE TOWN SCHOOL DISTRICT  
ANTICIPATED RECEIPTS  
2015-2016**

Carry Forward		\$580,000
Local Sources:		
Tuition - Regular Education	\$470,000	
Earned Interest	12,000	
Rentals	3,300	
	<u>          </u>	\$485,300
State Sources:		
Transportation Aid	130,000	
Driver Education	1,500	
SPED - Block Grant	256,175	
SPED - Intensive Reimbursement	650,000	
Early Essential Education Grant	55,175	
	<u>          </u>	\$1,092,850
Federal Sources:		
SPED - IDEA-B Subgrant	\$0	
	<u>          </u>	<u>          </u> \$0
Sub-total Anticipated Revenues		\$2,158,150
Other State Sources:		
General State Support Grant	\$10,019,725	
Vocational Education Support Grant	39,700	
	<u>          </u>	<u>          </u> \$10,059,425
Total Anticipated Revenues		<u>          </u> <u>          </u> \$12,217,575

**STOWE SCHOOL DISTRICT  
BUDGET RECAP  
2015-2016**

	<b>13-14 Budget</b>	<b>13-14 Actual</b>	<b>14-15 Budget</b>	<b>15-16 Proposed Budget</b>
<b>INSTRUCTION</b>				
Regular Education	\$5,631,525	\$5,562,416	\$5,936,350	\$6,165,900
Special Education	1,841,125	1,596,337	2,018,675	1,962,525
Vocational Education	46,100	44,147	60,400	71,900
Student Activities	260,675	224,149	269,975	270,675
Total Instruction	\$7,779,425	\$7,427,049	\$8,285,400	\$8,471,000
<b>SUPPORT SERVICES</b>				
Guidance Services	\$367,325	\$389,462	\$399,425	\$423,150
Health Services	115,350	123,660	124,375	160,825
Curriculum & Instruction Services	55,125	55,125	60,450	45,375
Library Services	174,750	172,745	162,925	165,700
School Board	48,325	33,130	52,525	63,075
Exec. Admin. Services	104,700	104,700	109,500	115,275
School Administration	729,300	697,364	757,225	771,575
Fiscal Services	237,600	208,281	211,950	169,425
Building & Grounds Operations	1,054,325	961,822	1,103,975	1,204,350
Transportation	282,075	272,997	284,675	297,275
Information Services	78,375	78,375	86,325	65,100
Food Service Health Insurance	-	-	-	73,525
Total Support Services	\$3,247,250	\$3,097,661	\$3,353,350	\$3,554,650
Long Term Debt	\$199,725	\$196,319	\$195,900	\$191,925
<b>Total General Fund Expenditures</b>	<b>\$11,226,400</b>	<b>\$10,721,029</b>	<b>\$11,834,650</b>	<b>\$12,217,575</b>

**STOWE SCHOOL DISTRICT  
BUDGET DEVELOPMENT  
2015-2016**

	13-14		14-15	15-16
	Budget	Actual	Budget	Proposed Budget
<b>Regular Instruction</b>				
Salaries	\$3,856,675	\$3,904,354	\$4,062,250	\$4,216,100
Employee Benefits	1,364,725	1,221,200	1,362,775	1,299,800
Prof & Tech Services	94,375	88,178	150,675	268,650
Property Services	39,550	27,065	39,700	71,250
Other Services	27,125	20,918	31,325	42,000
Supplies & Materials	144,375	106,659	155,350	142,000
Property	95,250	182,439	123,875	113,725
Other	9,450	11,603	10,400	12,375
Total Expenses	\$5,631,525	\$5,562,416	\$5,936,350	\$6,165,900
<b>Special Education</b>				
Salaries	\$613,900	\$608,679	\$751,550	\$0
Employee Benefits	308,150	308,660	424,075	0
Prof & Tech Services	717,150	564,854	651,700	1,962,525
Property Services	6,400	2,220	3,025	0
Other Services	170,575	89,398	173,125	0
Supplies & Materials	11,650	13,411	12,250	0
Property	13,300	9,115	2,950	0
Other	0	0	0	0
Total Expenses	\$1,841,125	\$1,596,337	\$2,018,675	\$1,962,525
<b>Vocational Education</b>				
Other Services	\$46,100	\$44,147	\$60,400	\$71,900
Total Expenses	\$46,100	\$44,147	\$60,400	\$71,900
<b>Student Activities</b>				
Salaries	\$121,250	\$102,805	\$134,500	\$124,850
Employee Benefits	10,050	7,848	8,950	24,175
Prof & Tech Services	32,300	22,466	31,700	31,700
Property Services	0	0	0	0
Other Services	57,075	47,489	54,850	49,975
Supplies & Materials	10,500	10,999	10,500	10,500
Property	12,850	15,087	12,850	12,850
Other	16,650	17,455	16,625	16,625
Total Expenses	\$260,675	\$224,149	\$269,975	\$270,675
<b>Guidance Services</b>				
Salaries	\$271,475	\$286,280	\$295,350	\$310,250
Employee Benefits	66,925	74,527	74,150	82,450
Prof & Tech Services	24,575	24,650	25,700	25,875
Property Services	300	211	0	300
Other Services	2,000	2,000	2,075	2,100
Supplies & Materials	500	319	500	550
Property	0	0	0	0
Other	1,550	1,475	1,650	1,625
Total Expenses	\$367,325	\$389,462	\$399,425	\$423,150

**STOWE SCHOOL DISTRICT  
BUDGET DEVELOPMENT  
2015-2016**

	13-14		14-15	15-16
	Budget	Actual	Budget	Proposed Budget
<b>Health Services</b>				
Salaries	\$90,250	\$93,973	\$98,750	\$72,325
Employee Benefits	23,250	28,600	23,675	41,625
Prof & Tech Services	0	0	0	45,375
Property Services	450	300	350	375
Other Services	0	28	0	0
Supplies & Materials	1,400	572	1,125	1,125
Property	0	187	475	0
Other	0	0	0	0
Total Expenses	<u>\$115,350</u>	<u>\$123,660</u>	<u>\$124,375</u>	<u>\$160,825</u>
<b>Curriculum &amp; Instruction Services</b>				
Prof & Tech Services	\$55,125	\$55,125	\$60,450	\$45,375
Total Expenses	<u>\$55,125</u>	<u>\$55,125</u>	<u>\$60,450</u>	<u>\$45,375</u>
<b>Library Services</b>				
Salaries	\$106,925	\$109,365	\$114,750	\$117,350
Employee Benefits	51,400	49,457	28,375	29,175
Prof & Tech Services	225	100	625	225
Property Services	150	105	150	150
Other Services	0	0	0	0
Supplies & Materials	15,750	13,718	18,725	18,500
Property	225	0	225	225
Other	75	0	75	75
Total Expenses	<u>\$174,750</u>	<u>\$172,745</u>	<u>\$162,925</u>	<u>\$165,700</u>
<b>School Board</b>				
Salaries	\$5,025	\$5,000	\$5,025	\$5,025
Employee Benefits	450	383	450	450
Prof & Tech Services	22,500	7,261	31,500	32,025
Property Services	0	0	0	0
Other Services	11,950	12,039	6,600	16,100
Supplies & Materials	0	0	0	0
Property	0	0	0	0
Other	8,400	8,447	8,950	9,475
Total Expenses	<u>\$48,325</u>	<u>\$33,130</u>	<u>\$52,525</u>	<u>\$63,075</u>
<b>Executive Admin. Services</b>				
Prof & Tech Services	\$104,700	\$104,700	\$109,500	\$115,275
Total Expenses	<u>\$104,700</u>	<u>\$104,700</u>	<u>\$109,500</u>	<u>\$115,275</u>

**STOWE SCHOOL DISTRICT  
BUDGET DEVELOPMENT  
2015-2016**

	13-14		14-15	15-16 Proposed
	Budget	Actual	Budget	Budget
<b>School Administration</b>				
Salaries	\$467,750	\$462,438	\$479,000	\$485,550
Employee Benefits	140,700	131,953	147,325	149,275
Prof & Tech Services	2,000	300	11,500	11,500
Property Services	41,250	51,728	38,750	47,000
Other Services	45,100	18,378	41,250	35,350
Supplies & Materials	13,950	11,453	14,950	16,400
Property	1,750	7,197	2,450	4,500
Other	16,800	13,917	22,000	22,000
Total Expenses	<u>\$729,300</u>	<u>\$697,364</u>	<u>\$757,225</u>	<u>\$771,575</u>
<b>Fiscal Services</b>				
Salaries	\$900	\$825	\$900	\$925
Employee Benefits	75	63	75	100
Prof & Tech Services	199,275	186,098	175,125	160,100
Property Services	0	0	0	0
Other Services	1,500	11,127	500	4,800
Supplies & Materials	1,500	1,076	1,000	1,000
Other	4,500	0	4,500	0
Current Interest	29,850	9,092	29,850	2,500
Total Expenses	<u>\$237,600</u>	<u>\$208,281</u>	<u>\$211,950</u>	<u>\$169,425</u>
<b>Buildings &amp; Grounds Operations</b>				
Salaries	\$213,825	\$238,960	\$220,375	\$263,150
Employee Benefits	113,525	108,731	99,450	159,125
Prof. & Tech. Services	3,000	0	3,000	3,000
Property Services	303,450	253,837	354,400	345,950
Other Services	31,700	27,979	49,700	38,375
Supplies & Materials	382,825	326,089	368,550	389,000
Property	6,000	6,158	8,000	5,750
Other	0	68	500	0
Total Expenses	<u>\$1,054,325</u>	<u>\$961,822</u>	<u>\$1,103,975</u>	<u>\$1,204,350</u>
<b>Transportation</b>				
Other Services	\$282,075	\$272,997	\$284,675	\$297,275
Total Expenses	<u>\$282,075</u>	<u>\$272,997</u>	<u>\$284,675</u>	<u>\$297,275</u>
<b>Information Services</b>				
Prof & Tech Services	\$78,375	\$78,375	\$86,325	\$65,100
Total Expenses	<u>\$78,375</u>	<u>\$78,375</u>	<u>\$86,325</u>	<u>\$65,100</u>
<b>Debt Service</b>				
Interest on Debt	\$79,725	\$76,319	\$75,900	\$71,925
Principal on Debt	120,000	120,000	120,000	120,000
Total Expenses	<u>\$199,725</u>	<u>\$196,319</u>	<u>\$195,900</u>	<u>\$191,925</u>
<b>Food Service Health Insurance</b>				
	-	-	-	\$73,525
<b>Total General Fund Expenditures</b>	<u><u>\$11,226,400</u></u>	<u><u>\$10,721,029</u></u>	<u><u>\$11,834,650</u></u>	<u><u>\$12,217,575</u></u>

PRELIMINARY

Three Prior Years Comparisons - Format as Provided by AOE

ESTIMATES ONLY

District: <b>Stowe</b> County: <b>Lamoille</b>		<b>T198</b> Lamoille South				Statutory calculation See note at bottom of page	Recommended homestead rate from Tax Commissioner. See note at bottom of page.
		FY2013	FY2014	FY2015	FY2016	9,459	1.00
<b>Expenditures</b>							
1.	<b>Budget</b> (local budget, including special programs, full technical center expenditures, and any Act 144 expenditures)	\$11,105,025	\$11,226,400	\$11,834,650	\$12,217,575		
2.	plus Sum of separately warned articles passed at town meeting	-	-	-	-		
3.	minus Act 144 Expenditures, to be excluded from Education Spending (Manchester & West Windsor only)	-	-	-	-		
4.	<b>Locally adopted or warned budget</b>	\$11,105,025	\$11,226,400	\$11,834,650	\$12,217,575		
5.	plus Obligation to a Regional Technical Center School District if any	-	-	-	-		
6.	plus Prior year deficit repayment of deficit	-	-	-	-		
7.	<b>Total Budget</b>	\$11,105,025	\$11,226,400	\$11,834,650	\$12,217,575		
8.	S.U. assessment (included in local budget) - informational data	\$911,700	\$884,300	\$1,077,475	\$2,045,975		
9.	Prior year deficit reduction (included in expenditure budget) - informational data	-	-	-	-		
<b>Revenues</b>							
10.	Offsetting revenues (categorical grants, donations, tuitions, surplus, etc., including local Act 144 tax revenues)	\$2,264,450	\$2,127,950	\$2,233,100	\$2,158,150		
11.	plus Capital debt aid for eligible projects pre-existing Act 60	-	-	-	-		
12.	minus All Act 144 revenues, including local Act 144 tax revenues (Manchester & West Windsor only)	-	-	-	-		
13.	<b>Offsetting revenues</b>	\$2,264,450	\$2,127,950	\$2,233,100	\$2,158,150		
14.	<b>Education Spending</b>	\$8,840,575	\$9,098,450	\$9,601,550	\$10,059,425		
15.	Equalized Pupils (Act 130 count is by school district)	659.10	656.83	683.24	703.13		
<b>Education Spending per Equalized Pupil</b>							
16.		\$13,413.10	\$13,852.06	\$14,052.97	\$14,306.64		
17.	minus Less ALL net eligible construction costs (or P&I) per equalized pupil	\$298.17	\$289.84	\$273.99	-		
18.	minus Less share of SpEd costs in excess of \$50,000 for an individual	\$2.98	\$2.50	\$13.94	-		
19.	minus Less amount of deficit if deficit is SOLELY attributable to tuitions paid to public schools for grades the district does not operate for new students who moved to the district after the budget was passed	-	-	-	-		
20.	minus Less SpEd costs if excess is solely attributable to new SpEd spending if district has 20 or fewer equalized pupils	-	-	-	-		
21.	minus Estimated costs of new students after census period	-	-	-	-		
22.	minus Total tuitions if tuitioning ALL K-12 unless electorate has approved tuitions greater than average announced tuition	NA	-	-	-		
23.	minus Less planning costs for merger of small schools	-	-	-	-		
24.	minus Teacher retirement assessment for new members of Vermont State Teachers' Retirement System on or after July 1, 2015	NA	NA	NA	-		
25.	plus Excess Spending per Equalized Pupil over threshold (if any)					threshold = \$14,861	threshold = \$15,456
26.	Per pupil figure used for calculating District Adjustment	\$13,413	\$13,852	\$14,053	\$14,307	threshold = \$16,166	threshold = \$17,103
27.	<b>District spending adjustment</b> (minimum of 100%) (\$14,307 / \$9,459)	153.767%	151.372%	151.351%	151.249%	based on \$8,722	based on \$9,157
<b>Prorating the local tax rate</b>							
28.	Anticipated district equalized homestead tax rate to be prorated (151.249% x \$1.000)	\$1.3685	\$1.4229	\$1.4832	\$1.5125	based on \$9.94	based on \$1.00
29.	Percent of Stowe equalized pupils not in a union school district	100.00%	100.00%	100.00%	100.00%		
30.	Portion of district eq homestead rate to be assessed by town (100.00% x \$1.51)	\$1.3685	\$1.4229	\$1.4832	\$1.5125		
31.	<b>Common Level of Appraisal (CLA)</b>	95.83%	96.39%	99.64%	98.52%		
32.	Portion of actual district homestead rate to be assessed by town (\$.5125 / 98.52%)	\$1.4280	\$1.4762	\$1.4868	\$1.5362	based on \$9.89	based on \$9.94
If the district belongs to a union school district, this is only a PARTIAL homestead tax rate. The tax rate shown represents the estimated portion of the final homestead tax rate due to spending for students who do not belong to a union school district. The same holds true for the income cap percentage.							
33.	Anticipated income cap percent to be prorated (151.249% x 1.94%)	2.77%	2.72%	2.94%	2.93%	based on 1.80%	based on 1.94%
34.	Portion of district income cap percent applied by State (100.00% x 2.93%)	2.77%	2.72%	2.94%	2.93%	based on 1.90%	based on 1.94%
35.	Percent of equalized pupils at union 1	-	-	-	-		
36.		-	-	-	-		

- Following current statute, the base education amount is calculated to be \$9,459. The Tax Commissioner has recommended base tax rates of \$1.00 and \$1.535. The administration also has stated that tax rates could be lower than the recommendations if statewide education spending is held down.  
 - Final figures will be set by the Legislature during the legislative session and approved by the Governor.  
 - The base income percentage cap is 1.94%.

### DISTRICT SPENDING ADJUSTMENT

	FY15	FY16
Budgeted Expenditures	\$11,834,650	\$12,217,575
Budgeted Available Revenues	\$2,233,100	\$2,158,150
Education Spending	\$9,601,550	\$10,059,425
Equalized Pupils	683.24	703.13
Education Spending per Equalized Pupil	\$14,053	\$14,307
Base Amount	\$9,285	\$9,459
<b>District Spending Adjustment</b>	<b>151.351%</b>	<b>151.249%</b>

### ESTIMATED HOMESTEAD TAX RATE

	FY15	FY16
District Spending Adjustment	151.351%	151.249%
Statewide Equalized Tax Rate	\$0.98	\$1.00
<b>Adjusted Equalized Tax Rate</b>	<b>\$1.483</b>	<b>\$1.512</b>
Common Level of Appraisal	99.64%	98.52%
<b>Estimated Local Tax Rate</b>	<b>\$1.489</b>	<b>\$1.535</b>

**ESTIMATED  
NON-HOMESTEAD TAX RATE**

	FY15	FY16
Statewide Equalized Tax Rate	\$1.515	\$1.535
District Spending Adjustment	N/A	N/A
<b>Adjusted Equalized Tax Rate</b>	<b>\$1.515</b>	<b>\$1.535</b>
<i>Common Level of Appraisal</i>	99.64%	98.52%
<b>Estimated Local Tax Rate</b>	<b>\$1.520</b>	<b>\$1.558</b>

**ESTIMATED  
INCOME SENSITIVITY INFORMATION**

	FY15	FY16
Statewide Income Sensitivity %	1.80%	1.94%
District Spending Adjustment	151.351%	151.249%
<b>Local Income Sensitivity %</b>	<b>2.724%</b>	<b>2.934%</b>

SPECIAL EDUCATION BUDGET MOVED TO SUPERVISORY UNION  
TO COMPLY WITH NEW VERMONT LAW

The budget for Lamoille South Supervisory Union (LSSU), which includes the Stowe, Morristown and Elmore school districts, for the 2015-2016 school year is changing to comply with changes in Vermont law. The changes have implications for both the LSSU budget and the proposed school budget for each town; however, it is important to note that this is a change in financial structure, not service delivery.

To assist with understanding the implications, following are answers to frequently asked questions.

**Q: Why has the LSSU budget changed?**

**A:** The budget for special education for Stowe, Morristown and Elmore will now be in the LSSU budget. Vermont law requires that transportation and special education services be provided by the supervisory union. Three years ago, transportation costs were transitioned into the LSSU budget. For the 2015-2016 school year, special education programs, including all costs and personnel, are incorporated into LSSU.

**Q: How will these changes affect services in my local school district?**

**A:** Services for students should look and feel the same (or better) in each school in the district. Special education staff will continue to work in schools, directly with children, as they always have in the past. Working together, we hope to build on strengths and share successes for the benefit of all; however, we remain committed to providing strong, site-based teams who work effectively to support each individual student to access and grow in the general education curriculum. This is a change in financial structure, not service delivery.

**Q: How will these changes affect the budget in my local school district?**

**A:** Expenditures, and some revenues, will look differently in both the LSSU and local school budgets when compared to last years. However, budget amounts for special education services allocated to districts are proportionate to what they would have been prior to the new, required financial structure. Instead of paying directly for these services, Stowe, Morristown and Elmore school districts will pay for special education through assessments paid to LSSU. While this sort of cooperative practice may be new to some areas in Vermont, we have found this sort of collaboration to be of value for many years. We work together, we achieve efficiencies, and we get great bang for our buck.

**Q: Why are there two versions of the expenditures?**

**A:** Simply for the sake of comparison. To enable citizens to compare the FY15 and FY16 budgeted expenditures during this transition, a special expenditure report was generated to include all school district and supervisory union costs for special education in prior years, titled "Expenditures – Prior Years Adjusted for Comparability." This will allow interested individuals to

see how overall proposed expenditures, particularly for special education, compare from year to year during this transition.

**Q: What does LSSU do?**

**A:** The Lamoille South Supervisory Union provides a variety of services and supports to the schools and school districts of Stowe, Morristown and Elmore. Key services include leadership and school board support, administrative and management services, transportation, and shared education services. Administrative services range from accounting and bookkeeping to state and federal data reporting. Attending to administrative services through LSSU increases efficiency and allows schools to focus their resources on students and learning. Shared educational services include school and community-based pre-kindergarten, specialized services such as school psychologists, and for the coming year, special education services. The overwhelming majority of LSSU staff and resources are deployed directly in schools in Stowe, Morristown and Elmore and are focused on work with students.

For answers to questions not addressed here, please:

- Contact a school board member.
- Visit our website by following the links from your favorite school page or directly at [www.lamoillesouthsu.org](http://www.lamoillesouthsu.org).
- Contact Tracy Wrend, Superintendent, by phone at 888-4541 ext. 0 or email, [tracy.wrend@lssuvt.org](mailto:tracy.wrend@lssuvt.org).
- Attend a budget information meeting:
  - Elmore: Town Hall, Wednesday, February 25, 2015, 6:00pm
  - Morristown: MES Library, Tuesday, February 24, 2015, 7:00pm
  - Stowe: Akeley Memorial Building, Monday, March 2, 2015, 5:00pm.
- Attend Town Meeting on Tuesday, March 3, 2015.

**Lamoille South Supervisory Union  
Revenues**

	Historical Revenue (Pre-Centralization)		LSSU with Centralized Special Education	
	FY 14 Actual	FY 15 Budget	FY 16 Budget	
<b>Assessments:</b>				
Health Services				
Elmore	\$ -	\$ -	\$	8,125
Morristown	\$ -	\$ -	\$	46,200
Stowe	\$ -	\$ -	\$	45,375
	\$ -	\$ -	\$	99,700
Psychological Services				
Elmore	\$ 2,300	\$ 2,450	\$	2,400
Morristown	\$ 49,800	\$ 52,125	\$	52,500
Stowe	\$ 24,525	\$ 25,650	\$	25,875
	\$ 76,625	\$ 80,225	\$	80,775
Curriculum & Instruction				
Elmore	\$ 9,700	\$ 9,900	\$	8,050
Morristown	\$ 63,750	\$ 62,025	\$	46,200
Stowe	\$ 55,125	\$ 60,450	\$	45,375
	\$ 128,575	\$ 132,375	\$	99,625
Audit Services				
Elmore	\$ -	\$ -	\$	4,850
Morristown	\$ -	\$ -	\$	11,175
Stowe	\$ -	\$ -	\$	9,525
	\$ -	\$ -	\$	25,550
Administrative Services				
Elmore	\$ 1,525	\$ 1,525	\$	1,600
Morristown	\$ 129,525	\$ 133,050	\$	138,750
Stowe	\$ 104,700	\$ 109,500	\$	115,275
	\$ 235,750	\$ 244,075	\$	255,625
Fiscal Services				
Elmore	\$ 2,750	\$ 2,375	\$	2,125
Morristown	\$ 229,875	\$ 205,575	\$	186,675
Stowe	\$ 185,775	\$ 169,125	\$	155,100
	\$ 418,400	\$ 377,075	\$	343,900
Information Services				
Elmore	\$ 13,825	\$ 14,050	\$	11,675
Morristown	\$ 90,600	\$ 88,500	\$	66,300
Stowe	\$ 78,375	\$ 86,325	\$	65,100
	\$ 182,800	\$ 188,875	\$	143,075
Pre-School Program				
Elmore	\$ 13,050	\$ 18,350	\$	35,250
Morristown	\$ 81,000	\$ 107,325	\$	159,600
Stowe	\$ -	\$ 65,350	\$	180,075
	\$ 94,050	\$ 191,025	\$	374,925

**Lamoille South Supervisory Union  
Revenues**

	Historical Revenue (Pre-Centralization)		LSSU with Centralized Special Education	
	FY 14 Actual	FY 15 Budget	FY 16 Budget	
Instruction-SPED				
Elmore	\$ -	\$ -	\$ 428,525	
Morristown	\$ -	\$ -	\$ 2,336,725	
Stowe	\$ -	\$ -	\$ 1,437,000	
	\$ -	\$ -	\$ 4,202,250	
Psych. Services-SPED				
Elmore	\$ 2,325	\$ 2,525	\$ 2,650	
Morristown	\$ 53,700	\$ 56,775	\$ 60,750	
Stowe	\$ 63,225	\$ 66,825	\$ 71,550	
	\$ 119,250	\$ 126,125	\$ 134,950	
Speech & Audiology-SPED				
Elmore	\$ 13,700	\$ 13,925	\$ 36,325	
Morristown	\$ 89,850	\$ 87,300	\$ 206,475	
Stowe	\$ 77,700	\$ 85,125	\$ 202,725	
	\$ 181,250	\$ 186,350	\$ 445,525	
OT/PT-SPED				
Elmore	\$ -	\$ -	\$ 17,150	
Morristown	\$ -	\$ -	\$ 97,200	
Stowe	\$ -	\$ -	\$ 95,475	
	\$ -	\$ -	\$ 209,825	
Admin. Services-SPED				
Elmore	\$ 9,625	\$ 9,675	\$ 11,950	
Morristown	\$ 63,000	\$ 60,375	\$ 68,175	
Stowe	\$ 54,450	\$ 58,875	\$ 66,975	
	\$ 127,075	\$ 128,925	\$ 147,100	
Essential Early Education				
Elmore	\$ 10,775	\$ 11,200	\$ 14,575	
Morristown	\$ 66,750	\$ 65,550	\$ 65,775	
Stowe	\$ 59,550	\$ 66,825	\$ 74,250	
	\$ 137,075	\$ 143,575	\$ 154,600	
Transportation-SPED				
Elmore	\$ -	\$ -	\$ 9,425	
Morristown	\$ -	\$ -	\$ 9,825	
Stowe	\$ -	\$ -	\$ 14,550	
	\$ -	\$ -	\$ 33,800	
Transportation				
Elmore	\$ 70,083	\$ 77,825	\$ 80,525	
Morristown	\$ 267,327	\$ 275,450	\$ 276,125	
Stowe	\$ 319,663	\$ 337,725	\$ 341,750	
	\$ 657,073	\$ 691,000	\$ 698,400	
<b>TOTAL ASSESSMENTS</b>	<b>\$ 2,357,923</b>	<b>\$ 2,489,625</b>	<b>\$ 7,449,625</b>	

**Lamoille South Supervisory Union  
Revenues**

	Historical Revenue (Pre-Centralization)		LSSU with Centralized Special Education
	FY 14 Actual	FY 15 Budget	FY 16 Budget
<b>Other Revenues:</b>			
Fund Balance Carryforward	\$ 50,000	\$ 50,000	\$ 160,000
Interest Income	\$ 3,072	\$ 4,000	\$ 2,500
Service Fees	\$ 46,442	\$ 30,000	\$ 30,000
VCPC Grant	\$ 15,000	\$ 44,000	\$ -
IDEA B -	\$ 144,720	\$ 127,625	\$ 231,000
IDEA B - EEE	\$ 8,784	\$ 7,300	\$ 7,500
Title I	\$ 16,000	\$ 16,000	\$ 16,000
Miscellaneous	\$ 2,116	\$ -	\$ -
Food Service (Pass-through)	\$ 313,880	\$ -	\$ -
Services to other LEA's	\$ -	\$ -	\$ 16,000
<b>TOTAL OTHER REVENUES</b>	<b>\$ 600,014</b>	<b>\$ 278,925</b>	<b>\$ 463,000</b>
<b>TOTAL REVENUES</b>	<b>\$ 2,957,937</b>	<b>\$ 2,768,550</b>	<b>\$ 7,912,625</b>

**Lamoille South Supervisory Union  
Expenditures- No Adjustment to Prior Years**

LSSU with Centralized Special Education
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Description	FY 14 Actual	FY 15 Budget	FY 16 Budget
<u>Health Services</u>			
Salaries	\$ -	\$ -	\$ 70,000
Employee Benefits	-	-	29,700
Property	-	-	-
Total	\$ -	\$ -	\$ 99,700
<u>Psychological Services</u>			
Salaries	\$ 55,215	\$ 57,675	\$ 59,475
Employee Benefits	19,020	22,025	21,150
Other Services	82	525	150
Total	\$ 74,317	\$ 80,225	\$ 80,775
<u>Curriculum &amp; Instruction</u>			
Salaries	\$ 105,502	\$ 108,800	\$ 112,075
Employee Benefits	34,185	35,875	36,900
Other Services	1,698	1,500	1,500
Supplies & Materials	4,040	200	4,150
Other	650	2,000	1,000
Total	\$ 146,075	\$ 148,375	\$ 155,625
<u>Audit Services</u>			
Prof & Tech Services	\$ 5,900	\$ -	\$ 25,550
Total	\$ 5,900	\$ -	\$ 25,550
<u>Administrative Services</u>			
Salaries	\$ 149,293	\$ 153,950	\$ 158,575
Employee Benefits	46,285	50,975	52,400
Prof & Tech Services	5,486	22,825	20,250
Property Services	33,534	31,675	33,975
Other Services	14,403	19,550	14,825
Supplies & Materials	6,931	10,550	7,750
Property	-	1,750	1,750
Other	8,198	6,800	8,600
Total	\$ 264,130	\$ 298,075	\$ 298,125

**Lamoille South Supervisory Union**  
**Expenditures- No Adjustment to Prior Years**

LSSU with Centralized Special Education
---

Description	FY 14 Actual	FY 15 Budget	FY 16 Budget
<u>Fiscal Services</u>			
Salaries	\$ 263,937	\$ 275,400	\$ 283,675
Employee Benefits	79,358	93,300	97,400
Prof & Tech Services	19,536	8,800	3,000
Property Services	4,636	3,425	5,175
Other Services	1,491	2,500	1,500
Supplies & Materials	2,821	3,500	3,000
Property	572	3,000	3,000
Other	1,648	2,150	2,150
Total	\$ 373,999	\$ 392,075	\$ 398,900
<u>Information Services</u>			
Salaries	\$ 120,355	\$ 124,100	\$ 129,000
Employee Benefits	43,240	47,600	36,575
Prof & Tech Services	1,301	-	1,000
Property Services	4,636	2,925	3,000
Other Services	670	1,000	1,000
Supplies & Materials	335	2,750	1,500
Property	-	2,500	7,000
Other	2,634	8,000	4,000
Total	\$ 173,171	\$ 188,875	\$ 183,075
<u>Pre-School Program</u>			
Salaries	\$ 26,806	\$ 58,450	\$ 47,500
Employee Benefits	12,121	24,075	26,025
Prof & Tech Services	-	-	-
Other Services	55,201	150,250	300,150
Supplies & Materials	315	2,250	1,250
Total	\$ 94,443	\$ 235,025	\$ 374,925
<u>Instruction-SPED</u>			
Salaries	\$ -	\$ -	\$ 1,794,850
Employee Benefits	-	-	972,575
Prof & Tech Services	-	-	1,202,675
Property Services	-	-	3,400
Other Services	-	-	208,375
Supplies & Materials	-	-	29,025
Property	-	-	7,350
Other	-	-	-
Total	\$ -	\$ -	\$ 4,218,250

**Lamoille South Supervisory Union  
Expenditures- No Adjustment to Prior Years**

LSSU with Centralized Special Education
---

Description	FY 14 Actual	FY 15 Budget	FY 16 Budget
<u>Psychological Services - SPED</u>			
Salaries	\$ 83,440	\$ 86,525	\$ 89,075
Employee Benefits	27,791	34,100	31,575
Prof & Tech Services	1,560	1,250	11,700
Other Services	49	250	100
Supplies & Materials	3,576	4,000	2,500
Total	\$ 116,416	\$ 126,125	\$ 134,950
<u>Speech &amp; Audiology - SPED</u>			
Salaries	\$ 131,958	\$ 135,075	\$ 283,925
Employee Benefits	43,390	46,275	138,325
Prof & Tech Services	1,395	1,500	16,000
Property Services	-	-	800
Other Services	890	1,000	800
Supplies & Materials	1,839	2,000	4,075
Property	-	500	1,600
Total	\$ 179,472	\$ 186,350	\$ 445,525
<u>OT/PT-SPED</u>			
Salaries	-	-	124,925
Employee Benefits	-	-	62,075
Prof & Tech Services	-	-	19,025
Supplies & Materials	262	-	3,100
Property	28	-	700
Total	\$ 290	\$ -	\$ 209,825
<u>Administrative Services - SPED</u>			
Salaries	\$ 100,280	\$ 103,800	\$ 108,450
Employee Benefits	23,655	24,375	35,750
Prof & Tech Services	-	2,000	2,000
Property Services	4,636	2,000	4,400
Other Services	1,605	4,000	4,000
Supplies & Materials	598	3,250	3,250
Property	-	2,500	2,750
Other	1,037	2,000	1,500
Total	\$ 131,811	\$ 143,925	\$ 162,100

**Lamoille South Supervisory Union  
Expenditures- No Adjustment to Prior Years**

LSSU with Centralized Special Education
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Description	FY 14 Actual	FY 15 Budget	FY 16 Budget
<u>Essential Early Education</u>			
Salaries	\$ 182,779	\$ 191,050	\$ 206,175
Employee Benefits	59,848	67,050	92,650
Prof & Tech Services	954	3,000	59,925
Property Services	7,000	7,250	7,250
Other Services	2,819	4,850	5,650
Supplies & Materials	3,835	4,300	10,300
Property	684	500	2,150
Other	-	500	9,000
<b>Total</b>	<b>\$ 257,919</b>	<b>\$ 278,500</b>	<b>\$ 393,100</b>
<u>Transportation Services-SPED</u>			
Other Services	-	-	33,800
	-	-	33,800
<u>Transportation Services</u>			
Other Services	657,073	691,000	698,400
<b>Total</b>	<b>\$ 657,073</b>	<b>\$ 691,000</b>	<b>\$ 698,400</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 2,475,016</b>	<b>\$ 2,768,550</b>	<b>\$ 7,912,625</b>

**Lamoille South Supervisory Union  
Expenditures- Prior Years Adjusted for Comparability**

*** FY 14 and FY 15 values have been adjusted to include prior year Special Ed costs for comparability with FY 16 ***	LSSU with Centralized Special Education
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Description	FY 14 Actual	FY 15 Budget	FY 16 Budget
<u>Health Services</u>			
Salaries	\$ -	\$ -	\$ 70,000
Employee Benefits	-	-	29,700
Property	-	-	-
Total	\$ -	\$ -	\$ 99,700
<u>Psychological Services</u>			
Salaries	\$ 55,215	\$ 57,675	\$ 59,475
Employee Benefits	19,101	22,025	21,150
Other Services	-	525	150
Total	\$ 74,316	\$ 80,225	\$ 80,775
<u>Curriculum &amp; Instruction</u>			
Salaries	\$ 105,502	\$ 108,800	\$ 112,075
Employee Benefits	34,185	35,875	36,900
Other Services	1,698	1,500	1,500
Supplies & Materials	4,040	200	4,150
Other	650	2,000	1,000
Total	\$ 146,075	\$ 148,375	\$ 155,625
<u>Audit Services</u>			
Prof & Tech Services	\$ 5,900	\$ -	\$ 25,550
Total	\$ 5,900	\$ -	\$ 25,550
<u>Administrative Services</u>			
Salaries	\$ 149,293	\$ 153,950	\$ 158,575
Employee Benefits	46,285	50,975	52,400
Prof & Tech Services	5,486	22,825	20,250
Property Services	33,534	31,675	33,975
Other Services	14,403	19,550	14,825
Supplies & Materials	6,931	10,550	7,750
Property	-	1,750	1,750
Other	8,198	6,800	8,600
Total	\$ 264,130	\$ 298,075	\$ 298,125

**Lamoille South Supervisory Union**  
**Expenditures- Prior Years Adjusted for Comparability**

*** FY 14 and FY 15 values have been adjusted to include prior year Special Ed costs for comparability with FY 16 ***	LSSU with Centralized Special Education
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Description	FY 14 Actual	FY 15 Budget	FY 16 Budget
<u>Fiscal Services</u>			
Salaries	\$ 263,937	\$ 275,400	\$ 283,675
Employee Benefits	79,358	93,300	97,400
Prof & Tech Services	19,536	8,800	3,000
Property Services	4,636	3,425	5,175
Other Services	1,491	2,500	1,500
Supplies & Materials	2,821	3,500	3,000
Property	572	3,000	3,000
Other	1,650	2,150	2,150
Total	\$ 374,001	\$ 392,075	\$ 398,900
<u>Information Services</u>			
Salaries	\$ 120,355	\$ 124,100	\$ 129,000
Employee Benefits	43,240	47,600	36,575
Prof & Tech Services	1,301	-	1,000
Property Services	4,636	2,925	3,000
Other Services	670	1,000	1,000
Supplies & Materials	335	2,750	1,500
Property	-	2,500	7,000
Other	2,634	8,000	4,000
Total	\$ 173,171	\$ 188,875	\$ 183,075
<u>Pre-School Program</u>			
Salaries	\$ 26,806	\$ 58,450	\$ 47,500
Employee Benefits	12,121	24,075	26,025
Prof & Tech Services	-	-	-
Other Services	55,201	150,250	300,150
Supplies & Materials	315	2,250	1,250
Total	\$ 94,443	\$ 235,025	\$ 374,925
<u>Instruction-SPED</u>			
Salaries	\$ 1,436,527	\$ 1,709,925	\$ 1,794,850
Employee Benefits	701,996	885,125	972,575
Prof & Tech Services	963,512	1,176,725	1,202,675
Property Services	2,440	3,100	3,400
Other Services	275,327	386,975	208,375
Supplies & Materials	18,799	24,850	29,025
Property	11,116	15,250	7,350
Other	302	-	-
Total	\$ 3,410,019	\$ 4,201,950	\$ 4,218,250

**Lamoille South Supervisory Union  
Expenditures- Prior Years Adjusted for Comparability**

Description	*** FY 14 and FY 15 values have been adjusted to include prior year Special Ed costs for comparability with FY 16 ***		LSSU with Centralized Special Education
	FY 14 Actual	FY 15 Budget	FY 16 Budget
<u>Psychological Services - SPED</u>			
Salaries	\$ 83,440	\$ 86,525	\$ 89,075
Employee Benefits	27,791	34,100	31,575
Prof & Tech Services	4,440	10,350	11,700
Other Services	49	250	100
Supplies & Materials	3,576	4,000	2,500
Total	\$ 119,296	\$ 135,225	\$ 134,950
<u>Speech &amp; Audiology - SPED</u>			
Salaries	\$ 188,585	\$ 214,300	\$ 283,925
Employee Benefits	94,645	131,350	138,325
Prof & Tech Services	107,716	108,125	16,000
Property Services	975	3,200	800
Other Services	1,113	1,500	800
Supplies & Materials	2,928	4,900	4,075
Property	3,115	1,500	1,600
Total	\$ 399,077	\$ 464,875	\$ 445,525
<u>OT/PT-SPED</u>			
Salaries	-	-	124,925
Employee Benefits	-	-	62,075
Prof & Tech Services	156,455	151,525	19,025
Supplies & Materials	1,739	400	3,100
Property	473	-	700
Total	\$ 158,667	\$ 151,925	\$ 209,825
<u>Administrative Services - SPED</u>			
Salaries	\$ 100,280	\$ 103,800	\$ 108,450
Employee Benefits	23,655	24,375	35,750
Prof & Tech Services	-	2,000	2,000
Property Services	4,636	2,000	4,400
Other Services	1,605	4,000	4,000
Supplies & Materials	598	3,250	3,250
Property	-	2,500	2,750
Other	1,037	2,000	1,500
Total	\$ 131,811	\$ 143,925	\$ 162,100

**Lamoille South Supervisory Union**  
**Expenditures- Prior Years Adjusted for Comparability**

*** FY 14 and FY 15 values have been adjusted to include prior year Special Ed costs for comparability with FY 16 ***	LSSU with Centralized Special Education
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Description	FY 14 Actual	FY 15 Budget	FY 16 Budget
<u>Essential Early Education</u>			
Salaries	\$ 201,383	\$ 224,525	\$ 206,175
Employee Benefits	62,113	70,525	92,650
Prof & Tech Services	40,650	32,650	59,925
Property Services	7,000	7,250	7,250
Other Services	4,025	5,725	5,650
Supplies & Materials	12,583	13,050	10,300
Property	2,978	1,700	2,150
Other	-	500	9,000
<b>Total</b>	<b>\$ 330,732</b>	<b>\$ 355,925</b>	<b>\$ 393,100</b>
<u>Transportation Services-SPED</u>			
Other Services	14,645	38,550	33,800
	14,645	38,550	33,800
<u>Transportation Services</u>			
Other Services	657,073	691,000	698,400
<b>Total</b>	<b>\$ 657,073</b>	<b>\$ 691,000</b>	<b>\$ 698,400</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 6,353,356</b>	<b>\$ 7,526,025</b>	<b>\$ 7,912,625</b>

**Comparative Data for Cost-Effectiveness, FY2016 Report**  
 16 V.S.A. § 165(a)(2)(K)

School: Stowe Elementary School  
 S.U.: Lamoille South S.U.

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

**FY2014 School Level Data**

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

Cohort Rank by Enrollment (1 is largest)  
 17 out of 31

School level data		Grades Offered	Enrollment	Total Teachers	Total Administrators	Stu / Tchrr Ratio	Stu / Admin Ratio	Tchr / Admin Ratio
Smaller →	Morristown Elementary Schools	PK - 4	366	23.10	1.00	15.84	366.00	23.10
	Cambridge Elementary School	PK - 6	377	33.40	1.00	11.29	377.00	33.40
	Derby Elementary School	PK - 6	384	37.50	2.00	10.24	192.00	18.75
	<b>Stowe Elementary School</b>	<b>PK - 5</b>	<b>386</b>	<b>24.95</b>	<b>1.00</b>	<b>15.47</b>	<b>386.00</b>	<b>24.95</b>
← Larger	Academy School	K - 6	400	38.50	2.00	10.39	200.00	19.25
	Neshobe School	PK - 6	401	24.91	1.00	16.10	401.00	24.91
	J.F. Kennedy Elementary School	PK - 5	403	38.59	1.49	10.44	270.47	25.90
<b>Averaged SCHOOL cohort data</b>			<b>425.10</b>	<b>31.93</b>	<b>1.51</b>	<b>13.31</b>	<b>281.64</b>	<b>21.16</b>

School District: Stowe  
 LEA ID: T198

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

The portion of current expenditures made by supervisory unions on behalf of districts varies greatly. These data include district assessments to SUs, including assessments to SUs makes districts more comparable to each other.

**FY2013 School District Data**

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

School district data (local, union, or joint district)		Grades offered in School District	Student FTE enrolled in school district	Current expenditures per student FTE EXCLUDING special education costs	Cohort Rank by FTE (1 is largest) 12 out of 33
Smaller →	Williamstown	PK-12	534.11	\$10,220	
	Northfield	PK-12	621.22	\$11,545	
	Enosburgh	PK-12	625.43	\$11,516	
	<b>Stowe</b>	<b>PK-12</b>	<b>697.56</b>	<b>\$12,065</b>	
← Larger	Wincooski ID	PK-12	752.46	\$15,286	
	Fairfax	PK-12	843.12	\$10,526	
	Morristown	PK-12	848.17	\$11,916	
<b>Averaged SCHOOL DISTRICT cohort data</b>			<b>804.5</b>	<b>\$12,969</b>	

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

**FY2015 School District Data**

LEA ID	School District	Grades offered in School District	School district tax rate			Total municipal tax rate, K-12, consisting of prorated member district rates		
			SchIDist Equalized Pupils	SchIDist Education Spending per Equalized Pupil	SchIDist Equalized Homestead Ed tax rate	MUN Equalized Ed tax rate	MUN Common Level of Appraisal	MUN Actual Homestead Ed tax rate
Smaller →	T068 Enosburgh	PK-12	491.30	11,445.35	1,2080	100.18%	1.2058	
	T243 Williamstown	PK-12	537.67	12,793.25	1,3503	89.60%	1.5070	
	T142 Northfield	PK-12	616.35	12,965.32	1,3694	83.58%	1.6372	
	<b>T198 Stowe</b>	<b>PK-12</b>	<b>683.24</b>	<b>14,052.97</b>	<b>1,4832</b>	<b>99.64%</b>	<b>1.4886</b>	
← Larger	T071 Fairfax	PK-12	756.87	11,979.78	1,2644	95.29%	1.3269	
	T132 Morristown	PK-12	779.57	13,019.42	1,3742	102.64%	1.3389	
	T249 Wincooski ID	PK-12	895.50	12,736.40	1,3443	101.11%	1.3295	

The Legislature has required the Department of Education to provide this information per the following statute:  
 16 V.S.A. § 165(a)(2) The school, at least annually, reports student performance results to community members in a format selected by the school board. . . . The school report shall include:

(K) data provided by the commissioner which enable a comparison with other schools, or school districts if school level data are not available, for cost-effectiveness. The commissioner shall establish which data are to be included pursuant to this subdivision and, notwithstanding that the other elements of the report are to be presented in a format selected by the school board, shall develop a common format to be used by each school in presenting the data to community members. The commissioner shall provide the most recent data available to each school no later than October 1 of each year. Data to be presented may include student-to-teacher ratio, administrator-to-student ratio, administrator-to-teacher ratio, and cost per pupil.

**Comparative Data for Cost-Effectiveness, FY2016 Report**  
 16 V.S.A. § 165(a)(2)(K)

School: Stowe Middle/High School  
 S.U.: Lamolille South S.U.

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

**FY2014 School Level Data**

Cohort Description: Junior/Senior high school  
 (23 schools in cohort)

Cohort Rank by Enrollment (1 is largest)  
 9 out of 23

School level data		Grades Offered	Enrollment	Total Teachers	Total Administrators	Stu / Tchr Ratio	Stu / Admin Ratio	Tchr / Admin Ratio
Smaller ->	Leland And Gray UHS #34	7 - 12	362	32.79	1.75	11.04	206.86	18.74
	Hazen UHS #26	7 - 12	367	29.30	3.00	12.53	122.33	9.77
	Oxbow UHS #30	7 - 12	390	35.00	2.00	11.14	195.00	17.50
	<b>Stowe Middle/High School</b>	<b>6 - 12</b>	<b>408</b>	<b>35.95</b>	<b>2.00</b>	<b>11.35</b>	<b>204.00</b>	<b>17.98</b>
<- Larger	Enosburg Middle-High School	6 - 12	420	41.04	3.00	10.23	140.00	13.68
	Randolph UHS #2	7 - 12	445	42.00	2.00	10.60	222.50	21.00
	Vergennes UHS #5	7 - 12	511	50.40	2.00	10.14	255.50	25.20
Averaged SCHOOL cohort data			387.83	37.17	2.14	10.43	180.90	17.34

School District: Stowe  
 LEA ID: T198

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	Morristown	PK-12	848.17	\$11,916	
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Stowe School District  
Financial Statements  
For The Year Ended June 30, 2014

Stowe School District  
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For The Year Ended June 30, 2014

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Stowe School District  
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## INDEPENDENT AUDITOR'S REPORT

To the School Board  
Stowe School District, Vermont

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and the aggregate remaining fund information of Stowe School District, Vermont, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the 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.

### **Auditor's 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 from 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.

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, the business-type activities, and the aggregate remaining fund information of the Stowe School District, Vermont, as of June 30, 2014, 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 pensions and other post-employment benefit information on pages 6, 40-52, and 33-34 and 28-29 respectively, 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 School District, Vermont's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate 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 combining and individual nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2014, on our consideration of the Stowe School District, 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 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 Stowe School District, Vermont's internal control over financial reporting and compliance.

#### **Angolano & Company**

Angolano & Company  
Shelburne, Vermont  
Firm Registration Number 92-0000141

December 16, 2014

## STOWE SCHOOL DISTRICT, STOWE, VT

Management's Discussion and Analysis  
For Year Ended June 30, 2014

As management of Stowe School District (the "District"), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2014.

### FINANCIAL HIGHLIGHTS

- The District's spending was \$505,360 less than the general fund budget.
- Regular Education expenses were \$222,104 less than budget primarily due to lower actual employee salary and benefit costs and lower instructional materials costs.
- Special Education expenses were \$244,788 less than budget due to lower actual professional services and tuition related to student-specific needs.
- Vocational Education expenses were \$1,953 less than budget.
- Co-curricular Activities costs were \$36,515 less than budget.
- The District received \$208,566 more than anticipated in revenues. This was primarily due to higher than anticipated tuition revenue and special education reimbursements from the state.
- The general fund balance at June 30, 2014 was \$1,786,485 compared to \$1,752,548 at June 30, 2013. Committed funds include \$680,000 authorized by the voters to be used to reduce taxes in the 2014-2015 fiscal year, and \$250,000 approved to be transferred to the Construction Fund. The remaining \$856,485 will be available to reduce taxes or to defer expenses in future budgets.

### OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components 1) district-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

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

The District-Wide Statement of Net Position presents information on all of the District's net assets changed during the fiscal year. All changes in net assets are reported when the under-lying event giving rise to the change occurs, regardless of the timing of the related cash flows.

Both of the district-wide financial statements distinguish functions of the District that are principally supported by taxes and inter-governmental revenues (governmental activities) from functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the District include general education and administration. The business-type activities of the District include the Food Service Program. The Combined Balance Sheet for all fund types can be found on page 9 of this report.

## STOWE SCHOOL DISTRICT, STOWE, VT

Management's Discussion and Analysis  
For Year Ended June 30, 2014

**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 District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories – governmental funds and proprietary funds.

**Governmental Funds** – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the district-wide financial statements, governmental fund financial statements focus on current sources and uses spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the district-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the district-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 fund statements of revenues, expenditures, and changes in fund balances provides a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains 3 governmental funds consisting of the General Fund, the Special Revenue Fund, and the Capital Project Fund. The General Fund Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual can be found on pages 40-52. The Special Revenue Fund and Capital Project Fund financial information can be found on pages 9 and 11.

**Propriety Funds** – The District has 1 propriety fund (an enterprise fund). Enterprise funds are used to report the same functions presented as business-type activities in the district-wide financial statements. The District uses an enterprise fund to account for its Food Service Program operation.

**Fiduciary Funds** – The District maintains 2 fiduciary funds consisting of student activity funds and a private purpose trust.

**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 fund financial statements. The notes to the financial statements can be found on pages 16-39.

**Other Information** – As of June 30, 2014, the District is able to report a positive net position, both for the governmental and business-type activities.

**STOWE SCHOOL DISTRICT, STOWE, VT**

Management's Discussion and Analysis  
For Year Ended June 30, 2014

**Analysis of the District's Operations –**

Governmental Activities: Governmental activities increased net assets by \$78,181 from \$6,322,358 at June 30, 2013 to \$6,400,539 at June 30, 2014 (see page 8).

Business-type Activities: Business-type activities decreased net assets by \$13,633 from \$66,051 at June 30, 2013 to \$52,418 at June 30, 2014 (see page 8).

**FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

**Governmental funds** – The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At June 30, 2014, the District's governmental funds reported combined ending fund balances of \$1,990,136. \$856,485 of this total amount constitutes unassigned funds. The remainder of the fund balance is committed to offset taxes in FY2015 (\$680,000), and a transfer to the Construction Fund (\$250,000).

**Proprietary funds** – The District's proprietary fund statements provide the same type of information found in the district-wide financial statements, but in greater detail. Unrestricted net assets of the proprietary fund (School Food Program) are \$52,418 at June 30, 2014.

**General Fund Budgetary Highlights** - The District was within its approved spending amount for the year. All major object areas have been reviewed and variances are within acceptable ranges.

**CAPITAL ASSETS**

The District's investment in capital assets for its governmental and business-type activities as of June 30, 2014 amounts to \$6,824,132 (net of accumulated depreciation). This investment in capital assets includes land, building, equipment, improvements and infrastructure.

**DEBT ADMINISTRATION**

At June 30, 2014, the District had a total bonded debt of \$1,860,000 compared to \$1,980,000 at June 30, 2013. 100% of this amount comprises bonded debt backed by the full faith and credit of the government.

During the fiscal year, the District's total debt decreased by \$120,000 due to scheduled repayment of principal.

**REQUEST FOR INFORMATION**

The financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the District's finances. If you have questions about this report or need any additional information, contact the District, c/o Lamoille South Supervisory Union, 46 Copley Avenue, Morrisville, VT 05661, or call (802) 888-4541.

Stowe School District  
District-Wide Statement of Net Position  
June 30, 2014

## EXHIBIT I

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 2,970,175	\$ 36,722	\$ 3,006,897
Accounts Receivable - State	9,089		9,089
Accounts Receivable - Other LEAs	6,486	15,728	22,214
Accounts Receivable - Other	511		511
Prepaid Expenses	18,965		18,965
Inventory		12,176	12,176
Capital Assets, net	<u>6,823,663</u>	<u>469</u>	<u>6,824,132</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 9,828,889</u></b>	<b><u>\$ 65,095</u></b>	<b><u>\$ 9,893,984</u></b>
<b>LIABILITIES</b>			
Accounts Payable - State	\$ 18,280		\$ 18,280
Accounts Payable - Town	14,861		14,861
Accounts Payable - Supervisory Union	27,636		27,636
Accounts Payable - Other LEAs	1,578		1,578
Accounts Payable - Other	237,594	\$ 7,766	245,360
Accrued Expenses	715,141		715,141
Capital Leases Payable	520,260		520,260
Retirement Incentive Payable	33,000		33,000
Long-Term Liabilities:			
Due Within 1 Year	120,000		120,000
Due in More Than 1 Year	<u>1,740,000</u>	<u>-</u>	<u>1,740,000</u>
TOTAL LIABILITIES	<u>3,428,350</u>	<u>7,766</u>	<u>3,436,116</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unearned Revenues	<u>-</u>	<u>4,911</u>	<u>4,911</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>4,911</u>	<u>4,911</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	4,443,403	469	4,443,872
Restricted For:			
Capital Projects	203,651		203,651
Other Purposes	930,000		930,000
Unrestricted (Deficit)	<u>823,485</u>	<u>51,949</u>	<u>875,434</u>
TOTAL NET POSITION	<u>6,400,539</u>	<u>52,418</u>	<u>6,452,957</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION</b>	<b><u>\$ 9,828,889</u></b>	<b><u>\$ 65,095</u></b>	<b><u>\$ 9,893,984</u></b>

The accompanying notes are an integral part of these financial statements

EXHIBIT II

Stowe School District  
District-Wide Statement of Activities  
For The Year Ended June 30, 2014

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government Business-Type Activities	Total
<b>Governmental Activities:</b>						
Direct Services	\$ 7,233,088	\$ 1,537		\$ (7,231,551)		\$ (7,231,551)
Support Services:						
Student Services	809,294	24,905		(784,389)		(784,389)
Instructional Staff Services	239,505			(239,505)		(239,505)
General Administrative Services	137,830			(137,830)		(137,830)
Area Administrative Services	754,856			(754,856)		(754,856)
Fiscal Services	199,666			(199,666)		(199,666)
Building Operations and Maintenance	925,399			(925,399)		(925,399)
Transportation	325,827	100,770		(225,057)		(225,057)
Other Support Services	78,375	-	-	(78,375)		(78,375)
Total Governmental Activities	10,703,840	127,212	\$ -	(10,576,628)		(10,576,628)
<b>Business-Type Activities:</b>						
Food Service	350,674	337,041	-	\$ (13,633)		(13,633)
Total Business-Type Activities	350,674	337,041	-	(13,633)		(13,633)
<b>General Revenues:</b>						
Tuition				473,543		473,543
State Revenues not Restricted to Specific Programs				10,088,494		10,088,494
Federal Revenues not Restricted to Specific Programs				39,577		39,577
Investment Earnings				17,627		17,627
Rentals				3,150		3,150
Refunds and Reimbursements				30,176		30,176
Miscellaneous				2,242		2,242
Total General Revenues				10,654,809		10,654,809
<b>Change in Net Position</b>				78,181	(13,633)	64,548
<b>Net Position - Beginning of Year</b>				6,322,358	66,051	6,388,409
<b>Net Position - Ending of Year</b>				\$ 6,400,539	\$ 52,418	\$ 6,452,957

The accompanying notes are an integral part of these financial statements

Stowe School District  
Combined Balance Sheet  
All Fund Types - Fund Base  
June 30, 2014

## EXHIBIT III

	Governmental Fund Type		Proprietary	Fiduciary Fund Types		Totals (Memorandum Only)
	General Fund	Capital Project Fund	Enterprise Fund	Agency Funds	Private Purpose Trust	
<b>ASSETS:</b>						
<b>Current Assets:</b>						
Cash	\$ 2,766,524	\$ 203,651	\$ 36,722	\$ 132,610	\$ 26,796	\$ 3,166,303
Investments					2,771,533	2,771,533
Accounts Receivable - State	9,089					9,089
Accounts Receivable - Supervisory Union			15,728			15,728
Accounts Receivable - Other LEAs	6,486					6,486
Accounts Receivable - Other	511					511
Inventory			12,176			12,176
Prepaid Expenses	18,965	-	-	-	-	18,965
Total Current Assets	<u>2,801,575</u>	<u>203,651</u>	<u>64,626</u>	<u>132,610</u>	<u>2,798,329</u>	<u>6,000,791</u>
<b>Other Assets:</b>						
Fixed Assets - net	-	-	469	-	-	469
Total Other Assets	<u>-</u>	<u>-</u>	<u>469</u>	<u>-</u>	<u>-</u>	<u>469</u>
<b>TOTAL ASSETS</b>	<b>\$ 2,801,575</b>	<b>\$ 203,651</b>	<b>\$ 65,095</b>	<b>\$ 132,610</b>	<b>\$ 2,798,329</b>	<b>\$ 6,001,260</b>
<b>LIABILITIES AND FUND EQUITIES:</b>						
<b>Liabilities:</b>						
Uncashed Checks	\$ 1,290					\$ 1,290
Accounts Payable - State	18,280					18,280
Accounts Payable - Town	14,861					14,861
Accounts Payable - Supervisory Union	27,636					27,636
Accounts Payable - Other LEAs	1,578					1,578
Accounts Payable - Other	236,304		\$ 7,766		\$ 348,650	592,720
Accrued Expenses	715,141					715,141
Unearned Revenue			4,911			4,911
Amount Held for Agency Funds	-	-	-	\$ 132,610	-	132,610
Total Liabilities	<u>1,015,090</u>	<u>\$ -</u>	<u>12,677</u>	<u>132,610</u>	<u>348,650</u>	<u>1,509,027</u>
<b>Fund Equity:</b>						
<b>Fund Balances:</b>						
Unassigned	856,485					856,485
Restricted					2,449,679	2,449,679
Committed	930,000	203,651				1,133,651
Retained Earnings - Undesignated	-	-	52,418	-	-	52,418
Total Fund Equities	<u>1,786,485</u>	<u>203,651</u>	<u>52,418</u>	<u>-</u>	<u>2,449,679</u>	<u>4,492,233</u>
<b>TOTAL LIABILITIES AND FUND EQUITIES</b>	<b>\$ 2,801,575</b>	<b>\$ 203,651</b>	<b>\$ 65,095</b>	<b>\$ 132,610</b>	<b>\$ 2,798,329</b>	<b>\$ 6,001,260</b>

The accompanying notes are an integral part of these financial statements

Stowe School District  
 Reconciliation of the Balance Sheet to the Statement of Net Position  
 Governmental Funds  
 June 30, 2014

Fund Balances – total governmental funds	\$ 1,990,136
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 governmental funds:	
Governmental capital assets	12,919,016
Less accumulated depreciation	(6,095,353)
Bonds payable and contractual obligations have not been included in the governmental fund financial statements.	
Bonds Payable	(1,860,000)
Capital Lease Obligations	(520,260)
Accrued liabilities have not been reflected in the governmental fund financial statements:	
Retirement Incentive Payable	<u>(33,000)</u>
Net Position of Governmental Activities	<u>\$ 6,400,539</u>

Stowe School District  
 Combined Statement of Revenues, Expenditures and  
 Changes in Fund Balances  
 All Governmental Fund Types - Fund Base  
 For The Year Ended June 30, 2014

EXHIBIT IV

	General Fund	Special Revenue Fund	Capital Project Fund	Totals (Memorandum Only)
REVENUES:				
Tuition	\$ 473,543			\$ 473,543
Investment Income	15,488		\$ 2,139	17,627
Rentals	3,150			3,150
Services to Other LEAs	14,455			14,455
Refunds and Reimbursements	15,721			15,721
Miscellaneous	2,242			2,242
Private/Local		\$ 24,905		24,905
State	10,190,801			10,190,801
Federal	39,577	-	-	39,577
	<u>10,754,977</u>	<u>24,905</u>	<u>2,139</u>	<u>10,782,021</u>
TOTAL REVENUES				
EXPENDITURES:				
Direct Services	7,050,666			7,050,666
Support Services:				
Students	782,231	24,905		807,136
Instructional Staff	227,871			227,871
General Administration	137,830			137,830
Area Administration	751,815			751,815
Fiscal Services	199,666			199,666
Operation and Maintenance of Building	961,823			961,823
Transportation	325,827			325,827
Information Services	78,375			78,375
Construction Services			25,183	25,183
Debt Services	204,936	-	-	204,936
	<u>10,721,040</u>	<u>24,905</u>	<u>25,183</u>	<u>10,771,128</u>
TOTAL EXPENDITURES				
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	33,937	-	(23,044)	10,893
OTHER FINANCING SOURCES (USES):				
Transfers In				-
Transfers Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	33,937	-	(23,044)	10,893
FUND BALANCE, JULY 1, 2013	<u>1,752,548</u>	<u>-</u>	<u>226,695</u>	<u>1,979,243</u>
FUND BALANCE, JUNE 30, 2014	<u>\$ 1,786,485</u>	<u>\$ -</u>	<u>\$ 203,651</u>	<u>\$ 1,990,136</u>

The accompanying notes are an integral part of these financial statements

Stowe School District  
 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, 2014

Net Changes in fund Balances – total governmental funds	\$ 10,893
Amount reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives:	
Expenditures for capital assets	102,642
Less current year depreciation	(302,356)
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of Net Assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	
Repayment of bonds	120,000
Repayment of capital lease obligations	132,952
Current year payments on liabilities for the voluntary exit program (early retirement, etc.) are reported as expenditures in Governmental fund financial statements and as a reduction in debt in the government-wide financial statements.	
	47,050
Current year granting of voluntary exit programs (early retirements, etc.) are not reported as expenditures in governmental fund financial statements and are reported as an expense and debt in the government-wide financial statements.	
	<u>(33,000)</u>
Change in Net Position of Governmental Funds	<u>\$ 78,181</u>

Stowe School District  
 Statement of Revenues, Expenditures and  
 Changes in Retained Earnings  
 Proprietary Fund Type - Enterprise Fund  
 Food Program  
 For The Year Ended June 30, 2014

## EXHIBIT V

Operating Revenues:		
Sales	\$ 249,107	
Total Operating Revenues		\$ 249,107
Operating Expenses:		
Salaries and Benefits	136,321	
Property Services	3,758	
Food and Supplies	206,954	
Property	243	
Other	3,163	
Depreciation	235	
Total Operating Expenses		<u>350,674</u>
Operating Income (Loss)		(101,567)
Non-Operating Revenue:		
Investment Income	157	
State Sources:		
Lunch Match	2,453	
Child Nutrition Breakfast	988	
Child Nutrition Other	568	
Reduced Lunch Initiative	1,034	
Federal Sources:		
Restricted Grants:		
School Breakfast Program	24,252	
School Lunch Program	58,482	
Commodities	-	
Total Non-Operating Revenue		<u>87,934</u>
Net Income (Loss)		(13,633)
Retained Earnings, July 1, 2013		<u>66,051</u>
Retained Earnings, June 30, 2014		<u>\$ 52,418</u>

The accompanying notes are an integral part of these financial statements

Stowe School District  
Statement of Cash Flows  
Proprietary Fund Type - Enterprise Fund  
Food Program  
For The Year Ended June 30, 2014

## EXHIBIT VI

Cash Flows From Operating Activities:	
Received From Customers	\$ 249,094
Payments To Employees and Fringe Benefits	(136,321)
Payments To Vendors and Supplies	<u>(216,791)</u>
Net Cash Used By Operating Activities	\$ (104,018)
Cash Flows From Noncapital Financing Activities:	
State Aid Received	84,144
Cash Flows From Capital and Related Financing Activities:	
None	-
Cash Flows From Investing Activities:	
Investment Income	<u>157</u>
Net Increase (Decrease) in Cash	(19,717)
Cash, July 1, 2013	<u>56,439</u>
Cash, June 30, 2014	<u>\$ 36,722</u>
Reconciliation of Operating Income (Loss) to Net Cash Used By Operating Activities:	
Cash Provided From Operating Activities:	
Operating Income (Loss)	\$ (101,567)
Adjustments to Reconcile Net Income to Cash Provided (Used) By Operating Activities:	
Depreciation	\$ 235
(Increase) Decrease in Inventory	(15)
Increase (Decrease) in Accounts Payable - Other	(2,658)
Increase (Decrease) in Unearned Revenue	<u>(13)</u>
Total Adjustments	<u>(2,451)</u>
Net Cash Provided (Used) By Operating Activities	<u>\$ (104,018)</u>

The accompanying notes are an integral part of these financial statements

Stowe School District  
 Combining Statement of Revenues, Expenditures  
 and Changes in Fund Balances  
 Fiduciary Fund Type - Private Purpose Trusts  
 For The Year Ended June 30, 2014

EXHIBIT VII

	CV Starr Scholarship Fund	Charitable Fund	Totals
REVENUES:			
Investment Income	\$ 27,261	\$ 37	\$ 27,298
Donations		10,445	10,445
Forfeited Scholarship	48,750		48,750
Realized Gain (Loss)	(31,131)		(31,131)
Unrealized Gain (Loss)	<u>336,713</u>	<u>-</u>	<u>336,713</u>
TOTAL REVENUES	<u>381,593</u>	<u>10,482</u>	<u>392,075</u>
EXPENDITURES:			
Scholarships/Gifts	140,000	3,050	143,050
Fees/Interest	<u>11,871</u>	<u>-</u>	<u>11,871</u>
TOTAL EXPENDITURES	<u>151,871</u>	<u>3,050</u>	<u>154,921</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	229,722	7,432	237,154
FUND BALANCES, JULY 1, 2013	<u>2,193,161</u>	<u>19,364</u>	<u>2,212,525</u>
FUND BALANCES, JUNE 30, 2014	<u>\$ 2,422,883</u>	<u>\$ 26,796</u>	<u>\$ 2,449,679</u>

The accompanying notes are an integral part of these financial statements

Stowe School District  
Notes to Financial Statements  
For The Year Ended June 30, 2014

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

The Stowe School District ("School District") is organized as a public educational district under the applicable laws and regulations of the State of Vermont. It is governed by a Board of School Directors elected by registered voters of the District to provide public education to the residents of the Town. Except where noted, the accounting policies conform to generally accepted accounting principles, as applicable to governmental units.

The School District financial statements are prepared in accordance with generally accepted accounting principles in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the School District are discussed below. School District also complies with the requirements of the Vermont Department of Education's Handbook for Financial Accounting of Vermont School Systems (The Handbook).

Reporting Entity:

The reporting entity for the School District is based upon criteria set forth by the Governmental Accounting Standards Board (GASB) Statement No. 14, The Financial Reporting Entity. The financial reporting entity consists of (1) organizations for which the standalone government is financially accountable and (2) the standalone government that is controlled by a separately elected governing body that is legally separate and is fiscally independent. All of the accounts of the School District comprise the standalone government.

The school board is elected by the public and it has the authority to make decisions, appoint administrators and managers, and significantly influence operations. It also has the primary accountability for fiscal matters. Therefore, School District is a financial reporting entity as defined by the Governmental Accounting Standards Board ("GASB") in its Statement No. 14. There are no component units included within the reporting entity.

Basic Financial Statements - District-wide:

The School District's basic financial statements include both District-wide (reporting School District as a whole) and fund financial statements (reporting School Districts major funds). Both the District-wide and fund financial statements categorized primary activities as either governmental or business type.

In the District-wide Statement of Net Position reports all of the non-fiduciary activities of School District. Both the governmental and business-type activities are presented on a

Stowe School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2014

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

consolidated basis and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations.

The District-wide Statement of Activity demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include fees paid by recipients or goods or services provided by a function, and grants that are restricted to a particular function. General State Support and other revenues not identified with a function are presented as general revenues.

This District-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.

**Basic Financial Statements – Fund Financial Statements:**

The financial transactions of the School District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues and expenditures/expenses.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. GASB No. 34 sets forth minimum criteria for the determination of major funds. Major individual governmental funds are reported as separate columns in the fund financial statements. The School District reports major governmental funds as follows:

Governmental Fund Types:

- General Fund – The general fund is the School District's primary operating fund and is always classified as a major fund which accounts for typical general government revenues and a wide variety of activities that benefit the School District's as a whole. It accounts for all financial resources except those required to be accounted for in another fund.
- Special Revenue Funds – The special revenue funds focus on revenues that are restricted or committed to expenditures for specific purposes (other than major capital projects or expendable trusts). The School District accounts for resources restricted to, or committed for, specific purposes by the School District or a grantor in a special revenue fund. Most federal, some State financial assistance and voter committed funds are accounted for in a Special Revenue Fund and sometimes unused balances must be returned to the grantor or the voters at the close of specified project periods.

Stowe School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2014

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

- Capital Project Fund – The capital projects funds are required when the acquisition or construction of capital assets is financed with general obligation debt. Capital project funds are permitted to be used for accounting and reporting whenever the School District has financial resources that are restricted, committed, or assigned to expenditures for capital outlays for general capital assets, including purchasing or constructing any type of general capital asset.

Proprietary Fund Types:

Proprietary Fund – The Proprietary Funds consist of Enterprise Funds and Internal Service Funds. Revenues generally come from fees for services. They use the economic resources measurement focus and full accrual basis of accounting.

Fiduciary Funds, (Not included in District-wide Statements):

Fiduciary Funds are used to report resources held for individuals, private organizations or other governments. The School District reports the following fiduciary funds:

- Agency funds are custodial in nature and do not involve measurements of results of operations.
- Private Purpose Trust Funds account for assets where both principal and interest may be expended. These are accounted for in essentially the same manner as Governmental Fund Types, using the same measurement focus and basis of accounting.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation:

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

Both District-wide and business-type activity statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when liabilities are incurred regardless of when related cash flows take place. Grant revenues are recognized when eligibility requirements are satisfied. Fees and charges and other exchange revenues are recognized when earned and expenses are recognized when incurred.

The governmental funds financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when

Stowe School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2014

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

both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Intergovernmental revenues and grants are recognized when all eligibility requirements are met and the revenues are available. Expenditures are recorded when a liability is incurred except for early retirement, and compensated absences, which are recognized to the extent they have matured. When both restricted and unrestricted resources are available for use, restricted resources are used first.

Other Accounting Policies:

Cash and Cash Equivalents:

For purposes of the statement of cash flows for proprietary and similar fund-types, the School District considers highly liquid investments to be cash equivalents if they have a maturity of twelve months or less when purchased.

Interfund Receivables and Payables:

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Activities between funds that are representative of lending or borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". All other outstanding balances between funds are also reported as "due to/from other funds". As a general rule, the effect of interfund activity has been eliminated from the government wide financial statements.

Transfers:

Advances between funds that are not expected to be repaid are accounted for as transfers.

Deposits and Investments:

Resources from each fund are pooled for deposit and investment purposes. A separate accounting is maintained for each fund. Deposits and Investments are stated at fair value and are managed in accordance with any legal constraints.

Accounts Receivable:

All receivables are reported net of estimated uncollectible amounts. The accounts receivable balances at year end are from governmental entities, except in the proprietary funds which may have some receivables from individuals, and no allowance for doubtful accounts is considered necessary.

Inventory:

Inventories consist of expendable items held for consumption. They are valued at cost on a first-in, first-out method.

Stowe School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2014

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

Prepaid Items:

Certain payments to vendors reflect costs applicable to future periods. In the fund based financial statements, the cost of prepaid items is recorded as expenditures when the payments are made. In the District-wide financial statements and the proprietary funds, these items are recorded as prepaid items.

Deferred Inflows of Resources:

The School District recognizes differences between the receipt of funds and the recognition of revenues through the use of deferred revenue accounts. These deferred revenue accounts represent funds that will be recognized as revenues in some future period when the conditions have been met.

Capital Assets:

Capital assets, which include land, construction in progress, buildings, improvements, furniture, equipment, infrastructure, and vehicles, are reported in the applicable governmental activities column in the governmental wide financial statements. Capital assets are defined by the School District as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Capital assets, except for land and construction in progress are depreciated using the straight line method over the estimated useful lives with a full year of depreciation taken in the year acquired and none taken in the year of disposal. Land and construction in progress are not depreciated.

Long-term Obligations:

In the District-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. The face amount of obligations issued is reported as other financing sources.

Budgetary Data:

The School District is required by state law to adopt a budget for the General Fund. The budget is prepared on the modified accrual basis of accounting which is consistent with generally accepted accounting principles ("GAAP"). Annual appropriations lapse at the end of each fiscal year with the exception of restricted programs indicated as a fund balance restricted or committed. The following procedures are used to establish a budget:

Stowe School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2014

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

- The School Board with assistance from the Supervisory Union and the School District's Administration drafts a budget. The operating budget includes proposed expenditures by line item and the means of financing them.
- The budget is adopted by the School Board for presentation to the voters as a warning or article in the annual report.
- The voters vote on the total expense amount and not the individual line items at the School District's annual meeting or subsequent special meetings.

Encumbrances:

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration and project control in the General Fund, Special Revenue Funds, and Capital Projects Fund. Encumbrances are not liabilities and should be recorded as a reservation of fund balance at year end. For budgetary purposes, appropriations lapse at fiscal year-end. The School District has elected to treat its encumbrances as liabilities for budgetary control purposes.

Use of Estimates:

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

Net Resources and Fund Balance:

District-wide Financial Statements:

When the School District incurs an expense for which it may use either restricted or unrestricted net assets, it generally uses restricted net assets first. Net assets on the Statement of Net Assets include the following:

Net Investment in Capital Assets, net of Related Debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted For Other Purposes – It consist of assets that are restricted by the School District's creditors, by the state enabling legislation, by grantors and by other contributors.

Stowe School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2014

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

Restricted For Capital Projects – The component of net assets that reports the amount of revenue from bond proceeds, grants, and special assessments in excess of expenditures. These funds are restricted for the construction or acquisition of capital assets.

Unrestricted – All other net assets that do not meet the definition of “Restricted for Other Purposes” or “Net Investment in Capital Assets, net of Related Debt”.

Fund Based Financial Statements:

In the fund financial statements, governmental funds report fund balances as unassigned, assigned, restricted, committed, spendable, or non-spendable fund balance.

Unassigned Fund Balance – That portion of the general fund, fund balance that contains all spendable amounts not contained in the other classifications. It is used in other funds only to report a deficit.

Assigned Fund Balance – Includes amounts intended to be used by the government for specific purposes, as determined by the Board, but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed.

Restricted Fund Balance – Includes amounts constrained to specific purposes stipulated by constitution, external resource providers (grantors and contributors), or through enabling legislation.

Committed Fund Balance – Includes amounts constrained for the specific purposes determined by a formal action of the government’s highest level of decision-making authority, generally the voters.

Spendable Fund Balance – The portion of the permanent fund balance that is available to be spent on the designated purpose of the fund.

Non-spendable Fund Balance – The portion of the permanent fund balance that has to be maintained, and cannot be spent, or an asset such as inventory or prepaid that are not expected to be converted to cash.

Function and Object Codes:

Function and object codes refer to the account code structure prescribed by the Vermont Department of Education. The Vermont Department of Education requires School District to

Stowe School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2014

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

use these codes in order to insure accuracy in building and maintaining a statewide database for policy development and funding plans.

Memorandum Only Columns:

The total columns are captioned "memorandum only" because they do not represent consolidated financial information and are presented only to make financial analysis easier. Data in these columns do not present financial position, results of operations, or cash flows in accordance with GAAP. Interfund eliminations have not been made in the aggregation of this data.

**NOTE 2 – CASH, CASH EQUIVALENTS, AND REPURCHASE AGREEMENTS**

Cash and cash equivalent deposits with financial institutions at June 30th amounted to \$3,166,303. As major revenues are received during the year bank deposits may temporarily exceed insured limits.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of any investments. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates.

The School District's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the School District would 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.

FDIC insures all accounts held by the same financial institution up to a combined total of \$250,000. There are some special provisions which increase this limit.

Concentration of Credit Risk

The policy of the School District contains no limitations on the amount that can be on deposit in any one financial institution.

The cash deposits held at financial institutions and cash on hand can be categorized according to four levels of risk.

Stowe School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2014

**NOTE 2 – CASH, CASH EQUIVALENTS, AND REPURCHASE AGREEMENTS  
(CONTINUED)**

These four levels of risk are as follows:

- Category 1 Repurchase Agreements - Deposits which are invested in government securities held by the School District or by its agent in the School District's name.
- Category 2 Collateralized Accounts - Deposits which are collateralized with securities held by the pledging financial institution's trust department or agent in the Bank's name.
- Category 3 Letter of Credit - Private commercial insurance protection or letter of credit issued by the financial institution to cover funds in excess of FDIC limits.
- Category 4 Deposits which are not collateralized or insured. (includes cash on hand)

The School District uses collateralization agreements to protect deposits not otherwise insured by the FDIC and/or SIPC.

Balances held in each area are as follows:

	Carrying Amount	Bank Balance
- Insured (FDIC) and/or (SIPC)	\$ 477,582	\$ 475,861
- Category 1	0	0
- Category 2	2,688,721	2,709,161
- Category 3	0	0
- Category 4	<u>0</u>	<u>0</u>
Total deposits	<u>\$3,166,303</u>	<u>\$3,185,021</u>

The difference between the book balance and bank balance is due to reconciling items such as deposits in transit and outstanding checks. Due to higher cash flows at certain times during the year, the amount of uninsured and not collateralized cash could have been much higher than at year end.

Collateralization agreements of \$2,709,161 are securities held by the bank's trust department or agent in the bank's name. Securities consist of municipal bonds, U.S. Government obligations and U.S. Government Agency Bonds.

Stowe School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2014

**NOTE 3 – INVESTMENTS**

Concentration of Credit Risk

The investment policy of the School District contains no limitations on the amount that can be invested in any one issuer.

Custodial Credit Risk

The custodial risk for investments is the risk that, in the event of failure of the counterparty (e.g. broker-dealer) to a transaction, the School District would not be able to recover the value of its investment of collateral securities that are in possession of another party.

The School District invests its assets in various entities and/or debt instruments as described below. As noted some are insured by the SIPC (Securities Investor Protections Corporation). If the broker-dealer fails, the SIPC provides protection for customer accounts by returning securities registered in the name of the investor, distributing all remaining customer assets on a pro rata basis, and providing SIPC funds for all remaining claims of each customer up to a maximum of \$500,000, including up to \$100,000 on claims for cash.

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. Investments of the balance sheets of the School District are stated at cost plus applicable accrued interest. Market values include applicable accrued interest. The investment consists of:

	Cost	Market Value
Securities held by School District registered to School District uninsured by SIPC	\$ 0	\$ 0
Insured (SIPC) and registered held by dealer/ broker in School District's name (Book Entry)		
Money Market	205,503	205,503
Municipal Bonds	176,123	176,829
Corporate Stocks	954,631	1,160,264
Corporate Bonds	558,424	590,913
Government Securities	25,726	24,592
Mutual Funds	436,348	435,677
Unit Investment Trust	171,195	177,755

Stowe School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2014

**NOTE 3 – INVESTMENTS (CONTINUED)**

	Cost	Market Value
Uninsured, registered held by dealer/broker in School District's name (Book Entry)	\$ 0	\$ 0
Insured (SIPC) unregistered held by dealer/broker	0	0
Uninsured, unregistered held by dealer/broker	<u>0</u>	<u>0</u>
TOTAL	<u>\$2,527,950</u>	<u>\$2,771,533</u>

**NOTE 4 – CAPITAL ASSETS**

Capital activity for the School District for the year ended June 30, 2014, was as follows:

	<u>Primary Government</u>			Ending Balance
	Beginning Balance	Increases	Decreases	
Governmental activities:				
Capital Assets being depreciated:				
Land Improvements	\$ 25,552	\$ 0	\$ 0	\$ 25,552
Buildings	3,174,619	0	0	3,174,619
Building Improvements	8,284,308	0	0	8,284,308
Infrastructure	118,000	0	0	118,000
Furniture and Equipment	<u>1,213,895</u>	<u>102,642</u>	<u>0</u>	<u>1,316,537</u>
Total other capital assets at historical costs	<u>12,816,374</u>	<u>102,642</u>	<u>0</u>	<u>12,919,016</u>
Less accumulated depreciation:				
Land Improvements	25,552	0	0	25,552
Buildings	2,764,120	51,313	0	2,815,433
Building Improvements	1,916,986	179,759	0	2,096,745
Infrastructure	8,825	5,900	0	14,725
Furniture and Equipment	<u>1,077,514</u>	<u>65,384</u>	<u>0</u>	<u>1,142,898</u>
Total accum. Depr.	<u>5,792,997</u>	<u>302,356</u>	<u>0</u>	<u>6,095,353</u>
Governmental activities				
Capital Assets, Net	<u>\$ 7,023,377</u>	<u>\$(199,714)</u>	<u>\$ 0</u>	<u>\$ 6,823,663</u>

Stowe School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2014

**NOTE 4 – CAPITAL ASSETS (CONTINUED)**

	<u>Primary Government</u>			
	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Furniture and Equipment	\$ 57,129	\$ 0	\$ 0	\$ 57,129
Less accum. Depr.	<u>56,425</u>	<u>235</u>	<u>0</u>	<u>56,660</u>
Business-type activities				
Capital Assets, Net	<u>\$ 704</u>	<u>\$ (235)</u>	<u>\$ 0</u>	<u>\$ 469</u>

Depreciation expense was charged to functions as follows:

Governmental activities:	
Direct Services	\$233,338
Support Services:	
Students	1,563
Instructional Staff	10,445
General Administration	0
Area Administration	2,446
Fiscal Services	0
Operation and Maintenance of Plant	54,564
Transportation	0
Other Support Services	<u>0</u>
Total governmental activities depreciation expense	<u>\$302,356</u>

**NOTE 5 – SHORT-TERM DEBT**

Short-term debt activity consisted of the following for the year ended June 30, 2014:

	Balance July 1, 2013	Borrowings	Retirements	Balance June 30, 2014
Revenue Anticipation Note, issued July 1, 2013, Interest at 1.35%, due June 30, 2014.	<u>\$ 0</u>	<u>\$640,000</u>	<u>\$640,000</u>	<u>\$ 0</u>

**NOTE 6 - SICK LEAVE**

It is the School District's policy to permit employees to earn varying amounts of sick pay benefits. Such sick leave benefits do not vest under the School District's policy, accordingly benefits must be used during employment. Since the employees' accumulating rights to receive

Stowe School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2014

**NOTE 6 - SICK LEAVE (CONTINUED)**

compensation for future absences are contingent upon the absences being caused by future illnesses and such amounts cannot be reasonably estimated, a liability for unused sick leave is not recorded in the financial statements.

Teaching staff shall earn 14 sick days per year, and may accumulate a maximum of 130 days. Non-teaching staff, both school-year and full-year, shall earn 12 sick days per year awarded on a pro-rated basis for every completed month of employment, and may accumulate a maximum of 50 days.

**NOTE 7 – OPEB AND TERMINATION BENEFITS**

The Governmental Accounting Standards Board (GASB) issued Statement #45 requiring the entire liability for Other Post-Employment Benefits (post-employment health care benefits) to be accrued. The School District does not offer any OPEB plans and has no liability under GASB #45.

Voluntary termination benefits are governed by GASB Statement #47 and are recognized to the extent they become payable in the current year. The School District offers:

For those full-time teachers who have (20) twenty years of teaching experience in any District, (15) fifteen of which are in the Stowe School District, may be eligible for a retirement incentive. A teacher who leaves the District having met the criteria above by June 30<sup>th</sup> of the year in which he/she wishes to retire, and having notified the Superintendent between February 1 and April 15 of the year in which the teacher elects to resign, shall receive a payment equivalent to 100% of his/her annual teaching salary from the year he elects to resign. The payment will be disbursed in three equal installments on September 5<sup>th</sup> of each year following resignation. In addition, teachers electing early retirement will be allowed to continue membership in the District's group health plan at 80% of the cost of group rate premium for two years. Not more than 3 teachers in the District can be granted benefits under this program in one year. The Board has the discretion to increase or decrease the number of teachers benefited if they judge it to be in the best interest of the School District. The Board can decide to not offer the incentive at all in any given year.

The Board decided not to offer this incentive in FY14; therefore, no new teachers elected this incentive in FY14. Since the incentive is offered at board discretion every year and the board hasn't decided yet for FY 15, a future contingent liability cannot be calculated at this point

Stowe School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2014

**NOTE 7 – OPEB AND TERMINATION BENEFITS (CONTINUED)**

The board did decide to offer an additional retirement incentive to anyone who worked in the District a total of twenty (20) years as of July 1, 2013, and was age sixty (60) as of December 31, 2013. This incentive was limited to one teacher on a first come, first serve basis. The payment for the incentive would be \$1,000 per year served in the District, paid over three (3) years starting in FY15. One teacher did elect to take this incentive. The following is a schedule of the remaining future minimum liability to the District from prior year offerings:

For the fiscal year ending June 30, 2015	\$11,000
2016	11,000
2017	11,000
Thereafter	<u>0</u>
Total	<u>\$33,000</u>

Effective September 15, 2011, employees who retire under an early retirement incentive agreement may elect to have their retirement distributions paid by the School District directly into the Vermont State Teachers’ Retirement System 403(B) Investment Program as a pre-tax salary deferral. The maximum annual contribution amount allowed is the yearly “IRC 415 limit”, and will be fully vested.

**NOTE 8 - LONG-TERM OBLIGATIONS**

The School District issues general obligation bonds and notes to finance the acquisition and construction of major capital facilities, renovations, and equipment purchases. General obligation bonds are direct obligations and pledge the full faith and credit of the issuing entity. These bonds are generally issued as 5 to 20-year serial bonds with equal amounts of principal maturing each year.

The following is a summary of general obligation bonds & notes:

	Balance July 1, 2013	Borrowings	Retirements	Balance June 30, 2014
<b>BONDS:</b>				
Vermont Municipal Bond Bank, Bond Payable, interest at 4.34%, interest paid semi-annually, principle of				

Stowe School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2014

**NOTE 8 - LONG-TERM OBLIGATIONS (CONTINUED)**

	Balance July 1, 2013	Borrowings	Retirements	Balance June 30, 2014
\$30,000 due on November 15 <sup>th</sup> of each year until 2030; originally borrowed \$600,000 in July of 2010.	\$ 540,000	\$ 0	\$ 30,000	\$ 510,000
Vermont Municipal Bond Bank, Bond Payable, interest at 4.22%, interest paid semi-annually, principle of \$90,000 due on December 1 <sup>st</sup> of each year until 2028; originally borrowed \$1,800,000 on July 22, 2008.	<u>1,440,000</u>	<u>0</u>	<u>90,000</u>	<u>1,350,000</u>
<b>TOTAL BONDS:</b>	<u>\$1,980,000</u>	<u>\$ 0</u>	<u>\$120,000</u>	<u>\$1,860,000</u>
Total notes & bonds:	<u>\$1,980,000</u>	<u>\$ 0</u>	<u>\$120,000</u>	<u>\$1,860,000</u>

The annual debt service requirement to maturity for general obligation bonds and notes including interest are as follows:

	Principal	Interest	Total
During the year ended June 30, 2015	\$ 120,000	\$ 75,890	\$ 195,890
2016	120,000	71,885	191,885
2017	120,000	67,650	187,650
2018	120,000	63,195	183,195
2019	120,000	58,559	178,559
Thereafter	<u>1,260,000</u>	<u>306,279</u>	<u>1,566,279</u>
Totals	<u>\$1,860,000</u>	<u>\$643,458</u>	<u>\$2,503,458</u>

	Balance July 1, 2013	Increases	Retirements	Balance June 30, 2014
<b>OTHER LONG-TERM OBLIGATIONS:</b>				
Obligations Under Capital Lease	<u>\$653,210</u>	<u>\$ 0</u>	<u>\$132,952</u>	<u>\$520,258</u>
OPEB and Termination Benefits	<u>\$ 47,050</u>	<u>\$33,000</u>	<u>\$ 47,050</u>	<u>\$ 33,000</u>

Stowe School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2014

**NOTE 9 - CAPITAL LEASES**

On May 13, 2013, the Stowe School District entered into a non-cancellable lease agreement with First Niagara Leasing, Inc. for the lease of a Wood Pellet Boiler. This lease agreement qualifies as a capital lease for accounting purposes and thus, has been recorded at the present value of the future minimum lease payments at the inception of the lease in the general long-term debt account group. The total amount due is \$652,878, to be paid in yearly installments of \$93,196 for 1 year and then \$93,280 over 6 more years with a buyout at the end of \$0.

The future minimum lease obligations and the net present value of these minimum lease payments are as follows:

During the year ended June 30, 2015	\$ 93,280
2016	93,280
2017	93,280
2018	93,280
Thereafter	<u>186,561</u>
Total minimum lease payments	559,681
Less amount representing interest	<u>39,936</u>
Present value of minimum lease payments	<u>\$519,745</u>

Interest rate on the capitalized lease is approximately 2.157% percent.

On November 1, 2011, the Stowe School District entered into a non-cancellable lease agreement with All-Lines Leasing for the lease of an Advance Aquaclean 16XP Extractor. This lease agreement qualifies as a capital lease, for accounting purposes and thus, has been recorded at the present value of the future minimum lease payments at the inception of the lease in the general long-term debt account group. The total amount due is \$3,308, to be paid in semi-annual installments of \$551 over 30 months, where the first payment includes a \$125.00 documentation fee, with a buyout at the end of \$1.

The future minimum lease obligations and the net present value of these minimum lease payments are as follows:

During the year ended June 30, 2015	<u>\$551</u>
Less amount representing interest	<u>38</u>
Present value of minimum lease payments	<u>\$513</u>

Interest rate on the capitalized lease is approximately 14.97 percent.

Stowe School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2014

**NOTE 10 – RESTRICTED, COMMITTED AND ASSIGNED FUND BALANCES (Fund Financial Statements)**

Restricted, committed and assigned fund balances represent amounts that must be used for specific purposes within that fund and cannot be spent otherwise without prior approval of funding source. A more detailed explanation is provided in Note 1. Reservations at year end are for the following:

General Fund:	
Fiscal Year 2014-2015 Budget	\$ 680,000
Construction Fund	<u>250,000</u>
Total	<u>\$ 930,000</u>
Capital Projects Fund:	
Building Maintenance & Improvements	<u>\$ 203,651</u>
Private Purpose Trust Fund:	
Scholarships & Awards	<u>\$2,449,679</u>

**NOTE 11 – NET RESOURCES RESTRICTED (District-wide Financial Statements)**

Restricted net resource balances represent amounts that must be used for specific purposes and cannot be spent otherwise without prior approval of the funding source. Restrictions at year end are for the following:

Net Resources Restricted For Capital Projects:	
Building Maintenance & Improvements	<u>\$ 203,651</u>
Net Resources Restricted For Other Purposes:	
Fiscal Year 2014-2015 Budget	\$ 680,000
Construction Fund	<u>250,000</u>
Total	<u>\$ 930,000</u>

Stowe School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2014

**NOTE 12 - PENSIONS**

VERMONT TEACHERS' RETIREMENT SYSTEM

All of the teachers employed by School District participate in the Vermont Teachers' Retirement System ("TRS"), a statewide multiple-employer public employee retirement system covering all teachers in local school districts within the State of Vermont. The Vermont State statutes provide the authority under which benefit provisions and the State's obligation to contribute are established. The State Legislature has sole authority to amend benefit provisions.

Required contributions to the system are made by the State of Vermont based upon a valuation report prepared by the System's actuary. TRS 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. TRS is funded through state and employee contributions and the School District has no legal obligation for paying benefits. The Vermont State Teachers Retirement System estimates the contributions on behalf of the School District's employees included in the teacher's retirement plan as required by Government Accounting Standards Board (GASB) Statement 24 to be 8.45% or approximately \$378,618.

Vesting occurs upon reaching five years of creditable service. Normal retirement requires the employee to be either 62 years of age or have 30 years of service. A member may receive a reduced benefit at age 55 with 10 or more years of service. A member that has 10 or more years of service and leaves teaching before age 55 is entitled to a vested retirement benefit payable at age 62 or a reduced amount at age 55.

Contributions by the employees are 5% of gross earnings and are withheld pre income tax by the School District. Such withholdings totaled \$224,037 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 during the year was \$5,812,680, with \$4,480,689 of such amount related to employees covered by the retirement plan.

Additional information and ten-year historical trend information can be obtained from the separately issued Vermont State Teachers' Retirement System Comprehensive Annual Financial Report.

VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM (Cost sharing pension plan)

Employees other than Teachers are eligible to participate in the Vermont Municipal Employees' Retirement System ("VMERS") providing they work a minimum of 30 hours per week for the

Stowe School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2014

**NOTE 12 – PENSIONS (CONTINUED)**

VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM (Cost sharing pension plan) (CONTINUED)

school year employee or a minimum of 24 hours per week for a calendar year employee. There are three levels of contributions and benefits in the System called Group A, Group B, Group C and Group D. The School District participates in Group A. Normal retirement for Group A members is age 65 and the completion of 5 years of creditable service, or age 55 and completion of 35 years of creditable service. Normal retirement for Group B members is age 62 and the completion of 5 years of creditable service, or age 55 and completion of 30 years of creditable service. Normal retirement for Group C and D members is age 55 and the completion of 5 years of creditable service. A member may receive reduced benefits at age 55 if they have 5 years of service and have made contributions for at least 2.5 years.

The System is an actuarial reserve, joint-contributory program. The State Legislature has sole authority to amend benefit provisions. Both the members and the School District make contributions to the fund according to the following schedule:

	Group A	Group B	Group C	Group D
Employees' Contributions (% of gross wages)	2.50%	4.750%	9.625%	11.25%
The School District's contributions (% of gross wages)	4.00%	5.375%	6.875%	9.75%

There is a municipal defined contribution plan option with a 5% withholding and a 5.125% match.

Employee contributions are withheld pre income tax by the School District and are remitted to the State of Vermont. Such withholdings totaled \$24,496 during the year. The School District contributed \$39,193 during the year. The School District's total payroll for all employees during the year was \$5,812,680, with \$979,817 of such amount related to employees covered by the Vermont Municipal Employees' Retirement System. The plan had 53 members at June 30, 2014.

Additional information and ten-year historical trend information can be obtained from the separately issued Vermont State Municipal Retirement System Comprehensive Annual Financial Report.

**NOTE 13 - RISK MANAGEMENT**

The School District is exposed to various risks of loss related to limited torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees, students and guests; as

Stowe School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2014

**NOTE 13 - RISK MANAGEMENT (CONTINUED)**

well as natural disasters. School District uses risk sharing pools and carries commercial insurance to cover these risks. There have been no significant reductions in coverage from the prior year. Management believes such coverage is sufficient to preclude any significant uninsured losses to the School District.

In addition, Stowe School District as a member of Vermont School Boards Association (Association), participates in that entity's public entity risk pools. The Association has set up two insurance trusts; Vermont School Board Insurance Trust, Inc. (VSBIT) for Workers Compensation, Multi-Line Intermunicipal School Program, and Unemployment Compensation Program, and the Vermont Education Health Initiative (VEHI) for Medical Benefits. VSBIT and VEHI are nonprofit corporations formed to provide insurance and risk management programs for Vermont school districts and are owned by the participating districts. The Trusts are not licensed insurance carriers and members are not protected by the Vermont Insurance Guaranty Association.

To provide insurance coverage, VEHI has established a self-funded fully insured program in conjunction with Blue Cross and Blue Shield (BCBS). A portion of member contributions is used to purchase reinsurance and to fund a reserve required by the reinsurance. Contributions in excess of claims requirements, reserve fund requirements, reinsurance and administrative costs are returned to participants. The pooling agreement does not permit the pool to make additional assessments to its members.

To provide unemployment coverage, VSBIT has established a separate trust of funds from member contributions to pay administrative costs, unemployment claims, and to provide excess reinsurance protection. Contributions are based on payroll expense and the previous two year unemployment compensation experience. In the event that total contributions assessed to and made by all members result in an actual or projected financial deficit and VSBIT is unable to meet its required obligations, the Program will be terminated with each members assessed their proportionate share of the deficit.

To provide worker's compensation coverage, VSBIT has established a separate trust of funds from member contributions to pay administrative costs and workers compensation coverage. Contributions are based upon formulas applied to payroll expense. At the end of the coverage period, the members will be assessed or refunded any difference between estimated contributions and actual expenses.

Multi-Line Intermunicipal School Program provides coverage for Property; Inland Marine and Boiler & Machinery; Crime; Commercial General Liability; Automobile/Garagekeepers; and

Stowe School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2014

**NOTE 13 - RISK MANAGEMENT (CONTINUED)**

Educators legal Liability. Annual contributions are based upon appropriate rates applicable to each Member; such rates are set based on recommendations of a qualified actuary, plus a proportionate share of all operational and administrative cost including excess reinsurance premiums incurred by the trust. In the event that total contributions assessed to and made by all members result in an actual or projected financial deficit and VSBIT is unable to meet its required obligations, the Program will be terminated with each members assessed their proportionate share of the deficit.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of asset 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.

**NOTE 14 - OPERATING LEASES**

On February 23, 2012, Stowe School District entered into a lease agreement with U.S. Bank Equipment Finance for the lease of two copiers. The total amount due is \$51,754, to be paid in monthly installments of \$862.57 over 5 years. The following is a schedule of future minimum lease payments under this lease.

During the year ended June 30, 2015	\$10,351
2016	10,351
2017	7,763
Thereafter	<u>0</u>
Total	<u>\$28,465</u>

Total lease payments made this year were \$10,351.

On June 26, 2012, Stowe School District entered into a lease agreement with U.S. Bank Equipment Finance for the lease of a copier. The total amount due is \$27,911, to be paid in monthly installments of \$465.18 over 5 years. The following is a schedule of future minimum lease payments under this lease.

During the year ended June 30, 2015	\$ 5,582
2016	5,582
2017	5,583

Stowe School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2014

**NOTE 14 - OPERATING LEASES (CONTINUED)**

Thereafter	\$ <u>0</u>
Total	\$16,747

On March 14, 2014, Stowe School District entered into a lease agreement with U.S. Bank Equipment Finance for the lease of a copier. The total amount due is \$30,904, to be paid in monthly installments of \$515.06 over 5 years. The following is a schedule of future minimum lease payments under this lease.

During the year ended June 30, 2015	\$ 6,181
2016	6,181
2017	6,181
2018	6,181
2019	4,635
Thereafter	<u>0</u>
Total	\$29,359

Total lease payments made this year were \$1,545.

**NOTE 15 - SUBSEQUENT EVENTS**

On July 28, 2014, the Stowe School District entered into a non-cancellable lease agreement with Hewlett Packard Financial Services Company for the lease of laptops, Chromebooks, projectors, Macbooks, iPads, iMacs, Smart Boards, and related computer accessories. This lease agreement qualifies as a capital lease for accounting purposes and thus, has been recorded at the present value of the future minimum lease payments at the inception of the lease in the general long-term debt account group. The total amount due is \$146,556, to be paid in yearly installments of \$48,852.16 over 3 years with a buyout at the end of \$1.

The future minimum lease obligations and the net present value of these minimum lease payments are as follows:

During the year ended June 30, 2015	\$ 48,852
2016	48,852
2017	48,852
Thereafter	<u>0</u>
Total minimum lease payments	146,556

Stowe School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2014

**NOTE 15 - SUBSEQUENT EVENTS (CONTINUED)**

Less amount representing interest	<u>\$ 6,561</u>
Present value of minimum lease payments	<u>\$139,995</u>

Interest rate on the capitalized lease is approximately 4.76% percent

**NOTE 16 - COMMITMENTS**

On June 3, 2014, the Stowe School District entered into a base contract with Vermont Recreational in the amount of \$212,987, and several potential alternatives totaling \$5,500, for the construction of four (4) tennis courts at the Stowe High School. The work is to commence after the FY 2013-2014 school-year ends and shall be completed no later than August 15, 2014.

The School District participate s in various state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the School District has not complied with the rules and regulations governing the grants, refunds of any money recovered may be required and the collectibility of any related receivable at June 30, 2014, may be impaired. It is the opinion of the School District, that there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying combined financial statements for such contingencies.

The School District is responsible for the withholding and paying over of certain payroll taxes and related items. At June 30, 2014, School District showed a liability for any taxes due and unpaid. These taxes are subject to audit by the State and federal government. It is the opinion of the School District, that there are no significant contingent liabilities relating to compliance with the rules and regulations governing these or other taxes.

**NOTE 17 - RELATED PARTY**

As defined by GASB No. 14, paragraph 71, the School District is a participant in and has an ongoing financial responsibility to the Lamoille South Supervisory Union. The School District's board is responsible for appointing one member to the board of the Lamoille South Supervisory Union. The Lamoille South Supervisory Union assesses the School District annually for a share of the net projected expenses in excess of revenues, plus a share of other budgetary provisions. The Lamoille South Supervisory Union also provides the busing for the

Stowe School District  
Notes to Financial Statements (continued)  
For The Year Ended June 30, 2014

**NOTE 17 - RELATED PARTY (CONTINUED)**

District, the cost of which is assessed to the School District. The Lamoille South Supervisory Union collects the food program reimbursement from the State and passes it through to the School District. Separate financial statements on the Lamoille South Supervisory Union are available from the Lamoille South Supervisory Union.

**NOTE 18 - CONTINGENCY**

Annually, before November 1st, the Commissioner of the Vermont Department of Education notifies each school of its net cost per elementary and/or secondary pupil for the previous school year. If the School District received tuition students from other Vermont School Districts it must determine whether it overcharged the sending District. If it did, it must provide the overcharged District with a credit against current tuition or refund the overcharged amount.

The School District received State construction aid in the past for various projects. In the event that the school building was to be sold, this construction aid might have to be repaid out of the proceeds. The amount of State construction aid received since July 1970 is not available but can be calculated by the State of Vermont in the event that a repayment is sought.

Stowe School District  
 Statement of Revenues, Expenditures and Changes  
 in Fund Balance - Budget and Actual  
 General Fund  
 For The Year Ended June 30, 2014

Schedule 1

	Object	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
Tuition:				
Private		\$ -	\$ 72,544	\$ 72,544
Other LEAs		342,000	400,999	58,999
Investment Income		29,850	15,488	(14,362)
Rentals		3,000	3,150	150
Services to Other LEAs		-	14,455	14,455
Prior Year Refunds		-	15,721	15,721
Miscellaneous		-	2,242	2,242
State:				
Education Spending Grant		9,075,150	9,074,567	(583)
Technical Center		23,300	23,883	583
Transportation Aid		100,000	100,770	770
Driver Education		3,100	626	(2,474)
Driver Education - Prior Year		-	911	911
High School Completion (Act 176)		-	10,877	10,877
High School Completion - Prior Year		-	809	809
Mainstream Block Grant		229,800	236,108	6,308
SPED Expenditure Reimbursement		596,000	588,287	(7,713)
SPED Expenditure Reimbursement - Prior Year		-	52,229	52,229
Extraordinary Reimbursement		59,000	34,058	(24,942)
Essential Early Education		45,200	45,276	76
Vocational Transportation		-	22,400	22,400
Federal:				
IDEA-B		40,000	39,577	(423)
<b>TOTAL REVENUES</b>		<u>10,546,400</u>	<u>10,754,977</u>	<u>208,577</u>
<b>EXPENDITURES:</b>				
Preschool:				
Special Education 1200:				
Salaries	100	11,625	-	11,625
Employee Benefits	200	1,100	119	981
Professional & Tech. Services	300	81,225	59,550	21,675
Supplies & Materials	600	2,250	3,423	(1,173)
Subtotal		<u>96,200</u>	<u>63,092</u>	<u>33,108</u>
Speech & Audiological Services 2150:				
Professional & Tech. Services	300	850	-	850

The accompanying notes are an integral part of these financial statements

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	Object	Budget	Actual	Variance Favorable (Unfavorable)
Other Services	500	\$ 500	\$ -	\$ 500
Property	700	<u>2,000</u>	<u>1,149</u>	<u>851</u>
Subtotal		<u>3,350</u>	<u>1,149</u>	<u>2,201</u>
Occupational Therapy Services 2160:				
Professional & Tech. Services	300	<u>3,500</u>	<u>3,617</u>	<u>(117)</u>
Subtotal		<u>3,500</u>	<u>3,617</u>	<u>(117)</u>
Other Student Services 2190:				
Professional & Tech. Services	300	<u>3,600</u>	<u>-</u>	<u>3,600</u>
Subtotal		<u>3,600</u>	<u>-</u>	<u>3,600</u>
Total Preschool		<u>106,650</u>	<u>67,858</u>	<u>38,792</u>
Elementary:				
Regular Instruction 1100:				
Salaries	100	1,689,450	1,717,661	(28,211)
Employee Benefits	200	590,500	530,339	60,161
Professional & Tech. Services	300	34,200	24,130	10,070
Property Services	400	6,900	2,814	4,086
Other Services	500	11,825	6,876	4,949
Supplies & Materials	600	62,275	45,948	16,327
Property	700	39,650	58,104	(18,454)
Other	800	<u>450</u>	<u>199</u>	<u>251</u>
Subtotal		<u>2,435,250</u>	<u>2,386,071</u>	<u>49,179</u>
Special Education 1200:				
Salaries	100	167,050	192,375	(25,325)
Employee Benefits	200	85,675	123,060	(37,385)
Professional & Tech. Services	300	206,400	120,587	85,813
Property Services	400	1,500	539	961
Other Services	500	400	329	71
Supplies & Materials	600	1,925	1,871	54
Property	700	<u>2,400</u>	<u>1,698</u>	<u>702</u>
Subtotal		<u>465,350</u>	<u>440,459</u>	<u>24,891</u>
Guidance Services 2120:				
Salaries	100	69,150	70,183	(1,033)
Employee Benefits	200	8,750	9,438	(688)
Professional & Tech. Services	300	8,175	8,300	(125)

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	Object	Budget	Actual	Variance Favorable (Unfavorable)
Supplies & Materials	600	\$ 300	\$ 219	\$ 81
Subtotal		<u>86,375</u>	<u>88,140</u>	<u>(1,765)</u>
Health Services 2130:				
Salaries	100	34,900	38,492	(3,592)
Employee Benefits	200	8,250	11,729	(3,479)
Property Services	400	100	88	12
Other Services	500	-	28	(28)
Supplies & Materials	600	275	207	68
Subtotal		<u>43,525</u>	<u>50,544</u>	<u>(7,019)</u>
Psychological Services 2140:				
Professional & Tech. Services	300	22,575	21,325	1,250
Subtotal		<u>22,575</u>	<u>21,325</u>	<u>1,250</u>
Speech & Audiological Services 2150:				
Salaries	100	17,600	16,241	1,359
Employee Benefits	200	20,775	19,880	895
Professional & Tech. Services	300	32,050	30,889	1,161
Property Services	400	1,400	-	1,400
Other Services	500	500	133	367
Supplies & Materials	600	1,000	676	324
Property	700	3,100	2,448	652
Subtotal		<u>76,425</u>	<u>70,267</u>	<u>6,158</u>
Occupational Therapy Services 2160:				
Professional & Tech. Services	300	23,575	19,269	4,306
Supplies & Materials	600	275	270	5
Subtotal		<u>23,850</u>	<u>19,539</u>	<u>4,311</u>
Other Student Services 2190:				
Professional & Tech. Services	300	8,000	8,337	(337)
Supplies & Materials	600	-	717	(717)
Subtotal		<u>8,000</u>	<u>9,054</u>	<u>(1,054)</u>
Curriculum & Instruction 2200:				
Professional & Tech. Services	300	18,375	18,375	-
Subtotal		<u>18,375</u>	<u>18,375</u>	<u>-</u>
Library Services 2222:				
Salaries	100	37,725	38,695	(970)
Employee Benefits	200	18,050	15,919	2,131

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	Object	Budget	Actual	Variance Favorable (Unfavorable)
Supplies & Materials	600	\$ 6,550	\$ 5,561	\$ 989
Subtotal		<u>62,325</u>	<u>60,175</u>	<u>2,150</u>
Board of Education 2310:				
Salaries	100	1,675	1,675	-
Employee Benefits	200	150	133	17
Professional & Tech. Services	300	10,000	2,420	7,580
Other Services	500	2,850	3,893	(1,043)
Other	800	<u>2,300</u>	<u>2,816</u>	<u>(516)</u>
Subtotal		<u>16,975</u>	<u>10,937</u>	<u>6,038</u>
Supervisory Union Assessment 2321:				
Professional & Tech. Services	300	<u>34,900</u>	<u>34,900</u>	-
Subtotal		<u>34,900</u>	<u>34,900</u>	-
Principal's Office 2410:				
Salaries	100	173,575	173,050	525
Employee Benefits	200	60,250	55,830	4,420
Professional & Tech. Services	300	2,000	175	1,825
Property Services	400	24,750	25,962	(1,212)
Other Services	500	20,100	5,819	14,281
Supplies & Materials	600	4,800	4,456	344
Property	700	800	3,047	(2,247)
Other	800	<u>6,300</u>	<u>3,829</u>	<u>2,471</u>
Subtotal		<u>292,575</u>	<u>272,168</u>	<u>20,407</u>
Administrative Services 2420:				
Professional & Tech. Services	300	<u>18,150</u>	<u>18,150</u>	-
Subtotal		<u>18,150</u>	<u>18,150</u>	-
Fiscal Services 2520:				
Salaries	100	300	275	25
Employee Benefits	200	25	21	4
Professional & Tech. Services	300	63,925	61,925	2,000
Other Services	500	500	3,709	(3,209)
Supplies & Materials	600	500	359	141
Other	800	<u>1,500</u>	<u>159</u>	<u>1,341</u>
Subtotal		<u>66,750</u>	<u>66,448</u>	<u>302</u>
Plant Operation 2600:				
Salaries	100	88,000	97,630	(9,630)
Employee Benefits	200	44,400	41,985	2,415

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	Object	Budget	Actual	Variance Favorable (Unfavorable)
Property Services	400	\$ 60,000	\$ 60,475	\$ (475)
Other Services	500	10,700	9,404	1,296
Supplies & Materials	600	128,875	112,552	16,323
Property	700	6,000	6,158	(158)
Other	800	<u>-</u>	<u>68</u>	<u>(68)</u>
Subtotal		<u>337,975</u>	<u>328,272</u>	<u>9,703</u>
Transportation 2700:				
Professional & Tech. Services	300	93,625	90,836	2,789
Other Services	500	<u>1,000</u>	<u>204</u>	<u>796</u>
Subtotal		<u>94,625</u>	<u>91,040</u>	<u>3,585</u>
SPED Transportation 2700:				
Other Services	500	<u>350</u>	<u>-</u>	<u>350</u>
Subtotal		<u>350</u>	<u>-</u>	<u>350</u>
Information Services 2820:				
Professional & Tech. Services	300	<u>26,125</u>	<u>26,125</u>	<u>-</u>
Subtotal		<u>26,125</u>	<u>26,125</u>	<u>-</u>
Debt Service 5100:				
Interest	800	26,575	25,440	1,135
Principal	900	<u>40,000</u>	<u>40,000</u>	<u>-</u>
Subtotal		<u>66,575</u>	<u>65,440</u>	<u>1,135</u>
Current Interest 5200:				
Other	800	<u>9,950</u>	<u>2,872</u>	<u>7,078</u>
Subtotal		<u>9,950</u>	<u>2,872</u>	<u>7,078</u>
Total Elementary		<u>4,207,000</u>	<u>4,080,301</u>	<u>126,699</u>
Secondary:				
Regular Instruction 1100:				
Salaries	100	1,297,575	1,327,080	(29,505)
Employee Benefits	200	484,575	432,231	52,344
Professional & Tech. Services	300	28,500	32,997	(4,497)
Property Services	400	20,800	16,124	4,676
Other Services	500	8,950	7,562	1,388
Supplies & Materials	600	42,200	33,004	9,196
Property	700	27,800	53,574	(25,774)

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	Object	Budget	Actual	Variance Favorable (Unfavorable)
Other	800	\$ 6,800	\$ 9,155	\$ (2,355)
Subtotal		<u>1,917,200</u>	<u>1,911,727</u>	<u>5,473</u>
Special Education 1200:				
Salaries	100	193,125	171,196	21,929
Employee Benefits	200	94,550	57,599	36,951
Professional & Tech. Services	300	69,000	60,023	8,977
Property Services	400	1,000	1,033	(33)
Other Services	500	80,200	3,997	76,203
Supplies & Materials	600	2,075	1,338	737
Property	700	1,700	2,459	(759)
Subtotal		<u>441,650</u>	<u>297,645</u>	<u>144,005</u>
Vocational Education 1300:				
Other Services	500	46,100	44,147	1,953
Subtotal		<u>46,100</u>	<u>44,147</u>	<u>1,953</u>
Athletics 1400:				
Salaries	100	101,075	88,843	12,232
Employee Benefits	200	8,375	6,768	1,607
Professional & Tech. Services	300	25,700	18,277	7,423
Other Services	500	500	485	15
Supplies & Materials	600	9,500	8,680	820
Property	700	12,850	15,087	(2,237)
Other	800	16,025	17,045	(1,020)
Subtotal		<u>174,025</u>	<u>155,185</u>	<u>18,840</u>
Guidance Services 2120:				
Salaries	100	137,025	137,677	(652)
Employee Benefits	200	24,525	28,814	(4,289)
Professional & Tech. Services	300	8,175	8,175	-
Property Services	400	300	211	89
Other Services	500	2,000	2,000	-
Supplies & Materials	600	100	100	-
Other	800	1,475	1,475	-
Subtotal		<u>173,600</u>	<u>178,452</u>	<u>(4,852)</u>
Health Services 2130:				
Salaries	100	27,675	31,363	(3,688)
Employee Benefits	200	7,550	10,058	(2,508)
Property Services	400	225	124	101
Supplies & Materials	600	800	246	554

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	Object	Budget	Actual	Variance Favorable (Unfavorable)
Property	700	\$ -	\$ 137	\$ (137)
Subtotal		<u>36,250</u>	<u>41,928</u>	<u>(5,678)</u>
Psychological Services 2140:				
Professional & Tech. Services	300	<u>22,575</u>	<u>21,419</u>	<u>1,156</u>
Subtotal		<u>22,575</u>	<u>21,419</u>	<u>1,156</u>
Speech & Audiological Services 2150:				
Salaries	100	5,950	-	5,950
Employee Benefits	200	575	32	543
Professional & Tech. Services	300	30,325	26,527	3,798
Property Services	400	500	-	500
Supplies & Materials	600	200	413	(213)
Property	700	<u>-</u>	<u>150</u>	<u>(150)</u>
Subtotal		<u>37,550</u>	<u>27,122</u>	<u>10,428</u>
Occupational Therapy Services 2160:				
Professional & Tech. Services	300	12,225	10,155	2,070
Supplies & Materials	600	<u>-</u>	<u>284</u>	<u>(284)</u>
Subtotal		<u>12,225</u>	<u>10,439</u>	<u>1,786</u>
Other Student Services 2190:				
Professional & Tech. Services	300	<u>10,000</u>	<u>19,762</u>	<u>(9,762)</u>
Subtotal		<u>10,000</u>	<u>19,762</u>	<u>(9,762)</u>
Curriculum & Instruction 2200:				
Professional & Tech. Services	300	<u>18,375</u>	<u>18,375</u>	<u>-</u>
Subtotal		<u>18,375</u>	<u>18,375</u>	<u>-</u>
Library Services 2222:				
Salaries	100	34,600	35,560	(960)
Employee Benefits	200	16,575	18,082	(1,507)
Professional & Tech. Services	300	125	60	65
Property Services	400	150	105	45
Supplies & Materials	600	5,450	4,193	1,257
Property	700	125	-	125
Other	800	<u>50</u>	<u>-</u>	<u>50</u>
Subtotal		<u>57,075</u>	<u>58,000</u>	<u>(925)</u>
Board of Education 2310:				
Salaries	100	1,675	1,662	13
Employee Benefits	200	150	127	23
Professional & Tech. Services	300	10,000	2,420	7,580

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	Object	Budget	Actual	Variance Favorable (Unfavorable)
Other Services	500	\$ 4,050	\$ 4,192	\$ (142)
Other	800	<u>3,800</u>	<u>2,816</u>	<u>984</u>
Subtotal		<u>19,675</u>	<u>11,217</u>	<u>8,458</u>
Supervisory Union Assessment 2321:				
Assessment	300	<u>34,900</u>	<u>34,900</u>	<u>-</u>
Subtotal		<u>34,900</u>	<u>34,900</u>	<u>-</u>
Principal's Office 2410:				
Salaries	100	189,525	189,724	(199)
Employee Benefits	200	42,875	41,066	1,809
Property Services	400	8,250	12,447	(4,197)
Other Services	500	14,750	7,447	7,303
Supplies & Materials	600	6,000	6,155	(155)
Property	700	500	501	(1)
Other	800	<u>7,500</u>	<u>6,954</u>	<u>546</u>
Subtotal		<u>269,400</u>	<u>264,294</u>	<u>5,106</u>
Administrative Services 2420:				
Professional & Tech. Services	300	<u>18,150</u>	<u>18,150</u>	<u>-</u>
Subtotal		<u>18,150</u>	<u>18,150</u>	<u>-</u>
Fiscal Services 2520:				
Salaries	100	300	275	25
Employee Benefits	200	25	21	4
Professional & Tech. Services	300	63,925	62,086	1,839
Other Services	500	500	3,709	(3,209)
Supplies & Materials	600	500	359	141
Other	800	<u>1,500</u>	<u>159</u>	<u>1,341</u>
Subtotal		<u>66,750</u>	<u>66,609</u>	<u>141</u>
Plant Operation 2600:				
Salaries	100	96,150	111,012	(14,862)
Employee Benefits	200	52,475	52,921	(446)
Professional & Tech. Services	300	1,800	-	1,800
Property Services	400	145,975	114,909	31,066
Other Services	500	10,500	9,288	1,212
Supplies & Materials	600	<u>151,250</u>	<u>128,812</u>	<u>22,438</u>
Subtotal		<u>458,150</u>	<u>416,942</u>	<u>41,208</u>

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	Object	Budget	Actual	Variance Favorable (Unfavorable)
Transportation 2700:				
Professional & Tech. Services	300	\$ 93,625	\$ 90,836	\$ 2,789
Subtotal		<u>93,625</u>	<u>90,836</u>	<u>2,789</u>
Special Education Transportation 2700:				
Other Services	500	4,000	142	3,858
Subtotal		<u>4,000</u>	<u>142</u>	<u>3,858</u>
Athletic Transportation 2700:				
Other Services	500	48,975	41,974	7,001
Subtotal		<u>48,975</u>	<u>41,974</u>	<u>7,001</u>
Information Services 2820:				
Professional & Tech. Services	300	26,125	26,125	-
Subtotal		<u>26,125</u>	<u>26,125</u>	<u>-</u>
Debt Service 5100:				
Interest	800	26,575	25,440	1,135
Principal	900	40,000	40,000	-
Subtotal		<u>66,575</u>	<u>65,440</u>	<u>1,135</u>
Current Interest 5200:				
Other	800	9,950	2,872	7,078
Subtotal		<u>9,950</u>	<u>2,872</u>	<u>7,078</u>
Total Secondary		<u>4,062,900</u>	<u>3,823,702</u>	<u>239,198</u>
Middle:				
Regular Instruction 1100:				
Salaries	100	869,650	859,614	10,036
Employee Benefits	200	289,650	258,630	31,020
Professional & Tech. Services	300	31,675	31,051	624
Property Services	400	11,850	8,128	3,722
Other Services	500	6,350	6,480	(130)
Supplies & Materials	600	39,900	27,707	12,193
Property	700	27,800	70,761	(42,961)
Other	800	2,200	2,250	(50)
Subtotal		<u>1,279,075</u>	<u>1,264,621</u>	<u>14,454</u>
Special Education 1200:				
Salaries	100	212,600	218,024	(5,424)
Employee Benefits	200	104,900	107,082	(2,182)

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Professional & Tech. Services	300	\$ 70,000	\$ 56,004	\$ 13,996
Property Services	400	1,500	351	1,149
Other Services	500	80,625	79,112	1,513
Supplies & Materials	600	3,650	4,123	(473)
Property	700	<u>1,600</u>	<u>1,062</u>	<u>538</u>
Subtotal		<u>474,875</u>	<u>465,758</u>	<u>9,117</u>
Athletics 1400:				
Salaries	100	20,175	13,963	6,212
Employee Benefits	200	1,675	1,079	596
Professional & Tech. Services	300	6,600	4,190	2,410
Supplies & Materials	600	1,000	2,319	(1,319)
Other	800	<u>625</u>	<u>410</u>	<u>215</u>
Subtotal		<u>30,075</u>	<u>21,961</u>	<u>8,114</u>
Guidance Services 2120:				
Salaries	100	65,300	78,420	(13,120)
Employee Benefits	200	33,650	36,274	(2,624)
Professional & Tech. Services	300	8,225	8,175	50
Supplies & Materials	600	100	-	100
Other	800	<u>75</u>	<u>-</u>	<u>75</u>
Subtotal		<u>107,350</u>	<u>122,869</u>	<u>(15,519)</u>
Health Services 2130:				
Salaries	100	27,675	24,118	3,557
Employee Benefits	200	7,450	6,813	637
Property Services	400	125	88	37
Supplies & Materials	600	325	120	205
Property	700	<u>-</u>	<u>52</u>	<u>(52)</u>
Subtotal		<u>35,575</u>	<u>31,191</u>	<u>4,384</u>
Psychological Services 2140:				
Professional & Tech. Services	300	<u>22,575</u>	<u>21,967</u>	<u>608</u>
Subtotal		<u>22,575</u>	<u>21,967</u>	<u>608</u>
Speech & Audiological Services 2150:				
Salaries	100	5,950	10,842	(4,892)
Employee Benefits	200	575	889	(314)
Professional & Tech. Services	300	25,900	26,000	(100)
Property Services	400	500	296	204
Supplies & Materials	600	<u>275</u>	<u>-</u>	<u>275</u>

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Property	700	\$ 2,500	\$ 150	\$ 2,350
Subtotal		<u>35,700</u>	<u>38,177</u>	<u>(2,477)</u>
Occupational Therapy Services 2160:				
Professional & Tech. Services	300	6,325	4,974	1,351
Supplies & Materials	600	-	296	(296)
Subtotal		<u>6,325</u>	<u>5,270</u>	<u>1,055</u>
Other Student Services 2190:				
Professional & Tech. Services	300	12,000	-	12,000
Subtotal		<u>12,000</u>	<u>-</u>	<u>12,000</u>
Curriculum & Instruction 2200:				
Professional & Tech. Services	300	18,375	18,375	-
Subtotal		<u>18,375</u>	<u>18,375</u>	<u>-</u>
Library Services 2222:				
Salaries	100	34,600	35,110	(510)
Employee Benefits	200	16,775	15,457	1,318
Professional & Tech. Services	300	100	40	60
Supplies & Materials	600	3,750	3,964	(214)
Property Services	700	100	-	100
Other	800	25	-	25
Subtotal		<u>55,350</u>	<u>54,571</u>	<u>779</u>
Board of Education 2310:				
Salaries	100	1,675	1,663	12
Employee Benefits	200	150	122	28
Professional & Tech. Services	300	10,000	2,420	7,580
Other Services	500	5,050	3,955	1,095
Other	800	2,300	2,816	(516)
Subtotal		<u>19,175</u>	<u>10,976</u>	<u>8,199</u>
Supervisory Union Assessment 2321:				
Professional & Tech. Services	300	34,900	34,900	-
Subtotal		<u>34,900</u>	<u>34,900</u>	<u>-</u>
Principal's Office 2410:				
Salaries	100	104,650	99,664	4,986
Employee Benefits	200	37,575	35,057	2,518
Professional & Tech. Services	300	-	125	(125)
Property Services	400	8,250	13,319	(5,069)
Other Services	500	10,250	5,113	5,137

The accompanying notes are an integral part of these financial statements

Stowe School District  
 Statement of Revenues, Expenditures and Changes  
 in Fund Balance - Budget and Actual  
 General Fund  
 For The Year Ended June 30, 2014

Schedule 1

	Object	Budget	Actual	Variance Favorable (Unfavorable)
Supplies & Materials	600	\$ 3,150	\$ 843	\$ 2,307
Property	700	450	3,649	(3,199)
Other	800	<u>3,000</u>	<u>3,133</u>	<u>(133)</u>
Subtotal		<u>167,325</u>	<u>160,903</u>	<u>6,422</u>
Administrative Services 2420:				
Professional & Tech. Services	300	<u>18,150</u>	<u>18,150</u>	<u>-</u>
Subtotal		<u>18,150</u>	<u>18,150</u>	<u>-</u>
Fiscal Services 2520:				
Salaries	100	300	275	25
Employee Benefits	200	25	21	4
Professional & Tech. Services	300	63,925	62,086	1,839
Other Services	500	500	3,709	(3,209)
Supplies & Materials	600	500	359	141
Other	800	<u>1,500</u>	<u>159</u>	<u>1,341</u>
Subtotal		<u>66,750</u>	<u>66,609</u>	<u>141</u>
Plant Operation 2600:				
Salaries	100	29,675	30,319	(644)
Employee Benefits	200	16,650	13,825	2,825
Professional & Tech. Services	300	1,200	-	1,200
Property Services	400	97,475	78,452	19,023
Other Services	500	10,500	9,288	1,212
Supplies & Materials	600	<u>102,700</u>	<u>84,725</u>	<u>17,975</u>
Subtotal		<u>258,200</u>	<u>216,609</u>	<u>41,591</u>
Transportation 2700:				
Professional & Tech. Services	300	93,625	90,836	2,789
Other Services	500	<u>200</u>	<u>285</u>	<u>(85)</u>
Subtotal		<u>93,825</u>	<u>91,121</u>	<u>2,704</u>
SPED Transportation 2700:				
Other Services	500	<u>4,000</u>	<u>5,685</u>	<u>(1,685)</u>
Subtotal		<u>4,000</u>	<u>5,685</u>	<u>(1,685)</u>
Athletic Transportation 2700:				
Other Services	500	<u>7,600</u>	<u>5,029</u>	<u>2,571</u>
Subtotal		<u>7,600</u>	<u>5,029</u>	<u>2,571</u>
Information Services 2820:				
Professional & Tech. Services	300	<u>26,125</u>	<u>26,125</u>	<u>-</u>
Subtotal		<u>26,125</u>	<u>26,125</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

Stowe School District  
Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
General Fund  
For The Year Ended June 30, 2014

Schedule 1

	Object	Budget	Actual	Variance Favorable (Unfavorable)
Debt Service 5100:				
Interest	800	\$ 26,575	\$ 25,440	\$ 1,135
Principal	900	<u>40,000</u>	<u>40,000</u>	<u>-</u>
Subtotal		<u>66,575</u>	<u>65,440</u>	<u>1,135</u>
Current Interest 5200:				
Other	800	<u>9,950</u>	<u>2,872</u>	<u>7,078</u>
Subtotal		<u>9,950</u>	<u>2,872</u>	<u>7,078</u>
Total Middle		<u>2,849,850</u>	<u>2,749,179</u>	<u>100,671</u>
TOTAL EXPENDITURES		<u>11,226,400</u>	<u>10,721,040</u>	<u>505,360</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES		(680,000)	33,937	713,937
FUND BALANCE, JULY 1, 2013		<u>680,000</u>	<u>1,752,548</u>	<u>1,072,548</u>
FUND BALANCE, JUNE 30, 2014		<u>\$ -</u>	<u>\$ 1,786,485</u>	<u>\$ 1,786,485</u>

The accompanying notes are an integral part of these financial statements

Stowe School District  
Statement of Changes in Assets and Liabilities  
Fiduciary Fund Types - Agency Funds  
For The Year Ended June 30, 2014

Schedule 2

	Balance July 1, 2013	Receipts	Disbursements	Balance June 30, 2014
Assets:				
Cash - Elementary	\$ 6,828	\$ 83,177	\$ 79,412	\$ 10,593
Cash - Secondary	<u>121,369</u>	<u>284,618</u>	<u>283,970</u>	<u>122,017</u>
Total Assets	<u>\$ 128,197</u>	<u>\$ 367,795</u>	<u>\$ 363,382</u>	<u>\$ 132,610</u>
Liabilities:				
Amount Held for Agency Funds	<u>\$ 128,197</u>	<u>\$ 367,795</u>	<u>\$ 363,382</u>	<u>\$ 132,610</u>
Total Liabilities	<u>\$ 128,197</u>	<u>\$ 367,795</u>	<u>\$ 363,382</u>	<u>\$ 132,610</u>

The accompanying notes are an integral part of these financial statements

Stowe School District  
Combining Balance Sheet  
Fiduciary Fund Type - Private Purpose Trusts  
June 30, 2014

Schedule 3

	CV Starr Scholarship Fund	Charitable Fund	Totals
ASSETS:			
Current Assets:			
Cash		\$ 26,796	\$ 26,796
Investments	\$ 2,771,533	-	2,771,533
Total Current Assets	<u>2,771,533</u>	<u>26,796</u>	<u>2,798,329</u>
 TOTAL ASSETS	 <u>\$ 2,771,533</u>	 <u>\$ 26,796</u>	 <u>\$ 2,798,329</u>
LIABILITIES AND FUND BALANCES:			
Liabilities:			
Scholarship Payable	\$ 348,650	-	\$ 348,650
Total Liabilities	<u>348,650</u>	<u>\$ -</u>	<u>348,650</u>
Fund Balances:			
Restricted	2,422,883	26,796	2,449,679
Total Fund Balances	<u>2,422,883</u>	<u>26,796</u>	<u>2,449,679</u>
 TOTAL LIABILITIES & FUND BALANCES	 <u>\$ 2,771,533</u>	 <u>\$ 26,796</u>	 <u>\$ 2,798,329</u>

The accompanying notes are an integral part of these financial statements



P.O. Box 639  
2834 Shelburne Road  
Shelburne, VT 05482-0639

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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**

To the School Board  
Stowe School District, 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, the business-type activities, and the aggregate remaining fund information of Stowe School District, Vermont, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Stowe School District, Vermont's basic financial statements and have issued our report thereon dated December 16, 2014.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Stowe School District, 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 Stowe School District, Vermont's internal control. Accordingly, we do not express an opinion on the effectiveness of Stowe School District, 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 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 School District, 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 of 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

#### ***Angolano & Company***

Angolano & Company  
Shelburne, Vermont  
Firm Registration Number 92-0000141

December 16, 2014



P.O. Box 639  
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September 17, 2014

To the School Board  
Stowe School District

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of **Stowe School District** for the year ended June 30, 2014. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, Government Auditing Standards and OMB Circular A-133), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 29, 2014. Professional standards also require that we communicate to you the following information related to our audit.

#### 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 Stowe School District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during June 30, 2014. We noted no transactions entered into by the governmental unit 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:

Management's estimate of the lives of property, plant, and equipment is based on expected usefulness. We evaluated the key factors and assumptions used to develop

the lives of property, plant, and equipment in determining that it is reasonable in relation to the financial statements taken as a whole.

Management estimates the final receivable or payable with the State of Vermont Department of Education for special education expense reimbursement.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

The disclosure of Fund Balances and Resources in Notes 10 and 11 to the financial statements as to how any surplus is to be used in future fiscal years.

The disclosure of Other Post Employment Benefits (OPEB) and Termination Benefits in Note 7 to the financial statements as to how it is being offered and any contingent and real liabilities that exist.

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant 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 trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

#### *Disagreements with Management*

For purposes of this letter, professional standards define a disagreement with management as 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.

#### *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 governmental unit’s 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 retention as the governmental unit’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of School Board and management of Stowe School District and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

***Angolano & Company***

Angolano & Company,  
Shelburne, Vermont  
Firm Registration Number 92-0000141

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

**DIRECTORY OF BOARDS & COMMISSIONS**

**SELECTBOARD 253-7350, P.O. Box 730**

Rev.

February 2015

Lisa Hagerty, Chair	2850 Mountain Road	508-560-3523	lisahagerty@me.com
William Adams, Vice Chair	58 Cemetery Road	253-7893	w.w.adams@stoweaccess.com
William Noyes	100 Weeks Hill Road	253-8552	willies@stoweaccess.com
Adam Davis	676 Stowe Hollow Road	253-4187	cathyadam@stoweaccess.com
Neil Van Dyke	PO Box 1164	557-2502	neil.vandyke@state.vt.us

**TOWN MANAGER**

Charles Safford	P.O. Box 730, Stowe	253-7350	csafford@townofstovermont.org
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**PUBLIC WORKS DIRECTOR**

Harry Shepard	P.O. Box 730, Stowe	253-8770 505-8558 c	hspepard@townofstovermont.org
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**PLANNING COMMISSION 253-6141, P.O. Box 216**

Chuck Baraw, Chair	P.O. Box 369, Stowe	760-1082 272-0243 c	cbaraw@stoweflake.com
Chuck Ebel	337 Grey Birch Road	253-9654	chas.ebel@gmail.com
Neil Percy	42 Elizabeth's Lane	760-7074	sdiver101@aol.com
Robert Davison	900 Shaw Hill Road	253-9065	rdavisonjr@aol.com
Terry McNabb	787 Tamarack Road	253-2693 793-3904 c	terry@mcnabbconsulting.com
Arnold Ziegel	60 Dish Lane	253-4231 914-522-0102 c	a.ziegel@att.net
Mila Lonetto			milalonetto@gmail.com 279-0790

Tom Jackman, Director of Planning, P.O. Box 216 (staff support for PC, Conservation)		253-2705	
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tjackman@townofstovermont.org

**DEVELOPMENT REVIEW BOARD 253-6141; P.O. Box 216**

Peter Collotta	PO Box 594	253-8702	pcollotta@hotmail.com
Michael Diender	PO Box 835	253-7159	michael@sunandskiinn.com
Douglas J. White, Chair	PO Box 294	253-4587	svturtledance@gmail.com
Drew Clymer	150 Upper Sky Acres	267-884-3114 or 253-3725	haclymer@gmail.com
Michael Beugnies	PO Box 732	253-1399	mbeugnies@gmail.com
Chris Walton	112 S. Main St. #276	253-9260	lbdawgz@aol.com
Tyler Mumley	103 Cape Cod Road	850-766-2510	tylermumley@hotmail.com
Thomas Hand (alternate)		760-3141	Thomas.hand@gmail.com
Nick Lizotte (alternate)	1800 Mountain Road PO Drawer 539	760-3141	Nick.lizotte@pallspera.com

Richard Baker, Zoning Director, P.O. Box 216		253-6141 (staff support for DRB, SHP)	
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rbaker@townofstovermont.org

**LISTERS 253-6144; P.O. Box 1183**

Paul E. Percy, Chair	29 Percy Hill Road	253-4092	percyfarms@pwshift.com
Ellen E. Thorndike	1864 Taber Hill Road	253-4533	ellen@ellenthorndike.com
Leo V. Clark	28 Parker Lane	253-7517	Leo.clark@state.vt.us
Tim Morrissey, Town Appraiser		253-6144	tmorrissey@townofstovermont.org

**PUBLIC HEALTH 253-6141**

Richard Baker, Health Officer	P.O. Box 216	253-6141	
Tom Jackman, Deputy HO		253-2705	

CONSERVATION COMMISSION

Marina Meerburg, Chair	128 Deer Hill Lane	253-1939 279-3226 c	marina@bigplanet.com
David Jaqua	368 Covered Bridge Rd.	253-6227	davidjaqua@myfairpoint.net
Gar Anderson	250 Sterling Gorge Rd.	253-9035	gar@sterlingfallsgorge.com
Robert Moore	18 Innisfree Lane	253-7871	rmoore@vtc.vsc.edu
Andre Blaise	542 Moss Glen Falls Rd	734-7259 c	andrepatrickblaise@yahoo.com
Christine McGowan (vacant)	632 Covered Bridge Rd	253-2920	Cdorsey68@gmail.com

STOWE HISTORIC PRESERVATION COMMISSION

Barbara Baraw	PO Box 74	253-8428	bbaraw@pshift.com
Cindy McKechnie - alternate	PO Box 1168	253-4605	LMcKechnie@aol.com
Gordon Dixon	111 Innisfree Lane	253-9367	Gordon@gordondixonconstruction.com
Sarah McLane	3017 Stowe Hollow Rd	253-9293	snmclaine@gmail.com
Sam Scofield	PO Box 773	253-9948	sam@samarcht.com
McKee MacDonald	PO Box 300	375-5009	mckee@mckeemacdonald.com
George Bambara – alternate		730-6084	George.bambara@pallspera.com

RECREATION COMMISSION

Tom Ashworth	PO Box 1393	371-7776	tcashworth75@gmail.com
Theresa Wehse, Chair	156 Bryan Road	253-9259	terrie.wehse@myfairpoint.net
Norm Williams	4458 Stowe Hollow Rd	253-9949	Norm.williams@stoweschools.com
Brett Loomis	1400 N. Hollow Rd	802-881-8738	brettlloomis@yahoo.com
Walt Levering	525 Sky Acres Drive		walterblevering@gmail.com
Pascale Savard (vacant)	548 Tansy Hill Road	917-3548	Pascale@stowe.nu
Matthew Frazee, Parks & Recreation Director, PO Box 730		253-2264	mfrazee@townofstovermont.org

CEMETERY COMMISSION

Peter Smith	131 School St	253-8016	
Donna Adams, Chair	PO Box 241, Moscow	253-2278	adams@stoweaccess.com
Judy Demeritt	310 Jersey Way, Morrisville	888-7586	
Claire "Skeeter" Austin	PO Box 24	253-9524	skeeter@pshift.com
Barbara Allaire	175 Moulton Lane	253-7727	ballaire@townofstovermont.org
Karin Gottlieb	PO Box 97	253-8220	nerak194@gmail.com
Gerry Griffin	PO Box 238	253-2237	

LIBRARY COMMISSION

David Bryan	475 Tansy Hill Road	253-4113	Dbryan43@gmail.com
Steff Clymer	150 Upper Sky Acres	253-3725	scllymer@myfairpoint.net
Charles Lusk, Chair	660 Barnes Hill Road	253-2993	ctlusk@pshift.com
Amanda Kuhnert	307 Winterbird Road	253-0972	Amanda@fourfoldpress.com
Elizabeth Wechsler	157 Gilchrist Road	253-8343	wex@stoweaccess.com
Richard Johannessen, Jr.	87 Whitney Lane	253-8475	dmjohan@stowe.nu
Darla Witmer	PO Box 594	253-8702	pcollatta@hotmail.com
Cynthia Weber, Director	PO Box 730	253-2706	cweber@stowelibrary.org

ELECTRIC COMMISSION

Mary Lintermann	PO Box 306	253-2244	mlintermann@cumberlandpm.com
Richard C. Marron	PO Box 1497	253-9011	dickmarron@aol.com
Larry Lackey	2359 Stowe Hollow Rd	253-7966	ll@pshift.com
Ellen Burt, General Manager	PO Box 190	253-7215	eburt@stoweaccess.com

**EVENTS IN 2014****JANUARY**

Rusty Nail sold and will reopen  
Stowe Electric to lower rates 3.5% after investigation by Vt. Public Service Board  
Ed Stewart, replacing Neil Van Dyke as Emergency Management Director  
Alex Lanpher, 4th grade student at Stowe Elementary won local National Geographic  
Geography Bee  
Spruce Peak Resort plan major expansion to include Adventure Center  
Stowe's Ty Walker makes Olympic Snowboard team  
Stowe Family Dentistry reopens after fire in 2011  
Larry Lackey leaving Selectboard after serving 8 years  
Pall & Susan Spera to close Lackey's Variety Stowe

**FEBRUARY**

Stowe Swimmers set 38 lifetime tests at NE Regional Swim Championships in White River Junction  
Maria von Trapp, 99 years young passes here in Stowe  
69th Stowe Derby held with 600 entries  
SHS Sam Puddicombe wins silver at Div II Cross- country Freestyle Championship held In Middlebury  
Stowe Youth Hockey sweeps Winter Carnival Tournament for first time  
Tour de Snow held for 2nd year supporting Skiing Kids in sports program  
Skiing and Chinese language being put back into school budget  
Hockey fans help contribute to rebuilding home of Gail LeBaron  
Judge awards \$126,250 in lawsuit to investor of Stafford building  
The "Dream House" at Spruce on the market for \$3,795,000  
68th Annual Stowe Derby held with over 500 participants  
Stowe High School Alpine girls win home Carnival

**MARCH**

Over 450 2014 USSA Junior National skiers, with 10 teams at Trapp's Willie Noyes new Selectboard member replacing Larry Lackey  
Neil Van Dyke receives the Cliff Thompson Award  
Paul Percy receives the Conservation Commission award  
Town Annual Report dedicated in memory of Leigh Tabor, Sr.  
SHS boy's hockey team wins over Middlebury for State Championship  
SHS Girl's hockey team lose in semi-finals double OT to Middlebury  
Stowe Hockey Academy wins its 6th Junior Women's hockey League championship At Vancouver  
Kirchner Woods sugarhouse collapses

Over 100 players take part in the Hyde Cup weekend  
Alex Lanpher, 4th grader at Stowe Elementary competes in the State  
Geographic Bee  
Stowe Electric forced to reduce rates  
Locals Hannah Merson and Acy Lane Craig win gold at USA Snowboard  
event

### **APRIL**

Stowe man charged in burglary spree  
Mountain Closed April 20th with still lots of snow  
74th annual Sugar Slalom held  
8 seniors graduate from Mt. Mansfield Winter Academy  
Dr. Bradley Rauch & son Ben do missionary work in Haiti

### **MAY**

14th Annual Stowe Weekend of Hope held May 2-4  
Town looking to possibly relax parking for businesses in Village  
Green Up Day held on the 3rd.  
Stowe Land trust hires Kristen Sharpless as Conservation Manager  
SHS valedictorian is Colleen McGovern  
SHS salutatorian is Sam Reed  
Adventure Center & Adult Mountain Club approved for Spruce Peak  
New tennis courts being built at the high school

### **JUNE**

Stowe Police torch run raises funds for Special Olympics  
Marylin DeWees takes a helicopter ride for her 84th birthday  
8 Stowe High School Rotary Scholarship recipients attend the meeting  
Water-Sewer bills rising to help pay off deficit  
Hiker falls 150' in the Notch but is safe  
40th Rugby Club tournament held at Polo fields  
Brian Harwood stops broadcasting after many years  
58 students graduate from Stowe High School  
4.5 million skier and rider visits to Mt. Mansfield ski area this ski season  
Stowe trash-transfer station to require \$300,000 of repair  
Barnes Camp restored to be used as Smugglers Notch visitors center  
Alchemist Brewery gets go ahead in Stowe

**JULY**

4th of July celebration huge with the Moscow and Main Street Parade and Shortest Marathon of 1.7 miles  
33rd Stowe 8-Miler held with 549 participants  
Stowe Wine and Cheese store sold by Pardas after 40 years of operation  
28th annual Hot Air Balloon Festival held with 25 participants  
Stowe Cup held with Meckert and Slayton winners  
Melissa Bizarri, SHS graduate named to women's UVM hockey staff  
48th Kirkwood held at Stowe Country Club  
Microburst hits Mountain woods does 6 acres of damage  
More improvements underway for Spruce – adventure center, ice rink

**AUGUST**

Family honor son Christopher Grimes raising \$18,000 for cancer trials  
13 Stowe swimmers crowned division 5 state champs  
R. Bruce Nourjian named Stowe Business Person of the year  
57th Annual Antique Car Show held at Nichols Field  
Bear citations force closure of some walking trails  
Rich and Nancy Haab celebrate 25 years as owners of the Sunset Grill  
Heidi Scheuermann's former boss, Jim Jeffords passes away  
Anabel and Marvin Moriarty, Betsy Shaw, Jim Galanes and Mike Holland named to the VT Ski Museum Hall of Fame  
Morrisville-Stowe Airport reopens with new \$4.5 million runway

**SEPTEMBER**

23rd British Invasion held with 675 cars  
Selectboard agree to leave parking rules in place for village  
Stowe remains # 1 contributor of property taxes to VT education fund – more than \$19.4 million  
Dick Grogan, appointed to Assistant Public Works Director & Water Superintendent  
Fire destroys Diender's home in Sterling  
New Route 100 bridge opens  
To take down or not take down the 100 year old oak tree at South Main Street  
6th annual Pumpkin Chuckin Festival held at Stoweflake Resort  
John Cassel, prominent pianist who played 30 years at Trapps dies suddenly  
Ken Squier honored with a surprise documentary of his life

**OCTOBER**

Golden Eagle complex sold after Hillman's owned for 20 + years  
Stowe students do better than average on state science exams  
Charlotte Brynn, completes swim across Catalina Channel in 10 hours, 34 minutes  
McCarthy's marks 40 years in business  
Stowe Land Trust hires Metz Anderson as operations manager  
New tennis courts at the high school ready for use  
Stowe Union Bank robbed  
Rachel Barr and Chad Haggerty attend National Youth Leadership Mission in Washington  
SHS boy's cross-country team wins Division 3 title and girls placed third

**NOVEMBER**

Rte 108 bridge closed for 3 days for preparation for the replacement in Spring 2015.  
Bypass in Morrisville opened after 40 years of planning  
Voting in Stowe was light but the \$420,000 SED bond vote was passed to buy into Vermont Transco L  
Girls' field hockey team lose to North Country 1-0 in final in Division 3  
Stowe High girls' soccer team lose in semi- finals to # 3 Williamstown 2-1  
Samara's close after 42 year doing business in Stowe  
1920's gas station/taxi stand on South Main torn down for development  
Mayo Farm agricultural lease up for renewal – proposals requested  
Boy's soccer team win championship; Girl's field hockey 2-1 over Bellows Falls and Boy's  
Boys Cross Country team all successful winners representing Stowe High School

**DECEMBER**

Severe snow storm hit town on 12/2 creating serious damage, including part of the huge silver maple on Park Street- road and power crews worked many hours overtime  
Stowe Reporter, Waterbury Record sold to Robert Miller and partners  
Stowe Cable sold to Bill Davis  
Cookbook gives \$20,000 to Stowe Education Fund  
Stowe Rugby Club wins New England Title  
Parking crunch at Stowe Mountain Resort  
Ty Walker becomes first woman to win an FIS Snowboard Big Air World Cup  
Brian Leven, Deputy Secretary of State, resigns from the DRB to work in the office of Stackpole & French  
Hundreds use the new ice arena over the holidays

Prepared by Barbara Allaire

**ANNUAL TOWN/SCHOOL DISTRICT MEETING**  
**MARCH 4, 2014**  
**STOWE HIGH SCHOOL AUDITORIUM**  
**8:00 A.M.**

Moderator Leighton Detora called the meeting to order at 8:03 a.m. Present were 187 registered voters of the Town of Stowe. The meeting began with the Pledge of Allegiance. Mr. Detora then noted the passing of Leigh Tabor, Sr. and retirement of Lawrence Lackey from the Selectboard.

Chris Walker from the Fire Department presented the Cliff Thompson Award to Neil Van Dyke. Neil thanked the Fire Department for the recognition.

Conservationist of the year award was presented by Marina Meerburg to Paul Percy. Paul thanked the voters for continued support of the Farmer's Contracts.

Mr. Detora also recognized local athletes Ty Walker and Trina Hosmer for their international competitions.

The Moderator then explained Roberts Rules of Order.

Permission was granted by the voters for the Town Manager, Public Works Director and Librarian to answer questions if needed as they are not registered Stowe voters.

**SCHOOL DISTRICT MEETING**

**Article 1:** Cam Page made the motion, seconded by Susan Segal, to accept the annual reports of the School Directors as presented. There was no discussion and the motion was unanimously approved.

**Article 2:** Cam Page made the motion, seconded by Susan Segal, 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 returns from the State for such purposes, and that the same shall be done by notes of the District. Cam explained the proposed school budget holds a 5.4% increase based on maintenance and safety projects, expanded pre-school program and technology improvements at the middle/high school level. She added that the Statewide education tax rate is projected to increase \$0.07 and Stowe anticipates a 5.3% increase in enrollment, not including Pre-K. Stowe is ranked 120 in per-pupil spending out of over 240 schools.

There was no discussion and the motion was unanimously approved.

**Article 3:** Cam Page made the motion, seconded by Christine Donovan, to pay its School Directors and other elected officials for the ensuing fiscal year as follows:

School Board Directors	\$1,000/member per year
Moderator	\$ 75/meeting
Treasurer	\$825/year

The motion was unanimously approved.

**Article 4:** Cam Page made the motion, seconded by Christine Donovan, to apply six hundred eighty thousand dollars (\$680,000) of the school district's current fund balance as revenue for the 2014-2015 school year budget as well as two hundred fifty thousand (\$250,000) toward the construction fund for tennis court repairs and other building repairs and establish a reserve fund for the purpose of defraying future educational expenses utilizing all carry forward exceeding the above amounts.

There was no discussion and the motion carried.

**Article 5:** Other business.

There was no other business and the School District Meeting adjourned at 8:50 a.m.

## TOWN MEETING

**Article 1:** Larry Lackey made the motion, seconded by Adam Davis, to appropriate eleven million one hundred forty nine thousand one hundred thirty three dollars (\$11,149,133) to pay expenses identified in the "Fiscal Year 2015 Proposed Town Operating Budget" as follows:

Accounting	\$ 284,770
Administration	\$ 397,800
Akeley Memorial Bldg	\$ 120,130
Annual Leave Reserve Fund Transfer	\$ 120,000
Arena	\$ 510,395
Capital Fund Transfer	\$ 50,000
Cemetery	\$ 14,333
Community Affairs	\$ 66,422
Cultural Campus	\$ 35,092

Debt Management	\$1,283,094
Elections	\$ 5,357
Emergency Management	\$ 2,376
EMS	\$ 429,256
Equipment Reserve Fund	\$ 390,000
Fire	\$ 219,231
General Government	\$ 554,797
Highway	\$2,101,057
Insurance	\$ 203,951
Library	\$ 549,286
Listers	\$ 103,518
Mountain Rescue	\$ 18,575
Parks, Buildings, Grounds	\$ 491,321
Planning	\$ 133,487
Police	\$1,648,779
Public Safety Building	\$ 142,977
Public Works	\$ 312,144
Recreation	\$ 502,598
Solid Waste	\$ 550
Street Lights	\$ 28,252
Town Clerk	\$ 295,877
Zoning	\$ 133,709

Larry Lackey pointed people to page 16 of the Town Report for FY15 Fast Facts about the budget.

David Jaqua commented on the lack of clarity between the Audit and the Town budget presentation. Town Manager Charles Safford explained that the Town's presentation aims to make the budget easier to understand.

Lionel Fay stated that the budget needs to be tighter because people are being driven away from Stowe and from Vermont.

Marina Meerburg asked for more information about the Highway Budget and what is included in it. Charles Safford stated that the largest increase in the budget is for paving. He also noted higher expenses for road maintenance, fuel, vehicle maintenance, uniforms and staff wages.

Liz Soper asked about non-tax revenues and Mr. Safford pointed to page 19 of the Town Report that shows \$2.4 million in revenue from various departments.

Arnold Ziegel asked about forecasted revenues and expenses for the arena and Mr. Safford stated that revenues are higher than with Jackson with continued upward momentum as the market builds. He added that the budget is cautiously optimistic with no budget history to rely upon for expenses.

Ken Schumann stated that with all the development at the Mountain, the Grand List should be growing, yet taxes are still going up. Larry Lackey stated that inflation is causing tax rates to rise higher than the Grand List growth can support.

David Bryan asked if the Town would be paving Rt. 100 from Lower Village to Shaw's and Mr. Safford said that the State is responsible, but historically the Town has had to step in when the State does not. Public Works Director Harry Shepard added that Stowe is not on the State's 5-year paving plan. Arnold Ziegel encouraged Town Officials to ask the State to reconsider its paving schedule.

There was no further discussion and the motion carried.

**Article 2:** Larry Lackey made the motion, seconded by Neil Van Dyke, to appropriate five hundred forty five thousand dollars (\$545,000) for capital projects identified in the "Fiscal Year 2015 Proposed Capital Budget" as follows:

Mountain Road Village Sidewalk	\$340,000.00
Cady Hill Forest Trails Improvements	\$20,000.00
Heyer Bridge Superstructure Reconstruction	\$35,000.00
Old Yard Cemetery Stone Restoration	\$35,000.00
Village Substation Purchase, Remediation and Parking	\$35,000.00
Rec Path Parking Lot Staircase Roof	\$30,000.00
Stowe High School Tennis Court Reconstruction Transfer	\$50,000.00

Lionel Fay stated that the Heyer Bridge is private and Larry Lackey stated that it is part of a Town Highway.

Rick Oden asked about the Village Substation. Larry Lackey stated that the substation has been removed and soil contaminants need to be removed. Eventually parking will be increased.

David Jaqua asked if the Town was making any progress on completing previously approved capital projects? Charles Safford stated that the Selectboard and voters may be asked to revisit some projects such as the structure at the Polo Fields. He stated that in that case, plans have changed and the structure may no longer be needed. David Jaqua congratulated Public Works for delivering the Arena on time and within budget.

Ken Schumann stated that the staircase from the Rec Path parking lot is not needed. He then made a motion, seconded by David Jaqua, to delete \$35,000 from the budget for the Substation and to delete \$30,000 for the staircase.

Carol Good asked for 2 separate motions. There was no objection.

Mary Black asked if the Electric Department owned the substation land and is remediation still expected. Charles Safford stated that the Town would purchase the parcel from the Electric Department for \$5,000 and remediation is expected regardless of who owns the land.

Cliff Johnson pointed out that additional village parking is desperately needed.

Carol Good pointed out that the Village Staircase was previously approved and voters are only being asked for a roof.

Frank Kellogg called the question.

The motion to amend to remove the Substation \$35,000 failed.

Marina Meerburg asked how much maintenance would be prevented with the roof and Billy Adams pointed out that there is a safety aspect associated with the project.

Heidi Horsely asked if there would be walls and railings and Harry Shepard said yes.

The motion to amend to remove the Roof \$30,000 failed.

Barbara Allaire stated that the Mountain Road sidewalk money should be diverted to repair the Main Street sidewalks. She made a motion to amend to do so and it was seconded by Lee Bryan. Larry Lackey agreed with Barbara that the Village sidewalk repairs are desperately needed.

Lisa Haggerty pointed out that safety is a major factor with the Mountain Road sidewalks. Carolyn Ruschp agreed that there are many walkers along the Mountain Road.

Charles Safford stated that \$41,000 worth of pavers will be replaced in the Village in the spring.

Lois Johnson stated that Main Street needs to be accessible and added that handicapped people cannot get around. She stated that the Town should concentrate on what they already have before investing in new projects.

Neil Percy called the question.

The motion to amend failed.

There was no further discussion and Article 2 passed.

**Article 3:** Lisa Haggerty made the motion, seconded by William Adams, to approve the list of wages for Selectboard, Town Clerk, treasurer, Listers and Moderator as follows:

Selectboard	\$15,000 (five (5) members at \$3000 each)
Town Clerk & Treasurer	\$82,405 plus benefits
Listers	\$ 750 (three (3) members at \$250 each)
Moderator	\$ 75 per meeting

There was no discussion and the motion carried.

**Article 4:** Larry Lackey made the motion, seconded by Lisa Haggerty, to accept the reports of the Town Officers as presented.

There was no discussion and the motion carried.

**Article 5:** Larry Lackey made the motion, seconded by David Jaqua, to exempt from property taxation for a period of one year for the 8.3 +/- acre parcel owned by Sterling Falls Gorge Natural Trust.

Gar Anderson explained the history of the use of the property and asked for continued exemption.

Ken Strong amended the motion to grant the exemption in perpetuity. Neil Van Dyke pointed out that the law only allows for a 10 year exemption so Ken withdrew his motion.

Lynn Morgan asked why this could not be supported by Stowe Land Trust and it was explained that there would still be a tax obligation.

Cathy Davis thanked Gar for allowing public use of the property.

There was no further discussion and the motion carried.

#### **Article 6: Other Business**

Frank Kellogg thanked Larry Lackey for his years of service to the Town.

Ken Schumann stated that delivery trucks should not be parking on the sidewalks and asked for enforcement.

Bodo Liewehr expressed concern over traffic chaos in the post office parking lot and Larry Lackey pointed out that it is privately owned.

Barbara Baraw thanked Susan Moeck for the choice in the Town Report cover.

Tom McLinden asked about the status of the skateboard park and Larry Lackey stated that money has been appropriated, but the project needed to be revisited.

There was no further discussion.

Town Meeting adjourned at 11:35 a.m.

Respectfully Submitted,

ALISON A. KAISER, *Town Clerk*



Annual Stowe Education Fund  
pumpkin lighting and story telling

## **LAMOILLE REGIONAL SOLID WASTE MANAGEMENT DISTRICT**

The six Lamoille Regional Solid Waste Management District (LRSWMD) transfer station facilities serve as a convenient and affordable option for trash disposal, recycling and reuse for residents of Lamoille county and beyond. In 2014 a total of 3,378 tons of trash and 927 tons of recycling were collected at these facilities; an additional 16,480 tons of solid waste was handled through private haulers across the District. Additionally, the LRSWMD provides services for those hard to recycle special wastes. Amounts of those materials collected are as follows: 1.48 tons of plastic shopping bags, 200 tons of scrap metal, 26 tons of books and textiles, 112 tons of E-waste, and 60 tons of tires.

The Board of Supervisors approved a \$1,192,600 annual operating budget for FY 2014. At the close of the fiscal year, expenses exceeded income by \$11,716 which includes bond debt service. The budget for FY2016 is on track to be approved in February. The operational budget of the LRSWMD is generated through user fees and disposal surcharges.

The Redemption Center at the Stowe Transfer Station handles over a million bottles annually. Some residents using the redemption center choose to have their bottle money donated by placing them in specially marked containers. Donations in the amount of \$6,305 were divided among the United Way, the Lamoille Community Food Share and other beneficiaries. The Redemption Center is closed on Tuesday and Sunday but donations can be left whenever the Stowe Transfer Station is open.

LRSWMD also pays \$1,200 per year to Green Up Vermont to cover the cost of our District towns participation in this program. Approximately 11.5 tons of trash and 5 tons of tires were collected across the LRSWMD on Green Up Day. Please check online for more details of services provided, location of sites and items accepted: [www.lrswmd.org](http://www.lrswmd.org). You can now also find us on Twitter and Facebook!

The Stowe Transfer Station is open every day from 7:30 a.m. – 3:00 p.m., except Tuesday. The Reuse Center is open for “shopping” on Tuesdays, 10:30a.m – 4:30 p.m. and Thursdays and Saturdays, 8:30 a.m. – 2:30 p.m. Items can be dropped off for Reuse only when the scalehouse is open.

**LAMOILLE REGIONAL SOLID  
WASTE MANAGEMENT DISTRICT  
FEE SCHEDULE - EFFECTIVE JULY 1, 2014**

<b>BUILDING MATERIALS</b>	Asphalt Singles	\$18/drum	\$75/yd
	Concrete, Brick, Mortar per Yard		\$6/yd
			\$40.00
	per Ton		\$155.00
<b>ELECTRONICS</b>	Computers & Peripherals <i>less than seven items more than seven items</i>		Free Fees may apply
	Televisions <i>less than seven items more than seven items</i>		Free Fees may apply
	Small Electronics <i>Stereo, fax machine, CD player, VCR, Game Console, etc.</i>		\$1 - \$5 <i>depends on size</i>
	1 gal		\$0.50
<b>PROPANE TANKS</b>	20 gal		\$3.00
	Household Goods		\$1 per 30 gal bag
<b>REUSE/ TEXTILES</b>	Clean Textiles		\$5.00
	per Yard		\$5.00
<b>SCRAP METAL</b>	Bicycle		\$0.50/ea
	Small: 16"		\$3.50
	Medium: 17" - 20"		\$7.00
	Large: 21" - 24" with Rim - additional cost		\$10.00
<b>TIRES</b>	Brush and Stump		\$1/ea
	Christmas Trees (Jan & Feb)		\$3.00/yd
	Clean, untreated wood		Free
			\$3.00/yd
<b>ORGANICS/ YARD WASTE</b>			

<b>RECYCLING</b>	Any size	Free
	15 Gal	\$2.25
	30 Gal	\$3.75
	45 Gal	\$5.25
<b>TRASH</b>	per Yard	\$27.00
	per Ton	\$155.00
	Minimum Scale Fee	\$25.00
	Microwave, Washer, Dryer, Dishwasher, Oven, Water Heater, etc.	\$5.00
<b>APPLIANCES</b>	with Freon - Refrigerator, Dehumidifier	\$12.00
	Lead Acid Automotive	\$1.00
<b>BATTERIES</b>	Rechargeable	Free
	15 gal box or bin	\$0.50
<b>BOOKS</b>	Ballast	\$0.50
	CFL	Free
<b>BULBS</b>	Fluorescent Tubes <i>less than 10</i>	Free
	Fluorescent Tubes <i>more than 10</i>	\$0.07/ft
	HID/Mercury Vapor	Free
	UV Bulb	\$3.00/ea
	Chair - Stuffed	\$6.00
<b>BULKY/ FURNITURE</b>	Chair - Recliner/Medical	\$12.00
	Mattress/Box Spring - Large	\$15/ea
	Mattress/Box Spring - Twin or smaller	\$8/ea
	Sofa	\$15.00
	Sofa - Sleeper	\$25.00

### TOWN WAGE REPORT

FTE	Name	Hourly Rate	Years of Service
1.00	Adams, Gregory	\$20.24	9
1.00	Adams, Nicole	\$20.04	0
	Allaire, Barbara	\$19.96	39
1.00	Allen, John E.	\$20.37	14
0.60	Anderson, Gary	\$23.10	3
1.00	Bates, Eric	\$19.20	10
1.00	Bauman, Jeffery	\$17.39	0
1.00	Black, Samuel	\$17.39	0
1.00	Boeck, Emily	\$14.72	0
1.00	Carder, Megan B.	\$23.59	19
1.00	Demeritt, Steve	\$23.51	10
1.00	Emerson, Bruce	\$29.62	21
	Gonyaw, Francis	\$34.00	0
1.00	Gregory, Megan	\$20.23	0
1.00	Hoadley, Robert	\$17.92	7
1.00	Hoare, Tyler	\$15.00	0
1.00	Hodgdon, Archie	\$16.82	1
0.63	Kelly, Linda	\$28.06	9
1.00	Kirkpatrick, Scott	\$20.31	0
1.00	Knight, David M.	\$32.65	17
0.10	Labier, Andre	\$18.35	0
1.00	Lemaire, Corinne	\$19.14	2
1.00	Longe, Bryan	\$31.30	11
1.00	Mandigo, Michael	\$32.84	27
1.00	Manning, Michael	\$26.73	27
1.00	Marcoux, Lucas	\$21.43	1
1.00	Martin, Joseph O.	\$21.18	19
1.00	Masset, Tessa	\$17.45	0
0.75	McElligott, Kelly	\$20.17	1
1.00	Merriam, Bruce A.	\$34.26	29
1.00	Moeck, Susan H.	\$28.90	16
1.00	Mogerly, Neil	\$21.43	0
0.50	Pease, Molly	\$16.67	8
1.00	Pickett, Julie S.	\$27.83	27
	Reid, Pierce	\$20.23	9
1.00	Rhodes, Lawrence	\$22.26	23
1.00	Rogers, Chris B.	\$31.39	17
1.00	Ross, Allen	\$25.24	16
	Selby, David	\$19.36	6
1.00	Shatney, Alan A.	\$28.39	16
1.00	Small, Darren	\$23.43	0
0.60	Smith, Marcia	\$19.42	13
0.83	Smith, Peter	\$19.20	33
1.00	Stewart, Steve	\$34.26	29
1.00	Stirewalt, Mark	\$24.50	6
1.00	Tabor, Darron	\$26.87	20

	Vickery, Thomas	\$40.12	1
1.00	Walker, Kyle	\$25.30	6
1.00	Walker, Lisa	\$19.36	0
1.00	Wells, Jasson	\$22.23	11
1.00	Wells, Melvin	\$23.59	25
1.00	Whitcomb, Fred G.	\$29.04	14
1.00	Wilkesman, Jesse	\$26.23	9
1.00	Wilkins-Mandigo, Gwyn	\$22.26	32
	Zygmuntowicz, Jon	\$22.43	0

FTE	Name	Weekly Salary	Years of Service
1.00	Baker, Richard	\$1,405.55	8
1.00	Bonneau, Stephen J.	\$1,505.63	24
1.00	Brinkman, Scott	\$1,194.97	3
1.00	Frazeo, Matthew	\$1,350.56	1
1.00	Godin, Bruce L.	\$1,505.63	33
1.00	Grogan, Richard	\$1,261.78	2
1.00	Hull, Donald	\$1,659.94	2
1.00	Jackman, Tom	\$1,447.72	11
1.00	Kaiser, Alison A.	\$1,580.86	20
1.00	Lewis, Gregory A.	\$1,580.86	34
1.00	Lyons, Mark	\$1,659.94	1
1.00	Morrissey, Timothy	\$1,260.73	2
1.00	Safford, Charles	\$2,047.01	7
1.00	Shepard, Harry	\$1,658.65	4
1.00	Weber, Cynthia	\$1,194.97	1
1.00	Whitaker, Anthony	\$1,110.54	6

#### STOWE ELECTRIC DEPT. EMPLOYEE WAGE REPORT

FTE	Name	Hourly Rate	Years of Service
1.00	Bilodeau, Evan	\$28.22	2
1.00	Cutler, Steve	\$35.85	1
1.00	Darling, Diane	\$23.62	14
1.00	Griffith, Norman	\$33.20	4
1.00	Hackwell, Beth	\$21.68	0
0.50	Mandigo, Randy	\$29.16	36
1.00	Piper, Jamie	\$33.20	1
1.00	Power, Silas	\$33.20	5
1.00	West, Tracy	\$26.44	0

FTE	Name	Weekly Salary	Years of Service
1.00	Burgess, Lili	\$1,243.13	8
1.00	Burt, Ellen	\$2,420.95	19
1.00	Brewster, Jamie	\$1,143.68	3
1.00	Haselton, Doug	\$1,790.11	3
1.00	Rutherford, Matt	\$769.24	0
1.00	Weishaar, Kevin	\$1,659.14	1
1.00	Waugh, Patricia	\$1,346.15	0

**STOWE SCHOOL DISTRICT  
PROFESSIONAL STAFF  
WAGES REPORT FY15**

<b>FTE</b>	<b>Last Name</b>	<b>First Name</b>	<b>Years Teaching</b>	<b>Education Level</b>	<b>Salary</b>
1.00	Alperen	Jana	4	B	\$45,490.00
1.00	Annetts	Barbara	33	M+60	\$79,770.00
1.00	Barney	Brian	20	B+30	\$59,484.00
1.00	Bennett	Helen	25	M+30	\$75,347.00
1.00	Boerger	Patty	19	M+45	\$73,860.00
1.00	Bradford	Elizabeth	18	M+60	\$76,071.00
1.00	Burns	Wendy	5	B+45/M	\$49,570.00
1.00	Buzzell	Stephen	10	M+45	\$64,670.00
1.00	Cardasis	James	22	M+15	\$73,135.00
1.00	Chartrand	Rebecca	5	B+15	\$48,846.00
1.00	Connelly	Laurel	1	B+45/M	\$45,872.00
1.00	Crawford	Eileen	16	B+45/M	\$69,856.00
1.00	Crouse	Kathryn	7	M+15	\$54,718.00
1.00	Dacales	Jeffrey	21	M+60	\$79,770.00
1.00	Delena	Davida	11	M+45	\$66,500.00
1.00	Economou	Anne	12	M+30	\$66,119.00
1.00	Emory	Paige	19	B+45/M	\$62,459.00
0.80	Faith	Jennifer	7	B+15	\$40,540.80
0.50	Gannon	Glenn	35	B+45/M	\$30,314.00
1.00	Gordon	Charles	26	M+60	\$79,770.00
1.00	Greene	Aimee	9	B+45/M	\$60,628.00
1.00	Greene	Micah	9	B+45/M	\$60,628.00
1.00	Grogan	Jeffrey	15	M+30	\$69,818.00
1.00	Harris	Mairead	1	B	\$39,961.00
1.00	Hoffmann	Heather	13	M+30	\$67,988.00
1.00	Horton	Sarah	13	B+45/M	\$64,327.00
1.00	Kalp	Laura	11	B+45/M	\$62,459.00
1.00	Keaton	Rachael	8	B+45/M	\$58,798.00
1.00	Kennedy	Dale	25	M+60	\$79,770.00
1.00	Kennedy	John	6	M+60	\$63,183.00
1.00	King	Anne	12	M+60	\$72,411.00
1.00	Lambert	Jane	30	M+60	\$79,770.00
1.00	Leene	Lana	37	M+60	\$79,770.00
1.00	Limanek	Carol	34	M+60	\$79,770.00
1.00	Lowe	Constance	21	M+30	\$75,347.00
1.00	Marshall	Amy	21	B+45/M	\$71,686.00
1.00	May	Mark	35	M+30	\$75,347.00
1.00	McArdle	Amy	28	M+30	\$75,347.00

FTE	Last Name	First Name	Years Teaching	Education Level	Salary
1.00	McDowell	Donald	32	M+60	\$79,770.00
1.00	McSweeney	Linda	25	B+45/M	\$71,686.00
1.00	Meagle	Susan	26	M+15	\$73,135.00
1.00	Meyer	Kaaren	22	M+60	\$79,770.00
1.00	Monahan	Wendy	20	M+30	\$73,517.00
1.00	Morrill	Keith	3	B+45/M	\$49,570.00
1.00	Murphy	Roger	17	M+45	\$72,029.00
1.00	Ndione	Ann	14	M+30	\$69,818.00
1.00	North	Tamara	8	B+45/M	\$56,930.00
1.00	Peterson	Lucas	6	M+15	\$52,850.00
1.00	Rapoport	Michael	9	M+30	\$60,590.00
1.00	Raymond	Pamela	27	M+45	\$77,558.00
1.00	Reina	Soraya	14	B+45/M	\$67,988.00
1.00	Ritzo	Joseph	36	M+60	\$79,770.00
1.00	Rudner	Elyse	29	M+15	\$73,135.00
1.00	Schnee	Karen	30	B+15	\$52,506.00
1.00	Schulze	Susan	9	B+45/M	\$60,628.00
1.00	Semler	Sean	12	B+45/M	\$66,157.00
1.00	Smith	David	11	B+45/M	\$60,628.00
1.00	Sorrell-Lacasse	Martha	23	M+60	\$79,770.00
1.00	Stanton	Catherine	11	B+15	\$52,506.00
1.00	Suursoo	Astrid	29	M+45	\$77,558.00
1.00	Vietze	Heidi	17	B+45/M	\$66,157.00
0.80	Volansky	Jennifer	16	B+15	\$42,004.80
1.00	Waite	Timothy	1	B	\$38,131.00
1.00	Wells	Jessica	6	M+15	\$54,718.00
1.00	Williams	Norman	39	M+60	\$79,770.00
0.80	Zide	Trina	3	M+15	\$40,815.20
1.00	Ziegler	Timothy	30	B+45/M	\$71,686.00
0.80	Zimbalatti	Carleen	6	M+15	\$42,280.00

\*B represents a Bachelor's Degree

\*M represents a Master's Degree

(+15, +30, etc., represents additional credits earned above the degree)

**STOWE SCHOOL DISTRICT  
ADMINISTRATION AND SUPPORT STAFF  
WAGES REPORT FY15**

<b>Last Name</b>	<b>First Name</b>	<b>Position</b>	<b>Hourly Rate/Salary</b>
Armbruster	Huntly	Paraprofessional	\$13.10
Banfi-Graupe	Katalin	Paraprofessional	\$12.30
Bartholomew	Kathleen	Kindergarten Aide	\$13.80
Bedell	Michael	Head Custodian	\$39,056.00
Bernhard	Martha	Food Service	\$11.50
Brown	Mariah	Playground Supervisor/Instructional Aide	\$12.70
Clark	Brittany	Food Service	\$13.50
Clymer	Stefanie	Strategic Math Support Aide	\$13.50
Conte	Jeanne	Paraprofessional	\$13.10
Costello	Kelly	Paraprofessional	\$11.20
Crittenberger-Geissler	Jacqueline	Learning Center Assistant	\$13.80
Croes	Elizabeth	Math/Literacy Support	\$13.05
Davis	Cathy	Paraprofessional	\$13.80
Dawson	Mollie	Paraprofessional	\$13.05
Digregorio	Michelle	Food Service	\$13.50
Echarte	Jennifer	Paraprofessional	\$13.55
Farmer	Debra	Speech Language Aide	\$13.80
Fauce	John	Network Administrator	\$49,360.00
Gillen	Wayne	Custodian	\$14.65
Godin	Janet	School Nurse Aide	\$16.00
Graves	Joanna	Athletic Director	\$30,623.00
Hale	Barbara	Learning Center Assistant	\$13.80
Hayden	Dorothy	Administrative Assistant	\$35,000.00
Hough	Maryanne	Administrative Assistant	\$45,483.00
Hunkins	Melissa	Paraprofessional	\$13.80
Kells	Gina	Paraprofessional	\$13.10
King	Mary	Paraprofessional	\$13.10
Kirby	Meghan	Paraprofessional	\$11.20
Kuney	Alyssa	Paraprofessional	\$11.85
Lacoss	Heather	Paraprofessional	\$13.80
Laflamme	Pierre	Student Assistance Counselor	\$51,163.00
Leavey	William	Custodian	\$14.40
Lewis	Norma	Paraprofessional	\$28,164.00
Macdonald	Jennifer	Paraprofessional	\$13.00
Maher	Jeffrey	Principal	\$114,935.00
Mailhoit	Thomas	Grounds & Building Manager	\$62,804.00
Meier	Christopher	Technical Support Specialist	\$32,000.00
Minkoff	Alexander	Technical Support Assistant	\$14.50

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<b>Last Name</b>	<b>First Name</b>	<b>Position</b>	<b>Hourly Rate/Salary</b>
Morrison	Daniel	Principal	\$82,880.00
Murray	Emma	Paraprofessional	\$12.60
O'Grady	Susan	Secretary	\$15.17
O'Laughlin	Ann	Paraprofessional	\$19.95
O'Neil	Judith	Registrar	\$31,245.00
Ortiz	Elisabeth	Administrative Assistant	\$36,000.00
Pittinaro	Michael	SLP Aide	\$13.80
Rice	Linda	Paraprofessional	\$13.30
Schafer	Anastasia	Paraprofessional	\$13.80
Scott	Philip	Paraprofessional	\$12.90
Skinner	Melissa	Paraprofessional	\$11.85
Small	Carmen	Paraprofessional	\$12.40
Smiles	Richard	Principal	\$113,584.00
Truso	Steven	Food Service Supervisor	\$20.00
Tyler	Julie	Health Aide	\$14.95
Walker	Charlene	Secretary	\$35,504.00
Wasserman	Theodore	Custodian	\$14.40
West	Robin	Custodian	\$15.15
Williams	Perrin	Food Service Supervisor	\$18.00

**LAMOILLE SOUTH SUPERVISORY UNION  
ADMINISTRATION, FACULTY AND STAFF  
WAGES REPORT FY15**

<b>Last Name</b>	<b>First Name</b>	<b>Position</b>	<b>Hourly Rate/Salary</b>
Angione	Rita	Speech/Language Pathologist	\$73,135.00
Bataille	Jeanne	Speech/Language Pathologist	\$69,856.00
Berger	Linda	Director of Student Services	\$85,983.00
Brown	Linda	Essential Early Education Speech Aide	\$14.77
Brynn	Jeffery	Food Service Director	\$50,000.00
Calhoun	James	School Psychologist	\$71,690.00
Christensen	Carrie	Bookkeeper	\$47,805.00
Cross	Lisa	Human Resources Coordinator	\$49,996.00
Crowder	Rochelle	Speech/Language Pathologist	\$64,327.00
Daniels	Elaine	Early Education Program Teacher	\$69,856.00
Dunkley	Kim	Essential Early Education Paraprofessional	\$14.08
Fisher	Julia	Early Education Program Teacher	\$58,379.00
Friedrich	Chelsea	Early Education Program Aide	\$13.67
Gabaree	Cynthia	Early Education Paraprofessional	\$14.71
Gillen	Melissa	Data Manager	\$57,249.00
Gravel	Brenda	Administrative Assistant	\$41,643.00
Ingalls	Heidi	Bookkeeper	\$52,633.00
Keith	Dena	Special Education Assistant / Medicaid	\$17.11
Lively	Rebecca	School Psychologist	\$71,789.00
Lundeen	Andrew	Director of Finance and Operations	\$84,542.00
Macy	Kelly	Speech/Language Pathologist	\$56,930.00
Meyer	John	Director of Educational Technology	\$64,827.00
Pelkey	Marcella	Occupational Therapist	\$69,856.00
Saphier	Kelly	ESL Instructor	\$55,099.00
Sullivan	Valerie	Director of Curriculum & Instruction	\$95,030.00
Tilton	Kaitlin	Essential Early Education Paraprofessional	\$12.11
Wrend	Tracy	Superintendent of Schools	\$126,020.00
Wright	Michelle	Pre-School Program Teacher	\$39,961.00
Wyman	Naomi	Essential Early Education Paraprofessional	\$14.92

**STOWE HISTORIC TIMELINE**

- 1763 Charter granted by Governor Benning Wentworth of New Hampshire to 64 "Proprietors," none of whom settled in Stowe (June 8, 1763); original area 36 square miles.
- 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.
- 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)

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- 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
- 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 and again in 1961
- 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  
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 replac-

- ing 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. Lamoyille 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
- 2000 Moscow Stump Dump is closed

- Sunset Hill and Bingham Falls are conserved by Stowe Land Trust  
Vermont Ski Museum is established in the renovated Old Meeting House building
- 2001 Construction of expanded wastewater treatment plant and sewer and water lines commences
- 2002 Development Review Board replaces Zoning Board of Adjustment Planning Commission's role is redefined to be long term planning
- 2003 Historical Preservation Commission is established
- 2004 Mayo Farm 25 year term easement is established and management plan developed
- 2005 Construction of Spruce Peak improvements commences
- 2006 One percent local options tax on rooms and meals is established
- 2007 Town Manager form of government Charter change. Adams Camp is conserved by Stowe Land Trust
- 2008 Village Vibrancy group is formed
- 2009 New public safety building is constructed at a cost of \$7,200,000. Helen Day repairs commence.
- 2010 West Branch Schoolhouse/St. John's Church moved to its new location adjacent to Stowe Free Library and will house Stowe Historical Society. Memorial Park Master Plan completion.
- 2011 Construction of new expanded vault at Akeley Memorial Building. Rebuilt Cupola placed on Akeley. Cape Cod Road embankment failure. Little River water main replacement after Hurricane Irene.
- 2012 Cady Hill Forest is purchased by Stowe Land Trust and acquired by the Town. "Rotary Barn" (1839 Congregational Church) demolished.
- 2013 Stowe Arena is constructed at a cost of \$6,500,000 as a replacement for aging Jackson Arena. Korean era and Vietnam era Veteran Plaques commemorated at Akeley Memorial Building. Stowe celebrates 250<sup>th</sup> Anniversary. Marshall (sledding) Hill purchased by Town. Cemetery Road reconstruction.
- 2014 Mountain Road Village Sidewalk construction from Cape Cod Rd to Gale Farm Center. Mayo Events Field grading and drainage. Cady Hill Forest trail improvements.

**Town of Stowe, Vermont**  
**IMPORTANT TAX INFORMATION**

1. **Method of Payment:** Currently dated checks should be made payable to TREASURER, 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.
2. **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.
3. **Installment Payments/Delinquent Dates:** Taxes on real property are payable in four (4) equal payments. One quarter of the annual tax bill is due on each installment due date -
 

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

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

4. **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.
5. **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.
6. **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.**

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