

ANNUAL REPORT
FOR THE YEAR
2012
CITY OF VERGENNES
VERMONT



We dedicate this year's Annual Report to State Representative Gregory S. Clark

Annual Report
For the Year
2012
City of Vergennes
Vermont

This Annual Report is dedicated

In Memory of

Representative Greg Clark

Greg was dedicated to everything he took on. A lifelong resident of Vergennes that had such a great passion for teaching people of all ages; his involvement with youths in a manner that earned their respect and therefore their willingness to try new things in areas they lacked self-confidence. Greg used different methods to draw knowledge and abilities from those that would shy away.

His service as a past City Council member lead him to the state capital where his ability to make humor during stressful times although getting his point across was well recognized. As a State Representative he represented his party and the people he served. His teachings, values and character rather joking or serious will be carried on by others that have learned its benefit in life.

We thank his wife, Eileen and family members, extended families being political, educational and religious for sharing Greg with us. On behalf of the City of Vergennes I offer our deepest condolences and know that he is greatly missed.

ANNUAL REPORT INDEX

Addison County Solid Waste Management District	23
Annual City Meeting Warning for 2012	6
Auditor's Report	68
Bixby Memorial Free Library	22
City Government	10
City Officials	11
City Manager's Report	3
Delinquent Property Taxes	36
Delinquent Sewer Assessments	37
Development Review Board and Zoning Administrator's Report	21
Dog Owners Notice	28
Dog Licenses	29
Financial Statements – Table of Contents	39
Independent Auditor's Report	
Balance Sheet – Governmental Funds (Exhibit A)	
Statement of Revenues and Expenditures (Exhibits B and C)	
Notes to Financial Statements	
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Schedule 1)	
Combined Balance Sheets (Schedule 2 - 3)	
Fire Department Report	18
Grand List Abstract for 2011	35
Junior Fishing Derby	24
Mayoral Message	2
Minutes of 2012 Annual City Meeting	8
Payroll Account	32
Planning Commission Report	20
Police Department Report	14
Public Works Department Report	19
Statement of Taxes Levied	35
Vital Records – Births	26
Vital Records – Civil Marriages	25
Vital Records – Deaths	27

NOTE:

The Annual Reports, including financial information, of the Vergennes Union Elementary School and Vergennes Union High School are separate from this report.

2013 Message from the Mayor

As my third term draws to an end, I look back and reflect on the past six years. There were challenges which brought about opportunities. There were changes in City Council members and the offering of new goals. There was a change in the City Manager and the previous one came to serve on the council. I personally have enjoyed serving the citizens of Vergennes. Your many positive comments have kept me energized. I thank those that have volunteered for the many events that the city hosts. We haven't always seen eye-to-eye on issues but we pulled together in hard times. Special thanks to all the departments and supervisors that have done a superb job keeping the budget on track. There are many people that have made the last six years joyful. There is one person that has been my rock and I couldn't have done what I did without her. Thank you all for your support. I am not going anywhere just stepping to the back, or the right, or the left, whichever works for my successor.

Michael Daniels, Mayor



CITY MANAGER'S ANNUAL REPORT

I would like to thank Mayor Michael Daniels, other members of the City Council, and citizens for their cooperation and understanding throughout this past year.

The City Council has continued its commitment to keeping the municipal property tax rate stable. Following four consecutive years of the City tax rate at \$.6007 per one hundred dollars of assessment, this year that rate increased by two cents to \$.6207. The education tax rate for homestead property is determined by a complicated formula based on local per pupil spending. The education tax rate for non-residential property is set annually by the legislature. The third part of your property tax bill, the so-called local rate, is set based on voter-approved tax exemptions. In 2011 voters approved an extension of the property tax exemption for the Vergennes Masonic Association, Inc. for another five years. In 2006 voters approved an increase in the exemption for a qualified veteran or their surviving spouse from \$10,000 of assessed value to \$20,000. In 2008 voters increased the veterans' exemption to \$40,000 of assessed value. The education property tax liability on the first \$10,000 of a veterans' exemption is not recoverable by the State, but the education property taxes for the other \$30,000 of assessed value must be raised by this local rate. There are eight property owners that benefit from this program. The State of Vermont requires that a calculation be done to determine the amount of education taxes that are not billed as a result of voter-approved exemptions. The results of this calculation determine the local rate. The rate increased two-hundredths of a cent to \$.0026.

Further in this report is a list of property owners that had unpaid property taxes at the end of the fiscal year – June 30, 2012. The report is very different than in past years. You will see that the amount owed is indicated as being confidential. Due to State payment adjustments, that in most cases are the result of income sensitivity, the Vermont Tax Department has strongly recommended that the amount owed by a respective property owner no longer be published. You will see in the report that many property owners have either made partial payments or brought their account current since June 30, 2012. At the time of publishing this annual report there are just eleven accounts with a balance. This is quite impressive given that we mail 937 property tax bills.

Quarterly billing of sewer assessments corresponding with property tax installment due dates was initiated a couple years ago. It was hoped that this change would result in fewer delinquent accounts. This has not been the case. The number of outstanding accounts at fiscal year-end increased from sixty-three to sixty-four. However, the total sum of delinquent sewer assessments dropped again by 19 percent. Sewer rates have remained level since May 1, 2006.

There are five separate operating budgets set by the City Council; general fund, fire fund, recycling fund, sewer fund, and the swimming pool fund. I am pleased to announce again this year that all five funds ended the year with a surplus. As you can see in the audit, the general fund had a surplus of \$144,385. The City Council used much of this surplus to cap the increase on the municipal tax rate at two cents, while at the same time continuing to catch up on highway improvements. The fire fund had a surplus of \$19,325. This surplus allowed us to stabilize the amount charged to the surrounding towns for contracted fire protection while funding major repairs to our ladder truck. The recycling fund ended the year at \$3,217 due in part to the continued rise in the value of recycled materials. The sewer fund surplus rose from \$88,922 to \$99,336 while continuing to allocate substantial funds for sewer line replacement and capital equipments. And lastly, the Sam Fishman Swimming Pool ended the fiscal year at \$9,062. This surplus funded improvements to the bathhouse with partitions installed to provide private changing rooms in the women's part of the bathhouse.

Public Works Supervisor Jim Larrow and his crew continue to provide superb service to the community. During the winter months their work is focused on snow removal and equipment maintenance. In the other months their responsibilities range from assisting in contracted paving, sidewalk repair, parks maintenance, stormwater improvements and sewer line upgrades. A list of just some of the department's accomplishments in 2012 is included in their report.

Police Chief George Merkel continued his strong commitment to the community. We are in the second year of our federally-funded C.O.P.S. grant. This three-year grant funds the base salary and employee benefits of our sixth full-time officer. The department has also been very successful in obtaining State Highway Safety grants. We received over \$20,000 last year which affords additional coverage without affecting the budget to provide nearly 24-hour-a-day on-duty coverage. Please take the time to read Chief Merkel's detailed report.

Fire Chief Jim Breur is extremely proud of the department and again this year we have a full complement of thirty-five firefighters and seven firefighter cadets. The department was also successful in obtaining a fully-funded Homeland Security grant of nearly \$14,000 to upgrade radio equipment. You will find a breakdown of alarms during 2012 further in the annual report.

Other than the federally-funded upgrade of the wastewater treatment plant in the late 1970s, fiscal year 2012 may have been the year of the most federal funds ever running through our accounts. Part of the financing of the twenty-five unit senior housing project on Armory Lane included a grant of \$670,000 from the U.S. Department of Housing and Urban Development through the Vermont Community Development program. Pass-through funds totaling \$283,141 of the \$404,750 grant from the same program associated with renovations to the John Graham Emergency Shelter were received. Another \$283,064 in U.S. Department of Transportation funds involving the concrete stairway and viewing platform on the easterly side of the falls were received from VTrans for this project that was completed last summer. Adding the C.O.P.S. and Homeland Security grants mentioned earlier, the total federal awards for the fiscal year was \$1,292,993.

The Vergennes Train Station has finally been moved to its new location at the Ferrisburgh Park and Ride. The project is now managed by Vermont State Buildings and General Services with no further administrative involvement from the City.

Long-time resident Ada Guanya died September 14, 1980. She bequeathed \$2,000 "...to be used for the purchase of [a] life-size Christmas Nativity set for use on the Vergennes City Park at holiday time." At the request of the executor, James L. McClay, the City agreed to accept and act as a trustee for those funds. Not thinking about any concerns of the City handling funds with a religious connotation the City Council accepted the money. After re-examining this decision thirty years later, the City Council authorized transfer of the funds to the Knights of Columbus. In a related matter, since the crèche on the City Green was thought to be City-owned, a formal policy was adopted making it clear that the City does not endorse nor oppose any authorized display.

The Congregational Church of Vergennes had been maintaining the cemetery off School Street for the past half century. It had been so long that most everyone thought the cemetery was owned by the church. It was uncovered through the research of resident Susan Ferland that the cemetery is actually owned by the City. The trustees for the church desired to return the stewardship to the City along with \$27,736.72 which was the balance of the Arabella Woodbridge Lawrence Trust established in 1930 and held by the church for care and maintenance of the cemetery. Upon Susan's recommendation, the City Council has officially named the cemetery as the Vergennes Burying Ground based on historical records.

The municipal development plan that was adopted by the City Council in 2009 includes a policy involving consideration of a new police station. The policy reads *“Consider moving the Police Department out of City Hall into a location that will increase the capability and responsiveness of the force and to better suit the needs of our citizens if a project can be balanced with the resources of our community.”* The undeveloped 8.13-acre parcel off New Haven Road that was conveyed to the City as part of the dissolution of the Vergennes Graded School District, the site development costs associated with this parcel were extremely high and the City Council, through a comprehensive site selection process, eventually abandoned consideration of this site. With preference of a more visible site, the City Council directed its attention to acquire the former Vergennes Auto property as the site of a new police station. The police station committee has worked with Bread Loaf Corporation in developing both a floor plan and cost estimate. The total estimated cost of the project including design and engineering, permitting, land purchase, site and building construction, and furnishings and a relatively small contingency is \$1,850,000. The warning includes an article to consider a bond in this amount. To our knowledge the City Council has never put forth a bond vote for a police station. The design and location of the proposed police station will fully address the needs of the department both now and into the future. Your support is very much appreciated.

I am sure you have noticed the improvements to streetlighting throughout the city. We worked cooperatively with Green Mountain Power Corporation and Efficiency Vermont to upgrade every fixture to LEDs. The project started with a complete inventory of existing fixtures. There were well over two hundred lights under consideration for upgrade to LED. It was also determined that a couple dozen fixtures could be eliminated without diminishing visibility along our sidewalks and at intersections. Not only were we able to obtain better quality lighting but we also reduced our streetlight cost by a third.

Last year voters approved an article to increase the reserve fund from \$300,000 to \$350,000 that was created from the proceeds of the sale of the so-called “Vergennes City Watershed.” Twenty-five percent of the earnings were being reserved based on a City Council policy in an attempt to grow the principal. Seventy-five percent of the earnings in part are used to maintain and improve recreation facilities. The skating rink/basketball court surface had greatly deteriorated since its construction in the late 1970s. This past summer the surface was repaved, sealed with a protective color coating, and striped for basketball and other outdoor games. The earnings on this fund are now based on recommendations of the Vergennes Recreation Committee which is headed by Alderman Joe Klopfenstein. Their next priority, based on a recent community survey, involves construction of a toddler park. Because playground facilities at the elementary school are not available to the general public during school hours an alternative location is desired. The site currently preferred by the committee is the lawn between the swimming pool bathhouse and East Street.

I would like to thank all of our regular and part-time employees and also the volunteers that participate faithfully on our various boards and committees. This year I want to give special thanks to Mike Daniels for his six years of service as our Mayor. He has worked countless hours doing whatever he can to make Vergennes a better place to live, work, and enjoy.

Respectfully submitted,

Mel Hawley, City Manager

**WARNING
ANNUAL CITY MEETING
MARCH 4, 2013**

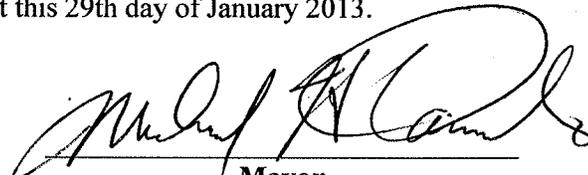
The qualified voters of the City of Vergennes are hereby warned and notified that the Annual City Meeting will be held at the Vergennes Opera House in City Hall on Monday, March 4, 2013, commencing at 7:30 p.m. for the following:

- Article I: To elect by Australian ballot one Mayor for a two-year term; three Aldermen for respective two-year terms; one Lister for a two-year term; one Lister for a three-year term; one Auditor for a three-year term; one Grand Juror for a one-year term; one Commissioner to the Vergennes-Panton Water District Board of Water Commissioners for a three-year term; one Director to the Vergennes Union High School Board of Directors for a three-year term; and one Director to the Vergennes Union Elementary School Board of Directors for a three-year term;
- Article II: To vote by Australian ballot on the following: Shall the bonds of the City of Vergennes, a municipal corporation in Addison County, Vermont, in an amount not to exceed One Million Eight Hundred Fifty Thousand Dollars (\$1,850,000), be issued for the purpose of purchasing real estate and the construction of a police station?
- Article III: To vote by Australian ballot on the following: Shall the City appropriate \$850 to Addison County Court Diversion and Community Justice Projects, Inc., said sum to come from City funds?
- Article IV: To vote by Australian ballot on the following: Shall the City appropriate \$3,290 to Addison County Home Health & Hospice, Inc., said sum to come from City funds?
- Article V: To vote by Australian ballot on the following: Shall the City appropriate \$2,000 to the Addison County Humane Society, Inc., said sum to come from City funds?
- Article VI: To vote by Australian ballot on the following: Shall the City appropriate \$3,074 to Addison County Parent/Child Center, said sum to come from City funds?
- Article VII: To vote by Australian ballot on the following: Shall the City appropriate \$600 to Addison County Reader, Inc., said sum to come from City funds?
- Article VIII: To vote by Australian ballot on the following: Shall the City appropriate \$2,000 to Boys & Girls Club of Greater Vergennes, said sum to come from City funds?
- Article IX: To vote by Australian ballot on the following: Shall the City appropriate \$2,500 to Champlain Valley Agency on Aging, said sum to come from City funds?
- Article X: To vote by Australian ballot on the following: Shall the City appropriate \$2,500 to Counseling Service of Addison County, Inc., said sum to come from City funds?
- Article XI: To vote by Australian ballot on the following: Shall the City appropriate \$2,000 to Elderly Services, Inc., said sum to come from City funds?

- Article XII: To vote by Australian ballot on the following: Shall the City appropriate \$2,000 to ACCAG, d/b/a HOPE, said sum to come from City funds?
- Article XIII: To vote by Australian ballot on the following: Shall the City appropriate \$2,000 to Hospice Volunteer Services, said sum to come from City funds?
- Article XIV: To vote by Australian ballot on the following: Shall the City appropriate \$1,725 to John W. Graham Emergency Shelter, Inc., said sum to come from City funds?
- Article XV: To vote by Australian ballot on the following: Shall the City appropriate \$1,000 to the Open Door Clinic, said sum to come from City funds?
- Article XVI: To vote by Australian ballot on the following: Shall the City appropriate \$750 to support the Retired and Senior Volunteer Program (RSVP) of Addison County, said sum to come from City funds?
- Article XVII: To vote by Australian ballot on the following: Shall the City appropriate \$1,500 to Vergennes Area Seniors Association, Inc., said sum to come from City funds?
- Article XVIII: To vote by Australian ballot on the following: Shall the City appropriate \$890 to Vermont Adult Learning, said sum to come from City funds?
- Article XIX: To vote by Australian ballot on the following: Shall the City appropriate \$3,000 to WomenSafe, Inc., said sum to come from City funds?
- Article XX: To transact any other non-binding business that may come before the meeting.

Ballot boxes will remain open from nine o'clock in the forenoon until seven o'clock in the afternoon on Tuesday, March 5, 2013, at the Vergennes Fire Station on Green Street for voting by Australian ballot on Articles I through XIX.

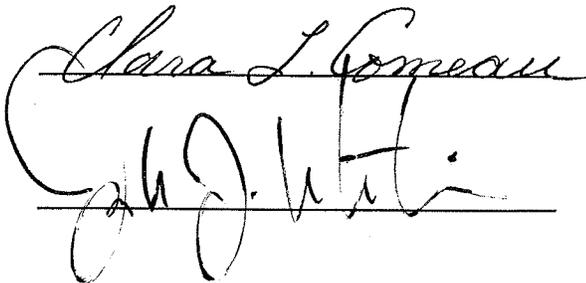
Dated at Vergennes, Vermont this 29th day of January 2013.

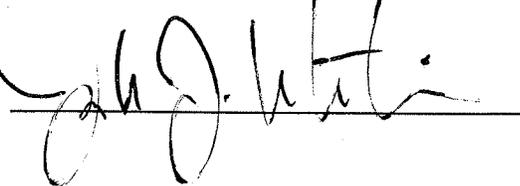


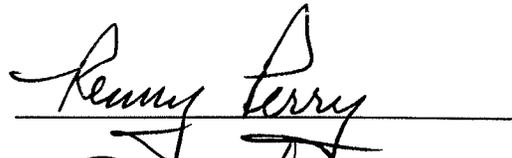
 Mayor













**ANNUAL CITY MEETING
MARCH 5, 2012
MINUTES**

In accordance with the duly advertised and posted Warning, the Annual City Meeting was held on Monday evening, March 5, 2012, in the Vergennes Opera House at City Hall. Prior to the meeting the fourth annual dessert social was held where residents met their neighbors, visited tables, and chatted informally with City officials.

Mayor Michael Daniels called the meeting to order at 7:30 p.m. Those in attendance were Senior Alderman Randall Ouellette, Aldermen David Austin, Lowell Bertrand, Peter Garon, Clara Comeau, and Joseph Klopfenstein, City Manager Mel Hawley, City Clerk/Treasurer Joan Devine, and approximately seventy attendees. State Representatives Gregory Clark and Diane Lanpher were also present for the meeting.

A color guard flag presentation was provided by the Vergennes Police Department followed by the Star-Spangled Banner sung by the Commodore Singers from the Vergennes Union High School. Residents were welcomed by the Mayor who also announced this year's Annual Report was dedicated to retired Public Works Supervisor Carroll O'Connor.

Police Chief George Merkel gave a short presentation on drug abuse in our community and what signs to look for. He advised a Community Action Group has formed and has been meeting to brainstorm on ideas to eliminate this activity in our community. Although it is a statewide problem, the Group wants to send a clear message that that behavior will not be tolerated in our City.

A brief slide show presentation prepared by Mayor Daniels and his wife Judi was given. All City employees, Commission members, Board members and several volunteers were all introduced and thanked for their contribution to the operation of local government.

The Warning for the 2012 Annual City Meeting was addressed next, one article at a time. Candidates running for local office were introduced by the Mayor. There were no candidates from the floor who announced they would be running as a write-in candidate for any of the positions listed in Article I.

Article II asked voters if they wanted to approve increasing the percentage of voter signatures required on a petition for reconsideration or rescission from five to ten percent. Australian ballot vote: Yes - 292 No - 243

Article III asked voters if they wanted to approve increasing the reserve fund of \$300,000, established from the proceeds of the sale of the so-called "Vergennes City Watershed" authorized by the voters in 1996, to \$350,000 pursuant to 24 V.S.A. § 2804 with the income only of the reserve fund to be used for purposes of parks and recreation in the City of Vergennes as determined by and deemed appropriate by the City Council. Australian ballot vote: Yes - 383 No - 152

Article III asked voters if they wanted to approve the City providing notice by publication in a newspaper of general circulation in the City of the availability of the auditors' report to the voters or residents of the City in lieu of mailing or otherwise distributing the report. Australian ballot vote: Yes - 383 No - 152

Articles V through XXI were requests for funding from City funds. Almost all the agencies requesting City funds sent a representative to explain what services they provide, offered thanks for prior support, and requested continued funding. Mayor Daniels explained that Articles I through XXI would be voted by Australian ballot on Tuesday at the Fire Station. Below is a breakdown by Agency, the amount of funds requested, and the Australian ballot vote results:

<u>Agency</u>	<u>Amount</u>	<u>Yes</u>	<u>No</u>
Addison County Court Diversion & Community Justice	\$ 850	345	188
Addison County Home Health & Hospice, Inc.	3,290	464	74
Addison County Humane Society, Inc	2,000	375	142
Addison County Parent/Child Center	3,074	351	163
Addison County Reader, Inc.	600	282	224
Boys & Girls Club of Greater Vergennes	2,000	439	78
Champlain Valley Agency on Aging	2,500	425	90
Counseling Service of Addison County, Inc.	2,500	330	183
Elderly Services, Inc.	2,000	430	80
Hospice Volunteer Services	2,000	431	83
HOPE (formerly Add Cty. Community Action)	2,000	305	205
John Graham Emergency Shelter, Inc.	1,725	341	174
Open Door Clinic	1,000	330	176
Retired and Senior Volunteer Program (RSVP)	750	404	109
Vergennes Area Seniors Association, Inc.	1,500	405	103
Vermont Adult Learning	890	331	182
WomenSafe, Inc.	3,000	366	149

The remaining ballots that will be handed out on Election Day for Vergennes Union High School, Vergennes Union Elementary School, Patricia Hannaford Career Center, and the Presidential Primary were all shown on the overhead projector.

Representative Greg Clark advised discussion on how to change funding education costs continues. First there was Act 60 that eventually turned into Act 68 and who knows what is next, he questioned. Mr. Clark reported he continues to sit on the Education Committee where he states they are trying to find acceptable ways to lower or fund the cost of education. Another topic being heavily discussed is universal health care reform and what its potential costs might be. Who will pay for this health care and what will be the quality of care are two important questions to ask.

Representative Diane Lanpher started off acknowledging our good fortune in that we suffered no impact from Tropical Storm Irene. Communities all around us have been devastated, she advised, and it has cost the State thousands of dollars. "I am Vermont Strong" license plates have been issued as a fundraiser with a portion of the proceeds going into a fund for victims of Irene. The Champlain Bridge finally opened this year, she advised. A big celebration is planned for May 19th and 20th for residents of both sides of the bridge who dealt with such a hardship while the bridge was being replaced. The bridge officially opened late last fall. Questions from the floor were taken prior to their departure.

With no further business to come before the meeting, at 9:35 p.m. Alderman Clara Comeau moved to recess the meeting until Tuesday, March 6, 2012, at 9:00 a.m. for voting by Australian ballot at the Vergennes Fire Station. The motion was seconded by Senior Alderman Randall Ouellette with all voting in favor.

Respectfully submitted,

Joan T. Devine
Vergennes City Clerk

CITY GOVERNMENT

MAYOR:	
Honorable Michael Daniels	2013
SENIOR ALDERMAN:	
Randall Ouellette	2013
BOARD OF ALDERMEN:	
William Benton	2014
Clara Comeau	2014
Peter Garon	2013
Joseph Klopfenstein	2013
Renny Perry	2014
BOARD OF LISTERS:	
Christopher Bearor	2013
William Poquette	2013
Karen Quigley	2014
BOARD OF AUDITORS:	
Henry Broughton	2015
Robert Morris	2014
Edward Nill	2013
COMMISSIONERS - V.P.W.D.:	
Patricia Ganson	2014
Christopher Robinson	2014
Thelma "Kitty" Oxholm	2015
Travis Scribner	2013
GRAND JUROR:	
Michelle Eastman	2013
DIRECTORS - V.U.H.S. BOARD:	
Neil Kamman	2013
Christopher Cousineau	2014
DIRECTORS - V.U.E.S. BOARD:	
Tara Brooks	2014
Susan Ferland	2015
Carla Mayo	2013
JUSTICES OF THE PEACE:	
Barry Aldinger	2014
Greg Clark - Deceased	2014
Clara "Ziggy" Comeau	2014
Christopher Cousineau	2014
Patricia Ganson	2014
Anne Humphrey	2014
Mark Koenig	2014
Thelma "Kitty" Oxholm	2014
Rena Trepanier	2014
Robert "Bob" Worley	2014

CITY OFFICIALS

CITY MANAGER:	Mel Hawley
ADMINISTRATIVE ASSISTANT:	Vacant
CITY CLERK/TREASURER:	Joan Devine
ASSISTANT CLERK:	Melissa Wright
PUBLIC WORKS SUPERVISOR:	James Larrow
PUBLIC WORKS DEPARTMENT:	Christopher Bearor Patrick Crowley
WASTEWATER TREATMENT PLANT OPERATOR:	Martin Williams, Jr.
ASSISTANT OPERATOR:	Joseph Sullivan
POLICE DEPARTMENT CHIEF:	George Merkel
SERGEANT:	Patrick Greenslet
DETECTIVE:	Jason Ouellette
OFFICERS:	Jori Fairbanks Rejean LaFleche Neil Mogerley Brent Newton Adam O'Neill William Wager Robert Worley
FIRE DEPARTMENT CHIEF:	James Breur
1st DEPUTY CHIEF:	Christopher Gebo
2nd DEPUTY CHIEF:	Matt Fraley
CAPTAINS:	Matthew Crowley Christopher Dion Sandy Karki Henry Tierney
FIRE WARDENS:	James Breur James Larrow
COLLECTOR OF DELINQUENT TAXES:	Mel Hawley
ZONING ADMINISTRATOR:	Mel Hawley

DEVELOPMENT REVIEW BOARD:

Jason Farrell, Chair
Carrie Barrows, Vice-Chair
Peter Garon
Alexandria McGuire
Don Peabody
Brent Rakowski
Steven Rapoport

PLANNING COMMISSION:

Shannon Haggett, Chair
Mike Winslow, Vice-Chair
Tim Cook
Rebecca Duffy
Jason Farrell
Morgan Kittredge
Alexandria McGuire
Stacy Raphael

FIRE DEPARTMENT CAPITAL EQUIPMENT COMMITTEE:

James Breur
Clara Comeau
Joan Devine
Christopher Dion
Mel Hawley
James Larrow
William Scott

RECREATION COMMITTEE:

Christine Bradford
Tara Brooks
Jennifer Johnson
Joseph Klopfenstein
Betsy Rippner
Michelle Tisbert
Douglas Todd

CITY SERVICE OFFICER:

Joan Devine

CITY HEALTH OFFICER:

Mel Hawley

CITY TREE WARDEN:

Mel Hawley

CITY ATTORNEYS:

Ouimette & Runcie

ENERGY COMMITTEE CHAIR:

Peter Garon

GREEN-UP DAY CO-CHAIRS:

Michael Daniels
Craig Miner

ADDISON COUNTY SOLID WASTE MANAGEMENT:

DISTRICT REPRESENTATIVE:
ALTERNATE:

Cheryl Brinkman
Mel Hawley

ADDISON COUNTY REGIONAL PLANNING COMMISSION:

DELEGATE:
DELEGATE:

Vacant
Vacant

ADDISON COUNTY TRANSIT RESOURCES:

DISTRICT REPRESENTATIVE:

Diane Lanpher

STATE SENATORS FOR ADDISON COUNTY:

Claire Ayer	504 Thompson Hill Rd	Weybridge	05753	545-2142
Christopher Bray	829 South Street	New Haven	05472	453-3444

STATE REPRESENTATIVES FOR ADDISON-3 DISTRICT:

Diane Lanpher	PO Box 165	Vergennes	05491	877-2230
Vacant				

TO CONTACT REPRESENTATIVES DURING THE LEGISLATIVE SESSIONS, LEAVE A MESSAGE WITH THE SERGEANT AT ARMS 1-800-322-5616 OR FAX 1-802- 828-2424.
WEB SITE: WWW.LEG.STATE.VT.US

CITY TELEPHONE DIRECTORY

	877-3691
Mayor Michael Daniels	
City Manager's Office / Zoning Administrator	877-3637
City Clerk / Treasurer's Office	877-2841
Police Department / Non-Emergency	877-2201
Public Works Department	877-3585
Wastewater Treatment Plant	877-2931
Fire Department / Non Emergency	877-3201
Vergennes Area Rescue Squad / Non-Emergency	877-3191
Vergennes-Panton Water District	877-2440

EMERGENCY - Police, Fire, or Rescue 911

VERGENNES POLICE DEPARTMENT ANNUAL REPORT

As your Chief of Police, I am once again proud to present to the citizens of Vergennes the 2012 Vergennes Police Department's annual report.

The year of 2012 continued to be just as busy as the preceding year and every bit as challenging and rewarding as 2011 proved to be. It was a year of continued growth and improvement, with a heavy emphasis on expanding our individual and operational capabilities, as well as bringing closure to some longstanding narcotics investigations.

Community policing has always been a proven and successful law enforcement philosophy. Our department's subscription to this philosophy has resulted in tremendous successes for us. Strong and constant collaboration between our community and our police department were key for providing a safe environment for your families and those who visit and work in our city.

During calendar year 2012 the Vergennes Police Department responded to 2264 incidents, down 1.4% from the year before. We made 164 arrests for 218 criminal charges, both categories showing an increase from the previous year. The major of the felony offenses made were a direct result of our aggressive narcotics investigation program and motor vehicle enforcement. The average number of calls for service for each officer was 377 during 2012. Although some calls for service required minimal involvement by the individual officer, criminal investigations and narcotics investigations were time-consuming, manpower-intensive and costly, but extremely important to ensuring the safety of our city. You will see by reviewing the Incident Comparison Chart included that we indeed had a busy year!

Motor vehicle enforcement efforts increased even more dramatically during the past year, with 2973 motor vehicle stops recorded for the period. We issued 1767 traffic tickets and 1206 verbal warnings during 2012, showing an increase of over 150% from 2011. We also arrested 37 impaired operators this year, a 100% increase from 2011. Besides keeping our streets safe, deterrence of criminal activity was a direct result of aggressive motor vehicle enforcement. Those predisposed to criminal activity were reluctant to drive in our city knowing our police department has an active motor vehicle enforcement policy.

The number of drug investigations in 2012 continued to climb from the previous year with an increase of 8.25%. It is a well-established fact that the majority of criminal investigations have a common link to illegal drugs; therefore, our department puts a heavy emphasis on such activity. By talking to the public, pursuing leads, establishing informants and making drug arrests whenever and wherever possible, we made some significant progress. Our department, no more than any other department in our county, can no longer pursue those involved in illegal drug trade solely within the confines of their jurisdiction. Those people in our city who are involved in the illegal use and sale of drugs will travel to the far ends of the county or to another neighboring county to

purchase illegal drugs, yet the effects of their involvement are clearly evident in the criminal activity we encounter. We had to make drug users' and traffickers' involvement a risky endeavor by taking hundreds of bags of heroin off the street, relieving thousands of dollars of drug proceeds from traffickers, confiscating illegal and dangerous weapons, and getting people addicted to illegal drugs off the street where they received the professional help they need. Illegal drugs are and will continue to be the greatest threat and challenge to our community. They ruin the health of individuals, destroy families and cost thousands of dollars in lost wages, lost jobs, medical expenses and insurance claims due to stolen property. During 2013, we will be even more aggressive in our pursuit of those using and selling illegal drugs in our area, by again working with other agencies to stem the flow of illegal drugs in our community.

Drug investigations are costly and time-consuming. They are also very dangerous and manpower-intensive. In order to offset some of the costs of these investigations, we applied for and received funding from the New England State Police Intelligence Network. We received a total of three thousand dollars of "buy money" in order to make drug buys available to us due to our successful local operations against illegal drug traffickers. We also joined forces with other county law enforcement agencies by identifying, investigating and arresting drug traffickers as a combined task force.

The appointment of Jason Ouellette to a Detective position was instrumental in our success. His determination, leadership, desire for self-improvement and investigatory skills enabled our department to make some substantial drug arrests, bringing fifteen people to court in a two-month period. Likewise, motor vehicle enforcement efforts were once again led by Officer Brent Newton, whose tireless approach to making the streets of Vergennes safe, led to a large number of traffic tickets, arrests and subsequent drug investigations. All of our officers contributed to the successes we enjoyed and we will continue to improve as a department.

2012 was a year in which we continued to put a large emphasis on training, both individually and collectively. Sergeant Greenslet attended the Evidence Officer's Course, Officer Newton attended the Death Investigator's Course, and Officer Lafleche attended the Basic Commercial Motor Vehicle Enforcement Course, to name some of the more prominent training conducted. We continued to host our own training sessions as well, utilizing some of the certifications already possessed by our own staff, in order to maintain our own currency in critical task areas. We will continue to improve our law enforcement skills throughout the next year.

As part of our police duties, we are responsible for mentoring young adults and children. In 2012, we participated in a number of cases during which we were instructors, mentors and friends to elementary, middle and high school kids. We take great pride in providing these services, which cements the tremendous relationship we enjoy with our local schools. Our kids are our future, and every effort we put forth in

helping them will pay huge dividends in the future. A police officer is an integral part of his/her community. The more they are involved, the more successful they become.

The Vergennes Police Department continued to acquire and upgrade equipment, obtaining a license plate reader from the Department of Homeland Security, valued at twenty-five thousand dollars, as well as another Watch Guard In-Car Video System, valued at five thousand dollars, both of which were free of cost to the City of Vergennes as a result of our motor vehicle enforcement efforts. We also acquired new and safer holsters for our duty weapons, which are now equipped with a laser/flashlight combination.

During 2012 we began in earnest to design a new police facility for the Vergennes Police Department. Our current facility has long outlived its usefulness thirty years before, and it is no longer safe for victims, witnesses, those in custody and our officers. There are no suitable interview rooms, it has inadequate storage, and the offices are cramped and insufficient, failing to meet state and federal guidelines. There is also no adequate parking for persons in need of services. With these, as well as other deficiencies in mind, we designed a police facility that meets our current and future needs, one that is reasonable in size and cost, energy efficient and one which addresses the deficiencies identified. The plans for the facility have been reviewed by other agency chiefs and architects, and it received positive comments from each group. We have modified our facility plans a number of times to make best usage of money and space, lessening as much as possible the burden on your taxes. We ask you for your support in the upcoming bond vote and please contact me with any questions that you may have on this initiative.

I wish to thank all of you for your continued support this past year. We will continue to do our very best in ensuring your community and streets are secure and safe. Please feel free to contact me or any of my officers with questions, recommendations or concerns that you may have. We will certainly be glad to assist you with your needs. Once again, God Bless you, drive safely and always wear your seatbelt.

Yours in service,

Chief Merkel

VERGENNES POLICE INCIDENT COMPARISON

INCIDENT	2011	2012
ASSAULT	22	24
AGENCY ASSIST	205	201
ACCIDENT	69	45
ALARM	114	81
BURGLARY	19	14
STRONG ARM ROBBERY	0	1
CITIZEN DISPUTES	52	44
CITIZEN ASSIST	211	163
DISORDERLY CONDUCT	30	10
DRUG OFFENSES	35	40
DOMESTIC CALL	38	35
INTOXICATED PERSON	22	23
ANIMAL PROBLEM	49	37
BOMB THREAT	0	1
PHONE HARRASSMENT	24	27
THEFT	41	37
LIQUOR LAW OR TOBACCO VIOLATION	17	11
MOTOR VEHICLE COMPLAINT	28	58
911 CALL	22	22
NOISE COMPLAINT	36	30
SEX OFFENSE	13	5
WANTED PERSON	8	10
VANDALISM	19	16
JUVENILE PROBLEM	78	81
DEATH INVESTIGATION	2	1
AUTO THEFT	2	2
TRESPASS VIOLATION	12	9
WELFARE CHECK	39	40
SUSPICIOUS PERSON/CIRCUMSTANCE	212	246
CONSENT SEARCH	24	35
SEARCH WARRANT	4	3
K-9 DEPLOYMENTS	20	30

CRIMINAL ARRESTS		
TOTAL CRIMINAL CHARGES	193	218
TOTAL PERSONS ARRESTED/CITED TO APPEAR	154	164

TOTAL CALLS FOR SERVICE	2085	1954
-------------------------	------	------

TRAFFIC		
TRAFFIC TICKETS	1025	1767
DUI	18	37
WARNINGS	408	1206
MOTORIST ASSISTS/LOCKOUTS	69	83

TRAFFIC FINES WRITTEN		
STATE MOTOR VEHICLE FINES	\$30,437	\$87,935
CITY MOTOR VEHICLE ORDINANCE FINES	\$76,336	\$192,178

CITY OF VERGENNES FIRE DEPARTMENT



Fire Headquarters
50 Green Street
Vergennes Vermont: 05491

Station Office 802-877-3201
Emergency / Fire 911

The City of Vergennes Fire Department submits the following activity report for the year 2012:

<u>Location & Number of Calls</u>		<u>Type of Call</u>	
Vergennes	67	Structure	10
Ferrisburgh	33	Alarms	36
Panton	11	Vehicles	34
Waltham	12	VARs Assist	7
Addison	4	Water Rescue	1
Charlotte	4	Other	47
New Haven	2		
Middlebury	1		
Monkton	1		
TOTAL CALLS	135		

Total Training Hours in Addition to Service Calls:

1768

The Vergennes Fire Department holds a dinner and business meeting on the first Monday of each month. The other Monday nights are split between maintaining equipment and conducting training. Our department is very fortunate to have an outstanding and dedicated complement of 35 firefighters and 6 cadets.

The Department officers are: Chief Jim Breur, 1st Deputy Chief Chris Gebo, 2nd Deputy Chief Matt Frailey, Captain Matt Crowley, Captain Chris Dion, Captain Henry Tierney and Captain Sandy Karki.

This year the Vermont State Firefighters Association conference was held in Bennington. Our muster team competed against many other departments in the State and fared well with 3rd place in Bucket Brigade, 3rd place in Water Polo, and 1st place in the parade for best-appearing Marching unit with a maximum of ten members.

At the Addison County Firefighters Association's annual meeting Les Champine was awarded senior firefighter of the year, Chris Dion was awarded Emergency vehicle Maintenance Technician of the year, and Shelia Turpin was given Life Membership to the association. I was presented the honor of having the 43rd Annual Addison County Regional Fire School dedicated to me.

It is truly an honor to serve the community and to lead one of the finest Departments in the state.

Respectfully submitted,

James M. Breur, Fire Chief

Vergennes Public Works Department

2012 Annual Report

Before I get started with our annual report, everyone here at the Public Works garage would like to thank Mayor Mike Daniels for his years of service. Mike has worked closely with our department - always stopping by or calling and letting us know about something that needs attention or asking if there is anything he can do to help. Also, a big thank you goes out to his wife Judi who is always there with Mike when things are going on - helping in any way she can. Thank you both for your community service and we wish you the best.

This year we paved the section of Main Street from Monkton Road to Kennedy Brothers, the upper section of Monkton Road, a portion of New Haven Road, and all of Victory Street and Hopkins Road totaling one mile of city streets.

We replaced 260 feet of sewer main in Sunset Drive, repaired four catch basins on Hillside Acres, one catch basin on Spring Street, five culverts around the city and upgraded the detention pond in Crosby Farms. We cleaned and televised 2,280 feet of stormwater lines and 28 catch basins. We also did 1,568 lineal feet of roadside ditching,

We rented a tractor and brush hog for two days to cut back vegetation that was starting to come out into the road. We were able to do 2.2 miles of roadsides last year and this worked out very well and we are hoping to rent the equipment again for a week in 2013.

We are continuing to upgrade the traffic and street identification signs to the new retro reflectivity. In 2012 we replaced all Speed Limit, One Way, Do Not Enter and No Outlet traffic signs. We also replaced all Yield to Pedestrian in Crosswalk signs on Main Street and ten street identification signs.

When time and weather permits during the winter months we are continuing to cut tree branches and brush back on the sidewalks and roadways. If anyone is interested in wood chips we have a large pile behind the wastewater plant. Just give us a call to set up a time to pick them up.

I would like to thank Pat, Lyle and Chris for all their hard work and dedication. They are always willing to work day and night to serve the citizens of Vergennes.

Respectfully submitted,

James Larrow, Supervisor
Vergennes Public Works

2012 Annual Report Vergennes Planning Commission

The principal focus of the Planning Commission in 2012 was to finalize the re-write of the City's zoning and subdivision regulations, bringing them into alignment with the vision of the municipal development plan adopted by the City Council in September, 2009.

The work on the regulations was made possible in part by a \$15,000 grant from the Vermont Department of Economic, Housing and Community Development. This allowed us to secure the services of Natalie Steen from LandWorks of Middlebury whose help was invaluable in crafting the appropriate regulatory language to capture the spirit of the municipal development plan while remaining in compliance with the overarching state statutes.

The Planning Commission completed principal work on the zoning and subdivision regulations in January, 2012. We held public hearings in March and May to outline the proposed amendments to the zoning and subdivision regulations. Additionally, in June with the City Council we held a joint public planning workshop. The input provided by those in attendance for all three events was very helpful to our process, and we thank those individuals for their participation and dedication to Vergennes.

The re-written zoning and subdivision regulations were unanimously adopted by the City Council on July 17, 2012 with an effective date of August 7, 2012.

After adoption of the new zoning and subdivision regulations, the Planning Commission began recruitment efforts to fill vacancies. After interviewing prospective members, upon recommendation of the Planning Commission, Tim Cook and Rebecca Duffy were appointed by the City Council on October 23, 2012.

At the end of 2012 the Planning Commission began examining and prioritizing policies outlined within the current municipal development plan which require activity on our part. This work will continue through 2013.

In addition to public hearings and workshops the Planning Commission held a total of fourteen regular and special meetings and logged over 130 combined person-hours during those meetings. We are committed to maintaining transparency in our activities, and our meeting agendas and minutes are available at the City Manager's office or online at www.vergennes.org

The Planning Commission is currently comprised of Tim Cook, Rebecca Duffy, Jason Farrell, Shannon Haggett (Chair), Morgan Kittredge, Alexandria McGuire, Stacy Raphael and Mike Winslow (Vice-Chair). We hold regular meetings on the third Monday of each month at 7 p.m. in the City Manager's office. The public is always invited to attend our meetings.

Respectfully submitted,

Shannon Haggett, Chair

**DEVELOPMENT REVIEW BOARD
ZONING ADMINISTRATOR'S REPORT**

The Development Review Board experienced no changes in its membership this past year. Jason Farrell continued his service as chair, Carrie Barrows as vice-chair, and Brent Rakowski as secretary. Other members of the Development Review Board include Don Peabody, Peter Garon, Steve Rapoport and Alexandria McGuire. Additionally, the City Council may appoint alternates to the Development Review Board to act when one or more members are disqualified due to a conflict of interest or are otherwise unable to serve. Alderman Ziggy Comeau and Alderman Lowell Bertand currently serve in this capacity.

Development Review Board meetings are held at City Hall on the first Monday of each month beginning at 7 p.m. Meetings are in the city manager's office. The Development Review Board reviews most proposed land development within the city. Site plan review is required for all uses other than one-family and two-family dwellings. Most zoning districts have a list of permitted uses and another list of conditional uses which require review by the Development Review Board. They also review and consider variance requests, subdivisions, and appeals of decisions of the zoning administrator. For all applications to the Development Review Board, a public hearing is required. Property owners that abut a parcel involving proposed land development are mailed a copy of the public notice as required by law.

Any questions related to issues of land development in Vergennes can be directed to my attention. Serving as both city manager and zoning administrator, there are no special office hours to deal with zoning matters. Regular office hours at City Hall are Monday through Friday from 8:00 a.m. to 4:30 p.m. I can be reached at 877-3637 or by e-mail at mhawley@vergenes.org.

For the year 2012, the following activity is reported:

- Twenty-six zoning permits were issued. This compares to twenty-seven in 2011. Two zoning permits were issued for construction of a one-family dwelling. There was a zoning permit issued involving the construction of a building containing two dwelling units on a lot already containing a two-family dwelling thereby creating a multiple-family dwelling complex. There were six permits issued for residential additions and five permits involving accessory buildings. One zoning permit was issued for an accessory dwelling unit. A zoning permit was also issued for an automotive service and repair building. Three zoning permits were issued involving non-residential additions involving a church, a school, and a convenience store. A permit is also required when there is a change of use even though no exterior building modifications are proposed. There were four change of use approvals in 2012. Two subdivision plats were approved in 2011. One was a three-lot subdivision creating a lot for an existing one-family dwelling, a second lot to accommodate a one-family dwelling, and a third lot which can be conveyed to an adjoining parcel. The other subdivision plat approval authorized the transfer of land from one parcel to an adjoining parcel.
- A certificate and declaration of compliance is generally issued at the request of a landowner or their attorney at the time a property is about to be conveyed or refinanced. Thirty-nine certificates were issued in 2012; this is down from twenty-five certificates issued in 2011.
- The Development Review Board conducted and approved five site plan applications which are required for all uses other than one-family and two-family dwellings. These applications also required and received conditional use approval.

Respectfully submitted,

Mel Hawley
Zoning Administrator

Bixby Memorial Library

Mission Statement: "The Bixby Memorial Free Library, supported by Addison, Ferrisburgh, Panton, Vergennes and Waltham is dedicated to fulfilling the diverse literary and cultural needs of these communities. The Library promotes reading and learning as lifelong activities by providing a wide range of resource materials, programming and outreach and by preserving and promoting the cultural heritage of the area."

From its earliest days Bixby has steadily increased its collection and services and now holds more than 25,000 volumes. The collection includes children's, young adult and adult fiction and nonfiction, with many titles from the New York Times best seller lists as well as large print books, audio books and DVDs. The library provides several public access computers and iPads for in-house use, as well as around-the-clock Wi-Fi. The Vermont Room houses one of the best collections of Vermont books and materials in the state.

Last year Bixby automated its circulation system. A library card from this new automated system allows patrons to download free e-books and audio books and to access free online classes and data bases through the Vermont Department of Libraries. The huge spectrum of information available spans a variety of interests from auto mechanics to foreign language study to reliable research on healthcare topics.

An outreach program coordinated with ANWSU provides reading material for daycare centers in our five-town area and a weekly year round story time for preschool children takes place on Thursday mornings. Students from our area elementary schools visit Bixby to tour the building and learn more about what public libraries have to offer. Bixby also provides a summer kids' reading program and summer activities for children and the Bixby youth librarian visits area schools to introduce the programs and motivate students to keep reading throughout the summer.

Regular adult programs organized and supported by the Friends of Bixby Library are scheduled for the third Thursday evening of every month and numerous other free programs for area residents take place in Bixby space. These include, to name just a few, the AARP Tax Preparation Program, Lake Champlain Land Trust Children's Programs and the Porter Hospital Smoking Cessation Program.

This year Bixby increased hours to be open both Monday and Thursday evenings until 7:00 and are opening an hour earlier, at 9:00 a.m., on Saturdays. Over 60 volunteers help us provide library services to our community.

There are presently 1530 Bixby Library cardholders in the city of Vergennes and we would like for every Vergennes resident to have a card and make use of library services. We thank the city of Vergennes for your support and invite everyone to visit the library! For more information please check www.BixbyLibrary.org or call us at 877-2211 with your concerns and suggestions.



ADDISON COUNTY SOLID WASTE MANAGEMENT DISTRICT

2012 ANNUAL REPORT

The Addison County Solid Waste Management District is a union municipal district formed in 1988 to cooperatively and comprehensively address the solid waste management interests of its 19 member municipalities: Addison, Bridport, Cornwall, Ferrisburgh, Goshen, Leicester, Lincoln, Middlebury, Monkton, New Haven, Orwell, Panton, Ripton, Shoreham, Starksboro, Vergennes, Waltham, Weybridge and Whiting. The District is governed by a Board of Supervisors composed of one representative and one alternate from each of the member municipalities. The Board meets on the 3d Thursday of the month at 7PM at the Addison County Regional Planning Commission Office, 14 Seminary Street, Middlebury, VT. The public is invited to attend.

District Mission

To seek environmentally sound & cost effective solutions for: (1) Promoting **waste reduction**; (2) Promoting **pollution prevention**; (3) Maximizing **diversion** of waste through reuse, recycling and composting; and (4) Providing for **disposal** of remaining wastes.

District Office and Transfer Station

Telephone: (802) 388-2333

Fax: (802) 388-0271

Website: www.AddisonCountyRecycles.org

E-mail: acswmd@acswmd.org

Transfer Station Hours: M-F, 7 AM–3 PM & Sat, 9 AM–1 PM

Office Hours: M-F, 8 AM–4 PM

HazWaste Center Hours: M-F, 8 AM–Noon & Sat, 9 AM–Noon

The District Office, Transfer Station and HazWaste Center are located at 1223 Rt. 7 South in Middlebury. The Transfer Station accepts large loads of waste and transfers it to out-of-District disposal facilities. District residents and businesses may drop off a variety of other materials for reuse, recycling and composting. The *Reuse It or Lose It!* program accepts reusable household goods and building materials. A complete list of acceptable items and prices is posted on the District's website.

2012 Highlights

Planning. In 2012, District staff completed the third Implementation Report of its Solid Waste Implementation Plan (SWIP). The Report shows that in the past two years, the District has been able to continue and in some cases expand its diversion programs despite the economic downturn. The combination of a "pay-as-you-throw" pricing system for waste and the "single stream" collection of recyclables resulted in a 53.82% diversion rate, surpassing the State goal of 50%. The full Report is available on the District's website.

Product Stewardship. As a member of the VT Product Stewardship Council, the District strives to find new ways in which industry and government can partner to solve some of the most difficult solid waste issues that we face every day. Recently, the District helped to lead efforts to adopt two new extended producer responsibility laws for electronic wastes (such as televisions and computers) and for fluorescent light bulbs. VT now bans these wastes from landfill disposal and requires the manufacturers to pay to recycle them. The District Transfer Station is one of the statewide collection locations, offering free recycling for most electronics and bulbs. **Act 148 – State Universal Recycling Law.** The VT Legislature unanimously adopted Act 148 - the Universal Recycling Law - this year, the most significant change to VT solid waste law since 1987. Act 148 focuses on recyclables and organics by establishing new statewide mandates. Bans on disposal of certain recyclables, leaf & yard waste and food residuals will be phased in, as will mandatory recycling and food collection by haulers and facilities. Recycling containers will be required in publicly owned places. The District is in a strong position to transition to the new solid waste law, as most of the elements of the new law are systems already adopted and enforced by the District in our member municipalities. The District Transfer Station is equipped to serve as a hub for collecting and managing the increased types and volumes of materials collected by haulers and town drop-offs. As more information and data become available, the District will assist its member towns, haulers and the general public in comprehending and adapting to the new system. **Recycling Collection.** On 1/1/12, the District Transfer Station opened its doors for the first time to accept single stream recyclables from licensed commercial haulers. As of October, 280 tons of single stream recyclables were received. **Illegal Dumping.** The District contracted with the Addison County Sheriff's Department in 2012 to patrol and enforce its ordinance against illegal dumping and burning of waste. As of September, the Sheriff's office received 32 illegal burning & dumping complaints. On Green-Up Day, the District served once again as County Coordinator. In addition to assisting the many area volunteers who organize collection of roadside litter, the District provided free gloves, prizes and - most importantly - free disposal of the roadside waste. This year, the District subsidized disposal of 18.34 tons of trash, 14.17 tons of tires, 8 appliances, 10 propane tanks and other abandoned hazardous wastes for a total economic benefit of \$5,916.

2013 Budget

The District's 2013 Annual Budget is \$2,667,844, a 3% increase over the 2012 Annual Budget. The District Transfer Station will reduce the tip fee for Municipal Solid Waste and Construction & Demolition Debris to \$123/ton. Several other rates will be reduced effective 1/1/13, including \$10/ton for single stream recycling from licensed commercial haulers. There will be no assessments to member municipalities in 2013. For a copy of the full 2012 Annual Report, please call the District, or visit the District website at www.AddisonCountyRecycles.org.



The 29th Annual Vergennes Junior Fishing Derby was held June 22, 23, and 24. Participation was down slightly from the 2010 record of 305 registered participants. Out of this year's 260 participants, 231 caught fish eligible for entry. 349 fish were caught in all with 321 live releases.

Due to the severe spring flooding and Hurricane Irene, the 2011 Derby was cancelled. The damage brought about some changes to the derby. First, we did away with the on-site overnight camping. The park area was still feeling the effects of the flooding and it was decided that allowing anglers and their families would cause further damage by setting up tents and campers. The other change to derby rules was, in addition to having a Grand Prize winner, we added Age Division Championship prizes by awarding a kayak and fishing package for the best catch in each division. Despite not having a derby we all felt a desire to recognize a recipient of the Robert Karzmarczyk Award to a 15-year old that normally would have participated in the 2011 Derby had it been held. The Robert Karzmarczyk award went to someone that has fished the derby consistently through their years of eligibility while showing dedication and exemplary sportsmanship. The winner of this award gets a lifetime fishing license, a tackle box, and a fishing pole. The 2011 Award went to Brendon Huestis and the 2012 Award went to Trevor Currier.

This derby relies solely on donations from the community as well as some minor fundraising. Once again our community was very generous. Our fundraising included a new event – The Bobber Race. We sold numbered red and white bobbers for \$3 each or 2/\$5. At noon on Saturday we had Obe White bring the bobbers out in the river and drop them overboard. The current then took them downstream where a finish line was strung across the river. The owner of the first bobber across the finish line won \$100. This proved to be a good fundraiser and we look forward to doing it again this coming year. Our biggest cash supporters and official sponsors of the derby were the American Legion Auxiliary and the Sons of the American Legion.

The Vergennes Lion's Club was instrumental as they hosted our free barbecue on Saturday afternoon. Night Moves DJ Jim Sestokas played music for our Friday Night Basin Dance and DJ Amanda Rock played on Saturday for our Karaoke Dance Party. We also had Mr. Ed's food van and the ever-popular Big River Bait and Tackle's mobile store on-site all weekend. Free worms and crawfish were offered to every contestant and several river bank prizes and door prizes were awarded.

We look forward to the 30th Annual Vergennes Junior Fishing Derby that will take place on June 21, 22, and 23. It is open to all kids ages 3-15. The event is three days and is totally free for the participants. We offer great instruction, fun workshops, lure building, entertainment, a barbecue lunch and an awards ceremony on Sunday afternoon. If you would like to be involved in the planning and execution of this event please contact any one of the City Council appointed Derby Committee members, Michelle Eastman, Martha DeGraaf, Nancy Charron, Kim Ross, or Dana Miller.

2012 Vital Records

If you have a family member that was married, born, or died during 2012 and you do not find your family member listed in the vital records, please contact the City Clerk so the appropriate certificate can be located and filed in the City records. Excluding marriages, your family member had to have been a Vergennes resident at the time the event occurred or the event had to have occurred in the City.

CIVIL MARRIAGES

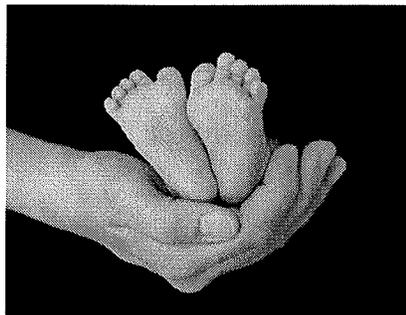
DATE

Barker, Robert and Elizabeth Dyke	06/30/12
Beauchamp, Kenneth and Jean Visser	05/26/12
Brown, Fred and Aloyse Blair	05/25/12
Brown, Sean and Megan Lacy	10/27/12
Cherrier, Edward and Kimberly St. Onge	02/25/12
Cohalan, Timothy and Julia Schoenhals	05/26/12
Crosby, Casey and Jessica Billian	05/27/12
Crossman, Brian and Karri Cathrall	06/30/12
Davies, William and Iris Oxford	06/16/12
Diesi, Tiana and Amanda Hope-Clogston	10/13/12
Donohue, Scott and Victoria Watts	09/29/12
Dugan, John and Aleta Kiesman	05/25/12
Fisher, Christopher and Molly Baker	05/26/12
Goodkind, M Jay and Vincent Tafilowski	08/04/12
Grimm, Steven and Heidi Pecott	07/07/12
Haertling Jr, Kenneth and Kimberly Ekelberry	09/10/12
Hardy, David and Lora Moore	06/16/12
Heuberger, Mark and Ada Cortes	08/06/12
Johnson III, Donald and Anna Henson	07/21/12
Lareau, David and Rachael Davis	06/01/12
Leone, Stephen and Patricia Zirk	04/14/12
Lopez, Felipe and Rachel Jackson	10/19/12
Marsh, Stewart and Patricia Fuller	03/10/12
McDonald, Noel and Antares Whyte	01/15/12
Prim, Jamie and Eden Desrocher	06/16/12
Resek, Carl and Shirley Neilsen	12/31/12
Roby, Nicolas and Tonya Gray	07/08/12
Rosenbaum, John and Darcy Littlefield	08/25/12
Rummel, Eric and Kelsey Call	08/22/12



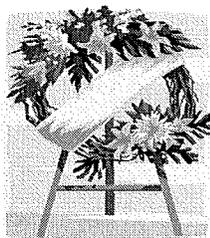
BIRTHS

<u>CHILD'S NAME</u>	<u>DATE</u>	<u>PARENTS</u>
Anderson, Mackenzie Jordynne	12/06/12	Favreau, Trish
Bhatia, Rahas	05/31/12	Bhatia, Rahul and Pooja Bhardwaj
Brooks, Natalie Rose	01/05/12	Brooks Jr, Thomas and Lisa King
Bryant, Jonah Olias	06/25/12	Bryant, Stephen and Jamie Martin
Coburn, Dorothy Cain	12/18/12	Coburn, John and Rebecca Johnson
Glynn, Taylor Alexis	10/03/12	Glynn, Paul and Valerie Huizenga
Gosliga, Eden Julianne	08/14/12	Gosliga, Gerrit and Laura Benjamins
Guinness, Liam Irving	11/03/12	Guinness, Lisa and Amanda Trull
Hamel, Jaxson Peter	08/10/12	Hamel, Christopher and Kristen Sargent
Hutchinson, Sophia Madelyn	10/26/12	Hutchinson, Steven and Ashley Poynter
Kidde, Luke Martin	06/01/12	Kidde, Jonathan and Heather Brown
LaBonte, Penelope Claire	01/20/12	LaBonte, Jared and Allison Shea
LaFlam, Rowan Jane	05/28/12	LaFlam, Benjiman and Alexis LaBerge
LaFontaine, Lynx Gabriel	03/19/12	LaFontaine, Joshua and Samantha Justice
Osborne-Bahrig, Freya Neele	12/03/12	Osborne, Thomas and Siri Bahrig
Paquette, Axl Cole	01/10/12	Paquette, Aaron and Sarah Bissonette
Russell, Cody Alan	06/25/12	Russell, Jason and Pamela Blaise
Russell, Connor Blaise	06/25/12	Russell, Jason and Pamela Blaise
Sheehan, Remy Olema	09/11/12	Sheehan, Ross and Catherine Cutillo
Stocker, Sophia Grace	07/25/12	Stocker, Kevin and Lyndsay Forgues
Thompson, Chase Arthur	07/30/12	Thompson, Rory and Jessica Whitney
Todd, Oriana Ziva	11/03/12	Todd, Douglas and Annie Rosenthal
Trayah-Pratt, Kamille Frances	01/30/12	Pratt, Matthew and Rebecca Trayah
Webb, Heber Ephraim	03/11/12	Webb, Justin and Sarah Law



DEATHS

<u>NAME</u>	<u>DATE</u>	<u>AGE</u>
Adamo, Isabelle G.	12/30/12	95
Bell, Conrad F.	07/28/12	40
Bensen, Harriet N.	07/23/12	96
Blacklock, Martha A.	05/01/12	78
Brill, Mildred C.	12/22/12	89
Brown, Theresa J.	05/10/12	72
Burhart, Delores L.	03/28/12	78
Casey, Sylvia M.	08/09/12	89
Clark, Gregory S.	11/30/12	65
Crevier, Armand P.	12/14/12	81
Emery, Waneta V.	05/07/12	90
Flemings, Gladys S.	10/17/12	73
Gaboriau, Dorothy R.	11/09/12	71
Gove, David L.	11/07/12	59
Hansen, Leah H.	12/22/12	82
Harris, Lillian S.	06/24/12	95
Jennings, Clinton L.	09/03/12	89
Kavanagh, Terence S.	08/14/12	91
Kennedy, Marion C.	08/21/12	95
Laberge, Carl J.	09/09/12	68
LeBoeuf Jr., Howard J.	06/18/12	92
Lombard, Lori Y.	11/03/12	57
Quenneville, Richard B.	10/04/12	84
Rice, Grace L.	03/01/12	88
Santenello, Gerald P.	05/24/12	69
Shaffer, Tina K.	04/04/12	49
Smith, Marjorie E.	08/31/12	93
Volkert, Mary K.	12/25/12	95
Yantz Jr, Douglas W.	02/15/12	65



DOG AND WOLF-HYBRID OWNERS

Any person who owns or keeps a dog or wolf-hybrid over four months old must annually on or before April 1st license their dog or wolf-hybrid in the office of the City Clerk. Before the license can be issued, a current rabies vaccination certificate must be filed with the Clerk. The license fee is \$4.00 for each neutered/spayed dog or wolf-hybrid and \$8.00 for each dog or wolf-hybrid. In addition to the license fee, the municipal Clerk shall assess a \$4.00 fee for each license sold that will be forwarded to the State Treasurer to be used for a rabies control program and a spaying/neutering program. If an owner neglects to license their dog or wolf-hybrid by April 1st, it must be obtained for that license year by paying a fee of fifty percent in excess of that otherwise required. The owner of a dog or wolf-hybrid who fails to follow the requirements of the law shall be fined an amount not to exceed \$250.00.

No person shall allow a dog or wolf-hybrid to run at large in an "uncontrolled manner" within the city limits of the City of Vergennes. An "uncontrolled manner" shall mean a dog or wolf-hybrid that is not (1) on a leash, (2) on the property of the owner, or (3) under the immediate control of its owner or a competent and responsible attendant.

Any dog(s) or wolf-hybrid(s) causing a disturbance such as excessive barking as to disturb the public peace or defecating on premises other than the animal's owner (unless the owner or another individual in control of the animal removes such deposit immediately) shall be considered a public nuisance and the owner will be liable for prosecution under the penalties prescribed in the ordinance.

A dog or wolf-hybrid found to be running at large shall be delivered to the pound. The pound will notify the dog's or wolf-hybrid's owner if the dog or wolf-hybrid is licensed. The dog or wolf-hybrid shall be held five days after the owner is notified. If the dog or wolf-hybrid is unlicensed, the pound will still hold the dog or wolf-hybrid for five days. If an owner does not claim the dog or wolf-hybrid within the five-days it shall be considered abandoned and ownership of said animal shall be that of the City for the purposes of disposition.

No dog or wolf-hybrid shall be released from the pound until it is properly vaccinated. Each person claiming a dog or wolf-hybrid from the pound shall pay to the City a fine of \$30.00 plus any boarding fees or charges invoiced by the pound keeper to the City associated with the impounded dog or wolf-hybrid. Fees and charges shall be paid to the City Treasurer within 30-days notice.

If you see a dog or wolf-hybrid running loose in violation of the City's Dog Ordinance, or have a complaint that you would like to file, contact the Vergennes Police Department at 877-2201.

To protect yourself against rabies, do not pick up or touch wild animals or strays; make sure all your family pets get rabies shots; report unknown or strangely behaving animals to the Vergennes Police Department (if wild animals are involved, contact a game warden); do not feed your pets outside; fasten trash can lids tightly; keep your pets indoors at night; and wear protective gloves when handling a pet that has been involved with a wild or stray animal. If an animal bites you, you need to wash the bite wound with soap and warm water for five minutes. You should also try to capture the animal, as you are more likely to need rabies shots if the animal cannot be found. This bite should be reported to your doctor and the City Health Officer and you should follow their instructions. If you have additional questions, you may call the Vermont Rabies Hotline at 1-800-4-RABIES. For everyone's safety and protection, the City is strengthening its efforts ensuring that all dogs and wolf-hybrids harbored within the city limits are registered in the City Clerk's office. **Is your dog or wolf-hybrid listed here for the 2012 license year?**

A RABIES CLINIC FOR DOGS AND CATS IS SCHEDULED TO BE HELD MARCH 13, 2013 FROM 6:00 P.M. UNTIL 8:00 P.M. AT VERGENNES ANIMAL HOSPITAL LOCATED AT 20 NORTH MAIN STREET. A CASH FEE OF \$12 PER ANIMAL WILL BE CHARGED. DOGS MUST BE ON LEASHES AND CATS MUST BE IN CARRIERS.

Allison, Elizabeth	18 First Street	Tess	Charbonneau, Tina	24 Meadow Lane	JC
Angier, Mark	92 South Water St	Penny	Childers, Ronnie	100 South Water St	Buddy
Badore, Harold	18 North Maple St	Penny	Clark, Patricia	36 MacDonough Dr	Belle
Bargiel, Mary	94 West Main St	Duke	Clark, Steve	100 Green Street	Libby
Bargiel, Mary	94 West Main St	Connor	Clark, Sue	96 West Main St	Sammy
Barrows, David	14 Sunset Drive	Schilling	Clifford, Karen	20 Sunset Drive	Addison
Bassett, Justin	13 Comfort Hill	Gus	Cloutier, Maggie	156 South Maple St	Benson
Bassett, Justin	13 Comfort Hill	Hobo	Coffey, Corey	152 South Maple St	Scout
Bauer, Ben	5 Ice House Court	Abbey	Colby, Simone	13 First Street	Rufus
Becher, Jeff	27 Mountain View Ln	Gretchen	Conant, Nancy	60 Green Street	Mario
Becher, Jeff	27 Mountain View Ln	Tallulah	Conant, Nancy	60 Green Street	Andre
Bell, Brenda	18 School Street	Asher	Cousineau, Ray Jr	186 Green Street	Buster
Benoit, Allen	360 Main Street #3	Daisy	Cousino, Pam	132 South Maple St	Banjo
Benoit, Jodii	12 High Street	Cody	Cowan, Sarah	23 MacDonough Dr	Charlie
Benoit, Jodii	12 High Street	Mia	Crossman, Brian	17 Comfort Hill	Tacoma
Benton, Betsy	300 Main Street	Maisie	Crowell, Hillary	123 West Main St	Isabella
Benton, Kristin	300 Main Street	Lucy	Crowell, Hillary	123 West Main St	Caesar
Bertrand, Sherri	40 West Main St	Emma	Cunningham, Leigh	22 New Haven Rd	Malcomb
Bertrand, Sherri	40 West Main St	Harley	Cunningham, Leigh	22 New Haven Rd	Lilly
Bessette, Tracy	34 Bowman Road	Nola	Curtis, Jay	21 Bowman Road	Camo
Billings, Katie & Eli	13 West Street	Sadie	D'Andrea, Heidi	31 West Main St	Quinn
Birong, Danelle	51 South Maple St	Petey	Danyow, Jacob	23 Sunset Drive	Daly
Blaise, Donna	130 Green Street	Bernard	Danyow, Lee	6 Green Meadow Ac	Otis
Blaise, Joanne	130 Green Street	CK	Delisle, Mark	121 West Main St	Sophie
Booska, Joseph	8 Booska Court	Mango	Delisle, Mark	121 West Main St	Dakota
Booska, Joseph	8 Booska Court	Sunny	Della Pepa, Jessica	57 New Haven Rd	Scout
Booska, Joseph	8 Booska Court	Petey	Delorme, Mark	5 First Street	Angel
Bosworth, Janice	6 Bowman Rd	Bea	Delphia, Chuck	16 West Main St	Angel
Bosworth, Janice	6 Bowman Rd	Stella	Delphia, Chuck	16 West Main St	Falkor
Botala, Jackie	31 Booth Woods	Annie	Desjadon, Cathy	38 Bowman Road	Allie
Bourgor, Amy	7 Maple Manor	Bella	Desjardin, Donna	67 Green Street	Fawn
Boyce, Danielle	14 Panton Road	Shaggy Dog	Desjardin, Donna	67 Green Street	Foxy
Brace, Lester	15 Hillside Acres	Jasper	Devine, Joan	47 Monkton Road	Keisha
Bradford, Sasha	49 West Main St	Max	Dion, Chris	154 South Maple St	Rum
Brigan, Thomas	2 Prospect St	Rubie	Donovan, Darren	48 East Street	Stella
Brigan, Thomas	2 Prospect St	Zoie	Duggento, Nina	19 West Main St	Olivia
Brooks, Douglas	84 So Maple St	Weaver	Dukette, Denise	96 South Water St	Dakota
Brooks, Josh	11 Third Street	Belle	Emerson, Deb	98 W. Main Street	Ozzie
Brown, Lance	47 South Water St	Schylar	Fallon, Pete	12 White Street	Annie
Brown, Sean	47 South Water St	Niko	Fallon, Pete	12 White Street	Alex
Brown, William	118 Panton Road	Cabela	Farrell, Bethany	6 Sunset Drive	Ginger
Brown, William	118 Panton Road	Melody	Ferland, Caitlin	31 Bowman Road	Annie
Brown, William	118 Panton Road	Rocko	Fish, Michelle	63 South Maple St	Oreo
Burbo, Tammy	279 Main Street	Teddy	Fleming, Sukey	29 Booth Woods	Walker
Burlock, Evelyn	25 West Main St	Daisy	Fleming, Isaac	5 Cataract Street	Bella
Burlock, Evelyn	25 West Main St	Shadow	Flint, Laura	1 Thomas Circle	Bo
Bushey, Wayne	176 South Maple St	Zoe	Flint, Laura	1 Thomas Circle	Cassie
Campono, Peter	160 Green Street	Lucy	Flint, Laura	1 Thomas Circle	Merlin
Carpenter, David	12 North Street	Blue	Flood, Margaret	70 Monkton Road	Sable
Casey, Lisa	31 East Street	Harry	Flynn, Erica	169 First Street	Drake
Casey, Melissa	19 Scovel Lane	Freckles	Fountain-Provost, T	99 South Water St	Millie
Casey, Melissa	19 Scovel Lane	Honey	Fountain-Provost, T	99 South Water St	Nanny
Cauchon, Gary	34 So Maple St	Jack	Fountain-Provost, L	99 South Water St	Isabell
Caum, Katherine	163 South Maple St	Brady	Freedner, Rebecca	95 South Water St	Roman
Chaput, Melanie	18 Sunset Drive	Nacho	Fuller, Patricia	11 Bowman Rd #107	Kobe
Chaput, Melanie	18 Sunset Drive	Phoebe	Fuller, Robert	61 New Haven Rd	Dawn
Charbonneau, Harol	35 Monkton Road	Casper	Gagnon, Anna	23 Booth Woods	Clover
Charbonneau, Joe	24 Bowman Road	Zoe	Gaines, Mary	68 Main Street	Katie

Gaines, Mary	68 Main Street	Liaka	LaRose, Doris	13 Walker Ave Apt 2	Maggie
Gallant, Leona	50 Armory Lane	Lucy	Larrow, Adam	39 First Street	Jazz
Gardner, Maggie	20 South Maple St	Shilo	Larson, Sarah	8 School Street	Duke
Gebo, Cecile	114 Panton Road	Margie	Lawrence, Jane	81 West Main St	Lady Hope
Gebo, Christopher	37 Bowman Road	Molson	Lawrence, Kathy	81 West Main St	Abigal Jane
Glanz, Liza	96A Main Street	Maple	Leach, Eileen	72 Meigs Road	Baxter
Gosselin, Jackie	186 Green Street	Shasta	Leach, Sarah	71 West Main Street	Lemon Drop
Grant, Sherm	17 West Main Street	Charlie	LeBlanc, Robin	40 Bowman Road	Stella
Guinness, Amanda	16 Hillside Drive	Cooper	LeClair, Lynne	33A Mt. View Lane	Argyle
Guyette, Ronda	5 Bowman Rd Unit 103	Ashlin	Leone, Stephen	191 South Maple St	Molly
Haggett, Shannon	10 Thomas Circle	Addison	Levinson, Justin	28 Booth Woods	JuJy
Halpin, Peter	7 Ice House Court	Kira	Longe, Sue	193 Green Street	Emmitt
Hamel, Chris	104 Green Street	Leroy	LoPinto, Frank	2 Ice House Court	Maxwell
Hamel, Chris	104 Green Street	MacKenzie	Loven, Elizabeth	9 Battery Hill	Ike
Hamel, Chris	104 Green Street	Sam	Loven, Elizabeth	9 Battery Hill	Paint
Harris, Mary	12 North Street	Brandy	Lowe, Ann	3 Ice House Court	Bailey
Hawley, Doug	3 Thornwood Lane	Ruby	Lowe, Ann	3 Ice House Court	Drake
Hawley, Laurie	120 Panton Road	Oakley	Lucia, Steve	21 Thomas Circle	Bella
Hebert, Claude	53 New Haven Rd	Chance	Ludwigsen, Heather	202 South Maple St	Samson
Hobbs, Wayne	107 South Maple St	Mya	Ludwigsen, Heather	202 South Maple St	Maya
Hoffman, Candace	191 Green Street	Honey	Luther, Jean	14 Thomas Circle	Maude
Howard, Spencer	33 Booth Woods	Lucy	MacIntyre, Bruce	47 Main Street	Daisy
Huckabay, Lucie	78 South Water St	Sam	MacIntyre, Megan	47 Main Street	Bocephus
Huckabay, Lucie	78 South Water St	Willy	Mahrt, Amber	27 Booth Woods	Gunner
Huestis, Jessie	56 North Street	Zeus	Mardin, April	71 Monkton Road	Ruby
Huestis, Jessie	56 North Street	Drake	Mardin, April	71 Monkton Road	Max
Hunt, Robert	13 White Street	Biscuit	Martel, Kathy	103 Main Street	Squirt
Hunt, Robert	13 White Street	Bailey	Martin, Adam	135 So Maple St	Maddie
Huppuch, Anna L	188 Green Street	David	Mashak, Rebecca	14 Mountain View Ln	Biscuit
Iby, Lori	19 Booth Woods	Kynza	Mashak, Rebecca	14 Mountain View Ln	Rusty
Jackson-Donnelly	8 Green Meadow Ac	Sophie	Mayo, Carla	29 East Street	Woodrow
Jarvis, Sandy	283 Main Street	Macey	McConnell, Amy	17 Maple Manor	Shiloh
Jerome, Chris	13 Second Street	Remmy	McDuffee, Peter	10 School Street	Bella
Jerome, Chris	13 Second Street	Max	McGrath, Peggy	8 Crescent Drive	Cooper
Jewell, Laurel	12 Hillside Drive	Angel	McLean, Holly	20 Union Street	Paco
Jewett, Tammy	20 Thomas Circle	Scooby	McNeill, Jamie	49 South Maple St	Maggie
Johnson, Bonnie	20 East Street	Katie	Meador, Paulette	33 Booth Woods	Remington
Jones, Cathy	24 Bowman Road	Elly	Meador, Paulette	33 Booth Woods	Joshua
Jordon, Brooke	14 White Street	Moose	Meador, Paulette	33 Booth Woods	Jake
Karki, Jessa	44 Bowman Road	Misty	Meador, Paulette	33 Booth Woods	Maggie
Kavanagh, Ellen	188 Green Street	Cora	Meador, Paulette	33 Booth Woods	Preston
Kilburn, Roger	9 Meadow Lane	Brutus	Meador, Paulette	33 Booth Woods	Tucker
Killon, Bill	7 East Street	Delilah	Miner, Susan	13 Maple Manor	Lapa
Kingsley, Jason	55 Booth Woods	Pepper	Mitchell, Betsy	24 West Street	Sadie
Kingsley, Jason	55 Booth Woods	Jordi	Morey, Jessica	21 Meadow Lane	Oden
Kittredge, Seth	28 Thomas Circle	Drake	Mullen, Jason	151 South Maple St	Moby
Klopfenstein, Joe	34 Main Street	Callie	Murat, Julianne	104 South Water St	Remy
Knapp, Barbara	49 Booth Woods	Bugsy	Murphy, Laurie	20 First Street	Georgia
LaBerge, Susan	19 Booth Woods	Candy	Nacsin, Marilyn	44 West Main St	Charley
LaBerge, Susan	19 Booth Woods	Little Gy	Newton, Brent	70 Meigs Road	Ciele
LaBerge, Susan	19 Booth Woods	Libby	Newton, Brent	70 Meigs Road	Timmy
LaBerge, Susan	19 Booth Woods	Molly	Newton, Brent	70 Meigs Road	Chloe
LaBerge, Susan	19 Booth Woods	Me Too	Newton, Brent	70 Meigs Road	Prada
LaBerge, Susan	19 Booth Woods	Teddy	Newton, Brent	70 Meigs Road	Armani
LaBonte, Allison	3 North Green Street	Gunnar	Newton, Brent	70 Meigs Road	Cocoa
LaBonte, Allison	3 North Green Street	Rocky	Nill, Eddie	19 East Street	Panzer
LaFlam, Ben	89 West Main St	Porter	Nill, Rene	19 East Street	Washu
Lanpher, Jim	194 South Maple St	Peeka	Nill, Rene	19 East Street	Muyo

Nill, Rene	19 East Street	Ryoko	Sabourin, Jason	90 South Water St	Timmy
Nimblett, Nathan	54 North Street	Sophie	Sabourin, Jason	90 South Water St	Reign
Nimblett, Nathan	54 North Street	Titan	Safford, Michael	21 Booth Woods	Sienna
Nimblett, Renee	54 North Street	Sarge	Saltus, Jayne	16 Mtn View Lane	Sasha
Nolan, Jennifer	94 Main St Apt A	Quigley	Samaritoni, Alice	126 Green Street	Lil' Lady
Northrop, Judy	3 Adele Drive	Scooter	Schoonmaker, Jaclyn	24 Thomas Circle	Teedo
Norton, Tom	2 Maple Manor	Cheyenne	Scott, Bonnie	80 Main Street	Klem
Norton, Jr., Spence	4 Crescent Drive	Champ	Scott, Dianne	184 South Maple St	Gunther
O'Boyle-Palmer, Kir	42 East Street	Bode	Scribner, Leslie	21 Union Street	Liza
O'Daniel, Sue	25 Hopkins Road	Quincy	Sestokas, Melanie	51 No Main Street	Laverne
Olson, June	50 Armory Lane	Missy	Sestokas, Melanie	51 No Main Street	Shirley
Ouellette, Marcia	29 New Haven Rd	Brutus	Shepard, Kaleb	19 First Street	Diesel
Ouellette, Randall	29 New Haven Rd	Bella	Shugart, Jason	11 Bowman Rd	Cohen
Palin, Mary	3 Meadow Lane	Cooper	Simons, Heather	35 School Street	Jeb
Palin, Mary	3 Meadow Lane	Droopy	Skeldon, Julia	13 Meadow Lane	Rambo
Paquin, Adam	40 Booth Woods	Tupper	Skeldon, Julia	13 Meadow Lane	Cookie
Paradis, Mark	70 Green Street	Smokey	Sleeper, Jeannette	125 Green Street	Duncan
Paradis, Mark	70 Green Street	Copper	Sleeper, Jeannette	125 Green Street	Sassy
Patnode, Angela	48 MacDonough Dr	Sadie	Smith, Sheri	1 Booska Court	Sadie
Penders, Louise	3 Meadow Lane	Lucky	Smith-Tucker, Diane	5 Elm Street	Grace
Perron, Joanne	50 Armory Lane #301	Pedro	Smith, Beth	12 Crosby Court	Ollie
Perry, Lynne	4 Meadowbrook Rd	Jake	Stever, Beth	12 Crosby Court	Rudy
Perry, Renny	4 Meadowbrook Rd	Addison	Stillwell, Rachel	26 School Street	Landon
Peryea, Billie-Jo	7 Third Street	Puddin	Stinchfield, Chris	25 Thomas Circle	Haley
Petersen, Tamara	12 Thomas Circle	Wilbur	Stone, Michael	24 Monkton Road	Princess
Piper, Koreen	17 Victory Street	Eva	Strong, Steve	25 Meadow Lane	Bo
Poquette, Linette	90 Comfort Hill	Carly	Stroup, John	111 Main Street	Gus
Poquette, Linette	90 Comfort Hill	Tobias	Suttle, Richard	172 South Maple St	Chrystal
Poquette, Linette	90 Comfort Hill	Beatris	Swenor, Helen	97 Green Street	Lucy
Poquette, Linette	90 Comfort Hill	Legend	Taylor, Gary	31 No Main Street	Otis
Prime, Patty	25 Victory Street	Emma	Terry, Jeffrey	29 Monkton Road	Sage
Quigley, Karen	10 Sunset Drive	Simon	Therrien, Nicole	21 Sunset Drive	Mossy
Quigley, Karen	10 Sunset Drive	Roxi	Therrien, Sharon	21 Sunset Drive	Rambo
Quigley, Karen	10 Sunset Drive	Spencer	Therrien, Susan	4 High Street	Jake
Quigley, Karen	10 Sunset Drive	Victoria	Therrien, Susan	4 High Street	Jeter
Quinn, Chris	74 School Street	Mazzy	Thomas, Cheryl	34 West Street	Lucky
Ratkovits, Melissa	22 Sunset Drive	Spike	Tisbert, Brianne	261 Main Street	Willow
Ratkovits, Melissa	22 Sunset Drive	Goose	Trayah, Karen	33A No Maple Street	Jake
Ratkovits, Steven	22 Sunset Drive	Boston	Trayah, Karen	33A No Maple Street	Sarah
Rheal, Rhonda	297 Main Street	Candy	Troy-Vowell, Mia	23 Mountain View Ln	Daisy
Reck, Sandy	11 Maple Manor	Scout	Troy-Vowell, Mia	23 Mountain View Ln	Axel
Reed, Stacey	58 North Street	Samantha	Troy-Vowell, Mia	23 Mountain View Ln	Dixie
Reed, Stacey	58 North Street	Tellar	Troy-Vowell, Whitney	23 Mountain View Ln	Olive
Repstad, Ellen	9 Maple Manor	Zipp	Troy-Vowell, Whitney	23 Mountain View Ln	Baxter
Reynolds, Karen	17 West Main Street	Leo	Tucker, Darrell	55 Main Street	Emma
Reynolds, Karen	17 West Main Street	Lyla	Tucker, Darrell	55 Main Street	Duke
Rivait, Susan	5 Union Street	Lady	Tucker, Darrell	55 Main Street	Gretta
Rivait, Susan	5 Union Street	Duke	Tucker, Darrell	55 Main Street	Elvis
Rivers, Sara	8 King Street	Molly	Vannucci, Ann Marie	10 Panton Road	Jake
Robertson, Rachael	60B West Main Street	Asa	Wagner, Mary	14 Prospect St	Max
Rollet, Norma	181 South Maple St	Fred	Wagner, Robert	6 Hillside Drive	Ranger
Rollet, Timothy	181 South Maple St	Indigo	Walsh, Bill	82 Main Street	Ethan
Ross, Kim	17 Second Street	Sophie	Weeks, Earl	94 Main St Apt D	Fang
Roussin, Tiffany	38 MacDonough Dr	Lucian	Wilkinson, Laura	12 King Street	Django
Rule, Clara	10 Walker Ave #2	Lucy	Winslow, Kira	85 South Water St	Willa
Russell, Elaine	15 Courtney Drive	Logan	Wolcott, Melinda	15 Second Street	Josie
Russell, Jason	28 Bowman Road	Beckett	Wyhowanec, Betty.	32 West Main St	Mac
Sabourin, Dan	49 School Street	Brady	Wyman, Matthew	3 Sunset Drive	Oscar

CITY PAYROLL ACCOUNT
January 1, 2012 through December 31, 2012

<u>EMPLOYEE</u>	<u>DEPARTMENT</u>	<u>WAGES</u>
Aunchman, Brittany	Public Works Department - Temporary	\$101.52
Austin, David	Administration	\$350.00
Barrows, Carrie	Administration	\$420.00
Bearor, Christopher	Public Works Department	\$39,993.85
Benoit, Dustin	Public Works Department - Temporary	\$270.72
Benton, William	Administration	\$400.00
Bertrand, Lowell	Administration	\$400.00
Birchmore, Jared	Sam Fishman Memorial Pool	\$2,009.25
Birchmore, Monica	Sam Fishman Memorial Pool	\$1,828.75
Booska, Matthew	Fire Department	\$291.00
Breur, James	Fire Department	\$613.00
Broughton, Henry	Administration	\$75.00
Brown, William	Fire Department	\$315.00
Bunde, Jesse	Public Works Department - Temporary	\$270.72
Burbo, Capricia	Public Works Department - Temporary	\$270.72
Burbo, Joseph	Dog Warden	\$210.00
Burbo, Robert	Recreation	\$292.50
Castillo, Bradley	Sam Fishman Memorial Pool	\$4,861.29
Castillo, Zachary	Sam Fishman Memorial Pool	\$19.00
Champine, Leslie	Public Works Department - Temporary/Fire Department	\$676.80
Charbonneau, Kevin	Fire Department	\$1,233.00
Collette, Michael	Fire Department	\$487.00
Combs, Shawn	Fire Department	\$49.50
Comeau, Clara	Administration	\$800.00
Comeau, Zachary	Public Works Department - Temporary	\$270.72
Cook, Joshua	Sam Fishman Memorial Pool	\$2,574.50
Crowley, Matthew	Fire Department	\$636.00
Crowley, Patrick	Public Works Department /Fire Department	\$47,115.02
Currier, Daniel	Public Works Department - Temporary	\$858.00
Currier, Trevor	Public Works Department - Temporary	\$270.72
Daniels, Michael	Administration/Fire Department	\$1,895.00
Delorme, Jeremiah	Public Works Department - Temporary	\$270.72
Delorme, Morgan	Public Works Department - Temporary	\$270.72
Delphia, Collin	Sam Fishman Memorial Pool	\$1,276.50
Devine, Joan	Administration	\$50,077.04
Dibiase, David	Fire Department	\$329.50
Dion, Christopher	Fire Department	\$808.00
Dobson, Kelsey	Sam Fishman Memorial Pool	\$1,135.25
Donnelly, Justin	Fire Department	\$97.50
Dugan, John	Fire Department	\$499.00
Dugan, Paloma	Sam Fishman Memorial Pool	\$3,814.46
Fairbanks, Jori	Police Department	\$13,439.40
Farrell, Jason	Administration	\$945.00
Flynn, Simon	Sam Fishman Memorial Pool	\$950.00
Fortune, Jeffrey	Fire Department	\$231.00
Fraleigh, Matthew	Fire Department	\$1,032.00

CITY PAYROLL ACCOUNT
January 1, 2012 through December 31, 2012

Fraser, Brian	Fire Department	\$585.00
Garon, Peter	Administration	\$1,170.00
Gebo, Christopher	Fire Department	\$672.00
Grant, Jordan	Public Works Department - Temporary	\$2,988.00
Greenslet, Patrick	Police Department	\$52,229.10
Guyette, Victor	Sam Fishman Memorial Pool	\$975.00
Haas, Jennifer	Sam Fishman Memorial Pool	\$1,650.00
Haggett, Shannon	Administration	\$480.00
Hall, Donald	Fire Department	\$599.00
Hattler, Mark	Administration	\$200.00
Hawley, Melvin	Administration	\$79,506.66
Huston, Lesley	Administration	\$5,788.42
Johnson, Rebecca	Sam Fishman Memorial Pool	\$1,410.00
Karki, Sandy	Fire Department	\$643.00
Kazuhiro, Asaga	Sam Fishman Memorial Pool	\$231.00
Kingsley, Jennifer	Sam Fishman Memorial Pool	\$3,475.99
Kinson, Tony	Fire Department	\$251.00
Kittredge, Morgan	Administration	\$450.00
Klopfenstein, Joseph	Administration	\$750.00
LaBerge, Reilly	Fire Department	\$28.00
LaFleche, Rejean Jr.	Police Department	\$46,289.70
Lanning, William	Fire Department	\$419.00
Larrow, Alexandra	Administration	\$1,314.00
Larrow, James	Public Works Department/Fire Department	\$56,175.86
Lumbra, Cory	Fire Department	\$781.00
Lumbra, Reid	Fire Department	\$1,095.00
Marshall, Jason	Fire Department	\$89.50
McDurfee, Peter	Fire Department	\$703.00
McGuire, Alexandria	Administration	\$900.00
McKirryher, Christopher	Fire Department	\$179.00
Merkel, George	Police Department	\$56,460.15
Mogerley, Neil	Police Department	\$296.40
Morris, Robert	Administration	\$75.00
Newton, Brent	Police Department	\$57,959.33
Nill, Edward	Administration	\$75.00
O'Brien, James	Public Works Department - Temporary	\$270.72
O'Neill, Adam	Police Department	\$41,682.59
Ouellette, Jason	Police Department	\$45,338.26
Ouellette, Randall	Administration	\$800.00
Palmer, Matteo	Sam Fishman Memorial Pool	\$1,743.25
Paquin, Erin	Fire Department	\$217.00
Paquin, Ryan	Public Works Department - Temporary	\$270.72
Peabody, George	Administration	\$465.00
Perry, Renny	Administration	\$400.00
Pierce, Tyler	Fire Department	\$169.50
Poquette, William	Administration	\$200.00
Porter, Tawnee	Fire Department	\$266.25

CITY PAYROLL ACCOUNT
January 1, 2012 through December 31, 2012

Quigley, Karen	Administration	\$200.00
Rakowski, Brent	Administration	\$450.00
Rao, Benjamin	Public Works Department - Temporary	\$270.72
Raphael, Stacy	Administration	\$405.00
Rapoport, Steven	Administration	\$465.00
Real, Brady	Public Works Department - Temporary	\$270.72
Roberts, Devan	Public Works Department - Temporary	\$270.72
Sheehan, Ryan	Fire Department	\$303.00
Smith, Anthony	Public Works Department - Temporary	\$270.72
Stearns, Allyson	Sam Fishman Memorial Pool	\$1,643.50
Stinchfield, Christina	Sam Fishman Memorial Pool	\$3,294.61
Stinchfield, Luke	Public Works Department - Temporary	\$270.72
Stinchfield, Morgan	Sam Fishman Memorial Pool	\$703.00
Sullivan, Joseph	Sewer Department	\$41,147.90
Swinton, Carolyn	Administration	\$2,941.41
Swinton, Lyle	Public Works Department/Sewer Department	\$42,583.25
Tierney, Dustin	Public Works Department - Temporary	\$270.72
Tierney, Henry Jr.	Fire Department	\$580.00
Turpin, Sheila	Fire Department	\$1,413.00
Valiquette, Ryan	Public Works Department - Temporary	\$67.68
Wager, William	Police Department	\$11,658.40
Williams, Martin Jr.	Sewer Department	\$54,750.02
Winslow, Michael	Administration	\$480.00
Worley, Robert	Police Department	\$15,342.50
Wright, Melissa	Administration	\$31,353.52
TOTAL		<u>\$865,158.18</u>

**STATEMENT OF TAXES LEVIED AND RAISED
JULY 1, 2011 TO JUNE 30, 2012**

Real Estate	\$214,523,519 at 1%	\$	2,145,235.19
Homestead Values	\$124,102,700 at 1%	\$	1,241,027.00
Non-residential Values	\$90,069,090 at 1%	\$	900,690.90

Taxes Levied

City Tax	\$2,145,235.19 at \$ 0.6031	\$	1,293,776.80
School Tax/Homestead Ed	\$1,241,027.00 at \$ 1.2263	\$	1,521,871.42
School Tax/Non-residential Ed	\$898,719.90 at \$ 1.3460	\$	1,209,676.98
Late HS-122 Penalty		\$	299.06
		\$	<u>4,025,624.26</u>

Taxes Raised

Property Taxes Collected by June 30, 2012		\$	3,989,895.89
Held by Delinquent Collector July 1, 2012		\$	<u>35,728.37</u>
		\$	4,025,624.26

ABSTRACT OF THE 2011 GRAND LIST

<u>Category</u>	<u>Entries</u>		<u>Assessed Value</u>
Residential I	719	\$	147,448,500
Residential II	3	\$	1,310,700
Mobile Homes - Unlanded	74	\$	2,569,800
Mobile Homes - Landed	9	\$	1,043,700
Commercial	72	\$	26,568,500
Commercial Apts	14	\$	7,644,700
Industrial Plants	5	\$	8,787,600
Utilities - Electric	2	\$	15,533,300
Other	1	\$	1,229,200
Miscellaneous	<u>31</u>	\$	<u>2,897,400</u>
Sub Total	930	\$	215,033,400
Cable - Education Tax Only	1	\$	<u>216,472</u>
		\$	215,249,872
Veterans' Exemptions	7	\$	(280,000)
Voter Approved Exemption	1	\$	(197,100)
Current Use Exemptions	2	\$	<u>(249,253)</u>
Total Municipal Grand List		\$	214,523,519

DELINQUENT PROPERTY TAXES
June 30, 2012

		Total
2009	Monty, Peter	Confidential
2010	Austin, Jennifer and David Austin	\$2,439.80 *
	Barrows, Wayne and Diane	Confidential *
	Larrow, Adam and Tonya Larrow	Confidential
	Monty, Peter	Confidential
	Swenor, Judson Jr.	Confidential **
2011	Ask, Joseph and Kerry	Confidential **
	Austin, Jennifer and David Austin	\$4,479.58 *
	Badger, Brenda	Confidential
	Blaise, Donna	Confidential *
	Bowen, David and Sophia	Confidential *
	Charbonneau, Tina	Confidential *
	Cole, Roderick	\$1,315.62 *
	Dugan, John	Confidential *
	Flynn, Timothy and Erica	Confidential
	Funk, Janet Trustees	Confidential *
	Giordano, Kimberly	Confidential
	Godspeed, Linda	Confidential *
	Guyette, Ronda	Confidential *
	Jefferson River, LLC	\$6,525.54 *
	LaFave, Scott	\$4,018.07 *
	Larrow, Adam and Tonya	Confidential
	Monty, Peter	Confidential
	Norton, Julie Ann	Confidential *
	Peryea, Billie-Jo	Confidential **
	Queneska, LLC	\$289.04 *
	Scott, Misty	Confidential
	Sheehan, Debbi	Confidential *
	Sinclair, Michael	Confidential *
	St. Cyr, Rose, Life Estate	Confidential *
	Swenor, Judson Jr.	Confidential
	Taylor, Gary and Francine	Confidential
	Wales, Ramon	Confidential *
	Willow Apartments, LLC	\$9,063.92 **
	Delinquent Property Taxes All Years	<u>\$39,859.72</u>
	Delinquent Property Taxes - 2011	<u>\$35,728.37</u>

* Paid in full since June 30, 2012

** Paid in part since June 30, 2012

Due to potential income sensitivity and corresponding state payment adjustment on a homestead property tax bill the Vermont Department of Taxes has recommended that the publishing of delinquent property taxes not disclose information that shows the net tax amount for a specific owner and thereby protects the confidentiality of the information concerning a property owners who receives a state payment adjustment.

DELINQUENT SEWER ASSESSMENTS
June 30, 2012

Ambrose, Richard and Heidi	\$83.26
Bank of New York	\$8.43 *
Barrows, Wayne and Diane	\$441.57 *
Bassett, Justin and Heidi Rumble	\$377.97 **
Bauer, Benjamin and Katherine	\$363.49 *
Bodette, Cory Lee and Kelly	\$216.85 *
Botala, Scott Sr. and Jacqueline	\$333.53 **
Burnett, Richard and Cindy	\$320.18
C H Mann Lumber and Hardware	\$97.12 *
Casey, Timothy and Melissa	\$97.12 *
Chaput, Victor and Melanie	\$472.42
Cook, Timothy and Kate Elizabeth Donovan	\$196.87 *
Crowningshield, Christopher and Amy	\$2.12 *
Cunningham, Ragan	\$15.12 *
Danyow, Penny	\$196.87
Dugan, John	\$8.43 *
Duggento, Andrew and Nina	\$423.94 **
Flint, Brian and Laura	\$97.12 *
Fountain-Provost, Linda and Thomas	\$285.77
Gebo, Angela	\$97.12 *
Giordano, Kimberly	\$196.87
Glynn, Paul and Valerie	\$409.51
Graham, P. Alex	\$8.43 *
Guyette, Ronda	\$8.43 *
Hamel, Christopher	\$103.12
Hawkins, Kenneth and Rachel	\$300.56
Hebert, Maurice and Jane	\$621.80 **
Holmes, Gerrit and Laura	\$97.12 *
Jefferson River, LLC	\$211.63 *
Jewell, Howard and Laura	\$97.12 *
LaFave, Scott	\$196.87 *
LaMothe, Scott and Ann-Marie Vannucci	\$8.43 *
Macintyre, Bruce and Dawn	\$8.43 *
Matesi, David and Rebecca Freedner	\$9.16 *
Miller, Pam and Mandy Brinkman	\$484.72
Morey, Jessica	\$409.51 **
Morse, Wendell	\$409.51
Paquin, Adam and Tina Morcombe	\$208.79
Piper, Nicholas and Koreen Elizabeth	\$409.51
Queneska, LLC	\$295.38 *
Racine, Kevin and Aleta Kiesman	\$196.87 *

Repstad, Ellen	\$1,006.73 *
Richardson, Douglas	\$409.51
Sabick, Christopher and Jessica	\$206.21 *
Salcedo, Tanya	\$191.41 *
Schoonmaker, William and Lori	\$73.05 *
Sestokas, James and Melanie	\$196.87 *
Seymour, Jonnean and Wanda	\$196.87 *
Sheehan, Debbi	\$476.09 *
St. Cyr Life Estate, Rose	\$196.87 *
Stinchfield, Christopher and Felicia	\$484.72 **
Stone, Mary Jane	\$97.12 *
Swan, Marion and Matthew Manning	\$265.70 *
Swenor, Judson Jr.	\$97.12 *
Taylor, Gary and Francine	\$409.51
Tetreault, John and Dean	\$409.51
Tierney, Angela	\$97.12 *
Troy, Peter and Mia Vowell	\$196.87
Tucker, Darrell and Vicky	\$1,728.47 **
Wales, Ramon and Sarah Stearns	\$96.50 *
Williams, Keith	\$196.87 *
Willow Apartments, LLC	\$1,677.12 *
Workman, Andrew and Becky	\$300.56
Wyman, Matthew and Jennifer	\$301.65 *
Total	\$18,139.52

* Paid in full since June 30, 2012

** Paid in part since June 30, 2012

Amount owed includes penalty and accrued interest.

CITY OF VERGENNES, VERMONT
 AUDIT REPORT AND FINANCIAL STATEMENTS
 JUNE 30, 2012
 TABLE OF CONTENTS

		<u>Page #</u>
INDEPENDENT AUDITOR’S REPORT		1 - 2
FUND FINANCIAL STATEMENTS		
Balance Sheet – Governmental Funds	Exhibit A	3
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	Exhibit B	4
Statement of Revenues, Expenditures and Changes in Fund Balance – Compared to Budget - General Fund	Exhibit C	5
NOTES TO FINANCIAL STATEMENTS		6 - 17
SUPPLEMENTARY SCHEDULES		
Schedule of Revenues, Expenditures and Changes in Fund Balance – Compared to Budget – General Fund	Schedule 1	18 - 22
Combining Balance Sheet – Other Governmental Funds	Schedule 2	23 - 25
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Other Governmental Funds	Schedule 3	26 - 28

FOTHERGILL SEGALE & VALLEY

Certified Public Accountants



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

INDEPENDENT AUDITOR'S REPORT

December 26, 2012

To the City Council
City of Vergennes
Vergennes, Vermont

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the City of Vergennes, Vermont as of and for the year ended June 30, 2012, which collectively comprise the City's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and signification estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

Management has not presented government-wide financial statements to display the financial position and changes in financial position of its governmental activities and business-type activities. Accounting principles generally accepted in the United States of America, specifically GASB 34 and GASB 37, require the presentation of government-wide financial statements. The amounts that would be reported in government-wide financial statements resulting from transactions for the City's governmental activities and business-type activities are not reasonably determinable.

Management has chosen not to follow GASB 54 "Fund Balance Reporting and Governmental Fund Type Definition" which is used to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definition. GASB 54 establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

The City treats the Sewer Fund as a Special Revenue Fund rather than as an Enterprise Fund. Accounting principles generally accepted in the United States of America require funds financed with user charges to be treated as Enterprise Funds. This principle requires accounting similar to commercial enterprises, such as capitalization and depreciation of capital assets. Accordingly, the accompanying financial statements are not intended to present financial positions and results of operations of the Sewer Fund in conformity with accounting principles generally accepted in the United States of America.

In our opinion, because of the effects of the matters discussed in the preceding paragraphs, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Vergennes, Vermont as of June 30, 2012, and the respective changes in financial position thereof and the budget comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 26, 2012, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing on internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Management has not presented the Management's Discussion and Analysis that the Governmental Accounting Standards Board has determined is required to supplement, although not required to be a part of, basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The Schedules 1 through 3, as listed in the Table of Contents, are presented for purposes of additional analysis and are not required parts of financial statements. The supplementary schedules are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. Because of matters discussed above, we are not expressing an opinion on the supplementary schedules.

Respectfully submitted,



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

CITY OF VERGENNES, VERMONT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2012

	Major Funds						Total Governmental Funds
	General Fund	Sewer Fund	Watershed Recreation Reserve Fund	Community Development Fund	Ray E. Davison Fund	Other Governmental Funds	
ASSETS							
Cash and investments	\$ 259,533	\$ 0	\$ 394,711	\$ 0	\$ 223,748	\$ 424,099	\$ 1,302,091
Receivables							
Property taxes	44,267	0	0	0	0	0	44,267
Grant receivable	25,566	0	0	3,445	0	0	29,011
Sewer	0	38,627	0	0	0	0	38,627
Other	10,860	0	0	0	0	3,392	14,252
Note receivable	0	0	0	0	0	35,667	35,667
Due from other funds	0	70,208	0	34,066	0	116,205	220,479
Community development loans, net	0	0	0	137,686	0	0	137,686
Total assets	\$ 340,226	\$ 108,835	\$ 394,711	\$ 175,197	\$ 223,748	\$ 579,363	\$ 1,822,080
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Accounts payable	\$ 10,710	\$ 9,499	\$ 0	\$ 3,445	\$ 0	\$ 43,292	\$ 66,946
Due to other funds	159,326	0	44,710	0	0	16,443	220,479
Deferred revenue							
Taxes	25,805	0	0	0	0	0	25,805
Swimming pool	0	0	0	0	0	23,713	23,713
Community development	0	0	0	137,686	0	0	137,686
Note receivable	0	0	0	0	0	35,667	35,667
Total liabilities	195,841	9,499	44,710	141,131	0	119,115	510,296
FUND BALANCES							
Reserved for fiscal year 2013	95,000	0	0	0	0	0	95,000
Reserved for Special Revenue Funds	0	99,336	350,001	34,066	0	277,077	760,480
Reserved for Permanent Fund	0	0	0	0	223,748	0	223,748
Reserved for Capital Project Funds	0	0	0	0	0	183,171	183,171
Unreserved	49,385	0	0	0	0	0	49,385
Total fund balances	144,385	99,336	350,001	34,066	223,748	460,248	1,311,784
Total liabilities and fund balances	\$ 340,226	\$ 108,835	\$ 394,711	\$ 175,197	\$ 223,748	\$ 579,363	\$ 1,822,080

CITY OF VERGENNES, VERMONT
 STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 YEAR ENDED JUNE 30, 2012

	Major Funds						Total Governmental Funds
	General	Sewer Fund	Watershed Recreation Reserve Fund	Community Development Fund	Ray E. Davison Fund	Other Governmental Funds	
REVENUES							
Property taxes	\$ 1,327,650	0	0	0	0	0	\$ 1,327,650
Licenses, fees and permits	13,181	0	0	0	0	182,953	196,134
Intergovernmental	531,330	0	0	953,141	0	49,634	1,534,105
Charges for services	17,586	585,359	0	0	0	103,348	706,293
Fines and forfeits	86,473	10,078	0	0	0	0	96,551
Investment income (loss)	49,468	0	7,566	0	14,748	3,385	75,167
Miscellaneous	65,349	2,164	0	4,708	0	6,840	79,061
Total revenues	<u>2,091,037</u>	<u>597,601</u>	<u>7,566</u>	<u>957,849</u>	<u>14,748</u>	<u>346,160</u>	<u>4,014,961</u>
EXPENDITURES							
Current Expenditures							
General government	470,279	0	0	0	0	2,586	472,865
Public safety	561,280	0	0	0	0	92,866	654,146
Public works	534,232	0	0	0	0	0	534,232
Culture and recreation	0	0	0	0	0	66,974	66,974
Community development	0	0	0	1,003,141	0	0	1,003,141
Community services	54,614	0	0	0	0	0	54,614
Wastewater	0	288,783	0	0	0	138,779	427,562
Recycling	0	0	0	0	0	51,805	51,805
Debt Service							
Principal	36,340	123,404	0	0	0	15,000	174,744
Interest	3,855	0	0	0	0	14,965	18,820
Capital outlay	404,904	0	0	0	0	301,230	706,134
Total expenditures	<u>2,065,504</u>	<u>412,187</u>	<u>0</u>	<u>1,003,141</u>	<u>0</u>	<u>684,205</u>	<u>4,165,037</u>
EXCESS REVENUES (EXPENDITURES)	<u>25,533</u>	<u>185,414</u>	<u>7,566</u>	<u>(45,292)</u>	<u>14,748</u>	<u>(338,045)</u>	<u>(150,076)</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	70,000	0	0	0	0	225,527	295,527
Transfers out	(69,817)	(175,000)	(44,710)	0	0	(6,000)	(295,527)
Total other financing sources (uses)	<u>183</u>	<u>(175,000)</u>	<u>(44,710)</u>	<u>0</u>	<u>0</u>	<u>219,527</u>	<u>0</u>
NET CHANGE IN FUND BALANCES	<u>25,716</u>	<u>10,414</u>	<u>(37,144)</u>	<u>(45,292)</u>	<u>14,748</u>	<u>(118,518)</u>	<u>(150,076)</u>
FUND BALANCES - July 1, 2011	<u>118,669</u>	<u>88,922</u>	<u>387,145</u>	<u>79,358</u>	<u>209,000</u>	<u>578,766</u>	<u>1,461,860</u>
FUND BALANCES - June 30, 2012	<u>\$ 144,385</u>	<u>\$ 99,336</u>	<u>\$ 350,001</u>	<u>\$ 34,066</u>	<u>\$ 223,748</u>	<u>\$ 460,248</u>	<u>\$ 1,311,784</u>

CITY OF VERGENNES, VERMONT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - COMPARED TO BUDGET
GENERAL FUND
YEAR ENDED JUNE 30, 2012

EXHIBIT C

	<u>Original and final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Property taxes	\$ 1,301,245	\$ 1,327,650	\$ 26,405
Licenses and permits	9,725	13,181	3,456
Intergovernmental	132,300	531,330	399,030
Charges for services	20,000	17,586	(2,414)
Fines and forfeits	60,000	86,473	26,473
Investment income	20,000	49,468	29,468
Miscellaneous	3,433	65,349	61,916
Total revenues	<u>1,546,703</u>	<u>2,091,037</u>	<u>544,334</u>
EXPENDITURES			
Current Expenditures			
General government	413,960	470,279	(56,319)
Public safety	450,117	561,280	(111,163)
Public works	612,000	534,232	77,768
Community services	54,614	54,614	0
Debt service			
Principal	36,340	36,340	0
Interest	3,855	3,855	0
Capital outlay	98,000	404,904	(306,904)
Total expenditures	<u>1,668,886</u>	<u>2,065,504</u>	<u>(396,618)</u>
EXCESS REVENUES (EXPENDITURES)	<u>(122,183)</u>	<u>25,533</u>	<u>147,716</u>
OTHER FINANCING SOURCES (USES)			
Transfer from other funds	70,000	70,000	0
Transfer to other funds	(69,817)	(69,817)	0
Total other financing sources (uses)	<u>183</u>	<u>183</u>	<u>0</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ (122,000)</u></u>	25,716	<u><u>\$ 147,716</u></u>
FUND BALANCE - JULY 1, 2011		<u>118,669</u>	
FUND BALANCE - JUNE 30, 2012		<u><u>\$ 144,385</u></u>	

CITY OF VERGENNES, VERMONT
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

The City of Vergennes, Vermont was founded in 1788. The City of Vergennes operates under a Council-Manager form of government and provides the following services: general government, public safety, wastewater treatment, recycling, public works, culture and recreation and community services.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are not prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is primarily responsible for establishing GAAP for state and local governments through its pronouncements (including Statements and Interpretations).

The City's management has elected to present only the financial statements of the major funds and the aggregate remaining fund information, which is not in conformity with generally accepted accounting principles, specifically GASB 34, GASB 37 and GASB 54. Therefore, government-wide financial statements that include accounting for capital assets, lease payables, notes payable and fund balance categories are not included in the financial statements.

The Governmental Accounting Standards Board (GASB) unanimously approved Statements No. 34 and No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. Certain of the significant changes in the Statement include the following:

- The financial statements would include:

A Management Discussion and Analysis (MD&A) section providing an analysis of the City's overall financial position and results of operations.

Financial statements prepared using full accrual accounting for all of the City's activities.

- A change in the fund financial statements to focus on the major funds.

GASB Statement No. 37 establishes and modifies certain financial statement note disclosure requirements to make the financial statements more useful in the context of GASB Statement No. 34 reporting model. The Statement had an impact on the presentation of the notes to the financial statements, but no impact on net assets.

The City did not implement GASB Statement No. 54 "Fund Balance Reporting and Governmental Definitions". This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent.

CITY OF VERGENNES, VERMONT
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012
(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reporting Entity

The City's basic financial statements include the accounts of all City operations. The criteria for including organizations as component units within the City's reporting entity are set forth in GASB 14 as amended by GASB 39 and Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards.

Based on the aforementioned criteria, the City has no component units.

Basic Financial Statements – Fund Financial Statements

The financial transactions of the City are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenue and expenditures. The various funds are reported by major funds within the financial statements.

The emphasis in fund financial statements is on the major funds. GASB No. 34 and No. 37 set forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures of either fund category or the governmental and enterprise combined) for the determination of major funds. The General Fund, Sewer Fund, Watershed Recreation Reserve Fund, Community Development Fund, and Ray E. Davison Fund are shown as major funds. All other funds are nonmajor and are combined in one column in the fund financial statements.

The City reports on the following major governmental funds:

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

Sewer Fund is used to account for the operations of the Sewer Department.

Watershed Recreation Reserve Fund is used to account for money reserved for City parks and recreation.

Community Development Fund is used to account for the Community Development grant and loan programs throughout the City.

Ray E. Davison Fund is used to account for funds donated for capital equipment purchases for the Vergennes Fire Department.

CITY OF VERGENNES, VERMONT
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012
(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting

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

Modified Accrual

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenue is recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or 60 days for property taxes and related items and within six months for all other revenues. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

Budgetary Accounting

The City Council approves a budget for the General Fund based on the budget and the Grand List and then determines the tax rate. Formal budgetary accounting is employed as a management control device during the year for the General Fund. The budget for the General Fund is adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).

Use of Estimates

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

Interfund Activities

During the course of normal operations, the City of Vergennes has transactions between funds including expenditures and transfers of resources to provide services, construct assets, and service debt. Interfund receivables and payables arise from transactions between funds and are recorded by all funds affected in the period in which the transactions are executed.

CITY OF VERGENNES, VERMONT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012
(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property Taxes

Property taxes are recognized as revenue in the year for which taxes have been levied. Delinquent property taxes not collected within 60 days of year end are reflected as deferred tax revenue.

Compensated Absences

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

NOTE 2 - DEPOSITS AND INVESTMENTS

The Treasurer invests excess cash according to policies established by the City Council.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the City’s deposits may not be returned. The table below shows the custodial credit risk of the City’s deposits. All deposits are either insured or collateralized.

Insured by FDIC/SIPC	\$ 182,142
----------------------	------------

Investments

Credit Risk – investments. The District has an investment policy that limits its investment choices to policies established by the City Council.

Investments at June 30, 2012 are as follows:

Investments	Maturities	Fair Value	Cost
Certificate of Deposits	Due 1/23/13-03/16/17	\$ 390,135	\$ 379,000
Certificate of Deposits	Due 5/07/13-08/24/16	73,107	72,000
Certificate of Deposits	Due 12/16/16-09/28/22	505,814	495,000
Municipal Bonds	01/04/2040-02/01/2026	18,889	15,000
FNMA	10/1/2041	1,014	968
Money Market		162,985	162,985
		\$ 1,151,944	\$ 1,124,953

CITY OF VERGENNES, VERMONT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

(Continued)

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES

The City has combined some of the cash resources of its governmental funds for accounting and reporting purposes, that portion of the pooled cash balance is reported in the specific fund as an interfund balance. Interfund balances at June 30, 2012 are as follows:

	Interfund Receivables	Interfund Payables
General Fund	\$ 0	\$ 159,326
Special Revenue Funds -		
Watershed Recreation Reserve Fund	0	44,710
Sewer Fund	70,208	0
Community Development Fund	34,066	0
Other Special Revenue Funds	116,205	16,443
Total Special Revenue Funds	220,479	61,153
Total	\$ 220,479	\$ 220,479

NOTE 4 - INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2012 are as follows:

		Transfers From				
		General	Sewer	Watershed Recreation	Other Governmental	Totals
Transfer to	Other Governmental Funds	\$ 69,817	\$ 175,000	\$ 44,710	\$ 6,000	\$ 295,527

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 5 - NOTE RECEIVABLES

Community Development Note Receivables:

Note receivable consists of a \$70,218 mortgage loan made to the Addison Housing Limited Partnership on June 24, 1996. The proceeds originated from a Grant Agreement between the City of Vergennes and the Vermont Agency of Commerce and Community Development. The note is a non-interest bearing loan allowing for partial payments of any amount during the 25 year loan with a final balloon payment due June 24, 2021.

CITY OF VERGENNES, VERMONT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012
(Continued)

NOTE 5 - NOTE RECEIVABLES (continued)

Note receivable consists of a \$19,523 promissory note made to Shear Cuts. The note is an interest bearing loan of 4% due the first of each month commencing June 1, 2008 with the final payment due May 1, 2018.

Note receivable consists of a \$47,945 promissory note made to Shear Properties, LLC. The note is an interest bearing loan of 4% due the tenth of each month commencing January 10, 2012 with the final payment due December 10, 2022.

Water Tower Fund Development Note Receivables:

Note receivable consists of a \$23,410 promissory note made to Dear Trail. The note is an interest free note to be paid in five payments of \$4,682. The balance at June 30, 2012 was \$18,728.

Note receivable consists of a \$16,939 to the Vergennes Opera House. The City will lend them up to \$52,500 in order to complete the sprinkler project. This note is interest free and will be paid back when loan and grant money are received.

NOTE 6 - LONG TERM LIABILITIES

Long-term liabilities at June 30, 2012 consist of the following:

Vermont Municipal Bond Bank, interest ranging 3.55% - 5.95%, maturing December 1, 2015, interest due June 1 and December 1, principal payments of \$20,000 for ten years and \$15,000 for ten years, due December 1.	\$ 60,000
Vermont Municipal Bond Bank, interest at 0%, maturing November 1, 2022, principal payments of \$123,403 due annually beginning November 1, 2003.	1,234,031
Municipal Equipment Loan Fund, interest at 2%, interest and principal payments of \$19,500 due annually beginning June 30, 2010.	39,000
Baystone Financial Group, interest at 5.05%, seven annual payments of \$2,251, due December 2013, secured by sweeper.	4,183
Baystone Financial Group, interest at 5.05%, seven annual payments of \$17,273, due December 2013, secured by wheel loader.	32,096
Vermont Municipal Bond Bank, interest ranging 1.033% - 3.086%, maturing November 15, 2025, interest due November 15 and May 15, principal payments of \$40,000 due annually beginning November 2016.	400,000
Total bonds and notes payable	1,769,310
Compensated absences	29,564
Total long-term liabilities	<u>\$ 1,798,874</u>

Interest paid on long-term liabilities for the year ended June 30, 2012 was \$18,820.

CITY OF VERGENNES, VERMONT
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012
(Continued)

NOTE 6 - LONG TERM LIABILITIES (Continued)

Maturities for long-term debt are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2013	\$ 175,596	\$ 16,699	\$ 192,295
2014	176,489	14,543	191,032
2015	138,403	12,332	150,735
2016	178,403	11,455	189,858
2017	163,403	10,576	173,979
2018-2022	777,016	38,399	815,415
2023-2026	160,000	9,875	169,875
Totals	<u>\$ 1,769,310</u>	<u>\$ 113,879</u>	<u>\$ 1,883,189</u>

The following is a summary of changes in long term liabilities:

	<u>Balance</u>			<u>Balance</u>	<u>Due in</u>
	<u>June 30, 2011</u>	<u>Additions</u>	<u>Payments</u>	<u>June 30, 2012</u>	<u>One Year</u>
Bonds and notes payable:					
Bonds payable	\$ 1,832,434	\$ 0	\$ (138,403)	\$ 1,694,031	\$ 138,403
Notes payable - Municipal Fund	58,500	0	(19,500)	39,000	19,500
Notes payable - Baystone Financial	53,120	0	(16,841)	36,279	16,841
Total bond and notes payable	<u>1,944,054</u>	<u>0</u>	<u>(174,744)</u>	<u>1,769,310</u>	<u>174,744</u>
Other liabilities:					
Accrued compensated absences	23,597	11,565	(5,598)	29,564	0
Total long-term liabilities	<u>\$ 1,967,651</u>	<u>\$ 11,565</u>	<u>\$ (180,342)</u>	<u>\$ 1,798,874</u>	<u>\$ 174,744</u>

CITY OF VERGENNES, VERMONT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012
(Continued)

NOTE 7 - PROPERTY TAXES

The City levies its property tax based upon the assessed value as of April 1, for all real and personal property, with exemptions to qualifying veterans and excludes assessments on municipal, school and church properties. The tax is payable in four installments due August 15, November 15, February 15 and May 15. Interest of 1% per month is charged for overdue taxes from the due date of each installment for the first three months and 1.5% per month thereafter. Any tax levies still delinquent after the installment due date, plus a 15-day grace period, is charged an 8% penalty.

The tax rate for fiscal year 2012 was:

	<u>Residential</u>	<u>Non-Residential</u>
General Fund	\$ 0.6031	\$ 0.6031
School	1.2263	1.3460
Total Tax Rate	<u>\$ 1.8294</u>	<u>\$ 1.9491</u>

NOTE 8 - BUDGETED DEFICIT

The City elected to budget expenditures in excess of revenues by \$122,000 in the General Fund in order to reduce the carryover fund balance. This is reflected as a budgeted deficiency of revenues over expenditures in Exhibit C.

NOTE 9 - EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the year ended June 30, 2012, expenditures exceeded appropriations in the General Fund by \$396,618. The excess expenditures were funded by use of excess revenues from grant related revenues and available fund balance.

CITY OF VERGENNES, VERMONT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012

(Continued)

NOTE 10 - RESERVED FUND BALANCES

Fund balances are reserved as follows:

General Fund

Reserved for fiscal year 2013 expenditures \$ 95,000

Sewer Fund

99,336

Watershed Recreation Reserve Fund

350,001

Community Development Fund

34,066

Ray E. Davison Fund

223,748

Other Governmental Funds

Special Revenue Funds

Recycling fund 3,217

Water tower fund 40,688

Fire fund 19,325

Fire truck replacement fund 10,823

Pumphouse restoration fund 436

Swimming pool fund 9,062

Tree fund 2,267

Lister education fund 2,425

Reappraisal fund 31,339

Land records restoration fees fund 18,353

Land records computerization fund 23,478

Vergennes Day fund 3,824

Donnelly fund 21,029

Ava Guanya Nativity scene fund 2,185

GMP Co-op agreement fund 10,537

Recreation facilities maintenance fund 49,578

Vergennes first cemetery fund 27,736

Junior Fishing Derby fund 775

Total special revenue funds 277,077

Capital Project Funds

West Main/Route 22A fund 64,749

Biosolids fund 77,625

Sewer line replacement fund 3,737

Sewer capital improvement fund 37,060

Total capital project funds 183,171

Total reserved fund balances \$ 1,262,399

Ray E. Davison fund balance at June 30, 2012 was \$223,748, \$7,826 is available for the purchase of capital equipment of the fire department. The balance \$215,922 can not be spent.

CITY OF VERGENNES, VERMONT
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012
(Continued)

NOTE 11 - RETIREMENT BENEFIT PLAN

Vermont Municipal Employees' Retirement System

All eligible full-time employees are covered by the Vermont Municipal Employees' Retirement System. The Vermont Municipal Employees' Retirement System is a cost sharing multiple-employer public employees' retirement system. Vermont State statutes provide the authority under which benefit provisions and the obligation to contribute are established. The City and employees make required contributions to the System based upon a valuation report prepared by the System's actuary.

The City participates in the Group B level of contributions and benefits of the System. Under Group B, the employee contributions are 4.5% of gross pay and employer contributions are 5% of gross pay. Of the City's total payroll of \$843,739, \$708,314 was covered under the Vermont Municipal Employees' Retirement System.

The City pays both the employer and the employee contributions. Total contributions made to the System for the year ended June 30, 2012 were \$67,290, for the year ended June 30, 2011 were \$60,608 and for the year ended June 30, 2010 were \$59,084.

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

NOTE 12 - COMMITMENTS AND CONTINGENT LIABILITIES

Health Care Benefits

Due to a projected \$30,553 increase in the employee health insurance program, on January 1, 2011, the City changed to a High Deductible Health Plan with a Health Reimbursement Arrangement (HRA). All eligible employees were enrolled in the CIGNA HDHP 2250 Value Insurance Plan with a \$3,500/\$7,000 maximum out-of-pocket expense. The City allocated up to \$6,000 per employee for calendar year 2011 toward out-of-pocket health, dental, and vision expenses. Draw downs for the HRA can occur daily as employee health claims are processed. As of June 30, 2011, the City had only six months of experience with this new health insurance program so the ultimate benefit or risk of the new funding arrangement could not be determined. As of December 31, 2011, instead of a \$30,553 increase, the new program resulted in a \$15,119 decrease.

Effective January 1, 2012, CIGNA was no longer available for employer groups with less than 50 employees so they enrolled in a Blue Cross Blue Shield High Deductible Health Plan with a similar Health Reimbursement Arrangement (HRA) with a \$2,500/\$5,000 maximum out-of-pocket expense. The City allocated up to \$5,000 per employee for calendar year 2012 toward

CITY OF VERGENNES, VERMONT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012
(Continued)

NOTE 12 - COMMITMENTS AND CONTINGENT LIABILITIES (continued)

out-of-pocket health, dental, and vision expenses. As of June 30, 2012, the City has had only six month experience with the latter program so the results for 2012 cannot be determined.

Grants

The City participates in federally and state assisted grant programs which are subject to audit by the grantors or their representatives. The audits of these programs for or including the year ended June 30, 2012 have not yet been completed. Accordingly, the City's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

Cooperative Agreement

The City and Green Mountain Power (GMP) entered into a Cooperative Agreement dated July 3, 2002. GMP has agreed to make certain funds available to the City in exchange for the City undertaking and being responsible for the design, development and construction of certain recreational enhancements required by the Federal Energy Regulatory Commission (FERC). The City will use GMP funds as a local match to obtain other grant funding. GMP will deposit into an escrow account a total of \$158,000. As of June 30, 2012 GMP, had deposited \$158,000.

NOTE 13 - RISK MANAGEMENT

The City of Vergennes is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. The City of Vergennes maintains commercial insurance coverage for each of these risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the City. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

NOTE 14 - LEASE AGREEMENT

The City has three equipment leases. The lease expense for 2012 was \$3,495. The remaining minimum lease payments are as follows:

2013	\$	3,495
2014		2,390
Total	\$	<u>5,885</u>

CITY OF VERGENNES, VERMONT
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2012
(Continued)

NOTE 15 – BUDGETARY COMPARISON SCHEDULES

The City is not legally required to adopt budgets for the Sewer Fund, Fire Fund, Watershed Recreation Residual Fund and the Community Development Fund. Therefore, a budgetary comparison is not presented for these funds.

NOTE 16 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 26, 2012, the date which the financial statements were available for issue.

The City submitted a loan application in the amount of \$96,000 at 2% interest with the Vermont Municipal Equipment Loan Fund for the purchase of a new truck from Clark's Truck Center of Jericho that will cost \$128,557.

Vergennes Knights of Columbus will be taking over and managing the Ada Guanya Nativity Scene Fund.

CITY OF VERGENNES, VERMONT
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - COMPARED TO BUDGET
GENERAL FUND
YEAR ENDED JUNE 30, 2012

SCHEDULE 1

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Property Taxes			
Property taxes	\$ 1,289,245	\$ 1,314,070	\$ 24,825
Delinquent interest	12,000	13,580	1,580
Total property taxes	<u>1,301,245</u>	<u>1,327,650</u>	<u>26,405</u>
Licenses and Permits			
Liquor licenses	1,100	1,200	100
Dog licenses	2,000	2,262	262
Other permits	2,625	4,197	1,572
Zoning	4,000	5,522	1,522
Total licenses and permits	<u>9,725</u>	<u>13,181</u>	<u>3,456</u>
Intergovernmental			
Highway state aid	57,300	57,176	(124)
Payment in lieu of taxes	70,000	66,719	(3,281)
Education tax service fee	5,000	4,912	(88)
Byways grant	0	303,475	303,475
FEMA	0	9,800	9,800
COPS grant	0	39,602	39,602
Municipal planning grant	0	8,034	8,034
Police grants	0	30,153	30,153
WomenSafe	0	1,460	1,460
Leader program	0	2,060	2,060
Train station grant	0	7,939	7,939
Total intergovernmental	<u>132,300</u>	<u>531,330</u>	<u>399,030</u>
Charges for Services			
Clerk's fees	20,000	17,586	(2,414)
Fines and Forfeitures			
Traffic fines - local	60,000	86,473	26,473
Miscellaneous Income			
Interest	20,000	49,468	29,468
Act 60 listers	933	935	2
Current use hold harmless	1,500	1,512	12
Tax sale revenue	0	40,800	40,800
Other miscellaneous income	1,000	22,102	21,102
Total miscellaneous income	<u>23,433</u>	<u>114,817</u>	<u>91,384</u>
Total revenues	<u>1,546,703</u>	<u>2,091,037</u>	<u>544,334</u>

CITY OF VERGENNES, VERMONT
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - COMPARED TO BUDGET
GENERAL FUND
YEAR ENDED JUNE 30, 2012

SCHEDULE 1

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
EXPENDITURES			
Current Expenditures			
General Government			
Assessments and Taxes			
ACEDC	3,000	3,000	0
Firefighters wages	3,000	3,912	(912)
County tax	12,300	11,739	561
Regional planning	2,526	2,526	0
Unemployment	1,800	4,186	(2,386)
VLCT dues	3,317	3,317	0
Total assessments and taxes	25,943	28,680	(2,737)
City administration			
Salaries	174,292	170,896	3,396
Mayor/Aldermen's stipend	6,400	6,075	325
Lister's stipend	2,200	2,200	0
Auditor's stipend	225	225	0
Annual report	3,000	2,724	276
Planning commission-DRB	6,900	5,865	1,035
Employee benefits	66,300	62,438	3,862
Insurance	13,200	13,001	199
Expenses/training/dues	3,900	1,563	2,337
Telephone	2,300	1,488	812
Website	200	200	0
Heat	3,500	4,290	(790)
Electricity	6,800	6,809	(9)
Miscellaneous	1,000	15,143	(14,143)
Building maintenance	5,000	1,285	3,715
Supplies/maintenance	8,000	10,277	(2,277)
Election/City meetings	2,500	1,923	577
Attorney fees	6,000	1,575	4,425
Advertising	1,300	640	660
Audit fee	12,000	13,200	(1,200)
Information technology	24,000	24,450	(450)
Tax sale expenditures	0	40,800	(40,800)
Appraisal consultant fee	2,000	1,100	900
Total city administration	351,017	388,167	(37,150)

CITY OF VERGENNES, VERMONT
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - COMPARED TO BUDGET
GENERAL FUND
YEAR ENDED JUNE 30, 2012

SCHEDULE 1

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Miscellaneous Appropriations			
Bixby Memorial Free Library	30,000	30,000	0
Parks and recreation	5,000	5,459	(459)
Vergennes Day	2,000	2,000	0
Total miscellaneous appropriations	<u>37,000</u>	<u>37,459</u>	<u>(459)</u>
Total general government	<u>413,960</u>	<u>454,306</u>	<u>(40,346)</u>
Grant expenditures			
COPS grant expenditures	0	39,602	(39,602)
WomenSafe grant expenditures	0	1,460	(1,460)
Municipal planning expenditures	0	8,034	(8,034)
Train Station expenditures	0	7,939	(7,939)
Total grant expenditures	<u>0</u>	<u>57,035</u>	<u>(57,035)</u>
Public Safety			
Salaries	254,667	301,990	(47,323)
Employee benefits	136,500	139,299	(2,799)
Insurance	12,750	13,618	(868)
Expenses/training/dues	3,000	2,151	849
Uniforms	6,000	11,170	(5,170)
Office supplies/equipment	6,000	9,834	(3,834)
Telephone	2,500	1,321	1,179
Operation/gasoline	15,000	20,903	(5,903)
Information technology	4,000	8,766	(4,766)
Maintenance	6,000	7,293	(1,293)
Vehicle insurance	2,200	2,334	(134)
Miscellaneous	500	117	383
Radio	1,000	1,422	(422)
Total public safety	<u>450,117</u>	<u>520,218</u>	<u>(70,101)</u>
Public Works			
Salaries	217,000	181,682	35,318
Employee benefits	115,800	99,204	16,596
Insurance	3,200	3,119	81
Expense/training/dues	750	1,053	(303)
Uniforms	1,000	1,294	(294)
Telephone	750	765	(15)

CITY OF VERGENNES, VERMONT
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - COMPARED TO BUDGET
GENERAL FUND
YEAR ENDED JUNE 30, 2012

SCHEDULE 1

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Trash receptacles	6,000	4,613	1,387
Heat	3,000	3,300	(300)
Electricity	1,800	3,746	(1,946)
Gas and oil	20,000	12,162	7,838
Vehicle insurance	3,000	3,048	(48)
Maintenance/repair	16,000	17,001	(1,001)
Signs	5,000	4,693	307
Parking lines	2,000	2,920	(920)
Street lights	33,700	27,576	6,124
Shop supplies/equipment	8,000	8,337	(337)
Storm system/culverts/ditches	7,000	18,613	(11,613)
Highway improvements	100,000	115,508	(15,508)
Sidewalks and curbs	5,000	2,830	2,170
Winter maintenance	50,000	21,158	28,842
Winter equipment rental	10,000	0	10,000
Miscellaneous	3,000	1,610	1,390
Total public works	<u>612,000</u>	<u>534,232</u>	<u>77,768</u>
 Community Services			
ACHH&H	3,290	3,290	0
Elderly Services	2,000	2,000	0
Addison County Parent/Child Center	3,074	3,074	0
HOPE	2,000	2,000	0
Hospice Volunteer Services	2,000	2,000	0
John Graham Emergency Shelter	1,725	1,725	0
Boys and Girls Club	2,000	2,000	0
Counseling Service	2,500	2,500	0
Retired Senior Volunteer Program	750	750	0
Vergennes Area Senior Center	1,500	1,500	0
Vermont Adult Learning	890	890	0
Women in Crisis	3,000	3,000	0
Addison County Transit Resources	6,450	6,450	0
Agency on Aging	2,500	2,500	0
Addison County Humane Society	2,000	2,000	0
Addison County Reader	600	600	0
Open Door Clinic	1,000	1,000	0
Vergennes Partnership	5,000	5,000	0
Vergennes Area Rescue Squad	12,335	12,335	0
Total community services	<u>54,614</u>	<u>54,614</u>	<u>0</u>

CITY OF VERGENNES, VERMONT
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - COMPARED TO BUDGET
GENERAL FUND
YEAR ENDED JUNE 30, 2012

SCHEDULE 1

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Debt Service			
Principal	36,340	36,340	0
Interest	3,855	3,855	0
Total debt service	<u>40,195</u>	<u>40,195</u>	<u>0</u>
Capital Outlay			
Public works vehicle	60,000	58,600	1,400
Byways grant expenditures	0	303,475	(303,475)
Police equipment	0	9,634	(9,634)
Police cruiser	38,000	33,195	4,805
Total capital outlay	<u>98,000</u>	<u>404,904</u>	<u>(306,904)</u>
Total expenditures	<u>1,668,886</u>	<u>2,065,504</u>	<u>(396,618)</u>
EXCESS REVENUES (EXPENDITURES)	<u>(122,183)</u>	<u>25,533</u>	<u>147,716</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	70,000	70,000	0
Transfers out	(69,817)	(69,817)	0
Total other financing sources (uses)	<u>(69,817)</u>	<u>183</u>	<u>0</u>
NET CHANGE IN FUND BALANCE	<u>\$ (192,000)</u>	25,716	<u>\$ 217,716</u>
FUND BALANCE - JULY 1, 2011		<u>118,669</u>	
FUND BALANCE - JUNE 30, 2012		<u>\$ 144,385</u>	

CITY OF VERGENNES, VERMONT
 COMBINING BALANCE SHEET
 OTHER GOVERNMENTAL FUNDS
 JUNE 30, 2012

SPECIAL REVENUE FUNDS

	Recycling Fund	Water Tower Fund	Fire Fund	Fire Truck Replacement Fund	Pumphouse Restoration Fund	Swimming Pool Fund	Tree Fund	Listers Ed Fund	Reappraisal Fund
Cash and investments	\$ 0	\$ 41,392	\$ 0	\$ 10,823	\$ 436	\$ 0	\$ 2,267	\$ 2,425	\$ 31,339
Miscellaneous receivables	0	0	0	0	0	3,392	0	0	0
Note receivable	0	35,667	0	0	0	0	0	0	0
Due from other funds	7,488	0	32,337	0	0	31,670	0	0	0
Total assets	\$ 7,488	\$ 77,059	\$ 32,337	\$ 10,823	\$ 436	\$ 35,062	\$ 2,267	\$ 2,425	\$ 31,339

ASSETS

LIABILITIES AND FUND BALANCES

Liabilities									
Accounts payable	\$ 4,271	\$ 704	\$ 13,012	\$ 0	\$ 0	\$ 2,287	\$ 0	\$ 0	\$ 0
Deferred Revenue	0	35,667	0	0	0	23,713	0	0	0
Due to other funds	0	0	0	0	0	0	0	0	0
Total liabilities	4,271	36,371	13,012	0	0	26,000	0	0	0
Fund balances									
Reserved	3,217	40,688	19,325	10,823	436	9,062	2,267	2,425	31,339
Total liabilities and fund balances	\$ 7,488	\$ 77,059	\$ 32,337	\$ 10,823	\$ 436	\$ 35,062	\$ 2,267	\$ 2,425	\$ 31,339

CITY OF VERGENNES, VERMONT
 COMBINING BALANCE SHEET
 OTHER GOVERNMENTAL FUNDS
 JUNE 30, 2012

SCHEDULE 2

SPECIAL REVENUE FUNDS

	Restoration Fees Fund	Records Computerization Fund	Vergennes Day Fund	Donnelly Fund	Ada Gaunya Nativity Scene Fund	Co-op Agreement Fund	Recreation Maintenance Reserve Fund	Vergennes Burying Ground Fund	Junior Fishing Derby Fund
Cash and investments	\$ 18,353	\$ 23,478	\$ 3,824	\$ 21,029	\$ 2,185	\$ 49,998	\$ 4,868	\$ 27,736	\$ 775
Miscellaneous receivables	0	0	0	0	0	0	0	0	0
Note receivable	0	0	0	0	0	0	0	0	0
Due from other funds	0	0	0	0	0	0	44,710	0	0
Total assets	\$ 18,353	\$ 23,478	\$ 3,824	\$ 21,029	\$ 2,185	\$ 49,998	\$ 49,578	\$ 27,736	\$ 775

ASSETS

LIABILITIES AND FUND BALANCES

Liabilities									
Accounts payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 23,018	\$ 0	\$ 0	\$ 0
Deferred Revenue	0	0	0	0	0	0	0	0	0
Due to other funds	0	0	0	0	0	16,443	0	0	0
Total liabilities	0	0	0	0	0	39,461	0	0	0
Fund balances									
Reserved	18,353	23,478	3,824	21,029	2,185	10,537	49,578	27,736	775
Total liabilities and fund balances	\$ 18,353	\$ 23,478	\$ 3,824	\$ 21,029	\$ 2,185	\$ 49,998	\$ 49,578	\$ 27,736	\$ 775

CITY OF VERGENNES, VERMONT
 COMBINING BALANCE SHEET
 OTHER GOVERNMENTAL FUNDS
 JUNE 30, 2012

CAPITAL PROJECTS FUNDS

	West Main/ Rte 22A Fund	Capital Reserve Fund	Biosolids Fund	Sewer Line Replacement Fund	Sewer Capital Improvement Fund	Total Other Governmental Funds
Cash and investments	\$ 64,749	\$ 0	\$ 77,625	\$ 3,737	\$ 37,060	\$ 424,099
Miscellaneous receivables	0	0	0	0	0	3,392
Note receivable	0	0	0	0	0	35,667
Due from other funds	0	0	0	0	0	116,205
Total assets	<u>\$ 64,749</u>	<u>\$ 0</u>	<u>\$ 77,625</u>	<u>\$ 3,737</u>	<u>\$ 37,060</u>	<u>\$ 579,363</u>

ASSETS

LIABILITIES AND FUND BALANCES

Liabilities						
Accounts payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 43,292
Deferred Revenue	0	0	0	0	0	59,380
Due to other funds	0	0	0	0	0	16,443
Total liabilities	0	0	0	0	0	119,115
Fund balances						
Reserved	64,749	0	77,625	3,737	37,060	460,248
Total liabilities and fund balances	<u>\$ 64,749</u>	<u>\$ 0</u>	<u>\$ 77,625</u>	<u>\$ 3,737</u>	<u>\$ 37,060</u>	<u>\$ 579,363</u>

CITY OF VERGENNES, VERMONT
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 OTHER GOVERNMENTAL FUNDS
 YEAR ENDED JUNE 30, 2012

SPECIAL REVENUE FUNDS

	Recycling Fund	Water Tower Fund	Fire Fund	Fire Truck Replacement Fund	Pumphouse Restoration Fund	Swimming Pool Fund	Tree Fund	Listers Ed Fund	Reappraisal Fund	Restoration Fees Fund
REVENUES										
Investment income	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental	0	0	13,950	0	0	0	0	0	7,948	0
Licenses, permits, fees and miscellaneous	0	105,540	0	0	0	48,604	0	392	0	2,282
Contract revenue	26,000	0	77,348	0	0	0	0	0	0	0
Miscellaneous	0	0	6,840	0	0	0	0	0	0	0
Total revenues	26,000	105,540	98,138	0	0	48,604	0	392	7,948	2,282
EXPENDITURES										
Current Expenditures										
General government	0	0	0	0	0	0	0	0	0	0
Public safety	0	0	92,866	0	0	0	0	0	0	0
Culture and recreation	0	0	0	0	0	53,962	0	0	0	0
Wastewater	0	0	0	0	0	0	0	0	0	0
Recycling	51,805	0	0	0	0	0	0	0	0	0
Debt Service										
Principal	0	0	15,000	0	0	0	0	0	0	0
Interest	0	0	14,965	0	0	0	0	0	0	0
Capital outlay	0	84,242	13,950	0	5,537	0	0	0	0	0
Total expenditures	51,805	84,242	136,781	0	5,537	53,962	0	0	0	0
EXCESS REVENUES (EXPENDITURES)	(25,805)	21,298	(38,643)	0	(5,537)	(5,358)	0	392	7,948	2,282
OTHER FINANCING SOURCES (USES)										
Transfers in	26,000	0	43,817	0	0	6,000	0	0	0	0
Transfers out	0	0	0	0	0	0	0	0	0	0
Total other financing sources (uses)	26,000	0	43,817	0	0	6,000	0	0	0	0
NET CHANGE IN FUND BALANCES	195	21,298	5,174	0	(5,537)	642	0	392	7,948	2,282
FUND BALANCES - July 1, 2011	3,022	19,390	14,151	10,823	5,973	8,420	2,267	2,033	23,391	16,071
FUND BALANCES - June 30, 2012	\$ 3,217	\$ 40,688	\$ 19,325	\$ 10,823	\$ 436	\$ 9,062	\$ 2,267	\$ 2,425	\$ 31,339	\$ 18,353

CITY OF VERGENNES, VERMONT
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 OTHER GOVERNMENTAL FUNDS
 YEAR ENDED JUNE 30, 2012

	SPECIAL REVENUE FUNDS							
	Records Computerization Fund	Vergennes Day Fund	Donnelly Fund	Ada Gaunya Nativity Scene Fund	Co-op Agreement Fund	Recreation Maintenance Reserve Fund	Vergennes Burying Ground Fund	Junior Fishing Derby Fund
REVENUES								
Investment income	\$ 0	\$ 0	\$ 3,385	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental	0	0	0	0	0	0	27,736	0
Licenses, permits, fees and miscellaneous	6,846	6,253	0	0	0	0	0	4,796
Contract revenue	0	0	0	0	0	0	0	0
Miscellaneous	0	0	0	0	0	0	0	0
Total revenues	<u>6,846</u>	<u>6,253</u>	<u>3,385</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>27,736</u>	<u>4,796</u>
EXPENDITURES								
Current Expenditures								
General government	150	0	510	0	0	1,926	0	0
Public safety	0	0	0	0	0	0	0	0
Culture and recreation	0	4,877	0	48	0	0	0	8,087
Wastewater	0	0	0	0	0	0	0	0
Recycling	0	0	0	0	0	0	0	0
Debt Service								
Principal	0	0	0	0	0	0	0	0
Interest	0	0	0	0	0	0	0	0
Capital outlay	0	0	0	0	43,004	7,744	0	0
Total expenditures	<u>150</u>	<u>4,877</u>	<u>510</u>	<u>48</u>	<u>43,004</u>	<u>9,670</u>	<u>0</u>	<u>8,087</u>
EXCESS REVENUES (EXPENDITURES)	<u>6,696</u>	<u>1,376</u>	<u>2,875</u>	<u>(48)</u>	<u>(43,004)</u>	<u>(9,670)</u>	<u>27,736</u>	<u>(3,291)</u>
OTHER FINANCING SOURCES (USES)								
Transfers in	0	0	0	0	0	44,710	0	0
Transfers out	0	0	0	0	0	(6,000)	0	0
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>38,710</u>	<u>0</u>	<u>0</u>
NET CHANGE IN FUND BALANCES	<u>6,696</u>	<u>1,376</u>	<u>2,875</u>	<u>(48)</u>	<u>(43,004)</u>	<u>29,040</u>	<u>27,736</u>	<u>(3,291)</u>
FUND BALANCES - July 1, 2011	<u>16,782</u>	<u>2,448</u>	<u>18,154</u>	<u>2,233</u>	<u>53,541</u>	<u>20,538</u>	<u>0</u>	<u>4,066</u>
FUND BALANCES - June 30, 2012	<u>\$ 23,478</u>	<u>\$ 3,824</u>	<u>\$ 21,029</u>	<u>\$ 2,185</u>	<u>\$ 10,537</u>	<u>\$ 49,578</u>	<u>\$ 27,736</u>	<u>\$ 775</u>

CITY OF VERGENNES, VERMONT
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 OTHER GOVERNMENTAL FUNDS
 YEAR ENDED JUNE 30, 2012

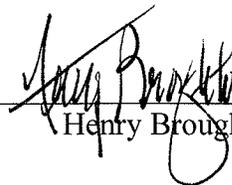
	CAPITAL PROJECTS FUNDS					Total Other Governmental Funds
	West Main/ Rte 22A Fund	Capital Reserve Fund	Biosolids Fund	Sewer Line Replacement Fund	Sewer Capital Improvement Fund	
REVENUES						
Investment income	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,385
Intergovernmental	0	0	0	0	0	49,634
Licenses, permits, fees and miscellaneous	0	0	8,240	0	0	182,953
Contract revenue	0	0	0	0	0	103,348
Miscellaneous	0	0	0	0	0	6,840
Total revenues	0	0	8,240	0	0	346,160
EXPENDITURES						
Current Expenditures						
General government	0	0	0	0	0	2,586
Public safety	0	0	0	0	0	92,866
Culture and recreation	0	0	0	0	0	66,974
Wastewater	0	0	138,779	0	0	138,779
Recycling	0	0	0	0	0	51,805
Debt Service						
Principal	0	0	0	0	0	15,000
Interest	0	0	0	0	0	14,965
Capital outlay	0	18,790	0	90,103	37,860	301,230
Total expenditures	0	18,790	138,779	90,103	37,860	684,205
EXCESS REVENUES (EXPENDITURES)	0	(18,790)	(130,539)	(90,103)	(37,860)	(338,045)
OTHER FINANCING SOURCES (USES)						
Transfers in	0	0	0	35,000	70,000	225,527
Transfers out	0	0	0	0	0	(6,000)
Total other financing sources (uses)	0	0	0	35,000	70,000	219,527
NET CHANGE IN FUND BALANCES	0	(18,790)	(130,539)	(55,103)	32,140	(118,518)
FUND BALANCES - July 1, 2011	64,749	18,790	208,164	58,840	4,920	578,766
FUND BALANCES - June 30, 2012	\$ 64,749	\$ 0	\$ 77,625	\$ 3,737	\$ 37,060	\$ 460,248

AUDITORS' REPORT

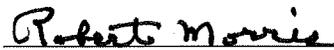
State of Vermont
County of Addison
City of Vergennes

In accordance with the Charter of the City of Vergennes and applicable statutes, we have examined the financial statements issued by Fothergill Segale & Valley on the various funds for the year ended June 30, 2012, and have accepted the financial statements as presenting fairly the financial position of such funds of the City of Vergennes as of June 30, 2012, and the result of its operations and the changes in fund balances of such funds for the year then ended.

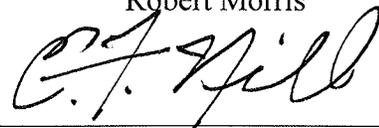
Dated at Vergennes, Vermont this 22nd day of January, 2013.



Henry Broughton



Robert Morris



Edward Nill

VERGENNES CITIZEN MANUAL

(PULL THIS OUT OF YOUR ANNUAL REPORT)

Its purpose is to provide information which will make it easier for you to receive services from the Vergennes city government and to make living in Vergennes easier and simpler for its citizens. Visit our website for more information: www.vergennes.org

— CITY COUNCIL —

A Mayor and six Aldermen comprise what is called the City Council. Members are elected for respective two-year staggered terms. If you have City policy issues, such as budget and spending, taxes, parking, governmental operations as it relates to overall policies that control the operations of City departments, you should talk to the Mayor or City Council members.

Michael H. Daniels, Mayor
Randall Ouellette, Senior Alderman*

Aldermen

Renny Perry

Peter Garon*

Clara Comeau

Joseph Klopfenstein*

William Benton

*Term ends March 5, 2013

Meetings: Monthly on the 2nd and 4th Tuesday at 7 p.m. unless otherwise posted. Meetings are at the Vergennes Fire Station. Minutes of actions and discussions of the City Council are available at the City Clerk's office at City Hall and on the City's website: www.vergennes.org

— CITY MANAGER —

The City Manager is responsible for the overall operation of all City departments and implementation of the policies and regulations established by the City Council. (Schools, Library, Water District, and Emergency Medical Service by the Vergennes Area Rescue Squad are not departments of the City.)

Mel Hawley, City Manager
Phone: 877-3637 e-mail: mhawley@vergennes.org
Office Hours: 8:00 a.m. to 4:30 p.m., Monday - Friday
Mailing Address: P.O. Box 35, Vergennes, VT 05491
Address: City Hall, 120 Main Street, Vergennes, VT

SERVICES AVAILABLE

- All matters concerning operation and delivery of services by City departments (yes, even complaints).
- Assistance with issues which may involve City government.
- General information regarding City government and the Vergennes community.
- Matters which may involve the action of the City Council (the Mayor is a contact also).
- Matters involving the buildings and facilities of the City including parks, streets and sidewalks.

HOW DO I GET THE SERVICE?

- You can contact the City Manager by calling, e-mailing, writing, or stopping in at City Hall. The City Manager makes "house calls" for those matters needing on-site attention.

OTHER INFORMATION

- The City is a member of the Addison County Regional Planning Commission, the Addison County Solid Waste Management District, and the Addison County Economic Development Corporation. If you want to know what is happening at these organizations or would like an issue brought to their attention, please contact the City Manager.

— CITY CLERK/TREASURER —

The City Clerk/Treasurer is responsible for the City's records and the handling of City funds.

Joan Devine, City Clerk/Treasurer
Phone: 877-2841 e-mail: clerk@vergennes.org
Office Hours: 8:00 a.m. to 4:30 p.m., Monday - Friday
Mailing Address: P.O. Box 35, Vergennes, VT 05491
Address: City Hall, 120 Main Street, Vergennes, VT

SERVICES AVAILABLE

- DOG AND/OR WOLF-HYBRID LICENSES
- CIVIL MARRIAGE LICENSES
- VITAL RECORDS
- MOTOR VEHICLE REGISTRATION RENEWALS
- VOTER CHECKLIST APPLICATIONS
- ELECTIONS
- GREEN MOUNTAIN PASSPORTS
- FISH & WILDLIFE LICENSES
- PROPERTY TAX PAYMENTS
- SEWER UTILITY PAYMENTS
- LAND RECORDS
- NOTARY

HOW TO GET THE SERVICE?

- **Dog and/or Wolf Hybrid Licenses** State law requires this license by April 1st of each year. A valid rabies certificate is required as well as a spayed/neutered certificate (if applicable). Fees are currently \$8 for altered pets and \$12 for non-altered pets. A fifty percent penalty is charged on late registrations.
- **Marriage** At least one person must be a resident of the City or both must be from out of state. Blood tests are not needed. License fee is \$45; there is no waiting period to use the license.
- **Vital Records** Certified copies of birth, death, and marriage records on file are available for \$10. Marriage records date back to the late 1700s and birth and death records date back to 1856. Genealogy searchers are welcome.
- **Motor Vehicle Registration Renewals** Bring your renewal notice and a check written to the Department of Motor Vehicles. There is a separate \$3 fee paid to the City for this service; cash or check. You can renew registrations for cars, trucks, boats, trailers, snowmobiles, etc.
- **Voter Checklist Application** You must be a resident and at least 18 years of age to become a registered voter. The Vermont Freeman's Oath is taken by those who have never taken it. Once your name is on the checklist your name will not be removed unless you are no longer a resident. You do not need to apply every year.
- **Elections** Voting in General, Primary and local elections take place at the Vergennes Fire Station located at 50 Green Street. Polling hours are 9 a.m. until 7 p.m. Absentee ballots are available twenty days prior to each election by calling the City Clerk's office.
- **Green Mountain Passports** Green Mountain Passports are available to residents 62 or over or to those who have been declared totally disabled by the Vermont Veterans Administration. There is a one-time \$2 fee; holders are eligible for free admission to state parks and museums as well as reduced prices by private businesses.
- **Fish & Wildlife Licenses** Calendar year and day licenses are available for Vermonters and residents of other states. You must have a license to hunt, regardless of your age; anyone age 15 and older is also required to have a license to fish. Proof of a prior hunting license or a hunter safety card is required for all hunting licenses; archery licenses require the same. Residents age 65 or older can apply to the State for a permanent license for a \$50 fee.
- **Property Tax Payments** One tax bill for the entire fiscal year is mailed in mid-July. Taxpayers can choose to pay the bill in full or pay in four quarterly installments. Quarterly installments are due August 15, November 15, February 15, and May 15. Interest charges are assessed for late payment and an additional 8 percent penalty fee is charged on any balance due after May 15. There is a 15-day grace period from the due dates.

- **Sewer Assessment Payments** Quarterly bills are mailed 30 days prior to their due date. Assessments are due August 15, November 15, February 15, and May 15. A number of non-residential units are billed monthly based on water usage. Delinquent accounts are assessed an 8 percent penalty in addition to interest charges.
- **Land Records** Warranty Deeds, Quit Claim Deeds, Mortgage Deeds, Easement Deeds, Liens, etc. relating to property in the City are on file. Copies of such can be obtained for \$1 per page. To record documents in the land records, a filing fee of \$10 per page is charged.

— ZONING ADMINISTRATION —

The Zoning Administrator works with the Planning Commission and Development Review Board (DRB) and is responsible for assisting both boards in the municipal planning and the land development oversight functions of the respective boards. The Zoning Administrator is also responsible for enforcement of zoning regulations and orders of the DRB.

Mel Hawley, Zoning Administrator
 Phone: 877-3637 e-mail: mhawley@vergennes.org
 Office Hours: 8:00 a.m. to 4:30 p.m., Monday - Friday
 Mailing Address: P.O. Box 35, Vergennes, VT 05491
 Address: City Hall, 120 Main Street, Vergennes, VT

SERVICES AVAILABLE

- Zoning permits
- Reviews applications for variances, conditional uses, site plans and subdivision proposals
- Sets agenda for Development Review Board

HOW DO I GET THE SERVICE?

- You can contact the Zoning Administrator by calling, e-mailing, writing, or stopping in at City Hall.

OTHER INFORMATION

- The Development Review Board meets on the 1st Monday of the month at 7 p.m. at City Hall.
- The Planning Commission meets on the 3rd Monday of the month at 7 p.m. at City Hall.

— POLICE DEPARTMENT —

Responsible for law enforcement and enforcement of motor vehicle laws as well as community service.

George Merkel, Chief of Police
 Phone: 877-2201 **Emergency 911** Office/Voice Mail: 877-1152
 Office Hours (Chief): 8:00 am to 4:30 pm, Monday thru Friday
 Mailing Address: P.O. Box 35, Vergennes, VT 05491
 Address: City Hall, 120 Main Street, Vergennes, VT
 e-mail: gmerkel@dps.state.vt.us

- Vehicle Identification Number (VIN) checks.
- Night-time business and residential checks.
- Motor vehicle forms and assistance

HOW DO I GET THE SERVICE?

- You can contact the Department or the Chief by calling, writing, or stopping in at City Hall.

OTHER INFORMATION

- **Winter Parking Ban** From December 1st to March 31st no vehicles are allowed to park on city streets between the hours of 2:00 am and 6:30 am. It is strictly enforced and vehicles will be ticketed and towed. The ban is every morning, not just when a storm is expected or in progress.

— FIRE DEPARTMENT —

Responsible for fire prevention and suppression, rescue including water rescue, Emergency Medical Service (EMS) assistance to the Vergennes Area Rescue Squad. Vergennes is a volunteer fire department.

James Breur, Chief
 Phone: 877-3201 **Emergency 911**
 Mailing Address: P.O. Box 35, Vergennes, VT 05491
 Address: 50 Green Street, Vergennes, VT

OTHER INFORMATION

- EMS is provided by the Vergennes Area Rescue Squad which is a volunteer organization located on Pantton Road in Vergennes. Three ambulances service the area. **Emergency 911**

— PUBLIC WORKS DEPARTMENT —

Responsible for streets, sidewalks, parks, storm water drainage and sewer main maintenance. (Note-the Public Works Department is not allowed to work on private sewer service lines.) Also responsible for winter maintenance, such as: street and sidewalk snow plowing.

James Larrow, Public Works Supervisor
Phone: 877-3585
Mailing Address: P.O. Box 35, Vergennes, VT 05491
Address: Canal Street, Vergennes, VT
Email: vpwvt@vergennes.org

— SEWER DEPARTMENT —

Martin Williams, Jr., Plant Operator
Phone: 877-2931
Mailing Address: P.O. Box 35, Vergennes, VT 05491
Address: Canal Street, Vergennes, VT
Email: vergennesww@vergennes.org

OTHER INFORMATION

- **Trash & Recycling** Curbside trash pick-up is done by private haulers with arrangements made between the homeowner and hauler. Recycling is free and provided at the Recycling Center on West Street in Vergennes. Hours of operation: Wednesday, 2 p.m. to 6 p.m. and Saturday, 8 a.m. to noon. Call the Addison County Solid Waste Management District for recycle items and waste disposal information, phone 388-2333. Special wastes go to the transfer station in Middlebury. If you don't want to pay for curbside pick-up, trash can be disposed of next to the Recycling Center beginning at \$3.00 per bag, for up to a 35 gal. bag, depending on weight.

— OTHER COMMUNITY INFORMATION —

SCHOOLS

Addison Northwest Supervisory Union
Thomas O'Brien, Superintendent
Phone: 877-3332
Address: 48 Green Street, Suite 1, Vergennes
www.anwsu.org

BIXBY MEMORIAL FREE LIBRARY

Jane Spencer, Executive Director
Phone: 877-2211
Address: 258 Main Street, Vergennes
Hours: Monday, 12:30 pm to 7:00 pm Tuesday, 12.30 pm to 5:00 pm
Wednesday, 10:00 am to 5:00 pm Thursday, 10:00 am to 7:00 pm
Friday, 12:30 pm to 5:00 pm Saturday, 9:00 am to 2:00 pm
Story Hour: Thursday, 10:30 am to 11:30 am

Trustees' Meeting: 2nd Wednesday of the month at 7:00 pm (public invited)
www.bixbylibrary.org

VERGENNES PANTON WATER DISTRICT

John Deming, Superintendent
Phone: 877-2440 Address: 7 Canal Street, Vergennes