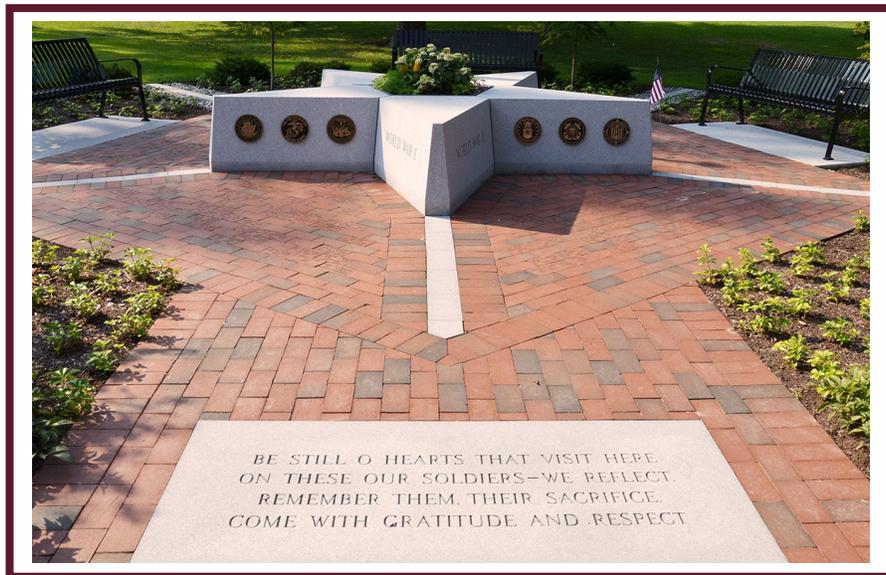


Town of Shelburne, Vermont



228th Annual Town Report Fiscal Year 2015

Town Meeting: February 29, 2016
Australian Ballot Voting: March 1, 2016

DEDICATION



BARBARA W. SNELLING

Barbara Snelling passed away in November 2015. Few residents of Shelburne have had as great an impact on the Town of Shelburne and the State of Vermont as Barbara did. Barbara and her husband Richard Snelling settled in Shelburne in 1953 to raise their family. Barbara's early involvement with the Town was as one of the founders of the Shelburne Cooperative Nursery School and Kindergarten. This was followed by her election to the Shelburne School Board in 1958, founding Chair of the Champlain Valley Union High School Board, Chair of the Chittenden South School District Board, President of the State School Directors Association and member of the State Board of Education. She also served on the Shelburne Museum Board of Trustees. Other activities included Girl Scout Troop Leader and Cub Scout Den Mother.

Barbara spent many years volunteering at Chittenden County United Way, Child Care Referral Services and the Champlain Valley Agency on Aging. She was the founding Chair of Leadership Champlain and served on the Board of the Lake Champlain Chamber of Commerce. Barbara was honored as Citizen of the Year by the Vermont State Chamber of Commerce and the Green Mountain Council, Boy Scouts.

At the State level, Barbara Chaired the Governor's Commission on the Status of Women's Task Force on Economic Issues, was the Founding Chair of the Friends of The Vermont Statehouse and a Founding Director of the Vermont Community Foundation. She was First Lady during the terms of Gov. Richard Snelling and was elected Lt. Governor from 1992 to 1997. Barbara also served two terms in the Vermont Senate.

In recognition of her service to the Town of Shelburne and the State of Vermont, we dedicate this Town Report to Barbara Snelling.

Cover Photo: The Shelburne Veterans Memorial was dedicated September 14, 2015, with several hundred people in Attendance All costs associated with the design and construction of the project were funded by grants and donations, coordinated by volunteers of the Veterans Committee. For more information, go to <http://www.shelburnevt.org/402/Veterans-Monument-Committee> Memorial poem by Rick Bessette; Photos provided by TJ Boyle & Associates

DEDICATION



THOMAS T. BESSETTE

Thomas Besette passed away December 10, 2015. Tom lived in Shelburne his entire life and served the Town in a remarkable number of capacities. While many who serve take some time off between commitments, Tom was continuously involved in some aspect of the Town throughout his life. Tom served as a volunteer fireman, police officer, town constable, health officer and rescue driver. He was elected to the Shelburne Selectboard from 1983 to 1991 and represented Shelburne on the board of directors of the Champlain Water District for more than 35 years. In his professional life, Tom worked as Head of Security at Trinity College and as an emergency dispatcher at Saint Michael's college. He was recognized by the Vermont Secretary of State in 2005 for his more than 20 years of public service, which continued for years after that until his passing. Tom was well known throughout the community, sharing his sense of humor and pride of living in Shelburne with many.

In recognition of his service and commitment to the Town of Shelburne, we dedicate this Town Report to Thomas Besette.

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Town phone numbersinside back cover
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NOTE: All financial statements in this report cover the Fiscal Year from July 1 through June 30. FY 2014-2015 (FY 2015) covers the period from July 1, 2014, to June 30, 2015. Some departmental and committee written reports may cover periods not precisely coinciding with the Fiscal Year.

In order to reduce printing and production costs for this Town Report, some financial information in the Town audit is printed in compressed format. Please contact the Town offices if you would like a full sized copy of the Town audit, which is also available on the Town Web site www.shelburnevt.org

**** The CSSU School Report and CVU High School District Annual Report are available in the following ways:**

- Posted on the web at www.cssu.org,
- Mailed to you upon request at 383-1236, or
- Picked up at your local school or town office.

These reports include information that is no longer in the local annual Town Report such as: assessment results, etc.

ELECTED OFFICIALS

Thomas A. Little, Moderator - 1 year term.....Term Expires 2016
Colleen T. Haag, Town Clerk and Treasurer - 3 year term.....Term Expires 2018
Robert Lake, Constable - 2 year termTerm Expires 2016

SELECTBOARD

Toni Supple - 1 of a 3 year termTerm Expires 2016
Gary von Stange, Chair – 3 year term.....Term Expires 2018
John P. Kerr - 2 year term.....Term Expires 2017
Tim Pudvar, Vice Chair - 2 year term.....Term Expires 2016
Colleen Parker - 3 year termTerm Expires 2017

TOWN SCHOOL DIRECTORS

Matt Wormser - 3 year term.....Term Expires 2018
Tim Williams - 2 year term.....Term Expires 2017
Robert M. Finn - 3 year termTerm Expires 2016
David Connery, Chair - 2 year term.....Term Expires 2016
Katharine Stockman - 3 year termTerm Expires 2017

CHAMPLAIN VALLEY UNION HIGH SCHOOL DIRECTORS

3 Year Term

Jeffery S. Solomon.....Term Expires 2018
Joan Lenes.....Term Expires 2016
Kim Schmitt.....Term Expires 2017

JUSTICES OF THE PEACE

Dennis Bowen	George Schiavone
Nancy E. Baker	Susan Holson
Chris Chiarello	Thomas Little
Jennifer Leopold	David Webster
Carroll Ockert	Marsett Ockert
Peter Gadue	Gary von Stange
Becky Moore	Lee Suskin
Laura Gannon-Murakami	

REPRESENTATIVES - CHITTENDEN DISTRICT # 5

2 Year Term

Kate Webb, 5-1Term Expires 2016
Joan Lenes, 5-2Term Expires 2016

CHAMPLAIN WATER DISTRICT

Peter Gadue, Appointed Alternate, 1 year termTerm Expires 2016
Thomas T. Bessette - 3 year term (Passed away December 2015)Term Expires 2018

TOWN OFFICIALS
APPOINTED BY THE SELECTBOARD

Town Manager	Joe Colangelo
Town Attorney	Monaghan, Safar, Ducham
Emergency Management Director	Bob Lake
Emergency Management Coordinator	Bob Lake
Grand Juror	Tim Pudvar
Health Officer	Robert Lake
Deputy Health Officer	Peter Gadue
Town Service Officer	Joe Colangelo
Fence Viewer	Steve Gronlund
Harbormaster	Dan Couture
Tree Warden	Paul W. Bohne III

PLANNING COMMISSION

3 Year Term

Dick Elkins	Term Expires 2016
Ron A. Bouchard, Chair	Term Expires 2016
Jaime Heins, Vice Chair	Term Expires 2016
Mark Brooks	Term Expires 2017
Kate Lalley	Term Expires 2017
Daniel S. Burks (resigned December 2015)	Term Expires 2018
Ann Hogan	Term Expires 2018

DEVELOPMENT REVIEW BOARD

3 Year Term

Dick Elkins, Alternate	Term Expires 2016
Kate Lalley, Alternate	Term Expires 2016
Vacant, Alternate	Term Expires 2016
Jeff Pauza, Vice Chair	Term Expires 2016
Jeff Hodgson	Term Expires 2016
Jeff McBride	Term Expires 2016
Mark Sammut, Chair	Term Expires 2017
Ian McCray	Term Expires 2017
Mary Kehoe	Term Expires 2018
Jerry Storey, Clerk	Term Expires 2018
Alex von Stange, student	Term Expires 2016
Ty Parker, student	Term Expires 2016

RECREATION COMMITTEE

3 Year Term

Peggy Coutu, Chair	Term Expires 2016
Susan McLellan	Term Expires 2016
LynnAnn Prom	Term Expires 2016
Ann Clark	Term Expires 2017
Marvin Thomas	Term Expires 2017
Kelli Magnier	Term Expires 2017
Kathleen Pudvar	Term Expires 2018
Bruce Whitbeck	Term Expires 2018
Renee Davitt	Term Expires 2018

WATER COMMISSION

3 Year Term

Peter Gadue, Chair	Term Expires 2016
Mike Abrams	Term Expires 2016
Michael Regan	Term Expires 2016
John Schold	Term Expires 2017
Steve Smith	Term Expires 2018

PIERSON LIBRARY TRUSTEES

3 Year Term

Carolyn Siccama	Term Expires 2016
Melissa Fletcher	Term Expires 2016
Mark Joczik	Term Expires 2016
Laureen Mathon	Term Expires 2017
Erin Miller Heins	Term Expires 2017
Ruth Hagerman, Chair	Term Expires 2018
Cathy Townsend	Term Expires 2018

CEMETERY COMMISSION

3 Year Term

Stuart Morrow, Chair	Term Expires 2016
Ruth Morrow	Term Expires 2016
Carole Carlson	Term Expires 2017
Chet Thabault	Term Expires 2017
Ron Gagnon	Term Expires 2018

HISTORIC PRESERVATION AND REVIEW COMMISSION

3 Year Term

Ann Milovsoroff	Term Expires 2016
Laurie Valentine	Term Expires 2016
Fritz Horton, Chair	Term Expires 2017
David Webster	Term Expires 2017
Tom Koerner	Term Expires 2017
Dorothea Fraver Penar	Term Expires 2018
Vacant	Term Expires 2018

TREE ADVISORY COMMITTEE

3 Year Term

Bob Woodworth	Term Expires 2016
Norm Silcox	Term Expires 2016
Ann Milovsoroff	Term Expires 2017
Jan Gannon	Term Expires 2017
Gail Henderson-King, Chair	Term Expires 2018
David Hall	Term Expires 2018
Vacant	Term Expires 2018

NATURAL RESOURCES AND CONSERVATION COMMITTEE

3 Year Term

Robert Scharf	Term Expires 2016
Peg Rosenau	Term Expires 2016
Joannah Ralston	Term Expires 2016
Thomas Newcomb	Term Expires 2017
Sean MacFaden	Term Expires 2017
Susan Moegenburg.....	Term Expires 2017
Joshua Dein.....	Term Expires 2018
Gail Albert, Chair.....	Term Expires 2018
Don Rendall	Term Expires 2018
Peter Antinozzi, Student	Term Expires 2016
Michael Regan Jr, Student	Term Expires 2016

BIKE AND PEDESTRIAN PATHS COMMITTEE

3 Year Term

Joplin James.....	Term Expires 2016
Wendy Saville.....	Term Expires 2017
Susan Dunning.....	Term Expires 2017
Chris Trapeni	Term Expires 2018
Marc Gamble, Co-Chair.....	Term Expires 2018
Steve Antinozzi, Co-Chair	Term Expires 2018
Kevin Boehmcke.....	Term Expires 2018
Gregory Levine, student.....	Term Expires 2016

SOCIAL SERVICE COMMITTEE

1 Year Term

Peter Gadue.....	Term Expires 2016
Barbara Cimaglio, Vice Chair.....	Term Expires 2016
Margaret Ottinger.....	Term Expires 2017
Tom Zenaty.....	Term Expires 2017
David Cranmer, Chair.....	Term Expires 2017
Gabrielle Booth, student	Term Expires 2016
Katey Hayes, student.....	Term Expires 2016

ETHICS COMMITTEE

1 Year Term

Peter Gadue, 1 st Alternate	Term Expires 2016
Bill Deming, 3 rd Alternate.....	Term Expires 2016
Mike Ashooh.....	Term Expires 2017
Gwen Webster, 2 nd Alternate	Term Expires 2017
Lee Suskin, Chair	Term Expires 2018
Tom Little	Term Expires 2018

CHITTENDEN COUNTY REGIONAL PLANNING COMMISSION

2 Year Term

John Zicconi.....	Term Expires 2016
George Schiavone, Alternate	Term Expires 2016

CHITTENDEN COUNTY TRANSPORTATION AUTHORITY

3 Year Term

Denis Barton Term Expires 2017
Paul W. Bohne III, Alternate..... Term Expires 2017

CHITTENDEN SOLID WASTE MANAGEMENT DISTRICT

2 Year Term

Tim Loucks Term Expires 2017
Paul W. Bohne III, Alternate..... Term Expires 2017

FRIENDS OF SHELBURNE VILLAGE DOG PARK COMMITTEE

3 Year Term

Bob Owens Term Expires 2016
Kay Boyce, Co-Chair Term Expires 2016
Carol Bick, Co-Chair Term Expires 2017
Mary West Term Expires 2017
Zolton Keve Term Expires 2017
Bill Blackmore Term Expires 2018
Sara Blum Term Expires 2018
Bob Bick Term Expires 2018

TOWN ADMINISTRATION

Town Manager Joe Colangelo
Chief of Police James Warden
Planning Director Dean Pierce
Assessor Ted Nelson
Highway Superintendent..... Paul Goodrich
Water Superintendent..... Rick Lewis
Water Quality Superintendent..... Chris Robinson
Parks and Recreation Director Betsy Cieplicki
Maintenance Director..... Darwin Norris
Library Director Lara Keenan
Chief of Fire Department Jerry Ouimet
Chief of Rescue..... Linda Goodrich
Zoning Administrator..... Joe Colangelo
DRB Coordinator/Assistant Zoning Enforcement Officer..... Kaitlin Mitchell
Network & Web Page Administrator..... Betty Marcher
Finance Director..... Peter Frankenburg
Tax Collector Joe Colangelo

TOWN CLERK'S APPOINTMENTS

Assistant Town Treasurer Sue Moraska
Assistant Town Clerks Lisa Mann
Sue Moraska

SCHOOL OFFICIALS

Pati Beaumont Community School K-5 Principal
Allan Miller..... Community School 6-8 Principal
Adam Bunting..... CVUHS Principal
Elaine Pinckney..... CSSU Superintendent

TAX NOTICE

Town Property Tax payments are due each year on: August 15, November 15, and March 15. If the due date falls on either a weekend or a Town holiday, that tax payment is due on the next business day. Late payments are subject to a 5% penalty and 1.5% interest for each month or portion thereof.

Property tax payments may be left at the Town offices on weekdays between 8:00 A.M. and 5:00 P.M, and after hours at the Police Dept. Dispatch Center. Questions about tax payments can be answered by calling 985-5120 or going to the town web site www.shelburnevt.org. Please enclose the tax payment stub with your payment to ensure proper crediting of your account.

We offer an automatic payment service, where property tax payments are automatically withdrawn from the property owner's bank account on each tax installment due date. Please contact the Town offices or call 985-5120 if you would like to take advantage of this service.

TAX RATE COMPARISONS

Year	Town Grand List	Education Grand List	State	Local	Total	Total	
			Town Rate	Educ. Rate	Agrmt. Rate **	Tax Rate	Taxes Billed
2007-08 (Homestead tax rate)	9,886,215	9,892,386	0.4502	1.5490	0.0008	2.000	\$19,779,700
2007-08 (Non residential tax rate)	"	"	0.4502	1.5492	0.0008	2.0002	
2008-09 (Homestead tax rate) *	14,067,643	14,081,292	0.3216	1.1590	0.0006	1.4812	21,233,700
2008-09 (Non residential tax rate)*			0.3216	1.2207	0.0006	1.5429	
2009-10 (Homestead tax rate)	14,386,046	14,399,694	0.3196	1.2408	0.0007	1.5611	23,103,000
2009-10 (Non residential tax rate)			0.3196	1.3515	0.0007	1.6718	
2010-11 (Homestead tax rate)	14,230,844	14,240,508	0.3196	1.2920	0.0007	1.6123	23,453,000
2010-11 (Non residential tax rate)			0.3196	1.3791	0.0007	1.6994	

	<u>FY 2011-12</u>	<u>FY 2012-13</u>	<u>FY 2013-14</u>	<u>FY 2014-15</u>	<u>FY 2015-16</u>
Town Grand List (at 01-July)	14,345,890	14,509,208	14,613,419	14,699,970	15,128,384
Percent Change from prior yr.	0.8%	1.1%	0.7%	0.6%	2.9%
Education Grand List	14,355,981	14,525,578	14,627,166	14,674,289	15,112,601
Common Level of Appraisal *	98.40%	98.70%	100.20%	99.70%	98.54%
Town Tax Rate	0.3290	0.3374	0.3470	0.3571	0.3602
Local Agreement Tax Rate **	0.0006	0.0007	0.0007	0.0008	0.0008
Homestead School tax Rate ***	1.2905	1.3402	1.3814	1.4506	1.4916
Non-Residential School tax Rate ***	1.3821	1.3982	1.4371	1.5196	1.5577
Total Homestead Tax Rate	\$ 1.6201	\$ 1.6783	\$ 1.7291	\$ 1.8085	\$ 1.8526
Total Non-residential Tax Rate	\$ 1.7117	\$ 1.7363	\$ 1.7848	\$ 1.8775	\$ 1.9187
Total Town Taxes billed (as of July)	\$ 4,721,000	\$ 4,895,370	\$ 5,070,819	\$ 5,248,731	\$ 5,448,591
Total Local Agrmt. Taxes billed (July)	9,000	10,157	10,230	11,488	11,849
Total School Taxes billed (as of July)	19,018,000	19,777,877	20,536,055	21,696,956	22,964,137
Total Taxes billed (as of July)	\$ 23,748,000	\$ 24,683,404	\$ 25,617,104	\$ 26,957,175	\$ 28,424,577

*A Town-wide Reappraisal was completed prior to FY 2008-09

** The local Agreement tax rate was established per Town vote in 2007 to exempt a portion of the appraised value of property owned by qualified disabled veterans from paying property taxes.

***The State of Vermont defines "Homestead" property as residential property where the owner, who must be a Vermont resident, resides. "Non-Residential" property includes all other properties.

ESTIMATE OF PROPERTY TAX RATE FOR 2016-17

Per the Town Charter, the Selectboard is to provide an estimate of the property tax rate for the ensuing year. The Selectboard will set the actual rate in July 2016. The education tax rates are set by the State of Vermont.

Homeowners may be eligible for an education property tax reduction from the State of Vermont. Consult the 2015 Vermont income tax return booklet or tax department web site (<http://tax.vermont.gov>) for further information. Please note that under the current law, the State of Vermont requires all Vermont residents who own and occupy a Vermont Homestead to file a Homestead Declaration with the State annually by April 15.

	Homestead Property (1)	Non-Residential Property (1)
<u>Estimated Property Tax Rates:</u>		
Town Tax Rate (2)	\$0.3707	\$0.3707
Education Tax Rate (3)	\$1.5147	\$1.6030
Local Agreement Rate (4)	<u>\$0.0008</u>	<u>\$0.0008</u>
Total School + Town	\$1.8862	\$1.9745
Articles Voted Separately, if Approved:		
Town Article II. (Selectboard Salaries)	\$0.0004	\$0.0004
Town Article VII. (Open Space Fund)	\$0.0020	\$0.0020
	-----	-----
Sub-Total, Separate Articles	\$0.0024	\$0.0024
Total Estimated Tax Rate:	<u>\$1.8886</u>	<u>\$1.9769</u>

NOTES

1 "Homestead" property is defined as residential property where the owner, who must be a Vermont resident, resides. "Non-Residential" property includes all other properties.

2. The Town tax rate will be based on the 2016 town grand list as of July 2016. The estimated tax rate shown here assumes a grand list of \$15,026,000.

3. The Education Tax Rates are preliminary estimates and subject to change by the State of Vermont. The tax rate will be a weighted average of the Shelburne School tax rate and the CVU High school tax rate using the relative % of Shelburne students ("equalized pupils") attending each school.

4. The local Agreement tax rate was established per Town vote in 2007 to exempt a portion of the appraised value of property owned by qualified disabled veterans from paying property taxes.

TOWN OF SHELBURNE, VERMONT
WARNING
ANNUAL TOWN MEETING

The legal voters of the Town of Shelburne, Vermont are hereby notified and warned to meet at the Shelburne Community School in said Town of Shelburne on Monday, February 29, 2016 at 7:30PM to act upon any of the following articles not involving voting by Australian Ballot and to hold a public hearing on items to be voted on by Australian Ballot; said meeting to be adjourned and to reconvene in the Municipal Offices in said Town on Tuesday, March 1, 2016 to vote for Town Officers and to transact any business involving voting by Australian Ballot to begin at 7:00AM and to close at 7:00PM

- Article I To hear and act on the report of the Town officers and the Auditor's report for the budgetary period July 1, 2014 through June 30, 2015 (Fiscal Year 2015).
- Article II Will the voters determine the compensation to be paid to the Selectboard for Fiscal Year 2016 - 2017? [Note: Current compensation are Chair \$1,500, all others \$1,200]
- Article III To transact any other business proper to come before said meeting.

BALLOT QUESTIONS

- Article IV To elect all Town officers as required by law.
- Article V Shall the Town adopt the Selectboard's proposed budget of \$7,702,926 of which \$5,570,146 is to be raised by taxes?
- Article VI Shall the voters of the Town of Shelburne Adopt the Town Charter as amended?

Chapter 3 Officers – Town Treasurer

§147-3.2 Elected Officers

The elected officers of the Town shall be:
~~A Treasurer~~

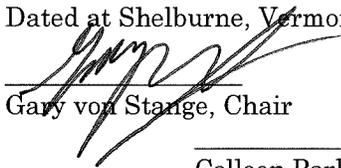
§147-3.5 Appointive Officers

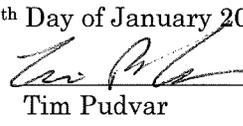
A Town Treasurer shall be appointed and may be removed by the Selectboard in accordance with this subchapter.

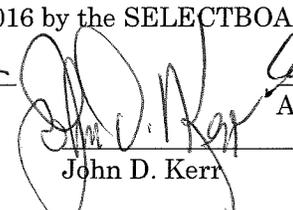
The complete text of the proposed amendments is available for inspection on the Town's website www.shelburnevt.org and at the Town Offices at 5420 Shelburne Road during normal business hours. Copies may also be obtained upon request to the Town Manager (802) 985-5111

- Article VII Shall the Town raise by taxes the amount of \$30,000 for the purpose of obtaining options and/or the acquisition of lands, or the rights in land, which would preserve open space and natural resources; any unexpended portion of such sum be placed in the Open Space Fund? [The fund balance in the Open Space Fund is currently \$261,000]

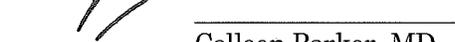
Dated at Shelburne, Vermont this 26th Day of January 2016 by the SELECTBOARD


Gary von Stange, Chair

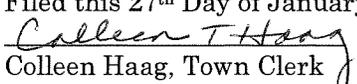

Tim Pudvar


John D. Kerr


Antoinette Supple


Colleen Parker, MD

Filed this 27th Day of January, 2016 in the office of the Shelburne Town Clerk.


Colleen Haag, Town Clerk

**TOWN OF SHELBURNE
PROPOSED GENERAL FUND FY 2016-17 BUDGET
REVENUE & EXPENDITURE
SUMMARY**

REVENUE CATEGORIES		FY 2015 2014-15 BUDGET	FY 2015 2014-15 ACTUAL	FY 2016 2015-16 BUDGET	FY 2017 2016-17 BUDGET	FY 2017 INCR (DECR)	% CHG.
1	Taxes, Penalties & Interest	\$5,311,731	\$5,276,907	\$5,516,591	\$5,644,146	\$127,555	2.3%
2	Town Clerk's Office	161,250	110,356	146,550	147,825	\$1,275	0.9%
3	Highways & Public Works	213,100	267,405	277,300	300,300	\$23,000	8.3%
4	Police & Emergency Dispatch	429,197	476,274	412,540	447,830	\$35,290	8.6%
5	Water & Sewer Admin.	86,700	86,700	88,434	89,318	\$884	1.0%
6	Cemetery	9,400	11,700	10,400	15,200	\$4,800	46.2%
7	Planning & Zoning	76,750	50,047	67,275	111,075	\$43,800	65.1%
8	Recreation	140,264	157,017	168,950	186,832	\$17,882	10.6%
9	Library	0	3,031	0	0	\$0	
10	Investment Interest	300	418	1,000	1,000	\$0	0.0%
11	Applied Fund Balance	60,000	0	0	0	\$0	
12	Rescue	461,301	417,870	237,484	240,751	\$3,267	1.4%
13	Building Use/Lease Income	140,968	142,319	139,064	144,564	\$5,500	4.0%
14	Transfer from Funds / Misc.	416,770	469,209	419,941	374,085	(\$45,856)	-10.9%
15	TOTAL REVENUES	\$7,507,731	\$7,469,252	\$7,485,529	\$7,702,926	\$217,397	2.9%

EXPENDITURE CATEGORIES		FY 2015 2014-15 BUDGET	FY 2015 2014-15 ACTUAL	FY 2016 2015-16 BUDGET	FY 2017 2016-17 BUDGET	FY 2017 INCR (DECR)	% CHG.
16	Selectboard/VLCT/Town Rpts.	\$24,812	\$22,608	\$25,941	\$19,830	(\$6,111)	-23.6%
17	Legal	30,000	27,531	30,000	32,000	\$2,000	6.7%
18	Town Manager's Office	195,839	130,405	174,912	199,812	\$24,900	14.2%
19	Administrative Services	81,500	76,459	86,606	99,095	\$12,489	14.4%
20	Elections	11,000	8,980	2,500	12,000	\$9,500	380.0%
21	Finance & Insurance	453,483	413,499	480,957	537,791	\$56,834	11.8%
22	Town Clerk's Office	260,137	166,878	255,479	260,122	\$4,643	1.8%
23	Planning & Zoning	269,403	179,018	279,485	321,885	\$42,400	15.2%
24	Assessing/Reappraisal	86,235	66,687	88,266	103,675	\$15,409	17.5%
25	Buildings & Grounds	332,616	261,429	322,264	329,617	\$7,353	2.3%
26	Public Works/Stormwater	42,300	44,880	67,324	98,977	\$31,653	47.0%
27	Police	1,518,433	1,146,303	1,603,357	1,657,230	\$53,873	3.4%
28	Fire Dept.	195,701	192,168	194,011	203,501	\$9,490	4.9%
29	Public Safety/Dispatch	591,231	419,707	604,453	647,918	\$43,465	7.2%
30	Highway	1,259,321	1,143,972	1,305,334	1,331,914	\$26,580	2.0%
31	Health/Social Services	41,389	40,025	41,389	41,389	\$0	0.0%
32	Rescue	461,054	417,870	237,484	240,751	\$3,267	1.4%
33	Cemetery	44,222	37,110	45,149	50,748	\$5,599	12.4%
34	Recreation	308,133	265,568	319,902	334,908	\$15,006	4.7%
35	Harbormaster	33,482	33,744	37,101	37,212	\$111	0.3%
36	Library	348,570	288,658	371,333	386,702	\$15,369	4.1%
37	Debt Service	703,874	703,125	682,224	547,491	(\$134,733)	-19.7%
38	Inter-Governmental Transfers	178,596	178,810	190,659	193,960	\$3,301	1.7%
39	Benefits (included in Depts)	1,078,835	1,113,750	1,214,893	1,205,086	(\$9,807)	-0.8%
40	Selectbrd Discr./Other Projects	9,700	22,909	12,700	12,700	\$0	0.0%
41	Community Improvement	25,000	25,000	25,000	0	(\$25,000)	-100.0%
42	TOTAL EXPENDITURES	\$7,507,730	\$7,427,093	\$7,485,529	\$7,702,926	\$217,397	2.9%

43	Revenue - Expenditures	0	42,159	0	0		
44	Grand List		14,699,970	15,029,884	15,025,808	(4,076)	0.0%
45	Tax Rate		\$0.3571	\$0.3602	\$0.3707	\$0.0105	2.9%
	Tax rate Change From Prior Yr.		\$0.0101	\$0.003	\$0.011		
	Tax rate % Change From Prior Yr.		2.9%	0.9%	2.9%		

LINE #	REVENUE CATEGORIES	FY 2015	FY 2015	FY 2016	FY 2017	FY 2017	% CHG.	Notes
		2014-15 BUDGET	2014-15 ACTUAL	2015-16 BUDGET	2016-17 BUDGET	INCR (DECR)		
TAXES								
1	Property Taxes	5,248,731	5,182,903	\$5,448,591	\$5,570,146	\$121,555	2.2%	
2	Late Homestead Filing Penalty	3,000	12,068	12,000	13,000	1,000	8.3%	
3	Penalty Income	35,000	52,613	31,000	36,000	5,000	16.1%	
4	Interest Income	25,000	29,321	25,000	25,000	0	0.0%	
5	SUB-TOTAL TAXES	\$5,311,731	\$5,276,907	\$5,516,591	\$5,644,146	\$127,555	2.3%	
6 TOWN CLERK'S OFFICE								
7	Liquor Licenses	2,600	3,245	2,800	3,000	200	7.1%	
8	Animal Licenses	6,000	6,279	6,000	6,000	0	0.0%	
9	Animal License Transfer to Dog Park	(700)	(820)	(700)	(800)	(100)	14.3%	
10	Fish & Game Licenses	75	53			0		
11	Marriage/Civil Union Licenses	550	655	550	600	50	9.1%	
12	Deed Recordings	62,000	46,092	55,000	50,000	(5,000)	-9.1%	
13	Misc. Income	500	153	400	300	(100)	-25.0%	
14	Green Mtn Passports	125	196	150	175	25	16.7%	
15	Vault Time Fee	1,800	1,304	1,500	1,200	(300)	-20.0%	
16	Copier Use	6,500	6,928	6,800	6,800	0	0.0%	
17	Vital Statistics Copies	4,000	4,100	3,800	3,800	0	0.0%	
18	Passport Fees	7,500	9,025	7,000	7,000	0	0.0%	
19	Passport Photos		5,450	3,000	1,500	(1,500)	-50.0%	
20	Motor Vehicle Registrations	300	327	250	250	0	0.0%	
21	Trsf. from Records Reserve Fund	70,000	27,370	60,000	68,000	8,000	13.3%	Note 1
22	SUB-TOTAL TOWN CLERK'S OFFICE	161,250	110,356	146,550	147,825	1,275	0.9%	
23 HIGHWAYS/ PUBLIC WORKS								
24	Hwy State Aid	145,000	145,065	145,000	145,000	0	0.0%	
25	Hwy Permits	2,100	1,974	2,100	2,100	0	0.0%	
26	Road Cut Permits	6,000	24,660	6,000	8,000	2,000	33.3%	
27	State Paving/Road Constr. Grant	60,000	85,515		30,000	30,000		
28	Bik/Ped Path Grant			124,200	115,200	(9,000)	-7.2%	Note 2
29	Construction Reimbursements		10,191			0		
30	SUB-TOTAL HIGHWAYS	213,100	267,405	277,300	300,300	23,000	8.3%	
POLICE & EMERGENCY DISPATCH								
31	Judicial Fees	60,000	48,122	60,000	60,000	0	0.0%	
32	Special Duty Reimbursement	25,000	35,367	35,000	12,000	(23,000)	-65.7%	Note 3
33	Charlotte Patrol	30,000	0					
34	St. George Patrol	2,000						
35	Special Duty Enforcement Grants		66,628					
36	Equipment Grants				22,500	22,500		Note 19
37	Other Fees	400	2,225	400	300	(100)	-25.0%	
38	Animal Enforcement	500	382	500	500	0	0.0%	
39	Insurance Reports	2,200	2,158	1,300	2,200	900	69.2%	
40	Fingerprinting	7,000	10,755	9,000	8,000	(1,000)	-11.1%	
41	Burn Permits		1,790					
42	Dispatch Contracts	201,097	202,427	205,340	241,330	35,990	17.5%	Note 4
43	State E911 Call Center	90,000	90,000	90,000	90,000	0	0.0%	Note 5
44	Alarm Monitoring Fees		3,230					
45	Alarm Permits	11,000	11,690	11,000	11,000	0	0.0%	
46	Misc. Donations		1,500					
47	SUB-TOTAL POLICE/DISPATCH	429,197	476,274	412,540	447,830	35,290	8.6%	

LINE #	REVENUE CATEGORIES	FY 2015 2014-15 BUDGET	FY 2015 2014-15 ACTUAL	FY 2016 2015-16 BUDGET	FY 2017 2016-17 BUDGET	FY 2017 INCR (DECR)	% CHG.	Notes
1	WATER & SEWER ADMINISTRATION							
2	Sewer Dept. Admin.	43,350	43,350	44,217	44,659	442	1.0%	
3	Water Dept. Admin.	43,350	43,350	44,217	44,659	442	1.0%	
	SUB-TOTAL	-----	-----	-----	-----	-----	-----	
4	WATER & SEWER ADMIN.	86,700	86,700	88,434	89,318	884	1.0%	Note 6
	CEMETERY							
5	Cemetery Fund Transfer & Interest	8,000	8,000	9,000	9,000	0	0.0%	
6	Cemetery Other	1,400	500	1,400	1,400	0	0.0%	
7	Interment Fee		3,200		4,800	4,800		Note 7
	SUB-TOTAL CEMETERY	-----	-----	-----	-----	-----	-----	
8	SUB-TOTAL CEMETERY	9,400	11,700	10,400	15,200	4,800	46.2%	
	PLANNING/ZONING:							
9	Building Permits	26,000	22,461	26,000	40,000	14,000	53.8%	
10	Site Plan/Subdiv Fees	18,500	12,970	18,000	18,000	0	0.0%	
11	Sign Permits	1,000	1,100	1,000	1,000	0	0.0%	
12	Town Regs/Plan/Public Wk spec.	50	49	75		(75)	-100.0%	
13	Zoning Fees / Fines	500	8,000	500	500	0	0.0%	
14	Planning/Zoning Other	500	234	500	1,375	875	175.0%	
15	Indep. Technical Review Reimb.	3,000	0	200	200	0	0.0%	
16	Grant Revenues	27,200	5,233	21,000	50,000	29,000	138.1%	Note 8
	SUB-TOTAL	-----	-----	-----	-----	-----	-----	
17	PLANNING/ZONING	76,750	50,047	67,275	111,075	43,800	65.1%	
	RECREATION							
18	Beach Stickers	9,900	13,395	10,020	12,700	2,680	26.7%	
19	Recreation Programs	31,400	32,169	35,265	36,867	1,602	4.5%	
20	Adult Leagues	1,554	2,097	1,450	1,590	140	9.7%	
21	Little League	13,350	14,037	13,020	11,860	(1,160)	-8.9%	
22	Babe Ruth	3,750	4,890	3,600	4,370	770	21.4%	
23	Softball	4,320	3,920	4,800	4,150	(650)	-13.5%	
24	Swimming Lessons	1,000	790	1,250	1,000	(250)	-20.0%	
25	Dog Obedience	4,640	3,786	4,640	5,240	600	12.9%	
26	Martial Arts	2,970	2,330	2,430	2,815	385	15.8%	
27	Youth Basketball	4,000	2,860	4,000	3,400	(600)	-15.0%	
28	Soccer	12,345	15,415	12,810	14,200	1,390	10.9%	
29	Summer Soccer Camp	2,100	1,398	10,800	16,050	5,250	48.6%	
30	Ski Program	7,110	9,740	8,140	9,155	1,015	12.5%	
31	Concerts/Special Events	14,500	12,552	15,600	15,100	(500)	-3.2%	
32	Lacrosse	10,350	10,245	10,980	10,700	(280)	-2.6%	
33	Donations	750	615	750	300	(450)	-60.0%	
34	Recreation Facility/Field Use Fees	8,100	8,910	8,500	10,625	2,125	25.0%	
35	Transfer From baseball Funds	8,125	8,512	10,395	16,210	5,815	55.9%	
36	Capital Project Grants/Donations		8,638	5,000	5,000	0		
37	Transfer from Bay Park&Other Funds		720	5,500	5,500	0		
	SUB-TOTAL RECREATION	-----	-----	-----	-----	-----	-----	
38	SUB-TOTAL RECREATION	140,264	157,017	168,950	186,832	17,882	10.6%	
	LIBRARY							
39	Library gifts/donations		1,033					
40	Materials Reimbursements		1,997					
41								
42		-----	-----	-----	-----	-----	-----	
43	SUB-TOTAL LIBRARY	0	3,031	0	0	0		
	FINANCIAL MANAGEMENT							
44	Investment Interest	300	418	1,000	1,000	0	0.0%	
45	Applied Fund Balance	60,000		0	0	0	0.0%	
46		-----	-----	-----	-----	-----	-----	
47	SUB-TOTAL	-----	-----	-----	-----	-----	-----	
48	FINANCIAL MANAGEMENT	60,300	418	1,000	1,000	0	0.0%	

LINE #	REVENUE CATEGORIES	FY 2015 2014-15 BUDGET	FY 2015 2014-15 ACTUAL	FY 2016 2015-16 BUDGET	FY 2017 2016-17 BUDGET	FY 2017 INCR (DECR)	% CHG.	Notes
RESCUE								
1	Transfer From Ambulance Fund	461,301	416,731	237,484	240,751	3,267	1.4%	Note 9
2	First Aid/ CPR Class Fees&misc.		1,139					
3		-----	-----	-----	-----	-----	-----	-----
4	SUB-TOTAL RESCUE	461,301	417,870	237,484	240,751	3,267	1.4%	
5 MISCELLANEOUS								
6	Miscellaneous	5,200	17,559	3,500	3,500	0	0.0%	
7	Fire Dept. Grants/Donations	5,000	4,179	5,000	5,000	0	0.0%	
8	Insurance Claims		24,234			0		
9	Pymt. in Lieu of Taxes	5,800	6,242	6,000	6,000	0	0.0%	
10	State Current Use Payment	113,000	114,992	115,600	118,000	2,400	2.1%	
11	Mooring Fees	49,750	51,750	50,100	50,100	0	0.0%	
12	Town Ctr./ Tn Hall Facilities Use	11,000	12,476	11,500	15,000	3,500	30.4%	
13	Act 60/68 Administration	41,000	44,761	41,000	46,000	5,000	12.2%	
14	Pierson Bldg. Lease	28,568	30,047	28,564	28,564	0	0.0%	
15	CSSU Village Ctr. Lease	64,000	64,000	64,000	64,000	0	0.0%	
16	CSSU Bldg. Maint. Allocation	37,400	35,796	35,000	37,000	2,000	5.7%	
17	Cellular Tower Fees	71,300	78,757	73,800	76,444	2,644	3.6%	
18	Transfer Fr. Rec. Impact Fees Acct.	75,000	75,000	75,000	20,000	(55,000)	-73.3%	Note 10
19	Transfer From Spec. Revenue Funds		1,015					
20	Beaver Creek Special Assessment	50,720	50,720	49,941	49,041	(900)	-1.8%	Note 11
21	MISCELLANEOUS	557,737	611,528	559,005	518,649	(40,356)	-7.2%	
22	Total Non-Tax Revenue	\$2,259,000	\$2,286,348	\$2,036,938	\$2,132,780	\$95,842	4.7%	
23	GRAND TOTAL	\$7,507,731	\$7,469,252	\$7,485,529	\$7,702,926	217,397	2.9%	
24	Grand List		14,699,970	15,029,884	15,025,808	(4,076)	0.0%	
25	Tax Rate	\$	0.3571	\$0.3602	\$0.3707	\$ 0.0105	2.9%	
26	Tax Rate Change From Prior Yr.	\$	0.0101	\$0.003	\$0.011			

TOWN OF SHELBURNE GENERAL FUND BUDGET EXPENDITURES

EXPENDITURE CATEGORIES		FY 2015	FY 2015	FY 2016	FY 2017	FY 2017	%	Notes
ITEM		2014-15	2014-15	2015-16	2016-17	INCR	%	
		BUDGET	ACTUAL	BUDGET	BUDGET	(DECR)	CHG.	
SELECTBOARD								
1	Selectboard Salaries	6,300	6,300	6,300		(6,300)	-100.0%	Note 12
2	FICA	482		482	482	0	0.0%	
3	Expenses	7,700	5,952	8,300	8,300	0	0.0%	
4	VLCT Dues	8,230	8,230	8,619	8,808	189	2.2%	
5	Town Reports	2,100	2,126	2,240	2,240	0	0.0%	
6 SUB-TOTAL SELECTBOARD		24,812	22,608	25,941	19,830	(6,111)	-23.6%	
7 Legal Expense								
7 Legal Expense		30,000	27,531	30,000	32,000	2,000	6.7%	
SUB-TOTAL LEGAL EXPENSE		30,000	27,531	30,000	32,000	2,000	6.7%	
8 MANAGER'S OFFICE								
9	Salaries	143,725	126,064	119,186	141,487	22,301	18.7%	Note 13
10	Benefits	46,314		49,926	52,524	2,598	5.2%	
11	Manager's Expenses	2,300	1,138	2,300	2,300	0	0.0%	
12	Vehicle Expense	2,500	2,000	2,500	2,500	0	0.0%	
13	Emergency Management	1,000	1,203	1,000	1,000	0	0.0%	
14 SUB-TOTAL MANAGER'S OFFICE		195,839	130,405	174,912	199,812	24,900	14.2%	
15 ADMINISTRATIVE SERVICES								
16	Technical Assistance	5,000	8,204	5,000	5,000	0	0.0%	
17	Training	8,400	792	7,000	7,000	0	0.0%	
18	Office Equipment & Repairs	1,000	556	1,000	1,000	0	0.0%	
19	Postage	19,000	17,188	18,000	18,000	0	0.0%	
20	Copier Expenses	5,800	5,864	7,000	6,800	(200)	-2.9%	
21	Office Supplies	7,000	5,500	7,000	6,000	(1,000)	-14.3%	
22	Computer Software	4,500	3,287	14,106	14,110	4	0.0%	
23	Computer Hardware	7,000	7,634	2,700	10,135	7,435	275.4%	Note 14
24	Computer Tech. Assistance	10,000	20,923	11,000	11,000	0	0.0%	
25	CSSU data line	3,100	3,044	3,100	3,100	0	0.0%	
26	Telephone Exp. (Tn. Ctr & Library)	10,700	3,467	10,700	16,950	6,250	58.4%	
27 SUB-TOTAL ADMINISTRATIVE SVCS.		81,500	76,459	86,606	99,095	12,489	14.4%	
28 ELECTIONS								
29	Election Salaries	6,500	4,361	1,000	7,500	6,500	650.0%	
30	Election Expense	4,000	4,247	1,000	4,000	3,000	300.0%	
31	BCA Expenses	500	373	500	500	0	0.0%	
32 SUB-TOTAL ELECTIONS		11,000	8,980	2,500	12,000	9,500	380.0%	Note 15
33 FINANCE & INSURANCE								
34	Salaries	167,814	168,721	171,480	174,114	2,634	1.5%	
35	Benefits	59,302		63,537	60,611	(2,926)	-4.6%	
36	Property/Liability Insurance	199,700	211,501	223,000	277,620	54,620	24.5%	Note 16
37	Insurance Claims: Deductible	5,000	18,043	5,000	5,000	0	0.0%	
38	Unemployment Insurance	6,327		3,940	6,446	2,506	63.6%	
39	Annual Audit	15,340	15,234	14,000	14,000	0	0.0%	
40 SUB-TOTAL FINANCE & INSURANCE		453,483	413,499	480,957	537,791	56,834	11.8%	
41 TOWN CLERK/TREASURER								
42	Salaries	129,105	130,119	131,951	134,584	2,633	2.0%	
43	Benefits	47,032		54,078	45,238	(8,840)	-16.3%	
44	Expenses	2,000	1,345	1,950	2,000	50	2.6%	
45	Office Expense	6,000	6,116	7,000	9,800	2,800	40.0%	
46	Microfilming/Records Restoration	5,000	1,929					
47	ACS Recording Software&Supplies			20,000	18,000	(2,000)	-10.0%	
48	Records Automation/Preservation	70,000	27,370	40,000	50,000	10,000	25.0%	Note 1
49	Computer Software/Hardware	1,000	0	500	500	0	0.0%	
50 SUB-TOTAL TOWN CLERK/TREAS.		260,137	166,878	255,479	260,122	4,643	1.8%	

EXPENDITURE CATEGORIES		FY 2015	FY 2015	FY 2016	FY 2017	FY 2017	%	Notes
ITEM		2014-15	2014-15	2015-16	2016-17	INCR	%	
		BUDGET	ACTUAL	BUDGET	BUDGET	(DECR)	CHG.	
PLANNING & ZONING								
1	Salaries	144,736	145,689	151,885	154,843	2,958	1.9%	
2	Benefits	69,067		79,910	63,982	(15,928)	-19.9%	
3	Zoning Enforcement Contractor				20,000	20,000		
4	Planning Expense	6,800	7,202	6,500	6,500	0	0.0%	
5	Conferences and Training	900	450	900	900	0	0.0%	
6	Special Projects	34,000	15,700	30,000	18,750	(11,250)	-37.5%	Note 8
7	Planning Projects				42,500	42,500		Note 8
8	Planning Assistance	6,500	5,731	5,500	5,610	110	2.0%	
9	Independent Technical Review	3,000	0	200	200	0	0.0%	
10	GIS & Permit Software	4,400	4,247	4,590	8,600	4,010	87.4%	
SUB-TOTAL PLANNING		-----	-----	-----	-----	-----	-----	
11	AND ZONING	269,403	179,018	279,485	321,885	42,400	15.2%	
12 ASSESSING								
13	Salaries	36,476	36,476	37,279	38,024	745	2.0%	
14	Benefits	19,605		20,241	32,379	12,138	60.0%	Note 17
15	Admin Asst.	26,654	27,575	27,246	29,771	2,525	9.3%	Note 17
16	Expenses	3,500	2,636	3,500	3,500	0	0.0%	
17		-----	-----	-----	-----	-----	-----	
18	SUB-TOTAL ASSESSING	86,235	66,687	88,266	103,675	15,409	17.5%	
19 BUILDINGS & GROUNDS								
20	Salaries	95,474	90,099	97,535	100,071	2,536	2.6%	
21	Benefits	57,892		58,958	54,778	(4,180)	-7.1%	
22	Town Center Operating expense	37,000	45,842	35,000	42,000	7,000	20.0%	
23	Town Center Bldg. Maintenance	9,600	2,540	12,600	12,600	0	0.0%	
24	Town Hall Operating expense	1,600	1,443	1,600	1,600	0	0.0%	
25	Town Hall Bldg. Maintenance	3,700	469	3,700	3,700	0	0.0%	
26	Town Hall & Library Heating Fuel	7,700	7,414	9,268	9,268	0	0.0%	
27	Town Center Heating Fuel	18,100	23,185	20,506	22,000	1,494	7.3%	
28	Town Center Utilities	50,550	48,639	50,097	50,600	503	1.0%	
29	Pierson Building Maintenance	5,000	401	2,000	2,000	0	0.0%	
30	Transfer to HW Equip. Fund	1,000	1,000	1,000	1,000	0	0.0%	
31	Recreation Fields Maintenance	10,000	7,153	10,000	10,000	0	0.0%	
32	Capital Projects	35,000	33,244	20,000	20,000	0	0.0%	Note 14
33	LaPlatte Nature Path							
SUB-TOTAL		-----	-----	-----	-----	-----	-----	
34	BUILDINGS & GROUNDS	332,616	261,429	322,264	329,617	7,353	2.3%	
35 STORMWATER								
36	Salaries	0		5,000	6,500	1,500	30.0%	
37	Benefits			524	677	153	29.2%	
38	Admin Expenses	0		-	0	0		
39	Engineering/Planning	25,000		2,000	5,000	3,000	150.0%	
40	Stormwater Partnerships				8,600	8,600		
41	Stormwater Permit Fees	9,300	9,698	9,300	14,000	4,700	50.5%	
42	Stormwater Maint. (So. Burl. Contract)	8,000	6,605	9,000	50,000	41,000	455.6%	Note 18
43	Stormwater Projects				2,000	2,000		
44	Munroe Brook Flow Restoration Plan& Monitoring		28,578	41,500	12,200	(29,300)	-70.6%	Note 18
45	SUB-TOTAL	-----	-----	-----	-----	-----	-----	
46	STORMWATER	42,300	44,880	67,324	98,977	31,653	47.0%	

EXPENDITURE CATEGORIES		FY 2015	FY 2015	FY 2016	FY 2017	FY 2017		Notes
ITEM		2014-15	2014-15	2015-16	2016-17	INCR	%	
		BUDGET	ACTUAL	BUDGET	BUDGET	(DECR)	CHG.	
1 HARBORMASTER								
2	Salary	5,000	5,001	5,110	5,213	103	2.0%	
3	FICA	382		391	399	8	2.0%	
4	Mooring Inspections/Maint.	13,600	15,659	13,100	13,100	0	0.0%	
5	Seasonal Dock&Buoy Install/Removal	5,700	2,100	4,200	4,200	0	0.0%	
6	Equipment			5,500	5,500	0	0.0%	
7	Admin exp.	300	2,484	300	300	0	0.0%	
8	Transfer to Bay Park Fund	8,500	8,500	8,500	8,500	0	0.0%	
9 SUB-TOTAL		-----	-----	-----	-----	-----		
10	HARBORMASTER	33,482	33,744	37,101	37,212	111	0.3%	
POLICE								
11	Salaries	821,833	757,032	836,983	875,407	38,424	4.6%	
12	Overtime	110,037	124,693	111,725	117,466	5,741	5.1%	
13	Special Duty details	25,000	16,748	21,890		(21,890)	-100.0%	
14	Special Duty Enforcement Grants		54,255					
15	Benefits	355,051		418,842	429,210	10,368	2.5%	
16	Office Expense	8,000	11,237	9,000	10,500	1,500	16.7%	
17	Telephones	11,400	10,755	11,300	10,000	(1,300)	-11.5%	
18	Lifeline System		7,185		22,500	22,500		Note 19
19	Radio Expense	10,000	11,988	16,180	10,000	(6,180)	-38.2%	
20	Travel/Conferences	2,500	2,073	2,500	2,500	0	0.0%	
21	Police Photos	6,000	2,557	6,300	6,300	0	0.0%	
22	Police Training	8,000	7,478	10,000	10,000	0	0.0%	
23	Gasoline	50,400	35,664	45,000	34,000	(11,000)	-24.4%	
24	Tires	4,900	2,689	4,900	5,100	200	4.1%	
25	Vehicle Maint.	9,500	8,819	12,000	15,000	3,000	25.0%	
26	General Equipment	4,000	5,120	4,000	6,000	2,000	50.0%	
27	Finger Print Equip. Expense	3,000	3,779	3,500	3,500	0	0.0%	
28	Uniform Purchase	8,000	9,273	8,000	8,000	0	0.0%	
29	Uniform Cleaning	4,000	3,672	4,000	4,000	0	0.0%	
30	Building expense	2,000	3,316	2,000	2,000	0	0.0%	
31	Computer Maint	10,760	10,733	12,900	19,000	6,100	47.3%	
32	Matching Funds for Grants	1,000	0	1,000	1,000	0	0.0%	
33	Capital Improvements	5,150	760	12,160	16,293	4,133	34.0%	
34	Transfer to Cruiser Fund	43,725	43,725	35,000	35,000	0	0.0%	
35	Animal Enforcement	2,750	1,325	2,750	3,100	350	12.7%	
36	C.U.S.I	11,427	11,427	11,427	11,354	(73)	-0.6%	
37 SUB-TOTAL POLICE		1,518,433	1,146,303	1,603,357	1,657,230	53,873	3.4%	
FIRE DEPARTMENT								
39	Salaries	35,000	34,612	42,000	45,000	3,000	7.1%	
40	FICA	2,601		2,831	2,831	0	0.0%	
41	Office Supplies/Phones	6,440	5,441	5,225	5,445	220	4.2%	
42	Heating Fuel/service	9,500	4,694	9,500	9,500	0	0.0%	
43	Fire Prev. & Training	6,000	5,161	7,000	7,000	0	0.0%	
44	Radio Maintenance	5,300	3,974	5,025	4,000	(1,025)	-20.4%	
45	Fire Prot. Clothing	17,550	17,202	22,500	20,500	(2,000)	-8.9%	
46	Gas & Oil	6,000	3,758	6,000	5,000	(1,000)	-16.7%	
47	Firefighting Supplies	5,000	3,215	5,000	5,500	500	10.0%	
48	Equipment Maint.	25,100	26,530	24,600	24,600	0	0.0%	
49	Building Maint.	3,000	6,508	6,000	8,000	2,000	33.3%	
50	Fire Equipment	11,250	13,388	19,430	23,325	3,895	20.0%	
51	Rescue Boat	2,460	5,265	5,900	5,300	(600)	-10.2%	
52	Capital Improvements	50,000	53,082	22,500	25,000	2,500	11.1%	Note 14
53	Periodicals & Dept. Memberships	2,000	2,021	2,000	2,000	0	0.0%	
54	Membership events/incentives	5,500	6,006	5,500	6,500	1,000	18.2%	
55	Physicals/ PF Testing	3,000	1,311	3,000	4,000	1,000	33.3%	
56 SUB-TOTAL FIRE DEPARTMENT		195,701	192,168	194,011	203,501	9,490	4.9%	

EXPENDITURE CATEGORIES		FY 2015	FY 2015	FY 2016	FY 2017	FY 2017	%	Notes
ITEM		2014-15	2014-15	2015-16	2016-17	INCR	%	
		BUDGET	ACTUAL	BUDGET	BUDGET	(DECR)	CHG.	
1 PUBLIC SAFETY & DISPATCH								
2	Dispatch Salaries	366,485	316,829	376,164	398,833	22,669	6.0%	
3	Overtime	45,316	65,830	46,524	49,381	2,857	6.1%	
4	Benefits	130,910		148,645	149,105	460	0.3%	
5	Training	3,000	1,663	3,000	3,000	0	0.0%	
6	Uniforms	2,000	967	2,000	2,000	0	0.0%	
7	Uniform Cleaning	100	0	100	100	0	0.0%	
8	Capital Improvements	6,000	5,061	2,000	14,500	12,500	625.0%	Note 20
9	Dispatch Radio Equipment	20,320	17,425	9,000	15,000	6,000	66.7%	
10	Computer Use	17,100	11,931	17,020	16,000	(1,020)	-6.0%	
11 SUB-TOTAL PUBLIC		-----	-----	-----	-----	-----	-----	
12 SAFETY & DISPATCH		591,231	419,707	604,453	647,918	43,465	7.2%	
HIGHWAY								
13	Salaries	261,298	249,393	263,428	268,692	5,264	2.0%	
14	Overtime	27,648	29,369	27,951	28,509	558	2.0%	
15	Benefits	137,540		148,604	131,597	(17,007)	-11.4%	
16	Inter-Dept. Assistance	1,835	944	1,835	1,835	0	0.0%	
17	Road Maintenance	30,000	29,758	30,000	35,000	5,000	16.7%	
18	Tree Removal			5,000	5,100	100	2.0%	
19	Drainage System Maintenance	15,000	9,602	15,000	15,000	0	0.0%	
20	Capital Projects	45,000	57,656	40,000	40,000	0	0.0%	
21	Retreatment (Paving)	360,000	385,087	300,000	345,000	45,000	15.0%	
22	Sidewalk Maintenance	1,000	844	2,000	2,000	0	0.0%	
23	Route 7 Sidewalk Tn Ctr to Shel Mus.		10,145	138,000	128,000	(10,000)	-7.2%	Note 2
24	Line Striping and crosswalks	5,500	3,374	4,500	4,500	0	0.0%	
25	Engineering Svcs.	1,500	2,903	3,000	3,000	0	0.0%	
26	Street Signs	3,000	4,510	3,000	4,000	1,000	33.3%	
27	Winter Sand	6,000	3,180	5,000	5,000	0	0.0%	
28	Salt	90,000	103,216	90,000	90,000	0	0.0%	
29	Garage Heating Fuel	7,100	7,841	7,616	7,280	(336)	-4.4%	
30	Garage Utilities	11,400	11,144	11,000	12,802	1,802	16.4%	
31	Uniforms	4,000	3,304	4,200	4,600	400	9.5%	
32	Gas & Diesel	35,000	26,781	35,000	30,000	(5,000)	-14.3%	
33	Equip. Repair & Maint	47,000	50,745	50,000	50,000	0	0.0%	
34	Transfer To Equip. Repl. Fund	130,000	130,000	80,000	80,000	0	0.0%	
35	Garage Expense & Supplies	5,000	2,691	5,000	5,000	0	0.0%	
36	Building Maintenance	5,000	720	5,000	5,000	0	0.0%	
37	Street Light Installation/upgrade	20,000	11,567	20,000	20,000	0	0.0%	
38	Street & Caution Lights	9,500	9,200	10,200	10,000	(200)	-2.0%	
39 SUB-TOTAL HIGHWAY		1,259,321	1,143,972	1,305,334	1,331,914	26,580	2.0%	
HEALTH & SOCIAL SERVICES								
40	Salary - Health Officer	875		875	875	0	0.0%	
41	FICA	64		64	64	0	0.0%	
42	United Way/Social Service Agencies	38,000	38,000	38,000	38,000	0	0.0%	
43	Trnsfr. to Shelburne Community Fund	2,000	2,000	2,000	2,000	0	0.0%	
44	Health Officer Expense	450	25	450	450	0	0.0%	
45 SUB-TOTAL HEALTH &		-----	-----	-----	-----	-----	-----	
46 SOCIAL SERVICES		41,389	40,025	41,389	41,389	0	0.0%	

EXPENDITURE CATEGORIES

ITEM		FY 2015 2014-15 BUDGET	FY 2015 2014-15 ACTUAL	FY 2016 2015-16 BUDGET	FY 2017 2016-17 BUDGET	FY 2017 INCR (DECR)	% CHG.	Notes
RESCUE								
1	Volunteer Compensation	16,500	17,102	16,500	16,500	0	0.0%	
2	Volunteer Incentive Compensation	66,000	31,114	40,000	30,000	(10,000)	-25.0%	
3	Paid Full/Part-Time compensation	58,703	85,683	60,437	57,787	(2,650)	-4.4%	
4	Overtime	843	0	861	797	(64)	-7.4%	
5	Benefits	23,429		25,731	32,866	7,135	27.7%	
6	Medical Supplies	20,000	22,563	20,000	24,000	4,000	20.0%	
7	Uniforms/Jump Suits	2,500	757	2,000	1,700	(300)	-15.0%	
8	Operational Expense	15,500	17,976	16,000	18,000	2,000	12.5%	
9	Ambulance Transport Billing service	17,000	18,527	17,000	19,000	2,000	11.8%	
10	Oxygen	3,100	3,782	5,000	5,000	0	0.0%	
11	Training	5,000	1,505	2,200	2,200	0	0.0%	
12	Office Expense	2,000	2,004	2,000	2,000	0	0.0%	
13	Office Equip.	1,000	353	500	500	0	0.0%	
14	Communications	3,000	3,728	2,500	4,000	1,500	60.0%	
15	Vehicle Expense	12,000	11,987	11,000	12,000	1,000	9.1%	
16	Building Heating Fuel	2,300	2,319	2,300	2,300	0	0.0%	
17	Building Utilities	6,030	5,007	7,380	6,000	(1,380)	-18.7%	
18	Building Maintenance	5,500	4,147	5,500	5,500	0	0.0%	
19	Immunizations	150	20	75	100	25	33.3%	
20	Public Education	500	0	500	500	0	0.0%	
21	Capital Improvements	200,000	189,296	0	0	0		
22	SUB-TOTAL RESCUE	461,054	417,870	237,484	240,751	3,267	1.4%	Note 9
CEMETERIES								
23	Salaries	28,492	23,992	29,121	29,708	587	2.0%	
24	Interments		800		4,800	4,800		Note 7
25	Benefits	2,180		2,228	2,640	412	18.5%	
26	Supplies & Tools	800	848	800	800	0	0.0%	
27	Committee Expenses	100	0	100	100	0	0.0%	
28	Gas Expense	1,200	773	1,200	1,000	(200)	-16.7%	
29	Equip. Maint.	800	740	800	800	0	0.0%	
30	Equip. Purchases	250	25	500	500	0	0.0%	
31	Capital Projects	5,000	5,000	5,000	5,000	0	0.0%	
32	Transfer to Tractor Fund	1,600	1,600	1,600	1,600	0	0.0%	
33	Outside Services	2,800	2,681	2,800	2,800	0	0.0%	
34	Cremation Garden	1,000	651	1,000	1,000	0	0.0%	
35	SUB-TOTAL CEMETERIES	44,222	37,110	45,149	50,748	5,599	12.4%	
RECREATION								
36	Admin Salaries	86,649	87,103	88,550	90,316	1,766	2.0%	
37	Beach Salaries	15,988	16,026	16,140	17,536	1,396	8.6%	
38	Benefits	47,781		48,618	44,261	(4,357)	-9.0%	
39	Admin. Expenses	10,375	9,736	8,913	8,780	(133)	-1.5%	
40	Public Information	6,890	6,179	6,890	6,830	(60)	-0.9%	
41	Beach Maintenance	4,500	4,719	3,500	9,700	6,200	177.1%	
42	Beach Capital Improvements	21,000	18,528			0		
43	Beach Equipment	1,375	1,295	1,275	1,765	490	38.4%	
44	Beach Admin. & Utilities	1,833	2,287	1,902	2,230	328	17.2%	
45	Adult Sports Leagues	100	138	2,550	100	(2,450)	-96.1%	
46	Dog Obedience	3,150	2,475	3,150	3,100	(50)	-1.6%	
47	Swim Lesson Supplies	50	9	50	50	0	0.0%	
48	Youth Basketball	3,882	2,472	3,505	3,130	(375)	-10.7%	
49	Little League Baseball	20,275	23,816	21,565	25,325	3,760	17.4%	
50	Babe Ruth Baseball	3,550	3,361	4,900	4,925	25	0.5%	
51	Summer Baseball					0		
52	Softball	4,102	3,253	5,127	4,148	(979)	-19.1%	
53	Summer Soccer Camp			9,300	14,900	5,600	60.2%	
54	Youth Soccer	9,195	7,327	9,970	10,890	920	9.2%	
55	Recreation Programs	27,725	24,770	30,865	29,910	(955)	-3.1%	
56	Special Events/Concerts/Firewrks	12,600	11,989	12,450	12,700	250	2.0%	
57	Ski Program	6,915	8,390	7,975	8,600	625	7.8%	
58	Davis Park	1,540	17,129	3,930	3,500	(430)	-10.9%	
59	Park Maintenance	5,880	6,325	17,050	20,625	3,575	21.0%	
60	Dog Park Expense	1,160	0			0		
61	Martial Arts	2,405	1,800	1,915	2,300	385	20.1%	
62	Lacrosse Programs	9,213	6,440	9,812	9,287	(525)	-5.4%	
63	SUB-TOTAL RECREATION	308,133	265,568	319,902	334,908	15,006	4.7%	

EXPENDITURE CATEGORIES		FY 2015	FY 2015	FY 2016	FY 2017	FY 2017		
ITEM		2014-15	2014-15	2015-16	2016-17	INCR	%	Notes
		BUDGET	ACTUAL	BUDGET	BUDGET	(DECR)	CHG.	
LIBRARY								
1	Salaries	186,867	189,588	197,009	206,633	9,624	4.9%	
2	Benefits	77,503		91,199	90,698	(501)	-0.5%	
3	Supplies	5,500	9,107	5,000	5,700	700	14.0%	
4	Books, Tapes, Periodicals, AV Mat'ls.	40,750	42,106	42,225	43,500	1,275	3.0%	
5	Book Replacements Insurance claim		10,010					
6	Building Maint. Expense	6,500	6,679	6,500	6,700	200	3.1%	
7	Library Utilities	15,700	14,816	15,700	16,171	471	3.0%	
8	Equipment	1,800	2,257	1,300	2,000	700	53.8%	
9	Administrative Expense	2,000	2,999	1,000	2,000	1,000	100.0%	
10	Computer/Technology Expense	6,450	6,612	7,300	8,800	1,500	20.5%	
11	Programs	4,500	3,793	4,000	4,000	0	0.0%	
12	Public Information	1,000	691	100	500	400	400.0%	
13		-----	-----	-----	-----	-----	-----	
14	SUB-TOTAL LIBRARY	348,570	288,658	371,333	386,702	15,369	4.14%	
15 DEBT PAYMENTS								
16	Fire Truck (2010)	51,985	51,773	51,464	50,486	(978)	-1.9%	
17	Dispatch Radio Equipment	18,000	17,798	16,315	16,500	185	1.1%	
18	Rec. Path 2008 Bond; 2012 issue	34,788	34,788	34,376	28,951	(5,426)	-15.8%	
19	Town Center Project	324,042	324,042	312,621	230,154	(82,467)	-26.4%	Note 21
20	Highway Dept. Sand/Salt Shed	31,829	31,829	30,614		(30,614)	-100.0%	Note 21
21	Recreation Fields Project	112,459	112,459	109,421	101,625	(7,796)	-7.1%	Note 21
22	Rec. Path 2008 Bond; 2008 issue	27,694	27,694	26,977	26,054	(923)	-3.4%	
23	Mt. Philo Sidewalk (2010 issue)	5,181	5,169	5,054		(5,054)	-100.0%	Note 21
24	Rec. Path 2008 Bond; 2010 issue	29,684	29,423	28,463	28,028	(435)	-1.5%	
25	Beach Sea Wall 2009 Bond	17,494	17,433	16,978	16,652	(326)	-1.9%	
26	Beaver Creek 2009 Bond	50,720	50,720	49,941	49,041	(900)	-1.8%	Note 11
27	SUB-TOTAL	-----	-----	-----	-----	-----	-----	
28	DEBT PAYMENTS	703,874	703,125	682,224	547,491	(134,733)	-19.7%	
INTER-GOVERNMENTAL TRANSFERS								
29	County Tax	66,297	66,511	66,977	72,326	5,349	8.0%	
30	Grtr. Burl. Ind. Devel. Corp (GBIC)	1,200	1,200	1,200	1,200	0	0.0%	
31	Chitt Cty Regional Planning(CCRPC)	18,354	18,354	18,431	18,361	(70)	-0.4%	
32	Chitt. Cty. Transport Auth. (CCTA)	92,745	92,745	104,051	102,073	(1,978)	-1.9%	
33	SUB-TOTAL INTER-	-----	-----	-----	-----	-----	-----	
34	GOVERNMENTAL TRANSF.	178,596	178,810	190,659	193,960	3,301	1.7%	
BENEFITS (Included in each Dept.)								
35	Retirement	142,273	141,249	145,134	155,011	9,877	6.8%	
36	Unemployment		1,341				0.0%	
37	Social Security	218,831	217,285	222,295	235,792	13,497	6.1%	
38	HRA & Flex Spending Admin.	21,500	23,663	21,500	21,500	0	0.0%	
39	Health Insurance Reimbursements	136,780	178,991	148,900	99,750	(49,150)	-33.0%	Note 22
40	Health Insurance Premium	492,419	489,437	610,343	619,992	9,649	1.6%	Note 22
41	Long Term Disability & Life Ins.	21,288	13,627	21,340	22,727	1,387	6.5%	
42	Dental Insurance	44,045	46,189	43,681	48,614	4,933	11.3%	
43	Employee Assistance Program	700	710	700	700	0	0.0%	
44	Employee Events/Recognition		1,258			0		
45	Immunizations	1,000	0	1,000	1,000	0	0.0%	
46	SUB-TOTAL BENEFITS	1,078,835	1,113,750	1,214,893	1,205,086	(9,807)	-0.8%	
MISCELLANEOUS								
47	Selectbrd. Discretionary Expenses	3,700	2,774	3,700	3,700	0	0.0%	
48	Selectbrd. Town Committees Support	3,500	3,983	6,500	6,500	0	0.0%	
49	Town Community Events	1,500	1,277	1,500	1,500	0	0.0%	
50	Tree Conservation	1,000	2,900	1,000	1,000	0	0.0%	
51	Misc. Other		2,830			0		
52	Tax Adjustmts/BCA/Court Decisions		291					
53	RBS Bus Devel. Grant		8,855					
54		-----	-----	-----	-----	-----	-----	
55	SUB-TOTAL MISC.	9,700	22,909	12,700	12,700	0	0.0%	
56 COMMUNITY IMPROVEMENT								
57	Transfer to Open Space Fund	25,000	25,000	25,000		(25,000)	-100.0%	Note 23
58	SUB-TOTAL	-----	-----	-----	-----	-----	-----	
59	COMMUNITY IMPROVEMENT	25,000	25,000	25,000	0	(25,000)	-100.0%	
60 GRAND TOTAL EXPENDIT.								
		\$7,507,730	\$7,427,093	\$7,485,529	\$7,702,926	\$217,397	2.9%	

NOTES

1. A Municipal records reserve fund has been established from fees charged to record documents in the Town Clerk's office. This fund will be used to complete an automation project involving electronic storage of land records and other Town documents. This project is paid for entirely by recording fees.
2. A sidewalk will be constructed along the west side of Route 7 between the Town offices and Shelburne Museum. A grant will pay for 90% of the cost. Initially planned for FY2015-16, the project is expected to take place in FY2016-17.
3. Police "Special Duty" details include enforcement details funded by State/Federal grants as well as traffic control at construction sites and public events. The cost of these details is fully paid for by grant funds or by the organizations requesting the services.
4. The Shelburne Dispatch Center provides dispatching services for Shelburne Police, Fire, Rescue as well as 28 other fire/rescue/police agencies in Chittenden and Addison County. Fees charged to these outside agencies for this service are included in this line item.
5. The Shelburne Dispatch Center answers emergency 911 calls for Shelburne, neighboring towns and is part of the statewide E911 call taking system. The Center receives compensation from the State for this providing this service.
6. The water and sewer departments receive services provided by the Town General fund (e.g. payroll and accounting, supervision by the Town Manager, billing and collections, etc.) The General Fund is reimbursed by the water and sewer departments for these services.
7. Interment fees are paid when Cemetery staff dig graves for burials.
8. Grant projects anticipated to be applied for in FY 2016-17 include: Conducting a community opinion survey, transportation study, updates to a growth study model and implementation of Form Based Zoning.
9. All of Shelburne Rescue's capital and operating expenses are funded by revenues received from transport billings, subscriptions and donations.
10. Recreation impact fees are collected as part of the permitting cost for new residential construction. The fees are used to partially offset debt payments associated with pedestrian bike/path construction projects and the recreation playing fields built off Harbor Road. The amount transferred reflects the fees anticipated to be collected.
11. Beaver Creek Road was upgraded to a town road in 2010. The cost of this project was funded by a bond that is being repaid by a special assessment on properties in the Beaver Creek development.
12. Selectboard Salaries will be determined by separate floor vote at town meeting on February 29nd
13. Town Manager's office salaries reflect addition of a full time Administrative position that was vacant in FY 2015-16.
14. Several capital projects are planned in FY 2016-17. Approximately 25% of the cost of these projects will be funded in the FY 2016-17 budget and the balance will be financed over the next 3 years. The capital projects proposed include:
 - Administrative Services:** Replace Computer Server (\$21,500); Replace Town Center phone system (\$25,000)
 - Buildings & Grounds:** Replace Heat Exchangers in Town Center building (\$61,500 total cost); Repair Exterior Columns at the Pierson Building on Falls Road (\$18,000);
 - Fire Department:** Replace Building Emergency Generator (\$38,000); Gear & Hose Dryer (\$10,000); Replace Thermal Imaging Camera (\$14,000)
15. Election expenses will increase due to the statewide and Presidential election in 2016.
16. Property & Liability Insurance expenditures reflect rate increases combined with past claims experience.
17. Assessing office salary and benefit costs assume the upgrade of the Admin Asst. position from 28 to 30 hours/week. This position also provides assistance to the finance department.
18. The Monroe Brook flow restoration plan will be completed in FY 2015-16. An implementation plan will be developed as part of the Town's overall stormwater management plan. The Town plans to contract with the South Burlington Wastewater Dept. to assist in this process.
19. The lifeline system allows the Shelburne Dispatch center to communicate with other dispatch centers in the Northern Vermont, improving coordination and redundancy if a center is out of service. The cost of the system is fully funded by a grant.
20. Capital Improvements include replacing a digital recorder.
21. Reduced Debt payments reflect a bond refinancing for the Town Center and Recreation fields Bonds, as well as paying off of the Highway Sand/Salt shed and Mt. Philo sidewalk bonds.
22. As required by law, the Town began obtaining health insurance through Vermont Health Exchange in 2016. A portion of employee deductible and copay expenses are reimbursed by the Town. The amount reimbursed was restructured in FY 2016-17.
23. The amount transferred to the Open Space Fund will be voted by Ballot at Town Meeting on March 1.

WARNING

**SHELburne TOWN SCHOOL DISTRICT
ANNUAL MEETING**

February 29, 2016 and March 1, 2016

The legal voters of the Shelburne Town School District are hereby notified and warned to meet at the Shelburne Community School gymnasium on **Monday, February 29, 2016, at 7:30 p.m.** to transact any of the following business not involving voting by Australian ballot. Upon the conclusion of business not involving Australian ballot, the meeting is to be adjourned and reconvened in the Shelburne Municipal Offices in said Town on **Tuesday, March 1, 2016 at 7:00 a.m.** at which time the polls will open, until **7:00 p.m.** at which time the polls will close, to vote for school directors and transact any business involving voting by Australian ballot.

- ARTICLE I: To hear and act upon the reports of the Shelburne Town School District Officers.
- ARTICLE II: Shall the voters of the Shelburne Town School District authorize the Board of School Directors to borrow money by issuance of bonds or notes not in excess of anticipated revenues for the next fiscal year?
- ARTICLE III: Shall the Shelburne Town School District hold its 2017 Annual Meeting on Monday, March 6, 2017 at 7:30 p.m. to transact any business not involving voting by Australian ballot?
- ARTICLE IV: To transact any other business proper to come before said meeting.

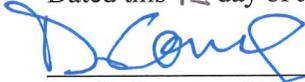
BALLOT QUESTIONS

- ARTICLE V: Shall the voters of the Shelburne School District approve the school board to expend Thirteen Million, Two Hundred Eighty-Nine Thousand, Nine Hundred Seventy-One Dollars (\$13,289,971), which is the amount the school board has determined to be necessary for the ensuing fiscal year? It is estimated that this proposed budget, if approved, will result in education spending of \$14,271 per equalized pupil. This projected spending per equalized pupil is 2.13% higher than spending for the current year.
- ARTICLE VI: Shall the voters of the Shelburne School District authorize the Board of School Directors to allocate its current fund balance, without effect upon the District tax levy, as follows: assign One Hundred Sixty-Five Thousand Dollars (\$165,000) of the school district's current fund balance as revenue for the 2016-2017 operating budget, and assign the remaining balance (\$170,160) as revenue for future budgets?
- ARTICLE VII: Shall the voters of the Shelburne Town School District authorize the Board of School Directors to borrow money by issuance of notes not in excess of Two Hundred Eight Thousand Dollars (\$208,000) for the purpose of purchasing two (2) school buses to be financed over five years?

ARTICLE VIII: To elect one (1) School Board Director for a term of three (3) years and to elect one (1) School Board Director for a term of two (2) years, both beginning in March, 2015.

ARTICLE IX: To elect for the Champlain Valley Union High School District No.15, one (1) Director for term of three (3) years, beginning in March, 2016.

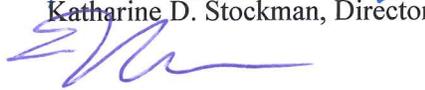
Dated this 12th day of January, 2016



David Connery, Chair



Katharine D. Stockman, Director



Matthew B. Wormser, Director



Robert M. Finn, Jr., Director



Tim Williams, Director

Received for record and recorded prior to posting this 21 day of January, 2016



Colleen Haag, Shelburne Town Clerk

WARNING FOR HEARING
SHELBURNE TOWN SCHOOL DISTRICT

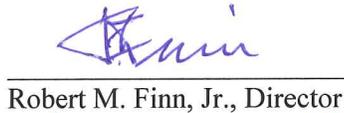
February 29, 2016

The legal voters of the Shelburne Town School District are hereby notified and warned that the Shelburne School District Meeting warned for **Monday, February 29, 2016** at the Shelburne Community School in said Town, at **7:30 p.m.**, to transact business not involving voting by Australian ballot, will also constitute and be a public hearing on and for those items involving voting by Australian ballot on the succeeding day.

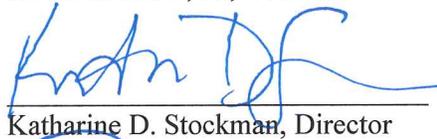
Dated this ^{12th} day of January, 2016



David Connery, Chair



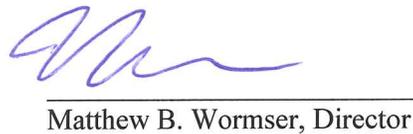
Robert M. Finn, Jr., Director



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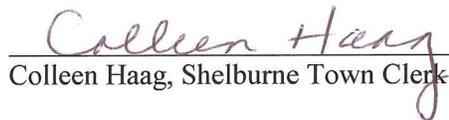


Tim Williams, Director



Matthew B. Wormser, Director

Received for record and recorded prior to posting this ^{21ST} day of January, 2016



Colleen Haag, Shelburne Town Clerk

Shelburne Community School
FY2017 V-V-E Baseline Budget Revenue Estimate

Description	2015		2016		2017		Adj v Prop	Adj v Prop
	Adopted	Actual	Adopted	Adjusted	Proposed	Dollar	Percent	
	Budget		Budget	Budget	Budget	Change	Change	
Revenue Summary								
Cash Carryover	\$ 165,000		\$ 165,000	\$ 165,000	\$ 165,000	\$ -	0.00%	
Investment Earnings	\$ 39,330	\$ 28,206	\$ 34,513	\$ 34,513	\$ 28,206	\$ (6,307)	-18.27%	
Tuition:		\$ 24,420	\$ 24,420	\$ 24,420	\$ 24,420	\$ -	0.00%	
Other Local:								
Miscellaneous		\$ 923				\$ -	n/a	
Building Rental	\$ 47,600	\$ 68,158	\$ 62,600	\$ 62,600	\$ 62,600	\$ -	0.00%	
Transportation:								
Regular (VT)	\$ 229,421	\$ 234,957	\$ 226,505	\$ 238,040	\$ -	\$ (238,040)	-100.00%	
Special Education:								
Block Grant (VT)	\$ 267,099	\$ 267,099	\$ 271,319	\$ 271,319	\$ 273,002	\$ 1,683	0.62%	
Intensive (VT)	\$ 792,444	\$ 766,963	\$ 967,937	\$ 967,937	\$ 1,052,953	\$ 85,016	8.78%	
Extraordinary (VT)	\$ 266,027	\$ 146,620	\$ 176,357	\$ 176,357	\$ 120,226	\$ (56,131)	-31.83%	
EEE (VT)	\$ 88,426	\$ 88,426	\$ 82,665	\$ 82,665	\$ 87,373	\$ 4,708	5.70%	
Federal:								
IDEA-B	\$ 64,793					\$ -	n/a	
IDEA-B Pre	\$ 7,104					\$ -	n/a	
Medicaid:								
Regular & EPSDT	\$ 101,230	\$ 101,265	\$ 135,958	\$ 135,958	\$ 135,958	\$ -	0.00%	
Prior Year Adjustments		\$ 571				\$ -	n/a	
Sale of Fixed Assets		\$ 2,852				\$ -	n/a	
Subtotal Revenue	\$ 2,068,474	\$ 1,730,460	\$ 2,147,274	\$ 2,158,809	\$ 1,949,738	\$ (209,071)	-9.68%	
Education Spending Grant	\$ 10,325,515	\$ 10,325,515	\$ 10,852,673	\$ 10,841,138	\$ 11,340,233	\$ 499,095	4.60%	
Net Education Spending	\$ 10,325,515	\$ 10,325,515	\$ 10,852,673	\$ 10,841,138	\$ 11,340,233	\$ 499,095	4.60%	
Total Revenues	\$ 12,393,989	\$ 12,055,975	\$ 12,999,947	\$ 12,999,947	\$ 13,289,971	\$ 290,024	2.23%	
Total General Fund Budget	\$ 12,393,989	\$ 12,193,836	\$ 12,999,947	\$ 12,999,947	\$ 13,289,971	\$ 290,024	2.23%	

Shelburne School District
Function Summary
FY2017 Proposed Budget

Account Number / Description	2016 Adopted Budget	2017 Proposed Budget	Dollar Change
Instructional Programs			
Instructional Program	\$ 5,798,211	\$ 6,084,196	\$ 285,986
Fine/Practical Arts	\$ 10,007	\$ 10,007	\$ -
World Language	\$ 4,509	\$ 4,509	\$ -
Physical Education	\$ 4,025	\$ 4,025	\$ -
Music	\$ 12,365	\$ 12,365	\$ -
Consolidated Special Education	\$ 2,842,522	\$ 3,105,729	\$ 263,207
CoCurricular Activities	\$ 160,114	\$ 164,457	\$ 4,344
Total Instructional Programs	\$ 8,883,808	\$ 9,439,217	\$ 555,409
Instructional Support			
Guidance Services	\$ 604,018	\$ 652,847	\$ 48,829
Health Services	\$ 102,464	\$ 107,618	\$ 5,154
Psychological Services	\$ 17,195	\$ -	\$ (17,195)
Instructional Improvement	\$ 116,286	\$ 116,221	\$ (65)
Educational Media/Library Services	\$ 215,842	\$ 180,748	\$ (35,093)
Total Instructional Support	\$ 1,055,804	\$ 1,057,434	\$ 1,629
Administrative/Other Support			
Board of Education	\$ 28,310	\$ 28,493	\$ 183
Executive Administration	\$ 290,527	\$ 308,549	\$ 18,022
Other Support Services	\$ 37,535	\$ 37,025	\$ (510)
Office of the Principal	\$ 399,875	\$ 407,991	\$ 8,116
Other School Administrative Services	\$ 77,619	\$ 77,619	\$ -
Fiscal Services	\$ 170,352	\$ 180,626	\$ 10,274
Operations & Maintenance	\$ 699,646	\$ 734,396	\$ 34,750
Transportation Services	\$ 414,772	\$ 132,885	\$ (281,887)
Information Services	\$ 331,532	\$ 381,236	\$ 49,704
Other Support Services	\$ 3,500	\$ 7,941	\$ 4,441
Food Services	\$ -	\$ -	\$ -
Debt Service - Buses	\$ 94,616	\$ 96,913	\$ 2,297
Debt Service	\$ 130,351	\$ 10,000	\$ (120,351)
Total Administrative/Other Support	\$ 2,678,636	\$ 2,403,675	\$ (274,961)
Sub-Total	\$ 12,618,248	\$ 12,900,325	\$ 282,077
Early Learning Partnership	\$ 357,840	\$ 355,996	\$ (1,844)
Tax Anticipation Note Interest	\$ 23,859	\$ 33,650	\$ 9,791
GRAND TOTAL	\$ 12,999,947	\$ 13,289,971	\$ 290,024

District: **Shelburne**
County: **Chittenden**

T186
Chittenden South

Property dollar equivalent yield
9,870

Homestead tax rate per \$9,870 of spending per equalized pupil
1.00

Income dollar equivalent yield per 2.0% of household income
11,065

Expenditures		FY2014	FY2015	FY2016	FY2017
1.	Budget (local budget, including special programs, full technical center expenditures, and any Act 144 expenditures)	\$11,995,493	\$12,393,989	\$12,999,947	\$13,289,971
2.	plus Sum of separately warned articles passed at town meeting	\$113,000	\$107,000	\$101,000	
3.	minus Act 144 Expenditures, to be excluded from Education Spending (Manchester & West Windsor only)	-	-	-	
4.	Locally adopted or warned budget	\$12,108,493	\$12,500,989	\$13,100,947	\$13,289,971
5.	plus Obligation to a Regional Technical Center School District if any	-	-	-	
6.	plus Prior year deficit repayment of deficit	-	-	-	
7.	Total Budget	\$12,108,493	\$12,500,989	\$13,100,947	\$13,289,971
8.	S.U. assessment (included in local budget) - informational data	\$1,194,390	\$1,311,840	\$4,087,142	\$4,105,551
9.	Prior year deficit reduction (included in expenditure budget) - informational data	-	-	-	-
Revenues					
10.	Offsetting revenues (categorical grants, donations, tuitions, surplus, etc., including local Act 144 tax revenues)	\$2,000,943	\$2,175,474	\$2,259,809	\$1,949,738
11.	plus Capital debt aid for eligible projects pre-existing Act 60	-	-	-	
12.	minus All Act 144 revenues, including local Act 144 tax revenues (Manchester & West Windsor only)	-	-	-	
13.	Offsetting revenues	\$2,000,943	\$2,175,474	\$2,259,809	\$1,949,738
14.	Education Spending	\$10,107,550	\$10,325,515	\$10,841,138	\$11,340,233
15.	Equalized Pupils	751.03	760.88	775.86	794.65
16.	Education Spending per Equalized Pupil	\$13,458.25	\$13,570.49	\$13,973.06	\$14,270.73
17.	minus Less ALL net eligible construction costs (or P&I) per equalized pupil	\$176.70	\$166.25	\$168.01	NA
18.	minus Less share of SpEd costs in excess of \$50,000 for an individual (per eqpup)	\$3.11	\$15.22	\$16.26	NA
19.	minus Less amount of deficit if deficit is SOLELY attributable to tuitions paid to public schools for grades the district does not operate for new students who moved to the district after the budget was passed (per eqpup)	-	-	-	NA
20.	minus Less SpEd costs if excess is solely attributable to new SpEd spending if district has 20 or fewer equalized pupils (per eqpup)	-	-	-	NA
21.	minus Estimated costs of new students after census period (per eqpup)	-	-	-	NA
22.	minus Total tuitions if tuitioning ALL K-12 unless electorate has approved tuitions greater than average announced tuition (per eqpup)	-	-	-	NA
23.	minus Less planning costs for merger of small schools (per eqpup)	-	-	-	NA
24.	minus Teacher retirement assessment for new members of Vermont State Teachers' Retirement System on or after July 1, 2015 (per eqpup)	NA	NA	\$7.94	NA
25.	Allowable growth per pupil spending threshold (secs. 37 & 38, Act 46, 2015)	threshold = \$15,456 NA	threshold = \$16,166 NA	threshold = \$17,103 NA	District Threshold \$14,270.73
26.	plus Excess Spending per Equalized Pupil over threshold (if any)	-	-	-	-
27.	Per pupil figure used for calculating District Equalized Tax Rate	\$13,458	\$13,570	\$13,973	\$14,270.73
28.	District spending adjustment (minimum of 100%)	147.069% based on \$9,151	146.155% based on \$9,285	147.722% based on \$9,459	NA
Prorating the local tax rate					
29.	Anticipated district equalized homestead tax rate (to be prorated by line 30) [\$14,270.73 ÷ (\$9,870.00 / \$1.00)]	\$1.3824 based on \$0.94	\$1.4323 based on \$0.98	\$1.4624 based on \$0.99	\$1.4459 based on \$1.00
30.	Percent of Shelburne equalized pupils not in a union school district	65.08%	66.74%	67.92%	69.37%
31.	Portion of district eq homestead rate to be assessed by town (69.37% x \$1.45)	\$0.8997	\$0.9559	\$0.9933	\$1.0030
32.	Common Level of Appraisal (CLA)	100.20%	99.70%	98.54%	95.95%
33.	Portion of actual district homestead rate to be assessed by town (\$1.0030 / 95.95%)	\$0.8979 based on \$0.94	\$0.9588 based on \$0.98	\$1.0080 based on \$0.99	\$1.0453 based on \$1.00
<p>If the district belongs to a union school district, this is only a PARTIAL homestead tax rate. The tax rate shown represents the estimated portion of the final homestead tax rate due to spending for students who do not belong to a union school district. The same holds true for the income cap percentage.</p>					
34.	Anticipated income cap percent (to be prorated by line 30) [(\$14,270.73 ÷ \$11,065) x 2.00%]	2.65% based on 1.80%	2.63% based on 1.80%	2.66% based on 1.80%	2.58% based on 2.00%
35.	Portion of district income cap percent applied by State (69.37% x 2.58%)	1.72% based on 1.80%	1.76% based on 1.80%	1.81% based on 1.80%	1.79% based on 2.00%
36.	Percent of equalized pupils at Champlain Valley UHSD	34.92%	33.26%	32.08%	30.63%
37.		-	-	-	-

- Following current statute, the Tax Commissioner recommended a property yield of \$9,955 for every \$1.00 of homestead tax per \$100 of equalized property value. The Tax Commissioner also recommended an income yield of \$11,157 for a base income percent of 2.0% and a non-residential tax rate of \$1.538. New and updated data have changed the proposed property yield to \$9,870 and the income yield to \$11,065.
- Final figures will be set by the Legislature during the legislative session and approved by the Governor.
- The base income percentage cap is 2.0%.

LEA ID: _ T186

LEA NAME SHELburne

State of Vermont

Announced Tuition FY 2016-2017

Failure to satisfactorily complete and file the Annual Announced Tuition Report on or before January 15th, will result in the current year's announced tuition rate being applied to the next fiscal year per 16 V.S.A. 826(a).

In accordance with Title 16, VSA, Section 826, notice is hereby given that the tuition rate for non-resident students attending REGULAR programs in the above named district will be as follows:

REGULAR EDUCATION		Total Rate To Be Charged
KINDERGARTEN	Full-time Program Rate OR	12533
	Part-time Program Rate	0
OTHER ELEMENTARY	(includes grades 1st through 6th)	12533
SECONDARY	7th through 12th Grades	12533

FOR VOCATIONAL ONLY In accordance with Title 16, VSA, Section 1552(d), notice is hereby given that the

Total Technical Center Rate To Be Charged 0

* Hartford Area Career Centers (VC007) allowable tuition Numbers are for Vermont students only

Comparative Data for Cost-Effectiveness, FY2017 Report
16 V.S.A. § 165(a)(2)(K)

School: Shelburne Community School
S.U.: Chittenden South S.U.

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

FY2015 School Level Data

Cohort Description: K - 8, enrollment ≥ 200
(29 schools in cohort)

Cohort Rank by Enrollment (1 is largest)
3 out of 29

School level data		Grades Offered	Enrollment	Total Teachers	Total Administrators	Stu / Tchr Ratio	Stu / Admin Ratio	Tchr / Admin Ratio
Smaller →	St Albans City School	PK - 8	743	74.10	2.00	10.03	371.50	37.05
	St Albans Town Educ Center	PK - 8	752	63.00	2.00	11.94	376.00	31.50
	Barre Town Elementary School	PK - 8	857	79.00	4.00	10.85	214.25	19.75
	Shelburne Community School	PK - 8	862	53.00	2.00	16.26	431.00	26.50
← Larger	Barre City Elementary/Middle School	PK - 8	882	97.00	4.00	9.09	220.50	24.25
	Williston Schools	PK - 8	1,133	75.30	3.00	15.05	377.67	25.10
Averaged SCHOOL cohort data			457.86	38.73	1.99	11.82	230.52	19.50

School District: Shelburne
LEA ID: T186

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

The portion of current expenditures made by supervisory unions on behalf of districts varies greatly. These data include district assessments to SUs. Including assessments to SUs makes districts more comparable to each other.

FY2014 School District Data

Cohort Description: K - 8 school district, FY2013 FTE ≥ 200
(29 school districts in cohort)

School district data (local, union, or joint district)		Grades offered in School District	Student FTE enrolled in school district	Current expenditures per student FTE EXCLUDING special education costs	Cohort Rank by FTE (1 is largest) 6 out of 29
Smaller →	St. Johnsbury	PK-8	695.78	\$11,032	
	St. Albans Town	PK-8	730.61	\$10,723	
	St. Albans City	PK-8	760.99	\$11,107	
	Shelburne	PK-8	814.02	\$11,354	
← Larger	Barre City	PK-8	871.87	\$10,422	
	Barre Town	PK-8	875.10	\$10,202	
	Essex Junction ID	PK-8	1,101.53	\$11,226	
Averaged SCHOOL DISTRICT cohort data			532.89	\$11,631	

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

FY2016 School District Data

LEA ID	School District	Grades offered in School District	School district tax rate			Total municipal tax rate, K-12, consisting of prorated member district rates		
			SchDist	SchDist	SchDist	MUN	MUN	MUN
			Equalized Pupils	Education Spending per Equalized Pupil	Equalized Homestead Ed tax rate	Equalized Homestead Ed tax rate	Common Level of Appraisal	Actual Homestead Ed tax rate
Smaller →	U045	Duxbury/Waterbury Union	PK-8	653.70	15,473.15	1.6195	-	-
	T177	St. Albans Town	PK-8	717.33	12,771.53	1.3367	1.4722	103.40%
	T117	Lyndon	PK-8	731.36	13,897.82	1.4546	1.4546	102.40%
	T186	Shelburne	PK-8	775.86	13,973.06	1.4624	1.4698	98.54%
← Larger	T176	St. Albans City	PK-8	779.33	12,625.54	1.3214	1.4501	97.79%
	T012	Barre Town	PK-8	807.96	11,594.65	1.2135	1.2442	88.52%
	T079	Georgia	PK-8	854.94	12,884.08	1.3485	1.3485	105.41%

The Legislature has required the Agency of Education to provide this information per the following statute:

16 V.S.A. § 165(a)(2) The school, at least annually, reports student performance results to community members in a format selected by the school board. . . . The school report shall include:

(K) data provided by the commissioner which enable a comparison with other schools, or school districts if school level data are not available, for cost-effectiveness. The commissioner shall establish which data are to be included pursuant to this subdivision and, notwithstanding that the other elements of the report are to be presented in a format selected by the school board, shall develop a common format to be used by each school in presenting the data to community members. The commissioner shall provide the most recent data available to each school no later than October 1 of each year. Data to be presented may include student-to-teacher ratio, administrator-to-student ratio, administrator-to-teacher ratio, and cost per pupil.

CHITTENDEN SOUTH SUPERVISORY UNION

ASSESSMENTS/SERVICES

Proposed Budget

	Adopted 2011-2012	Adopted 2012-2013	Adopted 2013-2014	Adopted 2014-2015	Adopted 2015-2016	Proposed 2016-2017
Shelburne School District						
Office of the Supt.	\$ 140,251	\$ 150,343	\$ 169,960	\$ 180,518	\$ 185,912	\$ 191,597
SU Board & Annual Audit			\$ 4,224	\$ 12,963	\$ 14,062	\$ 14,145
Human Resources	\$ 76,420	\$ 81,908	\$ 89,284	\$ 91,528	\$ 90,553	\$ 102,807
Fiscal Services	\$ 83,771	\$ 88,218	\$ 98,498	\$ 102,597	\$ 106,987	\$ 114,479
Subtotal Core Services	\$ 300,442	\$ 320,469	\$ 361,966	\$ 387,606	\$ 397,514	\$ 423,028
Special Education	\$ 160,050	\$ 182,470	\$ 191,638	\$ 190,111	\$ 2,902,529	\$ 3,147,616
Summary - Core Services & Sp Ed Svcs	\$ 460,492	\$ 502,939	\$ 553,604	\$ 577,717	\$ 3,300,043	\$ 3,570,644
Technology	\$ 151,399	\$ 158,365	\$ 167,778	\$ 172,159	\$ 181,319	\$ 189,990
Early Learning Partnership	\$ 15,401	\$ 13,554	\$ 12,749	\$ 11,850	\$ 12,840	\$ 10,996
CY Program	\$ 12,818	\$ 12,898	\$ 36,471	\$ 31,711	\$ 41,823	\$ 47,973
Food Services	\$ 71,817	\$ 75,482	\$ 59,251	\$ 62,433	\$ 64,748	\$ 67,476
Transportation	\$ 392,478	\$ 376,170	\$ 362,509	\$ 380,634	\$ 379,272	\$ 97,385
English Language Learners	\$ 54,723	\$ 39,907	\$ 61,279	\$ 137,769	\$ 171,845	\$ 188,563
Math Coordinators	\$ 14,049	\$ -	\$ -	\$ -	\$ -	\$ -
Summary - Purchased Services	\$ 712,685	\$ 676,376	\$ 700,037	\$ 796,556	\$ 851,847	\$ 602,383
TOTAL	\$ 1,173,177	\$ 1,179,315	\$ 1,253,641	\$ 1,374,273	\$ 4,151,890	\$ 4,173,027

ABSTRACT OF TOWN MEETING

March 2 & March 3, 2015

Town Moderator Tom Little called the 227th Town Meeting to order on Monday, March 2, 2015 at 7:35 p.m. at the Shelburne Community School Gymnasium.

Moderator Little introduced the Boy Scout Troop #602 leaders; Jim Brangan, Mike Major and Donal Curley. Also introduced were the Scout members who presented the colors: Drew Major, Peter Antinozzi, Gerit Pottmeyer, Matthew Ireland, John Curley, Nate Brangan, Garrett Gruending, Zachary Loiter, Caleb McKinney and Nathaniel Mick. They led the Pledge of Allegiance to the U.S. flag.

Moderator Little stated the meeting was being broadcast on VCAM Channel 17 TV. Moderator Little recognized Elizabeth Rossano, J.B. Wagner, Zerabruk Cavallaro and Colin Connor for bringing televised services to other citizens not present at this meeting

Moderator Little referred to the inside cover of the Town report that is dedicated to the Shelburne Veterans Monument Committee. He told of their efforts to fund raise and erect a fitting Memorial to all Veterans on the Parade Ground. He then introduced the members present: Sam Feitelberg, Pete Gadue, Jim Donaldson and Colleen Haag. Other members who were not present are Art Kunin, Bud Ockert, Eric Hanley, Arland Dunbar, Perry Melvin and Mike Lynch.

Moderator Little stated the School and Town meetings would be run according to Roberts Rules of Order, and explained what the general procedures would be. He asked if there was any objection to limiting each speaker from the floor to not more than two minutes, and not letting a speaker speak twice until all others had a chance to speak a first time. Moderator Little announced that speakers should wait for Cullen Bullard who would bring them the microphone and they should then state their name before speaking.

The Town's portion of the Meeting was called to order at 7:43 p.m. by Moderator Little.

Moderator Little introduced Chairman of the Board Gary von Stange who then introduced the other Board members; Toni Supple, Al Gobeille and Tim Pudvar. He also introduced Joe Colangelo, Town Manager and Peter Frankenburg, Finance Director. He also recognized the service to the town by Allison Cramner and Al Gobeille(interim Board member-appointed until March 3, 2015)after the resignation of Allison Cramner.

ARTICLE I: Voted to hear and act on the report of Town Officers and the Auditor's report for the budgetary period July 1, 2013 through June 30, 2014 [FY2014]. Passed unanimously by voice vote.

ARTICLE II: Will the voters determine the compensation to be paid to the Selectboard for Fiscal Year 2015-2016? [Note: Current salaries are Chair \$1500.00, all others are \$1200.00]. Continuing current salaries passed unanimously by voice vote.

ARTICLE III: Shall the voters adopt the Shelburne Ethics and Conflict of Interest Ordinance, as authorized by 24 V.S.A. 1984 and conditionally approved by the Selectboard under the Town of Shelburne Charter? As Chair of the Ethics Committee Moderator Little recused himself and appointed David Webster Pro Tempore in his stead. Chair von Stange introduced those members of the Ethics Committee present. He stated the Committee first met several years ago and the existing ordinance was passed in 2009. The Ethics Committee reviewed the ordinance to bring it up to date. Passed unanimously by voice vote.

ARTICLE VI (Ballot Question): Chairman Gary von Stange presented the Town budget (Article VI). He first gave an overview of the Town Department and their activities. He stated the new and improved Shelburne website was up and running. He thanked Town webmaster Betty Marcher for her hard work on this project. He stated the 2014-2015 proposed budget expenses are \$7,454,229,000 without the articles to be voted on. The increase in the municipal tax rate is 2.9% if all articles pass. The estimated town tax rate including all voted articles would be \$0.3675. He spoke of future budget challenges: grand list growth less than one percent, Bay Road bridge reconstruction, stormwater issues, new Library building, rescue building in substandard condition as well as fourteen empty storefronts on Route 7. He also spoke about the form based code zoning to help revitalize the business district.

Rad Romeyn asked when residents could expect a reappraisal of the property in the Town. Chair von Stange stated it was typically every ten years and the last one was in 2008. David Hillman asked if the Town had thought about a local option tax. Chair von Stange stated that it has been discussed but no action has been taken. Russ Caffry asked why the police departments uses three full size SUVs instead of more economical vehicles. Chair von Stange stated that the Police department has indicated that these are needed to properly cover the town.

Moderator Little introduced John Kerr who is running unopposed for the two year seat and stated that Gary von Stange was running for the three year seat and Toni Supple is running one year of a three year term.

ARTICLES VII and VIII to be voted on by Australian ballot.

Article VII (Tanker truck) Moderator von Stange stated the tanker truck in use is a 1988 model and the truck is used to transport sludge between the treatment plants and to Burlington. The life span of a tanker truck is about thirty years.

Article VIII (Open space fund). Chairman von Stange stated that \$802,000 has been spent on open land since 1994 and 21-31% of town land has been conserved.

ARTICLE IV: To transact any other business proper to come before said meeting.

There was no other business to transact.

On a motion made, seconded and carried the meeting was recessed at 9:05 p.m. until Tuesday, March 3, 2015 to reconvene in the Shelburne Town Center at 7:00 a.m. for voting by Australian ballot. There were 5103 registered voters on the checklist at the time of this meeting. 148 voters from the Town of Shelburne appeared at this March 2, 2015 meeting.

Tuesday, March 3, 2015 the Town Meeting reconvened at the Town Center gymnasium at 7:00 a.m. Town Clerk Colleen Haag swore in the ballot clerks at 7:00 a.m, 11:00 a.m. and 3:00 p.m.

VOTED IN THE BOOTH

Town Moderator for one year: Thomas A. Little

School Moderator for one year: Thomas A. Little

Town Clerk for three years: Colleen Thomas Haag

Town Treasurer for three years: Colleen Thomas Haag

Selectman for three years: Gary von Stange

Selectman for two years: John Kerr

Champlain Water District Commissioner for three years: Thomas T. Bessette

TOWN

ARTICLE VI: Shall the Town adopt the Selectboard's proposed budget of \$7,454,229 of which \$5,417,291 is to be raised by taxes?

Yes 1403 No 571

ARTICLE VII: Shall the bonds of the Town of Shelburne, in an amount not to exceed \$185,000 be issued under Subchapter 2 of Chapter 53 of Title 24, Vermont Statutes Annotated, payable only from the net revenue derived from the Town's public sewage disposal utility system, for the purchase of a tanker truck?

Yes 1503 No 500

ARTICLE VIII: Shall the Town raise by taxes the amount of \$25,000 for the purpose of obtaining options and/or the acquisition of lands, or the rights in land, which would preserve open space and natural resources; any unexpended portion of such sum be placed in the Open Space Fund?

[The Fund balance is \$236,047.].

Yes 1392 No 643

A total of 2067 out of 5103 registered voters (40.5%) appeared Tuesday, March 3, 2015 to cast their ballot in this Town Meeting. Of this total 499 were absentee/early ballots.

Respectfully submitted: Colleen T. Haag, Town Clerk

TOWN ORDINANCES ADOPTED OR AMENDED IN 2015

Parking Ordinance, Section 2 o.

This ordinance was amended to prohibit parking on the north side of Church Street between the hours of 12 O'clock midnight and 8 a.m. during all months of the year.

Ethics and Conflict of Interest Ordinance: This new ordinance is intended to establish standards of conduct and guidance so that all decisions made by public officials are based on the best interest of the Town and that no public official with a personal or financial interest in the outcome of a particular matter will appear in the eyes of the public to have influenced any decisions of the Town on that matter.

The full text of these and other ordinances and regulations is available in the Town Clerk's Office.

SELECTBOARD REPORT

This past year, the Selectboard has continued its goal of providing all residents with the same information that the Selectboard receives and to foster a welcoming and civil environment for public discourse. Our detailed annotated materials supplement posted agenda and meeting minutes, Town Manager Reports summarize Town activities, training sessions are provided for all town boards, and every board meets with the Selectboard to exchange information and goals. We strive to respect differing opinions. We provide notice and an opportunity for all to be heard. Substantively, the work of the Selectboard this year included:

- authorized business mapping and surveying
- formulated stormwater runoff plans
- negotiated railroad crossing access
- implemented a student committee program
- created Veteran's Memorial Committee
- provided input to state rail program
- amended Ethics Ordinance by town vote
- authorized applications resulting in grants for planning, sidewalks, phosphorus pollution mitigation, highway safety, forestry tree canopy mapping, SCS playground
- adopted new fees for planning and zoning permits and for recreational facility uses
- passed sewage-related upgrades bond by town vote, Bay Bridge bond did not pass
- proposed Town Treasurer Charter Change
- addressed dredging of Shelburne Bay
- accepted Sewer Service Area Analytical Tool
- provided input to VLCT Municipal Policy
- discussed adoption of Peddlers Ordinance
- dedicated new Veterans Memorial
- approved one CBA, negotiating another
- addressed conspicuous property tax issues
- facilitated Form Based Code discussions
- launched new town website
- hired new town attorneys and auditors
- negotiated solar array issues
- worked with PC and passed new zoning regulations for wetlands definitions, municipal signage, mobile home definitions, and fixed restaurant seats
- investigated participation in Chittenden County Public Service Authority
- worked with CHT/Harbor Place regarding additional burdens placed on town services
- authorized DRB "On the Record Review"
- updated capital improvement plan
- coordinated with CCRPC on regional issues
- authorized funds for zoning enforcement
- worked with Library Steering Committee

Property taxes, 80% school-related, remain problematic. Shelburne continues to be burdened by ineffective state legislation.

Two members of the Selectboard have indicated as of this writing that they will not seek reelection. It has been an honor to serve alongside both. Toni Supple has served three years as an actively engaged board member, frequently offering different perspectives and often driving thoughtful discussions. Tim Pudvar has served eight years. His extensive institutional and practical knowledge coupled with his unwavering commitment to integrity and honesty has greatly benefitted our town. We thank Toni and Tim for their service.

It has been an honor to serve as Chair of the Selectboard.

Respectfully,
Gary von Stange

TOWN MANAGER'S REPORT

The Town Manager's Office put considerable effort towards the creation of student and youth civic engagement opportunities in 2015, highlighted by two initiatives. First, in partnership with the University of Vermont, Shelburne's Management Internship enabled a student pursuing a Master's of Public Administration hands-on experience in local government administration. Secondly, a program offering Shelburne high school-aged students an opportunity to serve on our various committees, boards, and commissions was successfully implemented.

IT Coordinator, Betty Marcher, developed, designed, and launched a new town website in February. The new website is visually stunning, user friendly, and, most importantly, provides a platform where we can distribute information for public consumption, furthering our stated objective of operating an open, transparent government organization.

Voters overwhelmingly supported Shelburne's Fiscal Year 2015-2016 budget and adopted Shelburne's Ethics & Conflict of Interest Ordinance at Town Meeting. Voters approved a \$3,000,000 bond ballot item for sewer department capital improvements but defeated a \$3,000,000 bond ballot item for the replacement of Bay Road Bridge during a November Special Town Meeting.

On the economic development front, Crane & Associates completed Shelburne's Development Scenario Analytical Tool which allows us to model fiscal, transportation, land use, and quality of life net impacts of development. With the leadership of Planning Commissioner Ann Hogan we created and distributed a survey to all known profit and non-profit entities in Shelburne in an effort to gather data on local economic vitality. The Selectboard adopted an updated definition of "mobile homes" to allow for and incentivize VERMOD homes, a superior affordable housing option compared to traditional mobile homes. Upon closing a public hearing that lasted the course of numerous meetings, a proposal to increase the allowable building height at the Wake Robin facility in advance of a Phase 3 expansion project was defeated. Factors such as water quality and fire suppression concerns surfaced during the public hearing. Wake Robin now plans to submit for their Phase 3 under existing height restrictions. The Library Building Steering Committee continued to push forward with plans for a new library. Both the Selectboard and the Library Board of Trustees unanimously endorsed the steering committee's recommendation for a new 2-story library building and separate renovations to the Town Hall. The steering committee also hired Meagan Downey as its fundraising consultant in an attempt to privately raise financing for the new library. Champlain Housing Trust's Harbor Place facility on Rte. 7 and its relative impacts on surrounding neighborhoods and town resources, in particular police services, was a topic of several public meetings.

Shelburne hired new Town Attorneys (Monaghan, Safar, and Ducham) and selected a new auditor (Sullivan, Powers & Co.). DRB Coordinator Annie Geratowski left Shelburne for a similar position with the Town of Hinesburg; Kate Mitchell was hired in November to fill that role.

Thanks in large part to Shelburne's Management Intern, Ann Janda, the Town developed a solution to a long-standing issue for residents who own homes on the west side of private railroad crossings without official easements because of their designation(s) as *farm crossings*.

Looking towards next year, one of the most significant, immediate matters facing the Town Manager's Office is the dire need to repair Shelburne's South Water Tank. Logistically this is complicated by the number of cellular antennas that rest atop the tank. Furthermore, a new proposal from Vermont Railways for an intermodal facility, a proposed large-scale residential development project on Spear Street, and Wake Robin's Phase 3 development will require the investment of significant staff resources. As always, maintaining services while monitoring the immense pressure placed on the property tax payer will continue to present staff, the Selectboard, and general public with decisions involving difficult trade-offs.

Respectfully Submitted,
Joe Colangelo, Town Manager

TOWN CLERK & TREASURER'S REPORT

Our office filed the following vital statistics in 2015:

72 births 113 deaths 32 burials 62 marriages

Our office also processed the following:

407 passports 554 passport photos 104 motor vehicle registrations

485 notary services 98 Green Mountain Passports

We recorded 6214 pages in warranty, quit claims and mortgage deeds, liens and other miscellaneous recordings in 2015.

Our project of scanning pages and linking indexes to our land records continues. We have scanned and indexed our land records from the present time back to March 25, 1876. We are on target to have the project complete in 2016. This would take the scanning and indexing of our land records on computer from our Town's beginning (circa 1763) to the present. We will be the second Town in Vermont to accomplish this goal.

In April 2015, the Town Managers' office requested assistance from the Town Clerk's office in compiling an inventory of all Town owned sewer and water infrastructure and easements. We are currently working together with the Shelburne Sewer and Water Departments as well as Chittenden County Regional Planning Office on this multi-year project.

The Vermont Secretary of State's office rolled out their new Elections Management System in the summer of 2015.

All Town Clerks were mandated to attend the training for the system and I attended for three days in August in Montpelier. The system will streamline the early/absentee ballots process, maintain voter participation lists, provide online voter registration and voter inquiries and the posting of election night results. We first used the system for our November 3, 2015 bond vote.

We are gearing up for three busy elections in 2016. The Town Meeting/Presidential Primary in March, State Primary in August and the General/Presidential elections should all be very busy for us. The November election, especially, is always a huge undertaking with a large percentage of absentee/early voters participating.

In November we lost a Vermont icon. Barbara Snelling was a long time resident of Shelburne and the wife of former Governor Richard Snelling. In December we lost Tom Bessette whom the press dubbed "Mr. Shelburne." He lived his entire life in Shelburne and loved serving his community. Both will be sorely missed by our community.

I thank you for the opportunity to have served as your Town Clerk/Treasurer for over thirty three years.. I appreciate all that the residents have and continue to do for our Shelburne community.

Respectfully submitted, Colleen T. Haag, Town Clerk/Treasurer

ASSESSOR'S REPORT

Shelburne Appraised Values – Fiscal year 2015

This past year was busy with the office staff focusing primarily on the following two areas;

A. Annual maintenance. We inspected changes on roughly 300 properties in Shelburne with approximately that number of notices mailed. The inspections were prompted by the property owner or changes to the property status. We have seen new residential construction in the remaining lots on Autumn Hill, Miner Farm and O'Brien Drive.

B. Analysis of the Shelburne real estate market. We have been monitoring the market to discern changes up to and since the 2008 base. The table below is a summary of key indicators by year.

Year	CLA	COD
2008 Pre – Reappraisal	78.31%	13.93
2008 Post - Reappraisal	99.89%	7.38
2009	97.89%	7.02
2010	97.60%	8.07
2011	98.70%	7.86
2012	100.93%	7.80
2013	99.70%	7.48
2014	98.54%	7.99
2015	95.84%*	8.18

Note(*): The current equalization study results are under appeal. The Town last appealed the results in 2011 and may challenge the study findings any given year if there is a difference of opinion on including or excluding one or more sales or the basic study methodology.

The “**CLA**” is the Common level of appraisal and means “...the ratio of the aggregate value of local education property tax grand list to the aggregate value of the equalized education property tax grand list”. (32 V.S.A. § 5401.(3)). Towns must retain a CLA of 80% or greater.

The “**COD**” stands for the Coefficient of Dispersion and is a statistical measurement indicating the dispersion of the absolute differences between three-years of valid sales prices and the corresponding assessed values. Stated differently this "is the average absolute deviation expressed as a percentage of the median ratio...". (32 V.S.A. § 5401.(1)) The smaller the number, or higher the coefficient, the less the settlement is dispersed thereby demonstrating relative uniformity in the sample. The State requires towns to reappraise if the COD exceeds 20.

The table above demonstrates a continued firming of Shelburne real estate market activity. Downward movement of the CLA indicates, on average the sale prices are increasing in comparison to the Grand List values as the latter remains fixed from the time of a reappraisal. The COD has remained at an acceptable level indicating a relatively uniform pattern of equity in the relationship between sales and assessed values. There were a total of 317 valid Shelburne real estate sales used in the three year study period ending March 31, 2015, up slightly from the last three-year study.

We continue to thank the property owners and Town staff for their cooperation. We appreciate the understanding and cooperation of the vast majority of property owners contacted this past year. Elaine Eno has done a great job working with the property owners through mailings, scheduling and providing helpful information. Property owners and others interested are encouraged to check for the factual accuracy and fairness of the information on file at the Town Office building. Our goal is to remain accessible, accurate, fair, consistent and reasonable in all valuations. Please contact the office by stopping by, writing us or calling 985-5115. We look forward to working with all individuals on matters pertaining to the valuation of property located within the Town of Shelburne.

Respectfully Submitted,
Ted Nelson

**PLANNING COMMISSION
DEVELOPMENT REVIEW BOARD
AND PLANNING AND ZONING OFFICE**

Planning Commission: Planning Commission duties are set by state law and include proposing revisions to local land use policies (e.g., Plans) and regulations (e.g., Zoning and Subdivision bylaws). State law also gives the Commission authority to oversee planning studies and comment on development proposals. Accordingly, Planning Commissioners spent much of their meeting time last year discussing and advancing zoning amendments, contemplating changes to Shelburne’s Comprehensive Plan, and formulating specific policy recommendations for issues like renewable energy. Further reflecting its diverse responsibilities, the Commission also tracked legislation, took part in the annual update of the Capital Improvement Plan, discussed rural growth, and offered comments on Selectboard proposals to conduct “on the record” review of development (see below) and update local permit fees. And in April, the Planning Commission elected a new Chair (Ron Bouchard) and Vice Chair (Jaime Heins).

Several meetings in the first half of 2015 were organized around work sessions held to edit the draft Form Based Zoning (FBZ) proposal as prepared by project consultants. And in July, the Commission finalized a new FBZ draft.

A public hearing on the new draft began August 13 and continued through December. During that time the proposal was revised to provide protections for historic buildings, remove redundant subdivision requirements, and respond to comments from the Town’s attorney. Significantly, the Commission also managed to develop and complete hearings on other zoning proposals, such as changes affecting mobile homes, parking requirements for restaurants, development density, and signs on the Town’s recreation field. (These changes all were incorporated into the Zoning bylaw by the Selectboard.) Planning Commissioners also discussed other potential zoning changes—including possible changes to the definition of hotel, allowances for pet care facilities, and a series of changes suggested by the Development Review Board—that have not (yet) been the subject of formal public hearings.

But that’s not all. As in past years, Commissioners sought to play an increased role on the “Section 248” review process, in hopes of influencing the fate of applications for solar and telecommunication facilities. To that end, Vice Chairman Jaime Heins has taken the lead in drafting a solar siting ordinance intended to mitigate the impact of such facilities. The Commission’s activities also included hosting several presentations relating to current planning topics (including wetlands, affordable housing, renewable energy, and demographics) and updating of the Commission’s annual work plan. Meetings of the Planning Commission continue to take place on the second and fourth Thursday of each month, except for November and December. A list of the Planning Commission’s members is included in the front of the Town Report. In late December Dan Burks submitted his letter of resignation; his contributions will be missed.

Development Review Board: The Development Review Board (DRB) was created in 2007 and is responsible for all primary development review functions, including Site Plan Review, Conditional Use Review, and Subdivision approval. Since its founding, the DRB has followed the requirements of Vermont’s Municipal and Administrative Procedures Act (MAPA) and adhered to locally- prepared Rules of Procedure which govern the public hearing process from application to written decision. In December, the DRB’s procedures evolved. The changes—which came in response to a Selectboard decision to modify how appeals of DRB actions are reviewed in Environmental Court—will result in the hearing process becoming somewhat more formal. However, the new process (sometimes referred to as “On the Record” review) should also help reduce expenses and increase the chances that DRB decisions are upheld.

The DRB approved a number of projects in 2015 that ranged from residential and commercial subdivisions as well as several site plan and conditional use approvals. The DRB granted final approval for one new Major (> 3 lots or units) residential subdivision which will contain a total of eight units. Additionally, the DRB approved a number of Design Review applications including one in conjunction with the major subdivision approval located at 516 Falls Road and two in conjunction with minor subdivisions. There are also a number of projects that began the approval

process in 2015 that will continue into 2016. Projects include the Final Plan approval for Buono Appetito, Final Plan Approval for Rice Lumber and the continuation of Wake Robin as well as Precourt Investment Company Shelburne Shopping Park. Meetings of the DRB occur on the first and third Wednesday of each month. Current members of the DRB are listed in the front of the Town Report.

The following planning-related development applications, including amendments and re-approvals, were acted upon by the DRB in 2015.

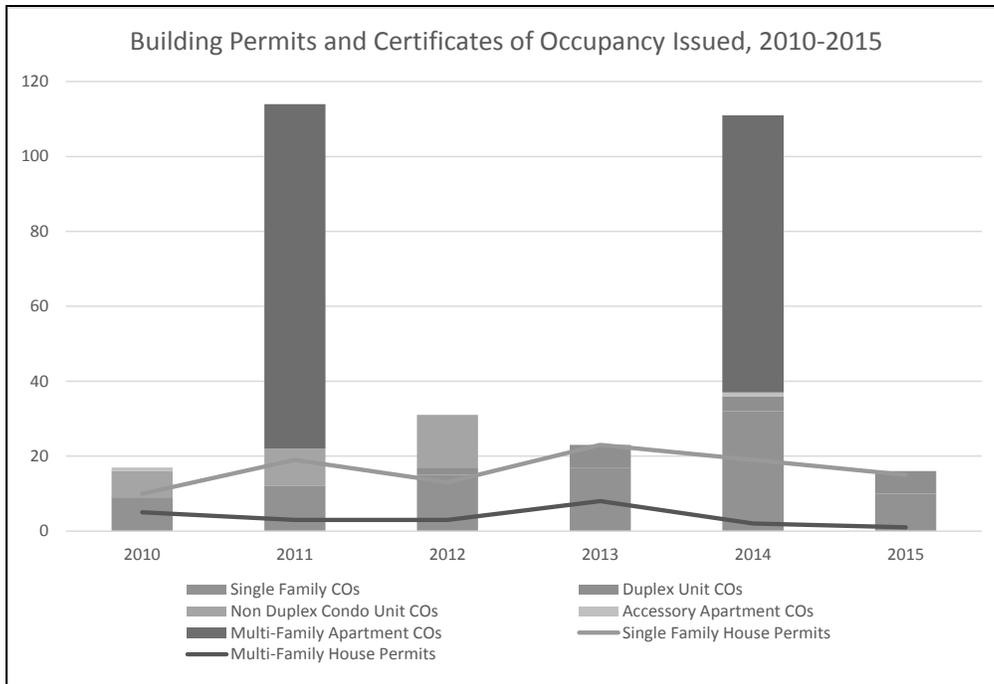
Development Review Activity, 2015	
Type of Review	Number of Applications
<i>Site Plan/Design Reviews</i>	
Site Plan Review	12
Design Review	31
<i>Subdivision/PRD/PUD Reviews</i>	
Sketch Plan	9
Preliminary	2
Final	4
Boundary Line Adjustments	1
Re-approvals/Minor Amendments	4
Withdrawals	2
<i>Conditional Use Review</i>	
Approvals	14
Denials	0
Withdrawals	0
<i>Variance Reviews</i>	
Approvals	0
Denials	0
Withdrawals	0
<i>Appeals</i>	
Appeals	2

Building Permits and Certificates of Occupancy: The number of building permits issued in calendar year 2015 was 146, down from 181 in 2014 and 208 in 2013. As shown below, 15 zoning permits were issued for single family homes, while one zoning permit was issued for new multi-family units—consisting of three apartments inside a single building.

Building Permits, 2010-2015						
	2010	2011	2012	2013	2014	2015
Single Family House Permits	10	19	13	23	19	15
Multi Family House Permits	5	3	3	8	2	1
Total all Residential and Non Residential Building Permits	162	150	154	208	181	146

As shown in the table and figure below, the number of residential Certificates of Occupancy (COs) also fell significantly, in both single family and multifamily sectors. As real estate trends are very often cyclical in nature, Planning staff anticipate development activity in 2016 will rebound somewhat compared to the levels seen in 2015.

Residential Certificates of Occupancy, 2010-2015						
	2010	2011	2012	2013	2014	2015
Single Family COs	9	12	15	17	32	10
Duplex Unit COs	0	0	2	6	4	6
Non Duplex Condo Unit COs	7	10	14	0	0	0
Accessory Apartment COs	1	0	0	0	1	0
Multi-Family Apartment COs	0	92	0	0	74	0
Total # Units Receiving CO	17	114	31	23	111	16
Replaced/ Renovated Units*	3	3	2	5	5	2
Affordable Units*	0	0	2	0	78	0
* Included in unit type categories and totals						



Planning and Zoning Office: The Planning and Zoning office helps administer local regulations and provides support to several public bodies. These bodies include the Development Review Board, Planning Commission, Historic Preservation and Design Review Commission, Bike and Pedestrian Paths Committee, Natural Resources and Conservation Committee. The Planning and Zoning office also supports the Selectboard and the Town Manager (who under the Town Charter is Shelburne’s chief zoning enforcement official). Planning and Zoning staff include Dean Pierce (Director of Planning and Zoning), Kaitlin Mitchell (DRB Coordinator as of December 1, replacing Annie Geratowski), and Susan Cannizzaro (Administrative Assistant). All three are happy to assist residents by answering questions about local planning projects, permit requirements, and enforcement. Staff can also help residents obtain maps and other useful information about the community. Similarly, the Planning Commission, Development Review Board, and Planning staff welcome citizen comment on community planning issues and development activities. Public hearings on applications and bylaw changes are announced in the Shelburne News and/or Burlington Free Press; notices are also posted at the Municipal Center, Pierson Library, and Post Office, as well as on the Town’s web site. Individuals with an interest in serving on the DRB (as a member or alternate member) or the Planning Commission are encouraged to express their interest by contacting the Town Manager.

Respectfully Submitted, Ron Bouchard, Chair, Planning Commission; Mark Sammut, Chair, Development Review Board; Dean Pierce, AICP, Director of Planning and Zoning; and Kaitlin Mitchell, DRB Coordinator.

SHELBURNE POLICE DEPARTMENT AND COMMUNICATIONS CENTER

From James W Warden, Chief of Police

The Shelburne Police Department and Shelburne Communications Center are committed to our mission through development and pursuit of goals designed to enhance public safety to the community. Our mission is “To Protect and Serve” life, individual liberty and property of everyone within the town; to develop and maintain a positive relationship with members of the community, and to foster a positive working environment for police and communications employees.

Police Department: The Shelburne Police Department is a full-service Police Department, accessible to the public 24 hours a day, year round. Feel free to call or stop by to discuss any problems or concerns that you have. The Police Department carries a broad range of motor vehicle forms, as well as information about Domestic Violence, Enhanced 9-1-1, Fish and Game Regulations, Child Restraint and Internet Safety brochures. The Police Department provides many different services including Neighborhood Watch, Vacant House Checks, Child Safety Seat Inspections, Applicant Fingerprinting, and operates a speed enforcement cart for monitoring traffic speeds on major roads and neighborhood streets.

Applicant Fingerprinting is currently offered on Monday 8 am until Noon, Tuesday from 3 pm to 7 pm and Thursday Noon until 3 pm. We do not make appointments, but recommend that you call the non-emergency number (802) 985-8051 prior to coming in to verify that a Fingerprint Technician is available. There is a \$25 charge for one card and \$5 for each additional card. Payment is by cash or check only. We are unable to process credit/debit cards. You must also have two forms of Identification, one being a photo license and another document with your signature on it.

Communications Center: The Communications Center is often referred to as “Shelburne Dispatch” or “Shelburne PSAP” and servers as a regional Emergency Communications Center. The center serves a population of approximately 62,656 residing in 27,824 homes within 28 different communities. The service area covers a land mass of approximately 863 square miles, 68 square miles of water and 1,394 miles of roads.

The center is the primary Public Safety Answering Point (PSAP) for 9-1-1 calls in 18 communities and a secondary PSAP or backup for the other six (6) State and Local PSAP’s in Vermont. The center is also a Public Safety Dispatching Point (PSDP) for 32 agencies (Police, Fire or EMS) in 28 communities.

If you accidentally dial 9-1-1, please DO NOT hang-up. Please tell the 9-1-1 Call taker that you made a mistake and stay on the line to answer any further questions. If you do not remain on the line, emergency procedures will have been initiated resulting in unnecessary and costly mobilization of personnel and equipment. Please remember 9-1-1 is used to report EMERGENCIES, such as a fire, medical emergency or crimes in progress. All other complaints should be directed to our non-emergency number (802) 985-8051.

Grants/Awards: The Shelburne Police Department now manages the countywide grant programs for Occupant Protection and DWI Enforcement. The funding breakdown is \$150,000 for DWI Enforcement, \$250,000 for Occupant Program and \$14,000 START Program.

The Shelburne Police Department was awarded a local grant of \$5,000 for Traffic Safety Equipment and the Communications Center was awarded a grant of \$22,500 for Public Safety Lifeline System. The Lifeline System provides agencies responding to any multiagency emergency with an interoperable communications platform.

Each year Shelburne Police Department takes part in the National Law Enforcement Challenge Program. This year the department was awarded 1st Place in the State Chief's Challenge Program for Municipal Agencies with 11-25 Officers. This program recognizes excellence in traffic safety programs.

The Shelburne Police Department also received an award as the Child Occupant Protection Fitting Station of the year. This award is given to the department that provides instruction, public awareness and assists in properly fitting child car seats. Sgt. Allen Fortin received the Ruby Rainault Memorial award for his outstanding work in the field of child car seat instruction and enforcement. Sgt. Fortin has initiated a number of activities to promote proper child seat installation and use.

Personnel: The Police Department welcomes the addition of Officer Brian Fox, Mark Schwartz and Bob Lake to our team of dedicated officers. The Communications Center welcomes the addition of Tim de la Bruer to our dispatching team. We wish the best to Officer Clyde Yarnell, Caleb Casco and Dispatcher/Calltaker Keith Karkoski and Andrew Zimmer on their future endeavors.

We would like to thank the community for all the support they have provided to Officer Michael Thomas while he has been battling Leukemia. A donor match was found and he was able to complete the treatment program. At this time, we are happy to say Mike is doing great on his recovery.

Police Personnel:

Chief of Police	James W. Warden
Adm. Assistant	Sharon Palady
Sergeant	Allen A. Fortin
Corporal	Aaron Noble
Corporal	Jonathan Marcoux
Patrol Officer	Daniel Eickenberg
Patrol Officer	Bruce Beuerlein
Patrol Officer	Joshua Flore
Patrol Officer	Michael Thomas
Patrol Officer	Cole Charbonneau
Patrol Officer	Brian Fox
Patrol Officer	Mark Schwartz
Patrol Officer (Part-time):	Jason Kenwood
	James McKnight
	Matthew Tatro
	Joshua Otey
	Bob Lake

Emergency Communications Personnel:

Supervisor	James Mack
Asst. Supervisor	Patricia Vincent
ECT	Angela Chagnon
ECT	Laurie Fox
ECT	Tim de la Bruer
ECT	Jacob Kilpeck
ECT	Ian Kilburn
ECT (Part-time):	Angela Bellizzi
	Timothy Francis
	Jenny McAdam
Animal Control	Tiffany Ferrer
Crossing Guards:	Tracey Beaudin
	Deb Brady

SHELBURNE FIRE DEPARTMENT

The Shelburne Volunteer Fire Department responded to 251 calls in 2015. This is down slightly from 276 calls in 2014 but is still an increase from the average of 225 calls in previous years. The majority of our responses are to motor vehicle accidents, CO alarms, and automatic fire alarms. As in previous years, we have also seen a slight increase in calls that require our response onto the lake for water emergencies and Coast Guard assistance calls.

The Shelburne Fire Department is still an all-volunteer department and would not exist without the commitment and numerous hours of training given by its current roster of 30 members. The firefighters are dedicated to serving the community to the best of their ability and do so by continuously training to improve their skills. We had 1 member complete the 280 plus hours of the Firefighter 1 course, and currently have 1 other member enrolled.

Our fire prevention program continues to be one of our biggest commitments to the community. In 2015,

firefighters volunteered 150 hours in 8 different programs impacting over 1100 children and adults in schools, day cares, and elderly facilities throughout Shelburne. These programs provide fire safe practices for children and adults to better prepare them in an emergency.

At our annual Fire/Rescue banquet, Firefighters Honored Asst. Chief Jim Buell with Fire Officer of the Year. This award is for the officer that shows leadership and devotion to the department, the fire service and the community. The Firefighter of the Year award, which is chosen by the Officers, is awarded to the firefighter who shows dedication to the department and the fire service as well as his devotion to the community. Though every member is deserving of this award, in 2015 Firefighter Tom Enman was honored for his commitment.

The Shelburne Firefighters Association continues to offer to the residents of Shelburne the green reflective street address signs. These signs are visible day or night and are very effective in assisting Fire, Rescue, and Police to find the correct address quickly. More information about the signs and the order forms can be found on our website at www.shelburnefire.org or by contacting the department at our non-emergency number which is 802-985-2366. There is also additional information on the website about the department and its membership.

The Shelburne Fire Department is always looking for new members. There are many aspects of the fire service that one may contribute. If you are an individual that wants to give back to the community, consider looking into becoming a member. Information can be found on our website, or by calling our non-emergency number and leaving a message, an officer will get back to you as soon as possible. We can also be found on Facebook.

As Chief, I will continue to move the department forward to provide the best and most professional service possible to the residents of Shelburne. The Officer's and firefighters of the Shelburne Volunteer Fire Department continue to stand ready to respond to any and all of your calls for assistance.

Current Officers of the Shelburne Fire Department: Jerry Ouimet – Chief; John Goodrich – 1st Asst. Chief; Jim Buell – 2nd Asst. Chief; Andrew Dickerson – Captain; Dwight Mazur – 1st Lieutenant; Devin Major – 2nd Lieutenant; Tom Tompkins – Secretary; Dana Baker – Treasurer

Respectfully submitted,
Jerry Ouimet, Chief
Shelburne Volunteer Fire Department



SVFD Volunteers on the Dept's Marine I boat training with the US Coast Guard.



Fire Dept. Volunteers at a training drill

SHELBURNE RESCUE

Shelburne Rescue responded to 900 emergency calls in 2015. We provide mutual aid for the Shelburne Volunteer Fire Department, surrounding communities including Charlotte, Ferrisburg, Hinesburg, Huntington, Monkton, and South Burlington.

The most important resource to Shelburne Rescue is the commitment of our volunteers. Through our volunteers we are able to maintain 24/7 coverage 365 days a year providing emergency coverage to the Shelburne community. We currently have over 50 volunteer members on our roster; nine were received in November, when the Squad held an open house on the first Saturday of the month. The open house was open to the entire community, and we were delighted with the number of Shelburne residents who attended.

Our members are pleased and proud to eliminate the tax burden to the Town of Shelburne taxpayers for the eighth consecutive year. Through insurance billing, generous community donations, and our annual subscription service, Shelburne Rescue has been able to cover all its major expenses, including, but not limited to, our full time employee's salary, squad building maintenance/utilities, equipment, training costs, capital budget planning and the purchase of a new 2015, Ford 450, Ambulance this past year.

The following is a list of the current officers for Shelburne Rescue: Linda Goodrich, Chief, Megan Cross, Assistant Chief, Wendi Turner Treasurer, Andrew Kehl, Training Officer, and Jenna Lindermann, Secretary.

Shelburne Rescue was pleased to award three new honorary members at our annual member recognition banquet this past year: Lynn Carlson, John Goodrich and George Nichols. We also would like to congratulate the following members for annual awards that were presented, at the same banquet:

Rescuer of the Year: Megan Cross, Sean Keenan, John Kelley, Kelly Piche`
Driver of the Year: Devin Major
Charlie Phelps Award: Kelly Piche`
Joan Foster Award: Megan Cross
Rookie of the Year: Jenna Lindemann

We are grateful for the support of the Shelburne Fire, Police, Highway and other Supporting Town Departments, in their continued assistance in helping us deliver quality care to the Community.

Shelburne Rescue strongly welcomes new members, no experience necessary to apply. If you have an opportunity, please take the time and stop by to check out our facilities and new ambulance on Turtle Lane. If you would like further information on becoming a member please check out our web site, www.shelburnerescue.org or give us a call at 985-5125.

Respectfully Submitted,
Linda Goodrich, Chief

SHELBURNE PUBLIC WORKS DEPARTMENT

Highway: Shelburne Highway continues to provide services year-round to the town with myself, and three full-time employees Lee Coleman, Rob LeBeau, and Victor Raymond. Mike Gill is highway's full-time mechanic providing maintenance services for all Town owned vehicles, as well as, assisting with snow plowing in the winter. During the summer and winter months we hire one part-time employee to mow roadsides and one part-time employee to plow sidewalks.

In addition to the usual winter and summer road maintenance the highway department paved approximately 4 miles of Shelburne roads.

Other projects during 2015 included completing some roadwork on Pond Road; miscellaneous road culverts were replaced around town, as well as, miscellaneous shoulder work and ditching.

The Town of Shelburne continues to grow each year. With the added new developments and sidewalks the Highway budget should reflect an amount to properly maintain and retreat the roads in existence, as well as, budgeting for future staff, equipment and maintenance needs.

Respectfully submitted,
Paul Goodrich, Highway Superintendent

The Highway Department dealt with
downed trees on Thanksgiving Day
2015.



Water: The Town of Shelburne's water is supplied by the Champlain Water District (CWD) in South Burlington. CWD treats the water from Lake Champlain and pumps it via transmission mains to member towns. CWD is governed by a board of commissioners comprised of one elected member from each town. Shelburne is fortunate to belong to CWD, which has received numerous awards for the highest quality water in the nation. Shelburne owns and operates its own distribution system, storage tanks and pump stations around town. We also maintain our own meters and billing system.

A board of commissioners governs the Shelburne Water Department. Peter Gadue (chairman) , Michael Regan , Michael Abrams, John Schold and Steve Smith are the current commissioners. Our department is staffed by our Superintendent Rick Lewis, operators Chris Carlson and Chad Racine, and administrative assistant Candy Bessette.

We continue to make improvements to the system and respond to the challenges associated with maintaining approximately 66 miles of aging infrastructure. This past winter was one of the worst that we have experienced with 24 major water main breaks and numerous service line freeze ups. Our crew worked day and night to keep water service to our customers.

In fiscal year 2015 we purchased 181,491,710 gallons of water from CWD at a rate of \$1.913 per thousand gallons. Shelburne retail rate was \$5.61 per thousand gallons.

The Water Department is committed to providing our customers with the highest water quality possible.

Respectfully Submitted
Rick Lewis Superintendent

Wastewater: The Wastewater Department operates two advanced wastewater treatment facilities utilizing Sequential Batch Reactor (SBR) technology. Wastewater Treatment facility (WWTF) #1 is a VT Grade 2 facility located on Crown Rd and is designed for 440,000 gallon per day flow. WWTF#2 is a VT Grade 4 facility located on the corner of Harbor Rd and Turtle Lane and is designed for 660,000 gallons per day flow. The department also maintains nineteen pump stations, approximately 35 miles of sewer lines and 900+ manholes. Sampling, testing and recording is performed at each facility every day of the year. Wastewater personnel responded to 51 alarms/calls this year.

In FY14-15 the department treated 211 Million gallons of wastewater. The average flow for WWTF#1 was 231,000 gallons/day and the average flow for WWTF#2 was 338,000 gallons/day. The total operating budget for 2014-2015 was \$1,791,236. Shelburne's retail rate was \$12.23 per thousand gallons.

The department took in 1,277,700 gallons of septage from private haulers that pump out rural septic tanks from Shelburne and surrounding communities.

The department processed 3,171,000 gallons of sludge which equates to 983 wet tons of Class B biosolids. These biosolids were transported to Casella's Grasslands Manufacturing Facility (GMF) in Chateaugay, NY (\$85.40/wet ton average). The GMF further treats the biosolids and is spread on lands in Northern New York as a soil amendment. These biosolids were generated by both of Shelburne's wastewater treatment facilities, and private septage haulers.

A major event this year was the failure of our centrifuge. This is a \$300,000 piece of equipment that dewateres our sludge prior to delivery to GMF. We contracted with a national company to dewater our sludge while our unit was being repaired. The repair cost \$65,000 plus \$70,000 for the outside dewatering.

Personnel:

Superintendent/Chief Operator	Chris Robinson	Grade 5
Assistant Chief Operator	Steve Williams	Grade 2
Operator	Walt Arsenault	Grade 5
Operator	Chris Huestis	Grade 2
Operator	Jeff Pillsbury	Provisional

If you would like a personal tour of the facilities to experience first-hand how the Shelburne Wastewater Department keeps your waterways clean, please call 985-3700 or email crobinson@shelburnevt.org to arrange a tour.

The Wastewater Department is committed to producing the best quality effluent, protecting both human and environmental health. We thank you for your support and look forward to serving you in the year ahead.

Respectfully submitted,

Chris Robinson, Wastewater Superintendent

Stormwater Report: During the past year, the Town has conducted required operations and maintenance (O&M) for all of the Town owned and permitted stormwater systems. These systems include Bay Colony, Bayfield Estates, Cedar Ridge Estates, Field House Athletic Fields, Green Meadows, Heritage Lane, John Street, Maeck Farm, Tracy Lane, and Upper Meadows. Per our Vermont Agency of Natural Resources (ANR) permit, the Town is required to inspect each system annually and provide a report documenting the condition and scheduling the needed O&M. The Town continues to address expired permits.

In addition to these systems, the Town operates under a Municipal Separate Storm Sewer System (MS4) Permit. There are six requirements of this permit: Public education and outreach; public involvement; illicit discharge detection and elimination; construction site runoff control; post-construction runoff control; pollution prevention and good housekeeping.

Per the MS4 Permit, two additional requirements are required in regards to the Munroe Brook watershed. A flow restoration plan is required and will be completed in 2016. The plan will identify and prioritize flow reduction projects within the watershed. These flow reduction projects are expected to be a large expense for the Town over the next few decades. Flow and Precipitation monitoring is also required to start in 2016. A flow gaging station and a precipitation station is planned to be installed and maintained at a cost of \$14,000 per year.

Due to the ever-increasing permit requirements and responsibilities, the Town is considering discussions with the South Burlington Stormwater Department to assist in maintaining the stormwater systems in Shelburne. The City of South Burlington has the resources to provide for the needs of the Town in an efficient and cost effective manner. Look for more information in next year's report.

Respectfully submitted,

Chris Robinson, Water Quality Superintendent

PIERSON LIBRARY TRUSTEES ANNUAL REPORT

The Pierson Library provides a vital community service, offering diverse programs for all ages from young children to senior citizens, access to technology, a place for refuge, a place for gathering, education, and a collection of over 44,000 physical books, e-books, audio books, movie and music DVDs, and magazines. In addition to being open Monday through Saturday for a total of 47.5 hours per week, the Library provides 24/7 service to the over 60% of Shelburne residents who carry a Library card, with online access to the integrated Koha Library catalog, research databases, thousands of online materials and services (including language-learning software, ancestry resources, magazines, audiobooks, ebooks, and reference materials) and over 500 online continuing education classes.

The Library sees almost 200 visits a day, approaching 60,000 visitors a year, despite the increase in usage of online services. The Library saw an increase in circulation of 9% over FY2014, continuing its recent upward trend. Over 340 items are checked out from the Library daily. Internet usage continues to boom as well. In August, the Library's internet service upgrade was met with enthusiasm by over 100 patrons a week, including both those who use the Library computers and those who bring their own devices to the Library.

This year, we offered over 230 Library-sponsored events for all ages. Attendance at adult programs was up 18% this year, while attendance at children's events and programs remained strong. The summer reading program, "Every Hero Has a Story," was hugely successful, attracting 1,036 young readers. Volunteers have assisted with the development of new monthly programs that are increasing involvement by community members. The Library has reached out to Shelburne Farms, Shelburne Museum and All Souls Interfaith Gathering, as well as the Residence at Shelburne Bay, Wake Robin, the Wright House, and the Shelburne Craft School about new programs. The Library continued its tradition of community outreach by establishing a Temporary Patron Card program. This program allows temporary residents of Shelburne to check out up to 3 items at a time. The Library has also directly reached out to Harbor Place, offering information about the Temporary Patron cards, as well as free books for children, made possible by donations from the Friends.

Library Staff: Director Lara Keenan has continued expanding the extensive outreach program for the Library and has worked with the town offices, businesses and citizen groups on these efforts. Under the direction of Katie Bosley, assisted by Caitlin Bell, the children's department remains popular, with creative programs, story times, summer reading programs, and an average of 30 children who stop by each day after school. Library Cataloger Katie Woodward earned her Vermont Department of Libraries Certification in Public Librarianship in June, which qualifies her to join the ranks of professional Librarians. She keeps busy with numerous tasks, such as cataloguing books and maintaining the web site and circulation data. Carol Casey handles interlibrary loans and writes the weekly column in the "Shelburne News." Reggie Condra welcomes each library visitor at the front desk, creates displays to highlight the library collection, and makes sure library materials stay in good shape. Long time staff member Alice Bennett continues to staff the front desk on weekends and whenever the library is short-staffed. A small group of regular subs also helps out with the front desk, including locals Patrice Macomber and Angele Mott Nickerson. Every staff member helps patrons with accessing e-materials, computer technology, and the diverse services that are offered at a 21st Century Library.

Volunteers: We rely on a dedicated and talented cadre of 15 regular volunteers who help with several Library duties during the hours of operation and beyond. Library volunteers organize and run outreach and off-site programs, give tours of Library to new patrons, cover new books, shelve books, run the Book Sale (now offered

PIERSON LIBRARY BY THE NUMBERS:

- 200 patron visits per day
- Nearly 60,000 patron visits per year
- Over 340 items checked out daily
- 230 Library-sponsored events last year
- Library cards held by 60% of Shelburne's residents

twice a year through the Friends) and provide books for outreach to Harbor Place. The Library is always recruiting new volunteers; if you are interested in volunteering please stop in and talk to Carol Casey.

Library Building: This year, many Library programs had too many attendees for the space available at the Library. The Library space is inflexible, not user-friendly or assistive, and suffers regular mechanical failures. The Library Building Steering Committee continues to work towards a solution to address these issues. Over the last year, the Trustees committed generous financial support to the building project, allowing the Steering Committee to move forward by refining the building plan with the architects and hiring a fund-raiser to begin reaching out to the donor community. Financial support was also contributed by the Friends and by various community members. We are very grateful for these generous donations and look forward to further progress toward a new building in the coming year. The Trustees manned a booth at the Farmer's Market this summer to gather feedback from the community about the project.

Thanks and Acknowledgements: The Trustees wish to recognize, with sincere appreciation, the valuable and dedicated services of the Pierson Library staff and volunteers, and the generous and critically important support of the Friends of the Library. We would also like to thank Brian Bock for his service as Trustee during the 2014-2015 year.

This report is submitted by the Trustees of the Pierson Library: Ruth Hagerman, Chair; Carolyn Siccama, Treasurer; Erin Miller Heins, Secretary; Cathy Townsend, Lauren Mathon, Mark Jozsik, and Melissa Fletcher; and the Library Director, Lara Keenan.

FRIENDS OF THE PIERSON LIBRARY

Monthly Meetings – Pierson Library Meeting Room, 6:30pm, second Thursday of the month **Membership** – 110 Members **Email Address** - Friends.piersonlibrary@gmail.com

The Friends of the Pierson Library have had a successful year. Once again, we received a tremendous number of donations of books for our annual book sale in October. The 2015 Book Sale was our 51st sale!! Some special thank you's - to Friends member Gene Schinto for his continued support sorting books year after year, Shelburne Boy Scout Troop #602 for their help moving boxes to the Town Gym for the sale, and all the wonderful volunteers that help us during the sale!! Again this year, we were able to donate many books to various non-profits and to local children. **New for 2016 – TWO book sales!! March 12 & 13 and October 8 & 9**

Book sale funds allow us to directly support the library.

Some examples- various library programs, a new CD/DVD cleaner, purchase of books for the Children's and Adult Areas, summer reading programs – 22 programs offered and 1,036 kids participated, new bookends for the library shelves, high speed internet with exclusive WIFI connection for the library

Friends Board Members – We would like to thank Sally Kalinoski and Pat Elvin for years of their time, suggestions, and participation with the Friends Board. They will be missed!!

Our **Lobby Bookcart** is still a popular spot in the library! We have added another shelving unit for even more books. We are always adding to it.

Our list of **Museum Passes** continues to be popular! Please visit the Pierson Library website under “services” to access the list of museums available.

We continue to take responsibility of moving books donated to the library from the donation cart to our basement storage area. Members also sort the books in advance and both organize and staff the book sale. We welcome ideas for programs and we always welcome new members. Member donations are tax deductible! We wish to thank everyone who has helped to support us during the past year. We also thank the wonderful library Director and Staff and the Board of Trustees for all of their help and support. We are looking forward to another productive year in 2016! We would be happy to talk to anyone who would like to know more about us.

SHELburne PARKS & RECREATION COMMITTEE

2015 was a very busy and thriving year for the Shelburne Parks and Recreation Department with upgrades to select facilities and many active youth and adult programs. The success of our youth sports programs are due in large part to the all the adults that gave so generously of their time to coach, referee, and organize. A sincere thank you to all these volunteers.

The Natural Playground at Davis Park was completed and officially opened with a ribbon cutting ceremony on September 24. A bench and tree at the park are dedicated to our former Town Manager, Paul Bohne. It is so nice to see children and residents enjoying this park again.

This was one of the busiest seasons we have had at the beach this past year. The beach was used by many residents for swimming, picnicking, relaxing, enjoying the view, playing volleyball and basketball, kayaking, boating, and paddle boarding, as well as playing on the playground. We had an introduction to paddle boarding class that was a hit with adults. The beach staff was busy keeping the beach and park clean and safe as well as painting the benches and gazebo. The Parks and Recreation Department and Committee planted a perennial garden around the gazebo in memory of Judy Puck, who was an avid beach visitor and long-time recreation volunteer. We also have completed the installation of the lift to make the beach accessible to all. We hope to see you all enjoying this park again in the summer.

The Dog Park saw some upgrades also—a wall and stones were added to the entrance and walkway. It is enjoyed by many dogs and their humans.

Our Special Events were very well attended, although we did have to cancel our fireworks and concert due to the weather. Unfortunately, we were unable to reschedule it.

The Shelburne Parks and Recreation Committee would like to express their sincere appreciation for the contributions of the many area businesses who support our Special Events, Little League Program, and Youth Lacrosse Program. Your financial assistance and in kind donations help maintain our community events and keep our quality programming at an affordable price for participants as well as help us maintain a scholarship fund.

A SPECIAL THANK YOU TO OUR MAJOR SPECIAL EVENT SPONSORS

Almartin Volvo	Associates in Orthodontics; Dr. Librizzi, Dr. Blasius Dr. Librizzi	
Automaster	B & R Electric	Fleet Feet Sports
Hannaford Supermarket	Oil-N-Go	Precourt Investment Co.
Rice Lumber	Shelburne Country Store	Shelburne Market
Special Touch Hair Design	Sweeney Designbuild	

In addition we would like to express our gratitude to Shelburne Farms for graciously hosting our Summer Concerts and Winterfest Events. We would also like to acknowledge all of the support that the town employees give us throughout the year. Our programs and events would not be as successful without their continued support and guidance.

As chair of the committee, I would like to express our sincere appreciation to the Dynamic Duo, Betsy Cieplicki and Sue Craig who spend countless hours ensuring that all programs and events run smoothly. We are very grateful to have such an energetic and conscientious Director and dedicated and caring Administrative Assistant running such a friendly and efficient office.

The Recreation Committee meets once a month—the agendas and times are on the website and on Front Porch Forum. We welcome community input. Current committee members include: Peggy Coutu, Chair, Ann Clark, Kelli Magnier, Renee Davitt, LynnAnn Prom, Kathie Pudvar, Susan McLellan, Marv Thomas, and Bruce Whitbeck. Thank you to all the Committee members for their continued support, guidance, and work.

Respectfully submitted by Peggy Coutu, Chair



The Grand Opening and Ribbon Cutting Ceremony for the Davis Park Natural Playground was held on September 24th

SHELBURNE VILLAGE DOG PARK COMMITTEE

This past fiscal year has been a busy, productive one for the Dog Park. Thanks to so many of our volunteers we have worked together to continue to keep the park a safe, secure, and well-maintained place for all of our visitors, human and canine! Daily and weekly waste collection and removal as well as scheduled work days to remove unwanted vegetation and invasive species have been handled by a loyal group of volunteers dedicated to maintaining this beautiful dog park. Some equipment was purchased and/or repaired in order to handle the maintenance work and limited work was provided by an outside contractor.

Seasonal changes affected the closure of the entrance gates, and that required frequent adjustments, usually performed by volunteers, in order to keep the park secure for our canine friends. We co-ordinated the removal of dead and dangerous trees through the efforts of vigilant park visitors, the Shelburne Tree Warden, and D.J.'s Tree Service with the Town paying the cost of the tree removal.

The funds to support the maintenance of the park came from dog license fees, memberships, and donations. The Committee handled fundraising projects such as the Third Annual Fall House Party and the Second Annual Dog Park calendar to help additionally with routine maintenance costs as well as special projects designed to make the park more user-friendly and more attractive. Plans were developed to landscape the entrance to the park, and preliminary work started toward the end of this current year.

Without question the success of the Dog Park depends on the countless volunteer hours and generous donations from our members and visitors from Vermont as well as neighboring states. In addition to thanking them, we would like to thank the many people who submitted photos for the calendar contest, our number one fundraiser, and the businesses who purchased ads for the calendar: A Little Something, Ark Veterinary, DanformShoes, Dawgs in Prison, Friends of Shelburne Parks and Recreation, Special Touch Hair Design, Pauline's Cafe, Pet Food Warehouse, Shelburne Dental Group, Shelburne Eye Works, Shelburne Meat Market, and Village Wine and Coffee.

Sara Blum stepped down as Chair of the Dog Park Committee after more than 4 years of selfless service. She has been a guiding force from the very beginning of the park, and all the Committee Members, past and present, our volunteers, supporters, and donors remain in her debt. Thank you, Sara!

Respectfully submitted,
Carol Beck and Kay Boyce, Co-Chairs

SHELBURNE BIKE & PEDESTRIAN PATHS COMMITTEE

The Paths Committee is pleased to report its progress on the Town's evolving bike & pedestrian path network.

Committee membership saw members Doug Merrill, Pam Nuovo and Francine Cohen leave the committee. We thank them for their service. Kevin Boehmcke, Susan Dunning and Wendy Saville have ably filled their positions.

2015 was another active year of Bike and Pedestrian infrastructure construction and planning.

Path Committee Initiatives in 2015:

- 1) Received Grant to Create Sidewalk on Falls Road: Applied for and received \$22,345 Chittenden County RPC grant to create a sidewalk along North side of Falls connecting where the current sidewalk ends and the access to the LaPlatte Overlook Park and the bridge over the LaPlatte.
- 2) Worked with RPC to Create Traffic Calming Project on Bay Rd: To make Bay road and specifically the tunnel under the Railroad bridge safer, RPC will be implementing a traffic study to take the road under the Railroad Bridge down to one lane.
- 3) Supported Shelburne in effort to build Rt. 7 and Falls Rd Sidewalks: Worked with town in selection of contractors as well as design considerations for both sidewalks.
- 4) UVM Student Falls Rd Bridge Design: Worked with UVM engineering students to develop plans for pedestrian bridge over the LaPlatte River at Falls/Irish Hill Road.

Goals for 2016 Include:

- 1) Pursue grant to create pedestrian bridge over the La Platte River on Irish Hill Road and a safe sidewalk up Irish Hill Road to Thompson Rd.
- 2) Have the Shelburne Pedestrian and Bike Planning Map approved by the Selectboard as part of the town plan.
- 3) Support town in completing the sidewalk from the Town Offices to the Shelburne Museum Covered Bridge.
- 4) Support town in completing the sidewalk construction extending the Falls Road Sidewalk to the entrance to LaPlatte Trails/Overlook park.
- 5) Support town in replacing the bridge over the LaPlatte on Bay road with a bridge to accommodate safe bike and pedestrian traffic.
- 6) Support the effort to design and build the LaPlatte River Primitive Path suspension bridge.
- 7) Work with Town and Regional Planning Commission through a recently funded study to develop improvements to sidewalk system in the center of the town especially on Falls Road.
- 8) Extend beyond Harbor Road the area of the town, especially on Rt 7 and Falls Road, installation of pedestrian controlled crosswalk lights and motorist speed warning signs.
- 9) Gravel path construction linking Bay Park with Bay Road State Boat Launch.

Our normal meeting date is third Monday of each month, with some scheduling exceptions as required to avoid holidays. We welcome your input and suggestions.

Respectfully submitted,

Marc Gamble, Chair, Steven Rocco Antinozzi, Vice-Chair

TREE ADVISORY COMMITTEE

This has been another busy year for the Tree Advisory Committee. We have accomplished the following:

- Received a State Urban and Community Forestry Program grant to plant five trees on the Parade Ground. Five Hemlock trees were planted on the Parade Ground in June 2015;
- Applied for and awarded a grant from the State Urban and Community Forestry Program for printing the Cultural Landscape (Trees and buildings) Walking Tour brochure that was prepared by a UVM Graduate student for the Town in December 2014;

- Reviewed and recommended trees and plantings with the Shelburne Veteran’s Memorial Committee;
- Began working on a Shelburne Tree Management Plan with Chittenden County Regional Planning Commission staff that will include recommended tree planting and maintenance guidelines and help the Committee with prioritizing goals and work. This is the second part of a grant the Town of Shelburne received from the State Urban and Community Forestry Program and UVM. The first part of this grant was for the completion of a tree inventory for the Village area that was completed in the Fall of 2014; and
- Attended a tree inventory program: training for maintenance of trees in the landscape, which is the third part of the above mentioned grant.

David Hall joined our Committee this year. As always, anyone who is interested in joining our committee can come to one of our regularly scheduled meeting on the second Monday of the month. The Committee will be continuing our efforts to help assure that the Town plans for and plants trees in the Town’s public spaces and road rights-of-way and that public trees are properly maintained.

Respectfully submitted,
Gail Henderson-King, Chair



This photo was taken by Elise Schadler of UVM who oversaw grant work on the tree management plan during our tree maintenance training in October.

SHELBURNE CEMETERY COMMISSION

The Village Cemetery had seven conventional and thirteen cremation burials during the FY2014-2015 period. Five cremation lots and eight conventional lots were sold in the Village Cemetery for this time period.

The Commission revised the Rules and Regulations which can be viewed on the Town's web site. It had been twenty years since the last update. The price list for the sales of lots was also updated.

The Commission would like to thank Ernie Goodrich, Gene LeClair and Pat Kingsland for their dedication for the maintenance of the cemeteries. Ernie and Gene along with a part time college student took care of the grounds for the Village and Spear Street cemeteries. Pat is responsible for planting and maintaining the Cremation Garden and entrance gardens.

There will be an opening on the Commission in March. If there is any interest, please contact one of the Commissioners.

Respectfully submitted,
Carole Carlson, Ron Gagnon, Ruth Morrow, Stuart J. Morrow, Chet Thabault

SHELBURNE ETHICS COMMITTEE

At last year’s Town Meeting, Shelburne voters adopted a new Ethics and Conflict of Interest Ordinance for Shelburne’s public officials that had been recommended by the Ethics Committee. The new ordinance defines the Town’s expectations and requirements for ethical behavior, making it clear that public officials must act impartially and make decisions in the best interest of the Town and not for personal or financial gain. Under the ordinance,

public officials conducting quasi-judicial proceedings, such as matters that may come before the Development Review Board and the Board of Civil Authority, are subject to a higher standard.

The Ethics Committee presented an overview of the new ordinance to Town public officials at an education session organized by the Selectboard on April 13, 2015. In August, the Committee adopted Rules of Procedure.

No complaints concerning the ethical behavior or impartiality of public officials were filed with the Ethics Committee in 2015.

Respectfully Submitted,

Lee Suskin, Chair, Tom Little, Vice-Chair, Michael Ashooh, Gwen Webster, Bill Deming, Peter Gadue, (Alternate), Colleen Haag, Clerk

SHELBURNE SOCIAL SERVICES COMMITTEE

The committee was appointed by the Selectboard in March 2013 and consists of Barbara Cimaglio, David Cranmer, Peter Gadue, Margaret Ottinger and Tom Zenaty. In 2015, two CVU students, Katey Hayes and Gabrielle Booth were appointed to one-year terms. Our charge is to advise the Selectboard on matters pertaining to the needs of disadvantaged residents of Shelburne and to provide the town a variety of means to provide aid to disadvantaged residents and the organizations that serve their needs.

Since fiscal year 2014-15 we have chosen to work closely with the United Way of Chittenden County to see that our town's contributions are shared with more of the organizations and programs serving Shelburne. During 2014, these organizations responded to over 900 requests from Shelburne residents.

In 2015 the committee formally created a "community help fund", which was established to help out residents in cases of emergency or unexpected need. This fund provides assistance to local organizations serving our town.

With the passing of Val Martel in early 2015, the committee presented a public meeting to discuss the future of the Food Shelf. This meeting led to the creation of a formal organizational structure, independent of the town, to improve the services provided by the Food Shelf. Our thanks to the many volunteers who have stepped up to keep our Food Shelf operating during this transition.

In 2016 we will continue to develop the Community Fund as well as presenting community forums to raise awareness of the community's social service needs.

The committee thanks the Selectboard and the citizens of Shelburne for giving us the opportunity to help our neighbors in need.

David Cranmer, Chair

HISTORIC PRESERVATION AND DESIGN REVIEW COMMISSION

Founded in the mid-1980s, the Commission (HPDRC) makes recommendations to the Development Review Board (DRB) for projects in the Village Historic Preservation and Design Review Overlay District, and assists the Town by enabling educational and planning projects funded by federal, state and local grants. The Commission meets every other week to consider applications for changes to buildings and their sites (including demolition), all of which affect the character and economic vitality of the District. The Commission was responsible for placing the Village on the National Register of Historic Places and obtained federal and state grants to fund the Shelburne Village Plan, which guides changes to the Town's zoning ordinance. The Commission also reviews projects involving Town-owned properties within the Village District.

Since its beginnings, Design Review in the Overlay District has assisted owners in the successful renovation of many buildings, not only contributing to the appearance of our Town, but also to the Town's economy. This past year, the Commission reviewed a new neighborhood on Falls Road. Commissioners will review each house as plans are presented by the developer. The Commission is hopeful that the turn-of-the-century Fisher House, which is part of the property being developed, will be renovated as part of this project.

The HPDRC Commission worked with the Planning Commission to incorporate protections for historic buildings along Route 7 in the new Form Base Code regulations. The Commission received a grant to review and update the Town's Design Review Guidelines for the Village/Falls district. Working with a consultant, the new guidelines should be complete by mid-year 2016.

The Commission appreciated the opportunity to speak directly to the Selectboard about our work and the concerns we have about protecting the cultural assets of the Town. The Commission will continue to focus on the education of our Town Boards and the public about the importance of Historic Preservation to sustainable economic growth of Shelburne and the value of saving our unique environment for future Shelburne residents.

In the upcoming year, the HPDRC will continue to work with the Planning Commission on the possible zoning changes to allow "pocket neighborhoods" and "Village compatible" infill developments. Dealing with the potential of "tear-downs" and preservation issues of our deteriorated historic buildings is also a priority for the Commission.

For over two decades, Oda Hubbard has given the Town excellent guidance on the HPDRC. Oda has stepped down from the Commission this year. Her insightful, creative, and direct comments will be greatly missed by the Commissioner and staff alike. Thank you faithful servant, Oda.

Commission members in alphabetical order are Fritz Horton, Ann Milovsoroff, Dorothea Penar, Laurie Valentine, David Webster. Currently there is one vacancy on the Commission. Citizens with education and/or experience in historic preservation and design-related areas of expertise who wish to join the Commission are encouraged to forward letters of interest to the Town Planner's office.

The SHPRC benefits greatly from the assistance of Dean Pierce (Director of Planning and Zoning) and the Planning Department staff to maintain the level and quality of service the Commission offers the Town and its residents.

Respectfully Submitted,
Dorothea Penar
Vice-Chairperson

SHELburne HISTORICAL SOCIETY

The Shelburne Historical Society has had a busy year. After only two years of incorporation, we have over 100 members, and our activities are well supported by the Shelburne population and business community.

This past year, Judy Frazer and Roz Graham collaborated on the research and writing of a series of articles for the Shelburne News called "Living Our Legacy". We continue to host a speaker series; on February 8 2016, the renowned historian, Howard Coffin spoke about Vermont's involvement in the Civil War. Odale Cress and Dorothea Penar researched Shelburne's involvement in that war and created a display for the event.

On a beautiful fall evening this past October, Rick Norcross and the Ramblers entertained nearly two hundred people with great music and stories of growing up in Shelburne. The event was sponsored by the Shelburne Business and Professional Association, the Charlotte-Shelburne Rotary, and Shelburne Farms. The event raised funds for the Society and was so enjoyable that attendees asked us to repeat the event next year.

In the coming year, we plan to work on a pictorial history of the Town, participate in the Vermont History Expo in June in Tunbridge, work with Colleen Haag to collect biographies of the veterans memorialized at the new memorial on the Parade Grounds, and reach out to involve local schools in local history projects. We are always looking for help with our projects, so if you have a special talent or interest in local history, please contact us at Shelburne1763@gmail.com. We encourage every family in Shelburne to support the SHS in our mission to preserve our Town's history by becoming a member of the Society.

Special thanks to our former President, Judy Frazer for her leadership this past year. We look forward to reading more of her well-researched articles in the Shelburne News. The SHS meets on the first Monday of most months at 6:30PM at the Town Offices. Our meetings are open to members and non-members alike. Please join us.

Current Board Members: Tom Anderson, Lee Goldborough, Roz Graham, Stuart Morrow, Rick Norcross, Dorothea Penar, David Webster, Alice Winn.

Active supporters of the SHS mission: Sue Moraska, Odale Cress, Sallie Thomas, Toby Knox, Joan Madison, Nancy Green.

Respectfully submitted by, Dorothea Penar

NATURAL RESOURCES AND CONSERVATION COMMITTEE

2016 was a busy and productive year for the Shelburne Natural Resource and Conservation Committee (SNRCC).

With the appointment of Josh Dein we reached our full roster of 9 members. That number was expanded by the appointment of two student members, Peter Antinozzi and Michael Regan.

As part of our charge, SNRCC reviewed and commented on many projects that came before the Development Review Board (DRB) including a plan for tree thinning and removal on Shelburne Point and plans for subdivisions at Fisher Circle, Harborwood Shores at General Greene Road, Barstow Road and a simple subdivision of existing properties at Buono Appetito. We also reviewed plans for new construction at Wake Robin and commented on the re-issue of a previous approval for Rice Lumber with special emphasis on storm water mitigation strategies.

Although promoting water quality has long been a priority of Shelburne residents and thus part of our mission, our work this year has focused more intensely than in the past on issues related to stormwater management. We worked extensively to educate ourselves on the Lake Champlain TMDL (Total Maximum Daily Load), a Federal standard which regulates phosphorus runoff to the Lake from developed properties, roads and farmland. Two of our members attended workshops addressing stormwater master plans and "green" infrastructure, learning how watershed protection can be integrated with Town Plans, zoning bylaws and stormwater masterplans. We also offered comment in discussions initiated by Rep. Kate Webb on behalf of the Lake Champlain Yacht Club regarding options for improving boat access at the mouth of the LaPlatte River. In addition, we met several times with the Town's Wastewater Facilities Manager, Chris Robinson, to discuss the sewer overflows that occurred this past summer during significant rain events.

We continued our long-standing collaboration with the Lewis Creek Association's (LCA) Water Quality Stewardship Program supporting its efforts to assess water quality in rivers and streams entering Lake Champlain. SNRCC and LCA worked with Shelburne resident Judy Raven and a corps of volunteers to devote some 125 hours to removing invasive frogbit from the lower LaPlatte River as it enters Lake Champlain. We held a Retreat with the Vermont Department of Environmental Conservation Watershed Coordinator and LCA to identify serious water

quality threats in the watershed as it passes through Shelburne that will help guide future project development. As an early result of this prioritization effort, the Winooski Natural Resources Conservation District (WNRCD) will begin a project this spring 2016 to establish a riparian to mitigate a serious erosion problem along McCabe's Brook.

In collaboration with LCA we also earned 2 other grants. The Lake Champlain Basin Program issued funds to create a swale along Brook Lane to mitigate stormwater and funding was also received to work with Shelburne Community School to reduce runoff from impervious surfaces in the LaPlatte and McCabe's Brook watersheds.

Land Conservation was SNRCC's other major focus this past year. Our work in this area is made possible by the **Open Space Fund (OSF)** that Shelburne residents have consistently voted to set aside for this purpose, creating a "saving's account" the Town can draw upon when high-value natural resources become available. We spent much of 2015 in ongoing discussion with two conservation organizations and several landowners on potential conservation of three different properties with exceptional ecological, historical and agricultural values and we completed a site walk on one of them. We anticipate that these projects will come to fruition in the 2016-17 Fiscal Year. Contributions to these projects from the OSF will leverage significant additional funding from the Vermont Land Trust (VLT), the VT Housing Conservation Board, the USDA Natural Resource Conservation Service and friends of VLT and individual local donors to make this conservation possible.

In other activities, one of our members attended a Forest Pest First Detectors training workshop. We also helped a local citizen volunteer develop a Garlic Mustard removal program. We developed a stronger collaboration with the Paths Committee and jointly initiated a site walk to explore the development of a Loop Trail around the LaPlatte at the Nature Park in the village. Our work to update and republish the Shelburne Open Space Plan is coming to a conclusion as we edit the final document, and we hope to release the new publication in 2016.

Our members attended numerous Select Board, Planning Commission (PC) and DRB meetings to hear and comment on issues related to the Town Plan, new Ethics and Open Meeting regulations, Form Based Code and to begin a discussion with the PC on an issue of concern to both committees: future planning for the Rural District.

SNRCC meets at 7PM on the second Wednesday evening of the month at Town Hall. We welcome participation by Town Residents and are grateful for their ongoing support for our work to conserve the natural resources that make Shelburne a unique and special place to live.

Respectfully submitted,

Gail Albert, Chair; Sean MacFaden, Vice-Chair; Josh Dein, Susan Moegenburg, Thomas Newcomb, Joannah Ralston, Don Rendall, Peg Rosenau, Robert Scharf and student members, Peter Antinozzi and Michael Regan .

REPORTS OF OUTSIDE AGENCIES

Due to space limitations, we are unable to include reports from other outside agencies that have been part of this Town Report in previous years. The following links contain information from these agencies:

Champlain Water District: <http://www.champlainwater.org/>

Chittenden County Regional Planning Commission: <http://www.ccrpcvt.org/>

Chittenden Solid Waste District: <http://cswd.net/>

Vermont League of Cities & Towns: <http://www.vlct.org/>



5420 Shelburne Road, Suite 300, Shelburne, VT 05482
Telephone 802-383-1234 Fax 802-383-1242

January 19, 2016

Residents of the communities of:

Shelburne School District

Fiscal Audits of Chittenden South Supervisory Union and its member schools are now the responsibility of the Supervisory Union Board.

Audits for Fiscal Year 2014-2015 were completed, reviewed and approved by the Supervisory Union Board on January 19, 2016.

Audit copies are available on the web:

<http://www.cssu.org/cms/lib5/VT01000775/Centricity/Domain/69/Shelburne DRAFT 2 15 FS.pdf>

They are also available by contacting the Chittenden South Supervisory Union Offices directly.

Respectfully Submitted,

Jeanne Jensen
Board Chair, CSSU

Respectfully Submitted,

Robert Mason
Chief Operations Officer, CSSU

ABSTRACT OF SCHOOL MEETING

March 2 & March 3, 2015

The School Meeting was called to order on March 2, 2015 at 9:09 p.m. in the Shelburne School Gymnasium by Moderator Tom Little who introduced the School Director Chair Dave Connery. He in turn introduced the School Board members to the audience: Robert Finn, David Connery, Kathy Stockman and Tim Williams. Also introduced were CVU School Directors Susan Grasso and Joan Lenos. Dave Connery also introduced Principals Allen Miller and Pati Beaumont of the Shelburne Community School and Bob Mason CSSU Director of Operations.

Co-Principal Allen Miller was not present at this meeting.

Moderator Little stated the School meeting would be run according to Roberts Rules of Order, and had already explained what the general procedures would be. He asked if there was any objection to limiting each speaker from the floor to not more than two minutes, and not letting a speaker speak twice until all others had a chance to speak a first time. Moderator Little announced that speakers should wait for Cullen Bullard who would bring them the microphone and they should then state their name before speaking. Passed unanimously by voice vote.

ARTICLE I: To hear and act upon the reports of the Shelburne School District Officers. Passed unanimously by voice vote.

ARTICLE II: Shall the voters of the Shelburne Town School District authorize the Board of School Directors to borrow money by issuance of bonds or notes not in excess of anticipated revenues for the next fiscal year? Passed unanimously by voice vote.

ARTICLE III: Shall the Shelburne School District hold its 2016 Annual Meeting on Monday, February 29, 2016 at 7:30 p.m. to transact any business not involving voting by Australian ballot? Passed unanimously by voice vote.

Moderator Little introduced Jeffrey Solomon who is running for a three year term for CVU school director. Also introduced were Matt Wormser and Tim Williams who are running for Shelburne School Directors for a three and two year term respectively.

School Director Chairman Dave Connery presented the school budget (Article V to X) that are Australian ballot items. The FY proposed budget for fiscal year

2015/2016 is \$12,999,947 a 4.89% increase from 2014/2015 fiscal year. Due to a number of factors beyond just school spending, equalized spending, statewide tax rates and the CLA are adding to our tax rates. The tax rate for Shelburne will go up 6.31%.

Susan Grasso, CVU School Director, gave a presentation on the Champlain Valley Union High School budget to be voted on by Australian ballot on Tuesday, March 3 2015. The CVU proposed budget for fiscal year 2015/2016 is \$21,983,502 which is a 1.87% decrease from 2014/2015 fiscal year. Ms. Grasso also referred to the Article IX(authorization to borrow money) Article VII(athletic field improvements),Article IX (issuance of notes of \$167,000 for purchasing 2 school buses), Article X (allocation of current fund balance of \$214,000).

Chairman Connery then referred to Article VI (school bond for improvements to the school. Article VII (school bus) Article VIII (authorization for the fund balance). He stated that the Shelburne Community School was built in 1967. Last fall the Board contracted with Dore & Whittier, school renovation experts to evaluate the school's needs. They set forth a prioritized list of concerns: Repair the roof, replace windows and doors, address safety and acoustical issues in D and E wings, renovate and expand the kitchen and cafeteria, provide additional bathrooms, improve site circulation and facility parking issues.

If approved by the voters the tax increase on a \$400,000 house would be \$300.

Resident Carolyn Gorman asked why there were no options in the proposal to the voters. The only option would be to turn it down in whole. Why wasn't the money for the roofs and windows in the budget? Dave Connery stated these could not be put into the budget as operating costs. Dan Burks stated the vote by the School Board to put this

on the ballot was 3-2. What is the opinion of the Board members who did not support this bond vote question. Bob Finn, School Board member stated he did not vote for the bond because the timing was not right and the cost of the proposal is more with the interest on the loan that is approximately sixteen million. He felt the money could be used in better ways such as paying teachers etc. His biggest objection was that the public was not invited to hear the debate. Selectboard Chair von Stange stated the Selectboard did not take a stand on this but reiterated the number of costly projects the Town faces in the next few years Ron Gagnon asked why it took forty seven years to see this many issues with the school. Dawna Hammers asked if future construction would impair the children's education? School Board Chair stated the construction would take between eighteen and twenty four months and would be completed by December 2016. Sally Martel stated that she found it disconcerting to have an eleven million bond proposed without a unanimous decision by the School Board. David Hillman asked why money was not set aside each year for future repairs. Ms. Heyerdahl stated she is supportive of the bond as repairs are going to get worse.

Moderator Little referred to Article VII (school bus) and Article VIII (authorization for the fund balance). There was no discussion on these articles.

ARTICLE IV: To transact any other business proper to come before said meeting.

There was no additional business to transact.

A motion was made, seconded and carried to recess the School meeting at 10:45 p.m. until Tuesday, March 3, 2015 at 7:00 a.m. at the Town Center Gym. 148 voters out of a total of 5103 registered voters appeared at this March 2, 2015 School Meeting.

Tuesday, March 3, 2015 the School meeting was reconvened at the Shelburne Town Center Gymnasium at 7:00 a.m. Town Clerk Colleen Haag swore in the ballot clerks at 7:00 a.m. 11:00 a.m. and 3:00 p.m.

VOTED IN THE BOOTH

School Director for three years: Matt Wormser

School Director for two years: Tim Williams

C.V.U. School Director for three years: Jeffrey Solomon

SCHOOL

ARTICLE V: Shall the Shelburne Town School District adopt a budget of Twelve Million, Nine Hundred Ninety-Nine Thousand, Nine Hundred Forty-Seven Dollars (\$12,999,947) for the school year beginning July 1, 2015 and ending June 30, 2016?

Yes 1190 No 848

ARTICLE VI: Shall general obligations bonds or notes of

Shelburne Town School District in an amount not to exceed Eleven Million, Two Hundred Thousand Dollars (\$11,200,000), subject to reduction from available state construction grants in aid and appropriations, be issued for the purpose of financing the District's share of the cost of making certain public improvements, viz: Roofing replacement, Windows upgrades and D&E Wing renovations for Shelburne Community School. State funds may not be available at the time this project is otherwise eligible to receive state school construction aid. The District is responsible for all costs incurred in connection with any borrowing done in anticipation of state school construction aid.

Yes 955 No 1032

ARTICLE VII: Shall the voters of the Shelburne Town School District authorize the Board of School Directors to borrow money by issuance of notes not in excess of One Hundred One Thousand Dollars (\$101,000) for the purpose of purchasing one (1) school bus to be financed over five years?

Yes 1246 No 730

ARTICLE VIII: Shall the voters of the Shelburne Town School District authorize the Board of School Directors to assign One Hundred Sixty-Five Thousand Dollars (\$165,000) of the school district's current fund balance as revenue for the 2015-2016 school year, and assign the remaining balance as revenue for future budgets?

Yes 1510 No 444

A total of 2067 out of 5103 registered voters (40.5%) appeared Tuesday, March 3, 2015 to cast their ballot in this Town Meeting. Of this total 499 were absentee ballots.

Respectfully submitted: Colleen T. Haag, Town Clerk

SCHOOL BOARD REPORT

The Shelburne Board of School Directors include Dave Connery (SSD Chair and CSSU Rep), Katharine Stockman (SSD Vice-Chair and CSSU Rep), Robert Finn (CSSU Rep), Tim Williams (Clerk) and Matthew Wormser (Asst Clerk). The Board of the Shelburne Community School (SCS) offer the following items of note in 2015:

The 2015-2016 school year was a good one for the Shelburne Community School. Enrollment continues to grow showing that people are attracted to our school and to our town, running counter to state trends. Our curriculum is now in full swing adopting the common core principles and recent testing validated it. The new SBAC test replacing the NECAP was taken in the spring and Shelburne students score well above average as a whole in both math and literacy. The NECAP continues to be the science standard and SCS scores showed a dramatic increase this year.

SCS as a community continues to be an integral part of the town. Many of our teachers and staff live here. Parent volunteers work in classrooms bringing more meaningful experiences to our 790 students. The school is a hub for extracurricular and town activities based around sports, after school activities, musical groups, and adult education. On any afternoon, kids can be playing on the wonderful newly rebuilt Snelling Playground while kids build and study rockets and a middle school soccer and cross country team practices.

This year also saw the approval of a \$9.2 million bond to improve the 1967 building and replace the roof. This much needed work is in the planning stages and will begin in earnest in late summer '16. The administration and board thank the Shelburne community for its support.

Respectfully submitted,
Dave Connery, Chair

SUPERINTENDENT OF SCHOOLS REPORT



Dear CSSU Community,

For the past 15 years, the member districts of CSSU have been working diligently to develop a preK-12 system that provides the most coherent and cohesive education system for all of our students.



This has taken the form of standardized curriculum across our pre-K-8 schools aligned with CVU's course of studies and graduation requirements. It has resulted in professional development for all faculty across all grade levels and district lines based on best practice and the most updated research. Through this focused work, we've been able to ensure that our students, regardless of what school they are in, are receiving the very best educational opportunities from teachers who are up to date on the latest research and pedagogy. Similarly, we've been able to ensure that all of our students transition to CVU with the same academic underpinnings and opportunities for growth and enrichment.

During the last legislative session, several bills were passed that expanded the work that we've already been undertaking. *Personalized Learning Plans* and *Proficiency Based Graduation Requirements* for all students in Grades 7 -12 are at the heart of the new requirements. And while the requirement is for Grades 7-12, we know and understand that any meaningful work on personalizing education will have to start at the pre-kindergarten level. In Chittenden South, these requirements align well with our philosophy, vision and mission – engaged students, working on meaningful tasks, all in support of meeting the academic and non-academic standards we've set for them.

Another bill, Act 46 asks us to engage in a thorough discussion about whether or not a single governing board – made up of the same member districts as currently govern our schools, and likely many of the same board members– would provide better assurance of continued excellence than our current governance structure. Our school board members are involved in a great discussion of this topic. They are diligently reviewing where we have been since the inception of CSSU in 1963, and making sure they understand the opportunities as well as the challenges involved. Later this month, they will determine whether or not to bring this decision to a vote of the CSSU electorate. If they move forward with a vote, there will be many opportunities for community education and engagement. We are at a crossroads. We are being asked to re-think education governance in support of sustained quality education and sustained equity of opportunity. In the end, we all want what is best for our students – a guarantee of a solid, cohesive, coherent educational experience.

Once again I'd like to end by thanking the faculty, staff and administrators in each of our schools for the amazing work they do each and every day in support of each and every student. Their dedication is obvious and their persistence is clear. And I want to thank you, the CSSU community for your continued engagement and support. It makes a difference!

Sincerely,
Elaine F. Pinckney, Superintendent of Schools

SHELBURNE COMMUNITY SCHOOL REPORT



We are pleased to report to the community that Shelburne Community School continues to be recognized as one of the best PK-8 schools in Vermont on a number of metrics. In our first year of using the new national SBAC assessment, SCS students scored significantly above state averages on every assessment and above CSSU averages in eleven out of the twelve assessments given. We recognize that test scores are just one measure of the great efforts by our students and staff, but it is certainly a measure that we know the community values and one that we celebrate as evidence of work well done.

SCS provides a recognized high quality education for the lowest per equalized student cost of any comparable school in Chittenden County. Contrary to statewide trends our population is growing, with our last three kindergarten classes the largest we have seen in the past decade. Our graduates continue to do well at all of the area high schools and we often hear from parents that upon completion of high school they are successfully admitted to some of the most competitive colleges in the country. Key to these student successes is the fantastic faculty and staff of Shelburne Community School, all of whom are highly dedicated to our school's primary work of meeting the strengths and academic needs of all students in an environment that is safe, nurturing and inspiring.

Our Adequate Yearly Progress/Continuous Improvement Plan (AYP/CIP) guides our efforts to help all students grow in their abilities to “learn actively and collaboratively, think creatively and critically, live responsibly and respectfully, contribute positively to their community, and pursue excellence in their individual pursuits.” The following three goals were drafted by a committee in conjunction with the Vermont Agency of Education during 2013. Here are some brief updates.

Goal 1: Shelburne Community School will create a highly effective Multi-Tiered System of Supports that uses student learning data and outcomes to ensure that all students achieve at optimal levels. This system finds its foundation in the development of instructional teams (classroom teachers, specialists, special educators, paras) at PreK-5 and 6-8 levels that meet weekly to develop and refine units of instruction that are aligned to the standards-based curriculum.

- Our Social Emotional Learning committee worked this fall to create a set of Everyday Expectations to guide student behavior in every aspect of their day at SCS. Based on the simple concepts of “Be Safe, Be Responsible, Be Respectful”, students have been provided with clear expectations for their behavior from the moment they step on the school bus to the moment they leave the bus at the end of the day. This common language among all adults and students at SCS has been instrumental in helping students clearly understand, and thereby model, the habits of successful students.

- Last spring, a school wide committee revised the master schedule to include daily blocks of intervention time for students to receive targeted support and enrichment. Our focus this year has been assuring that teachers have weekly time to coordinate with each other in order to meet the diverse needs of students at each grade level. As a result of these MC2 (Meetings for Creative Collaboration) meetings, a regular block of teacher time has been dedicated to reviewing assessment data and other information necessary to help all students maximize their learning in all subject areas.

- Another focus has been the continued integration of all students into the classroom, providing teachers with specialized support and training to meet the broad needs of all students. We are moving to a service model where each grade level team of core teachers will have a dedicated special educator to work with them providing specialized support for students who are below or above grade level expectations. Our goal is that all students have access to appropriately rigorous academic challenge on a daily basis.

Goal 2: Family Engagement: Shelburne Community School will increase parental engagement and involvement in all aspects of the school community, including visits, homework, grades, communications, and conferences.

- Our Guidance Department, including 5-8 counselor Rachel Petraska, K-4 counselor Katie Tyler, behavior specialist Sue Schaefer, and school social worker Laurel Robbins, sponsors the monthly series of parent education workshops called Grand Rounds for Parents. Offering both dinner and childcare, these evening sessions have brought in over one hundred parents and guardians to learn about and discuss topics ranging from communicating with your child, positive discipline, supporting math at home, youth concussions and cyber safety.

- Our 6-8 classroom teachers, as well as teachers in PE, Art, and Music, have begun transitioning to standards based instruction and are piloting a grading portal called JumpRope to share information with families. The primary shift is moving from reporting overall course grades to sharing the levels of student proficiency on specific learning targets and objectives. This shift allows our reporting to more clearly share with students and families exactly what has been learned and where to target our efforts for growth.

Goal 3: Leadership: Shelburne Community School will significantly restructure its governance to improve student achievement.

We are in our third year of a completely revised Leadership Team structure at SCS, with a team of ten staff members meeting biweekly in order to achieve their stated purpose of “*advising administration in order to establish and support a positive school culture and climate at Shelburne Community School.*” This group has worked on several ongoing projects including:

- developing a ten year vision for SCS supporting many of the initiatives included under the two goals above as well as the School Board Facility Development Bond proposal

- working through another challenging budget cycle and providing input in ways to achieve some significant staffing shifts to better support the development of our Multi-Tiered System of Support (goal 1)
- developing a Middle School leadership team which has worked to move these grades forward around four major initiatives: standards based instruction, personalized learning, responsible digital citizenship and improved collaboration. We have entered into a three year partnership with the UVM Tarrant Institute for Innovative Education that has provided substantial professional development support as we move into a new level of technology integration to support our student's learning.

We have also continued our work within math, literacy, science, social studies, coordinated school health and wellness, technology and arts integration. Below are some brief updates for each of these important areas:

Math: Our work with the Teacher's Development Group provides all K-8 teachers of mathematics with ongoing, embedded professional development through the Math Best Practice Studios. The Bridges math program for grades K-5 is well established and making a positive impact on student learning. Middle level teachers, beyond implementing the Connected Math program, are aligning the 8th grade math curriculum with Algebra I course expectations so that students are well prepared for their high school math courses.

Literacy: The K-5 staff is in their second year of implementation of the Lucy Calkins Units of Study for Teaching Writing which focuses on opinion/argument, information and narrative writing. The middle school focus remains on the Common Core goals of reading and analyzing complex, informational text, evidence based writing, elaboration, and new strategies for vocabulary development. K-5 teachers, including Unified Arts teachers, are also working on aligning reading instruction to meet Common Core State Standards with the help of the CSSU Tiered Instruction Leadership Team. Developing common learning targets specifically within argument writing at the middle school level is helping students with the transferable skills of elaboration and analysis.

Science: We continue to work as a school and with CSSU to refine our common assessments (anchor tasks) that both model and assess science inquiry. This year focused inservice time was spent on a review of the Next Generation Science Standards (NGSS), with the goal to further align the K-8 science curriculum with the NGSS. We are fortunate to be able to collaborate with the Parent Teacher Organization, which helps provide students in grades K-3 with regular access to the Hands-On Nature curriculum.

Social Studies: In support of implementing the Common Core State Standards over the coming year, much of our work in social studies has been integrating new reading and writing standards. Specifically this work has targeted expanding students' ability to read and comprehend informational text by teaching specific strategies using social science content such as geography, cultural studies and current events. Professional development for teachers has focused on strategies for teaching the use of evidence, argument and elaboration to draw and support conclusions.

Arts Integration: Recognizing that music, visual arts, drama and physical activity can enrich student learning in every area; we have making intentional connections between core concepts of math, literacy, science and social studies and the arts. Using grant funds from the Vermont Arts Council and the PTO, twelve teachers have been working with artists from the Flynn to incorporate theater, dance and music into their core curriculum. In January, we hosted Jeh Kulu, a local African drumming ensemble who provided each class in the entire school with opportunities to learn about drumming, dancing and their cultural heritage.

School Health and Wellness: Projects such as Walking Wednesdays, Fit February, and Skills4Life have promoted health and wellness opportunities for the entire school community. Expanded afterschool opportunities include Zumba, yoga, mindfulness training, and a fitness club, Kidz. The SCS FEED Committee encourages healthy eating throughout the school, and cares for our incredible gardens.

Technology: SCS has expanded the opportunities for utilizing technology through computer labs with interactive whiteboards, classroom laptops and iPads,



library based e-readers for access to online texts, and robotics sets. It is not uncommon for assignments to be turned in, assessed, revised and noted on a grade report for families, without using a sheet of paper. Every middle school student has access to a personal Chromebook, allowing teachers to utilize their technology access whenever it supports the learning objectives of the day. With the help of Jeff Badillo, our new Technology Integrationist and Kari Ahern, our Librarian, we are building connections between home and school with electronic newsletters, webpages, blogs, Google docs and Jupiter Grades. Lessons on digital communication, cyberbullying and internet safety are intentionally taught at appropriate levels.

Snelling Playground: In August, we opened our new playground to the Shelburne Community. Thanks to the efforts of the Playground Committee led by Lisa Williams, Barbara Comeau and Valerie Richardson, an ADA accessible playground was designed and installed, complete with a walking loop, sand and boulder play area, and fit stations. Phase Two of the project, which will begin in the spring, includes the addition of a pavilion, benches, shade trees and wall ball.

We both feel very fortunate to be part of such a great school, and a community that is so incredibly supportive of the work our SCS team does for the children of Shelburne. We thank you all for making this work possible through your continued generosity.

Respectfully Submitted,
Allan Miller and Pati Beaumont - SCS Co-Principals



CONNECTING YOUTH IN CHITTENDEN SOUTH



CSSU has a strong history of recognizing the importance of preventing health-risk behaviors among its students. Connecting Youth (CY) was started in 1990 by a group of concerned parents from Charlotte. In 1994, CY accepted responsibility for the district's title IV funds and has since been an integral part of CSSU, providing prevention and asset building services in grades 5-12 in addition to ongoing support of faculty and staff as it relates to substance use issues. These services include providing certified Student

Assistance Program professionals at the middle and high school levels, a school based mentoring program in grades 5-8, peer leadership groups, alcohol, tobacco and other drug training for staff, parent education, required prevention and life-skills related health curriculum, smoking cessation programs for students, in addition to a wide variety of community based initiatives aimed at raising awareness and engaging partners in supporting CSSU youth in making safe and healthy choices.

In the fall of 2012, CY worked with the district administration to identify priorities for prevention services in the supervisory union. A task force composed of CSSU administration, school principals, school counselors, community experts in the field of youth substance use and positive youth development and CY staff was convened. They identified and prioritized evidence-based school prevention components utilizing CSSU data. These priorities ultimately became the framework of a comprehensive system for prevention services in the district. This framework has been referred to by Vermont Department of Health and Agency of Education staff as an ideal model of service provision. It is through this framework that CY provides, evaluates and improves its services for CSSU students including some of the district's most vulnerable.

All of CY's programs and services align with best practice in the fields of substance use prevention and positive youth development. In addition, much of the work of CY staff addresses required components of the Education Quality Standards, Health Education Grade Expectations and the Standards of Practice for School Health Services.

Student Assistance Program:

The Student Assistance program is in place in each of the middle schools and at the high school. Our SAPs adhere to the Vermont Alcohol and Drug Addiction Certification board code of ethics. They utilize nationally recognized substance abuse prevention programs proven to reduce the risks of alcohol, tobacco, drug abuse, and violence by targeting the major social and psychological factors that promote the initiation of substance use and other high risk behaviors.

During FY15, SAP's referred 105 students to SA treatment, 135 to mental health services, met one-on-one with 400 students and provided 300+ hours of required prevention curricula across CSSU schools.

Mentoring:

Connecting Youth Mentoring (CYM) is nationally recognized and is currently the largest program of its kind in the state.

The program currently serves 147 students, 12% of CSSU's 5-8th grade population. CYM maintains a 98% retention rate. During 2015, 85% of students exhibited improved attendance compared to the same quarter during the previous year. In addition 69% of educators surveyed reported that their student "demonstrated a better attitude toward school." Most importantly may be that 52% of mentors reported that by the end of the year, their students talked more often about his or her strengths and positive attributes.



If you have any questions or would like to learn more about CY, please contact CY Director, Christine Lloyd-Newberry at (802)383-1211 or by email at cnewberry@cssu.org. You can also visit us online at: www.seewhy.info or <https://www.facebook.com/connectingyouth>

We sincerely appreciate your support and wish you all the best in 2016!

CY Board of Directors: Duncan Wardwell, Chair; Jennifer Mitchell, Co-Vice-Chair; Rosemary Webb, Co-Vice-Chair; Mitch Barron, Brian Fox, Deb Chisholm, Joan Lenes

TOWN OF SHELburnE, VERMONT
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Sullivan, Powers & Co., P.C.
 CERTIFIED PUBLIC ACCOUNTANTS

77 Barre Street
 P.O. Box 947
 Montpelier, VT 05601
 802/223-2352
 www.sullivanpowers.com

Fred Duplessis, CPA
 Richard J. Bringham, CPA
 Chad A. Hewitt, CPA
 Wendy C. Gillwee, CPA
 VT Lic. #92-000180

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Independent Auditor's Report on Internal Control Over
 Financial Reporting and on Compliance and Other Matters
 Based on an Audit of Financial Statements Performed in
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Independent Auditor's Report

Selectboard
 Town of Shelburne
 5420 Shelburne Road
 P.O. Box 88
 Shelburne, Vermont 05482

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Shelburne, Vermont, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Town of Shelburne, Vermont's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in "Government Auditing Standards", issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Town of Shelburne, Vermont

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

Opinions

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Shelburne, Vermont, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 1.F. to the financial statements, effective June 30, 2015, the Town implemented Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions" – an amendment of GASB Statement No. 27. As a result of this required change in accounting principle, the Town recorded a \$142,599 reduction in beginning net position of the Governmental Activities, a \$17,720 reduction in beginning net position of the Business-type Activities, a \$4,656 reduction in beginning net position of the Water Fund and a \$13,104 reduction in beginning net position of the Sewer Fund. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 4 through 12, and the budgetary comparison information of the General Fund, the Schedule of Proportionate Share of the Net Pension Liability and the Schedule of Contributions for the Town's participation in VMERS, presented in Schedules 1 through 3, respectively be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Town of Shelburne, Vermont

Other Information

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

Other Reporting Required by "Government Auditing Standards"

In accordance with "Government Auditing Standards", we have also issued our report dated February 5, 2016 on our consideration of the Town of Shelburne, Vermont's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with "Government Auditing Standards" in considering the Town of Shelburne, Vermont's internal control over financial reporting and compliance.

February 5, 2016
Montpelier, Vermont
VT Lic. #92-000180



TOWN OF SHELBURNE, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2015

Our discussion and analysis of the Town of Shelburne, Vermont's financial performance provides an overview of the Town's financial activities for the fiscal year ended June 30, 2015. This report should be read in conjunction with the Town's financial statements.

Financial Highlights

- The Town's net position increased by \$9,515 as a result of this year's operations. Net position of our business-type activities increased by \$238,991 and net position of our governmental activities decreased by \$229,476.
- In the Town's business-type activities, charges for services and capital contributions were \$2,757,264 while expenses were \$2,596,663. Net position at June 30, 2015 totaled \$9,902,950.
- The cost of all of the Town's programs was \$10,317,770 this year, with no new programs added.
- The General Fund reported a surplus on the budgetary basis this year of \$32,515 which was \$92,515 better than budgeted.
- The unassigned fund balance in the General Fund at June 30, 2015 was \$547,503. This amount is available for future year budgets.
- The Non-major Funds reported a surplus of \$47,210 this year which increased the cumulative surplus to \$1,481,822.

Using This Annual Report

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (Exhibits A and B) provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances. Fund financial statements start on Exhibit C. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds.

Reporting the Town as a Whole

The government-wide financial statements are on Exhibit A and B. One of the most important questions asked about the Town's finances is, "Is the Town as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the Town as a whole and about its activities in a way that helps answer this question. These statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Town's net position and changes in them. You can think of the Town's net position – the difference between assets, liabilities and deferred inflows/outflows of resources – as one way to measure the Town's financial health, or financial position. Over time, increases or decreases in the Town's net position is one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the Town's property tax base and the condition of the Town's roads, to assess the overall health of the Town.

TOWN OF SHELBURNE, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2015
(Continued)

In the Statement of Net Position and the Statement of Activities, we divide the Town into two kinds of activities:

- Governmental activities – Most of the Town's basic services are reported here, including the police, public safety, highway and public works, health and welfare, recreation and parks, library and general administration. Property taxes, grants and miscellaneous fees finance most of these activities.
- Business-type activities – The Town charges a fee to customers to help it cover all or most of the cost of certain services it provides. The Town's sewer and water activities are reported here.

Reporting the Town's Most Significant Funds

The fund financial statements begin on page 15 and provide detailed information about the most significant funds – not the Town as a whole. Some funds are required to be established by State law and by bond covenants. However, the Town Selectboard establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money. The Town's two kinds of funds – governmental and proprietary – use different accounting approaches.

- Governmental funds – Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in Exhibits C and E that are included in the financial statements.
- Proprietary funds – When the Town charges customers for the services it provides – whether to outside customers or to other units of the Town – these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the Town's enterprise funds (a component of proprietary funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds. The Town of Shelburne's Water and Sewer Department operations are accounted for as Proprietary Funds.

TOWN OF SHELBURNE, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2015
(Continued)

The Town as a Whole

The Town's combined net position increased by \$9,515 from 2014, increasing from a balance of \$21,321,836 to \$21,331,351. Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the Town's governmental and business-type activities.

Due to changes in classification and the impact of the new pension accounting standards (GASB 68), the Net Position table is not being shown comparative this year. Next year this table will be comparative.

	Table 1		
	Governmental Activities	Business-type Activities	Total
	<u> </u>	<u> </u>	<u> </u>
Current and Other Assets	\$ 3,339,882	\$ 1,422,249	\$ 4,762,131
Capital Assets	<u>13,339,043</u>	<u>14,696,457</u>	<u>28,035,500</u>
Total Assets	<u>16,678,925</u>	<u>16,118,706</u>	<u>32,797,631</u>
Deferred Outflows of Resources	<u>85,393</u>	<u>12,396</u>	<u>97,789</u>
Current Liabilities	1,096,722	796,958	1,893,680
Long-term Liabilities	<u>3,995,620</u>	<u>5,409,916</u>	<u>9,405,536</u>
Total Liabilities	<u>5,092,342</u>	<u>6,206,874</u>	<u>11,299,216</u>
Deferred Inflows of Resources	<u>243,575</u>	<u>21,278</u>	<u>264,853</u>
Net Investment in Capital Assets	9,075,143	8,674,519	17,749,662
Restricted	953,619	0	953,619
Unrestricted	<u>1,399,639</u>	<u>1,228,431</u>	<u>2,628,070</u>
Total Net Position	<u>\$ 11,428,401</u>	<u>\$ 9,902,950</u>	<u>\$ 21,331,351</u>

Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – was \$1,399,639 at June 30, 2015 for the governmental activities.

The net position of our business-type activities is \$9,902,950 at June 30, 2015. The Town generally can only use the net position to finance the continuing operations of the sewer and water operations.

TOWN OF SHELBURNE, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2015
(Continued)

Table 2
Change in Net Position

Due to changes in classification and the impact of the new pension accounting standards (GASB 68), the Change in Net Position is not being shown comparative this year. Next year this table will be comparative.

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
Revenues:			
Program Revenues:			
Charges for Services	\$ 1,355,270	\$ 2,717,451	\$ 4,072,721
Operating Grants and Contributions	480,224	0	480,224
Capital Grants and Contributions	91,362	39,813	131,175
General Revenues:			
Property Taxes	5,297,765	0	5,297,765
Penalties and Interest on Delinquent Taxes	81,934	0	81,934
General State Grants	165,995	0	165,995
Unrestricted Investment Earnings	(16,619)	4,659	(11,960)
Other Revenues	<u>35,700</u>	<u>73,731</u>	<u>109,431</u>
 Total Revenues	 <u>7,491,631</u>	 <u>2,835,654</u>	 <u>10,327,285</u>
 Expenses:			
General Government	1,738,013	0	1,738,013
Public Safety	2,750,586	0	2,750,586
Highways and Public Works	1,679,763	0	1,679,763
Community Development	530,000	0	530,000
Health and Welfare	38,025	0	38,025
Recreation and Parks	431,114	0	431,114
Library	376,440	0	376,440
Interest on Long-term Debt	177,166	0	177,166
Water	0	1,028,594	1,028,594
Sewer	<u>0</u>	<u>1,568,069</u>	<u>1,568,069</u>
 Total Expenses	 <u>7,721,107</u>	 <u>2,596,663</u>	 <u>10,317,770</u>
 Increase/(Decrease) in Net Position	 <u>\$ (229,476)</u>	 <u>\$ 238,991</u>	 <u>\$ 9,515</u>

TOWN OF SHELBURNE, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2015
(Continued)

Table 3 presents the cost of each of the Town's programs as well as each program's net cost (total cost less revenue generated by the activities). The net cost shows the financial burden that was placed on the Town's taxpayers by each of these functions. Due to changes in classification and the impact of the new pension accounting standards (GASB 68), this table is not being shown comparative this year. Next year this table will be comparative.

Table 3
Governmental Activities

	Total Cost of Services	Net Cost of Services
General Government	\$ 1,738,013	\$ 981,985
Public Safety	2,750,586	2,230,315
Highways and Public Works	1,679,763	1,382,834
Community Development	530,000	530,000
Health and Welfare	38,025	38,025
Recreation and Parks	431,114	99,839
Library	376,440	354,087
Interest on Long-Term Debt	177,166	177,166
Totals	\$ <u>7,721,107</u>	\$ <u>5,794,251</u>

The Town's Funds

As the Town completed the year, its governmental funds (as presented in the Balance Sheet on Exhibit C) reported a combined fund balance of \$2,488,504 which represents a decrease of \$74,290 from last year's total of \$2,562,794. Included in this year's total change in fund balance is a decrease of \$121,500 in the Town's General Fund, and an increase of \$47,210 in the other non-major governmental funds.

Schedule 1 compares actual to budget for the General Fund. The summary total of the budget and actual amounts are as follows:

	Budget	Actual	Variance
Revenues	\$ 6,825,305	\$ 6,932,723	\$ 107,418
Expenditures	7,295,906	7,224,911	70,995
Transfers	410,601	324,703	(85,898)

TOWN OF SHELBURNE, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2015
(Continued)

Significant Budget vs Actual Variances

General Fund Revenues	<u>Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
Property Taxes	\$ 5,362,451	\$ 5,327,625	\$ (34,826)
Highway Revenue	213,100	267,405	54,305
Police Department	429,197	476,273	47,076
Planning/Zoning	76,750	50,047	(26,703)
Recreation Dept.	132,139	147,785	15,646
Insurance Claims	0	24,234	24,234
All Other	<u>611,668</u>	<u>639,354</u>	<u>27,686</u>
Total	6,825,305	6,932,723	107,418
 General Fund Expenditures			
Computer Tech. Assistance	10,000	20,923	(10,923)
Town Manager Office	149,525	130,405	19,120
Property/Liability Insurance	204,700	229,544	(24,844)
Records Automation	70,000	27,370	42,630
Planning/Zoning Projects	34,000	15,699	18,301
Police Department	1,119,657	1,102,578	17,079
Public Safety Disp. Salaries	411,801	382,659	29,142
Highway Dept.	991,781	1,013,972	(22,191)
Library Materials	40,750	52,116	(11,366)
Employee Benefits	1,085,162	1,113,750	(28,588)
All Other	<u>3,178,530</u>	<u>3,135,895</u>	<u>42,635</u>
Total	7,295,906	7,224,911	70,995
Revenues - Expenditures	(470,601)	(292,188)	178,413
Net Transfers To/From Funds	<u>410,601</u>	<u>324,703</u>	<u>(85,898)</u>
Year End Surplus (Deficit)	\$ (60,000)	\$ 32,515	\$ 92,515

General Fund Revenue Variances:

Property Tax revenue was less than budget due to tax appeal decisions, a tax reclassification from the Vermont Tax Dept. and a year-end accounting entry for deferred revenue. Highway Dept. revenue was greater than budget from a paving grant and road cut permits. Police Dept. revenue exceeded budget due to grant-funded speed and DUI enforcement details. These were offset by corresponding expenditures paying for the details. Planning/Zoning revenues were less than budget due to fewer than anticipated grant projects. Recreation Dept. revenues exceeded budget from program registrations and donations/grants for playground improvements. A Property Insurance Claim was paid for damage to library books in 2013. Other miscellaneous income items that exceeded budget included grants for landscaping and fire/rescue equipment, cell tower rental fees and State payments.

TOWN OF SHELBURNE, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2015
(Continued)

General Fund Expenditure Variances:

Computer Technical Assistance exceeded budget as a result of upgrading the Town web site, and contracting for outside IT support. Town Manager Office expenditures were less than budget due to the vacancy of the administrative position for most of the year. Property/Liability Insurance cost exceeded budget due to expenses for damaged library books (reimbursed by insurance) and greater than budgeted premium costs. Records Automation expenditures were less than budget as a result of the actual work done. (The automation project is paid for by a charge on recording fees.) Planning/Zoning project expenditures were less than budget due to fewer than anticipated grant projects. Police Dept. expenditures were less than budget due to lower salary expenditures from staff vacancies and lower vehicle fuel costs. Public Safety Dispatch expenditures were less than budget due to lower salary costs as a result of staffing vacancies. Highway Dept. expenditures were greater than budget by \$22,191. This variance was offset by additional revenues from a paving grant and contributions in aid of construction. Library materials costs were greater than budget due to replacements of collections damaged from an insurance claim in 2013. Employee Benefit costs exceeded budget due to actual health insurance claim reimbursements paid. Other Misc. expenditures that were less than budget included Building/grounds maintenance & utility costs and training expenditures.

Water and Sewer Fund Budget Variations

The Water and Sewer budget vs actual results, prepared for rate setting purposes for the year ended June 30, 2015 are shown in Schedules 12 & 13.

WATER FUND	<u>Budget</u>	<u>Actual</u>	<u>(Unfavorable)</u>
Revenues	\$ 946,418	\$ 986,655	\$ 40,237
Expenses	<u>946,418</u>	<u>999,944</u>	<u>(53,526)</u>
Net Income (Loss)	\$ 0	\$ (13,289)	\$ (13,289)

SEWER FUND	<u>Budget</u>	<u>Actual</u>	<u>Favorable</u> <u>(Unfavorable)</u>
Revenues	\$ 1,791,236	\$ 1,864,193	\$ 72,957
Expenses	<u>1,791,236</u>	<u>1,904,192</u>	<u>(112,956)</u>
Net Income (Loss)	\$ 0	\$ (39,999)	\$ (39,999)

Water Fund

On a budgetary basis, the Water Fund operating budget ended the year with a loss of \$13,289, which was worse than budget by \$13,289. Revenues exceeded budget by \$40,237. Revenues from metered and bulk water sales, connection fees, and reimbursements for line repairs all exceeded budget. Expenses were greater than budget by \$53,526. Extremely cold weather in the winter resulted in a number of frozen waterlines and waterline breaks. Payments for these repairs exceeded budget by \$88,564. Purchased water cost exceeded budget by \$23,667. A budgeted transfer of \$65,300 to the capital improvement fund did not take place in order to minimize the operating fund deficit.

TOWN OF SHELBURNE, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2015
(Continued)

Sewer Fund

On a budgetary basis, the Sewer Fund operating budget ended the year with a loss of \$39,999, which was worse than budget by \$39,999. Revenues were greater than budget by \$72,957 and expenses were greater than budget by \$112,956. User fees and septage disposal charges exceeded budget by \$69,977. Treatment plant maintenance and capital expenses exceeded budget by \$41,088. Equipment used to dewater sludge failed and was out of service for repairs a large portion of the year. This resulted in increased sludge disposal costs, which exceeded budget by \$91,890 as outside contractors were required for the dewatering process.

Capital Assets and Debt Administration

Capital Assets

At June 30, 2015, the Town had \$28,035,500 invested in a broad range of capital assets, including police, ambulance and fire equipment, buildings and water and sewer lines, net of accumulated depreciation. (See Table 4 below). This amount represents a net decrease (including additions, disposals and depreciation) of \$546,981 from last year.

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

	Governmental Activities		Business-type Activities		Totals	
	FY2015	FY2014	FY2015	FY2014	FY2015	FY2014
Land	\$ 1,280,571	\$ 1,280,571	\$ 11,000	\$ 11,000	\$ 1,291,571	\$ 1,291,571
Construction in Progress	167,475	52,861	13,856	0	181,331	52,861
Buildings and Improvements	3,747,878	3,960,384	572,372	607,511	4,320,250	4,567,895
Vehicles and Equipment	2,337,180	2,258,676	177,265	165,147	2,514,445	2,423,823
Infrastructure	5,551,935	5,673,264	0	0	5,551,935	5,673,264
Water and Sewer Systems	0	0	13,921,964	14,331,939	13,921,964	14,331,939
Library	254,004	241,128	0	0	254,004	241,128
	<u>\$ 13,339,043</u>	<u>\$ 13,466,884</u>	<u>\$ 14,696,457</u>	<u>\$ 15,115,597</u>	<u>\$ 28,035,500</u>	<u>\$ 28,582,481</u>

Debt Administration

At June 30, 2015, the Town had \$10,285,838 in bonds and notes payable outstanding versus \$11,456,173 on June 30, 2014 – a decrease of \$1,170,335 – as shown in Table 5.

Table 5
Outstanding Debt at Year-End

	Governmental Activities		Business-type Activities		Total	
	FY2015	FY2014	FY2015	FY2014	FY2015	FY2014
Bonds and Notes Payable	<u>\$ 4,263,900</u>	<u>\$ 4,738,200</u>	<u>\$ 6,021,938</u>	<u>\$ 6,717,973</u>	<u>\$ 10,285,838</u>	<u>\$ 11,456,173</u>

TOWN OF SHELBURNE, VERMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2015
(Continued)

Economic Factors and Next Year's Budgets and Rates

The Town's elected and appointed officials considered many factors when setting the fiscal year 2016 budget, tax rates, and fees. One of those factors was the economy and unemployment in the region. Shelburne's unemployment rate was 2.4% in June 2015, compared to 2.9% in June 2014. These rates remained below the state unemployment rate, which was 3.67% in June 2015 and 4.1% in June 2014. When adopting the budget for the 2015-2016 year, the Selectboard took into account operational and capital needs of the Town, and the impact of spending on the municipal tax rate. Shelburne's municipal property tax rate is competitive with other Chittenden County towns that provide similar services. Shelburne Property values continue to be stable and the Town's common level of appraisal in 2015 was 98.5%. A large affordable housing project was completed in 2015, contributing to the overall tax base and water/sewer system usage. The number of building permits issued each year has remained steady, with 146 permits issued in 2015. The Town grand list contains a mix of residential commercial and industrial properties. The total assessed value of all taxable properties in Shelburne was \$1.50 billion in July 2015, which was an increase of 2.2% from 2014. Of the total grand list, 77% of the total value is from residential properties, 17% is from Commercial, Industrial and utility properties and 6% is from farm/land/miscellaneous properties. The town's commercial/industrial categories contain a mixture of retail, manufacturing and tourist uses as well as retirement communities.

As for the Town's business-type activities, the Selectboard approved a rate increase of 3.4% in the sewer user fee effective July 1, 2015. This increase was mainly due to increased operating expenses experienced with aging equipment. A \$3.0 million bond issue was passed in November 2015 to fund necessary equipment replacements. The water user fee was increased by 3.4% effective July 1, 2015. Sales volumes continue to decline somewhat following the trend of prior years. The Water and Sewer budgets have experienced lower annual sales in recent years due to conservation, weather, demographics and economic conditions. The Selectboard and Water Commission continue to monitor the activities of these funds closely with the objective of achieving stable rates while maintaining the system infrastructure, reliability and meeting regulatory requirements.

Requests for Information

This report is designed to provide an overview of the Town of Shelburne's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Finance Director, Town of Shelburne, 5420 Shelburne Road, P.O. Box 88, Shelburne, VT 05482.

TOWN OF SHELBURNE, VERMONT
STATEMENT OF NET POSITION
JUNE 30, 2015

	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 1,874,772	\$ 287,677	\$ 2,162,449
Investments	554,886	733,075	1,287,961
Receivables (Net of Allowance for Uncollectibles)	564,895	738,304	1,303,199
Internal Balances	339,307	(339,307)	0
Prepaid Expenses	6,022	0	6,022
Inventory	0	2,500	2,500
Capital Assets:			
Land	1,280,571	11,000	1,291,571
Construction in Progress	167,475	13,856	181,331
Other Capital Assets, (Net of Accumulated Depreciation)	11,890,997	14,671,601	26,562,598
Total Assets	<u>16,678,925</u>	<u>16,118,706</u>	<u>32,797,631</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred Outflows of Resources Related to the Town's Participation in VMERS	<u>85,393</u>	<u>12,396</u>	<u>97,789</u>
Total Deferred Outflows of Resources	<u>85,393</u>	<u>12,396</u>	<u>97,789</u>
<u>LIABILITIES</u>			
Accounts Payable	373,145	101,833	474,978
Accrued Payroll and Benefits Payable	59,448	0	59,448
Accrued Interest Payable	17,484	3,124	20,608
Unearned Revenue	53,645	20,813	74,458
Noncurrent Liabilities:			
Due Within One Year	593,000	671,188	1,264,188
Due in More than One Year	3,995,620	5,409,916	9,405,536
Total Liabilities	<u>5,092,342</u>	<u>6,206,874</u>	<u>11,299,216</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Inflows of Resources Related to the Town's Participation in VMERS	171,270	21,278	192,548
Prepaid Property Taxes	<u>72,305</u>	<u>0</u>	<u>72,305</u>
Total Deferred Inflows of Resources	<u>243,575</u>	<u>21,278</u>	<u>264,853</u>
<u>NET POSITION</u>			
Net Investment in Capital Assets	9,075,143	8,674,519	17,749,662
Restricted:			
Recreation	223,570	0	223,570
Cemetery	231,517	0	231,517
Highway Equipment	254,175	0	254,175
Records Preservation	123,370	0	123,370
Library	58,032	0	58,032
Other	62,955	0	62,955
Unrestricted	<u>1,399,639</u>	<u>1,228,431</u>	<u>2,628,070</u>
Total Net Position	<u>\$ 11,428,401</u>	<u>\$ 9,902,950</u>	<u>\$ 21,331,351</u>

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

TOWN OF SHELBURNE, VERMONT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Functions/Programs:							
Primary Government:							
Governmental Activities:							
General Government	\$ 1,738,013	\$ 722,808	\$ 33,220	\$ 0	\$ (981,985)	\$ 0	\$ (981,985)
Public Safety	2,750,586	272,805	247,466	0	(2,230,315)	0	(2,230,315)
Highways and Public Works	1,679,763	140,515	146,414	10,000	(1,382,834)	0	(1,382,834)
Community Development	530,000	0	0	0	(530,000)	0	(530,000)
Health and Welfare	38,025	0	0	0	(38,025)	0	(38,025)
Recreation and Parks	431,114	204,351	45,562	81,362	(99,839)	0	(99,839)
Library	376,440	14,791	7,562	0	(354,087)	0	(354,087)
Interest on Long-term Debt	177,166	0	0	0	(177,166)	0	(177,166)
Total Governmental Activities	7,721,107	1,355,270	480,224	91,362	(5,794,251)	0	(5,794,251)
Business-Type Activities:							
Water	1,028,594	926,614	0	0	0	(101,980)	(101,980)
Sewer	1,568,069	1,790,837	0	39,813	0	262,581	262,581
Total Business-Type Activities	2,596,663	2,717,451	0	39,813	0	160,601	160,601
Total Primary Government	\$ 10,317,770	\$ 4,072,721	\$ 480,224	\$ 131,175	(5,794,251)	160,601	(5,633,650)
General Revenues:							
Property Taxes					5,297,765	0	5,297,765
Penalties and Interest on Delinquent Taxes					81,934	0	81,934
General State Grants					165,995	0	165,995
Unrestricted Investment Earnings					(16,619)	4,659	(11,960)
Other Revenues					35,700	73,731	109,431
Total General Revenues					5,564,775	78,390	5,643,165
Change in Net Position					(229,476)	238,991	9,515
Net Position - July 1, 2014, As Restated					11,657,877	9,663,959	21,321,836
Net Position - June 30, 2015					\$ 11,428,401	\$ 9,902,950	\$ 21,331,351

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

TOWN OF SHELBURNE, VERMONT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015

	<u>General Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>			
Cash	\$ 1,691,174	\$ 183,598	\$ 1,874,772
Investments	152,749	402,137	554,886
Receivables (Net of Allowance for Uncollectibles)	563,031	1,864	564,895
Loans Receivable (Net of Allowance for Uncollectibles)	0	0	0
Due from Other Funds	448	975,045	975,493
Prepaid Expenses	<u>6,022</u>	<u>0</u>	<u>6,022</u>
Total Assets	<u>\$ 2,413,424</u>	<u>\$ 1,562,644</u>	<u>\$ 3,976,068</u>
<u>LIABILITIES</u>			
Accounts Payable	\$ 334,495	\$ 38,650	\$ 373,145
Accrued Payroll and Benefits Payable	59,448	0	59,448
Due to Other Funds	594,014	42,172	636,186
Unearned Revenue	<u>53,645</u>	<u>0</u>	<u>53,645</u>
Total Liabilities	<u>1,041,602</u>	<u>80,822</u>	<u>1,122,424</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Prepaid Property Taxes	72,305	0	72,305
Unavailable Property Taxes, Penalties and Interest	205,203	0	205,203
Unavailable Receivables	<u>87,632</u>	<u>0</u>	<u>87,632</u>
Total Deferred Inflows of Resources	<u>365,140</u>	<u>0</u>	<u>365,140</u>
<u>FUND BALANCES</u>			
Nonspendable	6,022	0	6,022
Restricted	0	953,619	953,619
Committed	453,157	372,233	825,390
Assigned	0	155,970	155,970
Unassigned	<u>547,503</u>	<u>0</u>	<u>547,503</u>
Total Fund Balances	<u>1,006,682</u>	<u>1,481,822</u>	2,488,504
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 2,413,424</u>	<u>\$ 1,562,644</u>	
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:			
Capital Assets Used in Governmental Activities are not Financial Resources and, Therefore, are not Reported in the Funds.			13,339,043
Other Assets are not Available to Pay for Current-Period Expenditures, and, Therefore, are Deferred in the Funds.			292,835
Deferred Outflows of Resources Related to the Town's Particiatipion in VMERS are applicable to Future Periods and, therefore, are not Reported in the Funds.			85,393
Deferred Inflows of Resources Related to the Town's Participation in VMERS are Applicable to Future Periods and therefore, are not Reported in the Funds.			(171,270)
Long-Term and Accrued Liabilities, Including Bonds Payable, are not Due or Payable in the Current Period and, Therefore, are Not Reported in the Funds.			<u>(4,606,104)</u>
Net Position of Governmental Activities			<u>\$ 11,428,401</u>

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

TOWN OF SHELBURNE, VERMONT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	General Fund	Non-Major Governmental Funds	Total Governmental Funds
Revenues:			
Property Taxes	\$ 5,233,623	\$ 0	\$ 5,233,623
Penalties & Interest on Delinquent Taxes	52,613	0	52,613
Intergovernmental	426,908	31,363	458,271
Charges for Services	888,294	18,391	906,685
Permits, Licenses & Fees	256,674	46,893	303,567
Rental Income	272,826	0	272,826
Investment Income	29,739	(17,037)	12,702
Contributions	0	146,885	146,885
Other	47,112	28,159	75,271
	<u>7,207,789</u>	<u>254,654</u>	<u>7,462,443</u>
Expenditures:			
General Government	1,518,422	5,327	1,523,749
Public Safety	2,483,642	7,128	2,490,770
Cemetery	35,510	1,240	36,750
Highways and Public Works	1,358,472	2,191	1,360,663
Health and Welfare	38,025	0	38,025
Recreation and Parks	297,230	38,773	336,003
Library	318,664	6,722	325,386
Capital Outlay:			
General Government	59,532	0	59,532
Public Safety	203,476	70,471	273,947
Highways and Public Works	138,810	113,153	251,963
Recreation and Parks	32,417	100,067	132,484
Library	49,936	0	49,936
Debt Service:			
Principal	522,300	52,000	574,300
Interest	180,825	2,400	183,225
	<u>7,237,261</u>	<u>399,472</u>	<u>7,636,733</u>
Excess/(Deficiency) of Revenues Over Expenditures	<u>(29,472)</u>	<u>(144,818)</u>	<u>(174,290)</u>
Other Financing Sources/(Uses):			
Proceeds from Long-Term Debt	0	100,000	100,000
Transfers In	120,617	237,645	358,262
Transfers Out	(212,645)	(145,617)	(358,262)
	<u>(92,028)</u>	<u>192,028</u>	<u>100,000</u>
Net Change in Fund Balances	(121,500)	47,210	(74,290)
Fund Balances - July 1, 2014 , As Restated	<u>1,128,182</u>	<u>1,434,612</u>	<u>2,562,794</u>
Fund Balances - June 30, 2015	<u>\$ 1,006,682</u>	<u>\$ 1,481,822</u>	<u>\$ 2,488,504</u>

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

TOWN OF SHELBURNE, VERMONT
 RECONCILIATION OF THE STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND BALANCES OF
 GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2015

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

Net change in fund balances - total government funds (Exhibit D)	\$	(74,290)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets (\$767,862) is allocated over their estimated useful lives and reported as depreciation expense (\$882,158). This is the amount by which capital outlays exceeded depreciation in the current period.		(114,296)
The issuance of long-term debt (\$100,000) (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt (\$574,300) consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.		474,300
Community Development loan funds receivable were evaluated for collectibility and the increase in allowance for doubtful accounts decreases net position.		(530,000)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		29,187
Governmental Funds report pension contributions as expenditures (\$85,016). However, in the Statement of Activities, the cost of pension benefits earned net of employer contributions (\$83,836) is reported as pension expense. This amount is due to the net effect of the differences in the treatment of pension expense.		1,180
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		<u>(15,557)</u>
Change in net position of governmental activities (Exhibit B)	\$	<u><u>(229,476)</u></u>

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

TOWN OF SHELBURNE, VERMONT
STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2015

	Water Fund	Sewer Fund	Total
<u>ASSETS</u>			
Current Assets:			
Cash	\$ 287,677	\$ 0	\$ 287,677
Investments	463,984	269,091	733,075
Receivables (Net of Allowance for Uncollectibles)	255,617	482,687	738,304
Due from Other Funds	0	469,774	469,774
Inventory	2,500	0	2,500
Total Current Assets	1,009,778	1,221,552	2,231,330
Noncurrent Assets:			
Land	0	11,000	11,000
Construction in Progress	13,856	0	13,856
Buildings and Building Improvements	41,989	1,677,024	1,719,013
Vehicles, Machinery and Equipment	123,098	287,150	410,248
Distribution/Collection Systems	4,770,092	16,805,385	21,575,477
Less: Accumulated Depreciation	(1,838,955)	(7,194,182)	(9,033,137)
Total Noncurrent Assets	3,110,080	11,586,377	14,696,457
Deferred Outflows of Resources:			
Deferred Outflows of Resources Related to the Town's Participation in VMERS	3,157	9,239	12,396
Total Deferred Outflows of Resources	3,157	9,239	12,396
Total Assets and Deferred Outflows of Resources	\$ 4,123,015	\$ 12,817,168	\$ 16,940,183
<u>LIABILITIES</u>			
Current Liabilities:			
Accounts Payable	\$ 43,539	\$ 58,294	\$ 101,833
Accrued Interest Payable	3,124	0	3,124
Unearned Revenue	8,952	11,861	20,813
Due to Other Funds	809,081	0	809,081
Bonds and Notes Payable - Current Portion	85,000	586,188	671,188
Total Current Liabilities	949,696	656,343	1,606,039
Noncurrent Liabilities:			
Compensated Absences Payable	35,335	16,933	52,268
Net Pension Liability	1,799	5,099	6,898
Bonds and Notes Payable - Noncurrent Portion	755,000	4,595,750	5,350,750
Total Noncurrent Liabilities	792,134	4,617,782	5,409,916
Total Liabilities	1,741,830	5,274,125	7,015,955
Deferred Inflows of Resources:			
Deferred Inflows of Resources Related to the Town's Participation in VMERS	15,732	5,546	21,278
Total Deferred Outflows of Resources	15,732	5,546	21,278
<u>NET POSITION</u>			
Net Investment in Capital Assets	2,270,080	6,404,439	8,674,519
Unrestricted	95,373	1,133,058	1,228,431
Total Net Position	2,365,453	7,537,497	9,902,950
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 4,123,015	\$ 12,817,168	\$ 16,940,183

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

TOWN OF SHELBURNE, VERMONT
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Water Fund	Sewer Fund	Total
	<u> </u>	<u> </u>	<u> </u>
Operating Revenues:			
Charges for Services	\$ 915,739	\$ 1,765,513	\$ 2,681,252
Penalties & Interest	10,875	25,324	36,199
Miscellaneous	<u>56,830</u>	<u>3,356</u>	<u>60,186</u>
Total Operating Revenues	<u>983,444</u>	<u>1,794,193</u>	<u>2,777,637</u>
Operating Expenses:			
Salaries and Wages	188,136	280,013	468,149
Administrative Charges	43,350	61,583	104,933
Benefits	96,086	116,832	212,918
Insurances	12,100	31,582	43,682
Professional Services	7,266	12,947	20,213
Communications	3,616	4,910	8,526
Utilities	0	193,854	193,854
Sludge Removal	0	181,890	181,890
Water Supply & Engineering	361,626	0	361,626
Maintenance	183,471	158,921	342,392
Chemicals	0	34,170	34,170
Depreciation	110,526	414,271	524,797
Other Operating Expenses	<u>13,056</u>	<u>55,203</u>	<u>68,259</u>
Total Operating Expenses	<u>1,019,233</u>	<u>1,546,176</u>	<u>2,565,409</u>
Operating Income/(Loss)	<u>(35,789)</u>	<u>248,017</u>	<u>212,228</u>
Non-Operating Revenues/(Expenses):			
Investment Income	3,211	1,448	4,659
Interest Expense	<u>(9,361)</u>	<u>(8,348)</u>	<u>(17,709)</u>
Total Non-Operating Revenues/(Expenses)	<u>(6,150)</u>	<u>(6,900)</u>	<u>(13,050)</u>
Income (Loss) Before Capital Contributions	(41,939)	241,117	199,178
Capital Contributions - Connection Fees	<u>0</u>	<u>39,813</u>	<u>39,813</u>
Change in Net Position	(41,939)	280,930	238,991
Net Position - July 1, 2014, As Restated	<u>2,407,392</u>	<u>7,256,567</u>	<u>9,663,959</u>
Net Position - June 30, 2015	<u>\$ 2,365,453</u>	<u>\$ 7,537,497</u>	<u>\$ 9,902,950</u>

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

TOWN OF SHELBURNE, VERMONT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Water Fund	Sewer Fund	Total
	<u> </u>	<u> </u>	<u> </u>
Cash Flows From Operating Activities:			
Receipts from Customers and Users	\$ 900,189	\$ 1,777,002	\$ 2,677,191
Receipts from Interfund Services	18,196	0	18,196
Other Receipts	56,830	3,356	60,186
Payments for Goods and Services	(611,115)	(670,145)	(1,281,260)
Payments for Interfund Services	(43,350)	(61,583)	(104,933)
Payments for Wages and Benefits	(274,506)	(406,320)	(680,826)
	<u>46,244</u>	<u>642,310</u>	<u>688,554</u>
Net Cash Provided by Operating Activities			
Cash Flows From Noncapital Financing Activities:			
Decrease/(Increase) in Due from Other Funds	90,391	11,285	101,676
	<u>90,391</u>	<u>11,285</u>	<u>101,676</u>
Net Cash Provided by Noncapital Financing Activities			
Cash Flows From Capital and Related Financing Activities:			
Acquisition and Construction of Capital Assets	(45,330)	(60,327)	(105,657)
Capital Contributions-Connection Fees	0	39,813	39,813
Principal Paid on:			
General Obligation Bonds	(85,000)	(611,034)	(696,034)
Interest Paid on:			
General Obligation Bonds	(6,237)	(22,047)	(28,284)
	<u>(136,567)</u>	<u>(653,595)</u>	<u>(790,162)</u>
Net Cash Provided/(Used) by Capital and Related Financing Activities			
Net Increase in Cash	68	0	68
Cash - July 1, 2014, as Restated	<u>287,609</u>	<u>0</u>	<u>287,609</u>
Cash - June 30, 2015	<u>\$ 287,677</u>	<u>\$ 0</u>	<u>\$ 287,677</u>
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided by Operating Activities:			
Operating Income/(Loss)	\$ (35,789)	\$ 248,017	\$ 212,228
Depreciation	110,526	414,271	524,797
(Increase)/Decrease in Receivables	(6,278)	(21,807)	(28,085)
(Increase)/Decrease in Prepaid Expenses	0	0	0
(Increase)/Decrease in Inventory	0	0	0
Increase/(Decrease) in Accounts Payable	(29,980)	3,333	(26,647)
Increase/(Decrease) in Pension Liabilities	9,718	(11,690)	(1,972)
Increase/(Decrease) in Compensated Absences Payable	0	2,214	2,214
Increase/(Decrease) in Unearned Revenue	(1,953)	7,972	6,019
	<u>46,244</u>	<u>642,310</u>	<u>688,554</u>
Net Cash Provided by Operating Activities			

The Town was granted a forgiveness of debt in the Sewer Fund in the amount of \$13,697 from the State of Vermont.

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

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. The Financial Reporting Entity

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

B. Basis of Presentation

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

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

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

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

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

The Town reports on the following major governmental fund:

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

The Town reports on the following major enterprise funds:

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

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

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

C. Measurement Focus

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

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

D. Basis of Accounting

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

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

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

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

Under the terms of grant agreements, the Town funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the Town's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenues. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and other grant requirements have been met.

E. Use of Estimates

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

F. New Pronouncement – Financial Reporting for Pension Plans

Effective June 30, 2015, the Town implemented GASB Statement No. 68, "Accounting and Financial Reporting for Pensions" – an amendment of GASB Statement No. 27. GASB Statement No. 68 required the reporting of the proportionate share of the net pension liability related to the Town participation in the Vermont Municipal Employees' Retirement System (VMERS), as well as additional disclosures and required supplemental information. The objective of this Statement is to improve the accounting and financial reporting by state and local governments for pension plans for making decisions and assessing accountability.

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

1. Cash

Cash balances of most Town funds are deposited with and invested by the Town Treasurer. The Town considers all short-term investments of ninety (90) days or less to be cash equivalents.

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

2. Investments

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

3. Receivables

Receivables are shown net of an allowance for uncollectible accounts for the estimated losses that will be incurred in the collection of the receivables. The estimated losses are based on the judgment of management and a review of the current status of existing receivables.

4. Internal Balances

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

5. Inventories and Prepaid Expenses

Inventory quantities are determined by physical count and are valued at the lower of cost or market.

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

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

6. Pensions

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

7. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statements element, "deferred outflows of resources", represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditures) until then. The Town has one (1) type of item which arises under the accrual basis of accounting that qualifies for reporting in this category. The governmental activities, the business-type activities and the proprietary funds report deferred outflows of resources related to the Town's participation in VMERS. These amounts are deferred and recognized as an outflow of resources in the future periods to which the outflows are related.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, "deferred inflows of resources", represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town has three (3) types of items which arise under the modified accrual basis of accounting and two (2) types which arise under the accrual basis of accounting that qualify for reporting in this category. The governmental activities, the business-type activities and the proprietary funds report deferred inflows of resources from two (2) sources: prepaid property taxes and deferred inflows of resources related to the Town's participation in VMERS. These amounts are deferred and recognized as an inflow of resources in the future periods to which the inflows of resources are related. The governmental funds report deferred inflows of resources from three (3) sources: prepaid property taxes, unavailable property taxes, penalties and interest and unavailable receivables. These amounts are deferred and recognized as an inflow of resources in the future periods that the amounts become available or to which the inflows are related.

8. Capital Assets

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

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

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

	Capitalization Threshold	Estimated Service Life
Land and Land Improvements	\$ 5,000	10-20 Years
Buildings and Building Improvements	\$ 5,000	10-100 Years
Vehicles and Equipment	\$ 5,000	5-20 Years
Library Collection	\$ 5,000	5-10 Years
Infrastructure	\$ 10,000	20-50 Years
Water and Sewer Distribution and Collection Systems	\$ 5,000	30-50 Years

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

9. Compensated Absences

It is the Town's policy to permit employees to accumulate earned but unused vacation and comp time benefits. The Town also pays accumulated sick time up to 480 hours at retirement if the employee was employed before 1984. The accrual for unused compensated absences, based on current pay rates, is recorded in the government-wide and proprietary fund financial statements. The liability for unused compensated absences is not reported in the governmental fund financial statements. Payments for unused compensated absences are recorded as expenditures in the year they are paid.

10. Long-term Liabilities

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

11. Fund Equity

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

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

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

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

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

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

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

III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

The General Fund budget is approved at the annual Town Meeting in March. Any budget changes require voter approval. There were no budget amendments during the year. The budget presented herein is for the Town's "General Fund" only and does not include the Ambulance Fund and the Road Cut Deposit and Landscape Eserow activity that is included with the General Fund.

B. Budgeted Deficit

For the year ended June 30, 2015, the Town budgeted a deficit of \$60,000 in the General Fund in order to use a portion of prior years' surpluses.

C. Restatement of Net Position

Effective June 30, 2015, the Town implemented GASB Statement No. 68, "Financial Reporting for Pension Plans – an Amendment of GASB Statement No. 27." As a result, beginning net position of the Governmental Activities was reduced by \$142,599. The Town is a participant in the Vermont Municipal Employees' Retirement System (VMERS) and beginning net position was reduced by the Town's share of beginning net pension liability of \$221,109. Additionally, beginning net position of the Governmental Activities was increased by \$78,510 for contributions made to VMERS during fiscal year 2014. Also, net position has been decreased by \$103,198 to correct errors as follows:

TOWN OF SHELburnE, VERMONT
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Correct - Accrued Expenditures	\$ 24,381
Remove Endowment Fund not Owned by the Town	(101,941)
Correct Escrow Funds not Previously Recorded	39,964
Correct Education Impact Fees Reclassified as a Liability	<u>(65,602)</u>
Decrease in Net Position Due to Errors	<u>\$ (103,198)</u>

The effect on these errors on the Statement of Net Position as of June 30, 2014 was that assets were overstated \$61,977, liabilities were understated \$41,221, and net position was overstated \$103,198. The effect on the Statement of Activities was not determined.

Governmental Activities net position has been restated as follows:

Net Position, As Originally Reported - June 30, 2014	\$11,903,674
Net Pension Liability - VMERS	(142,599)
Correction of Errors	<u>(103,198)</u>
Net Position, As Restated - June 30, 2014	<u>\$11,657,877</u>

Beginning net position in the Business-Type Activities was reduced by \$17,752 as a result of GASB Statement No. 68. The reduction reflects the net pension liability of \$27,471 associated with the Town's participation in VMERS. Additionally, beginning net position of the Business-Type Activities was increased by \$9,719 for contributions made to VMERS during fiscal year 2014. Also, beginning net position was increased as there was an overstatement of debt in the Sewer Fund of \$168,948. The effect of this error on the Statement of Net Position as of June 30, 2014 was that liabilities were overstated \$168,948 and net position was understated \$168,948. The effect on the Statement of Activities was not determined. The Business-Type Activities net position has been restated from \$9,512,763 to \$9,663,959.

Beginning net position in the Water Fund was reduced by \$4,656. The reduction reflects the net pension liability of \$7,159 associated with the Town's participation in VMERS. Additionally, beginning net position in the Water Fund was increased by \$2,503 for contributions made to VMERS during fiscal year 2014. The Water Fund net position has been restated from \$2,412,048 to \$2,407,392.

Beginning net position in the Sewer Fund was reduced by \$13,095. The reduction reflects the net pension liability of \$20,317 associated with the Town's participation in VMERS. Additionally, beginning net position in the Sewer Fund was increased by \$7,222 for contributions made to VMERS during fiscal year 2014. Also, beginning net position was increased as there was an overstatement of debt in the Sewer Fund of \$168,948. The effect of this error on the Statement of Net Position as of June 30, 2014 was that liabilities were overstated \$168,948 and net position was understated \$168,948. The effect on the Statement of Activities was not determined. The Sewer Fund net position has been restated from \$7,100,714 to \$7,256,567.

TOWN OF SHELburnE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
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D. Restatement of Fund Balances

The beginning fund balances in the General Fund and the Non-Major Funds have been restated for the following items as of July 1, 2014.

	General Fund	Non-Major Funds
Correct Accrued Expenditures	\$ 24,381	\$ 0
Correct Deferred Inflows of Resources for Receivables not Available	(49,401)	0
Correct Escrow Funds that were not Recorded	39,964	0
Correct Education Impact Fee Fund Balance as Liability	(65,602)	0
Funds Reclassified	654,039	(654,039)
Remove Endowment Fund not Owned By the Town	<u>0</u>	<u>(101,941)</u>
	603,381	(755,980)
Fund Balances, As Originally Reported	<u>524,801</u>	<u>2,190,592</u>
Fund Balances, As Restated	<u>\$1,128,182</u>	<u>\$1,434,612</u>

The effect of these errors on the Governmental Funds Balance Sheet at June 30, 2014 was that assets were overstated \$61,977, liabilities were understated \$41,221, deferred inflows were understated \$49,401 and fund balance was overstated by \$152,599. The effect on the statement of revenues, expenditures and changes in fund balances was not determined.

Certain funds were reclassified as they did not meet the definition of a special revenue fund or were completed capital projects:

The following funds were reclassified to the General Fund:

Ambulance Fund	\$602,323
Police HSU Fund	(59,484)
Recreation Shoulder Fund	29,623
Education Impact Fee Fund	65,602
Other Special Revenue Funds	<u>15,975</u>
	<u>\$654,039</u>

E. Restatement of Cash

The beginning cash balances have been restated due to cash being reclassified from cash to investments (certificates of deposits) as follows:

	Water Fund	Sewer Fund
Cash, As Originally Reported	\$ 748,382	\$ 267,642
As Certificate of Deposit	<u>(460,773)</u>	<u>(267,642)</u>
Reclassified as Investment	<u>\$ 287,609</u>	<u>\$ 0</u>
Cash, As Restated		

TOWN OF SHELburnE, VERMONT
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IV. DETAILED NOTES ON ALL FUNDS

A. Cash and Investments

The Town's cash and investments as of June 30, 2015 consisted of the following:

Cash:		
Deposits with Financial Institutions	<u>\$2,162,449</u>	
Investments:		
Certificates of Deposit	1,026,311	
Common Stock	94,959	
Mutual Funds	<u>166,691</u>	
Total Investments	<u>1,287,961</u>	
Total Cash and Investments	<u>\$3,450,410</u>	

The Town has eleven (11) certificates of deposit at various banks with interest rates ranging from .3% to .7%. The certificates of deposit mature in the following fiscal years:

	\$ 309,452
2016	<u>716,859</u>
2017	<u>\$1,026,311</u>

Custodial Credit Risk

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

	Book Balance	Bank Balance
FDIC Insured	\$1,643,616	\$1,643,621
Uninsured, Collateralized by U.S. Government Securities Held by the Bank, In the Bank's Name for the Benefit of the Town	1,364,170	1,441,320
Uninsured, Uncollateralized, Secured by Mortgage Loans Held in the Bank's Name	150,798	150,798
Uninsured, Uncollateralized	<u>30,176</u>	<u>30,176</u>
Total	<u>\$3,188,760</u>	<u>\$3,265,915</u>

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

The book balance is comprised of the following:

Cash – Deposits with Financial Institutions	\$2,162,449
Investments – Certificates of Deposit	<u>1,026,311</u>
Total	<u>\$3,188,760</u>

Interest Rate Risk

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

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Town does not have any policy to limit the exposure to credit risk. The Town's certificates of deposit and common stock are not subject to credit risk disclosure. The Town's mutual funds are open-ended and, therefore, are also not subject to credit risk disclosure.

Concentration of Credit Risk

Concentration of credit risk is the risk that a large percentage of the Town's investments are held within one security. The Town does not have any limitations on the amount that can be invested in any one issuer. The Town's common stock was donated and is invested in Exxon Mobil. The Town's certificates of deposit and common stock are exempt from concentration of credit risk analysis. The mutual funds are open-ended and, therefore, are also excluded from concentration and credit risk analysis.

TOWN OF SHELburnE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
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B. Receivables

Receivables as of June 30, 2015, as reported in the statement of net position, net of applicable allowances for uncollectible accounts, are as follows:

	Governmental Activities	Business-type Activities	Total
Delinquent Taxes	\$ 195,896	\$ 0	\$ 195,896
Penalties and Interest	50,191	0	50,191
Billed Services	61,281	80,207	141,488
Unbilled Services	0	630,403	630,403
Grants	162,429	0	162,429
Miscellaneous	95,098	37,694	132,792
Allowance for Doubtful Accounts	0	(10,000)	(10,000)
	<u>\$ 564,895</u>	<u>\$ 738,304</u>	<u>\$ 1,303,199</u>

C. Loans Receivable

Loans receivable as of June 30, 2015 consists of a number of loans for community development as follows:

Loan Receivable, Shelburne Housing Limited Partnership, Payable on Demand on and after December 31, 2033, 0% Interest, Secured by a Second Mortgage	\$ 530,000
Loan Receivable, Harrington Village Limited Partnership, Payable on Demand on and After November 14, 2043, 0% Interest, Secured by Second Mortgage	668,750
Loan Receivable, Shelburne Housing Limited Partnership, Payable on Demand on and After November 15, 2043, 0% Interest, Secured by Second Mortgage	<u>581,250</u>
Total	1,780,000
Less: Allowance for Doubtful Loans Receivable	<u>(1,780,000)</u>
Reported Value at June 30, 2015	<u>\$ 0</u>

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TOWN OF SHELburnE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

D. Capital Assets

Capital asset activity for the year ended June 30, 2015 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 1,280,571	\$ 0	\$ 0	\$ 1,280,571
Construction in Progress	52,861	158,265	43,651	167,475
Total Capital Assets, Not Being Depreciated	<u>1,333,432</u>	<u>158,265</u>	<u>43,651</u>	<u>1,448,046</u>
Capital Assets, Being Depreciated:				
Buildings and Land Improvements	9,315,724	95,960	0	9,411,684
Vehicles and Equipment	4,777,169	467,886	130,961	5,114,094
Infrastructure	6,451,943	35,343	0	6,487,286
Library Collection	405,442	64,062	69,386	400,118
Totals	<u>20,950,278</u>	<u>663,251</u>	<u>200,347</u>	<u>21,413,182</u>
Less Accumulated Depreciation for:				
Buildings and Land Improvements	5,355,340	308,466	0	5,663,806
Vehicles and Equipment	2,518,493	373,471	115,050	2,776,914
Infrastructure	778,679	156,672	0	935,351
Library Collection	164,314	43,549	61,749	146,114
Totals	<u>8,816,826</u>	<u>882,158</u>	<u>176,799</u>	<u>9,522,185</u>
Total Capital Assets, Being Depreciated	<u>12,133,452</u>	<u>(218,907)</u>	<u>23,548</u>	<u>11,890,997</u>
Governmental Activities Capital Assets, Net	<u>\$ 13,466,884</u>	<u>\$ (60,642)</u>	<u>\$ 67,199</u>	<u>\$ 13,339,043</u>
Business-Type Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 11,000	\$ 0	\$ 0	\$ 11,000
Construction in Progress	0	13,856	0	13,856
Total Capital Assets, Not Being Depreciated	<u>11,000</u>	<u>13,856</u>	<u>0</u>	<u>24,856</u>
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	1,719,013	0	0	1,719,013
Vehicles, Machinery and Equipment	383,993	47,004	20,749	410,248
Distribution and Collection Systems	21,530,680	44,797	0	21,575,477
Totals	<u>23,633,686</u>	<u>91,801</u>	<u>20,749</u>	<u>23,704,738</u>
Less Accumulated Depreciation for:				
Buildings and Building Improvements	1,111,502	35,139	0	1,146,641
Vehicles, Machinery and Equipment	218,846	34,886	20,749	232,983
Distribution and Collection Systems	7,198,741	454,772	0	7,653,513
Totals	<u>8,529,089</u>	<u>524,797</u>	<u>20,749</u>	<u>9,033,137</u>
Total Capital Assets, Being Depreciated	<u>15,104,597</u>	<u>(432,996)</u>	<u>0</u>	<u>14,671,601</u>
Business-Type Activities Capital Assets, Net	<u>\$ 15,115,597</u>	<u>\$ (419,140)</u>	<u>\$ 0</u>	<u>\$ 14,696,457</u>

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Depreciation was charged as follows:

Governmental Activities:	Business-Type Activities:	
General Government	\$ 203,394	Water \$ 110,526
Public Safety	249,048	Sewer 414,271
Highways and Public Works	280,375	
Recreation and Parks	93,117	
Library	<u>56,224</u>	
		<u>\$ 524,797</u>

Total Depreciation Expense - Governmental Activities	\$ 882,158
Total Depreciation Expense - Business-Type Activities	\$ 524,797

E. Interfund Balances and Activity

The composition of interfund balances as of June 30, 2015 are as follows:

Fund	Due from Other Funds	Due to Other Funds
General Fund	\$ 448	\$ 594,014
Non-Major Governmental Funds	975,045	42,172
Water Fund	0	809,081
Sewer Fund	<u>469,774</u>	<u>0</u>
Total	<u>\$ 1,445,267</u>	<u>\$ 1,445,267</u>

Interfund transfers during the year ended June 30, 2015 were as follows:

Transfer From	Transfer To	Amount	Purpose
General Fund	Dog Park Fund	\$ 820	Annual Appropriation
General Fund	Buy Park Fund	8,500	Annual Appropriation
General Fund	Police Fund	43,725	Annual Appropriation
General Fund	Highway Equipment Fund	131,000	Annual Appropriation
General Fund	Cemetery Tractor Fund	1,600	Annual Appropriation
General Fund	Community Fund	2,000	Annual Appropriation
General Fund	Open Land Trust Fund	25,000	Annual Appropriation
Non-Major Funds:			
Records Preservation Fund	General Fund	27,370	Reimbursement Expenditures in General Fund
Cemetery Fund	General Fund	8,000	Annual Appropriation
Baseball Fund	General Fund	8,512	Reimburse Expenditures in General Fund
Recreation-Other	General Fund	720	Reimburse Expenditures in General Fund
Tree Fund	General Fund	1,015	Reimburse Expenditures in General Fund
Recreation Impact Fees	General Fund	75,000	Reimburse Expenditures in General Fund
Person Library Fund	Library Building Fund	25,000	Annual Appropriation
Total		<u>\$ 358,262</u>	

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F. Deferred Outflows of Resources

Deferred outflows of resources in the Governmental Activities consists of \$376 from changes in the Town's proportional share of contributions related to the Town's participation in the Vermont Municipal Employee's Retirement System (VMERS) and \$85,017 of required employer pension contributions subsequent to the measurement date. Total deferred outflows of resources in the Governmental Activities is \$85,393.

Deferred outflows of resources in the Business-type Activities consists of \$47 from changes in the Town's proportional share of contributions related to the Town's participation in the Vermont Municipal Employee's Retirement System (VMERS) and \$12,349 of required employer pension contributions subsequent to the measurement date. Total deferred outflows of resources in the Business-type Activities is \$12,396.

Deferred outflows of resources in the Water Fund consists of \$12 from changes in the Town's proportional share of contributions related to the Town's participation in the Vermont Municipal Employee's Retirement System (VMERS) and \$3,145 of required employer pension contributions subsequent to the measurement date. Total deferred outflows of resources in the Water Fund is \$3,157.

Deferred outflows of resources in the Sewer Fund consists of \$35 from changes in the Town's proportional share of contributions related to the Town's participation in the Vermont Municipal Employee's Retirement System (VMERS) and \$9,204 of required employer pension contributions subsequent to the measurement date. Total deferred outflows of resources in the Sewer Fund is \$9,239.

G. Unearned Revenue

Unearned revenue in the General Fund consists of \$7,577 rent received in advance and \$46,068 recreation revenues received in advance. Unearned revenue in the Water Fund consists of \$8,952 in customer fees received in advance. Unearned revenue in the Sewer Fund consists of \$11,861 in customer fees received in advance. This revenue will be earned in 2016 as fees are billed.

H. Deferred Inflows of Resources

Deferred inflows of resources in the General Fund consists of \$205,203 of delinquent property taxes, penalties and interest on those taxes and \$87,632 of receivables not collected within sixty (60) days after year-end as these would not be available to liquidate current liabilities. It also includes \$72,305 of prepaid property taxes. Total deferred inflows of resources in the General Fund is \$365,140.

Deferred inflows of resources in the Governmental Activities consists of \$72,305 of prepaid property taxes and \$171,270 resulting from the difference between the projected and actual investment earnings related to the Town's participation in the Vermont Municipal Employee's Retirement System (VMERS). Total deferred inflows of resources in the Governmental Activities is \$243,575.

TOWN OF SHELBURNE, VERMONT
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Deferred inflows of resources in the Business-type Activities consists of \$21,278 resulting from the difference between the projected and actual investment earnings related to the Town's participation in the Vermont Municipal Employee's Retirement System (VMERS). Total deferred inflows of resources in the Business-type Activities is \$21,278.

Deferred inflows of resources in the Water Fund consists of \$15,732 resulting from the difference between the projected and actual investment earnings related to the Town's participation in the Vermont Municipal Employee's Retirement System (VMERS).

Deferred inflows of resources in the Sewer Fund consists of \$5,546 resulting from the difference between the projected and actual investment earnings related to the Town's participation in the Vermont Municipal Employee's Retirement System (VMERS).

I. Long-term Liabilities

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

General obligation bonds are direct obligations and pledge the full faith and credit of the Town. New bonds generally are issued as 10 to 20 year bonds.

The Town has other notes payable to finance various capital purchases through local banks and the Vermont Municipal Equipment Loan Fund.

The State of Vermont offers a number of no-interest revolving loan programs to utilize for predetermined purposes. The Town has borrowed money from the Vermont Special Environmental Revolving Fund for water and sewer projects.

It is the policy of the Town to permit employees to accumulate vacation and comp-time, the value of which will be paid at their current rate of pay upon retirement, termination or death as discussed in Note I.G.9. The accrual for compensated absences, based on current rates, is recorded in the government-wide and proprietary fund financial statements.

The net pension liability is the difference between the total pension liability (the present value of projected benefit payments to employees based on their past service) and the assets (mostly investments reported at fair value) set aside to pay current employees, retiree, and beneficiaries. The accrual for the Town's share of the net pension liability associated with VMERS is recorded in the government-wide and proprietary fund financial statements.

TOWN OF SHELBURNE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

Long-term liabilities outstanding as of June 30, 2015 were as follows:

<u>Governmental Activities</u>	<u>Total</u>	<u>Due in One Year</u>
Town Center bond payable to Vermont Municipal Bond Bank, annual principal payments of \$235,000 plus semi-annual interest payments at 3.62% to 5.18%, due December 1, 2021	\$ 1,645,000	\$ 235,000
Capital improvement (bike/pedestrian path, Spear Street) bond payable to Vermont Municipal Bond Bank, annual principal payments of \$20,000, plus semi-annual interest payments at 1.9% and 4.41%, matures November 15, 2023	180,000	20,000
Recreation facilities and sand/salt shed bond payable to Vermont Municipal Bond Bank, annual principal payments of \$75,000 to \$135,000, plus semi-annual interest payments at 3% to 4.49%, due November 15, 2025.	855,000	105,000
Capital Improvement (Fire truck, Beach seawall, Webster Road Path) bond payable, Vermont Municipal Bond Bank, annual principal payments of \$15,000 to \$85,000, plus semi-annual interest payments at 1.033% to 3.426%, matures November 15, 2030.	645,000	85,000
Special assessment debt, Beaver Creek Infrastructure, Vermont Municipal Bond Bank, annual principal payments of \$30,000, plus semi-annual interest payments at 1.54% to 5.05%, due November 15, 2030.	480,000	30,000
Capital equipment (truck) note payable to the Vermont Municipal Equipment Loan Fund, annual principal payments of \$22,000, plus annual interest payments at 2.0%, matures December 31, 2016.	44,000	22,000
Capital equipment (Dump truck) note payable to the Peoples United Bank, annual principal payments of \$20,000 plus annual interest payments at 1.2%, matures January 28, 2020	100,000	20,000
Capital Improvement (bike/pedestrian path/ sidewalk, Webster Road, Harbor Road) bond payable, Vermont Municipal Bond Bank, annual principal payments of \$25,000 to \$30,000, plus semi-annual interest payments at 1.098% to 3.0%, matures November 15, 2022.	205,000	30,000
Capital equipment (PSIC grant public safety equipment) note payable to the National Bank of Middlebury, annual principal payments of \$16,000 and \$15,900, plus annual interest payments at .95%, matures June 22, 2017.	31,900	16,000

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<u>Governmental Activities</u>	<u>Total</u>	<u>Due in One Year</u>
Capital equipment (truck) note payable to the National Bank of Middlebury, annual principal payments of \$12,000, plus annual interest payments at .95%, matures May 25, 2017.	\$ 24,000	\$ 12,000
Capital equipment (truck) note payable to the National Bank of Middlebury, annual principal payments of \$18,000, plus annual interest payments at .95%, matures August 25, 2017.	<u>54,000</u>	<u>18,000</u>
Total long-term bonds and notes payable	<u>\$ 4,263,900</u>	<u>\$ 593,000</u>
 <u>Business-Type Activities</u>		
Sewer Fund		
Sewer upgrade note payable to State of Vermont Special Environmental Revolving Fund, total available \$7,495,636, non-interest bearing, annual principal payments of \$384,817.	\$ 3,078,538	\$ 384,817
Sewer upgrade note payable to State of Vermont Special Environmental Revolving Fund, total loan \$103,909, 2% administration fee, annual principal and administrative fee payments of \$6,355.	81,654	4,721
Sewer upgrade note payable to State of Vermont Special Environmental Revolving Fund, total available, \$1,620,247, non-interest bearing, annual principal payments of \$85,979.	859,786	85,979
Shelburne Heights sewer upgrade note payable to State of Vermont Special Environmental Revolving Fund, total loan \$1,011,823 non-interest bearing, annual principal payments of \$50,648.	405,181	50,648
Sewer bond payable to State of Vermont Special Environmental Revolving Fund, total loan \$698,450, 2% administration fee, annual principal and administrative fee payments of \$42,715, matures April 1, 2027	451,725	33,680
Bond payable, State of Vermont Special Environmental Revolving Fund, administrative fee of 2%, maturing September 2031, annual principal and administrative fee payments of \$9,371.	133,932	6,693

TOWN OF SHELBURNE, VERMONT
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Business-Type Activities	Total	Due in One Year
Sewer upgrade note payable to State of Vermont Special Environmental Revolving Fund total loan \$199,511, 2% administration fee, annual principal and administrative payments of \$15,527, matures July 1, 2025. The 2016 payment was paid prior to June 30, 2015.	\$ 139,472	\$ 0
Capital equipment (trucks) note payable to the National Bank of Middlebury, interest at 0.95%, annual principal payments of \$13,250 and \$12,000, matures May 25, 2017.	25,250	13,250
Capital equipment (generator) note payable to the National Bank of Middlebury, Interest at 0.95%, annual principal payments of \$6,400, matures June 25, 2025.	6,400	6,400
Total Sewer funds long-term bond and notes payable	5,181,938	586,188
Water Fund		
Water bond payable to the Vermont Municipal Bond Bank, annual principal payments of \$50,000 to \$55,000, plus semi-annual interest payments at 3.57% to 4.69%, matures December 1, 2023.	490,000	55,000
Water bond payable to the Vermont Municipal Bond Bank, annual principal payments of between \$4,000 to \$10,000 plus semi-annual interest payments at 3.0% to 4.38%, matures November 15, 2020.	30,000	5,000
Water bond payable, to the Vermont Municipal Bond Bank, annual principal payments of between \$20,000 and \$25,000 plus semi-annual interest payments at 0.44% to 4.33%, matures November 15, 2028.	320,000	25,000
Total Water fund long-term bond and notes payable	840,000	85,000
Total Business-type Activities	\$ 6,021,938	\$ 671,188

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Maturities of bonds and notes payable are as follows:

Year Ending June 30	Governmental Activities		Business-type Activities		Total
	Principal	Interest	Principal	Interest	
2016	\$ 593,000	\$ 163,006	\$ 671,188	\$ 33,940	\$ 705,128
2017	552,900	67,154	677,178	30,671	707,849
2018	498,000	45,064	666,352	27,170	693,522
2019	480,000	39,830	667,550	24,250	691,800
2020	480,000	18,575	668,773	20,892	689,665
2021-2025	1,305,000	137,092	2,402,138	51,630	2,453,768
2026-2030	310,000	34,600	250,565	8,194	258,759
2031-2035	45,000	1,014	18,194	548	18,742
Total	\$ 4,263,900	\$ 506,335	\$ 6,021,938	\$ 197,295	\$ 6,219,233

Changes in long-term liabilities for the year ended June 30, 2015 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
Bonds and Notes Payable	\$ 4,738,200	\$ 100,000	\$ 574,300	\$ 4,263,900	\$ 593,000
Compensated Absences	247,532	21,646	0	269,178	0
Net Pension Liability	221,109	0	165,567	55,542	0
Total Governmental Activities	\$ 5,206,841	\$ 121,646	\$ 739,867	\$ 4,588,620	\$ 593,000
Business-Type Activities					
Bonds and Notes Payable	\$ 6,717,973	\$ 0	\$ 696,035	\$ 6,021,938	\$ 671,188
Compensated Absences	50,054	2,214	0	52,268	0
Net Pension Liability	27,471	0	20,573	6,898	0
Total Business-Type Activities	\$ 6,795,498	\$ 2,214	\$ 716,608	\$ 6,081,104	\$ 671,188

J. Fund Balances

GASB Statement No. 34, as amended by GASB Statement No. 54, requires fund balances reported on the governmental fund balance sheet to be classified using a hierarchy based primarily on the extent to which a government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

TOWN OF SHELburnE, VERMONT
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Governmental fund balances are to be classified as: nonspendable (not in spendable form or legally required to remain intact); restricted (constraints on the use of resources are either externally imposed by creditors, grantors or donors, or imposed by law through enabling legislation); committed (constraints on the use of resources are imposed by formal action of the voters); assigned (reflecting the Selectboard's intended use of the resources); and unassigned.

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

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

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

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

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

The fund balance in the following fund is nonspendable as follows:

Major Funds

General Fund: \$ 6,022
Prepaid Expenses

TOWN OF SHELburnE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
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The fund balances in the following funds are restricted as follows:

<u>Non-Major Funds</u>	
Special Revenue Funds:	
Restricted for Recreation by Grant Agreements (Source of Revenue is Grant Revenue)	\$140,473
Restricted for Records Preservation Expenses by Statute (Source of Revenue is Fees)	123,370
Restricted for Library Expenses by Donation (Source of Revenue is Donations)	224
Other Restrictions by Donations (Source of Revenue is Donations)	<u>28,071</u>
Total Special Revenue Funds	<u>292,138</u>
Capital Project Funds:	
Restricted for Pine Haven Stormwater by Grant Agreements	7,845
Restricted for Library Building by Fee Agreement	36,760
Restricted for Highway Equipment Replacement Expenditures by Statute	254,175
Restricted for Police by Grant Agreements	<u>27,239</u>
Total Capital Project Funds	<u>326,019</u>
Permanent Funds:	
Restricted for Cemetery Fund by Trust Agreements – Expendable Portion	231,317
Restricted for Library Endowment by Trust Agreements – Expendable Portion	21,048
Restricted for Lillian Davis (Memorial Fund – Expendable Portion)	<u>83,097</u>
Total Permanent Funds	<u>335,462</u>
Total Non-Major Funds	<u>953,619</u>
Total Restricted Fund Balances	<u>\$953,619</u>

TOWN OF SHELburnE, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
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The fund balances in the funds are committed as follows:

Major Fund	
General Fund:	
Committed for Ambulance and Rescue Operations by Voters	\$ <u>453,157</u>
<u>Non-Major Funds</u>	
Special Revenue Funds:	
Committed for Open Land Trust by Voters (Source of Revenue is Transfers)	236,155
Committed for Cemetery Tractor by Voters (Source of Revenue is Transfers)	<u>9,276</u>
Total Special Revenue Funds	<u>245,431</u>
Capital Projects Funds:	
Committed for Bay Park by Voters	35,522
Committed for Police Equipment by Voters	<u>91,280</u>
Total Capital Project Funds	<u>126,802</u>
Total Non-Major Funds	<u>372,233</u>
Total Committed Fund Balances	\$ <u>825,390</u>
The fund balances in the following funds are assigned as follows:	
<u>Non-Major Funds</u>	
Special Revenue Funds:	
Assigned for Reappraisal Expenses (Source of Revenue is Fees)	\$ <u>132,842</u>
Capital Projects Funds:	
Assigned for Highway Salt Shed Expenditures	<u>23,128</u>
Total Capital Project Fund	<u>23,128</u>
Total Assigned Fund Balances	\$ <u>155,970</u>

K. Restricted and Designated Net Position

The restricted net position of the Town as of June 30, 2015 consisted of the following:

Governmental Activities:	
Restricted for Recreation by Grant Agreements	\$140,473
Restricted for Records Preservation Expenses by Statute	123,370
Restricted for Library Expenses by Donation	224
Restricted for Other Purposes by Donations	28,071
Restricted for Pine Haven Stormwater by Grant Agreements	7,845
Restricted for Library Building by Fee Agreement	36,760
Restricted for Highway Equipment Replacement Expenditures by Statute	254,175
Restricted for Police by Grant Agreements	27,239
Restricted for Cemetery by Trust Agreements	231,317
Restricted for Library by Trust Agreements	21,048
Restricted for Recreation Projects (Lillian Davis Memorial) by Donations	<u>83,097</u>
Total Governmental Activities	<u>\$953,619</u>

The designated net position of the Town's Proprietary Funds as of June 30, 2015 consisted of the following:

Water Fund:	
Designated for Water Capital Projects	\$ 69,075
Designated for Future Water Capital Projects	<u>20,501</u>
Total Water Fund	<u>89,576</u>
Sewer Fund:	
Designated for Sewer Capital Projects	100,116
Designated for Future Sewer Capital Projects	<u>135,838</u>
Total Sewer Fund	<u>235,954</u>
Total Business-type Activities	<u>\$325,530</u>

V. OTHER INFORMATION

A. BENEFIT PLANS

1. VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM – DEFINED BENEFIT PLAN

Plan Description

The Vermont Municipal Employees' Retirement System (VMERS) is a cost-sharing, multiple-employer defined benefit pension plan that is administered by the State Treasurer and its Board of Trustees. It is designed for municipal and school district employees that work on a regular basis, and also includes employees of museums and libraries if at least half of that institution's operating expenses are met by municipal funds. An employee of any employer that becomes affiliated with the system may join at that time or at any time thereafter. Any employee hired subsequent to the effective participation date of their employer who meets the minimum hourly requirements is required to join the system. During the year ended June 30, 2015, the retirement system consisted of 437 participating employees.

The plan was established effective July 1, 1975, and is governed by Title 24, V.S.A. Chapter 125. The general administration and responsibility for formulating administrative policy and procedures of the retirement system for its members and their beneficiaries is vested in the Board of Trustees consisting of five members. They are the State Treasurer, two employee representatives elected by the membership of the system, and two employer representatives – one elected by the governing bodies of participating employers of the system, and one selected by the Governor from a list of four nominees. The list of nominees is jointly submitted by the Vermont League of Cities and Towns and the Vermont School Boards Association.

All assets are held in a single trust and are available to pay retirement benefits to all members. Benefits available to each group are based on average final compensation (AFC) and years of credible services.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources

As of June 30, 2014, the measurement date selected by the State of Vermont, VMERS was funded at 98.32% and had a plan fiduciary net position of \$534,525,477 and a total pension liability of \$543,652,090 resulting in a net pension liability of \$9,126,613. As of June 30, 2015, the Town's proportionate share of this was .6842% resulting in a liability of \$62,440. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. As of June 30, 2014, the Town's proportion of .6842% was an increase of .0015% from its proportion measured as of June 30, 2013.

TOWN OF SHELBURNE, VERMONT
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For the year ended June 30, 2015, the Town recognized pension expense of \$94,253.

As of June 30, 2015, the Town reported deferred outflows of resources and deferred inflows of resources from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportional share of contributions	\$ 423	\$ 0
Difference between projected and actual earnings on pension plan investments	0	192,548
Town's required employer contributions made subsequent to the measurement date	<u>97,366</u>	<u>0</u>
	<u>\$ 97,789</u>	<u>\$ 192,548</u>

The deferred outflows of resources resulting from the Town's required employer contributions made subsequent to the measurement date in the amount of \$97,366 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows.

	Year Ending June 30
2016	\$ 38,510
2017	38,510
2018	38,510
2019	38,509
2020	<u>38,509</u>
Total	<u>\$ 192,548</u>

Summary of System Provisions

Membership: Full time employees of participating municipalities. The Town elected coverage under Group B and Group C provisions.

Creditable Service: Service as a member plus purchased service.

Average Final Compensation (AFC): Groups B and C – Average annual compensation during the highest three (3) consecutive years.

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Service Retirement Allowance:

Eligibility: Group B – The earlier of age 62 with five (5) years of service or age 55 with thirty (30) years of service. Group C – Age 55 with five (5) years of service.

Amount: Group B – 1.75% of AFC times service as a Group B member plus percentage earned as a Group A member times AFC. Group C – 2.5% of AFC times service as a Group C member plus percentage earned as a Group A or B member times AFC.

Maximum benefit is 60% of AFC for Group B and 50% of AFC for Group C. The previous amounts include the portion of the allowance provided by member contributions.

Early Retirement Allowance:

Eligibility: Age 55 with five (5) years of service for Group B.

Amount: Normal allowance based on service and AFC at early retirement, reduced by 6% for each year commencement precedes normal retirement age for Group B members.

Vested Retirement Allowance:

Eligibility: Five (5) years of service.

Amount: Allowance beginning at normal retirement age based on AFC and service at termination. The AFC is to be adjusted annually by one-half of the percentage change in the Consumer Price Index, subject to the limits on "Post-Retirement Adjustments".

Disability Retirement Allowance:

Eligibility: Five (5) years of service and disability as determined by Retirement Board.

Amount: Immediate allowance based on AFC and service to date of disability.

Death Benefit:

Eligibility: Death after five (5) years of service.

Amount: For Groups B and C, reduced early retirement allowance under 100% survivor option commencing immediately or, if greater, survivor(s) benefit under disability annuity computed as of date of death.

Optional Benefit and Death after Retirement: For Groups B and C, lifetime allowance or actuarially equivalent 50% or 100% joint and survivor allowance with refund of contribution guarantee.

Refund of Contribution: Upon termination, if the member so elects or if no other benefit is payable, the member's accumulated contributions are refunded.

TOWN OF SHELburnE, VERMONT
 NOTES TO THE FINANCIAL STATEMENTS
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Post-Retirement Adjustments: Allowance in payment for at least one year increased on each January 1 by one-half of the percentage increase in the Consumer Price Index but not more than 3% for Groups B and C.

Member Contributions: Group B – 4.75% effective July 1, 2014 (increased from 4.625%). Group C – 9.625% effective July 1, 2014 and 9.75% effective January 1, 2015 (increased from 9.5%).

Employer Contributions: Group B – 5.375% effective July 1, 2014 (increased from 5.125%). Group C – 6.875% from July 1, 2014 to December 31, 2014 (increased from 6.625%) and then 7.0% effective January 1, 2015.

Retirement Stipend: \$25 per month payable at the option of the Board of Trustees.

Significant Actuarial Assumptions and Methods

Interest Rate: A select-and-ultimate interest rate set, specified as follows. The interest rate set is restarted every year.

Year 1:	6.25%	Year 10:	8.50%
Year 2:	6.75%	Year 11:	8.50%
Year 3:	7.00%	Year 12:	8.50%
Year 4:	7.50%	Year 13:	8.50%
Year 5:	7.75%	Year 14:	8.50%
Year 6:	8.25%	Year 15:	8.50%
Year 7:	8.25%	Year 16:	8.75%
Year 8:	8.25%	Year 17 and later:	9.00%
Year 9:	8.50%		

Salary Increases: 5% per year.

Deaths:

Active participants: 50% of the probabilities in the 1995 Buck Mortality Tables for males and females.

Non-disabled retirees and terminated vested participants: The 1995 Buck Mortality Tables with no set-back for males and one-year set-back for females.

Disabled retirees: RP-2000 Disabled Life Tables.

Beneficiaries: 1995 Buck Mortality Tables for males and females.

Spouse's Age: Husbands are assumed to be three years older than their wives.

TOWN OF SHELburnE, VERMONT
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Cost-of-Living Adjustments to Benefits of Terminated Vested and Retired Participants: Assumed to occur at the rate of 1.8% per annum for Group B and C members.

Actuarial Cost Method: Entry Age Normal - Level Percentage of Pay.

Asset Valuation Method: Invested assets are reported at fair value.

Note: For funding purposes – A smoothing method is used, under which the value of assets for actuarial purposes equals market value less a five-year phase-in of the differences between actual and assumed investment return. The value of assets for actuarial purposes may not differ from the market value of assets by more than 20%.

Inflation: The separately stated assumptions for investment return, salary increases and cost of living adjustments are consistent with an expected annual inflation rate of 3.00% to 3.25% per year.

Long-term Expected Rate of Return:

The long-term expected rate of return on investments was determined using best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) developed for each major asset class using an econometric model that forecasts a variety of economic environments and then calculates asset class returns based on a variety of functional relationships between the economic variable and the asset classes. These best estimate ranges were combined to produce forecasts of the short, intermediate, and longer term horizons by weighting the expected future nominal rates of return by the target asset allocation percentage. The various time horizons in the forecast are intended to capture more recent economic and capital market conditions as well as other plausible environments that could develop in the future over economic cycles. To reflect this in the rate-of-return assumption, a Select and Ultimate assumption setting approach, which is cited in Section 3.8.4 of Actuarial Standard of Practice No. 27 as an alternative to a single assumed rate of return, is employed.

Best estimates of arithmetic rates of return for each major asset class included in the target asset allocation as of June 30, 2014 are summarized in the following table:

Asset Class	Target Asset Allocation	Long-term Expected Real Rate of Return
Equity	31.50%	6.70%
Fixed Income	33.00%	2.94%
Alternatives	15.50%	6.26%
Multi-strategy	20.00%	5.98%

TOWN OF SHELburnE, VERMONT
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JUNE 30, 2015

Nominal long-term expected rates of return for these asset classes are equal to the sum of the expected long-term real rates and the expected long-term inflation rate of 3.0%.

Discount Rate: The discount rate used to measure the total pension liability was 8.23%. The projection of cash flows used to determine the discount rate assumed that contributions will continue to be made in accordance with the current funding policy. Based on these assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments to current members. The assumed discount rate has been determined in accordance with the method prescribed by GASB 68.

Sensitivity of the Town's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 8.23%, as well as what the proportionate share would be if it were calculated using a discount rate that is one percent lower (7.23%) or one percent higher (9.23%).

	Impact of a 1% Change in the Discount Rate	
	<u>Discount Rate</u>	<u>Net Pension Liability</u>
Current Rate	8.23%	62,440
1% Decrease	7.23%	526,055
1% Increase	9.23%	(326,511)

Additional Information

Additional information regarding the State of Vermont Municipal Employees' Retirement System, including the details of the Fiduciary Net Position, is available upon request from the State of Vermont.

2. VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM – DEFINED CONTRIBUTION PLAN

The Town also participates in the VMERS defined contribution (DC) plan. Employees contribute 5% of the earnings to the plan and the Town contributes 5.125%. Covered payroll under the plan was \$1,287,005 and pension expense was \$65,959.

B. RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town maintains insurance coverage through the Vermont League of Cities and Towns Property and Casualty Intermunicipal Fund, Inc. covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Town. Settled claims have not exceeded this coverage in any of the past three fiscal years. The Town must remain a member for a minimum of one year and may withdraw from the Fund after that time by giving sixty days notice. Fund underwriting and ratesetting policies have been established after consultation with actuaries. Fund members are subject to a supplemental assessment in the event of deficiencies. If the assets of the Fund were to be exhausted, members would be responsible for the Fund's liabilities.

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The Town of Shelburne is also a member of the Vermont League of Cities and Towns Unemployment Insurance Trust. The Unemployment Trust is a nonprofit corporation formed to provide unemployment coverage for Vermont municipalities and is owned by the participating members. The agreement does not permit the Unemployment Trust to make additional assessments to its members.

C. PROPERTY TAXES

The Town is responsible for assessing and collecting its own property taxes, as well as education taxes for the State of Vermont. Property taxes are assessed based on property valuations as of April 1, the voter approved budgets and the State education property tax liability. Property taxes are due in three equal installments on August 15, November 15 and March 15. The Town assesses a 5% penalty on delinquent taxes and interest is assessed at 1.5% per month after the first month of delinquency. Unpaid taxes become an enforceable lien on the property, and such properties are subject to tax sale. The tax rates for 2015 were as follows:

	<u>Residential</u>	<u>Non-Residential</u>
Town	.3571	.3571
Veterans Exemption	.0008	.0008
Education	1.4506	1.5196
Total	<u>1.8085</u>	<u>1.8775</u>

D. ENDOWMENT FUND

On March 24, 1998, the Pierson Library created an endowment at the Vermont Community Foundation. In doing so, the ownership of the funds passed to the Vermont Community Foundation with the stipulation that the Foundation pay to the Library an amount, determined on an annual basis, to be not less than 5% of the value of the funds as of the end of the previous year. Payments are to be made at least semiannually. The endowment is not reflected on the balance sheet of the Town. The balance of the Endowment Fund at June 30, 2015 is \$107,816.

E. CONTINGENT LIABILITIES

The Town participates in a number of federally assisted and state grant programs that are subject to audits by the grantors or their representatives. Accordingly, compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

F. SUBSEQUENT EVENTS

At a special meeting held November 3, 2015, Shelburne voters approved a bond issue of up to three million dollars (\$3,000,000) for the purpose of making capital improvements to the Town sewer collection system and facilities. Bond payments will be funded through sewer user fees. It is anticipated funds will be spent on this project starting in fiscal year 2017.

TOWN OF SHELBURNE, VERMONT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Budget	Actual	Variance Favorable/ (Unfavorable)
Revenues:			
Property Taxes:			
Property Taxes	\$ 5,248,731	\$ 5,182,903	\$ (65,828)
Special Assessments	50,720	50,720	0
Penalties	35,000	52,613	17,613
Late Homestead Filing	3,000	12,068	9,068
Interest Income	25,000	29,321	4,321
Total Property Taxes	5,362,451	5,327,625	(34,826)
Administration:			
Liquor Licenses	2,600	3,245	645
Animal Licenses	5,300	6,278	978
Fish and Game Licenses	75	53	(22)
Marriage/Civil Union Licenses	550	655	105
Recording Fees	62,000	46,092	(15,908)
Passport Fees and Photos	7,500	14,475	6,975
Miscellaneous	500	153	(347)
Copier Use	6,500	6,928	428
Vital Statistics Copies	4,000	4,100	100
Other Fees	2,225	1,827	(398)
Total Administration	91,250	83,806	(7,444)
Highway Revenue:			
Received for State Aid/Grant	145,000	145,065	65
Construction Reimbursements	60,000	95,706	35,706
Permits	8,100	26,600	18,500
Miscellaneous	0	34	34
Total Highway Revenue	213,100	267,405	54,305
Police Department:			
Judicial Fees	60,000	48,092	(11,908)
Special Duty Reimbursement	25,000	36,618	11,618
Patrol Duty	32,000	0	(32,000)
Public Safety Grants	0	65,376	65,376
Dispatch Contracts	201,097	202,427	1,330
E911 Operation Grant	90,000	90,000	0
Other	21,100	33,760	12,660
Total Police Department	429,197	476,273	47,076
Cemeteries:	1,400	3,700	2,300
Planning and Zoning:			
Permits and Fees	49,550	44,814	(4,736)
Grant Revenue	27,200	5,233	(21,967)
Total Planning and Zoning	76,750	50,047	(26,703)

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STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Budget	Actual	Variance Favorable/ (Unfavorable)
Water and Sewer:			
Water Department Administration	\$ 43,350	\$ 43,350	\$ 0
Sewer Department Administration	43,350	43,350	0
Total Water and Sewer	86,700	86,700	0
Recreation Department:			
Sale of Beach Stickers	9,900	13,395	3,495
Fees and Recreation Programs	122,239	134,390	12,151
Total Recreation Department	132,139	147,785	15,646
Library Revenue	0	3,031	3,031
Financial Management:			
Investment Interest	300	418	118
Total Financial Management	300	418	118
Miscellaneous Revenue:			
Insurance Claims	0	24,234	24,234
First Aid and Rescue Miscellaneous	0	1,139	1,139
Fire/Rescue Grants/Other	5,000	9,413	4,413
Other	5,200	12,326	7,126
Payment in Lieu of Taxes	5,800	6,242	442
State Current Use Tax Payment	113,000	114,992	1,992
Act 60 Administration	41,000	44,761	3,761
Cellular Tower Fees	71,300	78,757	7,457
Mooring Fees	49,750	51,750	2,000
CSSU Village Center Lease	64,000	64,000	0
CSSU Building Maintenance Allocation	37,400	35,796	(1,604)
Use of Town Hall/Town Center	11,000	12,476	1,476
Pierson Building Lease	28,568	30,047	1,479
Total Miscellaneous Revenue	432,018	485,933	53,915
Total Revenues	6,825,305	6,932,723	107,418
Expenditures:			
Selectboard:			
Salaries	6,300	6,300	0
Selectboard's Expenses	7,700	5,952	1,748
VLCT Dues	8,230	8,230	0
Town Reports	2,100	2,126	(26)
Total Selectboard	24,330	22,608	1,722
Legal Services	30,000	27,531	2,469

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TOWN OF SHELBURNE, VERMONT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable/ (Unfavorable)</u>
Administration - Municipal Offices:			
Office Supplies	\$ 7,000	\$ 5,500	\$ 1,500
Computer Hardware	7,000	7,634	(634)
Telephone	10,700	3,467	7,233
Computer Software	4,500	3,287	1,213
Technical Assistance	5,000	8,162	(3,162)
Training	8,400	792	7,608
Office Equipment and Repair	1,000	597	403
Postage	19,000	17,188	1,812
Copier Expense	5,800	5,864	(64)
Computer Technical Assistance	10,000	20,923	(10,923)
CSSU Data Line	3,100	3,044	56
	<u>81,500</u>	<u>76,458</u>	<u>5,042</u>
Town Manager:			
Salaries	143,725	126,064	17,661
Manager's Expenses	2,300	1,138	1,162
Vehicle Expense	2,500	2,000	500
Emergency Management	1,000	1,203	(203)
	<u>149,525</u>	<u>130,405</u>	<u>19,120</u>
Elections:			
Salaries	6,500	4,361	2,139
Election Expense	4,000	4,247	(247)
BCA Expenses	500	373	127
	<u>11,000</u>	<u>8,981</u>	<u>2,019</u>
Finance and Insurance:			
Salaries	167,814	168,721	(907)
Property and Liability Insurance	199,700	211,501	(11,801)
Insurance Claims - Deductible	5,000	18,043	(13,043)
Auditing	15,340	15,234	106
	<u>387,854</u>	<u>413,499</u>	<u>(25,645)</u>
Town Clerk/Treasurer:			
Salaries	129,105	130,119	(1,014)
Expense	2,000	1,345	655
Office Expenses	6,000	6,116	(116)
Microfilming and Preservation	5,000	1,929	3,071
Records Automation	70,000	27,370	42,630
Computer Software and Hardware	1,000	0	1,000
	<u>213,105</u>	<u>166,879</u>	<u>46,226</u>

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TOWN OF SHELBURNE, VERMONT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable/ (Unfavorable)</u>
Planning and Zoning:			
Salaries	\$ 144,736	\$ 145,689	\$ (953)
Planning Expense	6,800	7,202	(402)
Conference and Training	900	450	450
Town Plan and Special Projects	34,000	15,699	18,301
Planning Assistance	6,500	5,731	769
Independent Technical Review	3,000	0	3,000
GIS Software	4,400	4,247	153
	<u>200,336</u>	<u>179,018</u>	<u>21,318</u>
Assessor's Office:			
Salaries	36,476	36,476	0
Administrative Assistant	26,654	27,575	(921)
Assessor Expenses	3,500	2,636	864
	<u>66,630</u>	<u>66,687</u>	<u>(57)</u>
Buildings and Grounds:			
Salaries	95,474	90,099	5,375
Town Center Operating Expenses	37,000	42,526	(5,526)
Town Parade Ground Expenses	0	301	(301)
Town Center Building Maintenance	9,600	2,540	7,060
Town Hall Operating Expense	1,600	1,443	157
Town Hall Building Maintenance	3,700	469	3,231
Town Hall Heating Fuel	7,700	7,414	286
Town Center Heating Fuel	18,100	23,185	(5,085)
Town Center Utilities	50,550	48,639	1,911
Pierson Building Utilities and Maintenance	5,000	401	4,599
Recreation Fields Maintenance	10,000	7,153	2,847
Capital Projects	35,000	33,244	1,756
Grant Expense	0	3,015	(3,015)
	<u>273,724</u>	<u>260,429</u>	<u>13,295</u>
Public Works:			
Stormwater Permits	9,300	9,698	(398)
Stormwater Maintenance	8,000	6,605	1,395
Munro Brook Flow Restoration Project	25,000	28,577	(3,577)
	<u>42,300</u>	<u>44,880</u>	<u>(2,580)</u>

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TOWN OF SHELBURNE, VERMONT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Budget</u>	<u>Actual</u>	Variance Favorable/ (Unfavorable)
Harbormaster:			
Salaries	\$ 5,000	\$ 5,001	\$ (1)
Mooring Inspection/Maintenance	13,600	15,659	(2,059)
Seasonal Dock Installation/Removal	5,700	2,100	3,600
Maintenance/Administration	<u>300</u>	<u>2,484</u>	<u>(2,184)</u>
Total Harbormaster	<u>24,600</u>	<u>25,244</u>	<u>(644)</u>
Police Department:			
Salaries	821,833	757,032	64,801
Overtime Salaries	110,037	124,693	(14,656)
Special Duty Details	25,000	16,748	8,252
Office	8,000	11,237	(3,237)
Telephone	11,400	10,755	645
Radio Expense	10,000	11,988	(1,988)
Travel and Conferences	2,500	2,073	427
Photos	6,000	2,557	3,443
Training	8,000	7,478	522
Gasoline	50,400	35,664	14,736
Tires	4,900	2,689	2,211
Vehicle Maintenance and Repairs	9,500	8,819	681
General Equipment	4,000	5,120	(1,120)
Fingerprint Equipment and Supplies	3,000	3,779	(779)
Uniform Purchases	8,000	9,273	(1,273)
Uniform Cleaning	4,000	3,672	328
Computer Maintenance	10,760	10,733	27
Building Maintenance	2,000	3,316	(1,316)
Matching Funds	1,000	0	1,000
Capital Improvement	5,150	760	4,390
Animal Enforcement	2,750	1,325	1,425
Police/C.U.S.I	11,427	11,427	0
Other Grants	0	19,468	(19,468)
Governors Highway Safety Grants	<u>0</u>	<u>41,972</u>	<u>(41,972)</u>
Total Police Department	<u>1,119,657</u>	<u>1,102,578</u>	<u>17,079</u>
Fire Department:			
Salaries	35,000	34,612	388
Office Supplies and Phones	6,440	5,441	999
Building Heat and Service	9,500	4,694	4,806
Fire Prevention - Training	6,000	5,161	839
Radio Maintenance	5,300	3,974	1,326
Protective Clothing	17,550	17,202	348
Gas and Oil	6,000	3,758	2,242
Fire Fighting Supplies	5,000	3,215	1,785
Equipment Maintenance	25,100	26,530	(1,430)
Building Maintenance	3,000	6,508	(3,508)
Equipment	11,250	13,388	(2,138)

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BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
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	Budget	Actual	Variance Favorable/ (Unfavorable)
Fire Department/(Cont'd):			
Improvements	\$ 50,000	\$ 53,082	\$ (3,082)
Rescue Boat Expense	2,460	3,656	(1,196)
Periodicals	2,000	2,021	(21)
Physicals/RFT Test	3,000	1,311	1,689
Membership Events and Incentives	5,500	6,006	(506)
Fire/Marine Apparatus	0	1,610	(1,610)
	<u>193,100</u>	<u>192,169</u>	<u>931</u>
Total Fire Department			
Public Safety and Dispatch:			
Dispatch Salaries	366,485	316,829	49,656
Overtime Salaries	45,316	65,830	(20,514)
Training	3,000	1,663	1,337
Uniforms	2,100	967	1,133
Capital Improvements	6,000	5,061	939
Dispatch Radio Equipment	20,320	17,425	2,895
Computer Use	17,100	11,931	5,169
	<u>460,321</u>	<u>419,706</u>	<u>40,615</u>
Total Public Safety and Dispatch			
Public Works - Highways:			
Salaries	261,298	249,393	11,905
Overtime Salaries	27,648	29,369	(1,721)
Interdepartmental Assistance	1,835	944	891
Road Maintenance	30,000	29,208	792
Drainage System/Culvert Maintenance	15,000	9,602	5,398
Construction Projects	45,000	57,656	(12,656)
Retreatment/Repaving	360,000	385,086	(25,086)
Sidewalk/Paths Engineering	1,000	844	156
Garage Heating Fuel	7,100	7,841	(741)
Engineering Services	1,500	2,903	(1,403)
Street Signs	3,000	4,510	(1,510)
Winter Sand	6,000	3,180	2,820
Winter Salt	90,000	103,216	(13,216)
Garage Utilities	11,400	11,144	256
Uniforms	4,000	3,304	696
Gas and Diesel	35,000	26,780	8,220
Equipment Repair and Maintenance	47,000	50,745	(3,745)
Street and Caution Lights	9,500	9,200	300
Garage Supplies	5,000	2,638	2,362
Building Maintenance	5,000	720	4,280
Line Striping and Crosswalks	5,500	3,374	2,126
Street Lights Upgrade	20,000	11,567	8,433
Grant Expense Route 7 Sidewalk	0	10,145	(10,145)
Other Expenses	0	603	(603)
	<u>991,781</u>	<u>1,013,972</u>	<u>(22,191)</u>
Total Public Works - Highways			

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TOWN OF SHELBURNE, VERMONT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Budget	Actual	Variance Favorable/ (Unfavorable)
Health and Social Services:			
Health Officer Salary	\$ 875	\$ 0	\$ 875
United Way Donation	38,000	38,000	0
Health Officer Expenses	450	25	425
Total Health and Social Services	39,325	38,025	1,300
Rescue:			
Medical Supplies	20,000	22,563	(2,563)
Rescue Overtime	842	0	842
Uniforms	2,500	757	1,743
Operating	15,500	17,976	(2,476)
Transport Billing Expense	17,000	18,527	(1,527)
Oxygen	3,100	3,782	(682)
Training	5,000	1,505	3,495
Office	2,000	2,004	(4)
Office Equipment	1,000	353	647
Communications	3,000	3,728	(728)
Vehicle	12,000	11,987	13
Building Heating Fuel	2,300	2,318	(18)
Building Utilities	6,030	5,007	1,023
Building Maintenance	5,500	4,147	1,353
Volunteer Compensation	16,500	17,102	(602)
Volunteer Incentive Compensation	66,000	31,114	34,886
Compensation - Full Part-Time	58,703	85,683	(26,980)
Capital Improvements	200,000	189,296	10,704
Immunizations	150	20	130
Public Education	500	0	500
Total Rescue	437,625	417,869	19,756
Cemeteries:			
Salaries	28,492	23,992	4,500
Supplies and Tools	800	848	(48)
Committee Expenses	100	0	100
Gas Expense	1,200	773	427
Equipment Maintenance	800	740	60
Equipment Purchases	250	25	225
Capital Projects	5,000	5,000	0
Outside Services	2,800	2,681	119
Miscellaneous	0	800	(800)
Cremation Garden	1,000	651	349
Total Cemeteries	40,442	35,510	4,932

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STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Budget</u>	<u>Actual</u>	Variance Favorable/ (Unfavorable)
Recreation:			
Administrative Salaries	\$ 86,649	\$ 87,103	\$ (454)
Administration Expenses	10,375	9,736	639
Public Information	6,890	6,179	711
Beach Salaries	15,988	16,026	(38)
Equipment	1,375	1,295	80
Utilities	1,833	2,287	(454)
Beach Capital Improvements	21,000	18,528	2,472
Adult Sports Leagues	100	138	(38)
Dog Obedience	3,150	2,475	675
Dog Park Expense	1,160	0	1,160
Davis Park	1,540	17,129	(15,589)
Park Maintenance	5,880	6,325	(445)
Martial Arts	2,405	1,800	605
Beach Maintenance	4,500	4,719	(219)
Lacrosse Programs	9,213	6,440	2,773
Swim Lessons	50	9	41
Youth Basketball	3,882	2,472	1,410
Babe Ruth Baseball	3,550	3,361	189
Softball	4,102	3,253	849
Youth Soccer	9,195	7,328	1,867
Little League Baseball	20,275	23,816	(3,541)
Recreation Programs - Non-League	27,725	24,770	2,955
Special Events and Concerts	12,600	11,989	611
Ski Program	6,915	8,390	(1,475)
	<u>260,352</u>	<u>265,568</u>	<u>(5,216)</u>
Total Recreation			
Library:			
Salaries	186,867	189,588	(2,721)
Supplies	5,500	9,107	(3,607)
Materials	40,750	42,106	(1,356)
Materials Replace 2014 Damage	0	10,010	(10,010)
Building	6,500	6,679	(179)
Utilities	15,700	14,816	884
Equipment Purchase and Maintenance	1,800	2,257	(457)
Public Information	1,000	691	309
Administrative	2,000	2,999	(999)
Programs	4,500	3,793	707
Computer Hardware and Software	6,450	6,612	(162)
	<u>271,067</u>	<u>288,658</u>	<u>(17,591)</u>
Total Library			

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BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable/ (Unfavorable)</u>
Debt Management:			
Fire Truck Note	\$ 51,985	\$ 51,773	\$ 212
Town Center Project	324,041	324,041	0
Highway Sand and Salt Shed	31,828	31,828	0
Recreation Fields Project	112,459	112,459	0
Bike Path Bond 2008 Issue	27,694	27,694	0
Recreation Path Bond 2010 Issue	29,684	29,423	261
Beach Sea Wall 2010 Issue	17,494	17,433	61
Beaver Creek 2010 Issue	50,720	50,719	1
Dispatch Radio Equipment	18,000	17,798	202
Mount Philo Sidewalk 2010	5,181	5,169	12
Harbor Road Sidewalk	34,788	34,788	0
Total Debt Management	<u>703,874</u>	<u>703,125</u>	<u>749</u>
Intergovernmental:			
County Tax	66,297	66,511	(214)
G.B.I.C.	1,200	1,200	0
Chittenden County Regional Planning	18,354	18,354	0
Chittenden County Transit Authority	92,745	92,745	0
Total Intergovernmental	<u>178,596</u>	<u>178,810</u>	<u>(214)</u>
Employee Benefits:			
Retirement	142,273	141,249	1,024
Unemployment Compensation	6,326	1,341	4,985
HRA Expenses	136,780	178,991	(42,211)
Health Insurance/Flex Spending Administration Expense	21,500	23,663	(2,163)
Social Security	218,831	217,285	1,546
Health Insurance	492,419	489,437	2,982
Long-Term Disability Insurance	21,288	13,627	7,661
Dental and Life Insurance	44,045	46,189	(2,144)
Employee Assistance Program	700	710	(10)
Employee Events/Recognition	0	1,258	(1,258)
Immunizations	1,000	0	1,000
Total Employee Benefits	<u>1,085,162</u>	<u>1,113,750</u>	<u>(28,588)</u>
Miscellaneous:			
Selectboard Discretionary	3,700	2,774	926
Community Events	1,500	1,277	223
Tree Conservation	1,000	2,900	(1,900)
Community Support	3,500	3,983	(483)
Transfer to Hydrant Maintenance	0	1,830	(1,830)
Compost Bin Sales	0	1,000	(1,000)
RBS Business Development Grant	0	8,855	(8,855)
Miscellaneous Expense	0	9,933	(9,933)
Total Miscellaneous	<u>9,700</u>	<u>32,552</u>	<u>(22,852)</u>
Total Expenditures	<u>7,295,906</u>	<u>7,224,911</u>	<u>70,995</u>

See Disclaimer in Accompanying Independent Auditor's Report.

TOWN OF SHELBURNE, VERMONT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Budget	Actual	Variance Favorable/ (Unfavorable)
Excess/(Deficiency) of Revenues Over Expenditures	\$ (470,601)	\$ (292,188)	\$ 178,413
Other Financing Sources/(Uses):			
Transfer from Records Preservation Fund	70,000	27,370	(42,630)
Transfer from Cemetery Fund	8,000	8,000	0
Transfer from Baseball Fund	8,125	8,512	387
Transfer from Recreation-Other	0	720	720
Transfer from Tree Fund	0	1,015	1,015
Transfer from Ambulance Fund	461,301	416,731	(44,570)
Transfer from Recreation Impact Fees	75,000	75,000	0
Transfer to Dog Park Fund	0	(820)	(820)
Transfer to Bay Park Fund	(8,500)	(8,500)	0
Transfer to Police Cruiser Fund	(43,725)	(43,725)	0
Transfer to Highway Equipment Replacement Fund	(131,000)	(131,000)	0
Transfer to Cemetery Tractor Fund	(1,600)	(1,600)	0
Transfer to Community Fund	(2,000)	(2,000)	0
Transfer to Open Space Fund	(25,000)	(25,000)	0
Total Other Financing Sources/(Uses)	410,601	324,703	(85,898)
Excess/(Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing/(Uses)	\$ (60,000)	32,515	\$ 92,515
Adjustments to Reconcile from the Budgetary Basis of Accounting to the Modified Accrual Basis of Accounting:			
Ambulance Fund Revenues		267,566	
Ambulance Fund Transfer		(416,731)	
Road Cut Deposit Revenue		2,750	
Road Cut Deposit Expenditures		(2,250)	
Landscape Escrow Revenue		4,750	
Escrow-Lilly Creek Paving		(10,100)	
Net Change in Fund Balance		(121,500)	
Fund Balance - July 1, 2014, as Restated		1,128,182	
Fund Balance - June 30, 2015		\$ 1,006,682	

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Schedule 2

TOWN OF SHELburnE, VERMONT
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 VMERS DEFINED BENEFIT PLAN
 JUNE 30, 2015

	2015
Total Plan Net Pension Liability	\$ 9,126,613
Town's Proportion of the Net Pension Liability	0.6842%
Town's Proportionate Share of the Net Pension Liability	\$ 62,440
Town's Covered Employee Payroll	\$ 1,687,080
Proportionate Share of the Net Pension Liability as a Percentage of Covered Employee Payroll	3.70%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability as of June 30, 2014	98.32%

Notes to the Schedule:

Benefit Changes: none

Changes in Assumptions: none

Fiscal year 2015 was the first year of implementation, therefore, only one year is shown.

See Accompanying Independent Auditor's Report.

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Schedule 3

TOWN OF SHELburnE, VERMONT
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CONTRIBUTIONS
 VMERS DEFINED BENEFIT PLAN
 FOR THE YEAR ENDED JUNE 30, 2015

	2015
Contractually Required Contributions (Actuarially Determined)	\$ 97,366
Contributions in Relation to the Actuarially Determined Contributions	97,366
Contribution Excess/(Deficiency)	\$ 0
Covered Employee Payroll	\$ 1,687,080
Contributions as a Percentage of Covered Employee Payroll	5.77%

Notes to the Schedule:

Valuation Date: June 30, 2014

Fiscal year 2015 was the first year of implementation, therefore, only one year is shown.

See Accompanying Independent Auditor's Report.

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TOWN OF SHELBOURNE, VERMONT
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2015

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total
<u>ASSETS</u>				
Cash	\$ 139,256	\$ 23,294	\$ 21,048	\$ 183,598
Investments	140,488	0	2,61,649	402,137
Receivables (Net of Allowance for Uncollectibles)	1,864	0	0	1,864
Due from Other Funds	428,029	454,810	92,206	975,045
Total Assets	\$ 709,637	\$ 478,104	\$ 374,903	\$ 1,562,644
<u>LIABILITIES</u>				
Accounts Payable	\$ 36,495	\$ 2,155	\$ 0	\$ 38,650
Due to Other Funds	2,731	0	39,441	42,172
Total Liabilities	39,226	2,155	39,441	80,822
<u>FUND BALANCES</u>				
Restricted	292,138	326,019	335,462	953,619
Committed	245,431	126,802	0	372,233
Assigned	132,842	23,128	0	155,970
Total Fund Balances	670,411	475,949	335,462	1,481,822
Total Liabilities and Fund Balances	\$ 709,637	\$ 478,104	\$ 374,903	\$ 1,562,644

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TOWN OF SHELBOURNE, VERMONT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total
<u>Revenues:</u>				
Intergovernmental	\$ 27,987	\$ 3,376	\$ 0	\$ 31,363
Charge for services	18,391	0	0	18,391
Investment Income/(Loss)	844	48	(17,929)	(17,037)
Fees and Licenses	28,158	11,760	6,975	46,893
Contributions	126,924	12,399	7,562	146,885
Other Revenue	0	28,159	0	28,159
Total Revenues	202,304	55,742	(3,392)	254,654
<u>Expenditures:</u>				
General Government	5,327	0	0	5,327
Public Safety	0	7,128	0	7,128
Recreation and Parks	38,773	0	0	38,773
Highway and Public Works	0	2,191	0	2,191
Cemetery	0	0	1,240	1,240
Library	0	0	6,722	6,722
Capital Outlay:				
Recreation and Parks	100,067	0	0	100,067
Public Safety	0	70,471	0	70,471
Highways and Public Works	0	113,153	0	113,153
Debt Service:				
Principal	0	52,000	0	52,000
Interest	0	2,400	0	2,400
Total Expenditures	144,167	247,343	7,962	399,472
Excess/(Deficiency) of Revenues Over Expenditures	58,137	(191,601)	(11,354)	(144,818)
<u>Other Financing Sources/(Uses):</u>				
Proceeds from Long-Term Debt	0	100,000	0	100,000
Transfers In	29,420	208,225	0	237,645
Transfers Out	(112,617)	0	(33,000)	(145,617)
Total Other Financing Sources/(Uses)	(83,197)	308,225	(33,000)	192,028
Net Change in Fund Balances	(25,060)	116,624	(44,354)	47,210
Fund Balances - July 1, 2014, As Restated	695,471	359,325	379,816	1,434,612
Fund Balances - June 30, 2015	\$ 670,411	\$ 475,949	\$ 335,462	\$ 1,481,822

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TOWN OF SHELBURNE, VERMONT
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2015

	Recreation Related Funds	ACT 60 Reappraisal Fund	Library Freeman Grant Fund	Open Land Trust Fund	Record Preservation Fund	Other Funds	Total
ASSETS							
Cash	\$ 1,098	\$ 132,842	\$ 0	\$ 0	\$ 0	\$ 5,316	\$ 139,256
Investments	140,488	0	0	0	0	0	140,488
Receivables (Net of Allowance for Uncollectibles)	1,864	0	0	0	0	0	1,864
Due from Other Funds	3,734	0	224	236,155	123,370	64,546	428,029
Total Assets	\$ 147,184	\$ 132,842	\$ 224	\$ 236,155	\$ 123,370	\$ 69,862	\$ 709,637
LIABILITIES							
Accounts Payable	\$ 3,980	\$ 0	\$ 0	\$ 0	\$ 0	\$ 32,515	\$ 36,495
Due to Other Funds	2,731	0	0	0	0	0	2,731
Total Liabilities	6,711	0	0	0	0	32,515	39,226
FUND BALANCES							
Restricted	140,473	0	224	0	123,370	28,071	292,138
Committed	0	0	0	236,155	0	9,276	245,431
Assigned	0	132,842	0	0	0	0	132,842
Total Fund Balances	140,473	132,842	224	236,155	123,370	37,347	670,411
Total Liabilities and Fund Balances	\$ 147,184	\$ 132,842	\$ 224	\$ 236,155	\$ 123,370	\$ 69,862	\$ 709,637

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TOWN OF SHELBURNE, VERMONT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Recreation Related Funds	ACT 60 Reappraisal Fund	Library Freeman Grant Fund	Open Land Trust Fund	Record Preservation Fund	Other Funds	Total
Revenues:							
Intergovernmental	\$ 0	\$ 27,987	\$ 0	\$ 0	\$ 0	\$ 0	\$ 27,987
Investment Income	547	57	0	108	61	71	844
Fees and licenses	0	0	0	0	28,124	34	28,158
Charge for services	18,391	0	0	0	0	0	18,391
Contributions	45,562	0	0	0	0	81,362	126,924
Total Revenues	64,500	28,044	0	108	28,185	81,467	202,304
Expenditures:							
General Government	0	5,327	0	0	0	0	5,327
Recreation and Parks	32,224	0	0	0	0	6,549	38,773
Capital Outlay:							
Recreation and Parks	0	0	0	0	0	100,067	100,067
Total Expenditures	32,224	5,327	0	0	0	106,616	144,167
Excess/(Deficiency) of Revenues Over Expenditures	32,276	22,717	0	108	28,185	(25,149)	58,137
Other Financing Sources/(Uses):							
Transfers In	820	0	0	25,000	0	3,600	29,420
Transfers Out	(84,232)	0	0	0	(27,370)	(1,015)	(112,617)
Total Other Financing Sources/(Uses)	(83,412)	0	0	25,000	(27,370)	2,585	(83,197)
Net Change in Fund Balances	(51,136)	22,717	0	25,108	815	(22,564)	(25,060)
Fund Balances - July 1, 2014	191,609	110,125	224	211,047	122,555	59,911	695,471
Fund Balances - June 30, 2015	\$ 140,473	\$ 132,842	\$ 224	\$ 236,155	\$ 123,370	\$ 37,347	\$ 670,411

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TOWN OF SHELBURNE, VERMONT
COMBINING BALANCE SHEET
NON-MAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2015

	Bay Park Fund	Pinehaven Stormwater Fund	Library Building Fund	Highway Equipment Fund	Highway Salt.Sand Shed Fund	Police Fund	Total
ASSETS							
Cash	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 23,294	\$ 23,294
Due from Other Funds	<u>35,522</u>	<u>10,000</u>	<u>36,760</u>	<u>254,175</u>	<u>23,128</u>	<u>95,225</u>	<u>454,810</u>
Total Assets	<u>\$ 35,522</u>	<u>\$ 10,000</u>	<u>\$ 36,760</u>	<u>\$ 254,175</u>	<u>\$ 23,128</u>	<u>\$ 118,519</u>	<u>\$ 478,104</u>
LIABILITIES							
Accounts Payable	\$ 0	\$ 2,155	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,155
Total Liabilities	<u>0</u>	<u>2,155</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,155</u>
FUND BALANCES							
Restricted	0	7,845	36,760	254,175	0	27,239	326,019
Committed	35,522	0	0	0	0	91,280	126,802
Assigned	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>23,128</u>	<u>0</u>	<u>23,128</u>
Total Fund Balances	<u>35,522</u>	<u>7,845</u>	<u>36,760</u>	<u>254,175</u>	<u>23,128</u>	<u>118,519</u>	<u>475,949</u>
Total Liabilities and Fund Balances	<u>\$ 35,522</u>	<u>\$ 10,000</u>	<u>\$ 36,760</u>	<u>\$ 254,175</u>	<u>\$ 23,128</u>	<u>\$ 118,519</u>	<u>\$ 478,104</u>

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TOWN OF SHELBURNE, VERMONT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NON-MAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Bay Park Fund	Pinehaven Stormwater Fund	Library Building Fund	Highway Equipment Fund	Highway Salt.Sand Shed Fund	Police Fund	Total
Revenue:							
Intergovernmental	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,376	\$ 3,376
Contributions	0	10,000	0	1,349	0	1,050	12,399
Fees and Licenses	0	0	11,760	0	0	0	11,760
Interest on Investments	0	0	0	0	0	48	48
Other	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>28,159</u>	<u>28,159</u>
Total Revenue	<u>0</u>	<u>10,000</u>	<u>11,760</u>	<u>1,349</u>	<u>0</u>	<u>32,633</u>	<u>55,742</u>
Expenditures:							
Public Safety	0	0	0	0	0	7,128	7,128
Highway and Public Works	0	2,155	0	36	0	0	2,191
Capital Outlays:							
Highways and Public Works	0	0	0	113,153	0	0	113,153
Public Safety	0	0	0	0	0	70,471	70,471
Debt Service - Interest	0	0	0	2,400	0	0	2,400
Debt Service - Principal	<u>0</u>	<u>0</u>	<u>0</u>	<u>52,000</u>	<u>0</u>	<u>0</u>	<u>52,000</u>
Total Expenditures	<u>0</u>	<u>2,155</u>	<u>0</u>	<u>167,589</u>	<u>0</u>	<u>77,599</u>	<u>247,343</u>
Excess/(Deficiency) of Revenue Over Expenditures	<u>0</u>	<u>7,845</u>	<u>11,760</u>	<u>(166,240)</u>	<u>0</u>	<u>(44,966)</u>	<u>(191,601)</u>
Other Financing Sources/(Uses):							
Loan Proceeds	0	0	0	100,000	0	0	100,000
Transfers In	<u>8,500</u>	<u>0</u>	<u>25,000</u>	<u>131,000</u>	<u>0</u>	<u>43,725</u>	<u>208,225</u>
Total Other Financing Sources/(Uses)	<u>8,500</u>	<u>0</u>	<u>25,000</u>	<u>231,000</u>	<u>0</u>	<u>43,725</u>	<u>308,225</u>
Excess/(Deficiency) of Revenues and Other Financing Sources/(Uses) Over Expenditures	8,500	7,845	36,760	64,760	0	(1,241)	116,624
Fund Balance - July 1, 2014, restated	<u>27,022</u>	<u>0</u>	<u>0</u>	<u>189,415</u>	<u>23,128</u>	<u>119,760</u>	<u>359,325</u>
Fund Balance - June 30, 2015	<u>\$ 35,522</u>	<u>\$ 7,845</u>	<u>\$ 36,760</u>	<u>\$ 254,175</u>	<u>\$ 23,128</u>	<u>\$ 118,519</u>	<u>\$ 475,949</u>

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TOWN OF SHELBURNE, VERMONT
COMBINING BALANCE SHEET
NON-MAJOR PERMANENT FUNDS
JUNE 30, 2015

	Pierson Library Fund	Cemetery Fund	Lillian Davis Memorial Fund	Total
ASSETS				
Cash	\$ 21,048	\$ 0	\$ 0	\$ 21,048
Investments	0	166,690	94,959	261,649
Due from Other Funds	0	64,627	27,579	92,206
Total Assets	<u>\$ 21,048</u>	<u>\$ 231,317</u>	<u>\$ 122,538</u>	<u>\$ 374,903</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Due to Other Funds	\$ 0	\$ 0	\$ 39,441	\$ 39,441
Total Liabilities	0	0	39,441	39,441
Fund Balances:				
Restricted	21,048	231,317	83,097	335,462
Total Fund Balances	21,048	231,317	83,097	335,462
Total Liabilities and Fund Balances	<u>\$ 21,048</u>	<u>\$ 231,317</u>	<u>\$ 122,538</u>	<u>\$ 374,903</u>

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TOWN OF SHELBURNE, VERMONT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NON-MAJOR PERMANENT FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Pierson Library Fund	Cemetery Fund	Lillian Davis Memorial Fund	Total
Revenues:				
Contributions and Grants	\$ 7,562	\$ 0	\$ 0	\$ 7,562
Fees and Licenses	0	6,975	0	6,975
Investment Income (Loss)	411	(1,348)	(16,992)	(17,929)
Total Revenues	<u>7,973</u>	<u>5,627</u>	<u>(16,992)</u>	<u>(3,392)</u>
Expenditures:				
Cemetery Library	0	1,240	0	1,240
	6,722	0	0	6,722
Total Expenditures	<u>6,722</u>	<u>1,240</u>	<u>0</u>	<u>7,962</u>
Excess/(Deficiency) of Revenues Over Expenditures	<u>1,251</u>	<u>4,387</u>	<u>(16,992)</u>	<u>(11,354)</u>
Other Financing Sources/(Uses):				
Transfers In	0	0	0	0
Transfers Out	(25,000)	(8,000)	0	(33,000)
Total Other Financing Sources/(Uses)	<u>(25,000)</u>	<u>(8,000)</u>	<u>0</u>	<u>(33,000)</u>
Net Change in Fund Balances	<u>(23,749)</u>	<u>(3,613)</u>	<u>(16,992)</u>	<u>(44,354)</u>
Fund Balances - July 1, 2014, As Restated	44,797	234,930	100,089	379,816
Fund Balances - June 30, 2015	<u>\$ 21,048</u>	<u>\$ 231,317</u>	<u>\$ 83,097</u>	<u>\$ 335,462</u>

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TOWN OF SHELBURNE, VERMONT
SCHEDULE OF REVENUES AND EXPENSES
BUDGET AND ACTUAL (NON GAAP BUDGETARY BASIS)
WATER FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Budget	Actual	Variance Favorable/ (Unfavorable)
Revenues:			
Water Sales	\$ 858,818	\$ 885,032	\$ 26,214
Cut-Ins	15,000	21,000	6,000
Interest Income	2,900	3,211	311
Hydrant Maintenance Fees	6,300	6,400	100
Turn On/Off and Final Bill Charges	4,000	4,225	225
Tank Space Rent	26,374	26,374	0
Interest and Penalties	12,000	10,875	(1,125)
Transfer from General Fund	1,830	1,830	0
Transfer from Sewer Fund	18,196	18,196	0
Charges for Materials, Services and Miscellaneous	1,000	9,512	8,512
Total Revenues	946,418	986,655	40,237
Expenses and Transfers:			
Accounting and Auditing	2,266	2,266	0
Building Maintenance	1,000	0	1,000
Computer Services	2,000	163	1,837
Contractors and Equipment Rental	60,800	149,364	(88,564)
Debt Service	118,355	118,558	(203)
Debt Bond Bank Refunding Credit	(27,321)	(27,321)	0
Employee Insurance - Dental, Disability and Life	5,169	5,047	122
Employee Insurance - Health	60,349	63,837	(3,488)
Employee Retirement	9,403	9,406	(3)
Employee Salaries - Overtime	17,275	20,156	(2,881)
Employee Salaries - Regular	164,050	167,980	(3,930)
Employee Social Security	13,871	14,025	(154)
Engineering	8,000	6,465	1,535
Equipment and Large Tools	2,000	535	1,465
Hydrant Installation and Maintenance	5,000	6,694	(1,694)
Insurance - General	12,100	12,100	0
Legal	5,000	5,000	0
Materials	5,000	8,749	(3,749)
Meter Purchases and Replacement	6,000	7,797	(1,797)
Mileage	200	0	200
Miscellaneous	3,500	2,827	673
Office Supplies	1,700	1,319	381
Postage	2,600	2,795	(195)
Pump Station	3,000	4,606	(1,606)
Small Tools	1,000	238	762
State Water Quality Fee	7,424	7,967	(543)
Telephones/Pagers	3,800	3,616	184
Training	1,500	1,180	320
Uniforms	2,700	2,591	109
Valve Replacement/Maintenance	5,000	2,661	2,339
Vehicle Gas and Oil	8,000	6,054	1,946
Vehicle Repair and Maintenance	3,500	2,725	775
Water Purchases	323,527	347,194	(23,667)
Transfer to General Fund/(Administrative Services)	43,350	43,350	0
Transfer to Capital Improvement Fund	65,300	0	65,300
Total Expenses and Transfers	946,418	999,944	(53,526)
Net Income/(Loss)	\$ 0	(13,289)	\$ (13,289)
Adjustments to Reconcile to GAAP Basis Statements:			
Depreciation Expense		(110,526)	
Principal Payments		85,000	
Accrued Debt Interest Expense		(3,124)	
Change in Net Position - Exhibit G		\$ (41,939)	

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TOWN OF SHELBURNE, VERMONT
SCHEDULE OF REVENUES AND EXPENSES
BUDGET AND ACTUAL (NON GAAP BUDGETARY BASIS)
SEWER FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Budget	Actual	Variance Favorable/ (Unfavorable)
Revenues and Transfers:			
User Fees	\$ 1,647,036	\$ 1,683,028	\$ 35,992
Outside Septage	48,500	82,485	33,985
Interest and Penalties	25,000	25,324	324
Other	700	3,356	2,656
Transfer from Sewer Expansion Fund	70,000	70,000	0
	<u>1,791,236</u>	<u>1,864,193</u>	<u>72,957</u>
Expenses and Transfers:			
Wages - Regular	253,856	255,511	(1,655)
Wages - Overtime	23,714	24,502	(788)
Social Security	20,953	18,095	2,858
Health and Dental Insurance	74,865	79,358	(4,493)
Employee Retirement	14,641	10,734	3,907
Other Employee Benefits	6,595	8,644	(2,049)
Chemicals	38,500	34,170	4,330
Collection System Capital Improvements	0	25,359	(25,359)
Collection System Maintenance	80,000	46,741	33,259
Debt Service	637,346	652,873	(15,527)
Electricity	174,490	167,368	7,122
Fines	0	2,100	(2,100)
Heating Fuel	24,830	22,064	2,766
Lab Testing and Equipment	21,000	20,577	423
Miscellaneous Expense	3,500	4,491	(991)
Office Expense	9,000	11,434	(2,434)
Permits	2,000	1,739	261
Plant Maintenance	104,000	111,031	(7,031)
Plant Capital Improvements	0	34,057	(34,057)
Professional Services (Legal, Accounting, Engineering)	12,900	9,108	3,792
Insurance, Property, Liability and Workers Compensation	33,500	31,582	1,918
Safety Equipment	1,500	629	871
SCADA System Maintenance	8,000	1,150	6,850
Sludge Disposal	90,000	181,890	(91,890)
Training/Travel	5,000	3,361	1,639
Transfer to Capital Improvement Fund	60,000	60,000	0
Transfer to General Fund (Administrative Services)	43,350	43,350	0
Transfer to Water Fund (Meter Reading Services)	18,196	18,196	0
Truck Expense	15,000	14,747	253
Utilities (Phone, Telemetry, Water)	14,500	9,331	5,169
	<u>1,791,236</u>	<u>1,904,192</u>	<u>(112,956)</u>
Net Income/(Loss)	\$ <u>0</u>	(39,999)	\$ <u>(39,999)</u>
Adjustments to Reconcile to GAAP Basis Statements:			
Transfer from Sewer Capacity Fund		(10,000)	
Capacity Fund Interest Income		1,448	
Depreciation Expense		(414,271)	
Debt Principal		630,827	
SERF Loan Forgiveness		13,697	
Capital Projects		59,415	
Capacity Fund Connection Fees		39,813	
Change in Net Position - Exhibit G		\$ <u>280,930</u>	

See Disclaimer in Accompanying Independent Auditor's Report.

77 Barre Street
P.O. Box 947
Montpelier, VT 05601
802/223-2352
www.sullivanpowers.com

Fred Duplessis, CPA
Richard J. Brigham, CPA
Chad A. Hewitt, CPA
Wendy C. Gilwee, CPA
VT Lic. #92-000180

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with "Government Auditing Standards"

Selectboard
Town of Shelburne
5420 Shelburne Road
P.O. Box 88
Shelburne, Vermont 05482

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in "Government Auditing Standards", issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Shelburne, Vermont, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Town of Shelburne, Vermont's basic financial statements, and have issued our report thereon dated February 5, 2016.

Internal Control Over Financial Reporting

In planning and performing the audit, we considered the Town of Shelburne, Vermont's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Shelburne, Vermont's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town of Shelburne, Vermont's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. However, as described in the accompanying Schedule of Findings and Deficiencies in Internal Control, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and another deficiency we consider to be a significant deficiency.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Town of Shelburne, Vermont's financial statements will not be prevented or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying Schedule of Deficiencies in Internal Control as Items 2015-1 and 2015-2 to be material weaknesses.

A significant deficiency is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying Schedule of Deficiencies in Internal Control as Item 2015-3 to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Shelburne, Vermont's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under "Government Auditing Standards".

However, we have noted certain other matters that we reported to the management of the Town of Shelburne, Vermont in a separate letter dated February 5, 2016.

Town of Shelburne, Vermont's Responses to the Deficiencies in Internal Control

The Town of Shelburne, Vermont's responses to the deficiencies in internal control identified in our audit is included with the accompanying Schedule of Deficiencies in Internal Control. We did not audit the Town of Shelburne, Vermont's responses and accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Shelburne, Vermont's internal control or on compliance. This report is an integral part of an audit performed in accordance with "Government Auditing Standards" in considering the Town of Shelburne, Vermont's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

February 5, 2016
Montpelier, Vermont
VT Lic. #92-000180

TOWN OF SHELburnE, VERMONT
SCHEDULE OF DEFICIENCIES IN INTERNAL CONTROL
JUNE 30, 2015

Deficiencies in Internal Control:

Material Weaknesses:

2015-1 Segregation of Duties – Cash

Criteria:

An important factor in developing good internal control procedures is to divide responsibilities so that no individual can both perpetrate and conceal errors or irregularities. One of the most common divisions of duties is the division between the check signing and bank reconciliation functions.

Condition:

In the Town, two individuals reconcile the various bank accounts. These individuals also have other duties such as collecting cash, posting to the journals and making deposits. One individual has check signing authority and the other can make electronic transfers from the account. No one reviews their bank reconciliations.

Cause:

Unknown.

Effect:

The Town has inadvertently made its assets susceptible to misappropriation.

Recommendation:

We recommend that someone other than a check signer prepare or review in detail the reconciliations of the cash accounts monthly. This review should be documented.

Management Response:

Currently, the Treasurer reconciles all bank accounts, with the exception of the Town's primary checking account with Citizens Bank, which is reconciled by the Finance Director. Checking and savings accounts are reconciled as statements are received. All work papers associated with these reconciliations are kept in the Treasurer's office. In response to this finding, effective as of the date of this Audit Report, the Treasurer will review all bank reconciliations performed by the Finance Director and the Finance Director will review all bank reconciliations performed by the Treasurer. If the Treasurer or Finance Director are not able to provide this review, it will be performed by the Assistant Treasurer or Town Manager. This review will be noted in writing, initialed, dated on the work papers and kept on file in the Treasurer's office.

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TOWN OF SHELburnE, VERMONT
SCHEDULE OF DEFICIENCIES IN INTERNAL CONTROL
JUNE 30, 2015

2015-2 Transfer of Funds

Criteria:

Electronic transactions should have an approval process so that controls are not inadvertently overridden. Electronic transfers from bank accounts should be approved and documented like paper checks.

Condition:

Transfers can be made electronically from the Town's checking account by the same individual who reconciles the account and posts transactions. The bank requires two individuals to authorize the transaction but the individual making the transfer has access to the second authorizer's code and, thus, can override this control. There is no documentation authorizing the transfers.

Cause:

Unknown.

Effect:

The Town has inadvertently made its assets susceptible to misappropriation.

Recommendation:

All electronic transfers should be documented as to purpose, account and amount and approved by someone other than the transferor. This documentation should be kept with the bank reconciliation so that the individual reviewing the reconciliation can see that all transfers were approved.

Management Response:

Whenever possible, electronic funds transfers are processed as part of the weekly Accounts Payable batches and listed on the Payables Warrant signed by the Treasurer and Selectboard. In some cases, depending on vendor requirements, electronic funds transfer payments are sent separately from the weekly Accounts Payable batch (e.g. weekly payroll tax transfers). In these cases, documentation of the payments will be reviewed, acknowledged and retained by the Treasurer. The Assistant Treasurer, Finance Director or Town Manager will review and acknowledge payments initiated by the Treasurer. All electronic payments require two individuals to initiate the transaction by the bank. If a second individual is not available, the transaction can take place by using an administrative user account. Any transactions initiated this way will be reviewed and acknowledged by the Treasurer, Assistant Treasurer or Finance Director (other than the person who initiated the transaction).

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TOWN OF SHELburnE, VERMONT
 SCHEDULE OF DEFICIENCIES IN INTERNAL CONTROL
 JUNE 30, 2015

Significant Deficiencies:

2015-3 Reconciliation of Rec Track Revenues

Criteria: Departments outside the central accounting function should be monitored to ensure cash they collect is deposited and all transactions are recorded.

Condition: The Recreation Department collects fees for programs and records the status of participants in the Rec Track program. Cash collected and revenue for the various programs is not reconciled with the general ledger.

Cause: Unknown.

Effect: Unknown.

Recommendation:

At least quarterly, the cash collected and revenues recorded in the Rec Track program should be reconciled with the general ledger. This review should be documented.

Management Response:

The Recreation Department utilizes the RECTRAC software program to record registrations and fees collected for most of the programs the department offers. On a quarterly basis or at the conclusion of a program, Recreation Department staff will prepare a report from RECTRAC of cash payments received for programs in that period. This will be reconciled to the cash payments recorded in the Town's accounting system for the same period. For payments received that are not recorded on the RECTRAC system (e.g. Beach passes), Recreation Department Staff will provide information from receipts, rosters, registrations, etc. indicating the total cash payments received. This information will be compared to the total cash payments recorded for these programs/special events on the Town's accounting system. All reconciliations performed will be reviewed and acknowledged by the Treasurer.

TOWN OF SHELburnE
 STATEMENT OF DELINQUENT TAXES : FY 2014-15 *

For the year ended June 30, 2015, property taxes were assessed and accounted for as follows:
 Number of taxable parcels: 2,874

	Town **	Homestead School	Non-Residential School	Total
Adjusted Grand List after Grievance (Jul-2014)	14,701,333	8,974,079	5,701,573	
x Tax Rate	\$ 0.3579	\$ 1.4506	\$ 1.5196	
	\$5,261,607	\$13,017,799	\$8,664,110	\$26,943,516
** Includes local agreement tax rate				
<u>Recognition of FY 2014-15 Property Tax Revenue</u>				
Property Taxes Billed in FY 2014-15				\$26,943,516
Deferred Revenue: Property Taxes				(8,384)
Less: State School Property Tax Adjustments				(2,026,987)
Adjustments/Abatements/Appeals				(69,782)
Less: Act 60 Admin. Allowance retained by town				(44,761)
Less: Education Taxes Paid to State				(3,796,202)
Less: Education Taxes Paid to School District				(15,814,497)
Town Property Tax revenue for FY 2014-15	\$5,261,607	\$13,017,799	\$8,664,110	\$26,943,516

Delinquent Tax Accounts:

Total Delinquent Taxes	\$ 199,790	\$ 246,087	\$ 46,297
	6/30/2014	6/30/2015	Increase/(Decrease)

Delinquent Tax Status at 30-Jun-15

Tax Year	# of Parcels	Principal	Interest	Penalty	Total
2014-15	55	\$ 141,693	\$ 12,499	\$ 6,650	\$ 160,842
2013-14	13	\$ 24,682	\$ 5,872	\$ 1,033	\$ 31,587
2012-13	10	\$ 23,647	\$ 11,656	\$ 1,347	\$ 36,650
2011-12	7	\$ 5,589	\$ 5,644	\$ 594	\$ 11,827
2010-11	5	\$ 285	\$ 3,510	\$ 712	\$ 4,507
2009-10	1		\$ 553	\$ 121	\$ 674
Totals		\$ 195,896	\$ 39,734	\$ 10,457	\$ 246,087

* This statement is not part of the Auditor's report.



In one of the most amazing Shelburne community events, a spaghetti dinner was organized in May of 2015 as a fund raiser in support of Shelburne Police Officer Mike Thomas and his battle against Leukemia. Over 500 people turned out at the Shelburne Fire Station to support this event.



Shelburne Police Officers Josh Flore and Mike Thomas thank the community during the fund raiser organized Shelburne Police Department.

GENERAL INFORMATION

TOWN WEB SITE: <http://www.shelburnevt.org>

Check the web site for helpful information, including calendar of events and meetings, meeting agendas and minutes, contacts, forms, employment opportunities, Recreation Dept. and Pierson Library events and programs, other Town departments information and much more.

TOWN PHONE NUMBERS

EMERGENCY: DIAL 911

NON-EMERGENCY PHONE NUMBERS

FIRE	985-2366	ASSESSING.....	985-5115
POLICE.....	985-8051	WATER - OFFICE.....	985-5120
RESCUE	985-5125	WATER - SHOP	985-5122
TAX PAYMENT INFO.....	985-5120	SEWER	985-3700
TOWN CLERK.....	985-5116	HIGHWAY.	985-5123
TOWN MANAGER	985-5111	PIERSON LIBRARY.....	985-5124
ZONING	264-5032	COMMUNITY SCHOOL.....	985-3331
RECREATION	985-9551	CVU HIGH SCHOOL.....	482-7100
ANIMAL CONTROL.....	985-8051	CSSU OFFICES	383-1234
PLANNING.....	264-5033		
GENERAL INQUIRIES	985-5110	TOWN OFFICE FAX	985-9550

MEETINGS

Selectboard – 2nd & 4th Tues. of the month; 7:00 P.M., Town Center.

Planning Commission – 2nd & 4th Thursday of the month, 7:00 P.M., Town Center.

Development Review Board – 1st & 3rd Wednesdays of the month, 7:00 P.M., Town Center.

Water Commission – 1st Monday of the month, 5:00 P.M., Town Center.

Pierson Library Bd. of Trustees – 3rd Thursday of the month, 6:00 P.M., Pierson Library.

Recreation Committee – Contact Rec. Dept. for meeting dates.

Shelburne School Board – 3rd Tuesday of the month, 7:00 P.M., CVU High School, Rm. 172.

CVU High School Board – 3rd Tuesday of the month, 7:00 P.M., CVU High School, Rm. 160.

CSSU Board – 3rd Tuesday of the month, 5:00 P.M., CVU High School, Rm. 160.

CAT and DOG LICENSES

Cat and Dog Licenses are due on or before April 1. New registrations and renewals can be done by mail. A copy of a current certificate of rabies vaccination must be filed with the Town Clerk. After April 1 a 50% additional fee is charged. Fees are as follows:

Unneutered dog, cat, or wolf-hybrid: \$16.00

Neutered dog, cat, or wolf-hybrid: \$12.00

Shelburne has an Animal Control Ordinance. Copies are available in the Town Clerk's Office.

YOU CAN CONTACT YOUR LEGISLATOR

By calling the Sergeant at Arms at 800-322-5616 or 802-828-2228, or faxing to 802-828-2424, or email to sgtatarms@leg.state.vt.us Clearly note the recipient's name when sending fax or email.

ALSO: Rep. Kate Webb
kwebb@leg.state.vt.us
Phone 985-2789

Rep. Joan G. Lenos
jlenos@leg.state.vt.us
Phone 999-9363

The Legislative web site at www.leg.state.vt.us has up to date information on what is taking place in the Legislature.

**TOWN OF SHELBURNE
PO BOX 88
SHELBURNE, VERMONT
05482**

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