

ANNUAL REPORT FOR THE YEAR 2020



CITY OF VERGENNES
VERMONT

ANNUAL REPORT INDEX

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2020 City Manager's Report

This report highlights our City's progress and accomplishments during Fiscal Year 2020, the period from July 1, 2019 to June 30, 2020. My thanks to former City Manager Dan Hofman and Interim City Manager Renny Perry for their stewardship during FY 2020 and beyond.

I joined the City as your new City Manager on January 20, 2021. In the short time that I've been on the job, I've been heartened by the degree of love and dedication our citizens have for Vergennes. During my meetings with residents and stakeholders, I am hearing a common theme: a deep and abiding desire to build a safe, equitable community where everyone can thrive.

The last 12 months have certainly been difficult and challenging. But, we have an exceptional team pushing us forward and I could not be more proud of our employees. Navigating through uncharted waters, our City departments have demonstrated a high degree of commitment and professionalism. In spite of the pandemic and the numerous leadership and staff changes that have occurred in City Hall, our city employees have been ensuring that the city's day-to-day operations continue on course, operating efficiently and effectively. Kudos to our department leaders and their teams – Chief George Merkel, Vergennes Police Department; Jim Larrow, Public Works Supervisor; Rick Chaput, Wastewater Treatment Facility Chief Operator; and Jim Breur, Fire Chief. Kudos to our staff members at City Hall during this time. They have demonstrated both grace and resilience as they worked ardently to serve those who called or visited City Hall seeking assistance and support.

To our residents and stakeholders who volunteered their time, energy, expertise, and input while serving on committees, boards and commissions, we extend our most sincere thanks and gratitude. Vergennes is blessed with a high degree of "civic infrastructure." We could not do it without you!

Looking into Fiscal Year 2022 (July 1, 2021 to June 30, 2022), with safety measures in place, the future continues to be bright for the City of Vergennes. We will get through this together.

Ron Redmond,
Vergennes City Manager

Dear Citizens of Vergennes,

2020 was truly a year of change for all of us! In late January we started to hear about a virus that was spreading very quickly in Europe and would soon be found in the United States. By March, we were in the midst of the worse pandemic in over a hundred years- COVID 19. Main Street closed, restaurants closed, schools closed, City Hall closed along with all the City Departments.

However, the strength of our leadership in all departments showed all of us how resilient our Little City truly is. Each department head took their employees to a safe space but accomplished the work that had to be accomplished without endangering our Citizens in their day to day lives. To each of our City workers, police department, and emergency services, we send our deepest thank you.

It was two months before the City Clerk's office could reopen with limited services. During this time many of the daily activities piled up and left the City Clerk's office behind in the financial reporting, recording of important documents including deed recording. At this important time, we had a new city clerk, Britney Aube and treasurer, Abbie Farrar joining the City's administration. So to help with the transition and to catch up with the delayed work, Joan Devine, our retired City Clerk, agreed to come back to work and remains in the office parttime even now. These dedicated workers have worked long hours to help get the City financials and recordings up to date.

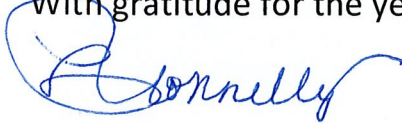
The City Council chose a new City Manager during this unsettled time. Our young manager accomplished a lot but in the long run moved in another direction and the City Manager's position was vacant for the third time in 3 years. Again, all the City personnel stepped up and the City continued to function well under the department leadership. With every challenge comes a new opportunity. That opportunity is our new City Manager Ron Redmond. A special thank you to Renny Perry who stepped in until a manager was hired. Our future looks bright.

In July, we lost the Mayor and 4 Aldermen leaving the Council unable to meet, review financials, and make decisions. Again, our leadership stepped to the forefront and the City continued forward.

In September, an election for the Council brought out many candidates throwing their hats in the ring. After a tie and another vote, a full Council was seated, and the business of the City moved forward. Our attendance at our Zoom Council meetings has increased to nearly 70 attending our bi-weekly meetings. Our citizens participation has been appreciated.

Vergennes is an incredibly special place and is the City I was raised, worked and live. It has been my true pleasure to share the last 8 years with each one of you. As the City moves forward, may you be blessed and find safety and happiness in our wonderful Little City with its big Heart!

With gratitude for the years served,



Mayor Lynn Jackson Donnelly

“You take to your grave your pride and what you leave behind is your reputation.”

unknown



WARNING
ANNUAL CITY MEETING
MARCH 1, 2021

The qualified voters of the City of Vergennes are hereby warned and notified that the Annual City Meeting will be held remotely on Monday, March 1, 2021, commencing at 7:30 p.m. The Annual City Meeting can be accessed via Zoom using the following information:

- Join by Computer: <https://zoom.us/j/561577976>
- Join by Phone: Dial: 1 (312) 626-6799
- Meeting ID: 561 577 976
- Meeting Password: 1234

The Annual City Vote will be held on Tuesday March 2, 2021 at the Vergennes Fire Station located at 50 Green Street. The polls will open at 9:00 a.m. and will close at 7:00 p.m. The following Articles will be included on the ballot:

Article I: To elect by Australian ballot one Mayor for a two-year term; three Aldermen for respective two-year terms; one Lister for a three-year term; one Auditor for a two-year term; one Auditor for a three-year term; one Commissioner to Vergennes-Panton Water District Board of Directors for a three-year term; one Grand Juror for a one-year term; and one Director to Addison Northwest School District Board of Directors for a three-year term.

Article II: To vote by Australian ballot on the following: Shall the real estate presently owned by Vergennes Area Rescue Squad, Inc. and located at 106 Panton Road, be exempted from property taxation for a period up to five years, first applicable to the Grand List of 2021, as provided in Title 32, Vermont State Statutes Annotated?

Article III: To vote by Australian ballot on the following: Shall the real estate presently owned by Vergennes Masonic Association Inc. and located at 54 School Street, be exempted from property taxation for a period up to five years, first applicable to the Grand List of 2021, as provided in Title 32, Vermont State Statutes Annotated?

Article IV: To vote by Australian ballot on the following: Shall the City of Vergennes permit the operation of licensed cannabis retailers, subject to such municipal ordinances and regulations as the City may lawfully adopt and implement, as allowed by Vermont Act 164.

Article V: To vote by Australian ballot on the following: Shall the City appropriate \$5,000 to Addison County Home Health & Hospice, Inc., said sum to come from City funds?

Article VI: To vote by Australian ballot on the following: Shall the City appropriate \$2,000 to the Addison County Humane Society, Inc., said sum to come from City funds?

Article VII: To vote by Australian ballot on the following: Shall the City appropriate \$3,074 to Addison County Parent/Child Center, said sum to come from City funds?

Article VIII: To vote by Australian ballot on the following: Shall the City appropriate \$750 to Addison County Readers, Inc., said sum to come from City funds?

Article IX: To vote by Australian ballot on the following: Shall the City appropriate \$850 to Addison County Restorative Justice Services, Inc., said sum to come from City funds?

Article X: To vote by Australian ballot on the following: Shall the City appropriate \$2,500 to Age Well, Inc., formerly known as CVAA, said sum to come from City funds?

Article XI: To vote by Australian ballot on the following: Shall the City appropriate \$5,000 to Boys & Girls Club, of Greater Vergennes Inc., said sums to come from City funds?

Article XII: To vote by Australian ballot on the following: Shall the City appropriate \$2,500 to Counseling Service of Addison County, Inc., said sums to come from City funds?

Article XIII: To vote by Australian ballot on the following: Shall the City appropriate \$2,000 to Elderly Service, Inc., said sum to come from City funds?

Article XIV: To vote by Australian ballot on the following: Shall the City appropriate \$2,000 to End of Life Services, Inc., formerly known as Hospice Volunteer Services, said sum to come from City funds?

Article XV: To vote by Australian ballot on the following: Shall the City appropriate \$4,000 to Habitat for Humanity of Addison County, VT Inc., said sum to come from City funds?

Article XVI: To vote by Australian ballot on the following: Shall the City appropriate \$3,000 to HOPE, said sum to come from City funds?

Article XVII: To vote by Australian ballot on the following: Shall the City appropriate \$4,000 to John Graham Housing and Services, Inc. said sum to come from City funds?

Article XVIII: To vote by Australian ballot on the following: Shall the City appropriate \$1,000 to Open Door Clinic, said sum to come from City funds?

Article XIX: To vote by Australian ballot on the following: Shall the City appropriate \$1,000 to Otter Creek Child Center, Inc., said sum to come from City funds?

Article XX: To vote by Australian ballot on the following: Shall the City appropriate \$950 to RSVP of Addison County, said sum to come from City funds?

Article XXI: To vote by Australian ballot on the following: Shall the City appropriate \$1,500 to Turning Point Center of Addison County, Inc., said sum to come from City funds?

Article XXII: To vote by Australian ballot on the following: Shall the City appropriate \$2,000 to Vergennes Area Seniors Association, Inc., said sum to come from City funds?

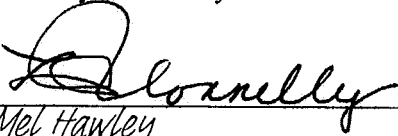
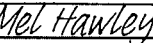
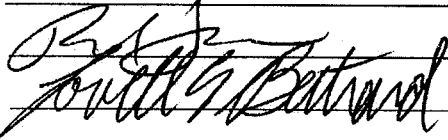
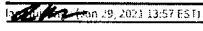

Article XXIII: To vote by Australian ballot on the following: Shall the City appropriate \$890 to Vermont Adult Learning, said sum to come from City funds?

Article XXIV: To vote by Australian ballot on the following: Shall the City appropriate \$4,000 to WomenSafe, Inc., said sum to come from City funds?

Article XXV: To transact any other non-binding business that may come before the meeting.

Ballot boxes will remain open from nine o'clock in the forenoon until seven o'clock in the afternoon on Tuesday, March 2, 2021, at the Vergennes Fire Station on Green Street for voting by Australian ballot on Articles I through XXV. The legal voters of the City of Vergennes are further notified that voter qualification, registration and absentee voting shall be as provided in Chapters 43 and 51 of Title 17, Vermont Statutes Annotated.

Dated at Vergennes, Vermont this 26th day of January 2021.

Mayor Lynn Donnelly: 
Senior Alderman Mel Hawley: 
Mel Hawley (Jan 29, 2021 14:27 EST)
Alderman David Austin: _____
Alderman Dickie Austin: _____
Alderman Lowell Bertrand: 
Alderman Ian Huizenga: 
Ian Huizenga (Jan 29, 2021 13:57 EST)
Alderwoman Jill Murray-Killon: 
Jill R Murray-Killon (Jan 29, 2021 14:09 EST)



ANNUAL CITY MEETING
MARCH 2, 2020
MINUTES

In accordance with the dully advertised and posted Warning, the Annual City Meeting was held on Monday evening, March 2, 2020, in the Vergennes Opera House.

Mayor Jeff Fritz called the meeting to order at 7:30 p.m. In attendance was Mayor Jeff Fritz, Deputy Mayor Lynn Donnelly, Alderman David Austin, Alderman Lowell Bertrand, Alderman Bill Benton, and Alderman David Small. Alderman Mark Koenig was absent. Mayor Jeff Fritz welcomed Daniel Hofman as the new City Manager, Morgan Kittridge as the new City Clerk, and Abbie Farrar as the newly promoted City Treasurer.

Representative Diane Lanpher provided a brief overview of her work serving on the House Appropriations Committee. Representative Lanpher stated that she did a considerable amount of work with H.775 which is a bill dedicated to giving youth a voice in state governance.

Representative Matt Birong provided a brief overview of his work serving on the General, Housing, and Military Affairs Committee. Representative Birong stated that a large part of his work this term was focused on a recovery housing bill, which would help increase the number of beds statewide for people in various aspects of recovery. Representative Birong stated that the State is in dire need of a recovery housing bill because of the opioid addiction crisis that the State is facing. Representative Birong provided an update on the Vergennes Economic Corridor Project which would be moving into the planning stages.

Senator Ruth Hardy from East Middlebury stated she serves on the Agriculture Committee and has been working on several bills including a pesticide oversight bill, a compost bill, and a bill to provide incentives to local schools to purchase local foods for school food service programs.

John Stroup, a board member of the Addison Northwest School District focused his discussion on two main articles being brought to the voters. The first article is the school budget and the second is an article that would allow the school district to set up a healthcare savings fund to aid in budgeting for future increases in healthcare costs. John Stroup asked the voters to support the school budget.

City Manager Daniel Hofman provided an update on the Main Street Paving Project. City Manager Daniel Hofman stated that the project would begin the first week of April and construction would start with shoulders and driveways before moving on to Main Street improvements.

Mayor Jeff Fritz went on to read the Warning for the 2020 Annual City Meeting. After reading Article I, voting by Australian ballot on various positions for local official, the four candidates for Alderman, Tara Brooks, David Austin, Lynn Donnelly, and Rebecca Ray, introduced themselves to the public. Addison Northwest School District Board of Directors candidates Martha Sullivan DeGraaf and Jenna Santa Maria also introduced themselves to the public.

Article II pertained to whether the City Council should consider the option of allowing non-citizen legal residents to vote on City (local) ballots through a change in the City Charter. Australian ballot vote:
Yes 436 No 454

Article III pertained to whether the City Council should consider the option of changing the terms of office for the Mayor and Alderman from 2 years to 3 years through an amendment to the City Charter. Australian ballot vote: Yes 525 No 357

Articles IV through XXII were requests for funding from City funds. Several individuals spoke for specific agencies explaining what services were available, offering thanks for prior years of support, and requests for continued support. Mayor Jeff Fritz explained that Articles I through XXII would be voted by Australian ballot on Tuesday at the fire station. Below is a breakdown by Agency, the amount of funds requested, and the Australian ballot vote results:

Agency	Amount	Yes	No
Addison County Home Health & Hospice, Inc.	\$5,000.00	785	113
Addison County Humane Society, Inc	\$2,000.00	741	152
Addison County Parent/Child Center	\$3,074.00	725	171
Addison County Readers, Inc.	\$750.00	611	261
Addison County Restorative Justice Services, Inc.	\$850.00	574	291
Age Well (f.k.a. CVAA)	\$2,500.00	693	182
Boys and Girls Club of Greater Vergennes	\$5,000.00	759	122
Counseling Services of Addison County, Inc.	\$2,500.00	686	189
Elderly Services, Inc.	\$2,000.00	776	105
End of Life Services, Inc.	\$2,000.00	740	135
HOPE	\$3,000.00	614	251
John Graham Emergency Shelter, Inc.	\$4,000.00	660	214
Open Door Clinic	\$1,000.00	642	224
Otter Creek Child Center, Inc.	\$1,000.00	578	295
RSVP of Addison County	\$950.00	522	327
Turning Point Center of Addison County	\$1,500.00	552	304
Vergennes Area Seniors Association, Inc.	\$2,000.00	699	166
Vermont Adult Learning	\$890.00	649	219
WomenSafe, Inc.	\$4,000.00	714	165

With no further business to come before the meeting, at 9:15 p.m. Mayor Jeff Fritz recessed the meeting until Tuesday, March 3, 2020, at 9:00 a.m. for voting by Australian ballot at the Vergennes Fire Station.

Respectfully submitted,
 Britney S. Aube
 Vergennes City Clerk

CITY GOVERNMENT

MAYOR:	Honorable Lynn Donnelly	2021
SENIOR ALDERMAN:	Melvin Hawley	2021
BOARD OF ALDERMEN:	David Austin	2022
	Richard Austin	2022
	Lowell Bertrand	2021
	Ian Huizenga	2021
	Jill Murray-Killon	2022
BOARD OF LISTERS:	Christopher Bearor	2021
	William Poquette	2022
	Karen Quigley	2023
BOARD OF AUDITORS:	Sivan Cotel	2022
	Jennifer Russell	2021
	Vacant	2023
COMMISSIONERS - V.P.W.D.:	Christopher Bearor	2022
	John Gunner deGraaf	2023
	Patricia Ganson	2023
	Thelma "Kitty" Oxholm	2021
GRAND JUROR:	Anne Humphrey	2021
DIRECTORS - ANWSD BOARD:	Martha deGraaf	2023
	Mark Koenig	2021
	Keith Morrill	2022
	John Stroup	2022
JUSTICES OF THE PEACE:	Barry Aldinger	2022
	Bethany Bearor	2022
	Christopher Bearor	2022
	Tara Brooks	2022
	Clara Comeau	2022
	Martha deGraaf	2022
	Jeffrey Fritz	2022
	Patricia Ganson	2022
	Mark Koenig	2022
	Rena Trepanier	2022

CITY OFFICIALS

CITY MANAGER:	Ronald Redmond
ADMINISTRATIVE ASSISTANTS:	Joan Devine Brittney Shahan
CITY CLERK:	Britney Aube
ASSISTANT CLERK:	Abbie Farrar
CITY TREASURER:	Abbie Farrar
ASSISTANT TREASURER:	Britney Aube
PUBLIC WORKS SUPERVISOR:	James Larrow
DEPARTMENT:	Nelson Burgos Matthew Crowley Patrick Crowley Daniel Flynn, Jr
WASTEWATER TREATMENT PLANT OPERATOR:	Victor “Rick” Chaput, Jr.
ASSISTANT PLANT OPERATOR:	Victor Chaput, Sr.
POLICE DEPARTMENT CHIEF:	George Merkel
DETECTIVE SERGEANT:	Jason Ouellette
SERGEANT:	Patrick Greenslet
OFFICERS:	Mark Barber Jill Harter Adam O’Neill Mark Stacey Cassidy Tiraboschi
FIRE DEPARTMENT CHIEF:	James Breur
1st DEPUTY CHIEF:	Christopher Gebo
2nd DEPUTY CHIEF:	Matt Fraley
CAPTAINS:	Liam Casey Matthew Crowley David DiBiase Christopher Dion
WARDENS:	James Breur James Larrow
RECREATION COORDINATOR	Kim Buckley

COLLECTOR OF DELINQUENT TAXES:	Ronald Redmond
ZONING ADMINISTRATOR:	Peter Garon
DEVELOPMENT REVIEW BOARD:	Brent Rakowski, Chair Don Peabody, Vice-Chair Mabrouka M'Barek Carrie Macfarlane Jason Mullin Steven Rapoport Amy Yuen
PLANNING COMMISSION:	Shannon Haggett, Chair Mike Winslow, Vice-Chair Cheryl Brinkman Danelle Birong Tim Cook Carrie Macfarlane Kimberly Trombley
RAY E. DAVISON CAPITAL EQUIPMENT COMMITTEE:	James Breur Ronald Redmond Abbie Farrar Christopher Dion Mel Hawley Christopher Gebo William Scott
CITY HEALTH OFFICER:	Ronald Redmond
CITY TREE WARDEN:	Ronald Redmond
CITY ATTORNEYS:	Quimette & Runcie
GREEN-UP DAY CHAIRMAN:	Lowell Bertrand
ADDISON COUNTY SOLID WASTE MANAGEMENT:	
DISTRICT REPRESENTATIVE:	Cheryl Brinkman
ALTERNATE:	Vacant
ADDISON COUNTY REGIONAL PLANNING COMMISSION:	
DELEGATE:	Shannon Haggett
DELEGATE:	Cheryl Brinkman

ALTERNATE:

William Benton

ADDISON COUNTY TRANSIT RESOURCES
DISTRICT REPRESENTATIVE:

Diane Lanpher

STATE SENATORS FOR ADDISON COUNTY:

Ruth Hardy	PO Box 343	E Middlebury	05740	989-5278
Christopher Bray	829 South Street	New Haven	05472	371-8183

STATE REPRESENTATIVES FOR ADDISON-3 DISTRICT:

Diane Lanpher	PO Box 165	Vergennes	05491	877-2230
Matt Birong	51 So Maple Street	Vergennes	05491	828-2228

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

CITY TELEPHONE DIRECTORY

City Manager's Office	877-3637
City Clerk / Treasurer's Office	877-2841
Zoning Administrator's Office	377-9527
Police Department / Non-Emergency	877-1152
Public Works Department	877-3585
Wastewater Treatment Plant	877-2931
Fire Department / Non-Emergency	877-3201
Vergennes Area Rescue Squad / Non-Emergency	877-3191
Vergennes-Panton Water District	877-2440

EMERGENCY - Police, Fire, or Rescue 911



VERGENNES POLICE DEPARTMENT

POST OFFICE BOX 35
8 MAIN STREET
VERGENNES, VT
05491
802-877-2201

VERGENNES POLICE DEPARTMENT 2020 ANNUAL REPORT

Once again it is my distinct honor and privilege to present to the citizens of Vergennes the Vergennes Police Department's 2020 annual report.

The year 2020 was a challenge to all of us here in Vergennes. As Vermonters, we were faced with a COVID pandemic which we were all completely unprepared for. This virus altered the way we do our business and it required us to be mindful of taking care of ourselves as well as the people we serve. Events around the country as well as increasing and different levels of mental health and substance abuse, presented us with even greater challenges.

Our mission has never changed, to ensure the safety and welfare of the citizens of Vergennes, as well as those who work in our city, came to visit, or just pass through. I can assure you your police department continued to perform its duties with the highest level of integrity, respect, and compassion.

In 2020, we saw a drastic decrease in some call areas, (assaults (-10) traffic enforcement (-1237 stops), criminal arrests (-27) and motor vehicle disturbances (-49), while some some remained constant (alarms, DUIs, trespassing and disorderly conduct calls), and while others increased dramatically (burglary (+40), vandalism (+8), Property Watches, Foot Patrols and Directed Patrols (+537).

During this past year we conducted several subsequent criminal investigations. We solved fifty-one burglaries at a local cold storage facility and we subsequently recovered a large amount of property which was stolen from them. Stolen items recovered have since been returned to some the owners of them. An armed robbery has also challenged us in our attempt to bring the person(s) responsible to justice. We continue to pursue all avenues to bring this investigation to a conclusion.

In 2020 we entered a contract with the Town of Addison to provide motor vehicle enforcement services as well as entering a contract with the Northland Job Corps to provide mentoring and training to both students and staff. These two initiatives bring additional income into our city for services provided.

Your police officers continue to display the highest caliber of integrity and professionalism. Time and time again over the years they have responded to the most challenging of calls involving mental health, extreme emotional status and/or substance abuse issues, and they have performed in an exemplary manner, eliciting praise from citizens, first responders and those involved alike. Your officers treat all people with the utmost respect, compassion, and courtesy. This is our departmental philosophy, and this type of performance is what you should expect from your officers, and they will continue to deliver that same degree of professional service. In recognition of our efforts, we received a \$10,000.00 donation from the Hoehl Foundation towards additional training and equipment, officer wellness equipment, an equipment trailer and much needed evidentiary equipment. This donation came to us because of the foundation's acknowledgement of your police department's community policing efforts. We humbly thank them for this recognition.

TELEPHONE NUMBER: (802) 877-2201
FAX NUMBER: (802) 877-1155



VERGENNES POLICE DEPARTMENT

POST OFFICE BOX 35
8 MAIN STREET
VERGENNES, VT
05491
802-877-2201

A police officer's level of training is key to their effectiveness and professionalism during times of extreme stress and danger. Our officers must continuously train for these instances to better prepare them for these moments. 2020 saw an increase in individual officer's training and 2021 will see even more greater emphasis in this area, specifically on de-escalation, conflict resolution and non-lethal use of force techniques. We also received a four-hour block of training on racial diversity and anti-bias training from Dr. Etan Nasreddin-Longo, who heads the State of Vermont's Racial Disparities in Criminal Justice and Juvenile Justice Panel. His presentation was invaluable to us and we look forward to continuing our relationship with him.

In 2020, we also continued to increase our operational capabilities in several other areas via grant monies and donations received. We received a substantial grant from the Department of Homeland Security for officer protective equipment, exceeding \$20,000.00. We also received a grant from the Vermont League of Cities and Towns for \$3,900.00 for the partial purchase of our body camera system, which will be completed in 2021 with another grant. We will continue to seek grant funding to offset costs at every opportunity.

We are also implementing a modified and scaled down version of the Rutland City Police Department's Project Vision program. We began these efforts in October 2020 to better serve our community with our local social service agencies, with law enforcement acting as a key partner of social service agencies to address non-criminal quality of life issues before they rise to a level of criminal behavior. Law enforcement now becomes part of a problem-solving process versus a sole responder.

In closing, I would like to thank every one of you who supported us during the past year. We will continue to serve you to the best of our abilities, and we will continue to improve our individual and collective operational capabilities. We ask you to be mindful as parents that your behavior and your words are emulated by your children. Our children are our future. Vergennes has always been a welcoming and respectful community, where people chose to come to live, visit, work, and play in a safe atmosphere. You are welcome anytime to contact us with comments, questions, or concerns. Please feel free to do so. Let us hope for a more peaceful, healthy, and prosperous new year.

Yours in Service,

George P. Merkel
Chief of Police / City of Vergennes, VT.
802-877-1152 (office)
802-3243-5010 (cell)
george.merkel@vermont.gov

TELEPHONE NUMBER: (802) 877-2201
FAX NUMBER: (802) 877-1155

CITY OF VERGENNES FIRE DEPARTMENT



*Fire Headquarters
50 Green Street
Vergennes Vermont: 05491*

*Station Office 802-877-3201
Emergency / Fire 911*

The City of Vergennes Fire Department submits the following activity report for the year 2020:

Location and Number of Calls		Type of Call	
Vergennes	79	Structure	6
Ferrisburgh	36	Alarms	46
Panton	25	Vehicles	28
Waltham	12	VARs Assist	34
Addison	9	Water Rescue	9
New Haven	5	Other	44
Salisbury	1		
Charlotte	0		
Shelburne	0		
Middlebury	0		
Bridport	0		
TOTAL CALLS	167		

Total Training Hours in Addition to Service Calls:

1245

This has been a vastly different and challenging year for the Vergennes Fire Department. We train for all sorts of emergencies; we never anticipated a pandemic that would turn everything upside down. We approached this the same way we do any critical incident in which our priority is safety and the well-being of all involved. How to respond safely, maintain training, hold meetings and maintain exemplary service to the community at large changed weekly in response to State guidelines and evolving protocols. Even with all the restraints of the pandemic, we were still able to complete 1,245 hours of training.

I am pleased to announce that members of our department have received awards from both the Vermont State Firefighters Association and the Addison County Firefighters Association.

- Captain Matthew Crowley - Vermont State Firefighters Line Officer of the Year
- Brain Fraser - Vermont State Firefighters Emergency Maintenance Technician of the Year
- Chief James Breur - Addison County Firefighters Chief of the Year
- Cory Lumbra - Addison County Firefighters Senior Firefighter of the Year
- Michael Daniels was recognized for his 50 years of service
- Cory Foote, Little City Market, received the Friends of Addison County Award for his tremendous to support local departments

The City of Vergennes Fire Department is extremely fortunate to have an outstanding and dedicated complement of 35 firefighters, 1 cadet and a dispatcher. The officers are: Chief Jim Breur, Deputy Chief Chris Gebo, Deputy Chief Matt Fraley, Captain Matt Crowley, Captain Chris Dion, Captain Liam Casey and Captain David DiBiase.

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

Respectfully submitted,

James M. Breur, Fire Chief

**2020 Annual Report
Vergennes Planning Commission**

2020 was a challenging year for everyone and the Planning Commission was no exception as we transitioned from in-person meetings held at City Hall to online meetings held via Zoom due to the Pandemic. The principal focus of the Planning Commission in 2020 was to finalize the proposed amendments to update the Municipal Development Plan and to update the City's Zoning and Subdivision Regulations to bring them into compliance with the Plan.

The updated Municipal Development Plan was formally adopted by the Vergennes City Council on March 10, 2020 and approved by the Addison County Regional Planning Commission on September 9, 2020.

The updated Municipal Development Plan includes changes to the High Density Residential District and the Agricultural and Rural Residential District to promote residential growth in the City, an expansion of connectivity/pedestrian safety items, acknowledgement of the continued planning necessary for the proposed Vergennes Economic Corridor, and an enhanced energy plan which will provide the City with greater standing in any future Public Utilities Commission hearings pertaining to energy projects in Vergennes. Copies of the adopted Municipal Development Plan and the Enhanced Energy Plan can be found at www.vergennes.org.

Our work on the Zoning and Subdivision Regulations is focused on developing proposed amendments that will codify the guiding principles of the Municipal Development Plan. The Planning Commission anticipates completing this work in the first half of 2021 and our proposed amendments will go through a public hearing process at both the Planning Commission and City Council levels.

I generally shun the spotlight, preferring to work quietly behind the scenes, but in 2020 I was awarded the "Citizen Planner of the Year" by the Vermont Planners Association. I am honored by the recognition, but I certainly don't do it alone. I am grateful for the hard work and dedication shown by all the members of the Planning Commission, as well as by members of the Development Review Board, City Council and Municipal staff – both past and present. I have learned so much about the planning process and community involvement from all of you and gratefully share this recognition with you all – thank you.

The Planning Commission held a total of 12 regular meetings, special meetings and public hearings, and logged over 125 combined person-hours during those meetings in 2020. We are committed to maintaining transparency in our activities. Our meeting agendas and minutes are available at City Hall or online at www.vergennes.org.

One Planning Commission member chose not to be considered for re-appointment at the expiration of his term in August 2020. John Coburn served on the Planning Commission starting in September 2014. I would like to thank John for his work – especially in the coordination and execution of the City's Sidewalk Survey/Inventory project and his immense help in developing community surveys and analyzing data for the benefit of the entire Planning Commission.

The Planning Commission's membership includes Danelle Birong, Cheryl Brinkman, Tim Cook, Shannon Haggett (Chair), Carrie Macfarlane, Kim Trombley and Mike Winslow (Vice-chair). Zoning Administrator Peter Garon serves as our clerk. We hold regular meetings on the first Monday of each month at 7:00 p.m. via Zoom. The public is always invited to attend our meetings and details to join our meetings are online at www.vergennes.org.

Respectfully submitted,

Shannon Haggett
Chair, Planning Commission
City of Vergennes

**DEVELOPMENT REVIEW BOARD
ZONING ADMINISTRATOR'S REPORT
2020**

Members of the Development Review Board are appointed by the City Council. The current members of the Development Review Board are Chair Brent F. Rakowski, Vice-Chair Don Peabody, Jason Mullin, Steve Rapoport, Carrie Macfarlane, Amy Yuen, and Mabrouka M'Barek. Lowell Bertrand is the alternate appointed by the City Council.

The Development Review Board's regular meeting schedule is the third Monday of each month at 7 p.m. Meetings are in the conference room at City Hall. Since March 2020, the Board has been meeting remotely due to COVID-19 restrictions. With one exception, this process has worked well.

The Development Review Board reviews most proposed land development within the city. Site plan review is required for all uses other than one-family and two-family dwellings. Most zoning districts have a list of permitted uses and another list of conditional uses which require review by the Development Review Board. They also review and consider variance or waiver requests, subdivisions, building demolition in certain zoning districts, and appeals of decisions of the zoning administrator. All applications to the Development Review Board require a public hearing with abutting property owners being notified.

Whenever a zoning permit is issued, the landowner is required to post a visible notice which contains a red Z. Anyone with questions or issues has 15 days to bring those issues to the zoning administrator. After that point, the permit is final. Information on all permits or other zoning questions is available at City Hall.

For the year 2020 the following activity is reported:

- Forty-seven zoning permits were issued which is the same number as in 2019. Four permits were for the construction of new one-family dwellings. Three permits were for multi-family dwellings. Four permits were issued for demolition of structures in the Historic Neighborhood District. Seven permits involved new or modifications of existing business uses. Three subdivision requests came before the Board, and one Planned Unit Development. There were twenty-five permits issued for miscellaneous development.
- A certificate and declaration of compliance is generally issued at the request of a landowner or their attorney at the time a property is about to be conveyed or refinanced. Forty-three certificates were issued in 2020; this compares to thirty-nine certificates issued in 2019.
- During 2020, I took action to correct Zoning violations related to storage of unregistered motor vehicles and placement of signs on public property.

Any questions related to issues of land development in Vergennes can be directed to my attention. My normal regular office hours are Tuesday and Thursday from 10:30 a.m. to 2:30 p.m. I am available by phone (802-377-9527) or email at pgaron@vergennes.org when not in the office. Appointments can be arranged at other times to meet the needs of applicants.

Respectfully submitted,

Peter Garon, Zoning Administrator

Vergennes Area Rescue Squad, Inc.
Annual Report – December 2020

The year 2020 marked our 51 years of emergency medical service to our community. Vergennes Area Rescue Squad (VARS) is a non-profit ambulance service. We have served the City of Vergennes, Towns of Ferrisburgh, Panton, Addison, Waltham and parts of New Haven and Monkton since 1969. We do this with a mix of volunteers, paid staff, and per diem EMTs. In 2020 we responded to 850 emergency dispatches.

VARS relies on the support of member who provide 24/7 emergency medical coverage to our service area as well as mutual aid stretching from Lake Champlain to the Green Mountains. Sometimes these volunteers come to us as seasoned professionals: other times, ordinary community members who earn their certifications and their stripes working with experienced Crew Chiefs. We continue to offer community CPR classes, youth membership and training opportunities, and child safety services. Our volunteer certified child safety specialists are available to help with car seat education and hands-on fitting assistance by appointment.

Despite relying heavily on our membership, emergency medical expenses are exceptionally high, and VARS operating funds come from a variety of sources. Each town in our service area assesses a fee as part of the municipal budget, currently set at less than \$10 per capita. Private insurance companies and Medicare/Medicaid are also billed for medical services, in the event that a patient is treated and transported to a hospital. For any charges not covered by primary insurance, an annual subscription program provides supplementary insurance to cover any co-pay resulting from emergency transportation, on a per-household basis. This \$60 subscription covers co-pays even in the event that another area service responds mutual aid. The subscription mailers are sent out annually to all residents in the service area: to subscribe, please call New England Ambulance Billing at 877-2429 or visit www.vergennesrescue.org/subscriptions

Paying for emergency medical expenses can be an unwelcome burden on top of an already stressful experience. We respond with the same priority and care for life and limb to every patient, regardless of insurance or ability to pay.

Emergency medicine relies on a network of dedicated providers, and it is our honor to protect and serve our community alongside the members of the Volunteer Fire services of Addison, Ferrisburgh, Monkton, New Haven, and Vergennes; the volunteer first-response agencies of Ferrisburgh, Monkton, New Haven, and Town Line; the officers of Vergennes and Vermont State Police and Addison County Sheriff's Department; and our neighboring ambulance services in Bristol, Charlotte, and Middlebury.

Thank you all for your continued support!

Respectfully submitted,
Josh Deppman, President

Addison County Regional Planning Commission

14 Seminary Street Middlebury, VT 05753 www.acrpc.org Phone: 802.388.3141 Fax: 802.388.0038

Annual Report –Year End June 30, 2020

The Addison County Regional Planning Commission (ACRPC) provided the following technical assistance and planning to the Region during its 2020 fiscal year:

Regional and Municipal Planning and Mapping

- Assisted member municipalities creating, adopting and regionally approving their municipal plans.
- Assisted member municipalities creating and adopting local regulations implementing their municipal plan.
- Provided data and mapping products to support on-going municipal planning activities.
- Provided technical assistance to municipal officials concerning municipal government.
- Represented the Region in Act 250 and Section 248 hearings.
- Assisted municipalities in applying for Village Center Designation.
- Worked with Ferrisburgh and Shoreham on their 2020 municipal planning grants to create housing
- Continued work on the update of the Population and Housing section of the regional plan.

Educational Meetings and Grants

- Hosted educational workshops, Zoning Administrators Roundtables and monthly public meetings on a wide variety of planning topics, including water quality, housing and planning essentials.
- Wrote or provided information and support to communities and organizations to secure grant funding.

Emergency Planning

- Worked with Addison County’s Emergency Planning Committee (LEPC 8) and Vermont Emergency Management staff to assist with municipal emergency planning and training.
- Hosted Local Emergency Management Plan training for town Emergency Managers and hosted a Tier II workshop for municipalities and businesses required to report hazardous chemicals.
- Worked with Vermont Emergency Management to exercise local and statewide disaster plans.
- Assisted in development of a hazard mitigation plan for the Town of Lincoln, and completion of FEMA requirements and acceptance for the Town of Ripton.
- Assisted communities in completing Local Emergency Management Plans to maintain ERAF status.
- Provided COVID-19 updates and information to Town Officials and Emergency Managers
- Assisted in developing a Mutual Aid agreement for Public Works Departments

Energy Planning:

- Assisted a Bristol, Panton New Haven and Shoreham in completing their enhanced energy plans and strengthening policies supporting renewable energy.
- Worked with five municipalities; Monkton, Panton, Salisbury, Vergennes and Weybridge through the process of regional approval of their Enhanced Energy Plans.
- Worked with Efficiency Vermont and municipalities to implement enhanced energy plans.
- Hosted 4 roundtables of municipal energy committees and coordinators

Transportation Planning

- Supported the Addison County Transportation Advisory Committee’s regional priorities and studies.
- Supported Tri-Valley Transit/ACTR by providing leadership and technical support.
- Worked with municipalities to produce road erosion inventories for local roads.
- Assisted Towns with bike and pedestrian, structures, and stormwater grants.
- Served as a Municipal Project Manager for sidewalk construction projects in Middlebury and Weybridge.
- Sponsored town transportation planning studies, and supported municipal capital budget development.
- Hosted regional Walk/bike council and began planning for a future Bike/Ped Summit in Middlebury.

Natural Resources Planning

- Actively support the efforts of the Addison County River Watch Collaborative.
- Worked with municipalities to support conservation commissions.
- Participated on the Lake Champlain Basin Program technical advisory committee.
- Provided educational outreach supporting the Otter Creek Tactical Basin Plan update.
- Assisted in stormwater planning projects and Ecosystem Restoration Program grants.

Addison	Bridport	Bristol	Cornwall	Ferrisburgh	Goshen	Leicester
Lincoln	Middlebury	Monkton	New Haven	Orwell	Panton	Ripton
Salisbury	Shoreham	Starksboro	Vergennes	Waltham	Weybridge	Whiting



2020 Vergennes Parks & Recreation Report

At the recommendation of the Council-appointed volunteer Parks & Recreation Committee, Vergennes Parks & Recreation was established in 2020. The pandemic, however, resulted in expected challenges and opportunities. Vergennes Parks & Recreation helped residents find safe ways to connect and recreate with their neighbors during the pandemic. Building on a grassroots effort to keep up their spirits and support essential workers, Parks & Recreation coordinated citywide Bang-n-Clang parades with the 50th parade drawing over 100 vehicles. These events helped our community honor front-line workers, while also staying connected and coming together as a community!

Last winter a new 160'x70' rink liner and frame were purchased by the Vergennes Union Elementary School. In addition, the City of Vergennes purchased a 200-gallon bambini to resurface and maintain this new rink. With the help of volunteers from Vergennes Parks & Recreation, Vergennes Union Elementary School and Public Works, the rink was finally setup on January 3, 2020. However, due to warm weather and then heavy snow the rink never became solid enough to get the snow off until the end of January. The Parks & Recreation Committee bought and installed new lights and a timer for evening skating and with the purchase of new hockey nets, pickup hockey became very popular. Vergennes Parks & Recreation partnered with the Vergennes Union Elementary School Community Group to host a grand reopening event in February 2020. The rink is located at Veterans' Memorial Park next to the Vergennes Union Elementary School.

Parks & Recreation worked with the Pool Committee to ensure that the Sam Fishman Memorial Pool could open for safe, outdoor recreation. Although the pool faced challenges because swim team could not compete and swimming lessons were not available as in usual summers, the pool also saw new opportunities to engage with the community. Some highlights:

- Implemented an online reservation system
- Created safe processes for ensuring swimmers' safety, like temperature checks and "family circles"
- 42 individual and 97 family passes, for a total of 498 people, were purchased in 2020 and over \$1700 in donations ensured the cost of a pass was not a burden
- Implemented dedicated Senior swim hour (55+) and morning lap swim 7 days per week
- Offered Water Aerobics 2 days per week and practice space for Vergennes Swim Team (ages 5-18)
- Extended swim season through September 10th; instead of closing in mid-August so the pool was available for registered users to have open swim time
- Pool was rented for programs by *Maritime Museum*, *Vermont State Police SCUBA*, *School THUNDERCARE Program*
- Received a generous donation of \$5,000 from the Fishman Family
- End of Season Event: 25 dogs attended "Doggie Plunge" and received free frisbees and treats from local sponsors.

As a new addition to the city one priority was to understand the community's needs to develop programming and plans for recreation in the Little City. In September, Vergennes Parks & Recreation surveyed residents of Vergennes and surrounding towns about their use and interest in recreation in Vergennes. 135 households from Vergennes responded. The top priority identified for the City is safe walking/running/biking areas like sidewalks and trails. With one in ten of survey respondents identifying that their household has a physical disability and a number of young families with strollers, accessibility is a priority for many residents. Parks & Recreation was pleased to partner with the Addison County Bike Club as it developed MacIntosh Park for mountain bike and walking trails. In addition, this year many volunteers contributed to trail maintenance at the Outdoor Classroom at VUES. The Parks & Recreation committee, working with interested volunteers, is investigating other opportunities to develop more accessible trails for the City.

Vergennes Parks & Recreation also launched a new website in November. **VergennesRec.org** provides online program registration and up to date information on upcoming programs in Vergennes.

Thank you to all the volunteers who have put in the time to help maintain and grow recreation in Vergennes. The Parks & Recreation Committee meets on the 2nd Wednesday of the month. If you have any questions or programming ideas email recreation@vergenes.org.

Respectfully Submitted,

Kim Buckley
Recreation & Programming Coordinator



Bixby Library Report 2020

The Bixby Memorial Free Library proudly serves all community members of Addison, Ferrisburgh, Panton, Waltham, and Vergennes. We offer an open, welcoming community center and access to an abundance of shared, free resources for professional, family, personal, and leisure needs and interests.

2019-2020 presented unanticipated challenges to fulfill our role during the Covid-19 pandemic. Our response was to move quickly and creatively to find new ways to meet people's evolving needs. First, we closed the library's building to everyone except staff and volunteers to help slow the spread of Covid-19 and reduce the risk to us so we could serve as many people as possible, rather than just the limited number who might want to be in the building. Then, we greatly expanded the number of books, movies, databases, and educational materials for people to access online from the safety of their homes. Through our curbside pickup program, we figured out how to safely get the *physical* books and DVDs that our community members wanted. This service is now available five (5) days a week.

We increased the frequency of our e-newsletter from once a month to once a week and packed it full of updates on Covid guidance and Bixby programs. We hosted some very fun and popular online programs, including making Sauerkraut (50+ families!) and Take Your Casual Birding Up a Notch (200+ registered!) We partnered with local organizations to highlight other resources, services, and events.

The Trustees selected Addison native and Panton resident Catharine Findiesen Hays as Library Director. Becky Johnston assumed the role of Assistant Director, with Maddy Wilwerth moving out of state. Laura Fetterolf became Children and Youth Librarian replacing Rachel Plant who retired after many years of generous service and Ashley Bolger joined as Temporary Adult Services Librarian.

According to the numbers from our 2019-2020 library report, which runs from July 1 through June 30, 20,208 individuals visited the library which represents a decrease since last year due to the months we were closed. Despite this, almost 100 new families or individuals registered for library cards this year.

In 2019-2020, people borrowed 18,493 items and accessed our digital resources over 7,000 times. 1,348 people accessed our database resources and 105 families or individuals took advantage of our museum and state park passes. Over 5,000 people from our five towns attended our programs, while we were able to host 87 meetings for local groups free of charge. Before we closed, we were also privileged to partner with the Shelburne Craft School to display artwork from eight of their students.

88% of Vergennes residents have a Bixby library card, which saves them an average of \$87.00 on physical items including books and DVDs; along with an additional \$56.00 on ebooks, reference, and research questions, museum passes, and more. Vergennes taxpayers can calculate how much the Bixby can personally save them by using the American Library Association's library value calculator: <http://www.ala.org/advocacy/library-value-calculator>.

To learn more about the Bixby, speak with Vergennes' representatives on the Board of Trustees: Laura Mack, Nial Rele, Erin Roche, and Peter Welch, or contact Catharine Hays, Library Director, at catharine.hays@bixbylibrary.org. We encourage you to reach out to your librarians for assistance in accessing library resources by calling (802) 877-2211, visit our website at <https://bixbylibrary.org> where you can subscribe to Bixby's newsletter and *sign up for a free library card if you don't have one yet*.

2020 Vital Records

If you have a family member that was married, born, or died during 2020 and you do not find your family member listed in the vital records, please contact the City Clerk so the appropriate certificate can be located and filed in the City records. Excluding marriages, your family member had to have been a Vergennes resident at the time the event occurred or the event had to have occurred in the City.

CIVIL MARRIAGES

DATE

Bonges IV, Henry A. and Pornsuda Chantawan	9/20/2020
Berube, Richard K. and Christina R. Robertson	10/3/2020
Bushey, Wayne M. and Melonie Anne Bushey	11/18/2020
Carter, Robert W. and Lisa Joan Bosworth Jackman	6/20/2020
Claessens, Nathan J. and Kalah A. Welch	6/26/2020
Fallon, Derek S. and Allison E. Dwinell	9/19/2020
Frey Potvin, Caleb J. and Michelle A. Rainville	10/11/2020
Jackman, Charles M. and Marcia Hanson Dunn	9/19/2020
Shepard, Kaleb J. and Mavis Louise Stansbery	7/4/2020
Sullivan, Keegan J. and Shelby L. Sheehan	5/23/2020
Vendituoli, Tyler L. and Jesse Natha	1/2/2020
Warmt, Gregory C. and Alexander A. Cary	10/11/2020



BIRTHS 2020

<u>CHILD'S NAME</u>	<u>DATE</u>	<u>PARENTS</u>
Bachilas, Blake Warren	06/28/20	Bachilas, Gregory W. and Hollie A. Nop
Burleson, Aria Christine	04/14/20	Burleson, Levi C. and Abigail N. Marshall
Cousino, Charlotte Ona Mae	01/22/20	Cousino, Kory M. and Alexis LaBerge
DeGennaro, Benjamin Scott	03/20/20	DeGennaro, Samantha A.
DiBiase, Benjamin Rhodes	11/04/20	DiBiase, David N. and Rachel F. Bailey
Dion, Maci Jo	05/07/20	Dion, Brittany M.
Downer, Jonah Michael	01/17/20	Downer, David R. and Erin Bancroft
Flint, Josephine James	09/12/20	Flint, Samantha R. and Kaylie A. Hale
Flynn, Ruby Jo Anne Marie	06/11/20	Flynn, Adam M. and Janah I. Hammach
Gallup, Genevieve Sherry	09/24/20	Gallup, Christopher M. and Laura C. Coberly
Hanfield, Timothy Will	04/20/20	Hanfield II, Lewis J., and Kelli L. Derrick
Jacobs, Everly Maeve	01/16/20	Jacobs, Devon M. and Ashley E. LeBlanc
Keimer, Colin Gabriel	10/20/20	Keimer, Jeffrey C. and Alexandra Dautz
Ladeau, Cameron Rylan	05/28/20	Ladeau, II Brian M. and Megan M. Allen
Reed, Alden	08/10/20	Reed, Kyle and Caitlan Stephens
Rheaume, Zoey Jane	08/17/20	Rheaume, Eric M. and Chelsea L. Vincent
Riley, Chandler Paul	02/15/20	Cram, Brittney M.
Rutienberg, Walter John	09/19/20	Rutienberg, Zachary J. and Melissa R. Hebert
Vasiliou, Anthony William	08/12/20	Vasiliou, William A. and Elya Horattas
Zak, Penelope Asia	12/05/20	Zak, Jeffery J. and Taylor B. Thibault



DEATHS 2020

<u>NAME</u>	<u>DATE</u>	<u>AGE</u>
Allen, Burt	1/21/2020	75
Barrows, Sr. Robert C.	4/13/2020	94
Barrows, Wayne E.	1/26/2020	74
Brinkman, Rodney L.	3/17/2020	75
Freegard, Roger A.	2/4/2020	70
Garon, Shirley M.	3/15/2020	99
Gratton, Marcella A.	10/23/2020	90
Gratton, Raymond E.	4/12/2020	83
Griffith, Harriett J.	4/2/2020	89
Herrington, William P.	6/22/2020	67
Holway, William R.	8/25/2020	89
LaBarge, Margaret	11/25/2020	98
Lawrence, Gloria M.	8/11/2020	78
Mitchell, Robert F.	9/16/2020	86
Monty, Sr. Peter A.	7/5/2020	82
Moore, Janice H.	3/7/2020	95
Moss, Grace F.	6/27/2020	88
Palmer, Leah J.	2/27/2020	61
Penders, Louise M.	5/15/2020	82
Posner, Jeanne S.	8/25/2020	71
Randall, Nancianne	12/14/2020	65
Rivers, Claire E.	1/18/2020	73
Russel, Michael G.	5/18/2020	51
Seaver, Virginia S.	7/8/2020	97
Shortsleeve , Marie E.	6/4/2020	98
Small, May W,	1/2/2020	98
Smith, Sheri L.	6/11/2020	47
Vogelmann, Mario	8/12/2020	57
Walsh, Henrietta	6/30/2020	89
Zickler, Dorothy A.	12/16/2020	100



DOG AND WOLF-HYBRID OWNERS

Any person who owns or keeps a dog or wolf-hybrid over four months old must annually on or before April 1st license their dog or wolf-hybrid in the office of the City Clerk. Before the license can be issued, a current rabies vaccination certificate must be filed with the Clerk. The license fee is \$4.00 for each neutered/spayed dog or wolf-hybrid and \$8.00 for each dog or wolf-hybrid. In addition to the license fee, the municipal Clerk shall assess a \$5.00 fee for each license sold that will be forwarded to the State Treasurer to be used for a rabies control program and a spaying/neutering program. If an owner neglects to license their dog or wolf-hybrid by April 1st, it must be obtained for that license year by paying a fee of fifty percent in excess of that otherwise required. The owner of a dog or wolf-hybrid who fails to follow the requirements of the law shall be fined an amount not to exceed \$250.00.

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

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

A dog or wolf-hybrid found to be running at large shall be delivered to the pound. The pound will notify the dog's or wolf-hybrid's owner if the dog or wolf-hybrid is licensed. The dog or wolf-hybrid shall be held five days after the owner is notified. If the dog or wolf-hybrid is unlicensed, the pound will still hold the dog or wolf-hybrid for five days. If an owner does not claim the dog or wolf-hybrid within five days it shall be considered abandoned and ownership of said animal shall be that of the City for the purposes of disposition. No dog or wolf-hybrid shall be released from the pound until it is properly vaccinated. Each person claiming a dog or wolf-hybrid from the pound shall pay to the City a fine of \$30.00 plus any boarding fees or charges invoiced by the pound keeper to the City associated with the impounded dog or wolf-hybrid. Fees and charges shall be paid to the City Treasurer within 30-days notice.

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

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

THE RABIES CLINIC FOR DOGS AND CATS HAS BEEN CANCELLED AT THIS TIME DUE TO THE PANDEMIC. PLEASE MAKE OTHER ARRANGEMENTS TO HAVE YOUR ANIMALS VACCINATED.

CITY PAYROLL ACCOUNT
January 1, 2020 through December 31, 2020

<u>EMPLOYEE</u>	<u>DEPARTMENT</u>	<u>WAGES</u>
Adreon, Sydney	Swimming Pool	\$ 808.50
Ambrose, Kathleen	Fire Department	\$ 109.50
Atkins, Ally	Swimming Pool	\$ 1,411.81
Aube, Britney	Administration	\$ 23,426.32
Austin, David	Administration	\$ 775.00
Badger, III John	Fire Department	\$ 45.50
Barber, Mark	Police Department	\$ 56,454.90
Beauchemin, Emma	Swimming Pool	\$ 753.75
Benton, William	Administration	\$ 733.33
Bertrand, Lowell	Administration	\$ 940.00
Birong, Danelle	Administration	\$ 400.00
Breur, James	Fire Department	\$ 408.50
Brinkman, Cheryl	Administration	\$ 360.00
Brooks, Adelaide	Swimming Pool	\$ 1,083.13
Brooks, Tara	Administration	\$ 333.33
Brown, William	Fire Department	\$ 121.50
Buckley, Kimberly	Recreation Department	\$ 20,493.68
Burbo, Robert	Fire Department	\$ 113.50
Burgos, Nelson	Public Works Department	\$ 43,136.83
Casey, Liam	Fire Department	\$ 376.00
Catchpaw, Richard, Jr	Police Department	\$ 60.00
Chabot, Mathew	Administration	\$ 1,917.21
Champine, Leslie	Fire Department	\$ 78.50
Chaput, Victor, Jr	Sewer Department	\$ 67,895.10
Chaput, Victor, Sr	Sewer Department	\$ 44,183.90
Charbonneau, Kevin	Fire Department	\$ 57.50
Clark, Adam	Swimming Pool	\$ 1,738.13
Coburn, John	Fire Department	\$ 320.00
Coffey, Jackson	Swimming Pool	\$ 1,265.00
Coleman, Mason	Police Department	\$ 361.68
Collette, Peter	Fire Department	\$ 49.50
Cook, Timothy	Administration	\$ 695.00
Croke, Allison	Swimming Pool	\$ 1,080.00
Crowley, Matthew	Public Works Department	\$ 52,344.57
Crowley, Patrick	Public Works Department	\$ 60,815.66
Currier, Trevor	Public Works Department	\$ 389.50
Daniels, Michael	Fire Department	\$ 269.50
Devine, Joan	Administration	\$ 44,756.07
Dibiase, David	Fire Department	\$ 288.00
Dion, Caleb	Fire Department	\$ 205.50
Dion, Christopher	Fire Department	\$ 352.00
Donnelly, Lynn	Administration	\$ 775.00
Donnelly, Ryan	Fire Department	\$ 181.50

CITY PAYROLL ACCOUNT
January 1, 2020 through December 31, 2020

<u>EMPLOYEE</u>	<u>DEPARTMENT</u>	<u>WAGES</u>
Dugan, John	Fire Department	\$ 335.50
Eckels, Michelle	Swimming Pool	\$ 390.50
Farrar, Abbie	Administration	\$ 49,338.40
Flynn, Daniel, II	Public Works Department	\$ 46,197.81
Frale, Matthew	Fire Department	\$ 428.50
Fraser, Brian	Fire Department	\$ 394.50
Fritz, Jeffrey	Administration	\$ 1,366.67
Fuller, Chris	Fire Department	\$ 113.50
Garon, Peter	Administration	\$ 19,746.06
Gebo, Christopher	Fire Department	\$ 348.00
Gebo, Zachary	Fire Department	\$ 297.50
Goucher, Kyle	Fire Department	\$ 325.50
Greenslet, Patrick	Police Department	\$ 68,256.16
Haggett, Shannon	Administration	\$ 440.00
Harter, Jill	Police Department	\$ 57,852.87
Hofman, Daniel	Administration	\$ 77,313.56
Howell, David	Swimming Pool	\$ 205.00
Huestis, Emma	Swimming Pool	\$ 900.01
Hyndman, Teresa	Administration	\$ 705.00
Kelly, Jeremy	Fire Department	\$ 69.50
Kingsley, Jennifer	Swimming Pool	\$ 4,432.00
Kittredge, Morgan	Administration	\$ 15,337.50
Koenig, Mark	Administration	\$ 708.33
Laflam, Benjamin	Fire Department	\$ 401.50
Lapierre, Christopher	Administration	\$ 75.00
Larrow, James	Public Works Department	\$ 63,891.51
Lebeau, Grace	Swimming Pool	\$ 1,366.88
Lumbra, Cory	Fire Department	\$ 330.50
Lumbra, Reid	Fire Department	\$ 141.50
Macfarlane, Carrie	Administration	\$ 580.00
Mcdurfee, Peter	Fire Department	\$ 213.50
Mckirryher, Christopher	Fire Department	\$ 89.50
Merkel, George	Police Department	\$ 75,206.82
Mills, Colleen	Police Department	\$ 3,278.45
Mullin, Jason	Administration	\$ 255.00
Muzzy, Jarret	Swimming Pool	\$ 885.95
O'Neill, Adam	Police Department	\$ 60,648.23
Ouellette, Jason	Police Department	\$ 68,874.71
Quimette, Jeremiah	Swimming Pool	\$ 200.00
Palmer, Gideon	Swimming Pool	\$ 1,094.50
Peabody, George	Administration	\$ 240.00
Perry, Reynold	Administration	\$ 5,291.00
Rakowski, Brent	Administration	\$ 285.00

CITY PAYROLL ACCOUNT
January 1, 2020 through December 31, 2020

<u>EMPLOYEE</u>	<u>DEPARTMENT</u>	<u>WAGES</u>
Rapoport, Dylan	Swimming Pool	\$ 1,532.81
Rapoport, Steven	Administration	\$ 285.00
Roberts, Lily	Swimming Pool	\$ 764.50
Russell, Jennifer	Administration	\$ 75.00
Sheeran, Brittany	Administration	\$ 6,160.52
Sheehan, Ryan	Fire Department	\$ 45.50
Sickles, Steven	Fire Department	\$ 297.50
Small, David	Administration	\$ 375.00
Stacey, Mark	Police Department	\$ 51,738.56
Steen, Emily	Swimming Pool	\$ 1,641.50
Stone, Jeffrey	Fire Department	\$ 165.50
Sullivan, Keegan	Fire Department	\$ 317.50
Tiraboschi, Cassidy	Police Department	\$ 37,225.05
Todd, Linda	Administration	\$ 109.60
Turpin, Sheila	Fire Department	\$ 610.50
Wagner, Mary	Administration	\$ 109.60
Winslow, Michael	Administration	\$ 440.00
Wright, Melissa	Administration	\$ 6,556.97
		<u>\$ 1,169,666.43</u>

**STATEMENT OF TAXES LEVIED AND RAISED
JULY 1, 2019 TO JUNE 30, 2020**

Real Estate	\$229,265,186 at 1%	\$	229,265.19
Homestead Values	\$124,295,650 at 1%	\$	124,295.65
Non-residential Values	\$104,969,536 at 1%	\$	104,969.54

Taxes Levied

City Tax	\$2,282,289.86 at \$ 0.9237	\$	2,108,136.62
School Tax/Homestead Ed	\$1,238,956.50 at \$ 1.7356	\$	2,150,332.86
School Tax/Non-residential Ed	\$1,026,243.50 at \$ 1.5922	\$	1,633,984.95
Late HS-122 Penalty		\$	4,007.61
			5,896,462.04

Taxes Raised

Property Taxes Collected by June 30, 2019		\$	5,849,111.33
Held by Delinquent Collector July 1, 2020		\$	47,350.71
		\$	5,896,462.04

ABSTRACT OF THE 2019 GRAND LIST

<u>Category</u>	<u>Entries</u>		<u>Assessed Value</u>
Residential I	728	\$	154,540,150.00
Residential II	3	\$	1,284,200.00
Mobile Homes - Unlanded	74	\$	2,653,200.00
Mobile Homes - Landed	8	\$	1,017,300.00
Commercial	72	\$	26,191,000.00
Commercial Apts	15	\$	7,601,000.00
Industrial Plants	5	\$	8,787,600.00
Utilities - Electric	2	\$	16,085,856.00
Other	1	\$	4,172,580.00
Miscellaneous	<u>37</u>	\$	6,932,300.00
Sub Total	945	\$	229,265,186.00
Cable - Education Tax Only	1	\$	265,459.00
		\$	229,530,645.00
Cable Exemption	1	\$	(265,459.00)
Veterans' Exemptions	11	\$	(400,000.00)
Grandfathered Exemption	1	\$	(250,000.00)
Voter Approved Exemption	1	\$	(197,100.00)
Current Use Exemptions	2	\$	(189,100.00)
Total Municipal Grand List		\$	228,228,986.00

DELINQUENT PROPERTY TAXES

June 30, 2020

2014	Sinclair, Michael	\$ 1,635.72	Confidential
2015	Sinclair, Michael	\$ 2,083.06	Confidential
	Goodspeed, Linda	\$ 948.12	Confidential
2016	Goodspeed, Linda	\$ 1,240.85	Confidential
	Poro, Vincent	\$ 129.44	Confidential *
	Sinclair, Michael	\$ 1,936.85	Confidential
2017	LaFountain, Linda	\$ 1,131.16	Confidential
	Martell, Martin and Kathaleen	\$ 1,014.94	Confidential
	Poro, Vincent	\$ 541.60	Confidential *
	Sinclair, Michael	\$ 1,782.52	Confidential
	Vorsteveld, Wendy	\$ 3,456.33	Confidential **
2018	Arel, Abby Barratt	\$ 5,952.16	Confidential
	Flynn, Timothy and Erica	\$ 1,197.37	Confidential
	Kandzior, Jaime	\$ 533.90	Confidential **
	LaFountain, Linda	\$ 1,015.62	Confidential
	Leachman, Bruce, Joann and Brent	\$ 19.70	\$ 19.70
	Martell, Martin and Kathaleen	\$ 910.84	Confidential
	Norton, Julie Ann	\$ 759.56	\$ 759.56
	Poro, Vincent	\$ 492.36	Confidential **
	Safari, Jacob and Fenimore, Carol	\$ 6,334.15	Confidential
	Sinclair, Michael	\$ 1,619.74	Confidential
	Swenson, Rustan	\$ 239.21	\$ 239.21 *
	Vorsteveld, Wendy	\$ 4,258.73	Confidential
2019	29 Short LLC	\$ 144.82	\$ 144.82 *
	3BD LLC	\$ 41.85	\$ 41.85 *
	Arel, Abby Barratt	\$ 5,498.63	Confidential
	Badger, Brenda	\$ 611.37	\$ 611.37
	Benedict, Paul	\$ 1,415.57	\$ 1,415.57 *
	Bhuiyan MC, Yeasin	\$ 93.71	\$ 93.71 *
	CAM Investments LLC	\$ 59.47	\$ 59.47 *
	Catchpaw, Richard	\$ 55.41	Confidential *
	Champine, David and Fern	\$ 186.58	Confidential *
	Cheeseman Family LLC	\$ 6.58	\$ 6.58 *
	Cole, John	\$ 2.83	\$ 2.83 *
	Cole, Roderick	\$ 636.85	\$ 636.85 *
	Cornerstone Condominiums LLC	\$ 85.76	\$ 85.76 *
	Danyow, Tricia	\$ 1.65	\$ 1.65 *
	Deyette, Robert P and Francie M	\$ 468.89	Confidential
	DeYoung, Tristan K	\$ 0.87	Confidential *
	Flynn, Timothy and Erica	\$ 1,106.21	Confidential *
	Kadar, Kenneth M	\$ 5,149.44	Confidential
	Kandzior, Jaime	\$ 668.90	\$ 668.90
	Kimball, Jason	\$ 3.64	Confidential

L & C Properties LLC	\$ 1,941.30	\$ 1,941.30	*
LaFountain, Linda	\$ 964.53	Confidential	
Lalumiere, Laura	\$ 675.73	Confidential	*
Leachman, Bruce, Joann and Brent	\$ 8,321.36	\$ 8,321.36	
Mammoliti, Michele	\$ 82.04	\$ 82.04	*
Martell, Martin and Kathaleen	\$ 865.19	Confidential	
Monty, Peter Sr	\$ 562.56	\$ 562.56	**
Norton, Julie Ann	\$ 689.58	\$ 689.58	
Partington, Amy L et al.	\$ 127.90	\$ 127.90	*
Porro, Vincent	\$ 454.71	Confidential	
Quesnel, Joan E	\$ 11.62	\$ 11.62	*
Ross, Kimberly	\$ 9.07	\$ 9.07	
Safari, Jacob and Fenimore, Carol	\$ 6,600.77	Confidential	
Sinclair, Michael	\$ 1,496.38	Confidential	
Swenson, Rustan	\$ 4,574.44	\$ 4,574.44	**
Vergennes Healthcare LLC	\$ 6,820.65	\$ 6,820.65	**
Vincent, Wyatt and Christine	\$ 9.88	Confidential	*
Vorsteveld, Wendy	\$ 3,919.56	Confidential	
Wildasin, Edward	\$ 9.10	\$ 9.10	
Williamson, Bruce L	\$ 44.00	\$ 44.00	*

Delinquent Property Taxes - June 30, 2020 \$ 93,653.33

* Paid in full since June 30, 2020

** Paid in part since June 30, 2020

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

DELINQUENT SEWER ASSESSMENTS
June 30, 2020

Angier, Justin and Brigitte Husk	\$	498.28	*
Arel, Abby Barratt	\$	1,060.16	
Arnstein, Cody A	\$	138.13	*
Badger, III, John W	\$	1.36	
Bassett, Justin and Heidi Rumble	\$	3,858.57	
Becher, Jeffrey and Jamie	\$	12.00	*
Benedict, Paul and Nancy Whalon	\$	4,078.20	*
Bhuiyan, MD Yeasin	\$	12.00	*
Bodington, Stacie	\$	2,099.61	*
Botala, Scott Sr and Jacqueline	\$	138.75	*
Brinkman, Lori	\$	280.00	*
Brownell, Jonathon and Cheryl	\$	1,060.16	
Castine, Richard and Dawn	\$	10.90	
Catchpaw, Jr., Richard and Kimberly	\$	819.92	*
Chaput, Victor	\$	529.10	*
Cheeseman Family LLC	\$	15.62	*
Cunningham, Ragan A	\$	2.50	*
Deyette, Robert and Francine	\$	191.68	*
Donovan, Darren	\$	78.28	*
Downer, David and Erin	\$	13.13	*
East Street Investors LLC	\$	3.77	*
Flynn, Arlen and Ashlie	\$	406.26	
Gagnon, Matthew and Anna	\$	1.26	
Gebo, Angela	\$	646.53	
Gillotti, Roy G	\$	58.42	*
Greven, Dora	\$	415.14	*
Guinness, Amanda and Lisa	\$	158.84	
Hamel, Christopher	\$	1.45	*
Hawkins, Kenneth and Rachel	\$	2,699.00	*
Herrington, Bill and Cheryl	\$	831.49	*
Hubbard, Lars and Robin	\$	3.33	*
Huizenga, Ian and Gorda	\$	1,479.96	*
Jewell, Howard and Laurel	\$	3,171.76	

Kadar, Kenneth M	\$	529.10	*
Kruse, Christian and Joanna	\$	12.00	*
L & C Properties LLC	\$	138.13	*
LaFlam, Benjiman	\$	4.63	*
Lamothe, Scott	\$	1.39	*
Macintire, Bruce L and Dawn E	\$	138.13	*
Maple, Zachariah	\$	539.88	*
Marshall, Tina and Christopher	\$	410.87	
Morse, Timothy and Amanda Plankey	\$	138.13	*
Partington et al, Amy	\$	12.00	*
Piper, Nicholas and Koreen	\$	1.39	
Pratt, Avery W	\$	3.56	*
Quesnel, Joan E	\$	138.13	*
Reck, Christopher and Sandra	\$	117.24	*
Ringer, Jr, Patrick	\$	3.83	*
Rivait, Susan	\$	408.61	
Roberts, Jennifer L	\$	1.25	*
Safari, Jacob and Carol Fenimore	\$	838.21	
Salch, Jean Marie	\$	2,794.00	
Stinchfield, Christopher and Felicia	\$	160.85	*
Swenor, Neil and Helen	\$	1.36	*
Swenson, Rustan	\$	1,128.28	
Taylor, Gary and Francine	\$	12.04	
Trombley, Francis	\$	138.13	*
Tucker, Darrell and Vicky	\$	4,993.76	
US Bank National Association	\$	431.55	*
Vandeweert, Pamela	\$	1,085.68	
Vorsteveld, Wendy	\$	2,578.59	
Warden, Jeffrey and Elizabeth	\$	1.88	*
White Sulphur LLC	\$	414.38	*
Workman, Andrew and Becky	\$	777.17	
Wyman, Matthew and Jennifer	\$	1,622.75	
Total	\$	44,352.46	

* Paid in full since June 30, 2020

Amount owed includes penalty and accrued interest.

CITY OF VERGENNES, VERMONT
 AUDIT REPORT AND FINANCIAL STATEMENTS
 JUNE 30, 2020
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FOTHERGILL SEGALE & VALLEY

Certified Public Accountants



INDEPENDENT AUDITOR'S REPORT

To the City Council
City of Vergennes
Vergennes, Vermont

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the City of Vergennes, Vermont as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise a portion of the City'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 *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Basis for Adverse Opinion on Financial Statements as a Whole

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

Management has chosen not to follow GASB No. 54 "Fund Balance Reporting and Governmental Fund Type Definition" which is used to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definition. GASB 54 establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

Management has chosen not to follow GASB No. 68 "Accounting and Financial Reporting for Pensions" which is used to improve accounting and financial reporting for pensions. The statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter period equity, and creating additional transparency.

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

Adverse Opinion

In our opinion, because of the significance of the matters discussed in the "Basis for Adverse Opinion on Financial Statements as a Whole" paragraphs, the financial statements referred to above do not present fairly the financial position of the City of Vergennes, Vermont as of June 30, 2020, or the changes in financial position or the budget comparison thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other-Matters

Required Supplementary Information

Management has omitted the Management's Discussion and Analysis and the pension related information that accounting principles generally accepted in the United State of America require to be presented to supplement 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. Our opinion on the basic financial statements is not affected by the missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. Schedules 1 – 3 are presented for purposes of additional analysis and are not a required part of the financial statements.

Schedules 1 – 3 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. Because of the matters discussed above, we are not expressing an opinion on the supplementary schedules.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 3, 2021 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the City's 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 City's internal control over financial reporting and compliance.

Respectfully submitted,



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

February 3, 2021

CITY OF VERGENNES, VERMONT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020

	Major Funds							Total Governmental Funds	
	General Fund	Sewer Fund	Watershed Fund	Community Development Fund	Ray E. Davison Fund	Fire Fund	Water Tower Fund		Other Governmental Funds
ASSETS									
Cash and investments	\$ 516,322	\$ 0	\$ 423,625	\$ 0	\$ 325,822	\$ 0	\$ 373,979	\$ 771,746	\$ 2,411,494
Receivables									
Property taxes	93,653	0	0	0	0	0	0	0	93,653
Grant receivable	17,421	0	0	0	0	0	0	0	17,421
Sewer	0	59,245	0	0	0	0	0	0	59,245
Other	46,438	0	0	0	0	0	25,422	0	71,860
Prepaid expenses	23,705	0	0	0	0	0	0	0	23,705
Due from other funds	0	65,252	0	100,457	0	76,396	0	19,778	261,883
Community development loans, net	0	0	0	751,099	0	0	0	0	751,099
Total assets	\$ 697,539	\$ 124,497	\$ 423,625	\$ 851,556	\$ 325,822	\$ 76,396	\$ 399,401	\$ 791,524	\$ 3,690,360
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
LIABILITIES									
Accounts payable	\$ 47,688	\$ 6,308	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 25,086	\$ 79,082
Accrued payroll	0	0	0	0	0	7,270	0	0	7,270
Unearned revenue	11,220	0	0	0	0	0	0	10,277	21,497
Due to other funds	253,334	0	2,596	0	0	0	0	5,953	261,883
Total liabilities	312,242	6,308	2,596	0	0	7,270	0	41,316	369,732
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenue, property taxes	88,000	0	0	0	0	0	0	0	88,000
Unavailable revenue, charges for service	0	23,500	0	0	0	0	0	0	23,500
Unavailable revenue, loans	0	0	0	751,099	0	0	25,422	0	776,521
Total deferred inflows of resources	88,000	23,500	0	751,099	0	0	25,422	0	888,021
FUND BALANCES									
Reserved for Special Revenue Funds	0	94,689	421,029	100,457	0	69,126	373,979	278,517	1,337,797
Reserved for Permanent Fund	0	0	0	0	325,822	0	0	0	325,822
Reserved for Capital Project Funds	0	0	0	0	0	0	0	471,691	471,691
Unreserved	297,297	0	0	0	0	0	0	0	297,297
Total fund balances	297,297	94,689	421,029	100,457	325,822	69,126	373,979	750,208	2,432,607
Total liabilities, deferred inflows of resources, and fund balances	\$ 697,539	\$ 124,497	\$ 423,625	\$ 851,556	\$ 325,822	\$ 76,396	\$ 399,401	\$ 791,524	\$ 3,690,360

CITY OF VERGENNES, VERMONT
 STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES (DEFICIT)
 GOVERNMENTAL FUNDS
 YEAR ENDED JUNE 30, 2020

	Major Funds										Total Governmental Funds	
	General	Sewer Fund	Watershed Fund	Community Development Fund	Ray E. Davison Fund	Fire Fund	Water Tower Fund	Other Governmental Funds				
REVENUES												
Property taxes	\$2,081,556	0	0	0	0	0	0	0	0	0	0	\$ 2,081,556
Licenses, fees and permits	14,584	0	0	0	0	0	0	0	76,456	0	0	91,040
Intergovernmental	321,676	0	0	400,000	0	0	0	0	30,390	0	0	875,269
Charges for services	31,217	740,283	0	0	0	0	0	0	142,441	0	0	913,941
Fines and forfeits	50,657	9,677	0	0	0	0	0	0	0	0	0	60,334
Investment income	91,162	0	27,745	0	22,354	0	0	0	1,683	0	0	142,944
Miscellaneous	5,831	675	0	17,756	0	1,734	0	0	0	0	0	25,996
Total revenues	2,596,683	750,635	27,745	417,756	22,354	144,175	123,203	0	108,529	0	0	4,191,080
EXPENDITURES												
Current Expenditures												
General government	589,423	0	2,596	0	0	0	0	0	0	7,501	0	599,520
Public safety	931,348	0	0	0	0	0	0	0	88,557	0	0	1,019,905
Public works	669,961	0	0	0	0	0	0	0	0	0	0	669,961
Culture and recreation	0	0	0	0	0	0	0	0	0	0	0	45,725
Community services	65,503	0	0	400,000	0	0	0	0	45,725	0	0	465,503
Wastewater	0	357,949	0	0	0	0	0	0	0	0	847	358,796
Debt Service												
Principal	99,014	123,403	0	0	0	0	0	0	65,000	0	0	287,417
Interest	36,636	0	0	0	0	0	0	0	23,344	0	0	59,980
Capital outlay	183,346	57,643	0	0	0	0	0	0	0	56,240	0	309,864
Total expenditures	2,575,231	538,995	2,596	400,000	0	176,901	63,741	0	59,207	59,207	0	3,816,671
EXCESS REVENUES (EXPENDITURES)	21,452	211,640	25,149	17,756	22,354	(32,726)	59,462	0	49,322	49,322	0	374,409
OTHER FINANCING SOURCES (USES)												
Transfers in	100,000	0	0	0	0	0	0	0	81,786	0	101,520	283,306
Transfers (out)	(84,806)	(180,000)	(6,000)	0	0	0	(12,500)	0	0	0	0	(283,306)
Proceeds from long term debt	153,346	127,454	0	0	0	0	0	0	0	0	0	280,800
Total other financing sources (uses)	168,540	(52,546)	(6,000)	0	0	0	(12,500)	0	81,786	(12,500)	101,520	280,800
NET CHANGE IN FUND BALANCES (DEFICIT)	189,992	159,094	19,149	17,756	22,354	49,060	46,962	0	150,842	150,842	0	655,209
FUND BALANCES (DEFICIT) - JULY 1, 2019	107,305	(64,405)	401,880	82,701	303,468	20,066	327,017	0	599,366	599,366	0	1,777,398
FUND BALANCES - JUNE 30, 2020	\$ 297,297	\$ 94,689	\$ 421,029	\$ 100,457	\$ 325,822	\$ 69,126	\$ 373,979	\$ 0	\$ 750,208	\$ 750,208	\$ 0	\$ 2,432,607

CITY OF VERGENNES, VERMONT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - COMPARED TO BUDGET
GENERAL FUND
YEAR ENDED JUNE 30, 2020

EXHIBIT C

	<u>Original and final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Property taxes	\$2,115,839	\$2,081,556	\$ (34,283)
Licenses and permits	11,125	14,584	3,459
Intergovernmental	168,790	321,676	152,886
Charges for services	23,000	31,217	8,217
Fines and forfeits	60,000	50,657	(9,343)
Investment income	19,100	91,162	72,062
Miscellaneous	3,545	5,831	2,286
Total revenues	<u>2,401,399</u>	<u>2,596,683</u>	<u>195,284</u>
EXPENDITURES			
Current Expenditures			
General government	611,887	589,423	22,464
Public safety grants	0	134,426	(134,426)
Public safety	831,854	796,922	34,932
Public works	796,432	669,961	126,471
Community services	63,939	65,503	(1,564)
Debt service			
Principal	92,500	99,014	(6,514)
Interest	40,000	36,636	3,364
Capital outlay	30,000	183,346	(153,346)
Total expenditures	<u>2,466,612</u>	<u>2,575,231</u>	<u>(108,619)</u>
EXCESS REVENUES (EXPENDITURES)	<u>(65,213)</u>	<u>21,452</u>	<u>86,665</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	100,000	100,000	0
Transfers (out)	(84,787)	(84,806)	(19)
Proceeds from long term debt	0	153,346	153,346
Total other financing sources (uses)	<u>15,213</u>	<u>168,540</u>	<u>153,327</u>
NET CHANGE IN FUND BALANCE	<u>\$ (50,000)</u>	<u>189,992</u>	<u>\$ 239,992</u>
FUND BALANCE - JULY 1, 2019		<u>107,305</u>	
FUND BALANCE - JUNE 30, 2020		<u>\$ 297,297</u>	

CITY OF VERGENNES, VERMONT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The City's management has elected to present only the financial statements of the major funds and the aggregate remaining fund information, which is not in conformity with generally accepted accounting principles, specifically GASB 34, GASB 37, GASB 54, and GASB 68. Therefore, government-wide financial statements that include accounting for capital assets, lease payables, notes payable, pensions and fund balance categories are not included in the financial statements.

GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* provide the significant changes in the Statements. The financial statements would include: A Management Discussion and Analysis (MD&A) section providing an analysis of the City's overall financial position and results of operations. Financial statements are prepared using full accrual accounting for all of the City's activities.

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

GASB Statement No. 54 "Fund Balance Reporting and Governmental Definitions". This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent.

GASB Statement No. 68 "Accounting and Financial Reporting for Pensions" which is used to improve accounting and financial reporting for pensions. The Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter period equity, and creating additional transparency.

Reporting Entity

The City's basic financial statements include the accounts of all City operations. The criteria for including organizations as component units within the City's reporting entity are set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards and GASB Statement No. 14.

CITY OF VERGENNES, VERMONT
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Basic Financial Statements – Fund Financial Statements

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

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

The City reports on the following major governmental funds:

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

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

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

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

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

Fire Fund is used to account for the operations of the Vergennes Fire Department.

Water Tower Fund is used to account for money reserved to support infrastructure projects and economic development in the City.

Unavailable Revenue

Unavailable revenue consists of the following:

General Fund – Delinquent taxes, interest, and penalty not collected within sixty (60) days after year end.

Sewer Fund – Sewer receivables not collected within six months after year end.

Community Development Fund and Water Tower Reserve Fund – Long-term receivables.

CITY OF VERGENNES, VERMONT
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Modified Accrual

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

Deferred Inflows of Resources

The City has implemented GASB Statement No. 65, Items Previously Reported as Assets and Liabilities, which reports a separate section for deferred inflows of resources in the City's governmental funds. This separate financial statement element reflects an increase in net position that applies to a future period(s). The City will recognize the related revenues when a future event occurs. The City has two items which occur because governmental fund revenues are not recognized until available (collected not later than sixty days after the end of the City's fiscal year for property taxes, and six months for all other revenues) under the modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, unavailable property tax revenue (formerly deferred property taxes) and unavailable Community Development Fund loans are reported in the governmental funds balance sheet.

Budgetary Accounting

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

Use of Estimates

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

CITY OF VERGENNES, VERMONT
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interfund Activities

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

Property Taxes

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

Compensated Absences

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

NOTE 2 - DEPOSITS AND INVESTMENTS

Deposits

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

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned. The City is subject to custodial credit risk as follows:

FDIC - Insured	\$ 263,983
Uninsured - Collateralized	<u>519,858</u>
Total bank balance at June 30, 2020	<u><u>\$ 783,841</u></u>

Investments

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

The Fair Value Measurements topic of the FASB Accounting Standards Codification (FASB ASC 820-10) establishes a fair value hierarchy that prioritizes inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements).

CITY OF VERGENNES, VERMONT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 2 - DEPOSITS AND INVESTMENTS (Continued)

The three levels of the fair value hierarchy are as follows:

Level 1 – Inputs are unadjusted, quoted prices in active markets for identical assets at the measurement date. The types of assets carried at Level 1 fair value generally are securities listed in active markets. The City has valued their investments listed on national exchanges at the last sales price as of the day of valuation using the market valuation approach.

Level 2 – inputs are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – inputs are generally unobservable and typically reflect management’s estimates of assumptions that market participants would use in pricing the asset or liability. The City has no Level 3 inputs.

The inputs or methodology used for valuing investments are not necessarily an indication of the risk associated with investing in those investments.

Investments at June 30, 2020 are as follows:

Investments - Level I	Maturities	Fair Value
Certificate of Deposits	08/09/21-07/31/2034	\$ 754,302
Municipal Bonds	11/01/29-04/01/46	655,097
Cash		264,442
Subtotal Level I		1,673,841
Investments - Level II	Maturities	Fair Value
FNMA	10/1/2041	201
Total Investments		\$ 1,674,042

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES

The City has combined some of the cash resources of its governmental funds for accounting and reporting purposes. That portion of the pooled cash balance is reported in the specific fund as an interfund balance. Interfund balances at June 30, 2020 are as follows:

	Interfund Receivables	Interfund Payables
General Fund	\$ 0	\$ 253,334
Special Revenue Funds -		
Sewer Fund	65,252	0
Community Development Fund	100,457	0
Watershed Fund	0	2,596
Fire Fund	76,396	0
Other Special Revenue Funds	19,778	5,953
Total special revenue funds	261,883	8,549
Total	\$ 261,883	\$ 261,883

CITY OF VERGENNES, VERMONT
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 4 - INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2020 are as follows:

		Transfers From				Totals
		General	Sewer	Watershed	Water Tower	
Transfer to	General	\$ 0	\$ 100,000	\$ 0	\$ 0	\$ 100,000
	Fire Fund	81,786	0	0	0	81,786
	Other Governmental Funds	3,020	80,000	6,000	12,500	101,520
	Totals	<u>\$ 84,806</u>	<u>\$ 180,000</u>	<u>\$ 6,000</u>	<u>\$ 12,500</u>	<u>\$ 283,306</u>

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

NOTE 5 - NOTE RECEIVABLES

Note receivable at June 30, 2020 consists of the following:

Community Development Fund Note Receivables:

Promissory note made to Armory Lane Housing Limited Partnership. The note is a non-interest bearing loan deferring all payments to November 21, 2052.	\$ 660,000
Promissory note made to Lincoln Geronimo, LLC. The note is an interest bearing loan of 4% due the nineteenth of each month commencing November 19, 2016 with the final payment due October 19, 2026.	70,317
Promissory note made to Barnum Distribution, LLC. The note is an interest bearing loan of 4% due the twenty seventh of each month commencing July 27, 2019 with the final payment due June 27, 2024.	20,782
Total notes receivable community development loans	<u>\$ 751,099</u>

NOTE 6 – UNAVAILABLE REVENUE/UNEARNED REVENUE

Unavailable revenue in the General Fund consists of \$88,000 of delinquent taxes, interest, and penalty that were not collected within sixty (60) days after year end as these would not be available to liquidate current liabilities.

Unavailable revenue in the Sewer Fund consists of \$23,500 of user fees that were not collected within six months after year end as these would not be available to liquidate current liabilities.

Unavailable revenue in the Community Development Fund consists of \$751,099 of loans receivable.

Unavailable revenue in the Water Tower Fund consists of \$25,422 of other long term receivable for reimbursement of their share of the heating system.

Unearned revenue in the General Fund consists of \$11,220 of paving revenue not spent and in the Swimming Pool Fund of \$10,277 of season passes revenue for the summer pool season.

CITY OF VERGENNES, VERMONT
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 7 – LONG-TERM LIABILITIES

Long-term liabilities at June 30, 2020 consist of the following:

Vermont Municipal Bond Bank, interest at 0%, maturing November 1, 2022, principal payments of \$123,403 due annually beginning November 1, 2003.	\$ 370,209
Vermont Municipal Bond Bank, interest ranging 1.033% - 3.086%, maturing November 15, 2025, interest due December 15 and June 15, principal payments of \$40,000 due annually beginning December 2016.	240,000
Vermont Municipal Bond Bank, interest ranging 1.965% - 3.435%, maturing November 15, 2038, interest due May 15 and November 15, principal payments of \$25,000 due annually beginning December 2019.	475,000
Vermont Municipal Bond Bank, interest at 0%, maturing October 1, 2028, \$180,971 will be forgiven then principal payments of \$3,761 due annually beginning October 2, 2024. Total bond is for \$218,582 only \$127,454 drawn as of 6/30/20.	127,454
Ford Motor Credit Company LLC, interest at 5.99%, maturing April 6, 2024, principal payment of \$10,514 due annually beginning April 2020.	36,439
KS State Bank, interest at 3.32%, maturing July 15, 2023, principal payment of \$28,842 due annually beginning July 2020.	106,393
Community Bank, interest at 3.443%, maturing September 1, 2033, interest due March 1 and September 1, principal payments of \$72,500 for twenty years due September 1.	1,015,000
State of Vermont Treasurer, interest at 2%, five annual principal payments of \$6,000, due December 2020. Secured by Kubota tractor.	6,000
Total bonds and notes payable	2,376,495
Compensated absences	111,195
Total long-term liabilities	<u>\$ 2,487,690</u>

Interest paid on long-term liabilities for the year ended June 30, 2020 was \$59,980.

Maturities for long-term debt are as follows:

	Principal	Interest	Totals
2021	\$ 300,543	\$ 59,542	\$ 360,085
2022	295,883	53,922	349,805
2023	297,280	48,250	345,530
2024	175,335	42,562	217,897
2025	264,954	36,649	301,603
2026-2030	527,500	127,308	654,808
2031-2035	415,000	46,908	461,908
2036-2039	100,000	6,802	106,802
Totals	\$ 2,376,495	\$ 421,943	\$ 2,798,438

CITY OF VERGENNES, VERMONT
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 7 – LONG-TERM LIABILITIES (Continued)

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

	Balance <u>June 30, 2019</u>	<u>Additions</u>	<u>Payments</u>	Balance <u>June 30, 2020</u>	Due in <u>One Year</u>
Bonds and notes payable:					
Bonds payable	\$ 2,361,112	\$ 127,454	\$ (260,903)	\$ 2,227,663	\$ 260,903
Notes payable	<u>22,000</u>	<u>153,346</u>	<u>(26,514)</u>	<u>148,832</u>	<u>39,640</u>
Total bond and notes payable	2,383,112	280,800	(287,417)	2,376,495	300,543
Other liabilities:					
Accrued compensated absences	<u>117,832</u>	<u>69,536</u>	<u>(76,173)</u>	<u>111,195</u>	<u>0</u>
Total long-term liabilities	<u>\$ 2,500,944</u>	<u>\$ 350,336</u>	<u>\$ (363,590)</u>	<u>\$ 2,487,690</u>	<u>\$ 300,543</u>

NOTE 8 - BUDGETED DEFICIT

The City elected to budget expenditures in excess of revenues by \$50,000 in the General Fund in order to reduce the carryover fund balance. This is reflected as a budgeted deficiency of revenues over expenditures in Exhibit C.

NOTE 9 - EXCESS OF EXPENDITURES OVER APPROPRIATIONS AND OTHER FINANCING SOURCES

For the year ended June 30, 2020, expenditures exceeded appropriations in the General Fund by \$108,619. The excess expenditures were funded by use of excess revenues from fund balance, from grant-related revenues and proceeds from long term debt.

CITY OF VERGENNES, VERMONT
 NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 10 - RESERVED AND COMMITTED FUND BALANCES

Fund balances are reserved as follows:

Sewer Fund		\$	94,689
Watershed Fund			421,029
Community Development Fund			100,457
Ray E. Davison Capital Equipment Fund			325,822
Fire Fund			69,126
Water Tower Fund			373,979
Other Governmental Funds			
<i>Special Revenue Funds</i>			
Pumphouse restoration fund	362		
Swimming pool fund	9,501		
Co-op agreement fund	10,537		
Lister education fund	3,085		
Reappraisal fund	97,971		
Land records restoration fees fund	35,184		
Land records computerization fund	62,674		
Vergennes recreation events fund	11,462		
Donnelly fund	28,944		
Vergennes burying ground fund	6,809		
Junior Fishing Derby fund	2,716		
Otter Creek basin fund	9,272		
Total special revenue funds			278,517
<i>Capital Project Funds</i>			
West Main/Route 22A fund	59,022		
Sidewalk Project fund	12,500		
Biosolids fund	234,954		
Sewer line replacement fund	89,364		
Sewer capital improvement fund	75,851		
Total capital project funds			471,691
Total reserved fund balances			\$ 2,185,310

Ray E. Davison Capital Equipment Fund balance at June 30, 2020 was \$325,822. The investment in this fund consists mostly of municipal bonds that were purchased at a premium. The balance is above the original amount distributed to the City which was \$198,470. There are \$127,352 funds available to be spent at June 30, 2020.

CITY OF VERGENNES, VERMONT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 11 – PROPERTY TAXES

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

The tax rate for fiscal year 2020 was:

	<u>Residential</u>	<u>Non-Residential</u>
General Fund	\$ 0.9237	\$ 0.9237
Education	1.7356	1.5922
Total	<u>\$ 2.6593</u>	<u>\$ 2.5159</u>

NOTE 12 - RETIREMENT BENEFIT PLAN

Vermont Municipal Employees' Retirement System

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

The City participates in the Group B and Group D level of contributions and benefits of the System. Under Group B, the employee contributions are 5.125% of gross pay and employer contributions are 5.750% of gross pay, Under Group D, the employee contributions are 11.6% of gross pay and employer contributions are 10.1%. The City has an agreement to pay all of Group B and then the same percentage that Group B is into Group D. Of the City's total payroll of \$1,161,301, \$1,066,740 was covered under the Vermont Municipal Employees' Retirement System.

Total contributions made to the System for the year ended June 30, 2020 were \$116,008, for the year ended June 30, 2019 were \$104,245 and for the year ended June 30, 2018 were \$98,411.

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

CITY OF VERGENNES, VERMONT
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 13 - COMMITMENTS AND CONTINGENT LIABILITIES

Grants

The City participates in federally and state assisted grant programs which are subject to audit by the grantors or their representatives. The audits of these programs for or including the year ended June 30, 2020 have not yet been completed. Accordingly, the City's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

Cooperative Agreement

The City and Green Mountain Power (GMP) entered into a Co-operative Agreement dated July 3, 2002. GMP has agreed to make certain funds available to the City in exchange for the City undertaking and being responsible for the design, development and construction of certain recreational enhancements required by the Federal Energy Regulatory Commission (FERC). The City will use GMP funds as a local match to obtain other grant funding. As of June 30, 2020, GMP had deposited \$158,000 and the balance of the account was \$41,436 as shown in the Co-operative Agreement Fund.

NOTE 14 - RISK MANAGEMENT

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

NOTE 15 - LEASE AGREEMENT

The City has two office equipment leases. The lease expense for 2020 was approximately \$3,600. The remaining lease payments are approximately as follows:

FY21	\$	4,175
FY22		1,700
FY23		1,700
FY24		1,700
FY25		425
Total	\$	<u>9,700</u>

CITY OF VERGENNES, VERMONT
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 16 – BUDGETARY COMPARISON SCHEDULES

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

NOTE 17 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through February 3, 2021, the date which the financial statements were available for issue. Management is not aware of any subsequent events which require disclosure.

CITY OF VERGENNES, VERMONT
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - COMPARED TO BUDGET
GENERAL FUND
YEAR ENDED JUNE 30, 2020

SCHEDULE 1

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Property Taxes			
Property taxes	\$2,099,839	\$ 2,059,839	\$ (40,000)
Delinquent interest	16,000	21,717	5,717
Total property taxes	<u>2,115,839</u>	<u>2,081,556</u>	<u>(34,283)</u>
Licenses and Permits			
Liquor licenses	1,500	1,410	(90)
Dog licenses	2,250	1,544	(706)
Other permits	2,375	2,330	(45)
Zoning	5,000	9,300	4,300
Total licenses and permits	<u>11,125</u>	<u>14,584</u>	<u>3,459</u>
Intergovernmental			
Highway state aid	59,500	61,042	1,542
Payment in lieu of taxes	102,790	106,938	4,148
Education tax service fee	6,500	7,032	532
Police grants	0	128,509	128,509
Other miscellaneous	0	18,155	18,155
Total intergovernmental	<u>168,790</u>	<u>321,676</u>	<u>152,886</u>
Charges for Services			
Clerk's fees	23,000	31,217	8,217
Fines and Forfeitures			
Traffic fines - local	60,000	50,657	(9,343)
Miscellaneous Income			
Investment income	19,100	91,162	72,062
Act 60 listers	1,000	1,002	2
Current use hold harmless	1,545	1,583	38
Other miscellaneous income	1,000	3,246	2,246
Total miscellaneous income	<u>22,645</u>	<u>96,993</u>	<u>74,348</u>
Total revenues	<u>2,401,399</u>	<u>2,596,683</u>	<u>195,284</u>

CITY OF VERGENNES, VERMONT
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - COMPARED TO BUDGET
GENERAL FUND
YEAR ENDED JUNE 30, 2020

SCHEDULE 1

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
EXPENDITURES			
Current Expenditures			
General Government			
Assessments and Taxes			
ACEDC	3,000	0	3,000
Firefighters wages	6,000	1,400	4,600
County tax	8,919	9,269	(350)
Regional planning	3,000	5,978	(2,978)
Unemployment	100	1,589	(1,489)
VLCT dues	4,200	8,421	(4,221)
Vergennes Partnership	7,500	7,500	0
Total assessments and taxes	<u>32,719</u>	<u>34,157</u>	<u>(1,438)</u>
City administration			
Salaries	245,093	240,292	4,801
Mayor/Aldermen stipends	6,400	6,200	200
Lister's stipend	600	400	200
Auditor's stipend	225	150	75
Crime coverage	1,600	1,326	274
Annual report	500	575	(75)
Employee benefits	126,764	107,876	18,888
Insurance	20,200	14,660	5,540
Expenses/training/dues	3,500	3,417	83
Telephone	3,000	3,817	(817)
Website	3,000	3,000	0
Heat	3,250	3,841	(591)
Electricity	3,300	5,231	(1,931)
Mileage	300	0	300
Building maintenance	6,000	4,420	1,580
Supplies/maintenance	10,000	8,626	1,374
Attorney fees	5,000	6,464	(1,464)
Appraisal consultant fee	5,700	4,011	1,689
Advertising	1,000	2,051	(1,051)
Audit fee	13,500	15,065	(1,565)
Information technology	43,300	37,909	5,391
Custodial	6,000	3,262	2,738
Covid expenses	0	10,967	(10,967)
Miscellaneous	7,500	9,664	(2,164)
Total City administration	<u>515,732</u>	<u>493,224</u>	<u>22,508</u>

CITY OF VERGENNES, VERMONT
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - COMPARED TO BUDGET
GENERAL FUND
YEAR ENDED JUNE 30, 2020

SCHEDULE 1

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Miscellaneous Appropriations			
Bixby Memorial Free Library	51,936	51,944	(8)
Parks and recreation	11,500	10,098	1,402
Total miscellaneous appropriations	<u>63,436</u>	<u>62,042</u>	<u>1,394</u>
Total general government	<u>611,887</u>	<u>589,423</u>	<u>22,464</u>
Public Safety grants			
Police grant expenditures	0	134,426	(134,426)
Total public safety grants	<u>0</u>	<u>134,426</u>	<u>(134,426)</u>
Public Safety			
Salaries	422,670	416,762	5,908
Employee benefits	285,202	259,271	25,931
Insurance	29,200	17,332	11,868
Training/dues	2,000	2,360	(360)
Uniforms	5,000	5,622	(622)
Office supplies/equipment	5,000	6,002	(1,002)
Telephone	7,000	6,379	621
Operation/gasoline	17,500	15,241	2,259
Information technology	20,000	23,390	(3,390)
Vehicle maintenance	8,000	15,701	(7,701)
Vehicle insurance	5,000	3,780	1,220
Building maintenance	5,000	4,393	607
Utilities	9,900	11,256	(1,356)
Custodial expenses	7,000	6,485	515
Miscellaneous	3,382	2,948	434
Total public safety	<u>831,854</u>	<u>796,922</u>	<u>34,932</u>
Public Works			
Salaries	273,613	264,230	9,383
Employee benefits	184,429	167,578	16,851
Insurance	3,500	3,107	393
Training/dues	1,500	847	653
Uniforms	2,000	2,027	(27)
Telephone	950	459	491

CITY OF VERGENNES, VERMONT
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - COMPARED TO BUDGET
GENERAL FUND
YEAR ENDED JUNE 30, 2020

SCHEDULE 1

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Trash receptacles	4,250	6,163	(1,913)
Heat	1,500	2,159	(659)
Electricity	4,250	5,451	(1,201)
Gas and oil	15,000	12,241	2,759
Vehicle insurance	5,000	3,890	1,110
Information technology	2,000	1,415	585
Maintenance/repair	11,800	18,775	(6,975)
Equipment maintenance	10,000	7,580	2,420
Signs	2,500	2,173	327
Parking lines	5,000	1,649	3,351
Traffic and street lights	27,500	29,764	(2,264)
Shop supplies/equipment	7,500	6,510	990
Storm system/culverts/ditches	55,000	47,480	7,520
Highway improvements	100,000	3,585	96,415
Sidewalks and curbs	15,000	10,638	4,362
Park maintenance	10,000	10,462	(462)
Winter maintenance	50,000	53,297	(3,297)
Winter equipment rental	2,500	1,300	1,200
Better Roads expense	0	6,600	(6,600)
Miscellaneous	1,640	581	1,059
Total public works	<u>796,432</u>	<u>669,961</u>	<u>126,471</u>
Community Services			
ACHH&H	3,290	3,290	0
Elderly Services	2,000	2,000	0
Addison County Parent/Child Center	3,074	3,074	0
HOPE	2,000	2,000	0
Hospice Volunteer Services	2,000	2,000	0
John Graham Emergency Shelter	1,725	1,725	0
Boys and Girls Club	5,000	5,000	0
Counseling Service of Addison County	2,500	2,500	0
Retired Senior Volunteer Program	950	950	0
Vergennes Area Senior Center	1,500	1,500	0
WomenSafe	4,000	4,000	0
Champlain Valley Agency	2,500	2,500	0
Vermont Adult Learning	890	890	0
Addison County Transit Resources	8,160	8,160	0
Addison County Humane Society	2,000	2,000	0
Addison County Reader	600	600	0
Open Door Clinic	1,000	1,000	0
Addison County Court Diversion	850	850	0
Otter Creek Child Care	1,000	1,000	0
Vergennes Area Rescue Squad	18,900	20,464	(1,564)
Total community services	<u>63,939</u>	<u>65,503</u>	<u>(1,564)</u>

CITY OF VERGENNES, VERMONT
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - COMPARED TO BUDGET
GENERAL FUND
YEAR ENDED JUNE 30, 2020

SCHEDULE 1

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Debt Service			
Principal	92,500	99,014	(6,514)
Interest	40,000	36,636	3,364
Total debt service	<u>132,500</u>	<u>135,650</u>	<u>(3,150)</u>
Capital Outlay			
Police cruiser	0	46,953	(46,953)
Public works truck	30,000	136,393	(106,393)
Total capital outlay	<u>30,000</u>	<u>183,346</u>	<u>(153,346)</u>
Total expenditures	<u>2,466,612</u>	<u>2,575,231</u>	<u>(108,619)</u>
EXCESS REVENUES (EXPENDITURES)	<u>(65,213)</u>	<u>21,452</u>	<u>86,665</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	100,000	100,000	0
Transfers (out)	(84,787)	(84,806)	19
Proceeds from long term debt	0	153,346	153,346
Total other financing sources (uses)	<u>15,213</u>	<u>168,540</u>	<u>153,365</u>
NET CHANGE IN FUND BALANCE	<u>\$ (50,000)</u>	189,992	<u>\$ 239,992</u>
FUND BALANCE - JULY 1, 2019		<u>107,305</u>	
FUND BALANCE - JUNE 30, 2020		<u>\$ 297,297</u>	

CITY OF VERGENNES, VERMONT
 COMBINING BALANCE SHEET
 OTHER GOVERNMENTAL FUNDS
 JUNE 30, 2020

SPECIAL REVENUE FUNDS

	Pumphouse Restoration Fund	Swimming Pool Fund	Co-op Agreement Fund	Listers Ed Fund	Reappraisal Fund
\$	362	\$ 0	\$ 41,436	\$ 3,085	\$ 97,971
0	0	19,778	0	0	0
\$	<u>362</u>	<u>\$ 19,778</u>	<u>\$ 41,436</u>	<u>\$ 3,085</u>	<u>\$ 97,971</u>
\$	0	\$ 0	\$ 25,086	\$ 0	\$ 0
0	0	10,277	0	0	0
0	0	0	5,813	0	0
0	<u>0</u>	<u>10,277</u>	<u>30,899</u>	<u>0</u>	<u>0</u>
	362	9,501	10,537	3,085	97,971
\$	<u>362</u>	<u>\$ 19,778</u>	<u>\$ 41,436</u>	<u>\$ 3,085</u>	<u>\$ 97,971</u>

ASSETS

Cash and investments
 Due from other funds
 Total assets

LIABILITIES

Accounts payable
 Unearned revenue
 Due to other funds
 Total liabilities

FUND BALANCES

Reserved
 Total liabilities, deferred inflows
 and fund balances

CITY OF VERGENNES, VERMONT
 COMBINING BALANCE SHEET
 OTHER GOVERNMENTAL FUNDS
 JUNE 30, 2020

SPECIAL REVENUE FUNDS

	Restoration Fees Fund	Records Computer-ization Fund	Vergennes Recreation Events Fund	Donnelly Fund	Vergennes Burying Ground Fund	Junior Fishing Derby Fund	Otter Creek Basin Fund
ASSETS							
Cash and investments	\$ 35,184	\$ 62,674	\$ 11,462	\$ 28,944	\$ 6,809	\$ 2,856	\$ 9,272
Due from other funds	0	0	0	0	0	0	0
Total assets	<u>\$ 35,184</u>	<u>\$ 62,674</u>	<u>\$ 11,462</u>	<u>\$ 28,944</u>	<u>\$ 6,809</u>	<u>\$ 2,856</u>	<u>\$ 9,272</u>
LIABILITIES							
Accounts payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Unearned revenue	0	0	0	0	0	0	0
Due to other funds	0	0	0	0	0	140	0
Total liabilities	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>140</u>	<u>0</u>
FUND BALANCES							
Reserved	35,184	62,674	11,462	28,944	6,809	2,716	9,272
Total liabilities, deferred inflows and fund balances	<u>\$ 35,184</u>	<u>\$ 62,674</u>	<u>\$ 11,462</u>	<u>\$ 28,944</u>	<u>\$ 6,809</u>	<u>\$ 2,856</u>	<u>\$ 9,272</u>

CITY OF VERGENNES, VERMONT
 COMBINING BALANCE SHEET
 OTHER GOVERNMENTAL FUNDS
 JUNE 30, 2020

CAPITAL PROJECTS FUNDS

	West Main/ Rte 22A Fund	Sidewalk Project Fund	Biosolids Fund	Sewer Line Replacement Fund	Sewer Capital Improvement Fund	Total Other Governmental Funds
	\$ 59,022	\$ 12,500	\$ 234,954	\$ 89,364	\$ 75,851	\$ 771,746
	0	0	0	0	0	19,778
	<u>\$ 59,022</u>	<u>\$ 12,500</u>	<u>\$ 234,954</u>	<u>\$ 89,364</u>	<u>\$ 75,851</u>	<u>\$ 791,524</u>
	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 25,086
	0	0	0	0	0	10,277
	0	0	0	0	0	5,953
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>41,316</u>
	59,022	12,500	234,954	89,364	75,851	750,208
	<u>\$ 59,022</u>	<u>\$ 12,500</u>	<u>\$ 234,954</u>	<u>\$ 89,364</u>	<u>\$ 75,851</u>	<u>\$ 791,524</u>

ASSETS

Cash and investments
 Due from other funds
 Total assets

LIABILITIES

Accounts payable
 Unearned revenue
 Due to other funds
 Total liabilities

FUND BALANCES

Reserved
 Total liabilities, deferred inflows
 and fund balances

CITY OF VERGENNES, VERMONT
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 OTHER GOVERNMENTAL FUNDS
 YEAR ENDED JUNE 30, 2020

	SPECIAL REVENUE FUNDS						
	Pumphouse Restoration Fund	Swimming Pool Fund	Co-op Agreement Fund	Listers Ed Fund	Reappraisal Fund	Restoration Fees Fund	
REVENUES							
Investment income	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental	0	0	0	0	8,517	0	0
Licenses, permits, fees, and miscellaneous	0	35,049	0	0	0	2,547	2,547
Total revenues	0	35,049	0	0	8,517	2,547	2,547
EXPENDITURES							
Culture and recreation	0	39,113	0	0	0	0	0
Wastewater	0	0	0	0	0	0	0
Capital outlay	0	0	0	0	0	0	0
Total expenditures	0	39,113	0	0	0	0	0
EXCESS REVENUES (EXPENDITURES)	0	(4,064)	0	0	8,517	2,547	
OTHER FINANCING SOURCES							
Transfers in (out)	0	6,000	0	0	0	1,792	1,792
Total other financing sources	0	6,000	0	0	0	1,792	1,792
NET CHANGE IN FUND BALANCES	0	1,936	0	0	8,517	4,339	
FUND BALANCES - JULY 1, 2019	362	7,565	10,537	3,085	89,454	30,845	
FUND BALANCES - JUNE 30, 2020	\$ 362	\$ 9,501	\$ 10,537	\$ 3,085	\$ 97,971	\$ 35,184	

CITY OF VERGENNES, VERMONT
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 OTHER GOVERNMENTAL FUNDS
 YEAR ENDED JUNE 30, 2020

	SPECIAL REVENUE FUNDS					
	Records Computerization Fund	Vergennes Recreation Events Fund	Donnelly Fund	Vergennes Burying Ground Fund	Junior Fishing Derby Fund	Other Creek Basin Fund
REVENUES						
Investment income	\$ 0	\$ 0	\$ 1,683	\$ 0	\$ 0	\$ 0
Intergovernmental	7,104	3,790	0	0	0	1,849
Licenses, permits, fees, and miscellaneous	0	0	0	0	0	0
Total revenues	<u>7,104</u>	<u>3,790</u>	<u>1,683</u>	<u>0</u>	<u>0</u>	<u>1,849</u>
EXPENDITURES						
Culture and recreation	0	6,472	0	0	140	0
Wastewater	0	0	0	0	0	0
Capital outlay	0	0	0	0	0	0
Total expenditures	<u>0</u>	<u>6,472</u>	<u>0</u>	<u>0</u>	<u>140</u>	<u>0</u>
EXCESS REVENUES (EXPENDITURES)	<u>7,104</u>	<u>(2,682)</u>	<u>1,683</u>	<u>0</u>	<u>(140)</u>	<u>1,849</u>
OTHER FINANCING SOURCES						
Transfers in (out)	(1,792)	3,020	0	0	0	0
Total other financing sources	<u>(1,792)</u>	<u>3,020</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
NET CHANGE IN FUND BALANCES	5,312	338	1,683	0	(140)	1,849
FUND BALANCES - JULY 1, 2019	57,362	11,124	27,261	6,809	2,856	7,423
FUND BALANCES - JUNE 30, 2020	<u>\$ 62,674</u>	<u>\$ 11,462</u>	<u>\$ 28,944</u>	<u>\$ 6,809</u>	<u>\$ 2,716</u>	<u>\$ 9,272</u>

CITY OF VERGENNES, VERMONT
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 OTHER GOVERNMENTAL FUNDS
 YEAR ENDED JUNE 30, 2020

	CAPITAL PROJECTS FUNDS						Total
	West Main/ Rte 22A Fund	Sidewalk Project Fund	Biosolids Fund	Sewer Line Replacement Fund	Sewer Capital Improvement Fund	Other Governmental Funds	
REVENUES							
Investment income	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,683	
Intergovernmental	9,130	0	0	0	0	30,390	
Licenses, permits, fees, and miscellaneous	0	0	0	0	38,860	76,456	
Total revenues	<u>9,130</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>38,860</u>	<u>108,529</u>	
EXPENDITURES							
Culture and recreation	0	0	0	0	0	45,725	
Wastewater	0	0	847	0	0	847	
Capital outlay	12,635	0	0	0	0	12,635	
Total expenditures	<u>12,635</u>	<u>0</u>	<u>847</u>	<u>0</u>	<u>0</u>	<u>59,207</u>	
EXCESS REVENUES (EXPENDITURES)	<u>(3,505)</u>	<u>0</u>	<u>(847)</u>	<u>0</u>	<u>38,860</u>	<u>49,322</u>	
OTHER FINANCING SOURCES							
Transfers in (out)	0	12,500	40,000	40,000	0	101,520	
Total other financing sources	<u>0</u>	<u>12,500</u>	<u>40,000</u>	<u>40,000</u>	<u>0</u>	<u>101,520</u>	
NET CHANGE IN FUND BALANCES	<u>(3,505)</u>	<u>12,500</u>	<u>39,153</u>	<u>40,000</u>	<u>38,860</u>	<u>150,842</u>	
FUND BALANCES - JULY 1, 2019	<u>62,527</u>	<u>0</u>	<u>195,801</u>	<u>49,364</u>	<u>36,991</u>	<u>599,366</u>	
FUND BALANCES - JUNE 30, 2020	<u>\$ 59,022</u>	<u>\$ 12,500</u>	<u>\$ 234,954</u>	<u>\$ 89,364</u>	<u>\$ 75,851</u>	<u>\$ 750,208</u>	

FOTHERGILL SEGALE & VALLEY

Certified Public Accountants



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*

City Council Members
City of Vergennes
Vergennes, Vermont

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 each major fund, and the aggregate remaining fund information of City of Vergennes, Vermont, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated February 3, 2021. We expressed an adverse opinion on the financial statements because 1) management has not presented government-wide financial statements to display the financial position and changes in financial position of its governmental activities and business-type activities, 2) the City treats the Sewer Fund as a Special Revenue Fund rather than an Enterprise Fund, and 3) the City has not presented the fund balance classifications in accordance with GASB No. 54 and the City has not complied with GASB 68 related to Pensions.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis.

A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of Findings and Responses as items 2020-01 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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*.

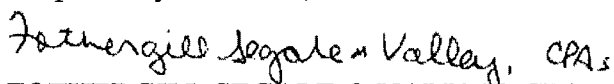
City of Vergennes, Response to Findings

City of Vergennes response to findings identified in our audit is described in the accompanying schedule of findings and responses. City of Vergennes's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Respectfully submitted,


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

February 3, 2021

CITY OF VERGENNES
SCHEDULE OF FINDING AND RESPONSE
YEAR ENDED JUNE 30, 2020

INTERNAL CONTROL – SIGNIFICANT DEFICIENCY

2020-1 Reconciliation of Balance Sheet Accounts

Condition: Some balance sheet accounts were not reconciled to detailed supporting schedules.

Criteria: Internal controls should be in place to provide reasonable assurance that all Balance Sheet accounts are reconciled on a regular basis to supporting schedules.

Cause: There are no procedures in place to require management to perform this reconciliation.

Effect: Because these accounts are not reconciled the financial statements may not be correct.

Recommendation: Accounting tasks such as monthly reconciliations play a key role in proving the accuracy of accounting data and information included in interim financial statements. Therefore, in order to provide more accurate and timely accounting information, we strongly recommend that the City establish more effective review and reconciliation policies and procedures as a customary part of the accounting process. Procedures should be implemented requiring the completion of these reconciliations monthly for some accounts and yearly for others.

Views of Responsible Officials and Planned Corrective Actions: The City agrees with the finding and the recommended procedures will be implemented.

BOARD OF AUDITORS' REPORT

State of Vermont
County of Addison
City of Vergennes

In accordance with the Charter of the City of Vergennes and applicable statutes, we have examined the Audit Report and Financial Statements issued by Fothergill Segale & Valley on the various funds for the year ended June 30, 2020. The Audit Report and Financial Statements are available on the City's website at vergennes.org or can be reviewed at the City Clerk's office.

Dated at Vergennes, Vermont this 8th day of February, 2021.

Vacant

Sivan Cotel

Sivan Cotel

Jennifer L Russell

Jennifer Russell

Signature: 
Sivan Cotel (Feb 16, 2021 13:21 EST)
Email: sivan@sivancotel.com

Signature: 
Jennifer L Russell (Feb 17, 2021 15:13 EST)
Email: itsnotjennifer@yahoo.com