CITY OF MONTPELIER
MONTPELIER, VERMONT

Agenda for Special City Council Meeting
City Council Chambers, City Hall
***Thursday*, January 23, 2014**
6:30 P.M.

THIS MEETING IS BEING HELD ON A THURSDAY DUE TO THE STATUTORY REQUIREMENT THAT ACTION, ON SOME OF THE FOLLOWING AGENDA ITEMS, IS REQUIRED 40 DAYS PRIOR TO TOWN MEETING

1) Call to Order by the Mayor

2) 14-029. General Business and Appearances

3) 14-030. Consideration of the Consent Agenda:

   a) Consideration of the Minutes from the City Council's January 15th, 2014 Meeting.

   b) Appoint Lee Doyle to the Bicycle Advisory Committee.

   c) Approval of Payroll and Bills

4) 14-031. Appointment to Montpelier's ADA Committee.

   a) Kim Brittenham, ADA Committee member and employee at the Vermont Center for Independent Living, recently wrote an editorial to The Bridge, seeking new ADA Committee members.

   b) As a result, Diane Richardson (87 Elm Street) has contacted Kim, and City staff, asking that she be considered for the open position on the committee.

   c) Recommendation: Opportunity to meet Ms. Richardson; appointment.

5) 14-032. Review and approve The Montpelier Downtown Improvement District (DID) Advisory Committee's recommendation for funding of the Megan Schultz Events and Design (MSED) proposal for a Montpelier "Park in the Street" (working title) event for June 21st 2014, with a project cost not to exceed $14,000.

a) The DID Committee unanimously approved the proposal, 6-0.

Recommendation: Receive presentation; discussion; direction to staff as necessary.

6) 14-033. Receive FY '13 Audit Report.

a) Teresa Kajenski of Fothergill Segal & Valley, CPAs will present the audit report to the City Council. She will be available to answer questions about the City's financial statements and their Auditor's Report.

7) 14-034. Conduct the Second Public Hearing (jointly with Barre) of the Final Charter for the Public Safety Authority.

8) 14-035. Conduct the Second Public Hearing on Proposed Amendments to the City's Charter.

9) 14-036 Receive, review and approve any Petitions filed for inclusion on the March 4, 2014 Annual City Meeting Warning.

10) 14-037. Conduct Second Public Hearing on Proposed FY '15 Municipal Budget.

a) The City Manager presented a recommended budget on December 6, 2013.

b) The Council conducted "budget workshops" as part of their meetings held on December 11th, 2013, and January 8th, 2014.

c) Council held the First Public Hearing on January 15, 2014.

d) The proposed budget requires a two cent increase in the municipal tax rate (two cents for Capital Projects and Equipment Purchases).

e) Recommendation: Conduct the Second Public Hearing; provide direction to staff as necessary.

11) 14-038. Conduct Second Public Hearing on the Warning for March 4, 2014 Annual City Meeting.

a) Council conducted the First Public Hearing on January 15, 2014. Two amendments were made (adding Article 12 and Article 13) and are included in the attached draft.

b) Recommendation: Conduct Second Public Hearing; provide direction to staff as necessary.

12) 14-039. Consideration of a proposed State Parking Lot on the grounds of Montpelier High School.

a) The School Board is interested in hearing the City Council's opinion on whether or not the proposed State Parking Lot on the grounds of Montpelier High School is a viable option for alleviating the need for more parking in Montpelier.

b) Recommendation: Receive presentation; discussion; share opinion with School representatives.

13) 14-040. Second Public Hearing to consider proposed amendments to the City's Code of Ordinances: **Chapter 10, Motor Vehicles and Traffic, Article VII. Parking and Parking Meter Zones**, **Sec. 10-713. NIGHT PARKING DURING WINTER,** as it relates to additional parking during the overnight winter parking ban; and **Article 10-717, LIMITED PARKING,** which will address the restriction of non-electric vehicles parking in the space adjacent to the (ev) charging station behind City Hall.

1) As noted in the attached memorandum from Public Works Director and Traffic Committee Chair Todd Law, the Committee's recommendations are as follows:

2) Sec. 10-713. NIGHT PARKING DURING WINTER.

Parking of motor vehicles, teams, carts, or any other conveyance on the streets of the city of Montpelier between the hours of 1:00 A.M. and 7:00 A.M. is hereby prohibited between November 15 and April 1 of each and every year**, except as depicted on the winter parking map, which allows overnight parking in City parking lots and on Stone Cutters Way in the areas shown and on the nights shown on the map found on the City's website. Vehicles parked in violation**

to the areas depicted on the map will be subject to ticketing, and may be subject to removal per Section 10-715. The City Manager may, by executive order, prohibit night parking at any other times of the year if emergency road conditions exist as a result of ice or snow conditions. Attention to this Section will be brought to residences each year by issuing news releases to the local news media by the City Manager's Office, said news releases to commence the last week in October of each year.

3) Sec. 10-717. LIMITED PARKING. (add new sub-section)

(kk) <u>Blanchard Court</u>. "Electric Vehicle Parking Only, 2-Hour Maximum" for the southern-most parking space on the eastern side of City Hall adjacent to the electric vehicle charging station.

4) Recommendation: Conduct the Second Public Hearing; approve, with or without further amendments.

14) 14-041. Second Public Hearing to consider proposed amendments to the City's Code of Ordinances: **Chapter 10, Motor Vehicles and Traffic, Article VII. Parking and Parking Meter Zones**, **Sec. 10-716. PARKING PROHIBITED,** as it relates to vehicles parking on National Life Drive north of the main entrance to the National Life Complex.

1) As noted in the attached memorandum from Public Works Director and Traffic Committee Chair Todd Law, the Committee is recommending the following amendment:

2) Sec. 10-716. PARKING PROHIBITED.

(c) <u>National Life Drive</u>. ~~Deleted -- enacted April 24, 1991.~~ **Parking is prohibited on the easterly side of National Life Drive beginning at the northerly edge of the main entrance to the National Life complex, thence extending northerly for a distance of one hundred ninety-five (195) feet.**

3) Recommendation: Conduct the Second Public Hearing; approve, with or without further amendments.

15) 14-042. Reports by City Council

16) 14-043. Mayor's Report

17) 14-044. Report by the City Clerk

18) 14-045. Reports by the City Manager

19) *Adjournment*

DATE OF REP LETTER

To the City Council
City of Montpelier, Vermont

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Montpelier, Vermont for the year ended June 30, 2013. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and OMB Circular A-133, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 27, 2013. Professional standards also require that we communicate to you the following information related to our audit.

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Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. As described in Note 1 to the financial statements, the City changed accounting policies by adopting Statement of Governmental Accounting Standards Board No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net position* and the application of existing policies was not changed during the year. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the City's financial statements were:

- Management's estimate of the useful lives of capital assets is based on historical experience and common practice. We evaluated the key factors and assumptions used to develop the estimated lives in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management's estimate of the allowance for doubtful accounts is based on historical collections and evaluation of each individual account.

The financial statement disclosures are neutral, consistent and clear.

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. In addition, none of the misstatements detected as a result of audit procedures and not corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

The uncorrected misstatements of the financial statements were due to prior and current year deferred revenue not being book due to availability of receivables, a prior and current year allowance for bad debt not being recorded, prior and current year accounts payables not being booked. On the Governmental Activities an additional uncorrected misstatement occurred due to not correctly recording the gain on trade in of capital assets. Management has determined, and we agree, that its effects are immaterial, both individually and in the aggregate, to the financial statements as a whole.

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We proposed one adjustment to your financial statements which was accepted and recorded by management.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated DATE.

Other Audit Findings or Issues

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

Supplementary Information

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content and methods of preparing information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements, or to the financial statements themselves.

This information is intended solely for the use of the City Council and management of the City and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

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

CITY OF MONTPELIER, VERMONT

AUDIT REPORT AND FINANCIAL STATEMENTS

JUNE 30, 2013

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CITY OF MONTPELIER, VERMONT

AUDIT REPORT AND FINANCIAL STATEMENTS

JUNE 30, 2013

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INDEPENDENT AUDITOR'S REPORT

To the City Council
City of Montpelier, Vermont
Montpelier, VT 05602

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Montpelier, Vermont as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City of Montpelier'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 the financial statements that are free from material misstatement, whether due to fraud or error.

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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 opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Montpelier, as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other-Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Montpelier's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

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Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated DATE on our consideration of the City of Montpelier'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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Montpelier's internal control over financial reporting and compliance.

Respectfully submitted,

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

DATE OF REPORT

Our discussion and analysis of the City of Montpelier, Vermont's financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2013. Please read it in conjunction with the City's financial statements which begin on Exhibit A.

Financial Highlights

Government-Wide Statements

As a result of the implementation of GASB #63 *"Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position"* the government-wide and proprietary financial statements and this Management's Discussion and Analysis now use the term "net position" in place of "net assets". Net position is the residual of all other elements presented in a statement of net position.

During the current fiscal year, the District Heat Project became a viable utility under which the City will be providing heat to various customers who sign up and pay to be connected to the City's distribution system. As a result, the assets, liabilities and net position related to District Heat were transferred from the Capital Projects Fund, which is a governmental activity, to a new District Heat proprietary fund which is a business activity. This decreased the net position of the governmental activities by $1,806,669 and increased the net position of the business-type activities by $1,806,669.

Excluding the effect of the transfer of District Heat discussed above, the total net position of the governmental activities increased by $909,101 or 4.4 percent and the total net position of the business-type activities increased by $1,686,616 or 8.2 percent. The City's total net position increased by $2,595,717 or 6.3%, as a result of this year's operations. This increase is the result of a large amount of capital grant, operating grant and contribution revenue.

The cost of all of the City's programs was $16,935,220 in fiscal year 2013 which is almost exactly the same as the $16,975,707 cost in fiscal year 2012. Total revenue for all the City's programs decreased from $20,387,744 in 2012 to $19,530,937 in 2013, which is a 4% decrease from the previous year. This decrease is due to a reduction in capital grant activities although overall, grant activity for public works and public safety remains high at $2,199,618.

Fund Statements

During fiscal year 2013, the General Fund reported a net increase in the fund balance of $48,026.

The General Fund balances totaled $1,667,549 as of June 30, 2013. The fund balances that are nonspendable, restricted, committed and assigned totaled $954,472 as of June 30, 2013. These fund balances are either nonspendable or have spending constraints placed on the purposes for which they can be used. This leaves an unassigned fund balance of $713,077 which is $251,064 lower than the prior year's unassigned fund balance.

The Community Development Fund ended the year with a restricted and committed fund balance of $476,927, which was $17,378 higher than the prior year fund balance of $459,549. This fund balance is reserved by various sources for Community Development programs and activities.

The Capital Projects Fund ended the year with a fund balance of $2,025,571 which was $1,248,393 higher than the prior year fund balance of $777,178. A transfer out to the district heat fund added $278,277 to the fund balance. $1,579,588 of these funds were restricted by bonding constraints and impact fee ordinances. This leaves a committed/unassigned fund balance of $619,129 for various capital improvement projects. Much of this increase in the Capital Projects fund balance is the result of the receipt of $1,462,500 in bond proceeds for public works projects.

Other nonmajor governmental funds ended the year with a fund balance of $964,180, which was $38,322 lower than the prior year fund balance of $1,002,502. $459,772 of these funds are Non-Expendable by Trust Agreements. $655,250 of these funds are restricted by donations and permanent funds. The unassigned deficit of $150,842 is a result of interfund loans payable in the Montpelier Senior Citizens fund which will be paid back with future operations revenue.

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The Water Fund ended the year with a net position of $8,932,191 which was $110,801 more than the prior year balance of $8,821,390. Of the total net position balance, $9,400,979 is invested in property and equipment. This leaves an unrestricted deficit of $468,788 to be recovered in future periods. This unrestricted deficit is $15,048 more than the $453,740 unrestricted deficit as of June 30, 2012. An unexpected major water line repair limited the Water Fund's ability to reduce its unrestricted deficit in fiscal year 2013. $297,500 of the unrestricted deficit is debt related to the refinancing of the unfunded pension liability. Principal repayments on this debt are not due until November, 2017.

The Sewer Fund ended the year with a net position of $11,684,618, which was $242,711 higher than the prior year balance of $11,441,907. Of the total net position balance, $11,566,086 is invested in property and equipment. This leaves an unrestricted net position balance of $118,532.

The Parking Fund ended the year with net position of $314,560, which was $24,538 higher than the prior year balance of $290,022. Of the total net position balance, $342,848 is invested in property and equipment and $2,417 is restricted for various projects. This leaves a deficit of $30,705 to be recovered in future periods. Included in this deficit is $192,500 in debt related to the refinancing of the unfunded pension liability. Principal repayments on this debt are not due until November, 2017.

As discussed earlier, the District Heat Fund was established in fiscal year 2013 and ended its first year with a total net position of $3,115,235. Of the total net position balance, $3,362,281 is invested in property and equipment. This leaves a deficit of $247,046 to be recovered in future periods.

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Using This Annual Report

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

Reporting the City as a Whole

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

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

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

Governmental activities - Most of the City's basic services are reported here, including the police, fire, public works, and parks departments, and general administration. Property taxes, franchise fees, and state and federal grants finance most of these activities.

Business-type activities - The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's water, sewer, parking and district heat activities are reported here.

The City as a Whole

The City's combined net position increased by $2,595,717 from a year ago - increasing from $41,086,641 to $43,682,358. Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the City's governmental and business-type activities.

Table 1

Net Position

	June 30, 2013			*June 30, 2012*		
	Governmental Activities	Business-type Activities	Total Primary Government	Governmental Activities	Business-type Activities	Total Primary Government
Current and other assets	$ 7,316,724	1,008,662	8,325,386	6,317,659	715,829	7,033,488
Capital assets	21,788,552	39,541,908	61,330,460	22,958,068	35,817,293	58,775,361
Total assets	29,105,276	40,550,570	69,655,846	29,275,727	36,533,122	65,808,849
Long term liabilities	8,535,691	15,105,910	23,641,601	7,494,327	15,767,516	23,261,843
Other liabilities	933,831	1,398,056	2,331,887	1,248,078	212,287	1,460,365
Total liabilities	9,469,522	16,503,966	25,973,488	8,742,405	15,979,803	24,722,208
Net position:						
Invested in capital assets, net of debt	18,032,714	24,672,194	42,704,908	19,337,797	21,042,778	40,380,575
Restricted	2,026,209	2,417	2,028,626	2,051,598	2,417	2,054,015
Unrestricted	(423,169)	(628,007)	(1,051,176)	(856,073)	(491,876)	(1,347,949)
Total net position	$ 19,635,754	24,046,604	43,682,358	20,533,322	20,553,319	41,086,641

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Table 2
Change in Net Position

	June 30, 2013			June 30, 2012		
	Governmental Activities	Business-type Activities	Total Primary Government	Governmental Activities	Business-type Activities	Total Primary Government
REVENUES:						
Program revenues:						
Charges for services	$ 970,495	6,742,163	7,712,658	954,703	6,397,323	7,352,026
Operating grants and contributions	949,812	0	949,812	1,931,796	0	1,931,796
Capital grants and contributions	380,452	1,819,166	2,199,618	2,724,031	133,541	2,857,572
General Revenues:						
Property taxes, penalties and interest	7,537,608	0	7,537,608	7,124,124	0	7,124,124
Payment in lieu of taxes	940,841	0	940,841	964,912	0	964,912
Unrestricted investment earnings	110,293	0	110,293	88,998	0	88,998
Gain (loss) on sale of capital assets	(4,995)	0	(4,995)	8,328	(321)	8,007
Other revenues	76,727	0	76,727	54,709	0	54,709
Contributions to permanent endow ments	8,375	0	8,375	5,600	0	5,600
Total revenues	10,969,608	8,561,329	19,530,937	13,857,201	6,530,543	20,387,744
PROGRAM EXPENSES:						
General government	1,607,457	0	1,607,457	1,797,853	0	1,797,853
Public safely	4,455,692	0	4,455,692	4,410,840	0	4,410,840
Public w orks	2,525,163	0	2,525,163	2,608,649	0	2,608,649
Culture and recreation	1,045,957	0	1,045,957	1,348,697	0	1,348,697
Community development	9,089	0	9,089	296,673	0	296,673
Cemetery	188,072	0	188,072	173,854	0	173,854
Interest on long-term debt	239,077	0	239,077	233,305	0	233,305
Water	0	2,338,067	2,338,067	0	2,254,147	2,254,147
Sew er	0	3,295,906	3,295,906	0	3,159,956	3,159,956
Parking	0	723,882	723,882	0	691,733	691,733
District Heat	0	506,858	506,858	0	0	0
Total program expenses	10,070,507	6,864,713	16,935,220	10,869,871	6,105,836	16,975,707
Excess before special item and transfers	899,101	1,696,616	2,595,717	2,987,330	424,707	3,412,037
Flood/Fire Insurance Proceeds	0	0	0	43,742	158,402	202,144
Transfers	10,000	(10,000)	0	10,000	(10,000)	0
Increase (decrease) in net position	909,101	1,686,616	2,595,717	3,041,072	573,109	3,614,181
Transfer to District Heat Fund	(1,806,669)	1,806,669	0	0	0	0
Total increase (decrease) in net position	$ (897,568)	3,493,285	2,595,717	3,041,072	573,109	3,614,181

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As noted earlier, net position may serve over time to be a useful indicator of a government's financial position.

Excluding the transfer of District Heat, the total net position of the City's governmental activities increased $909,101 or 4.4%. This increase is the result of capital grants for storm-related damages and a new fire truck.

Excluding the transfer of District Heat, the total net position of the business-type activities increased by $1,686,616 or 8.2%. This increase is due to a $374,308 operations surplus and $1,312,308 in capital grants for District Heat.

Reporting the City's Most Significant Funds

Our analysis of the City's major funds begins on Exhibit C. The fund financial statements provide detailed information about the most significant funds - not the City as a whole. Some funds are required to be established by State law and by bond covenants. However, the City Council establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like grants received from the U.S. Department of Housing and Urban Development). The City's two kinds of funds-governmental and proprietary - use different accounting approaches.

Governmental funds - Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Financial Position and the Statement of Activities) and governmental funds on the exhibits that follow each financial statement.

Proprietary funds - When the City charges customers for the services it provides - whether to outside customers or to other units of the City - these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Financial Position and the Statement of Activities. In fact, the City's enterprise funds (a component of proprietary funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

Our analysis below separately considers the operations of governmental and business-type activities.

Governmental Activities

The City's tax rate increased from $0.8489 to $0.8823 per $100 of assessed value (up 4%) from fiscal year 2012 to fiscal year 2013.

Table 3 presents the cost of each of the City's eight largest programs - general government, public safety, public works, culture and recreation, community development, water, sewer, parking and district heat - as well as each program's net cost (total cost less revenue generated by the activities). The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions.

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Table 3

Costs of Programs

	June 30, 2013				June 30, 2012			
	Governmental Activities		Business-type Activities		Governmental Activities		Business-type Activities	
	Total Cost of Services	Net Revenues (Cost) of Services	Total Cost of Services	Net Revenues (Cost) of Services	Total Cost of Services	Net Revenues (Cost) of Services	Total Cost of Services	Net Revenues (Cost) of Services
General government	$ 1,607,457	(1,226,051)	0	0	1,797,853	(1,364,405)	0	0
Public safety	4,455,692	(3,426,841)	0	0	4,410,840	(3,611,000)	0	0
Public works	2,525,163	(1,992,362)	0	0	2,608,649	492,735	0	0
Culture and recreation	1,045,957	(717,230)	0	0	1,348,697	(711,608)	0	0
Community development	9,089	(9,089)	0	0	296,673	301,354	0	0
Water	0	0	2,338,067	98,301	0	0	2,254,147	85,534
Sewer	0	0	3,295,906	255,211	0	0	3,159,956	357,344
Parking	0	0	723,882	34,538	0	0	691,733	(17,850)
District Heat	0	0	506,858	1,308,566				
All others	427,149	(398,175)	0	0	407,159	(366,417)	0	0
Totals	$ 10,070,507	(7,769,748)	6,864,713	1,696,616	10,869,871	(5,259,341)	6,105,836	425,028

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The City's Funds

As the City completed the year, its governmental funds (as presented in the Balance Sheet on Exhibit C) reported a combined fund balance of $5,134,227 which is higher than last year's total of $3,858,752. Included in this year's total change in fund balance are an increase of $48,026 in the City's General Fund; an increase of $17,378 in the Community Development Fund; an increase of $970,116 in the Capital Projects Fund and a decrease of $38,322 in Other Governmental Funds. A transfer out to District Heat added $278,277. Much of the increase in the City fund balance is the result of the bond proceeds for public works projects in the amount of $1,670,000.

General Fund Budgetary Highlights

When comparing budget to actual net change in fund balance for the year ending June 30, 2013 there is a favorable variance of $122,526 (as presented in Exhibit F).

Revenue is $217,005 more than budgeted. Although there are many variances in many revenue line items, overall, this additional revenue is grant funds received for public safety equipment. Other significant favorable variances in revenue are $67,356 ambulance call charges, $26,566 project management fees and $22,530 local payment in lieu of taxes (PILOT). Unfavorable variances in revenue are $49,071 State PILOT and $20,911 Transfer from Community Development Fund for administrative fees.

Expenditures are over budget by $302,850. Similar to revenue, a significant amount of the unbudgeted expenditures is related to equipment purchased with federal grant funds and the purchase of a fire truck. The cost of the fire truck was covered by bond proceeds ($207,500 see Debt Proceeds in Other financing sources) and a federal grant. Some of the significant unbudgeted expenditures are; $39,732 City Hall Building Repair (Elevator repair), $36,346 Misc. Use of Fund Balance and $24,475 Police Overtime. The $88,495 overage in Small Equipment is partially offset by grant funds. Savings of Department of Public Works Operating Supplies and Salaries in Planning and City Manager Departments (vacancies) help offset these overages in expenditures.

Employee health insurance costs are lower than anticipated and $26,700 in funds are set aside (committed) for possible, future health reimbursement arrangement overages.

The unassigned fund balance decreased from $964,141 on June 30, 2012 to $713,077 on June 30, 2013. This $251,064 reduction is due to the fiscal year's $48,026 net change in fund balance less the $299,090 increase in nonspendable, restricted and committed funds. $250,000 of this increase is funds committed by the City Council to Capital Projects in June of 2013. The City of Montpelier's Fund Balance Policy sets a long-term goal of an Unassigned Fund Balance that is 15% of budgeted General Fund Expenditures.

Capital Asset and Debt Administration

Capital Assets

At June 30, 2013, the City has $61,330,460 compared to $58,775,361 at June 30, 2012 invested in a broad range of capital assets, including police, fire, and department of public works equipment, buildings, park facilities, roads, bridges, water, sewer, district heat lines. (See Table 4 below) This amount represents a net increase (including additions and deductions) of $2,555,099 over last year. This increase is related to the District Heat construction in progress and many other improvements to facilities, infrastructure and equipment.

Table 4

Capital Assets at Year-End

(Net of Depreciation)

	June 30, 2013			*June 30, 2012*		
	Governmental Activities	Business-type Activities	Total Primary Government	Governmental Activities	Business-type Activities	Total Primary Government
Land	$ 742,050	250,672	992,722	742,050	250,672	992,722
Capital improvements and equipment	19,879,395	34,576,537	54,455,932	19,271,741	35,566,621	54,838,362
Construction in progress	1,167,107	4,714,699	5,881,806	2,944,277	-	2,944,277
Totals	$ 21,788,552	39,541,908	61,330,460	22,958,068	35,817,293	58,775,361

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This year's major additions included:

City Hall Elevator	$	42,423
City Hall Access Control for Doors		21,018
City Hall Attic Insulation		38,750
Senior Center Kitchen Improvements		21,646
Senior Center Kitchen Equipment		45,509
Police 2012 Chevy impala		22,978
Police Roof Top Chiller		13,909
Fire Station Skylight		20,344
Fire 2013 Ford Exployer		24,166
Fire-2 Autopulse Resuscitation Systems		17,174
Fire Truck -Typhoon Pumper		357,073
Fire -2 Mounted Cameras on Fire Truck		12,759
Infrastructure-Streets		615,594
Infrastructure-Flood Repairs		152,713
Infrastructure-Retaining Walls		163,441
Infrastructure-CV Bike Path		64,151
Infrastructure-Carr Lot		78,695
DPW vehicles (3 Dump Trucks & Wheel Loader)		144,009
DPW - Wheel Loader		121,820
GPS Equipment-Shared-DPW,W&S		13,950
DPW Generator Project -In Progress		5,121
Water-2 vehicles 50%		25,553
Water -Dump Truck with hydralics-50%		34,723
Water-Electric Generator Repairs		24,032
Water -Pump Repairs		19,680
Water System Improvements -In Progress		85,954
Sewer-2 vehicles 50%		25,553
Sewer -Dump Truck with hydralics-50%		34,723
Sewer -Bridge & Tank Refurbish		47,080
Sewer -River St Line - In Progress		69,812
District Heat Project-In Progress		2,528,814
	$	4,893,167

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Long Term - Debt

At June 30, 2013, the City has $23,246,619 in bonds and notes outstanding versus $22,812,377 on June 30, 2012 - an increase of $434,242 - as shown in Table 5.

Table 5
Outstanding Debt at Year-End

	Balance at June 30, 2012	Additions	Payments	Balance at June 30, 2013
Notes, capital leases and bonds payable:				
Governmental activities	$ 7,145,362	1,670,000	571,735	8,243,627
Proprietary Funds	15,667,015	435,060	1,099,083	15,002,992
Totals	$ 22,812,377	2,105,060	1,670,818	23,246,619

New debt in Governmental activities resulted from loans for the City's multi-modal transit center project street and facilities Improvements as well as a fire truck replacement. New debt in Proprietary Funds was for the District Heat project.

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Economic Factors and Next Year's Budgets and Rates

The City's elected and appointed officials consider economic factors and the community's priorities when setting the fiscal year 2014 budget, property tax rates, and fees that will be charged for the business-type activities.

Economic factors considered include the unemployment in the City, which stood at 5.3% (August 2013) compared with 4.1% (August 2012). Also considered was the Consumer Price Index percent change over one year (August 2011-August 2012) which was 2%. Montpelier's estimated household income in 2011 was $56.951 which is higher than the Vermont average of $52,776. Montpelier's estimated median house or condo value in 2011 was $203,165 which is lower than the Vermont average of $213,700.

In recent years, the City of Montpelier's budgets contained no appreciable annual revenue growth or increase in taxable property. Annually, costs rise and demands for services remain. The combination of a slow-growing economy, little growth in the grand list and Montpelier's relatively high property tax rates, has resulted in a council goal to produce budgets with tax rate increases at or below inflation. The 2014 municipal budget provides for an increase equivalent to the change in the consumer price index, with all additional revenues dedicated to infrastructure investments.

To meet the City's fiscal challenges, it was necessary to reduce staffing in the 2014 budget. 4 full-time city positions were eliminated in the agencies of Fire, Police, Public Works and Planning. Although these changes will have some impact on City services, the City's ability to meet basic public health and safety will not be adversely affected. The City Council approved a multiyear capital plan to rebuild and maintain the city's infrastructure. The FY14 municipal budget requires a one-half cent tax rate increase which, at 0.5% is less than the 2% inflation rate for 2012.

Looking ahead, the City is partnering with federal and state agencies to study flood mitigation measures to alleviate the threat of damages due to ice-jam flooding of the Winooski River in the downtown area. The installation of flood gauges significantly improves the City's ability to monitor the river water levels. A new flood mitigation project, which was completed in March of 2012, will reduce risk of ice-jam flooding.

As for the City's business-type activities, water and sewer rates increased very slightly effective July 1, 2013. The combination of users' water conservation and the lack of growth in numbers of users provide challenges to the Water and Sewer Funds. The Water and Sewer Rate Committee is proposing a new rate structure to assure annual revenues will be generated to cover all costs and eliminate previous years' deficits in the Water Fund

Current quarterly water rates are as follows: $7.73 per 1,000 for the first 50,000 gallons, $8.21 per 1,000 for the next 200,000 gallons, $13.32 per 1,000 for over $250,000 gallons and a fixed charge for all accounts for meter reading, billing and other administrative service costs of $37.50.

Current quarterly sewer rates are as follows: $8.72 per 1,000 gallons of water used and a fixed charge for all for meter reading, billing and other administrative service costs of $31.25.

The City's District Heat utility will begin operating a "mini-system" in the fall of 2013 as it awaits the completion of the state's bio-mass heating plant. Full operation is planned for the 2014-2015 heating season.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City Finance Office at the City of Montpelier, 39 Main Street, Suite 6, Montpelier, VT 05602.

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CITY OF MONTPELIER, VERMONT
Statement of Net Position
June 30, 2013

	Governmental Activities	Business-type Activities	Total
Assets:			
Cash	$ 1,302,167	$ 50	$ 1,302,217
Investments	1,925,322	0	1,925,322
Receivables (net of allowance for uncollectibles)	651,831	2,842,246	3,494,077
Loans receivable	1,047,547	0	1,047,547
Note receivable	116,431	0	116,431
Deposits	0	1,600	1,600
Prepaid expenses	141,583	22,371	163,954
Inventories	135,689	138,549	274,238
Internal balances	1,996,154	(1,996,154)	0
Capital assets:			
Land	742,050	250,672	992,722
Construction in progress	1,167,107	4,714,699	5,881,806
Other capital assets, (net of accumulated depreciation)	19,879,395	34,576,537	54,455,932
Total assets	29,105,276	40,550,570	69,655,846
Liabilities:			
Accounts payable	563,604	93,735	657,339
Construction payable	0	761,591	761,591
Due to state of vermont	0	439,000	439,000
Accrued payroll and related expenses	214,111	48,677	262,788
Deferred revenue	110,078	4,304	114,382
Accrued interest	46,038	50,749	96,787
Noncurrent liabilities:			
Due within one year	656,263	1,110,496	1,766,759
Due in more than one year	7,879,428	13,995,414	21,874,842
Total liabilities	9,469,522	16,503,966	25,973,488
Net position:			
Invested in capital assets, net of related debt	18,032,714	24,672,194	42,704,908
Restricted	2,026,209	2,417	2,028,626
Unrestricted	(423,169)	(628,007)	(1,051,176)
Total net position	$ 19,635,754	$ 24,046,604	$ 43,682,358

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See accompanying notes to financial statements.

CITY OF MONTPELIER, VERMONT
Statement of Activities
Year Ended June 30, 2013

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-Type Activities	Total
Governmental activities:							
General government	$ 1,607,457	$ 187,501	$ 193,905	$ 0	$ (1,226,051)	$ 0	$ (1,226,051)
Public safety	4,455,692	563,115	323,236	142,500	(3,426,841)	0	(3,426,841)
Public works	2,525,163	117,411	235,838	179,552	(1,992,362)	0	(1,992,362)
Culture and recreation	1,045,957	73,494	196,833	58,400	(717,230)	0	(717,230)
Community development	9,089	0	0	0	(9,089)	0	(9,089)
Cemetery	188,072	28,974	0	0	(159,098)	0	(159,098)
Interest on long-term debt	239,077	0	0	0	(239,077)	0	(239,077)
Total governmental activities	10,070,507	970,495	949,812	380,452	(7,769,748)	0	(7,769,748)
Business-type activities:							
Water	2,338,067	2,432,626	0	3,742	0	98,301	98,301
Sewer	3,295,906	3,551,117	0	0	0	255,211	255,211
Parking	723,882	758,420	0	0	0	34,538	34,538
District Heat	506,858	0	0	1,815,424	0	1,308,566	1,308,566
Total business-type activities	6,864,713	6,742,163	0	1,819,166	0	1,696,616	1,696,616
Total	$ 16,935,220	$ 7,712,658	$ 949,812	$ 2,199,618	(7,769,748)	1,696,616	(6,073,132)
General revenues:							
Property taxes, penalties and interest					7,537,608	0	7,537,608
Payment in lieu of taxes					940,841	0	940,841
Unrestricted investment earnings					110,293	0	110,293
Gain (loss) on sale of equipment					(4,995)	0	(4,995)
Other revenues					76,727	0	76,727
Contributions to Permanent Endowments					8,375	0	8,375
Transfers					10,000	(10,000)	0
Total general revenues and transfers					8,678,849	(10,000)	8,668,849
Change in net position					909,101	1,686,616	2,595,717
Net Position - July 1, 2012					20,533,322	20,553,319	41,086,641
Transfer to district heat fund					(1,806,669)	1,806,669	0
Net Position - June 30, 2013					$ 19,635,754	$ 24,046,604	$ 43,682,358

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See accompanying notes to financial statements.

CITY OF MONTPELIER, VERMONT
Balance Sheet
Governmental Funds
June 30, 2013

	General Fund	Community Development Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Assets:					
Cash	$ 996,395	$ 292,650	$ 0	$ 13,122	$ 1,302,167
Investments	988,893	0	0	936,429	1,925,322
Receivables (net of allowance for uncollectibles)	484,266	0	149,772	17,793	651,831
Interfund loans receivable	0	167,724	0	0	167,724
Loans (net of allowance for uncollectibles)	0	768,547	0	279,000	1,047,547
Note receivable	116,431	0	0	0	116,431
Prepaid expenses	139,381	0	0	2,202	141,583
Inventories	135,281	0	0	408	135,689
Due from other funds	0	13,143	2,106,224	548,917	2,668,284
Total assets	$ 2,860,647	$ 1,242,064	$ 2,255,996	$ 1,797,871	$ 8,156,578
Liabilities:					
Accounts payable	$ 460,632	$ 13,974	$ 66,176	$ 22,822	$ 563,604
Accrued payroll and related expenses	202,264	0	0	11,847	214,111
Deferred revenue	209,870	751,163	164,249	279,500	1,404,782
Interfund loans payable	0	0	0	167,724	167,724
Due to other funds	320,332	0	0	351,798	672,130
Total liabilities	1,193,098	765,137	230,425	833,691	3,022,351
Fund balances (deficit):					
Nonspendable for:					
Inventories	135,281	0	0	0	135,281
Note receivable	116,431	0	0	0	116,431
Prepaids	139,381	0	0	0	139,381
Trustees of public funds	0	0	0	459,772	459,772
Restricted, reported in:					
General Fund	132,540	0	0	0	132,540
Community Development Fund	0	287,079	0	0	287,079
Capital Projects Funds	0	0	1,579,588	0	1,579,588
Special Revenue Funds	0	0	0	148,493	148,493
Trustees of public funds	0	0	0	363,813	363,813
Committed, reported in:					
General Fund	430,839	0	0	0	430,839
Community Development Fund	0	189,848	0	0	189,848
Capital Projects Funds	0	0	619,129		619,129
Special Revenue Funds	0	0	0	142,944	142,944
Unassigned, reported in:					
General Fund	713,077	0	0	0	713,077
Capital Projects Funds	0	0	(173,146)	0	(173,146)
Special Revenue Funds	0	0	0	(150,842)	(150,842)
Total fund balances	1,667,549	476,927	2,025,571	964,180	5,134,227
Total liabilities and fund balances	$ 2,860,647	$ 1,242,064	$ 2,255,996	$ 1,797,871	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	21,788,553
Other assets are not available to pay for current-period expenditures, and, therefore, are deferred in the funds.	1,294,703
Long-term and accrued liabilities, are not due or payable in the current period and, therefore, are not reported in the funds.	(8,581,729)
Net position of governmental activities	$ 19,635,754

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See accompanying notes to financial statements.

CITY OF MONTPELIER, VERMONT
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2013

	General Fund	Community Development Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Revenues:					
Property taxes, penalties and interest	$ 8,263,382	$ 0	$ 0	$ 0	$ 8,263,382
Permits and licenses	79,795	0	0	0	79,795
Intergovernmental	1,074,899	3,140	235,379	79,928	1,393,346
Fees and charges for services	1,616,872	0	0	109,343	1,726,215
Fines and forfeitures	19,775	0	0	0	19,775
Investment income	53,075	12,305	0	44,913	110,293
Contributions	1,477	0	0	113,765	115,242
Rents and commissions	375	0	0	2,705	3,080
Equipment revenues	113,517	0	0	0	113,517
Loan principal repayments	0	39,162	0	0	39,162
Other revenues	29,366	0	34,667	12,694	76,727
Total revenues	11,252,533	54,607	270,046	363,348	11,940,534
Expenditures:					
General government	2,271,745	0	5,948	0	2,277,693
Public safety	4,271,655	0	15,132	0	4,286,787
Public works	2,063,065	0	41,777	0	2,104,842
Culture and recreation	469,556	0	24,564	512,894	1,007,014
Community development	0	34,089	0	10,000	44,089
Cemetery	0	0	0	176,757	176,757
Capital outlay;					
General government	42,423	0	59,768	0	102,191
Public safety	425,489	0	20,344	0	445,833
Public works	227,262	0	1,074,515	0	1,301,777
Culture and recreation	0	0	0	67,154	67,154
Debt service - principal	560,333	0	0	11,402	571,735
Debt service - interest	232,979	0	0	5,356	238,335
Total expenditures	10,564,507	34,089	1,242,048	783,563	12,624,207
Excess (deficiency) of revenues over expenditures	688,026	20,518	(972,002)	(420,215)	(683,673)
Other financing sources (uses):					
Debt proceeds	207,500	0	1,462,500	0	1,670,000
Proceeds from sale of equipment	871	0	0	0	871
Transfers from other funds	0		479,618	542,782	1,022,400
Transfers to other funds	(848,371)	(3,140)	0	(160,889)	(1,012,400)
Total other financing sources (uses)	(640,000)	(3,140)	1,942,118	381,893	1,680,871
Net change in fund balances	48,026	17,378	970,116	(38,322)	997,198
Fund balances - July 1, 2012	1,619,523	459,549	777,178	1,002,502	3,858,752
Transfer to district heat proprietary fund	0	0	278,277	0	278,277
Fund balances - June 30, 2013	$ 1,667,549	$ 476,927	$ 2,025,571	$ 964,180	$ 5,134,227

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See accompanying notes to financial statements.

CITY OF MONTPELIER, VERMONT
Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances,
Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2013

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

Net change in fund balances - total government funds (Exhibit D)	$	997,198
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost ($1,916,955) of those assets is allocated over their estimated useful lives and reported as depreciation expense ($1,050,487). This is the amount by which capital outlays exceeded depreciation in the current period.		866,468
The net effect of various transactions involving capital assets (i.e., sales, trade-ins) is to decrease net position.		(5,866)
Long term community development loans payments are recognized on an accrual basis in the statement of net position, not the modified accrual basis.		(39,162)
The issuance of long term community development loans consumes the current financial resources of government funds. The transaction, however, has no effect on net position.		10,000
Property taxes are recognized on an accrual basis in the statement of net position, not the modified accrual basis.		6,067
Revenues are recognized on an accrual basis in the statement of net position, not the modified accrual basis.		41,993
The issuance of long-term debt ($1,670,000) (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of principal of long-term debt ($571,735) consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.		(1,098,265)
In the statement of activities, OPEB liabilities are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).		74,509
In the statement of activities, accrued compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).		56,901
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.		(742)
Change in net position, governmental activities (Exhibit B)	$	909,101

To eliminate the doubling up of internal service charges between the Governmental Activities and the Business-type activities on the statement of activities, the charges for services was decreased by $949,829, the general government expenses was decreased by $707,026 and the public works was decreased by $242,803.

See accompanying notes to financial statements.

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CITY OF MONTPELIER, VERMONT
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
For the Year Ended June 30, 2013

	Original/Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Property taxes, penalties and interest	$ 8,293,105	$ 8,263,382	$ (29,723)
Intergovernmental	858,615	1,074,899	216,284
Fees and charges for services	1,883,808	1,914,252	30,444
Total revenues	11,035,528	11,252,533	217,005
Expenditures:			
City Council operations	33,391	29,504	3,887
City Manager's office	333,791	336,837	(3,046)
Clerk/Treasurer/Elections	187,252	177,164	10,088
Finance Department	463,646	429,024	34,622
Technology services	221,278	211,985	9,293
Property assessment	170,051	163,597	6,454
Planning and development	411,982	364,281	47,701
City Hall maintenance	192,340	203,643	(11,303)
Fifty Eight Barre Street	0	(623)	623
Police:			
General	1,550,888	1,586,780	(35,892)
Communications	518,546	518,819	(273)
School Resource Officer	88,553	95,317	(6,764)
Community Justice Center	99,904	108,610	(8,706)
Re-Entry Program	139,161	104,365	34,796
Fire and ambulance	1,735,869	1,754,269	(18,400)
Code/health enforcement	87,287	91,543	(4,256)
Emergency management	14,929	11,952	2,977
Public works:			
Streets	1,494,596	1,419,261	75,335
Fleet operations	546,859	575,465	(28,606)
Building operations	68,020	68,339	(319)
Wrightsville Beach	4,007	4,007	0
Kellogg-Hubbard Library	293,975	293,975	0
Outside agencies in budget	99,175	99,175	0
Community enhancements	37,800	37,680	120
Tree management and Board	36,446	27,513	8,933
Conservation Commission	6,750	7,206	(456)
Other governmental service	155,837	161,256	(5,419)
Small equipment	0	88,495	(88,495)
Tax abatement	56,000	61,715	(5,715)
Miscellaneous expense	3,200	8,089	(4,889)
Chamber of Commerce-Public Safety/SmartGov Community	0	36,346	(36,346)
Bad Debt Expense	0	432	(432)
Capital outlay:			
General government	55,600	42,423	13,177
Public safety	70,500	425,489	(354,989)
Public works	217,208	227,262	(10,054)
Debt service - principal	595,332	560,333	34,999
Debt service - interest	271,484	232,979	38,505
Total expenditures	10,261,657	10,564,507	(302,850)
Excess (deficiency) of revenues over expenditures	773,871	688,026	(85,845)
Other financing sources (uses):			
Debt proceeds	0	207,500	207,500
Proceeds from sale of equipment	0	871	871
Transfer to other funds:			
Capital Projects	(384,274)	(384,274)	0
Cemetery	(145,755)	(145,755)	0
Parks	(149,970)	(149,970)	0
Senior Center	(116,372)	(116,372)	0
Events Fund	(11,000)	(11,000)	0
Affordable Housing Fund	(41,000)	(41,000)	0
Total financing sources (uses)	(848,371)	(640,000)	208,371
Net change in fund balance	$ (74,500)	48,026	$ 122,526
Fund balance - July 1, 2012		1,619,523	
Fund balance - June 30, 2013		$ 1,667,549	

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See accompanying notes to financial statements.

CITY OF MONTPELIER
Statement of Net Position
Proprietary Funds
June 30, 2013

	Water Fund	Sewer Fund	Parking Fund	District Heat Fund	Total
Assets:					
Current assets:					
Cash	$ 0	$ 0	$ 50	$ 0	$ 50
Receivables (net of allowance for uncollectibles)	712,381	674,180	49,129	1,406,556	2,842,246
Due from other funds	0	0	126,669	0	126,669
Deposits	0	0	1,600	0	1,600
Prepaid expenses	458	586	21,327	0	22,371
Inventory	115,506	23,043	0	0	138,549
Total current assets	828,345	697,809	198,775	1,406,556	3,131,485
Noncurrent assets:					
Capital assets:					
Land	32,000	0	218,672	0	250,672
Buildings	11,557,678	9,824,589	0	0	21,382,267
Improvements	10,418,423	21,592,926	273,495	0	32,284,844
Equipment and vehicles	866,349	1,036,232	151,828	0	2,054,409
Construction in Progress	85,955	69,812	0	4,558,932	4,714,699
Accumulated depreciation	(6,895,062)	(13,948,774)	(301,147)	0	(21,144,983)
Total noncurrent assets	16,065,343	18,574,785	342,848	4,558,932	39,541,908
Total assets	$ 16,893,688	$ 19,272,594	$ 541,623	5,965,488	$ 42,673,393
Liabilities:					
Current liabilities:					
Accounts payable	$ 20,346	$ 65,885	$ 7,504	0	$ 93,735
Construction payable	0	0	0	761,591	761,591
Due to state of vermont	0	0	0	439,000	439,000
Due to other funds	880,860	27,361	0	1,214,602	2,122,823
Accrued payroll and related expenses	16,493	21,029	11,155	0	48,677
Deferred revenue	4,304	0	0	0	4,304
Accrued interest payable	31,201	19,548	0	0	50,749
Capital leases - current portion	4,920	14,268	0	0	19,188
Bonds & notes payable - current portion	465,519	625,789	0	0	1,091,308
Total current liabilities	1,423,643	773,880	18,659	2,415,193	4,631,375
Noncurrent liabilities:					
Capital leases - long-term portion	22,041	63,916	0	0	85,957
Bonds & notes payable - long-term portion	6,469,384	6,709,595	192,500	435,060	13,806,539
Accrued compensated absences	46,429	40,585	15,904	0	102,918
Total noncurrent liabilities	6,537,854	6,814,096	208,404	435,060	13,995,414
Total liabilities	7,961,497	7,587,976	227,063	2,850,253	18,626,789
Net position:					
Invested in capital assets, net of related debt	9,400,979	11,566,086	342,848	3,362,281	24,672,194
Restricted	0	0	2,417	0	2,417
Unrestricted/(deficit)	(468,788)	118,532	(30,705)	(247,046)	(628,007)
Total net position	8,932,191	11,684,618	314,560	3,115,235	24,046,604
Total liabilities and net position	$ 16,893,688	$ 19,272,594	$ 541,623	$ 5,965,488	$ 42,673,393

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See accompanying notes to financial statements.

CITY OF MONTPELIER, VERMONT
Statement of Revenues, Expenses
and Change in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2013

	Water Fund	Sewer Fund	Parking Fund	District Heat Fund	Total
Operating revenues:					
Charges for services	$ 2,394,895	$ 3,518,476	$ 758,420	$ 0	$ 6,671,791
Interest and penalties	24,389	23,595	0	0	47,984
Miscellaneous	13,342	9,046	0	0	22,388
Total Operating Revenues	2,432,626	3,551,117	758,420	0	6,742,163
Operating expenses:					
Administration	459,022	384,190	0	0	843,212
Supplies and treatment	483,339	1,530,925	0	0	2,014,264
Wastewater management	0	92,175	0	0	92,175
Distribution system	397,633	0	0	0	397,633
Collection system	0	438,584	0	0	438,584
Delinquent collection	16,047	15,700	0	0	31,747
Meter operations	58,610	0	0	0	58,610
Private sewer system maintenance	0	6,288	0	0	6,288
Parking enforcement	0	0	484,275	0	484,275
Parking lot leases	0	0	91,199	0	91,199
Parking lot maintenance	0	0	118,910	0	118,910
Depreciation expense	528,316	664,553	16,984	0	1,209,853
Total operating expenses	1,942,967	3,132,415	711,368	0	5,786,750
Net operating income	489,659	418,702	47,052	0	955,413
Nonoperating revenues (expenses):					
Interest expense	(395,100)	(163,491)	(12,514)	0	(571,105)
Capital grants	3,742	0	0	1,815,424	1,819,166
Sub-recipient grant expense	0	0	0	(506,858)	(506,858)
Transfers from other funds	12,500	0	0	0	12,500
Transfers to other funds	0	(12,500)	(10,000)	0	(22,500)
Total nonoperating revenues (expenses)	(378,858)	(175,991)	(22,514)	1,308,566	731,203
Change in net position	110,801	242,711	24,538	1,308,566	1,686,616
Net position - July 1, 2012	8,821,390	11,441,907	290,022	0	20,553,319
Transfer to capital projects fund	0	0	0	(278,277)	(278,277)
Recognize prior years' deferred revenue	0	0	0	54,828	54,828
Capitalize District Heat -CIP in prior years' net position	0	0	0	2,030,118	2,030,118
Net position - June 30, 2013	$ 8,932,191	$ 11,684,618	$ 314,560	$ 3,115,235	$ 24,046,604

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See accompanying notes to financial statements.

CITY OF MONTPELIER, VERMONT
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2013

	Water Fund	Sewer Fund	Parking Fund	District Heat Fund	Total
Cash flows from operating activities:					
Receipts from customers and users	$ 2,401,972	$ 3,487,593	$ 707,612	$ 0	$ 6,597,177
Receipts from interfund services	0	0	23,852	0	23,852
Payments to suppliers	(480,765)	(1,189,670)	(196,019)	0	(1,866,454)
Payments for interfund services	(358,540)	(492,720)	(59,325)	0	(910,585)
Payments for wages and benefits	(629,181)	(793,639)	(445,135)	0	(1,867,955)
Net cash provided by operating activities	933,486	1,011,564	30,985	0	1,976,035
Cash Flows from Noncapital Financing Activities:					
Decrease (increase) in due from other funds	0	0	(8,471)	0	(8,471)
(Decrease) increase in due to other funds	101,432	(18,756)	0	1,078,074	1,160,750
Proceeds from loan payable	0	0	0	435,060	435,060
Transfers received from other funds	12,500	0	0	0	12,500
(Decrease) increase in accrued interest	(1,895)	3,637	0	0	1,742
Transfers paid to other funds	0	(12,500)	(10,000)	0	(22,500)
Interest payments on interfund balances	(26,157)	(2,204)	0	0	(28,361)
Net cash provided by (used in) noncapital financing activities	85,880	(29,823)	(18,471)	1,513,134	1,550,720
Cash flows from capital and related financing activities:					
Acquisition of capital assets	(193,942)	(181,594)	0	(1,582,464)	(1,958,000)
Receipts from capital grants	3,742	0	0	576,188	579,930
Sub-recipient grant payments	0	0	0	(506,858)	(506,858)
Principal payments on general obligation bonds and leases	(460,223)	(638,860)	0	0	(1,099,083)
Interest payments on general obligation bonds and leases	(368,943)	(161,287)	(12,514)	0	(542,744)
Net cash used in capital and related financing activities	(1,019,366)	(981,741)	(12,514)	(1,513,134)	(3,526,755)
Net Increase in Cash	0	0	0	0	0
Cash - July 1, 2012	0	0	50	0	50
Cash - June 30, 2013	$ 0	$ 0	$ 50	$ 0	$ 50
Adjustments to reconcile operating income to net cash provided by operating activities:					
Net operating income	$ 489,659	$ 418,702	$ 47,052	$ 0	$ 955,413
Depreciation expense	528,316	664,553	16,984	0	1,209,853
Decrease (increase) in accounts receivable	(25,357)	(63,524)	(26,956)	0	(115,837)
Decrease (increase) in prepaid expenses	(458)	(586)	(5,381)	0	(6,425)
Decrease (increase) in inventory	(46,242)	(6,581)	0	0	(52,823)
(Decrease) increase in accounts payable	(4,592)	(1,157)	686	0	(5,063)
(Decrease) increase in accrued payroll	(3,442)	(2,318)	(443)	0	(6,203)
(Decrease) increase in deferred revenue	(5,297)	0	0	0	(5,297)
(Decrease) increase in accrued vacation	899	2,475	(957)	0	2,417
Net cash provided by operating activities	$ 933,486	$ 1,011,564	$ 30,985	$ 0	$ 1,976,035

Non-cash transactions:

None

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See accompanying notes to financial statements.

The City of Montpelier, Vermont (City) was chartered on March 5, 1895 and operates under a Council-Manager form of government. The City provides the following services as authorized by its charter: public safety (police and fire), highways and streets, culture and recreation, community development, cemetery, public improvements, water, sewer, parking and general administrative services.

1. Summary of Significant Accounting Policies

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

1.a. The Financial Reporting Entity

This report includes all of the funds of the City of Montpelier, Vermont. The reporting entity consists of the primary government; organizations for which the primary government is financially accountable; and other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government. Based on the aforementioned criteria, the City has one component unit, The Green Mount Cemetery Commission. Although legally separate, the Commission is blended as a governmental non-major fund into the primary government. Separate financial statements for the Commission are not issued.

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The Montpelier Public School System is a department of the City of Montpelier, Vermont authorized by Title VI of the City Charter. The School System operates under its separately elected Board of School Commissioners who appoint a Superintendent and provides education services. The School System also manages the Montpelier Recreation Department. The Montpelier Public School System is considered a primary government for financial reporting purposes in accordance with the standards set forth in Governmental Accounting Standards Board statement No. 14, "Defining the Financial Reporting Entity". This standard is based on the concept that financial reporting by a local government should report the accountability of elected officials for organizations under their control. Although the Montpelier Public School System is referred to as a department in the charter of the City of Montpelier, it meets the three criteria set forth in the standard for determining a primary government.

Those criteria are:

a) It has a separately elected governing body. The voters of the City of Montpelier elect a board of seven School Commissioners who are charged with the exclusive management and control of the public schools and all school property of the City. Vacancies in the Board of School Commissioners are filled by the remaining members of the Board of School Commissioners.

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1. Summary of Significant Accounting Policies (continued)

1.a. The Financial Reporting Entity (continued)

b) It is legally separate as defined in the standard. The Montpelier Public School System possesses the corporate powers that would distinguish it as being legally separate including the capacity to have its own name, the right to sue and be sued in its own name without recourse to the City of Montpelier, and the right to buy, sell, lease and mortgage property in its name, subject to the approval of the voters. The Board of School Commissioners have all the powers of a Vermont town school district except the power to call elections or take property.

c) It is fiscally independent of other state and local governments. All monies received by the Montpelier Public School System from tuition and other sources, and all funds received from the issuance of bonds or notes authorized by the voters of the City of Montpelier for school purposes are restricted for school purposes. The Montpelier Public School System determines its own budget (the City has a ministerial approval power over the budget but does not have the authority to modify the budget), has its own tax appropriation approved by the voters of the City of Montpelier and sets rates or charges for tuition and other services without approval of any other government. As is the case in Vermont municipalities generally, issuance of bonded debt is subject to the approval of the voters.

The City Council of the City of Montpelier has a ministerial power in the that the School Board must submit its request for debt to the City Council which is required to submit it to the voters for approval. No financial burden or benefit accrues to the City of Montpelier from the Montpelier Public School System.

Additionally, under state law, the laws governing education and regulations of the State Board of Education apply to all school districts unless otherwise specifically provided for in the charter of a City. Under Vermont law, school districts are considered separate legal entities from other municipal governments which exist in the same geographic boundaries and have the same voters.

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1.b. Basis of Presentation

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

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

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

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1. Summary of Significant Accounting Policies (continued)

1.b. Basis of Presentation (continued)

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

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

The City reports on the following major governmental funds:

General Fund - This 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.

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

Capital Projects Fund - This Fund is used to account for major capital project activities by the City.

The City reports on the following major enterprise funds:

Water Fund	This fund accounts for the operations of the Water Department.
Sewer Fund	This fund accounts for the operations of the Sewer Department.
Parking Fund	This fund accounts for the operations of parking activities.
District Heat Fund	This fund accounts for the operations of District Heat Department.

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

1.c. Measurement Focus

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

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1. Summary of Significant Accounting Policies (continued)

1.c. Measurement Focus (continued)

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

1.d. Basis of Accounting

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

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

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

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

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

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1. Summary of Significant Accounting Policies (continued)

1.e. Use of Estimates

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

1.f. Assets, Liabilities and Equity

Cash

The City considers all short-term investments of ninety (90) days or less to be cash equivalents. Additionally, each fund's equity in the City's investment pool is treated as a cash equivalent because the funds can deposit or effectively withdraw cash at any time without prior notice or penalty.

Investments

The City invests in investments as allowed by State statute and the City Council's investment policy. Investments with readily determinable fair values are reported at their fair values on the financial statements. Unrealized gains and losses are included in revenue.

Receivables

The City utilizes the allowance method for uncollectible accounts. The estimated losses are based on the judgment of management and a review of the current status of existing receivables.

Internal Balances

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Inventories and Prepaid Expenses

Inventories are determined by physical count and valued at the lower of cost (first-in, first-out) or market. Inventories in the General and Proprietary Funds consist of expendable supplies held for consumption.

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

Reported inventories, and prepaid expenses of governmental funds in the fund financial statements are offset by a fund balance reserve which indicates that they do not constitute available expendable resources even though they are a component of net current assets.

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1. Summary of Significant Accounting Policies (continued)
1.f. Assets, Liabilities and Equity (continued)
Capital Assets

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

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

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

	Capitalization Threshold	Estimated Service Life
Land	$10,000	N/A
Buildings	$10,000	40-100 years
Building Improvements	$10,000	20-75 years
Improvements	$10,000	15-75 years
Equipment and Vehicles	$10,000	5-20 years
Infrastructure	$10,000	10-25 years

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

Compensated Absences

It is the policy of the City of Montpelier, Vermont to permit employees to accumulate earned but unused vacation benefits. The accrual for unused compensated absences time, based on current pay rates, is recorded in the government-wide and proprietary fund financial statements. The liability for unused compensated absences is not reported in the governmental type financial statements. Payments for unused compensated absences are recorded as expenditures in the year they are paid. Unused sick days may be accumulated to use in the following year, but sick days are not accrued since they are not paid when the employee terminates employment.

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1. Summary of Significant Accounting Policies (continued)
1.f. Assets, Liabilities and Equity (continued)
Long-term Liabilities
Long-term liabilities include notes and bonds payable and other obligations such as compensated absences. Long-term liabilities are reported in the government-wide and proprietary fund financial statements. Governmental fund type financial statements do not include any long-term liabilities as those statements use the current financial resources measurement focus and generally only include current assets and liabilities on their balance sheets.

Fund Equity
Fund balances and net position are classified based upon any restrictions that have been placed on those balances or any tentative plans management may have made for those balances. Under GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, fund balances are classified into five categories. Nonspendable fund balance consists of funds that are either not in spendable form or are legally or contractually required to be maintained intact. Restricted fund balances and net position consists of funds that are mandated for a specific purpose by external parties, constitutional provisions or enabling legislation. Committed fund balances are amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority (the City Council). Assigned fund balances are amounts that are set aside with the intent to be used for a specific purpose by the City Council, a committee, or an official to which the governing body has delegated authority to assign amounts (the City Manager). Unassigned fund balances are available for future appropriations.

As a result of the implementation of GASB#63 "*Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*" the government-wide and proprietary financial statements now use the term "net position" in place of "net assets". Net position is the residual of all other elements presented in a statement of net position.

2. Explanation of Differences Between Governmental Fund and Government-wide Statements
Governmental Fund financial statements are presented using the current financial resources measurement focus and the modified accrual basis of accounting, while government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. These differences in the measurement focus and basis of accounting lead to differences between the governmental fund financial statements and the government-wide financial statements as follows:

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

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

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

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3. Stewardship, Compliance and Accountability

3.a. Budgetary Information

During December of each year, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them. In January, the Council finalizes a proposed budget to present to the City's residents. Public hearings are then conducted to obtain taxpayer comments. Annually, on the first Tuesday in March, the voters authorize a specific sum of budgeted tax appropriation for the support of all City departments.

The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council. There were no budget amendments during the year. The City budgets operating transfers between the Proprietary Funds and the General Fund as expenses in the Proprietary Funds and as operating transfers in the General Fund.

There is no approved budget for the Community Development Fund.

3.b. Excess of Expenditures Over Appropriations

For the year ended June 30, 2013, expenditures exceeded appropriations in the General Fund by $302,850. This was primarily due to the purchase of a fire truck for $364,504 which was funded by grant proceeds of $142,500 and bond proceeds of $207,500.

4. Detailed Notes on All Funds

4.a. Deposits and Investments

Cash - Deposits with Financial Institutions	$ 1,301,617
Cash on Hand	600
Total Cash	1,302,217
Investments - Certificates of Deposit	87,766
Money Market Mutual Funds	1,013,895
Mutual Funds - Mixed Holdings	96,585
Mutual Funds - Bonds	609,807
Mutual Funds - Stocks	114,054
Corporate Stock	3,215
Total Investments	1,925,322
Total Cash and Investments	$ 3,227,539

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Investment Policy

The City's investment policy is as follows:

All public funds (defined herein) shall be invested to achieve liquidity, security and return. Of the foregoing, it is the declared intention of the City Council to provide for security of investment, both principal and interest, as a priority.

(continued)

4. Detailed Notes on All Funds (continued)
4.a. Deposits and Investments (continued)
Investment Policy (continued)

Public funds shall be invested in accordance with the following schedule of priorities:

(a) Deposits insured by an agency of the federal government; provided, however, that up to $500,000 of uninsured public funds may be invested or deposited in any one state or federal banking institution which maintains offices in the City of Montpelier.

(b) Obligations of the United States, such as Treasury Notes.

(c) General obligations of the State of Vermont.

(d) General obligations of the several states.

(e) Securities fully insured by an agency of the United States, or fully collateralized by securities of the United States.

(f) Periodically, and at least every three years, the City Treasurer shall cause to be made a survey of all banking institutions maintaining offices in Washington County and whose services area includes the City of Montpelier. Each banking institution so surveyed will be required to submit a proposal to serve as the City's lead bank and as one of the City's depository banks. The City Treasurer, in concert with the City Council, shall designate annually a lead bank and one or more depository banks, and shall establish the banking service to be secured from each.

(g) In order to achieve investment liquidity, the City Treasurer shall be given thirty days advance notice of any requisition or warrant in excess of $50,000.

(h) The term "public funds" shall not include cash or credits held for the City's benefit as performance or completion.

(i) For investments that the City controls directly, no investment will be made in tobacco stocks. For investments in which the City has an advisory role or has a seat on an investment board or committee, or where the City is constrained in its action by statute or existing contract, the City and/or its representatives shall make their best effects to avoid investment of City funds in tobacco stocks, consistent with their fiduciary responsibilities.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City does not have any policy to limit the exposure to interest rate risk.

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4. Detailed Notes on All Funds (continued)
4.a. Deposits and Investments (continued)

Information about the sensitivity of the fair values of the City's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity. Mutual funds are shown at their weighted average maturity (if available). The City's certificates of deposit are not subject to interest rate risk disclosure. Corporate stock is exempt from this analysis.

	Remaining Maturity (In Years)					
Investment Type	0-1	1-5	6-10	Data not Available	N/A	Total
Certificates of Deposit	$ 0	0	0	0	87,766	$ 87,766
Money Market Mutual Funds	1,013,895	0	0	0	0	1,013,895
Mutual Funds - Mixed Holdings	0	0	0	96,585	0	96,585
Mutual Funds - Bonds	0	243,859	365,948	0	0	609,807
Mutual Funds - Stocks	0	0	0	0	114,054	114,054
Corporate Stock	0	0	0	0	3,215	3,215
	$ 1,013,895	243,859	365,948	96,585	205,035	$ 1,925,322

Credit Risk

Generally, credit risk is the risk than an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The certificates of deposit and the corporate stock are exempt from this analysis. The mutual funds are open-ended and are therefore excluded from the credit risk analysis.

Concentration of Credit Risk

The City does not have any limitations on the amount that can be invested in any one issuer. There are no investments in any one issuer, other than certificates of deposit and mutual funds, that represent more than 5% of total investments.

Custodial Credit Risk

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

	Book Balance	Bank Balance
Insured by FDIC	$ 608,084	$ 608,193
Collateralized Pledged Restricted Securities	735,367	2,022,037
Uninsured, Uncollateralized	45,932	45,932
Total Deposits	$ 1,389,383	$ 2,676,162

(continued)

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4. Detailed Notes on All Funds (continued)
4.a. Deposits and Investments (continued)
Custodial Credit Risk (continued)

The difference between the book and the bank balance is due to reconciling items such as deposits in transit and outstanding checks. Due to higher cash flow at certain times during the year, the amounts of uninsured, uncollateralized cash was much higher than at year end.

Deposits are comprised of the following:

Cash – Deposits with Financial Institutions	$ 1,301,617
Investments – Certificate of Deposits	87,766
Total	$ 1,389,383

4.b. Receivables

Receivables at June 30, 2013, as reported in the statement of net position, net of applicable allowances for uncollectible accounts, are as follows:

	Governmental Activities	Business-Type Activities	Total
Taxes, Penalties and Interest	$ 129,881	$ 0	$ 129,881
Ambulance	157,097	0	157,097
Parking Tickets	0	209,106	209,106
Accounts Receivable	118,367	234,106	352,473
Grants	306,794	1,316,345	1,623,139
Billed Services	0	206,099	206,099
Unbilled Services	0	1,057,590	1,057,590
Other Receivables	29,592	0	29,592
Allowance for Doubtful Accounts	(89,900)	(181,000)	(270,900)
	$ 651,831	$ 2,842,246	$ 3,494,077

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4.c. Loans Receivable

Governmental Activities:

There are approximately 80 loans to residents, businesses, and non-profit organizations that were funded with various community development grants and loans. The largest outstanding balance is approximately $600,000 and there are five other loans with balances over $100,000. The terms of the loans vary depending on the type of the loan allowed per the grant agreements. Interest rates vary between 0% and 8%.	$ 3,152,005
Notes receivable, six (7) housing loans, 0% interest, due upon any conveyance or transfer of condominium units.	122,000
Total	3,274,005
Less allowance for doubtful loans	(2,226,458)
	$ 1,047,547

(continued)

4. Detailed Notes on All Funds (continued)
4.c. Loans Receivable (continued)

Changes in loans receivable for the year ended June 30, 2013 were as follows:

Beginning Balance	Additions	Deletions	Ending Balance
$ 3,278,167	35,000	39,162	$ 3,274,005

4.d. Note Receivable

A loan of $443,000 was made by the General Fund to Connor Brothers with monthly payments of $2,889 beginning January 1, 2001 through October 1, 2015 with one final principal payment on November 1, 2015 of $35,000 with interest at 2.7%. The balance of the loan on June 30, 2013 was $116,431. This loan is secured by a building. The current principal due over the next twelve months is $31,955.

4.e. Capital Assets

Capital assets activity for the year ended June 30, 2013 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital assets, not being depreciated:				
Land	$ 742,050	0	0	$ 742,050
Construction in progress	2,944,277	306,556	2,083,726	1,167,107
Total capital assets, not being depreciated	3,686,327	306,556	2,083,726	1,909,157
Capital assets being depreciated:				
Buildings and building improvements	8,600,776	189,690	0	8,790,466
Vehicles and equipment	5,288,821	722,009	459,476	5,551,354
Infrastructure	12,533,591	821,646	0	13,355,237
Totals	26,423,188	1,733,345	459,476	27,697,057
Less accumulated depreciation for:				
Buildings and building improvements	2,350,256	205,053	0	2,555,309
Vehicles and equipment	3,312,408	372,138	384,272	3,300,274
Infrastructure	1,488,783	473,296	0	1,962,079
Totals	7,151,447	1,050,487	384,272	7,817,662
Total capital assets, being depreciated	19,271,741	682,858	75,204	19,879,395
Governmental activities capital assets, net	$ 22,958,068	989,414	2,158,930	$ 21,788,552

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(continued)

4. Detailed Notes on All Funds (continued)
4.e. Capital Assets (continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities				
Capital assets, not being depreciated:				
Land	$ 250,672	0	0	$ 250,672
Construction in progress	0	4,714,699	0	4,714,699
Total capital assets, not being depreciated	250,672	4,714,699	0	4,965,371
Capital Assets Being Depreciated:				
Buildings	21,382,267	0	0	21,382,267
Improvements	32,237,764	47,080	0	32,284,844
Equipment and vehicles	1,899,393	175,213	20,197	2,054,409
Total capital assets, being depreciated	55,519,424	222,293	20,197	55,721,520
Less accumulated depreciation for:				
Buildings	5,125,738	414,727	0	5,540,465
Improvements	13,706,635	678,917	0	14,385,552
Equipment and vehicles	1,120,430	116,209	17,673	1,218,966
Totals	19,952,803	1,209,853	17,673	21,144,983
Total capital assets, being depreciated	35,566,621	(987,560)	2,524	34,576,537
Business-type activities capital assets, net	$ 35,817,293	3,727,139	2,524	$ 39,541,908

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Depreciation was charged as follows:

Governmental Activities:		*Business - Type Activities:*	
General Government	$ 130,266	Water	$ 528,316
Public Safety	187,872	Sewer	664,553
Public Works	682,091	Parking	16,984
Culture and Recreation	38,943	District Heat	0
Cemetery	11,315		$ 1,209,853
	$ 1,050,487		

The District Heat –Construction in Progress (Distribution System and Plant Capacity) was recorded in the Capital Projects Fund through June 30, 2012. For the fiscal year ending June 30, 2013, it was determined that the project was to become a separate utility for the City, so the value of the District Heat Construction in Progress of $2,030,118 at June 30, 2012 was transferred to a new District Heat Proprietary Fund.

(continued)

4. Detailed Notes on All Funds (continued)

4.f. Interfund Receivables, Payables and Transfers

The composition of interfund balances at June 30, 2013 is as follows:

Fund	Receivable Fund	Payable Fund
General Fund	$ 0	$ 320,332
Community Development Fund	13,143	0
Capital Projects Fund	2,106,224	0
Other Governmental Funds	548,917	351,798
Water Fund	0	880,860
Sewer Fund	0	27,361
Parking Fund	126,669	0
District Heat Fund	0	1,214,602
Total due to/from other funds	$ 2,794,953	$ 2,794,953

Interfund transfers during the year ended June 30, 2013 were as follows:

Transfer From	Transfer To	Amount	Purpose
General Fund	Capital Projects Fund	$ 384,274	Budgetary Authorization
General Fund	Green Mount Cemetery Fund	145,755	Budgetary Authorizations
General Fund	Montpelier Parks Commission	149,970	Budgetary Authorizations
General Fund	Montpelier Events Fund	11,000	Budgetary Authorization
General Fund	Montpelier Housing Trust Fund	41,000	Budgetary Authorization
General Fund	Senior Center	116,372	Budgetary Authorization
Community Development Fund	Capital Projects Fund	3,140	Grant Funds Transfer
Senior Center Fund	Capital Projects Fund	27,582	Board Authorized Transfer
Montpelier Foundation	Capital Projects Fund	64,622	Board Authorized Transfer
Montpelier Foundation	Senior Center	12,695	Board Authorized Transfer
Montpelier Foundation	Montpelier Parks Commission	886	Board Authorized Transfer
Expendable Cemetery Trust Fund	Green Mount Cemetery Fund	27,000	Budgetary Authorization
Non-Expendable Cemetery Trust Fund	Expendable Cemetery Trust Fund	28,030	Investment Income Transfer
Hubbard Park Trust Fund	Montpelier Parks Commission Fund	74	Interest Income Transfer
Sewer Fund	Water Fund	12,500	Expense Allocation Transfer
Parking Fund	Green Mount Cemetery Fund	10,000	Budgetary Authorization
Total		$ 1,034,900	

Interfund loan balances at June 30, 2013 were as follows:

	Community Development Fund Receivable	Senior Citizens Fund Payable
Community Development (Capital Plaza) loan of $114,850, interest at 3.25% per annum, monthly installments of $651.42, due July 15, 2012 to July 15,2032	$ 110,704	$ (110,704)
Community Development (ADA) loan of $60,000, interest at 4% per annum, monthly installments of $443.81, due July 15, 2012 to July 15,2027	57,020	(57,020)
Total of interfund loans	$ 167,724	$ (167,724)

(continued)

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4. Detailed Notes on All Funds (continued)
4.f. Interfund Receivables, Payables and Transfers (continued)

Changes in interfund loans for the year ended June 30, 2013 were as follows:

Beginning Balance	Additions	Deletions	Ending Balance
$ 174,850	-	7,126	$ 167,724

4.g. Deferred Revenue
Deferred Revenue in the General Fund consists of $90,889 of grant revenue received in advance, $70,151 of delinquent taxes, $25,000 of state pilot, $14,990 of ambulance revenue and $8,840 of grant receivables not collected within sixty (60) days after year-end as these would not be available to liquidate current liabilities. Total Deferred Revenue in the General Fund is $209,870.

Deferred Revenue in the Community Development Fund consists of $751,163 of loans receivable not collected within sixty (60) days after year-end as these would not be available to liquidate current liabilities.

Deferred Revenue in the Capital Projects Fund consists of $164,249 of grant receivables not collected within sixty (60) days after year-end as these would not be available to liquidate current liabilities.

Deferred Revenue in the Other Governmental Funds consists of $279,500 of loans receivable that were not collected within sixty (60) days after year-end as these would not be available to liquidate current liabilities. Total Deferred Revenue in the Other Governmental Funds is $279,500.

Deferred Revenue in the Water Fund consists of $4,304 of water usage overpayments.

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4.h. Long-term Liabilities
The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities and for the payment of a prior pension liability. General obligation bonds have been issued for general governmental and proprietary activities. Bonds are reported in governmental activities if the debt is expected to be repaid from general governmental revenues.

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

The City has other notes payable to finance various capital projects through local banks.

The City enters into lease agreements as lessee for the purpose of financing the acquisition of major pieces of equipment. These lease agreements qualify as capital lease obligations for accounting purposes (even though they may include clauses that allow for cancellation of the lease in the event the City does not appropriate funds in future years) and, therefore, have been recorded at the present value of the future minimum lease payments as of the inception dates of the leases. Leases are reported in governmental activities if the debt is expected to be repaid from general governmental revenues and in business-type activities if the debt is expected to be repaid from proprietary fund revenues.

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

(continued)

4. Detailed Notes on All Funds (continued)
4.h. Long-term Liabilities (continued)

It is the policy of the City of Montpelier, Vermont to permit employees to accumulate earned but unused benefits. The accrual for unused compensated absences time, based on current pay rates, is recorded in the government-wide financial statements and proprietary fund financial statements.

Long-term liabilities outstanding as of June 30, 2013 were as follows:

Governmental Activities

Retaining walls bond, net interest rate 5.676%, to Vermont Municipal Bond Bank, $5,000 principal payments due annually from December 1, 1997 to December 1, 2016.	$	20,000
Fire station improvement bond, net interest rate 5.029%, to Vermont Municipal Bond Bank, $40,000 principal payments due annually from December 1, 1998 to December 1, 2007, $35,000 from December 1, 2008 to December 1, 2017.		175,000
Bridge improvement bond, net interest rate 5.033%, to Vermont Municipal Bond Bank, $35,000 principal payments due annually from December 1, 1998 to December 1, 2013, $30,000 from December 1, 2014 to December 1, 2017.		155,000
Fire truck bond, net interest at 4.08% , to Vermont Municipal Bond Bank, $30,000 principal payments due annually December 1, 1999 to December 1, 2002, $25,000 from December 1, 2003 to December 1, 2013.		25,000
Retaining wall bond, net interest at 4.789%, to Vermont Municipal Bond Bank,$50,000 principal payments due annually from December 1,1999 to December 1, 2003, $45,000 from December 1, 2004 to December 1, 2018.		270,000
Library bond, various interest rates (4.344% - 5.644%), to Vermont Municipal Bond Bank, $30,000 principal due annually from December 1, 2001 to December 1, 2020.		240,000
Bike path lighting project bond, interest at 4.67%, to Vermont Municipal Bond Bank, $20,000 principal due annually, due in December 2021.		180,000
Montpelier Police Station bond, various interest rates (4.344% - 5.644%), to Vermont Municipal Bond Bank, $75,000 principal due annually from December 1, 2001 to December 1, 2014, $70,000 from December 1, 2015 to December 1, 2020.		570,000

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4. Detailed Notes on All Funds (continued)
4.h. Long-term Liabilities (continued)

City Hall improvement bond, various interest rates (1.87% - 5.09%), to Vermont Municipal Bond Bank, $45,000 principal due annually from December 1, 2005 to December 1, 2014, $40,000 principal due from December 1, 2015 to December 1, 2024.	490,000
Honeywell Global Finance, LLC. Lease, for energy efficiency upgrades, interest at 4.53%, due in annual installments of principal and interest of $25,600 until February 1, 2009 then $26,890 until February 2010, then $30,431 until February 1, 2018, (61% of lease reported in Governmental Activities, 10% of lease reported in Water Fund and 29% reported in Sewer Fund), secured by equipment.	164,455
De Lage Landen Public Finance Lease, interest at 4.25% six annual payments of principal and interest of $10,993, due August 25, 2013, secured by vehicle.	10,545
City Hall/DPW improvement bond, various interest rates (3.835% - 4.665%) to Vermont Municipal Bond Bank, $45,000 principal due annually from December 1, 2007 to December 1, 2022, $40,000 due from December 1, 2023 and $35,000 due from December 1, 2024 to December 1, 2026.	595,000
Community National Bank Municipal Note, interest at 2.30%, annual payments of principal and interest of $12,208 due from January 2013 to January 2015, secured by a truck.	23,598
VMERS refunding bond, Vermont Municipal Bond Bank, interest rate at 6.501%, semi-annual interest only payments through May 15, 2017, principal payable starting November 15, 2017 in various annual installments increasing from $30,000 to $524,000 until November 15, 2032, (74.96% of bond reported in Governmental Activities, 8.35% reported in Water Fund, 11.29% reported in Sewer Fund and 5.40% reported in Parking Fund).	2,672,500
T.D. Equipment Finance Lease for ambulance, interest at 3.6%, annual payments of principal and interest of $39,873 due until June 1, 2015.	75,638
Carr Lot, streets, fire truck and buildings improvement bond, various interest rates (1.098% - 3.908%), to Vermont Municipal Bond Bank, $85,000 principal due annually from December 1, 2013 to December 1, 2026, $80,000 principal due from December 1, 2027 to December 1, 2032.	1,670,000

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4. Detailed Notes on All Funds (continued)
4.h. Long-term Liabilities (continued)

Sabins pasture/district heating/retaining walls/bridges improvement bond, various interest rates (1.391% to 4.981%) to Vermont Municipal Bond Bank, annual installments of $95,000 decreasing to $45,000 until November 15, 2029.		870,000
T.D. Equipment Finance Lease for grader, interest at 3.45%, annual payments of principal and interest of $38,163 due November 1, 2009 to November 1, 2013.		36,891
Total governmental activities bonds and notes payable	$	8,243,627

Business-type Activities

Water Fund

Water line improvement bond, various interest rates (3.865% - 4.665%) to Vermont Municipal Bond Bank, principal payments in annual installments of $105,519 decreasing to $80,195 until December 1, 2027.	$	1,422,403
Water filtration system bond issued July 10, 1991 to Vermont Municipal Bond Bank, refunded by the Vermont Municipal Bond Bank August 2, 1995, from 1991 Series 1 to 1995 Series 1 and 2, net interest rate of 7.14%, interest payable June 1 and December 1, and principal payable in various annual installments increasing from $25,000 to $195,000 until December 1, 2021.		1,365,000
Vermont water system improvement bond refinanced July 2004 through the Vermont Bond Bank, various interest rates (1.87% - 5.09%),interest payable June 1 and December 1, and principal payable in various annual installments increasing from $145,000 to $310,000 until December 1, 2024.		2,880,000
Westside connector bond issued July 2004 to Vermont Municipal Bond Bank, interest rates (1.87% - 5.09%), interest payable June 1 and December 1, and principal payable in various annual installments increasing from $50,000 to $105,000 until December 1, 2024.		970,000

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4. Detailed Notes on All Funds (continued)
4.h. Long-term Liabilities (continued)

VMERS Refunding Bond, Vermont Municipal Bond Bank, interest rate at 6.501%, semi-annual interest only payments through May 15, 2017, principal payable starting November 15, 2017 in various annual installments increasing from $30,000 to $524,000 until November 15, 2032, (74.96% of bond reported in Governmental Activities, 8.35% reported in Water Fund, 11.29% reported in Sewer Fund and 5.40% reported in Parking Fund).		297,500
Honeywell Global Finance, LLC lease for energy efficient upgrades, interest at 4.53%, due in annual installments of principal and interest of $25,600 until February 1, 2009, then $26,890 until February 1,2010, then $30,431 until February 1, 2018, (61% of lease reported in Governmental Activities, 10% of lease reported in Water Fund and 29% reported in Sewer Fund), secured by equipment.		26,960
Total Water Fund bonds and leases payable	$	6,961,863

Sewer Fund

Sewer system improvement bond, State of Vermont Special Revolving Loan Fund, 0% interest, annual principal payments of $22,049 until December 1, 2016.	$	88,196
Sewer system improvement Bond, State of Vermont Special Revolving Loan Fund, 0% interest, annual principal payments of $38,856 until December 1, 2017.		194,277
Sewer system improvement bond, Vermont Municipal Bond Bank, net interest rate of 5.676%, annual principal of $30,000 until December 1, 2016.		120,000
Sewer system improvement bond, State of Vermont Special Revolving Loan Fund, 0% interest, annual principal payments of $14,156 until December 1, 2018.		84,937
Ultraviolet disinfection system bond issued July 2004 through the Vermont Municipal bond Bank, interest rates (1.87% - 5.09%), payable June 1 and December 1, and principal payable in various annual installments increasing from $55,000 to $105,000 until December 1, 2024.		1,015,000
Sewer system improvement bond, State of Vermont Special Revolving Loan Fund, 0% interest, annual principal payments of $35,497 until April 1, 2020.		248,479

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4. Detailed Notes on All Funds (continued)
4.h. Long-term Liabilities (continued)

Water treatment improvement bond, State of Vermont Special Revolving Loan Fund, 0% interest, annual principal payments of $174,171 until July 1, 2025.	2,090,051
Water treatment improvement bond, State of Vermont Special Revolving Loan Fund, 0% interest, annual principal payments of $13,807 until January 1, 2022.	124,264
Sewer system improvement bond, State of Vermont Special Revolving Loan Fund, 0% interest, annual principal payments of $26,456 until July 1, 2022.	238,103
Water treatment improvement bond, State of Vermont Special Revolving Loan Fund, 0% interest, annual principal payments of $34,432 until July 1, 2023.	344,319
Water treatment improvement bond, State of Vermont Special Revolving Loan Fund, 0% interest, annual principal payments payments of $28,100 until June 1, 2024.	309,096
Water treatment improvement bond, State of Vermont Special Revolving Loan Fund, 0% interest, annual principal payments of $25,785 starting in fiscal year 2007 for 20 years, during 2009 the loan was finalized and the repayment schedule was adjusted to annual principal payments of $34,710 until September 1, 2025.	451,226
Local share CSO bond, Vermont Municipal Bond Bank,various interest rates (2.80%-5.30%), annual principal payments of $40,000 until 2020 then annual principal payments of $35,000 until December 1, 2031.	700,000
River Street sewer line bond, Vermont Municipal Bond Bank, various interest rates (1.9% - 4.65%), principal payments of $20,000 until November 15, 2028.	320,000
VMERS refunding bond, Vermont Municipal Bond Bank, interest rate at 6.501%, semi-annual interest only payments through May 15, 2017, principal payable starting November 15, 2017 in various annual installments increasing from $30,000 to $524,000 until November 15, 2032, (74.96% of bond reported in Governmental Activities, 8.35% reported in Water Fund, 11.29% reported in Sewer Fund and 5.40% reported in Parking Fund).	402,500

(continued)

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4. Detailed Notes on All Funds (continued)
4.h. Long-term Liabilities (continued)

Honeywell Global Finance, LLC lease for energy efficient upgrades, interest at 4.53%, due in annual installments of principal and interest of $25,600 until February 1, 2009, then $26,890 until February 1, 2010, then $30,431 until February 1, 2018, (61% of lease reported in Governmental Activities, 10% of lease reported in Water Fund and 29% reported in Sewer Fund), secured by equipment.		78,184
Sewer pump bond, Vermont Municipal Bond Bank, various interest rates (3.865% - 4.665%), principal payments in annual installments of $19,481, decreasing to $14,805 until December 1, 2027.		262,597
Sewer CSO/ultra violet bond, Vermont Municipal Bond Bank, interest rate 2%, due in annual installments of principal and interest of $26,064 until July 1, 2031.		342,339
Total Sewer Fund bonds and lease payable	$	7,413,568

Parking Fund

VMERS refunding bond, Vermont Municipal Bond Bank, interest rate at 6.501%, semi-annual interest only payments through May 15,2017, principal payable starting November 15, 2017 in various annual installments increasing from $30,000 to $524,000 until November 15, 2032, (74.96% of bond reported in Governmental Activities, 8.35% reported in Water Fund, 11.29% reported in Sewer Fund and 5.40% reported in Parking Fund).	$	192,500
Total Parking Fund bonds payable	$	192,500

District Heat Fund

VEDA -CEDF Note for District Heat, interest at 1.00%, interest only payments until the project revenues exceed expenses by $80,000 , then annual payments of principal of $75,000 plus interest. Principal payments budgeted to start July 2030 to July 2039.	$	435,060
Total District Heat Fund note payable	$	435,060
Total Proprietary Funds bonds and leases payable	$	15,002,991

(continued)

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4. Detailed Notes on All Funds (continued)

4.h. Long-term Liabilities (continued)

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
General Obligation Bonds	$ 6,712,500	1,670,000	(450,000)	$ 7,932,500	$ 530,000
Capital Leases	397,862	0	(110,333)	287,529	114,598
Notes Payable	35,000	0	(11,402)	23,598	11,665
Compensated Absences	348,965	21,319	(78,220)	292,064	0
Total Governmental Activities Long-Term Liabilities	$ 7,494,327	1,691,319	(649,955)	$ 8,535,691	$ 656,263
Business-type Activities					
General Obligation Bonds	$ 15,543,523	0	(1,080,735)	$ 14,462,788	$ 1,091,308
Capital Leases	123,492	0	(18,348)	105,144	19,188
Notes Payable	0	435,060	0	435,060	0
Compensated Absences	100,501	12,891	(10,474)	102,918	0
Total Business-type Activities Long-Term Liabilities	$ 15,767,516	447,951	(1,109,557)	$ 15,105,910	$ 1,110,496

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

Debt service requirements to maturity are as follows:

Year Ending June 30	Governmental Activities Principal	Interest	Capital Leases	Business-Type Activities Principal	Interest	Capital Leases
2014	$ 541,665	$ 379,300	$ 126,156	$ 1,091,308	$ 506,635	$ 23,736
2015	511,933	359,466	76,999	1,121,889	460,678	23,736
2016	455,000	338,962	37,126	1,132,483	417,047	23,736
2017	455,000	319,844	37,126	1,163,085	381,140	23,737
2018	472,488	299,740	37,126	1,149,165	346,351	23,737
2019-2023	1,813,588	1,201,709	0	5,596,722	1,122,959	0
2024-2028	1,657,080	787,355	0	2,527,481	273,835	0
2029-2033	2,049,344	320,911	0	905,655	125,510	0
2034-2038	0	0	0	210,060	1,952	0
Less Amounts Representing Interest	0	0	(27,004)	0	0	(13,538)
Total	$ 7,956,098	$ 4,007,287	$ 287,529	$ 14,897,848	$ 3,636,107	$ 105,144

(continued)

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4. Detailed Notes on All Funds (continued)

4.h. Long-term Liabilities (continued)

The City has authorized, but has not issued long-term debt at June 30, 2013 as follows:

Purpose	Authorized	Amount
District Heat System Bonds	June 14, 2011	$ 2,000,000
District Heat System Loan	June 14, 2011	$ 314,940

The short-term debt activity during the year was as follows:

Beginning Balance	$	0
Proceeds of Tax Anticipation Note – General Fund		2,500,000
Repayment of Tax Anticipation Note – General Fund		(2,500,000)
Ending Balance	$	0

The tax anticipation note had an interest rate of 2.22% and was paid in full with interest of $54,892 on June 2013.

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4.i. Restricted, Committed and Assigned Fund Balances/Net Position

The restricted fund balances/net position of the City as of June 30, 2013 consisted of the following:

		Balance June 30, 2013
Governmental Funds		
General Fund:		
Act 60 Reappraisal - State Statute	$	52,299
Records Restoration - State Statute		51,629
Park Impact Fees - State Statute		26,126
Drug Seizure		2,486
Total General Fund	$	132,540
Community Development Fund:		
Community Development Grant Funds	$	287,079
Total Community Development Fund	$	287,079
Capital Projects Fund:		
Traffic Impact Fees	$	4,300
Bond Proceeds		1,575,288
Total Capital Projects Fund	$	1,579,588
Other Governmental Funds:		
Special Revenue Funds:		
Montpelier Events Fund - Donations	$	6,126
Montpelier Events Fund - Grants		12,255
Total Montpelier Events Fund	$	18,381
Green Mount Cemetery		35,695
Montpelier Foundation - Donations		94,417
Total Special Revenue Funds	$	148,493

(continued)

4. Detailed Notes on All Funds (continued)

4.h. Long-term Liabilities (continued)

The City has authorized, but has not issued long-term debt at June 30, 2013 as follows:

Purpose	Authorized	Amount
District Heat System Bonds	June 14, 2011	$ 2,000,000
District Heat System Loan	June 14, 2011	$ 314,940

The short-term debt activity during the year was as follows:

Beginning Balance	$	0
Proceeds of Tax Anticipation Note – General Fund		2,500,000
Repayment of Tax Anticipation Note – General Fund		(2,500,000)
Ending Balance	$	0

The tax anticipation note had an interest rate of 2.22% and was paid in full with interest of $54,892 on June 2013.

4.i. Restricted, Committed and Assigned Fund Balances/Net Assets

The restricted fund balances/net position of the City as of June 30, 2013 consisted of the following:

		Balance June 30, 2013
Governmental Funds		
General Fund:		
Act 60 Reappraisal - State Statute	$	52,299
Records Restoration - State Statute		51,629
Park Impact Fees - State Statute		26,126
Drug Seizure		2,486
Total General Fund	$	132,540
Community Development Fund:		
Community Development Grant Funds	$	287,079
Total Community Development Fund	$	287,079
Capital Projects Fund:		
Traffic Impact Fees	$	4,300
Bond Proceeds		1,575,288
Total Capital Projects Fund	$	1,579,588
Other Governmental Funds:		
Special Revenue Funds:		
Montpelier Events Fund - Donations	$	6,126
Montpelier Events Fund - Grants		12,255
Total Montpelier Events Fund	$	18,381
Green Mount Cemetery		35,695
Montpelier Foundation - Donations		94,417
Total Special Revenue Funds	$	148,493

(continued)

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4. Detailed Notes on All Funds (continued)
4.i. Restricted, Committed and Assigned Fund Balances/Net Position (continued)

Permanent Funds:		
Hubbard Park Trust	$	14,620
Expendable Cemetery Trust		349,193
Total	$	363,813
Total Other Governmental Funds	$	512,306
Total Restricted Fund Balances - Governmental Funds	$	2,511,513

The committed fund balances/net position of the City as of June 30, 2013 consisted of the following:

		Balance June 30, 2013
Governmental Funds:		
Major Funds:		
General Fund:		
Committed for Fire Revenue Reserve	$	1,782
Committed for Conservation Commission		8,794
Committed for Health Reimbursement Arrangment		59,700
Committed for Equipment Reserve		360,563
Total General Fund	$	430,839
Community Development Fund:		
Committed for MBL Program	$	51,619
Committed for HPG Program		94,111
Committed for 25/25/ Loan write-offs		17,701
Committed for Community Development Program		26,417
Total Community Development Fund	$	189,848
Capital Projects Fund:		
Committed for Future Projects	$	282,619
Committed for Flood Mitigation-Phase II Project		336,510
Total Capital Projects Fund	$	619,129
Other Governmental Funds:		
Special Revenue Funds:		
Committed for Montpelier Park Commission	$	18,403
Committed for Montpelier Events Fund		13,341
Committed for Conservation Fund		34,932
Committed for Montpelier Housing Trust Fund		76,268
Total Special Revenue Funds	$	142,944
Total Committed Fund Balances - Governmental Funds	$	$ 1,382,760

(continued)

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4. Detailed Notes on All Funds (continued)

4.i. Restricted, Committed and Assigned Fund Balances/Net Position (continued)

The negative unassigned fund balance of $150,842 in the Montpelier Senior Citizens Fund is a result of the interfund loans payable used for building renovations and will be funded from future operations.

4.i. Restricted Net Position

The restricted net position of the City (government-wide statements) as of June 30, 2013 consisted of the following:

Governmental Activities:		
Restricted by State Statute - Impact Fees	$	33,426
Restricted by State Statute – Other		103,928
Restricted by Donors		103,029
Restricted by Trust Agreements - Non-Expendable		386,669
Restricted by Trust Agreements - Expendable		349,193
Restricted by Community Development Loan/Grant Agreements		1,047,547
Total Governmental Activities:	$	2,023,792
Business-Type Activities:		
Restricted by Impact Fees Statute	$	2,417
Total Business-Type Activities	$	2,417
Total Restricted Net Assets	$	2,026,209

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5. Other Information

5.a. Benefit Plans

All eligible employees of the City are covered under the State of Vermont Municipal Employees' Retirement Plan. The Plan requires that both the City and employees contribute to the Plan which provides retirement, disability and death benefits. The City has elected to participate in two (2) plans, Plan B and Plan C, which require all eligible employees to contribute 4.5% and 9%, respectively, of gross wages while the City contributes 5% and 6%, respectively. The City pays all costs accrued each year for the plan. The premise of Plans B and C are to provide a retirement plan covering municipal employees at a uniform state-wide contribution rate based upon an actuarial valuation of all State of Vermont municipal employees. Activity in this plan is done in the aggregate, not by municipality. Due to the nature of this pension plan, net assets available for benefits as well as the present value of vested and nonvested plan benefits by municipality are not determinable.

Total payroll for the year was $6,169,851 while covered payroll was $5,958,708. Pension expense for the year was $374,102.

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

5.b. Property Taxes

Property taxes attach as an enforceable lien on property as of April 1. Taxes are levied on June 15 and are payable in four installments on August 15, November 15, February 15 and May 15. The City bills and collects its own property taxes and also taxes for the School District, Cemetery and education taxes for the State of Vermont. City property tax revenues are recognized when levied to the extent they result in current receivables.

(continued)

5. Other Information (continued)
5.b. Property Taxes (continued)
The tax rate for fiscal year 2011-2013 was as follows:

	Residential	Non Residential
City, Cemetery and Outside Agencies	$ 0.8889	$ 0.8889
State Education Tax	1.3109	1.3853
Local Tax Agreements	0.0005	0.0005
Water/Sewer Benefit Charge	0.0900	0.0900
Recreation	0.0692	0.0692
Total	$ 2.3595	$ 2.4339

5.c. Risk Management
The City of Montpelier, Vermont is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City of Montpelier, Vermont maintains insurance coverage through the Vermont League of Cities and Town's Property and Casualty Intermunicipal Fund, Inc. covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the City of Montpelier, Vermont. Settled claims have not exceeded this coverage in any of the past three fiscal years. The City must remain a member for a minimum of one year and may withdraw from the Fund after that time by giving sixty days notice. Fund underwriting and rate setting policies have been established after consultation with actuaries. Fund members are subject to a supplemental assessment in the event of deficiencies. If the assets of the Fund were to be exhausted, members would be responsible for the Fund's liabilities. In addition, the City of Montpelier, Vermont is a member of the Vermont League of Cities and Town's Health Trust. The Health Trust is a nonprofit corporation formed to provide health insurance and wellness programs for Vermont municipalities and is owned by the participating members. The agreement does not permit the Health Trust to make additional assessments to its members.

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

5.d. Commitments
Parking Lot Leases
The City leases three different parking lots around Montpelier for approximately $91,200 per year. All are cancelable by the City. The City is responsible for the repair, maintenance and upkeep of the parking lots.

Montpelier Fire District
The City and the Montpelier Fire District have an inter-local agreement that requires the City to pay $45,000 annually out of the Water Department revenues to the District. These payments entitle the City to integrate the improvements in the City's public water supply system and receive benefit of the improvements. This agreement shall remain in effect for as long as the Fire District has outstanding unpaid bonds issued to finance construction of the improvements.

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5. Other Information (continued)
5.d. Commitments (continued)
Green Mountain Community Baseball, Inc.
On April 27, 2005, the City guaranteed a $160,000 note between Green Mountain Community Baseball, Inc. and Northfield Savings Bank. The note is unsecured and is backed by the full faith and credit of the taxing authority of the City of Montpelier, Vermont by the Guaranty of Indebtedness. The loan will be amortized over ten years with $16,000 annual principal payments plus interest. The balance on the note at June 30, 2013 was $2,000.

Operating Leases
The City has three 60-month leases for copiers. One lease is for three copiers with a monthly payment of $653 through February, 2016. The other two copier leases have monthly payments of $305 and $103, respectively, through November, 2013. The lease expense for the year ended June 30, 2013 was $12,732.

The minimum lease payments are as follows:

2014	$ 7,836
2015	7,836
2016	5,887
	$ 21,559

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5.e. Contingency – Health Care Benefits
On January 1, 2012, the City changed the employee health insurance carrier and increased the deductible amount from $3.500/$7,000 to a $4,000/$8,000 high deductible health plan. The City continues to offer a Blue Cross Blue Shield of Vermont high deductible plan with an employer funded Health Reimbursement Arrangement (HRA) to help employees pay for their deductible costs. All eligible employees who choose to participate are enrolled in the BlueCross BlueShield's CDHP Blue Consumer Directed Health Plan $4000/$8000. The City is responsible for the $3,500 toward the maximum out-of-pocket health expenses for the single person plan. The City is responsible for the $7,000 toward the maximum out-of-pocket health expenses for the two person and family plans. In the first three years, the actual use of the City's HRA funding was below 65%. Based on lower than budgeted employee HRA use in 2012, $26,700 was added to a reserve fund to offset future HRA overages. The balance of the HRA reserve fund at June 30, 2013 is $59,700.

When budgeting for the 2013 employee health insurance program costs, the City projected a use of 70% of the City's potential out-of-pocket funding obligation. If all employees used 100% of the City's out-of-pocket funding, health insurance costs would exceed the budgeted cost by an estimated $160,000. The risk of this overage is low based on the first three years' HRA experience and the funds available in the reserve fund.

5.f. Postemployment Benefits Other Than Pensions
As of January 1, 2012 retiring employees no longer are permitted to participate in the City health insurance plan after their Cobra benefit expires. Also, there are only two City retirees who are currently on the City's Health Insurance Plan. These two participants pay the same premiums as active employees and participate in the City's HRA program. Based on the policy change as of January 1, 2012, low participation, and adequate HRA reserves, GASB 45 calculations no longer apply. The Postemployment Benefits other than Pension (OPEB) liability on the Statement of Net Position at June 30, 2012 of $74,509 was reversed during the fiscal year ending June 30, 2013.

(continued)

5. Other Information (continued)
5.g. Subsequent Events

Subsequent to year end, the City issued additional debt as follows:

Description	Amount	Interest Rate	Purpose
Tax anticipation Note	$2,500,000	2.80%	General Operating Short Term Funding
Bond anticipation Note	$2,000,000	1.15%	District Heat System Project
VEDA-CDF Note	$ 314,940	1.00%	District Heat System Project
Mortgage Note	$ 400,000	4.50%	Property for Carr Lot Project

The City also signed a five year lease on a parking lot with annual payments starting at $27,747 with 3.5% annual increases.

Subsequent to year end, the City purchased three properties for a total purchase price of $2,012,038. The properties will be used to accommodate the building of a new Welcome and Multi-modal Transportation Center (Carr Lot).

The City has evaluated subsequent events through January x, 2014, the date on which the financial statements were available to be issued.

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CITY OF MONTPELIER, VERMONT
Combining Balance Sheet
Other Governmental Funds
June 30, 2013

	Special Revenue Funds								Permanent Funds				
	Green Mount Cemetery Fund	Montpelier Parks Commission Fund	Montpelier Events Fund	Reach Fund	Conservation Fund	Montpelier Foundation Fund	Montpelier Housing Trust Fund	Montpelier Senior Citizens Fund	George Blanchard Trust Fund	Non-Expendable Cemetery Trust Fund	Hubbard Park Trust Fund	Expendable Cemetery Trust Fund	Total Other Government Funds
Assets:													
Cash	$ 0	$ 0	$ 0	$ 0	$ 0	$ 3,332	$ 0	$ 9,790	$ 0	$ 0	$ 0	$ 0	$ 13,12
Investments	3,215	0	0	0	0	96,585	0	15,896	73,103	732,967	14,663	0	936,42
Receivables	12,606	5,187	0	0	0	0	0	0	0	0	0	0	17,79
Due from other governments	0	0	0	0	0	0	0	0	0	0	0	0	
Loans receivable	0	0	0	0	0	0	279,000	0	0	0	0	0	279,00
Prepaid Expenses	89	62	1,100	0	0	0	0	951	0	0	0	0	2,20
Inventories	408	0	0	0	0	0	0	0	0	0	0	0	40
Due from other funds	28,175	18,548	30,622	0	34,932	0	76,268	11,179	0	0	0	349,193	548,91
Total assets	$ 44,493	$ 23,797	$ 31,722	$ 0	$ 34,932	$ 99,917	$ 355,268	$ 37,816	$ 73,103	$ 732,967	$ 14,663	$ 349,193	$ 1,797,87
Liabilities and fund balances:													
Liabilities:													
Accounts payable	$ 5,481	$ 2,776	$ 0	$ 0	$ 0	$ 0	$ 0	$ 14,522	$ 0	$ 0	$ 43	$ 0	$ 22,82
Accrued payroll and related expenses	3,317	2,118	0	0	0	0	0	6,412	0	0	0	0	11,84
Deferred revenue	0	500	0	0	0	0	279,000	0	0	0	0	0	279,50
Interfund loans payable	0	0	0	0	0	0	0	167,724	0	0	0	0	167,72
Due to other funds	0	0	0	0	0	5,500	0	0	0	346,298	0	0	351,79
Total liabilities	8,798	5,394	0	0	0	5,500	279,000	188,658	0	346,298	43	0	833,69
Fund balances (deficit):													
Unspendable	0	0	0	0	0	0	0	0	73,103	386,669	0	0	459,77
Restricted	35,695	0	18,381	0	0	94,417	0	0	0	0	14,620	349,193	512,30
Committed	0	18,403	13,341	0	34,932	0	76,268	0	0	0	0	0	142,94
Unassigned	0	0	0	0	0	0	0	(150,842)	0	0	0	0	(150,84
Total fund balances (deficit)	35,695	18,403	31,722	0	34,932	94,417	76,268	(150,842)	73,103	386,669	14,620	349,193	964,18
Total liabilities and fund balances	$ 44,493	$ 23,797	$ 31,722	$ 0	$ 34,932	$ 99,917	$ 355,268	$ 37,816	$ 73,103	$ 732,967	$ 14,663	$ 349,193	$ 1,797,87

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CITY OF MONTPELIER, VERMONT
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Other Governmental Funds
For the Year Ended June 30, 2013

	Special Revenue Funds								Permanent Funds				
	Green Mount Cemetery Fund	Montpelier Parks Commission Fund	Montpelier Events Fund	Reach Fund	Conservation Fund	Montpelier Foundation Fund	Montpelier Housing Trust Fund	Montpelier Senior Citizens Fund	George Blanchard Trust Fund	Non-Expendable Cemetery Trust Fund	Hubbard Park Trust Fund	Expendable Cemetery Trust Fund	Total Other Governmental Funds
Revenues:													
Intergovernmental	$ 0	$ 4,202	$ 0	$ 75,726	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 79,928
Fees and charges for services	28,974	0	0	0	0	0	0	71,994	0	8,375	0	0	109,343
Investment income (loss)	2,034	0	0	0	0	12,521	1,874	18	361	28,031	74	0	44,913
Contributions	0	9,797	6,309	0	0	36,445	0	61,214	0	0	0	0	113,765
Rents and commissions	0	2,705	0	0	0	0	0	0	0	0	0	0	2,705
Other revenues	0	700	0	0	0	0	0	11,994	0	0	0	0	12,694
Total revenues	31,008	17,404	6,309	75,726	0	48,966	1,874	145,220	361	36,406	74	0	363,348
Expenditures:													
Culture and recreation	0	155,437	19,018	75,726	0	5,000	0	257,713	0	0	0	0	512,894
Community development	0	0	0	0	0	0	10,000	0	0	0	0	0	10,000
Cemetery	176,757	0	0	0	0	0	0	0	0	0	0	0	176,757
Capital outlay:													
Senior Center	0	0	0	0	0	0	0	67,154	0	0	0	0	67,154
Debt service - principal	11,402	0	0	0	0	0	0	0	0	0	0	0	11,402
Debt service - interest	3,081	2,275	0	0	0	0	0	0	0	0	0	0	5,356
Total expenditures	191,240	157,712	19,018	75,726	0	5,000	10,000	324,867	0	0	0	0	783,563
Excess (deficiency) of revenues over expenditures	(160,232)	(140,308)	(12,709)	0	0	43,966	(8,126)	(179,647)	361	36,406	74	0	(420,215)
Other financing sources (uses):													
Debt proceeds	0	0	0	0	0	0	0	0	0	0	0	0	0
Sale of vehicle proceeds	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers in	182,755	150,930	11,000	0	0	0	41,000	129,067	0	0	0	28,030	542,782
Transfers out	0	0	0	0	0	(78,203)	0	(27,582)	0	(28,030)	(74)	(27,000)	(160,889)
Total other financing sources (uses)	182,755	150,930	11,000	0	0	(78,203)	41,000	101,485	0	(28,030)	(74)	1,030	381,893
Net change in fund balance	22,523	10,622	(1,709)	0	0	(34,237)	32,874	(78,162)	361	8,376	0	1,030	(38,322)
Fund balance - July 1, 2012	13,172	7,781	33,431	0	34,932	128,654	43,394	(72,680)	72,742	378,293	14,620	348,163	1,002,502
Fund balance (deficit) - June 30, 2013	$ 35,695	$ 18,403	$ 31,722	$ 0	$ 34,932	$ 94,417	$ 76,268	$ (150,842)	$ 73,103	$ 386,669	$ 14,620	$ 349,193	$ 964,180

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Sandy Pitonyak

From: John Hollar [jhollar@drm.com]
Sent: Thursday, January 16, 2014 11:30 AM
To: Sandy Pitonyak
Subject: FW: Bike Committee

Please add to consent agenda.

From: ldoyle@doyle-research.com [mailto:ldoyle@doyle-research.com]
Sent: Thursday, January 16, 2014 11:28 AM
To: John Hollar
Subject: RE: Bike Committee

Yes - sounds good

Lee Doyle
Principal Analyst
Doyle Research
508 524-5716

Web site

Twitter

Blog

> -------- Original Message --------
> Subject: Bike Committee
> From: John Hollar <jhollar@drm.com>
> Date: Thu, January 16, 2014 10:55 am
> To: "Lee Doyle (ldoyle@doyle-research.com)" <ldoyle@doyle-research.com>
>
> Hi Lee,
>
> Bill Merrylees said they would welcome you on the bike committee. Let me know if you want us to appoint you.
>
> Thanks.
>
> John

Montpelier Charter Amendments as filed with City Clerk on December 11, 2013

Vermont Statutes Online Title 24 Appendix

Chapter 5: CHARTER OF THE CITY OF MONTPELIER

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Montpelier Charter Revisions, Filed with City Clerk on December 11, 2013

Vermont Statutes Online Title 24 Appendix
Chapter 5: CHARTER OF THE CITY OF MONTPELIER

SUBCHAPTER 1: INCORPORATION AND GRANT OF POWERS

§ 5-101. City of Montpelier

The inhabitants of the territory formerly the Town of Montpelier, and that portion of the Town of Berlin annexed to the City of Montpelier, by an act entitled, "An act to annex an adjacent portion of the Town of Berlin to the City of Montpelier", which act was approved November 29, 1898, are hereby under the name of the City of Montpelier (hereafter the city) and under that name may sue and be sued, prosecute and defend in any court; may have a common seal and alter it at pleasure; may borrow money on the credit of the city, in the mode and under the restrictions hereinafter provided; may elect representatives to the General Assembly of the State, and the number of justices of the peace as provided in Chapter II of the Vermont Constitution for a town of equal population; and generally shall have, exercise, and enjoy all such rights, immunities, powers and privileges as are conferred upon, or are incident to, towns in this state; and shall be subject to like duties, liabilities, and obligations, except as otherwise provided in this Act.

§ 5-102. General powers

The city shall have all the powers given to towns and town school districts by the general law; and may purchase, hold and convey any real estate and erect and keep in repair any buildings necessary or convenient for its purposes; and may acquire, construct, and maintain infrastructure as it may deem necessary for the benefit of the city.

§ 5-103. Form of government

The municipal government provided by this charter shall be known as council-manager form of government. Pursuant to its provisions and subject only to the limitations imposed by the state constitution and by this charter, all powers of the city shall be vested in an elective city council which shall enact ordinances, codes and regulations, adopt budgets, determine policies, and appoint the city manager, who shall enforce the laws and ordinances and administer the government of the city. All powers of the city shall be exercised in the manner prescribed by this charter or prescribed by ordinance. The mayor and council members shall be sworn to the faithful performance of their respective duties. The mayor and council members in their joint capacity shall constitute the city council. The city council shall have all the powers of selectboards, as well as additional powers granted by this charter.

~~§ 5-104. Change of form of government~~

§ 5-105. Intergovernmental relations

The city-through its city council or board of school commissioners, or both, may enter into ~~any~~ agreements with the United States of America or the State of Vermont, and the city may make appropriations consistent with this ~~act~~ charter to accomplish such purposes.

SUBCHAPTER 2: CITY VOTING DISTRICTS

§ 5-201. City voting districts

There shall be three voting districts for the city, which shall be defined and filed with the city clerk. The city council may make changes from time to time to the boundaries of the districts in order to provide an equal division of population among them, in accordance with U.S. Census Data. Voting district changes shall not be made more frequently than once in five years. Such changes shall be approved by the voters at an annual or special meeting of the city and shall become effective immediately upon approval, unless a later date is established therein.

SUBCHAPTER 3: CITY COUNCIL

§ 5-301.Powers and duties of city council

All powers of the city shall be vested in the council, except as otherwise provided by law or this charter, and the council shall perform all duties and obligations imposed on the city by law. In addition, the council shall have general oversight of the affairs and property of the city not committed by law to the care of any particular officer, including but not limited to the following powers and duties:

(a) Acquire property, real and personal, within or outside its corporate limits for any lawful purpose and by any lawful means including condemnation, in fee simple, or any lesser interest of estate, by purchase, gift, devise, lease or other means of transfer. The council may also sell, lease, mortgage, hold, manage and control such property as its interest may require, in accordance with state law.

(b) Promote and safeguard the public health, safety, comfort, or general welfare by the adoption, amendment, or repeal of ordinances and regulations including but not limited to the following subjects:

(1) Construction of improvements, including curbs, sidewalks, lighting, and storm drains in a manner specified as a condition precedent for, but not limited to, the issuance of a building permit. The city has power to assess part or all of the expenses of such improvements to the property owners benefitted thereby in proportion to respective frontage upon highways or respective values of property or by such standard as determined by the council. The council has power to provide for violation or nonperformance.

(2) Regulation or prohibition of any condition, activity, enterprise, public nuisance or matter concerning promotion of public health, safety and welfare as permitted by the general law of the state.

(3) Licensing of any activity or enterprise as permitted by general law of the state.

(c) Adoption and amendment personnel policies for city employees in accordance with general laws of the state, in accordance with 24 V.S.A. § 1121 as may be amended from time to time.

(d) Authorization of the expenditure of funds raised from taxation, assessments, appropriations, fines, grants applied for and received, and other lawful sources.

(e) Provide for citizen participation as appropriate on boards, commissions, and committees.

(f) Fix, demand, impose and enforce such items, conditions and regulations for the excavation of any street or highway by any person as shall be just and reasonably related to the city's reconstruction and maintenance costs, including expenses to be paid to the city for damages resulting from a street excavation or for the purpose of erecting and maintaining poles, wires or other apparatus in or under the street. The city has the power to prohibit the use of any street by any such person until such conditions have been complied with.

(g) Establish fees and benefit charges for city services, permits, licenses, hearings and uses of city property. Establish fees for dog licenses.

§ 5-302. City council composition and term of office
The city council shall consist of the mayor and two council members from each voting district. Members shall be elected by the voters of each respective district. Council members shall serve for a term of two years, and one council member will be elected per year for each district.

§ 5-303. Vacancy in office of council member
A vacancy on the council shall occur upon the death, removal from the district, inability to serve, or resignation of a council member. A vacancy in the office of council member with more than 90 days of unexpired term remaining shall be filled by the remaining members of the city council. At the next annual meeting of the city, the unexpired term of office shall be filled by election for the balance of the unexpired term. The council may remove a council member who has unexcused absences at four or more consecutive council meetings upon approval of 2/3rds of the council.

§ 5-304. Election of president, vice president, parliamentarian
Following the annual meeting, the council shall elect from its members a president , vice president, and parliamentarian. The president shall assume all the duties of the mayor, in the event of a vacancy in that office. The vice president shall assume powers and duties of the mayor in the event of a vacancy in the offices of mayor and president. The parliamentarian shall advise the council on rules of procedure.

§ 5-305. Vacancy in office of president, vice president, parliamentarian
In the event of the death, resignation, or disqualification of the president, vice president, or parliamentarian, the remaining council members shall elect a successor to serve until the next annual meeting.

~~§ 5-306. Duties of the president and vice president~~

§ 5-307. Council meetings
The city council shall hold meetings monthly on a regular schedule, and oftener at the call of the

mayor.

§ 5-308. Special council meetings
Special meetings of the city council may be called at any time by the mayor. They may also be called by the clerk on a petition signed by a majority of the city council and filed with the clerk. Public notice and notice to the council shall be given in accordance with public meeting law, 1 V.S.A. § 312, as may be amended from time to time.

§ 5-309. Council agenda
The city manager ~~to~~ shall prepare a written agenda for each meeting of the council. The city manager shall add to the agenda any items requested by a council member or by written request of any other person. The agenda shall be posted in accordance with state statute.

§ 5-310. Council quorum
A quorum of the city council, consisting of a majority or four council members, shall be necessary to conduct business; however, the transaction of business shall be in accordance with l V.S.A. § l72 as may be amended from time to time. A number less than a quorum may adjourn from time to time, may compel the attendance of absent members and enforce such penalties for non-attendance as the city council may by ordinance prescribe.

§ 5-311. Attendance at meetings.
Any city officer or employee may be required to attend a meeting of the city council.

§ 5-312. Council meetings public
All meetings of the city council shall be open to the public, and conducted in accordance with public meeting laws and rules of procedure adopted by the council, except when a majority of the council votes to enter into executive session or deliberative session or acting in a quasi-judicial role, as specified in 1 V.S.A. § 312 as may be amended from time to time.

§ 5-313. Council minutes recorded
All minutes of the city council meetings shall be recorded ~~in a book of city council records~~ and shall be available to the public as provided in the general access to public records laws of the state.

§ 5-314. Executive session
The council may enter into executive session by majority vote in accordance with 1 V.S.A. § 313(a) as may be amended from time to time.

§ 5-315. Council authority to require information
The city council shall have the authority to require the city clerk, and each appointive city officer, excluding school department officers, to furnish information concerning anything connected with, or work planned to be performed in, their respective department.

§ 5-316. Compensation
The mayor and council members shall receive as compensation for their services such sums as shall be voted to them at the annual ~~city~~ meeting of each year.

§ 5-317. Council appointments
The city council shall appoint the following officers; a city manager, city treasurer, and city attorneys. The city may remove any such appointee and appoint another. Council shall also appoint and remove members of boards and commissions created by the council and other officers approved by the council or required by law. Any appointment made by the city council to fill a vacancy shall be only for the balance of the unexpired term in which the vacancy occurred.

§ 5-318. Claims for personal services
No claim for personal services shall be allowed to the officers elected at the annual meeting, except when compensation for such services is provided for under the provisions of this act or by the general law. The compensation of all officers and employees of the city shall be fixed by the city council, except as herein otherwise provided.

§ 5-319. Sale of public property
The city council may authorize the sale or lease of any real or personal estate belonging to the city. All conveyances, grants, or leases of any real estate owned by the city shall be signed by the mayor in accordance with 1 V.S.A. § 313 as may be amended from time to time.

§ 5-320. Contracts
All contracts on behalf of and any purchases for the city shall be authorized by the city council, except as otherwise provided by ordinances of the City of Montpelier, policies of the city council or this charter.

§ 5-321. Ex-officio appointments
The city council shall have the powers of the board of water and sewer commissioners, the local board of health (when convened with the health officer), and the local board of liquor control as specified by this charter and state statute.

§ 5-322. Prohibitions and conflicts of interest
(a) Holding other office: Except where authorized by law, no councilor shall hold any other city office or city employment during the term of election to the council. However, a paid or unpaid volunteer member of the fire department, other than an officer or member of the department appointed directly by the city manager, may serve as a member of the city council.

(b) Appointments and removals: Neither the council nor any of its members shall in any manner dictate the appointment or removal of any city administrative officers or employees whom the manager or any of the manager's subordinates are empowered to appoint.

(c) Interference with administration: Except for the purpose of inquiries and investigations under this charter, the council or its members shall deal with city officers and employees who are subject to the direction and supervision of the city manager solely through the city manager, and neither the council nor its members shall give orders to any such officer or employee, either publicly or privately.

(d) Conflict of interest: By ordinance, resolution, parliamentary rule of prohibition, the council shall adopt measures relating to the definition, disclosure and consequences of a conflict of interest or any perception thereof involving elected and appointed city officials.

SUBCHAPTER 4: MAYOR

§ 5-401. Election and tenure of mayor

The mayor shall be elected by and from the qualified voters of Montpelier. The mayor shall hold office for a term of two years or until the mayor's successor is elected and qualified.

§ 5-402. Powers and duties of ~~the~~ mayor

The mayor shall be the chief executive officer of the city subject to provisions in this charter related to the city manager. The mayor shall use the mayor's best efforts to see that the laws and the city ordinances are enforced, and that the duties of all subordinate officers are faithfully performed. The mayor shall take care that the finances of the city are properly managed, and shall bring before the city council public issues relevant to the affairs of the city. The mayor shall preside at all city council meetings with the powers of moderator and shall have a voice and vote in city council meetings in accordance with council rules and procedures.

The mayor may veto any action passed by the city council, provided it is done before the next regular council meeting and the mayor provides a written explanation for the veto. Any veto by the mayor can be overridden by a vote of five or more council members at the next regular city council meeting.

§ 5-403. Vacancy in office of mayor

In the case of a vacancy in the office of mayor, with more than 120 days of unexpired term remaining, the city council shall forthwith direct the city clerk to call a special meeting of the voters of the city for the election of an interim mayor, serve for the unexpired term and until the mayor's successor is duly elected and qualified. Nominations to fill a vacancy in the office of mayor shall be by certificate signed by at least 25 voters. The certificate shall be filed with the city clerk not less than 15 and not more than 25 days before the special election. In the event 120 days or less remain of the unexpired term, the council president shall assume the duties of the mayor.

~~§ 5-404. Duties of the Mayor~~
~~§ 5-405. Powers of the Mayor~~

SUBCHAPTER 5: CITY MEETINGS, NOMINATION AND ELECTION OF OFFICERS

§ 5-501. City meetings

(a) On the first Tuesday of March in each year, a meeting of the voters of the city shall be held as designated on the warning for such meeting, at a place or places to be appointed by the city council, and a warning shall be posted in accordance with state statute. Any business or election required by this charter or ~~the~~ general law to be transacted at the annual meeting may also be

transacted at a special meeting.

(b) The warning for annual and special city meetings shall, by separate articles, specifically indicate the business to be transacted, including the offices and the questions to be voted upon. The warning shall contain any legally binding article or articles requested by 10% of the registered voters of the city. The warning shall also include any non-legally binding articles, including matters of state, national or international importance requested by 5% of the voters. Petitions requesting that an article be placed on the warning shall be filed with the city clerk no fewer than 40 days before the day of the annual meeting.

(c) All budgets, elections, and public questions shall be considered by Australian ballot at annual and special meetings.

(d) A vote taken at an annual or special meeting shall remain in effect unless rescinded or amended.

§ 5-502. Publishing and posting of articles
When questions involving authorization of public improvements and the incurring of debt to pay for the same are to be referred to the voters at an annual or special city meeting, the articles of the warning for such meeting shall be posted as provided by state statute.

§ 5-503. Special city meetings to authorize improvements and incur debt
The city clerk, when directed by the city council, or when requested in writing by 10% of the voters to do so, shall call a special meeting of the voters of the city in the same manner provided for calling the annual meeting. In case of the failure of the city clerk to call such special meeting, that duty shall be performed by the mayor. Special meetings to authorize public improvements and the incurring of debt to pay for the same shall be warned as provided by general laws of the state. The city council shall call the special meeting within 60 days of the application being received by the city clerk. The city council may rescind the call of a special meeting that it initiated itself, but not a special meeting called upon the petition of 10% of the voters.

§ 5-504. Election of officers
All officers shall be elected by Australian ballot, according to general law of the state, except when otherwise provided in this charter. Candidates' names shall appear in order on the ballot as shall be drawn by lot under the direction of the board of civil authority. Provisions for write-in votes shall be available for voters

§ 5-505.Conduct of elections
The city clerk and board of civil authority shall conduct elections in accordance with general laws of the state.

§ 5-506. Voter checklist
The city clerk and board of civil authority shall manage voter qualification, registration, checklist, and absentee balloting in accordance with general laws of the state.

~~§ 5-507. Presiding officer at city meetings~~
~~§ 5-508. Method of voting tax appropriation~~

§ 5-507. Election of city officers
At the annual meeting, Montpelier voters shall elect from among the city voters a mayor for a term of two years; a city clerk for a term of three years~~;~~, a city council member from each district for a term of two years, other elective city officers, and two school commissioners, each for a term of three years. Each elected officer shall hold office until a successor has been duly elected and qualified.

§ 5-508. Certificates of nomination
Certificates of nomination for city offices to be filled at annual city meetings shall be filed by the candidate, or with the candidate's written assent, with the city clerk not less than 30 nor more than 40 calendar days before such meeting. All nominations for city offices shall be made by certificate signed by 25 or more voters, in accordance with general laws of the state. Candidates running for city council need a certificate signed by 25 or more voters from the specific district in which they reside. A voter shall not sign more than one certificate for the same office except when there are multiple seats to be filled.

§ 5-509. Canvassing of ballots
At the close of the balloting at any city election or annual or special city meeting, the city clerk and the board of civil authority, and such other election officers as may be designated by the board of civil authority, shall canvass the ballots cast for all officers and for any proposals on the ballot. The clerk shall report the results in accordance with state statute. The candidate who has received a plurality of the votes cast for each respective city office shall be declared elected to that office. Any election for state or county officers or representatives to the general assembly shall, in all cases, be conducted according to the general law of the state.

§ 5-510. Vacancies in city offices
A vacancy in an elective office occurs upon the death, resignation of the office holder, inability to serve, removal from the city, and in the case of a council member, removal from the district. Vacancies occurring in an elective office with more than 90 days of unexpired term remaining, excepting a vacancy in the office of council member or school commissioner, shall be filled by the city council until the next annual meeting of the city. The unexpired term of any office filled as provided in this section shall, at the next annual meeting of the city, be filled by election for the balance of the term in accordance with general law.

§ 5-511. Reconsideration and rescission
(a) Action taken on a warned article at an annual or special meeting may be submitted to the voters at a subsequent annual or special meeting on motion of the city council or pursuant to a petition requesting reconsideration or rescission signed by not less than 10% of the registered voters and filed with the city clerk within 30 days following the date of the annual or special meeting at which the action was taken.

(b) A majority vote in favor of reconsideration or rescission shall not be effective unless the number of votes in favor of reconsideration or rescission exceeds 2/3rds of the number of votes

cast for the prevailing side at the original meeting.

§ 5-512. School budget vote
The school budget shall be voted as a separate ballot item at annual meeting.

SUBCHAPTER 6: SCHOOLS

§ 5-601. School commissioners
The exclusive management and control of the public schools and of all school property of the city shall be vested in a board of seven (7) school commissioners for terms of three (3) years.

§ 5-602. Election of board officials
The board of school commissioners shall annually, not later than the second Wednesday after the first Tuesday in May, elect one of their number chairman of said board, one of their number vice-chairman, one of their number secretary of said board, and one of their number treasurer of said board. The board shall require its treasurer and other commissioners it deems necessary to give bond to the city to the satisfaction of the board for faithful discharge of their trust. If the board shall require a bond with a fidelity company as surety, the expense thereof shall be paid from the school fund. The board may, by agreement with the city council, provide that its treasurer be covered under a blanket bond to be contracted as authorized by Section 9 of Title IX. In such event, an equitable proportion of the cost of such blanket bond shall be paid out of the school fund.

§ 5-603. Vacancy in the office of school commissioners.
A vacancy in the office of school commissioner with more than 90 days of unexpired term remaining shall be filled by the remaining members of the board of school commissioners under the next annual meeting of the city.

§ 5-604. Superintendent of Schools.
The board of school commissioners shall, at the meeting specified in Section ~~2~~ 602 above or at any subsequent meeting, appoint a superintendent of schools who shall not be one of their number. The board shall fix the compensation of the superintendent of schools, and said compensation shall be paid in the same manner as other expenses for the support of schools.

§ 5-605. Duties of superintendent of schools.
The superintendent of schools shall perform such duties in connection with the public schools of the city as shall be assigned to the superintendent by the board of school commissioners. The superintendent shall annually report to the city council such statistics as are required to be kept by law and such other information as the board of school commissioners shall direct.

§ 5-606. Term of office
The superintendent of schools may be appointed for a term not to exceed three years. The board of school commissioners may remove the superintendent of schools for causes of incapacity, neglect of duty, or misconduct. Said board shall by appointment fill all vacancies in such office.

§ 5-607. Annual school report

The board of school commissioners shall submit to the city council, on or before ***February 15*** of each year, its annual report on the status of the schools. Said report shall include an estimate of the necessary expenditures for the support of schools for the ensuing year, the amount of school income to be received from sources other than local taxation and a recommendation of the amount of money to be raised by local taxation for the support of schools for the ensuing year. Said report shall be published with the report of city officials.

§ 5-608. Requisition of school fund

The board of school commissioners shall, from time to time as the same shall be required, make requisitions on the city council for warrants on the city treasury for such sum of money as they shall require for the payment of the expenses of the schools, which warrants in the aggregate in any year shall not exceed the amount of the school fund established as provided by Section 13 of Title VI of this act.

§ 5-609. Deposit of school revenues

All moneys received by the school board from tuition and other sources, except from the city treasurer on requisition as provided in the preceding section, shall be turned over to the city treasurer, unless specifically exempted by the city council. The board of school commissioners shall have no authority to expend any money which may be received by them from any source, except such as may be received from the city treasurer on requisition as above provided, or unless specifically exempted by the city council.

§ 5-610. Borrowed funds appropriated to school fund

All money received from notes or bonds issued by authority of the legal voters as provided in Title XI of this act for improvements relating to schools or school property shall be appropriated to the school fund, and may be spent by the board of school commissioners for the purpose for which issue of said notes or bonds was authorized.

§ 5-611. Payment of school notes and bonds

The board of school commissioners shall include in its estimate of necessary expenditures for the support of schools and its recommendation of the amount of money to be raised by local taxation for the support of schools, which estimate and recommendation are provided for in Section ~~7 of this title~~607 of this subcharter, the amount of money required for payment of principal and/or interest on any bonds or notes heretofore or hereafter issued by the City of Montpelier for school purposes and said amount shall be specifically designated in said estimate and recommendation by the board of school commissioners. The city in voting money for school purposes at any annual or special meeting shall include in the amount voted for the support of schools said amount of money needed for the payment of principal and/or interest on bonds or notes heretofore or hereafter issued by the city for school purposes. Said amount of money required for the payment of principal and/or interest on bonds or notes as hereinbefore set forth shall be used by the board of school commissioners for the purpose of paying said principal and/or interest. In case of conflict between this section and other provisions of this charter, this section will prevail.

§ 5-612. Financial report to city treasurer

The board of school commissioners shall each year, after its accounts have been audited, make

available to the city treasurer, on request, all vouchers showing money expended during the preceding year, which vouchers shall be kept by the school system.

§ 5-613. School fund
The city council shall annually appropriate such dollar amount as may be voted for the support of schools at the annual city meeting or any special city meeting duly warned and held for that purpose, all such moneys as shall be received from the state for the use of schools, all moneys and income from tuition and any other sources for the use of schools, and the income of any other property or money donated by any person to the city for the use of schools, all money as may be received from the federal government for the use of schools and money received from any source and specifically designated as money to be used for schools, the total amount of which shall be kept by the city treasurer, unless especially exempted by the city council, and the city council shall authorize warrants drawn on the city treasury for the payment of the same to the treasurer of the board of school commissioners, upon requisition made by such board, at such times and for such amount, not exceeding in the total for the year the amount of the school fund, as such requisition shall designate.

§ 5-614. Compensation
The school commissioners shall receive as compensation for their services such sum as may be voted to them at the annual meeting of each year.

SUBCHAPTER 7: CITY ORDINANCES

§ 5-701. Council authority
The city council may adopt, amend, repeal, and enforce any by-law, regulation, or ordinance which it may deem necessary and proper for carrying into execution the powers granted by this charter and state law or for the well being of the city, in accordance with 24 V.S.A § 2291, as may be amended from time to time.

§ 5-702. Ordinance adoption, notice, and effective date
A proposed by-law, regulation or ordinance shall be adopted upon completion of the process that includes public notification and public hearing prior to passage by the council. The adoption or amendment of an ordinance shall be warned in accordance with 24 V.S.A. § 1972, as may be amended from time to time, in addition to posting on the city website and public notice six days prior to effective date. An ordinance takes effect 15 days after passage unless the city council or the clerk receives a petition signed by 5% of the voters calling for a public vote to disapprove the ordinance.

~~§ 5-703. Notice before final action.~~

§ 5-703. Record of ordinances
The city clerk shall prepare and keep in the city clerk's office the ordinances passed by the council, with a complete index of the ordinances according to subject matter. City ordinances shall be available on the city website.

§ 5-704. Violation of an ordinance

The violation of an ordinance shall be enforced according to state statute.

§ 5-705. Actions in tort
In addition to any fine and other punishment provided for violation of a by-law, regulation, or ordinance, the City of Montpelier may have and maintain an action in tort founded on this statute against any person damaging or destroying city property or injuring or corrupting the water supply or water system of the city, and may recover treble damages against such person.

§ 5-706. Public nuisances
In prosecutions for public nuisances, possible relief for the city may include damages and injunction relief, as well as orders to authorize the city to remedy the nuisance, if possible, and charge the offending party.

~~§ 5-708. Liability for damages~~

SUBCHAPTER 8: BOARDS AND COMMISSIONS

§ 5-801. Green Mount Cemetery Commission
The Green Mount Cemetery commission shall have charge of all public cemeteries and burial grounds in the city with the same power and authority as similar officials in towns. Commissioners of the Green Mount Cemetery shall be elected at the annual meeting of the city to comply with the charter of the Green Mount Cemetery. They and the city treasurer shall have all the authority and carry out all the conditions made by the charter of Green Mount Cemetery. These commissioners shall be five in number, and one shall be elected at each annual meeting for a five-year term. Vacancies on the board shall be filled by the remaining commissioners until the next annual meeting of the city.

§ 5-802. Parks commission
The parks commission shall consist of five members, one of whom shall be elected at each annual meeting for a five-year term. Vacancies in the commission shall be filled by the remaining commissioners until the next annual meeting of the city. The commission shall have charge of the construction, maintenance, and control of all public parks within the city. The term "public parks" shall not be construed to include recreational fields and playgrounds.

§ 5-803. Board of civil authority
(a) The city council, city clerk and the justices of the peace resident in the city shall constitute the board of civil authority which shall perform all the duties imposed by law upon such boards in towns, except as otherwise provided in this charter.

(b) All meetings of the board of civil authority shall be called by the mayor who shall request the city clerk to notify the members thereof of the time and place of such meeting, either personally or by written notice duly mailed to each member at least five days before such time appointed. If the mayor fails to call a meeting of the board of civil authority when such meeting is required by law, the city clerk shall call such meeting and shall notify the members.

(c) A minimum of 1/3rd of the members shall constitute a quorum. Annually, at the first meeting of the board of civil authority after the annual city meeting, the members of the board shall elect one of their members as chair of the board to serve until after the next city election. The chair shall preside at each meeting of the board. The city clerk shall preside at each meeting until the presiding officer is chosen. The board of civil authority shall meet before all annual or special meetings, state and national elections, and before city party caucus dates for the purpose of adding and purging the voter checklist.

§ 5-804. Board for abatement of taxes

(a) The board for abatement, consisting of the board of civil authority, the city assessor, and the city treasurer, shall be governed by the general laws of the state in respect to abatement of taxes. The board for abatement shall meet on the first Tuesday in June in each year, which meeting may be adjourned from time to time thereafter for the purpose of considering abatement of paid taxes as provided by general law; 24 V.S.A. §1535, as may be amended from time to time. All requests for abatement of paid taxes shall be filed with the city clerk at least five days before the date of such meeting. The city clerk shall cause such meeting to be warned by posting and publishing a notice of the same at least 15 days prior to such meeting and also five days prior to such meeting.

(b) All meetings of the board for abatement of taxes shall be called by the mayor who shall request the city clerk to notify the members thereof of the time and place of such meeting, either personally or by written notice duly mailed to each member at least five days before such time appointed. If the mayor fails to call a meeting of the board for abatement of taxes when such meeting is required by law, the city clerk shall call such meeting and shall notify the members.

§ 5-805. Planning commission

The planning commission ~~of the City of Montpelier~~ shall consist of seven members appointed by the city council for two-year terms in accordance with general law, ~~Title 24,~~ V.S.A§§ 4322-4323, as may be amended from time to time. The planning commission shall perform such planning functions and duties as may be required by the city council, charter, ordinances, or applicable state laws.

§ 5-806. Development review board

The development review board shall consist of five regular members and two alternate members, appointed by the city council for three-year terms in accordance with general law and 24 V.S.A., as amended, Chapter 117, § 4461, as may be amended from time to time. The development review board shall, upon the request of an interested person, hear the appeal of any decision or act taken by the administrative officer in accordance with the procedures outlined in 24, V.S.A., Chapter 91, sub-chapter 8, as may be amended from time to time, and perform such other duties as may be required by the city council, charter, ordinances or applicable state laws. A quorum shall consist of a minimum of three regular or alternate members up to a maximum of five regular or alternate members. Alternate members may serve on the board when one or more regular members are unable to attend a meeting. The development review board shall be further governed by the rules and procedures as provided in the city ordinances.

§ 5-807. Recreation governance

(a) The city may establish, maintain and conduct a system of public recreation including playgrounds; may set apart for such use any land or buildings owned or leased by the city; may acquire land, buildings and recreational facilities by gift or purchase; may issue bonds therefore as provided by law and equip and conduct the same; may employ a director of recreation and other employees as necesssary; and may expend funds for the aforesaid purposes.

(b) The city council may conduct the same through a department of recreation. Alternately, the council may delegate the conduct thereof to a recreation board created by the council, or to the school board, or to any other appropriate existing board or commission.

(c) If the council chooses to appoint a recreation board, it shall consist of five members appointed by the council for three-year terms. The recreation board shall perform such planning functions and duties as may be required by the council, charter, ordinances, or applicable state laws.

(d) The recreation budget shall be an integral part of the city budget and under the control of the city or its designee.

§ 5-808. Council authority over boards and commissions
(a) City council has the authority to create new boards and commissions. City council also has the authority to consolidate or eliminate any city boards and commissions not required by law.

(b) Upon approval of 2/3rds of its members, the council has the authority to remove a member of a board or commission.

§ 5-809. Youth members
The city council may appoint non-voting youth members to city boards and commissions, in addition to the regular appointed members. Youth members shall be enrolled in a secondary school at the time of appointment. Appointments shall last one year, commencing in the beginning of the regular school year calendar.

SUBCHAPTER 9: ADMINISTRATION

§ 5-901. Fiscal year
The fiscal year shall begin the first day of July and end the 30th day of June each year or as otherwise authorized by the voters of the city.

§ 5-902. Annual city budget
The city manager shall prepare and submit a proposed fiscal budget to the city council in December or in compliance with their agreed upon schedule. The council shall have the authority to set the budget submission date.

§ 5-903. Council action on the budget
The city council shall review the annual city budget as submitted by the city manager at budget meetings established by the council. The meetings of the city council upon the budget shall be

open to the public. During its review of the proposed budget, the city council may add or increase budget programs or amounts and may delete or decrease any programs or amounts, except expenditures required by law or for fixed debt service requirements.

§ 5-904. Administrative officers
The administrative officers of the city shall be those provided by law for towns except as otherwise provided by this charter. Officers shall have all the powers and duties necessary to carry out the provisions of this charter as well as those provided by law.

§ 5-905. Election and tenure of city clerk
The city clerk shall be elected by the voters of Montpelier for a term of three years. Following the election, the city clerk may appoint one or more assistant clerks. In the event of a vacancy in the office of city clerk, the assistant city clerk shall assume the duties of the office until such time as the vacancy is filled. The powers, authority, and responsibilities of the city clerk shall be those prescribed by general law in addition to those set forth in this charter.

§ 5-906. Appointment of city treasurer
The city treasurer shall be appointed by and may be removed by the city council. The treasurer shall serve as an officer and employee of the city under the city manager's administrative control.

§ 5-907. Personnel administration and benefits
The city council may adopt rules relating to personnel administration, including the following: job classification, tenure, retirement, pensions, leaves of absence, vacation, holidays, hours of work, group insurance, salaries, layoffs, reinstatement, promotion, demotion, dismissal, transfer, injury, and settlement of disputes and appeals.

~~§ 5-908. Payment of contractual accrued liability~~

§ 5-908. Annual city report
A full record of expenditures shall be kept and a clear statement of all receipts and disbursements of city money and of the affairs of the city generally, together with the report of the board of school commissioners, auditors, and other city officials, shall be annually published under the direction of the city manager. A reasonable number shall be made available for distribution among the voters of the city at least 10 days prior to the annual city meeting. Such report shall include estimates of receipts and proposed expenditures of the city for the ensuing year.

§ 5-909. Officers' bonds
All officers from whom the city manager may require bonds, or as required by state statute, shall annually give bonds to the city, to the satisfaction of the city manager, for the faithful discharge of their respective trusts. Such bond shall be given before the officer concerned enters upon the officer's duties. If the city manager requires a bond with a fidelity company as surety, the city shall pay the expense thereof. The city manager may contract for one blanket bond to cover all city officials and employees required to furnish bonds. Such blanket bond may, with the concurrence of the school commissioners and other boards or agencies requiring bonds from officers and employees under their control, cover the treasurer of the board of school

commissioners and other officers or employees under control of such boards.

~~§ 5-911. Authority of police officers~~

SUBCHAPTER 10: CITY MANAGER

§ 5-1001. Appointment, eligibility, qualifications

The city manager shall be chosen and appointed by majority vote of the city council for an indefinite term, solely on the basis of the city manager's professional qualifications. The city manager need not be a resident of Montpelier or the State of Vermont at the time of appointment, but shall reside in the city during the city manager's tenure of office unless other conditions are approved by the council.

§ 5-1002. City manager employment contract

The city council shall enter into a written agreement with the city manager establishing terms of employment, including salary and related benefits.

§ 5-1003. Oath of office

The city manager shall be required to take the oath of allegiance and the oath of office as prescribed in the Constitution of the State of Vermont before entering upon the city manager's duties. (See Subchapter 14 General, Section 1401 Oath of Office)

§ 5-1004. Removal of city manager

The city manager may be removed from office by a majority vote of the city council at a duly warned meeting for that purpose, as provided by general law or employment contract. At least 30 days prior to the effective date of such removal, the city council shall by majority vote of its members adopt a resolution stating the reason for the removal, and cause a copy of such resolution to be given to the manager. The city council may by such resolution immediately suspend the manager from active duty, but shall continue the manager's salary until final dismissal unless otherwise contracted between the council and city manager.

§ 5-1005. Vacancy in office of city manager

During times of vacation and planned absences, the city manager shall designate an acting city manager to perform the duties of the office. In the event of a vacancy in the office of city manager, or during the temporary absence or disability of the city manager, the city council, by resolution of the majority of its members, may appoint an acting city manager to perform the duties of the office~~,~~. The council shall set the compensation of the person so appointed. The acting city manager shall have all the powers and duties of the city manager, except any appointment or removal of officials or employees by the acting city manager shall be confirmed by the city council.

§ 5-1006. Powers and duties of city manager

The city manager shall be the administrative head of the city government. The city manager shall be responsible to the city council for the administration of the affairs of the city and for carrying out the policies of the city council. The powers and duties of the city manager shall be as

follows:

(a) Ensure that all laws and ordinances are enforced

(b) Exercise administrative control over all departments

(c) Make appointments and removals as provided in this charter

(d) Prepare the annual fiscal budgets to be submitted to the city council for review and adoption prior to annual meeting

(e) Attend meetings of the city council, take part in the discussion, provide requested and relevant data, and make recommendations for the determination of policy as the city manager may deem expedient

(f) Act as purchasing agent for all city departments, except schools

(g) Set salaries and wages of all employees under the city manager's jurisdiction in accordance with this charter, fiscal budgets, and personnel policies

(h) Administer the personnel policies, job classifications, and pay plan, and is authorized to take final action on all personnel issues for positions under the manager's administrative control.

(i) Delegate responsibility for administrative duties to department heads and subordinate officers and

(j) Perform such other duties as may be prescribed by this charter or required by the city council.

§ 5-1007. City manager appointments

Except for those appointments made by the city council as provided for in this charter, the city manager shall appoint and remove all city employees including chief of the fire department, chief of police, director of public works, director of planning and community development, finance director, senior center director, zoning administrative officer, city assessor, building inspector, assistant city manager, health officer, parks director/tree warden, recreation director, tax collector, and all other officers and employees as may be required by general laws of the state, by this charter, or by the city council. City manager appointments shall serve until removed by the city manager. Removals by the city manager shall be in accordance with any personnel policy or plan adopted in accordance with Subchapter 9 of this charter, section 907.

~~§ 5-1008. Termination of appointments~~

§ 5-1008. Non-interference by city council

(a) Neither the city council as a body nor any of its members shall dictate or attempt to dictate the appointment of any person to office or employment, ~~n~~or the removal of any person from office or employment by the city manager. The city manager may seek the advice of the city council or its members in matters of appointment or employment, but shall be free to exercise the city manager's own judgment.

(b) In addition, neither the city council nor any of its members shall collectively or individually give orders either publicly or privately to any department head or employee of the city under the jurisdiction of the city manager but shall deal solely through the city manager, except for purposes of inquiry.

SUBCHAPTER 11: INDEBTEDNESS, BONDS, AND NOTES FOR IMPROVEMENTS

§ 5-1101. Powers

The city may issue bonds or notes for any improvement authorized by general or special law including this charter. The word "improvement," as used in this subchapter, shall have the meaning ascribed to it by the general laws of the state and shall include the acquisition and construction of facilities for the production and delivery of heat and of devices, facilities, and other measures to conserve energy or promote efficient energy use, and the acquisition or construction of any other work or improvement for which municipalities of the state may now or hereafter be authorized to incur debt.

§ 5-1102. Submission to voters, public improvements

(a) When the city council shall determine that the public necessity or interest demands improvements, (other than improvements relating to schools or school property) and that the cost of the same will be too great to be paid out of the ordinary revenue of the city, the council may by vote of 2/3rds of its members order the submission of proposition to make such improvements and incur debt to pay for them to the voters of the city at an annual or special meeting warned and held for that purpose.

(b) The city council shall, on receipt of a petition signed by 10% of the voters, promptly order the submission of a proposition to make such improvements and incur debt to pay for them to the voters of the city at an annual or special meeting warned and held for that purpose.

§ 5-1103. Submission to voters, school improvements

When the school board shall determine that the public necessity or interest demands improvements relating to schools or school property, or upon a petition signed by at least 10% of the voters, and that the cost of the same will be too great to be paid out of ordinary revenue of the city, the school board may by vote of 2/3rds of its members request the city council to order the submission of a proposition to make such improvements and incur debt to pay for them to the voters of the city at an annual or special meeting warned and held for that purpose.

The city council shall, on receipt of such a request from the school board or by petition, promptly order the submission of a proposition to make such improvements and incur debt to pay for them to the voters of the city at an annual meeting or special meeting warned and held for that purpose.

§ 5-1104. Warning

The warning calling such meeting shall state the object and purpose for which the indebtedness is proposed to be incurred, the estimated cost of the improvements, and the maximum amount of

debt to be incurred therefore and shall fix the place where and the date on which such meeting shall be held and the hours of opening and closing of polls.

§ 5-1105. Notice of meeting
The city clerk shall cause the warning of such meeting to be published as provided by general laws of the state

§ 5-1106. Authorization
When a majority of all the voters voting on such proposition at an annual meeting~~,~~ or special city meeting shall vote to authorize such improvements and the incurring of debt to pay for the same, the city council or, if the improvements relate to schools or school property, the school board shall be authorized to make such improvements.

§ 5-1107. Conduct of meetings
The qualifications of voters at all such city meetings shall be the same as the qualifications of voters at annual city meetings, and such meetings shall be conducted in the same manner as city meetings are conducted. The vote on the question of making the improvements and incurring a debt shall be by Australian ballot in the form provided by general laws of the state.

§ 5-1108. City council action
When the incurring of a debt has been authorized by the voters in the manner above provided, the city council shall determine by resolution whether notes or bonds are to be issued and the terms thereof.

§ 5-1109. Bonds, maturities
All bonds issued under this subchapter shall be payable serially, the first payment to be deferred not more than five years after date of issue and subsequent payments to be continued annually in equal or diminishing amounts so that the entire debt will be paid in not more than 25 years from the date of issue or as may be otherwise permitted by law.

§ 5-1110. Debt limits
The city's debt limits shall be calculated as provided by general laws of the state.

§ 5-1111. Specifications
The city council shall approve the rate of interest, the date, the denominations, the time and place of payment, and the form of such bonds or notes. The city council may provide that the bonds or notes be sold on a competitive bid basis or by negotiated sale.

§ 5-1112. Taxes to meet interest and payments
At the time of voting a general tax levy, the city shall provide annually for the assessment and collection each year, until such bonds or notes are paid, of a tax sufficient to pay the interest on such bonds or notes and the part of the principal as shall become due prior to the time the taxes are due in the next following year.

§ 5-1113. Advertisement
Bonds of the city shall be advertised for sale as provided by general laws of the state.

§ 5-1114. Execution
All bonds and notes issued under this subchapter shall be signed by the mayor and treasurer of the city, and in addition bonds shall bear the seal of the city. The bonds or notes shall contain a statement that they were issued for the purposes mentioned in and in conformity with the provisions of this charter or applicable provisions of the general laws, and such statement shall be conclusive evidence of the same and of the liability of the city to pay the bonds or notes and the interest thereon in an action by a person who in good faith holds such bonds or notes.

§ 5-1115. Record by treasurer
The city treasurer shall keep a record of every bond or note issued under this subchapter, stating the number and denomination of each bond or note, when issued, and the rate of interest. The treasurer shall also keep a record of payments of interest or principal.

~~§ 5-1116. Record~~

§ 5-1116. Use of unexpended bond proceeds
(a) The proceeds of all bonds or notes shall be used for the purpose for which they were authorized. However, any unexpended balance remaining after carrying out the purpose for which they were authorized, other than school purposes, may, by vote of any annual or special city meeting duly warned and held for that purpose, be authorized for any purpose for which bonds may be issued, in accordance with general law, or transferred to a sinking fund established by the council.

(b) Any unexpended balance remaining after carrying out a purpose relating to schools or school property for which bonds or notes were authorized may, in addition to other uses permitted by law, be transferred to a sinking fund.

§ 5-1117. Bonds or notes for refunding - authorization, procedure
The city may issue bonds or notes to refund the principal and interest of bonds or notes then outstanding and for any other purpose authorized by the general laws of the state. Such refunding bonds or notes shall be authorized and issued as provided by law.

§ 5-1118. Temporary loans in anticipation of taxes and for current expenses
The city council shall have the authority to borrow in anticipation of the receipt of taxes and other revenue, in anticipation of the receipt of grants, in anticipation of the issuance of bonds, and for current expenses as provided by the general law and 24 V.S.A. § 1773 and § 1786, as may be amended from time to time.
§ ~~5-1120. Temporary loans for current expenses~~

§ 5-1119. Limitations
The credit of the city shall not be pledged, except in the manner herein provided, and the city council shall not expend in any year a sum of money in excess of the revenues of the city for that year or increase the indebtedness of the city, except, as provided by this charter or to meet obligations imposed by law.

§ 5-1120. Special indebtedness for water purposes, sewage disposal, and heat improvements
For the purpose of owning, operating, improving and managing its public water works system, a public sewage disposal system, heat facilities and devices, facilities and other measures intended to conserve energy use, promote efficient energy use, or any combination thereof, the city may pledge all or any part of the net revenues of such enterprises in the manner provided by general laws of the state.

§ 5-1121. Powers of the city not limited
The powers hereinabove granted shall not be construed in limitation, diminution, or in substitution for, but in addition to, power provided by law for municipalities generally in authorizing and incurring indebtedness for public improvements or otherwise, all of which general powers shall inure to and be exercisable by the city.

§ 5-1122. City finances
Except as hereinafter provided, the money raised by taxation from fines and penalties and from other lawful sources shall constitute the entire sum for which appropriations and payments are to be made by authority of the city council, except that money raised by bonds or notes as hereinafter authorized shall be appropriated and paid out in the manner set forth in this charter.

§ 5-1123. Budget surplus and deficit
Unless otherwise disposed of in the manner provided by law or set in reserve by the city council or school board, any surplus existing at the end of the fiscal year shall be carried forward as revenue in the general fund or school fund, as appropriate, for the next ensuing fiscal year. Any deficit existing at the end of the fiscal year shall be liquidated in the manner provided by law.

SUBCHAPTER 12: ASSESSMENT AND COLLECTION OF TAXES~~;~~ ESTABLISHMENT OF WATER, SEWER AND HEAT RATES

§ 5-1201. Assessment of taxes and establishment of tax rate
(a)The city council shall assess such taxes upon the grand list of the city as voters at any annual or special meeting warned for that purpose have approved for the payment of debts and current expenses of the city, for carrying out any of the purposes of this charter, for the support of schools, and for the payment of all state and county taxes and obligations imposed by law. The vote of the city shall be upon the specific sum of budgeted tax appropriation for the support of all city departments, grants, schools, recreation and other items. The city council shall establish a tax rate based upon the true grand list as appraised by the city assessor, and shall deliver the same to the city treasurer for computation and collection.

(b) The city shall have the authority to change the way that the annual fiscal budget is approved, enabling voters to approve the entire municipal budget instead of or in addition to voting on the budgeted tax appropriation amount. Voting on the entire municipal budget shall take effect when such process is adopted by the majority of the voters at an annual or special meeting duly warned for this purpose in accordance with general law.

§ 5-1202. Notice of tax bill and due date

Thirty (30) days before the due date for the payment of taxes or before the first installment payment thereof, the city treasurer shall send all municipal taxpayers notice in writing of the tax bill, the amount thereof, and the "due date" by which time this amount must be paid to the city treasurer.

§ 5-1203. Tax payment schedule

Except as hereinafter provided, taxes assessed upon the grand list of the city shall be due and payable in equal installments, or as the city council may provide by ordinance. Default in payment of any installment due shall render a penalty based on the payment amount that is in default. Any special tax assessed on the grand list of the city shall be due and payable as the city council shall provide by ordinance.

~~§ 5-1204. Delinquent taxes~~

§ 5-1204. Warrants on delinquent taxes, water, sewer, thermal energy bills

Within 30 days following the due date, the treasurer shall prepare warrants for taxpayers and property owners delinquent in payment of taxes, water, sewer, or thermal energy bills. The treasurer shall deliver these warrants forthwith to the tax collector for collection with penalties and interest as provided by ordinance and by law. Such warrants shall remain in full force until all the taxes and other delinquent payments have been either collected, abated, or have become outlawed under the general law.

§ 5-1205. Lien upon real estate

All taxes lawfully assessed upon real estate in the city as well as charges for water, sewer services, heat, and any special assessments shall constitute an underlying lien on such real estate, and shall enjoy priority in law over all other liens regardless of whether such other liens have priority in time.

§ 5-1206. Application of payment on delinquent taxes

Payments made on the account of a delinquent taxpayer shall be applied: first, to all outstanding personal property taxes for which said delinquent taxpayer is responsible; second, to real estate taxes for which said delinquent taxpayer is responsible. However, the holder of a mortgage or other lien upon real or personal property of a taxpayer may make payment on said taxpayer's account and may specify that such payments be applied on the tax assessed against the property covered by such mortgage or lien. Any taxes paid shall be applied to penalty, interest and oldest outstanding delinquency in that order first.

§ 5-1207. Water and sewer rates

The city council shall establish rates to be paid for the use of water supplied by the city water system, and sewage disposal and benefit charges. Water rates and sewage disposal charges shall be and are hereby made a lien in the nature of a real estate tax upon the real estate so supplied with water and public sewers, and shall be collected and enforced under such regulations and ordinances as the city council shall prescribe.

§ 5-1208. Water meters

The city council may provide for use of meters or other mechanical devices as a basis of

charging users of water supplied by the city water system, and may in its discretion provide for use of such devices by all users of specified classes.

§ 5-1209. Thermal energy rates
The city council shall establish rates to be paid for the use of heat and improvements supplied by the city for the production and distribution of heat, and such rates shall be called heat rates. Such heat rates shall be a lien in the nature of a real estate tax upon the real estate so supplied with heat, improvements for the delivery of heat, or both, and shall be collected and enforced under such regulations and ordinances as the city council shall prescribe.

§ 5-1210. Heat meters
The city council may provide for use of meters or other devices as a basis of charging users of heat supplied by the city system and may in its discretion provide for use of such devices by all users of specified classes.

§ 5-1211. Tax collector
Delinquent taxes, fees, charges, and assessments shall be collected by the city tax collector, appointed under Section 1007 Appointments of Subchapter 10 City manager, whose powers and duties shall be those provided by general law.

§ 5-1212. Property tax credits - sprinklers
By resolution or ordinance, the city council may grant credits equal to no more than 10% of the annual municipal property tax, or reductions of up to 10% of the appraised valuation, for residential and nonresidential buildings equipped with an operating fire sprinkler system approved by the fire chief in accordance with applicable codes and ordinances.

SUBCHAPTER 13: SPECIAL ASSESSMENTS, TAKING PROPERTY FOR PUBLIC PURPOSES

§ 5-1301 Taking property for public purposes
The city council, upon notice to persons affected, may lay out, make, maintain, alter, establish, install, construct, discontinue or repair the following: any street, road, highway, lane, alley, transportation path or sidewalk; any heat facilities and devices or other measures to conserve or generate energy or promote efficient energy use in the city; any public facilities, parks, playing fields and other improvements deemed necessary by the council; any municipal buildings; any water source, treatment, storage, delivery, sale, transmission and distribution facilities within and without the city; and any sewer and storm water collection, transmission, separation, treatment and disposal facilities as the public health or the public good shall require.

§ 5-1302. Procedure for taking property
(a) Highways and urban renewal: In taking land and other property for the purposes of laying out roads and highways, the city council shall proceed in the same manner as is provided by law for municipalities in taking land for highways. In taking land and other property for the purposes of urban renewal, the council shall proceed in the same manner as is provided by law for municipalities in taking land for urban renewal.

(b) Other public purposes: For all other purposes stated in Section 1301, when the city council determines that interests in real estate are needed or when a municipality votes to purchase additional lands or interests therein, or when, in the exercise of any of the powers or functions authorized by general law or its charter it becomes necessary for public use and benefit to take, damage, or affect an interest in real estate, and the owner refuses to release or convey the same to the city for a reasonable price, the city council, shall set out the necessary lands or interests therein and cause the same to be surveyed. They shall appoint a time and place for hearing and give at least ten (10) days notice before such hearing to the persons evidencing a recorded interest therein either personally or by written notice left at the residence or place of business of such person. At such hearing the council shall determine the damages sustained by such interested persons. The damages agreed upon or assessed shall be paid or tendered to such persons before taking possession of the lands. Upon payment or tender of damages as determined by the council, the city shall be entitled to take possession of such property.

(c) Notice to mortgagee and application of payment. When such lands are encumbered by mortgage, the city council shall cause the same notice to be given to the mortgagee or assignee thereof as is required to be given to the owner, and the damages agreed upon or otherwise determined, as finally ascertained, shall be paid to the property owner and the mortgagee or assignee.

(d) Removal of improvements. When the city council decides to take lands, in their order for that purpose, they shall fix a time and notify the owner or occupant thereof. Within such time the owner shall, if so ordered, remove his buildings, fences, wood or trees, which, in the case of enclosed or improved lands, shall not, without the consent of the owner, be less than three months nor until compensation for damages to such lands is tendered or paid. If such obstructions are not removed within such time, the council shall remove them at the expense of the city.

(e) Record of orders and proceedings. Orders and proceedings of the council under the provisions of this section, with the survey of the lands taken, shall be recorded in the land records of the city or in the land records of the town in which such lands are located.

(f) Disagreement as to damages. When the owner of such land does not accept the damages awarded by the city council, the council and the owner may agree to refer the question of damages to one or more disinterested persons whose award shall be made in writing and shall be final.

(g) Petition, appointment of commissioners. When a person having an interest in such land is dissatisfied with the action of the council in locating and setting it out or with the damages awarded therefor by them, such person may apply by petition to the superior court for the county in which such land lies within 60 days of the recording of the order of the city council. The petition with a citation shall be served on the city clerk as a writ of summons requiring entry to be made therein within 21 days from the date of service. The court shall appoint three disinterested commissioners, who shall inquire into the amount of damages sustained by the persons interested therein.

(h) Notice, hearing, report, costs. The commissioners shall give the clerk and the petitioners six days' notice of the time and place of the hearing. When they have completed their inquiries, they shall report to the court. Upon hearing, the court may accept or reject the report, in whole or in part, may make such orders as are necessary for locating and setting out such land and for the removal of obstructions thereon, may render judgment for the petitioners for such damages as they have severally sustained, may tax costs for either party, and may award execution in the premises.

(i) Title to vest on payment of damages. When the damages finally awarded are paid to the person entitled thereto, title to such lands or the right to damage or affect lands shall vest in the city.

(j) Definitions. The following words and phrases as used in this chapter shall have the following meanings:
(1) "Necessity" means a reasonable need which considers the greatest public good and the least inconvenience and expense to the condemning party and to the property owner. Necessity shall not be measured merely by expense or convenience to the condemning party. Necessity includes a reasonable need for the project in general as well as a reasonable need to take a particular property and to take it to the extent proposed. In determining necessity, consideration shall be given to the:
(A) adequacy of other property and locations
(B) quantity, kind, and extent of cultivated and agricultural land which may be taken or rendered unfit for use, immediately and over the long term, by the proposed taking
(C) effect upon home and homestead rights and the convenience of the owner of the land
(D) need to accommodate present and future utility installations within the improvement area
(E) need to mitigate the environmental impacts of the improvements and
(F) effect upon grand lists and revenues.

(2) Damages resulting from the taking or use of property under the provisions of this chapter shall be the value for the most reasonable use of the property or right in the property, and of the business on the property, and the direct and proximate decrease in the value of the remaining property or right in the property and the business on the property. The added value, if any, to the remaining property or right in the property which accrues directly to the owner of the property as a result of the taking or use, as distinguished from the general public benefit, shall be considered in the determination of damages.

(3) "Interested person" or "person interested in lands" or "property owner" means a person who has a legal interest of record in the property taken or proposed to be taken.

§ 5-1303. Special assessments - Streets, sidewalks, heat production and distribution improvements
The city council, in laying out or establishing new streets, highways, or facilities for the production and distribution of heat, and in making, altering, or repairing sidewalks, and in grading and paving streets and highways, either at the time of laying out or after completion, shall have the power and may upon notice to the owners of adjoining lands assess the owners of

such lands so much of the expense of making such new street or sidewalk or street improvements, or heat improvements, including land damage for new streets, as the city council shall adjudge such lands to be benefited thereby.

§ 5-1304. Special assessment - Heat improvements
The city council shall have the power to create an energy district of the City of Montpelier or part thereof and to incur indebtedness for or otherwise finance by any permitted means acceptable facilities for the production and delivery of heat and ~~of~~ devices, facilities, and other measures to conserve energy or to promote efficient energy use on properties within the district. Participation by any property owner in these improvements is subject to city council approval. Persons who participate with an eligible project or projects shall be subject to the requirements of this special assessment. The city council shall establish the criteria and procedures for participation in this special assessment.

§ 5-1305. Special assessment - Sewers and drains
Every person whose particular drain shall empty into any common sewer, either at the time of the construction of the common sewer or thereafter, or who in the opinion of the city council shall receive benefit thereby for draining the person's premises, or whose lands shall be benefited by the proximity of such common sewer, or the owners of lands adjoining or abutting streets in which a common sewer is to be laid, may upon notice be assessed by said city council a just share toward the expense of laying and constructing such common sewer. Such assessment shall be and remain until paid a lien in the nature of a tax upon the land assessed.

~~§ 5-1306. Right of appeal~~

§ 5-1306. Record of special assessments
When the city council shall make assessments, the clerk shall immediately make out a statement of all such assessments, giving the name of the owner and describing the land or other property assessed, and shall cause the same to be properly recorded and indexed in the city clerk's office. The city clerk shall, as soon as such assessments have been recorded as above provided, deliver a copy of the same to the city treasurer for collection.

§ 5-1307. Notice and time of payment
The city treasurer shall forthwith notify each person so assessed by mail. The notice shall state the nature of the assessment, the amount of the same, and the time of payment. Payment due date shall be as noted on the bill.

§ 5-1308. Record of payment
Payment, when made, shall be entered on the record of assessment. Recording as provided above shall be required before such assessment becomes a lien on the land or other property affected.

§ 5-1309. Warrant for collection of special assessment
(a) If the owner of lands or other property assessed by authority of this subchapter shall neglect to pay to the city treasurer the billed amount of such assessment within 30 days after the due date as noticed on the assessment, the city treasurer shall issue a warrant for collection of the same

and deliver the warrant to the tax collector for collection.

(b) In case of an appeal, if the court upholds the assessment and it has been recorded in the office of the city clerk, payment shall be due within 30 days after the final court decision, and the city treasurer shall issue a warrant for collection of the same and deliver this warrant to the tax collector for collection.

§ 5-1310. Tax collector authority to sell property
The tax collector shall have authority to sell at public auction so much of said land or other property as will satisfy such assessment and all legal fees, and will proceed in the same manner in the collection of such assessment as collectors of town taxes are authorized and required by law to proceed in selling real estate at public auction for the collection of town taxes. All other remedies given towns by law for collection of town taxes are given the city of Montpelier for collection of all legal assessments made under the provisions of this subchapter.

§ 5-1311. Lien not vacated
While the final resolution is pending on an appeal from an assessment made under the provisions of this subchapter, the city shall not vacate the lien created by such assessment, but shall suspectnd the same until final determination of the proceedings. The liens for all city assessments shall not be vacated or dissolved.

§ 5-1312. Sufficient description
Whenever a description of lands or buildings is required in making assessments, or in the recording thereof, reference to the deed of conveyance to the last record owner thereof, giving the date of the same and the volume and page of the land records where the same is recorded, or the street upon which the same is situated and the number, shall be a minimum description.

~~§ 5-1314. Taking property for public improvements~~
~~§ 5-1315. Citation and time of serving~~
~~§ 5-1316. Citation served on non-residents~~
~~§ 5-1317. Officer's return~~
~~§ 5-1318. Citation served on persons having other interests~~
~~§ 5-1319. Proceedings not voided for failure to give notice~~
~~§ 5-1320. Correction of citation record~~

SUBCHAPTER 14: GENERAL

§ 5-1401. Oath of allegiance, oath of office
All elective officials of the city shall, before assuming office, take, subscribe, and file with the city clerk the following two oaths, as prescribed by the Constitution of the State of Vermont, chapter 2 § 56.

Oath or Affirmation of Allegiance
"I _____ solemnly swear (or affirm) that I will be true and faithful to the State of Vermont, and

that I will not, directly or indirectly, do any act or thing injurious to the Constitution or Government thereof. (If an oath) So help me God. (If an affirmation) Under the pains and penalties of perjury."

Oath or Affirmation of Office
"I ____ do solemnly swear (or affirm) that I will faithfully execute the office of ____ for the City of Montpelier and will therein do equal right and justice to all persons to the best of my judgment and abilities, according to law. (If an oath) So help me God. (If an affirmation) Under the pains and penalties of perjury."

§ 5-1402. Savings clause
The passage of this act shall not affect any ordinance, resolution, or by-law lawfully enacted, ordained, and established under the provisions of the charter, but the same shall be and remain in full force and effect until repealed, altered, or amended.

§ 5-1403. Title of charter
This act shall be designated as the Charter of the City of Montpelier. A copy of this act shall be kept in the office of the Montpelier city clerk, to which copy shall be affixed a certificate under the hand of the secretary of state and the seal of the State of Vermont that the laws therein contained are statute laws of the State of Vermont, and such certified copy shall be an authentic record of such laws.

~~§ 5-1404. Continuation in office~~

§ 5-1404. Amendment of charter
This charter may be altered, amended, or repealed whenever the public good shall require, in accordance with general laws of the state. A copy certified by the secretary of state shall be kept in the office of the city clerk.

~~§ 5-1406. Transfer of property, rights, privileges, and franchises~~
~~§ 5-1407. Penalties, forfeitures or suits not affected~~
~~§ 5-1408. Continuation of acts not amended~~
~~§ 5-1409. Application of state statutes~~
~~§ 5-1410. Inconsistent acts repealed~~

§ 5-1405. Separability of provisions
If any provision of this act, or the application of such provision to any person, body, or circumstances, shall be held invalid, the remainder of this act, or the application of such provisions to persons, bodies, or circumstances other than those as to which it shall have been held invalid, shall not be affected thereby.

§ 5-1406. Merger of Montpelier Fire District No.1 into the city water system
Upon the effective date of this act, the Montpelier Fire District No. 1 shall be merged into the city of Montpelier and thereby shall cease to exist.
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Montpelier Charter Revisions as filed with City Clerk on December 11, 2013

Vermont Statutes Online
Title 24 Appendix
Chapter 5: CHARTER OF THE CITY OF MONTPELIER

SUBCHAPTER 1: INCORPORATION AND GRANT OF POWERS

§ 5-101. ~~The~~ City of Montpelier

The inhabitants of the territory formerly the Town of Montpelier, and that portion of the Town of Berlin annexed to the City of Montpelier, by an act entitled, "An act to annex an adjacent portion of the Town of Berlin to the City of Montpelier", which act was approved November 29, 1898, are hereby ~~continued to be incorporated and a body corporate and politic~~ incorporated as a municipal corporation under the name of the City of Montpelier (hereafter the city) and under that name may sue and be sued, prosecute and defend in any court; may have a common seal and alter it at pleasure; may borrow money on the credit of the city, in the mode and under the restrictions hereinafter provided; may elect representatives to the General Assembly of the State, and the number of justices of the peace as provided in Chapter II of the Vermont Constitution for a town of equal population; and generally shall have, exercise, and enjoy all such rights, immunities, powers and privileges as are conferred upon, or are incident to, towns in this state; and shall be subject to like duties, liabilities, and obligations, except as otherwise provided in this Act.

§ 5-102. General powers

~~Such corporation~~ The city shall have all the powers given to towns and town school districts by the general law; and may purchase, hold and convey any real estate and erect and keep in repair any buildings necessary or convenient for its purposes; and may acquire, construct, and maintain such ~~dams, aqueducts, reservoirs, and sewage disposal facilities~~ infrastructure as it may deem necessary for the benefit of the city.

§ 5-103. Form of government

The municipal government provided by this charter shall be known as council-manager form of government. Pursuant to its provisions and subject only to the limitations imposed by the state constitution and by this charter, all powers of the city shall be vested in an elective city council ~~hereinafter referred to as the council,~~ which shall enact ordinances, codes and regulations, adopt budgets, determine policies, and appoint the city manager, who shall enforce ~~execute~~ the laws and ordinances and administer the government of the city. All powers of the city shall be exercised in the manner prescribed by this charter or prescribed by ordinance. The mayor and council members shall be sworn to the faithful performance of their respective duties. The mayor and council members in their joint capacity shall constitute the city council. The city council shall have all the powers of selectboards, as well as additional powers granted by this charter.

~~§ 5-104. Change of form of government~~

~~Upon petition of a number of legal voters equal to four percent of the total vote cast for governor~~

~~at the last preceding general election, the legal voters of the city may, at any annual meeting or a special meeting duly warned and held for that purpose, vote to change the council-manager form of government to any other legal form. A majority of the legal votes cast shall be needed to effect a change of government. In the event a change of government is voted terminating the position of city manager, the city manager shall be entitled to three months pay from the effective date of said termination.~~

§ 5-105. Intergovernmental relations

The city through its city council or board of school commissioners, or both, may enter into ~~any~~ agreements with the United States of America or the State of Vermont~~, or both, or with any subdivision, department, agency, or activity of the United States of America or the State of Vermont, or both~~, to accept grants, loans, and assistance ~~from the United States of America or the State of Vermont, or both, or from any subdivision, department, agency, or activity of the United States of America or the State of Vermont, or both,~~ to make public improvements ~~within said city, or upon property or rights of said city outside its corporate limits, whether owned by said city as sole owner or owned by said city in common with another municipality or other municipalities~~, and the city may make appropriations consistent with this ~~act~~ charter to accomplish such purposes.

SUBCHAPTER 2: CITY VOTING DISTRICTS

§ 5-201. C~~reation of c~~ity voting districts

~~The city council is empowered to designate or eliminate the boundaries of voting districts.~~ There shall be three voting districts for the city, which shall be defined and filed with the city clerk. The city council may make changes from time to time ~~in~~ to the ~~number and~~ boundaries of the districts ~~as it may deem proper, having regard, so far as practicable and convenient, to~~ in order to provide an equal division of population among them, in accordance with U.S. Census Data. ~~Such~~ Voting district changes shall not be made more frequently than once in five years. ~~Such districts shall be described by ordinance.~~ Such changes shall be approved by the ~~legal~~ voters ~~of the city~~ at an annual or special meeting of the city and shall become effective immediately upon approval, unless a later date is established therein.

SUBCHAPTER 3: CITY COUNCIL

§ 5-301. ~~Administration and Powers~~

~~The administration of all fiscal, prudential and municipal affairs of the city and the government thereof shall be vested in the mayor and council members, subject to the provisions herein contained respecting a city manager. The mayor and council members shall be sworn to the faithful performance of their duties, respectively. The mayor and council members in their joint capacity shall constitute the city council. The city council shall have all the powers of selectmen.~~

§ 5-301. Powers and duties of city council

All powers of the city shall be vested in the council, except as otherwise provided by law or this charter, and the council shall perform all duties and obligations imposed on the city by law. In addition, the council shall have general oversight of the affairs and property of the city not committed by law to the care of any particular officer, including but not limited to the following

powers and duties:

(a) Acquire property, real and personal, within or outside its corporate limits for any lawful purpose and by any lawful means including condemnation, in fee simple, or any lesser interest of estate, by purchase, gift, devise, lease or other means of transfer. The council may also sell, lease, mortgage, hold, manage and control such property as its interest may require, in accordance with state law.

(b) Promote and safeguard the public health, safety, comfort, or general welfare by the adoption, amendment, or repeal of ordinances and regulations including but not limited to the following subjects:

(1) Construction of improvements, including curbs, sidewalks, lighting, and storm drains in a manner specified as a condition precedent for, but not limited to, the issuance of a building permit. The city has power to assess part or all of the expenses of such improvements to the property owners benefitted thereby in proportion to respective frontage upon highways or respective values of property or by such standard as determined by the council. The council has power to provide for violation or nonperformance.

(2) Regulation or prohibition of any condition, activity, enterprise, public nuisance or matter concerning promotion of public health, safety and welfare as permitted by the general law of the state.

(3) Licensing of any activity or enterprise as permitted by general law of the state.

(c) Adoption and amendment personnel policies for city employees in accordance with general laws of the state, in accordance with 24 V.S.A. § 1121as may be amended from time to time.

(d) Authorization of the expenditure of funds raised from taxation, assessments, appropriations, fines, grants applied for and received, and other lawful sources.

(e) Provide for citizen participation as appropriate on boards, commissions, and committees.

(f) Fix, demand, impose and enforce such items, conditions and regulations for the excavation of any street or highway by any person as shall be just and reasonably related to the city's reconstruction and maintenance costs, including expenses to be paid to the city for damages resulting from a street excavation or for the purpose of erecting and maintaining poles, wires or other apparatus in or under the street. The city has the power to prohibit the use of any street by any such person until such conditions have been complied with.

(g) Establish fees and benefit charges for city services, permits, licenses, hearings and uses of city property. Establish fees for dog licenses.

§ 5-302. ~~Board of~~ City council ~~members –~~ composition and term of office

The ~~board of~~ city council ~~members of said city~~ shall consist of the mayor and two council members from each voting district.~~,~~ Members shall be elected by the ~~legal~~ voters of ~~said city~~

~~from among the legal voters of said~~ each respective district. Council members shall serve for a term of two years~~.~~, and one council member will be elected per year for each district.

§ 5-303. Vacanc~~ies~~y in office of council member

A vacancy on the ~~board of~~ council ~~members~~ shall occur upon the death, removal from the district, inability to serve, or resignation of a council member. A vacancy in the office of council member with more than 90 days of unexpired term remaining shall be filled by the remaining members of the city council. ~~The unexpired term of the office of council member filled as provided in this section, shall, at~~ At the next annual meeting of the city, the unexpired term of office shall be filled by election for the balance of the unexpired term. The council may remove a council member who has unexcused absences at four or more consecutive council meetings upon approval of 2/3rds of the council.

§ 5-304. Election of president ~~and~~, vice president, parliamentarian ~~of the Board of Council Members~~

~~The council members duly elected and qualified shall constitute the board of council members, and shall annually elect one of their members president of said board and another vice president, to serve in such offices until the next election of council members.~~ Following the annual meeting, the council shall elect from its members a president , vice president, and parliamentarian. The president shall assume all the duties of the mayor, in the event of a vacancy in that office. The vice president shall assume powers and duties of the mayor in the event of a vacancy in the offices of mayor and president. The parliamentarian shall advise the council on rules of procedure.

§ 5-305. Vacancy in ~~the~~ office of president ~~and,~~ vice president, parliamentarian

In the event of the death, resignation, or disqualification of the president ~~or,~~ vice president, or parliamentarian ~~of the board of council members~~, the remaining council members shall elect a successor ~~and the successor so elected shall hold office~~ to serve until the next ~~election of council members.~~ annual meeting.

~~§ 5-306. Duties of the president and vice president~~

~~All powers and duties vested in the mayor by this charter or the general law shall, in event of a vacancy in the office or in case of disqualification, incapacity, or absence from the city of the mayor be vested in the president of the board of council members, or in the vice president in case of disqualification, incapacity or absence from the city of the mayor and the president of the board of council members~~.

§ 5-307. Council meetings

The city council shall hold meetings ~~on the second and fourth Wednesdays of each~~ monthly on a regular schedule, and oftener at the call of the mayor.

§ 5-308. Special council meetings

~~The mayor, or in the case of the mayor's failure, the city clerk, shall call special meetings of the city council on request of one-half of the members of the board of council members.~~ Special meetings of the city council may be called at any time by the mayor. They may also be called by the clerk on a petition signed by a majority of the city council and filed with the clerk. Public

notice and notice to the council shall be given in accordance with public meeting law, 1 V.S.A. § 312, as may be amended from time to time.

§ 5-309. Council agenda

~~It shall be the duty of the~~ The city manager ~~to~~ shall prepare a written agenda for each meeting of the council. The city manager shall add to the agenda any items requested by a council member or by written request of any other person. The agenda shall be posted in ~~at least one public place in the city at least twenty-four hours prior to the time of the meeting.~~ accordance with state statute.

§ 5-310. Council quorum

A quorum of the city council, consisting of a majority or four council members, shall be necessary to conduct business; however, the transaction of business shall be in accordance with l V.S.A. § l72 as may be amended from time to time. A number less than a quorum may adjourn from time to time, may compel the attendance of absent members and enforce such penalties for non-attendance as the city council may by ordinance prescribe.

§ 5-311. Attendance at meetings.

Any city officer or employee may be required to attend a meeting of the city council.

§ 5-312. Council meetings public

All meetings of the city council shall be open to the public, and conducted in accordance with public meeting laws and rules of procedure adopted by the council, except when ~~an executive session is voted by a majority of the council.~~ a majority of the council votes to enter into executive session or deliberative session or acting in a quasi-judicial role, as specified in 1 V.S.A. § 312 as may be amended from time to time.

§ 5-313. Council minutes recorded

All minutes of the city council meetings shall be recorded ~~in a book of city council records~~ and shall be available to the public ~~unless they concern a person's reputation, contracts, or the security of the state is involved.~~ as provided in the general access to public records laws of the state.

§ 5-314. ~~Action in~~ Executive session

~~Action on ordinances, rules, regulations, or appointments shall not take place in executive session.~~ The council may enter into executive session by majority vote in accordance with 1 V.S.A. § 313(a) as may be amended from time to time.

§ 5-315. Council authority to require information

The city council shall have the authority to require the city clerk, ~~city treasurer,~~ and each appointive city officer, excluding school department officers, to furnish information concerning anything connected with, or work planned to be performed in, their respective department.

§ 5-316. Compensation

The mayor and council members shall receive as compensation for their services such sums as

shall be voted to them at the annual ~~city~~ meeting of each year.

§ 5-317. Council appointments

The city council shall~~, pursuant to Title X of this charter,~~ appoint the following officers; a city manager, city treasurer, and city attorneys. The ~~and~~ city ~~representative to the Central Vermont Regional Planning Commission and~~ may remove any such appointee and appoint another. ~~The city council shall also appoint the following officers, none of whom shall be members of the city council: members of the Montpelier housing authority, housing and building code board of appeals, development review board, and planning commission. The city council shall appoint only such other officers as it is specifically required to do by law.~~ Council shall also appoint and remove members of boards and commissions created by the council and other officers approved by the council or required by law. Any appointment made by the city council to fill a vacancy shall be only for the balance of the unexpired term in which the vacancy occurred.

§ 5-318. Claims for personal services

No claim for personal services shall be allowed to the officers elected at the annual meeting, except when compensation for such services is provided for under the provisions of this act or by the general law~~, except that the city clerk, city treasurer, and auditors shall receive such compensation as shall be fixed by the city council~~. The compensation of all ~~other~~ officers and employees of the city shall be fixed by the city council, except as herein otherwise provided.

§ 5-319. Sale of public property

The city council may authorize the sale or lease of any real or personal estate belonging to the city. All conveyances, transfers, grants, or leases of any real estate owned by the city shall be signed by the mayor ~~and shall be sealed with the city seal~~ in accordance with 1 V.S.A. § 313 as may be amended from time to time.

§ 5-320. Contracts

All contracts on behalf of and any purchases for the city shall be authorized by the city council, except as otherwise provided by ordinances of the City of Montpelier or this ~~act~~charter.

§ 5-321. Ex-officio appointments

The city council shall have the powers of the board of water and sewer commissioners, the local board of health (when convened with the health officer), and the local board of liquor control as specified by this charter and state statute.

§ 5-322. Prohibitions and conflicts of interest

(a) Holding other office: Except where authorized by law, no councilor shall hold any other city office or city employment during the term of election to the council. However, a paid or unpaid volunteer member of the fire department, other than an officer or member of the department appointed directly by the city manger, may serve as a member of the city council.

(b) Appointments and removals: Neither the council nor any of its members shall in any manner dictate the appointment or removal of any city administrative officers or employees whom the manager or any of the manager's subordinates are empowered to appoint.

(c) Interference with administration: Except for the purpose of inquiries and investigations under this charter, the council or its members shall deal with city officers and employees who are subject to the direction and supervision of the city manager solely through the city manager, and neither the council nor its members shall give orders to any such officer or employee, either publicly or privately.

(d) Conflict of interest: By ordinance, resolution, parliamentary rule of prohibition, the council shall adopt measures relating to the definition, disclosure and consequences of a conflict of interest or any perception thereof involving elected and appointed city officials.

SUBCHAPTER 4: MAYOR

§ 5-401. Election and tenure of ~~Office~~mayor

The mayor shall be elected by and from the qualified voters of ~~the City of~~ Montpelier. The mayor shall hold office for a term of two years or until the mayor's successor is elected and qualified.

§ 5-402. ~~Vacancy in the office of mayor~~Powers and duties of ~~the~~ mayor

The mayor shall be the chief executive officer of the city subject to provisions in this charter related to the city manager. The mayor shall use the mayor's best efforts to see that the laws and the city ordinances are enforced, and that the duties of all subordinate officers are faithfully performed. The mayor shall take care that the finances of the city are properly managed, and shall bring before the city council public issues relevant to the affairs of the city. The mayor shall preside at all city council meetings with the powers of moderator and shall have a voice and vote in city council meetings in accordance with council rules and procedures.

The mayor may veto any action passed by the city council, provided it is done before the next regular council meeting and the mayor provides a written explanation for the veto. Any veto by the mayor can be overridden by a vote of five or more council members at the next regular city council meeting.

[old 402 text]

~~In the case of a vacancy in the office of mayor, with more than 120 days of unexpired term remaining, the city council shall forthwith direct the city clerk to call a special meeting of the legal voters of the city for the election of a mayor, and the person elected at such meeting shall serve for the unexpired term and until the mayor's successor is duly elected and qualified. Said special meeting shall be called in the manner provided in Section 3 of this title. Voting shall be by ballot. A special meeting of the voters of the city for the election of a mayor shall be conducted as are other special city meetings. The city council shall determine prior to such special meeting the time during which the ballot boxes shall be kept open. Said time shall not be less than two hours. In the event 120 days or less remain of the unexpired term as a result of such vacancy in the office of mayor computed from the time the vacancy occurs, no special election shall be called to fill the unexpired term.~~

§ 5-403. ~~Nominations to fill v~~Vacancy in office of mayor

In the case of a vacancy in the office of mayor, with more than 120 days of unexpired term remaining, the city council shall forthwith direct the city clerk to call a special meeting of the ~~legal~~ voters of the city for the election of an interim mayor, serve for the unexpired term and until the mayor's successor is duly elected and qualified. Nominations to fill a vacancy in the office of mayor shall be by certificate signed by at least 25 voters. The certificate shall be filed with the city clerk not less than 15 and not more than 25 days before the special election. In the event 120 days or less remain of the unexpired term, the council president shall assume the duties of the mayor.

~~§ 5-404. Duties of the Mayor~~
Text moved into § 5-402 Powers and duties of mayor
~~§ 5-405. Powers of the Mayor~~
Text moved into § 5-402 Powers and duties of mayor

SUBCHAPTER 5: CITY MEETINGS~~;~~, NOMINATION AND ELECTION OF OFFICERS

§ 5-501. City meetings

(a) On the first Tuesday of March in each year, a meeting of ~~legal~~ the voters of ~~said~~the city shall be held as designated on the warning for such meeting, at a place or places to be appointed by the city council ~~of said city~~, and a warning shall be posted ~~in at least three public places within the limits of said city, and at least twelve days previous thereto,~~ in accordance with state statute. ~~which warning shall be signed by the city clerk, or, in case of the city clerk's failure, by the mayor, provided that, if the annual meeting shall fail to be held for want of warning before mentioned, or for any other cause, the city shall not be thereby prejudiced, and the several officers hereinafter mentioned may, at any time thereafter, be elected at a special meeting, called for that purpose, as hereinafter provided; and provided, further, that~~ Any business or election required by this ~~act~~charter or ~~the~~ general law to be transacted at the annual ~~city~~ meeting may also be transacted at ~~such~~a special meeting.

(b) The warning for annual and special city meetings shall, by separate articles, specifically indicate the business to be transacted, including the offices and the questions to be voted upon. The warning shall contain any legally binding article or articles requested by ~~ten percent (~~10%~~)~~ of the registered voters of the city. The warning shall also include any non-legally binding ~~article or~~ articles, including matters of state, national or international importance requested by ~~five percent (~~5%~~)~~ of the ~~registered~~voters ~~of the city and~~. Petitions requesting that an article be placed on the warning shall be filed with the city clerk no fewer than 40 days before the day of the annual meeting.

(c) All budgets, elections, and public questions shall be considered by Australian ballot at annual and special meetings.

(d) A vote taken at an annual or special meeting shall remain in effect unless rescinded or amended. ~~(Amended 2011, No. M-15 (Adj. Sess.), § 2, eff. May 7, 2012.)~~

§ 5-502. Publishing and posting of articles

When questions involving authorization of public improvements and the incurring of debt to pay for the same are to be referred to the voters at an annual or special city meeting, the articles of the warning ~~dealing with the same shall be posted and published as hereinafter provided in Title XI. Such articles will be posted under the caption: "Extract from warning for annual city meeting March...". The extract containing such articles will be signed by the city clerk or, in case of the city clerk's failure, by the mayor. In addition to being posted and published in extract form as above provided, such articles will be included in the full warning to be posted in at least three public places within the limits of said city, at least twelve days prior to the annual city meeting.~~ for such meeting shall be posted as provided by state statute.

§ 5-503. Special city meetings to authorize improvements and incur debt

The city clerk~~,~~ when directed by the city council~~,~~ or when requested in writing by ~~five percent~~ 10% of the ~~legal~~ voters ~~of said city~~ to do so, shall call a special meeting of the voters of the city in the same manner ~~as is~~ provided for ~~the~~ calling ~~of~~ the annual meeting~~;~~. ~~I~~In case of the failure of the city clerk to call such special meeting ~~as aforesaid~~, that duty shall be performed by the mayor~~;~~. ~~except that s~~Special meetings to authorize public improvements and the incurring of debt to pay for the same shall be warned as ~~hereinafter~~ provided by general laws of the state ~~in Title XI~~. The city council shall call the special meeting within 60 days of the application being received by the city clerk. The city council may rescind the call of a special meeting that it initiated ~~by~~ itself, but not a special meeting called upon the ~~application~~petition of ~~ten percent~~ 10% of the ~~registered~~ voters. ~~(Amended 2011, No. M-15 (Adj. Sess.), § 2, eff. May 7, 2012.)~~

§ 5-504. ~~Method of~~ Election of officers

All officers shall be elected by Australian ballot, according to ~~the~~ general laws of the state, except ~~as~~ when otherwise provided in this ~~act~~charter. Candidates' names shall appear in ~~such~~ order on the ballot as shall be drawn by lot ~~and by~~ under the direction of the board of civil authority. Provisions for write-in votes shall be available for voters. ~~The ballot box at the annual meeting or any special meeting called as provided in the event the annual meeting shall fail to be held shall be kept open for a minimum of nine consecutive hours between 6 a.m. and 7 p.m. as shall be designated on the warning for such meeting; and no business except election of officers and matters that by law must be balloted upon, shall be transacted at any annual or special meeting, unless directed by the city council, until after seven o'clock p.m.. Persons shall be checked against the legal voting list before being admitted to city or special meeting procedures taking place after seven o'clock p.m.~~

§ 5-505. ~~Placing of voting machines~~ Conduct of elections

~~The city council shall direct the placing and opening of as many sets of voting machines as there shall be districts in said city, at the place where the annual or any special meeting of the city shall be held, and at such other polling places as the city council may direct, for receiving votes for all officers to be elected and other ballot issues to be voted upon. The number of the district shall be distinctly marked on each voting machine, and notice shall be posted pointing out where the voters of each district shall vote, and the machines shall be so located as, in the opinion of the city council, will best accommodate the voters.~~ The city clerk and board of civil authority shall conduct elections in accordance with general laws of the state.

§ 5-506. Voter checklists ~~of Voters~~

~~Checklists of the voters of the city shall be made in conformity with the laws of this state and this act for all such meetings by the board of civil authority, and the city council shall divide such checklists of voters according to districts and shall arrange the names of the voters in each district in alphabetical order, which checklists so divided as aforesaid shall be certified by the mayor and city clerk as the checklist for each district respectively, and shall be kept at the polling place of such district. All persons who are legal voters in city meetings shall be entitled to have their names added to the checklist for the district where they reside, at the time such check-list is compiled and no person shall vote for any city officers or other item on the warning unless the person's name is on such checklist.~~ The city clerk and board of civil authority shall manage voter qualification, registration, checklist, and absentee balloting in accordance with general laws of the state.

~~§ 5-507. Presiding officer at city meetings~~

~~All city meetings shall be called to order by the mayor. The mayor shall preside at all city meetings, but the mayor may at the mayor's discretion designate a moderator to preside during all or any part of the city meeting.~~

~~§ 5-508. Method of voting tax appropriation~~

~~The tax appropriation consists of three separate items of schools, general fund, and recreation, which shall be voted upon separately by separate ballot, during regular voting hours.~~

§ 5-50~~9~~7. Election of city officers

At the annual meeting ~~the said city~~, Montpelier voters shall elect from among the ~~legal~~city voters ~~thereof~~ a mayor for a term of two years; a city clerk for a term of three years~~;~~, a city council member from each district for a term of two years, ~~one commissioner of Green Mount Cemetery for a term of five years; one park commissioner for a term of five years,~~ other elective city officers, and two school commissioners, each for a term of three ~~(3)~~ years.~~, except that three school commissioners shall be elected in 1974 and each third year thereafter; and one a council member from each district for a term of two years, who~~ Each elected officer shall hold office until ~~their~~a successor~~s are~~ has been duly elected and qualified.

§ 5-5~~1~~008. Certificates of nomination

Certificates of nomination for city offices to be filled at annual city meetings shall be filed by the candidate, or with the candidate's written assent, with the city clerk not less than ~~thirty~~30 nor more than ~~forty~~40 calendar days before such meeting. ~~The list of candidates so nominated and sample ballots shall be posted in at least three public places in the city at least four days before such meeting.~~ All nominations for ~~such~~city offices shall be made by certificate signed by ~~twenty-five~~ 25 or more voters, in accordance with general laws of the state~~,~~. ~~but the same need not be under oath or statement of residence or designation of political party.~~ Candidates running for city council need a certificate signed by 25 or more voters from the specific district in which they reside. A voter shall not sign more than one certificate for the same office except when there are multiple seats to be filled.

§ 5-5~~1~~109. Canvassing of ballots

At the close of the balloting at any city election or annual or special city meeting, the city clerk and the board of civil authority ~~as hereinafter constituted~~, and such other election officers as may be designated by ~~said~~the board of civil authority, shall canvass the ballots cast for all officers and for any proposals ~~voted upon by~~ on the ballot. The clerk shall ~~and~~ report the results in accordance with state statute. ~~to the meeting a list of candidates for whom votes have been cast for each office and the number of votes such candidates have received, and any other result, which shall be recorded by the city clerk. and the~~ The candidate who has received a plurality of the votes cast for each respective city office shall~~, by the mayor or moderator,~~ be declared elected to that office. ~~But an~~ Any election for state or county officers or representatives to the general assembly shall, in all cases, be conducted according to the general law of the state.

§ 5-5~~12~~10. ~~Other~~ Vacancies in city offices

A vacancy in an elective office occurs upon the death, resignation of the office holder, inability to serve, removal from the city, and in the case of a council member, removal from the district. ~~All other vacancies~~ Vacancies occurring in an elective office with more than 90 days of unexpired term remaining, excepting a vacancy in the office of council member or school commissioner, shall be filled by the city council until the next annual meeting of the city. The unexpired term of any office filled as provided in this section shall, at the next annual meeting of the city, be filled by election for the balance of ~~said~~the term in accordance with general law.

~~§ 5-513. Vacancies created~~ *Text moved into* § 5-512

§ 5-5~~14~~11. Reconsideration and rescission

(a) Action taken on a warned article at an annual or special meeting may be submitted to the voters at a subsequent annual or special meeting on motion of the city council or pursuant to a petition requesting reconsideration or rescission signed by not less than ~~ten percent (~~10%~~)~~ of the registered voters and filed with the city clerk within 30 days following the date of the annual or special meeting at which the action was taken.

(b) A majority vote in favor of reconsideration or rescission shall not be effective unless the number of votes in favor of reconsideration or rescission exceeds ~~two-thirds~~ 2/3rds of the number of votes cast for the prevailing side at the original meeting. ~~[effective May 7 2012]~~

§ 5-5~~15~~12. School budget vote

The school budget shall be voted ~~by~~as a separate ballot item at annual meeting ~~during regular voting hours~~. ~~[effective May 7 2012]~~

SUBCHAPTER 6: SCHOOLS

§ 5-601. School commissioners

The exclusive management and control of the public schools and of all school property of the city shall be vested in a board of seven (7) school commissioners for terms of three (3) years.

§ 5-602. Election of board officials

The board of school commissioners shall annually, not later than the second Wednesday after the

first Tuesday in May, elect one of their number chairman of said board, one of their number vice-chairman, one of their number secretary of said board, and one of their number treasurer of said board. The board shall require its treasurer and other commissioners it deems necessary to give bond to the city to the satisfaction of the board for faithful discharge of their trust. If the board shall require a bond with a fidelity company as surety, the expense thereof shall be paid from the school fund. The board may, by agreement with the city council, provide that its treasurer be covered under a blanket bond to be contracted as authorized by Section 9 of Title IX. In such event, an equitable proportion of the cost of such blanket bond shall be paid out of the school fund.

§ 5-603. Vacancy in the office of school commissioners.
A vacancy in the office of school commissioner with more than 90 days of unexpired term remaining shall be filled by the remaining members of the board of school commissioners under the next annual meeting of the city.

§ 5-604. Superintendent of Schools.
The board of school commissioners shall, at the meeting specified in Section ~~2~~ 602 above or at any subsequent meeting, appoint a superintendent of schools who shall not be one of their number. The board shall fix the compensation of the superintendent of schools, and said compensation shall be paid in the same manner as other expenses for the support of schools.

§ 5-605. Duties of superintendent of schools.
The superintendent of schools shall perform such duties in connection with the public schools of the city as shall be assigned to the superintendent by the board of school commissioners. The superintendent shall annually report to the city council such statistics as are required to be kept by law and such other information as the board of school commissioners shall direct.

§ 5-606. Term of office
The superintendent of schools may be appointed for a term not to exceed three years. The board of school commissioners may remove the superintendent of schools for causes of incapacity, neglect of duty, or misconduct. Said board shall by appointment fill all vacancies in such office.

§ 5-607. Annual school report
The board of school commissioners shall submit to the city council, on or before February 15 of each year, its annual report on the status of the schools. Said report shall include an estimate of the necessary expenditures for the support of schools for the ensuing year, the amount of school income to be received from sources other than local taxation and a recommendation of the amount of money to be raised by local taxation for the support of schools for the ensuing year. Said report shall be published with the report of city officials.

§ 5-608. Requisition of school fund

The board of school commissioners shall, from time to time as the same shall be required, make requisitions on the city council for warrants on the city treasury for such sum of money as they shall require for the payment of the expenses of the schools, which warrants in the aggregate in any year shall not exceed the amount of the school fund established as provided by Section 13 of Title VI of this act.

§ 5-609. Deposit of school revenues

All moneys received by the school board from tuition and other sources, except from the city treasurer on requisition as provided in the preceding section, shall be turned over to the city treasurer, unless specifically exempted by the city council. The board of school commissioners shall have no authority to expend any money which may be received by them from any source, except such as may be received from the city treasurer on requisition as above provided, or unless specifically exempted by the city council.

§ 5-610. Borrowed funds appropriated to school fund

All money received from notes or bonds issued by authority of the legal voters as provided in Title XI of this act for improvements relating to schools or school property shall be appropriated to the school fund, and may be spent by the board of school commissioners for the purpose for which issue of said notes or bonds was authorized.

§ 5-611. Payment of school notes and bonds

The board of school commissioners shall include in its estimate of necessary expenditures for the support of schools and its recommendation of the amount of money to be raised by local taxation for the support of schools, which estimate and recommendation are provided for in Section ~~7 of this title~~607 of this subcharter, the amount of money required for payment of principal and/or interest on any bonds or notes heretofore or hereafter issued by the City of Montpelier for school purposes and said amount shall be specifically designated in said estimate and recommendation by the board of school commissioners. The city in voting money for school purposes at any annual or special meeting shall include in the amount voted for the support of schools said amount of money needed for the payment of principal and/or interest on bonds or notes heretofore or hereafter issued by the city for school purposes. Said amount of money required for the payment of principal and/or interest on bonds or notes as hereinbefore set forth shall be used by the board of school commissioners for the purpose of paying said principal and/or interest. In case of conflict between this section and other provisions of this charter, this section will prevail.

§ 5-612. Financial report to city treasurer

The board of school commissioners shall each year, after its accounts have been audited, make available to the city treasurer, on request, all vouchers showing money expended during the

preceding year, which vouchers shall be kept by the school system.

§ 5-613. School fund

The city council shall annually appropriate such dollar amount as may be voted for the support of schools at the annual city meeting or any special city meeting duly warned and held for that purpose, all such moneys as shall be received from the state for the use of schools, all moneys and income from tuition and any other sources for the use of schools, and the income of any other property or money donated by any person to the city for the use of schools, all money as may be received from the federal government for the use of schools and money received from any source and specifically designated as money to be used for schools, the total amount of which shall be kept by the city treasurer, unless especially exempted by the city council, and the city council shall authorize warrants drawn on the city treasury for the payment of the same to the treasurer of the board of school commissioners, upon requisition made by such board, at such times and for such amount, not exceeding in the total for the year the amount of the school fund, as such requisition shall designate.

§ 5-614. Compensation

The school commissioners shall receive as compensation for their services such sum as may be voted to them at the annual meeting of each year.

SUBCHAPTER 7: CITY ORDINANCES

§ 5-701. Council authority

The city council may ~~make, alter~~adopt, amend, ~~or~~ repeal, and enforce any ~~resolution,~~ by-law, regulation, or ordinance which it may deem necessary and proper for carrying into execution the powers granted by this ~~act~~ charter and state law or for the well being of ~~said~~ the city, in accordance with 24 V.S.A § 2291, as may be amended from time to time. ~~provided such resolution, by-law, regulation, or ordinance shall not conflict with the federal or Vermont constitutions or federal laws or laws of this state or this act.~~

§ 5-702. ~~Enactment~~ Ordinance adoption, notice, ~~Procedure~~ and effective date

~~No~~ A proposed by-law, regulation or ordinance shall be ~~effective~~adopted upon ~~its passage at the time of its introduction but the same shall be laid upon the table at least until the next regular meeting of the city council~~. completion of the process that includes public notification and public hearing prior to passage by the council. ~~Such by-law, regulation, or~~ The adoption or amendment of an ordinance shall be ~~forthwith published by title only in some newspaper of general circulation in said city, together with a notice that the city council is to consider the same at its next regular meeting, and a copy thereof shall be conspicuously posted in the city clerk's office~~. warned in accordance with 24 V.S.A. § 1972, as may be amended from time to time, in addition to posting on the city website and public notice six days prior to effective date. ~~At least six days before its effective date, such by-law, regulation, or ordinance shall be published at least once in some newspaper of general circulation in said city.~~ An ordinance takes effect 15 days after passage unless the city council or the clerk receives a petition signed by 5% of the voters calling for a public vote to disapprove the ordinance.

~~§ 5-703. Notice before final action.~~
~~In the enactment or general revision by said city council of a body of by-laws, regulations, or ordinances, no notice or publication in respect thereto shall be required beyond the conspicuous posting of a copy of the same in the city clerk's office and publication of an appropriate notice in some newspaper of general circulation in said city forthwith upon introduction, and at least ten days prior to final city council action upon the same. A printed copy of such body of by-laws, regulations, or ordinances shall be available at the city clerk's office for delivery to any adult inhabitant of the city at least ten days before the effective date of such body of by-laws, regulations, or ordinances.~~

§ 5-704. Record of ordinances
The city clerk shall prepare and keep in the city clerk's office the ordinances ~~finally~~ passed by the council, ~~together~~ with a complete index of the ordinances according to subject matter. City ordinances shall be available on the city website.

§ 5-705. ~~Penalty for~~ Violation of an ordinance
~~Any person who shall violate any by-law, regulation, or ordinance adopted pursuant to the authority of this title may, on conviction of such violation, be fined not in excess of five hundred dollars ($500.00) and committed to a correctional facility designated by the state commissioner of corrections for a term not exceeding three months, in addition to or in lieu of fine, at the discretion of the court. If any person convicted of violation of a by-law, regulation, or ordinance adopted under the provisions of this title shall neglect to pay such fine and costs as the court in its discretion shall adjudge, subject to the limitations herein contained, such person shall be committed to the correctional facility designated by the state commissioner of corrections under the same regulations, and for the same term and in the same manner provided by law when fines in criminal matters are not paid. All fines, penalties, taxes, and moneys paid for licenses and permits under authority of this title shall belong to the city and shall be paid into the city treasury.~~ The violation of an ordinance shall be enforced according to state statute~~, 24 V.S.A. § 1974 and 1974 (a)~~.

§ 5-706. Actions in tort
In addition to ~~the~~any fine and other punishment ~~above~~ provided for ~~any~~ violation of a by-law, regulation, or ordinance ~~adopted under the authority of this title~~, the City of Montpelier may have and maintain an action in tort founded on this statute against any person damaging or destroying ~~any of the~~city property ~~of said city,~~ or injuring or corrupting ~~any of~~ the water supply or water system of ~~said~~the city, and may recover treble damages against such person.

§ 5-707. ~~Violations by Non-residents.~~ Public nuisances
~~If any person while residing without this state and owning real or personal property within this state shall, personally or by the person's agents or servants, violate any by-law, regulation, or ordinance lawfully made by the city council, the city may sue for and recover the penalty for violation of such by-law, regulation, or ordinance, in an action founded on this statute and the ordinance. In such suit, the city shall proceed in the same manner as in civil actions against persons residing without the state having property within the state.~~ In prosecutions for public nuisances, possible relief for the city may include damages and injunction relief, as well as

orders to authorize the city to remedy the nuisance, if possible, and charge the offending party.
*Comment/change: JPG and PSG suggest deleting old, obsolete language in this section, addressing violations by non-residents. New language recommended by JPG allows the city to address issues that are public nuisances and makes old language in **§** 708 redundant and unnecessary.*

~~§ 5-708. Liability for damages~~
~~A person violating any by-law, regulation, or ordinance of the city shall be liable in damages to the city or to any person who shall sustain damages as the direct result of said violation and such damage may be recovered in an action declaring upon such by-law, regulation, or ordinance.~~

SUBCHAPTER 8: BOARDS AND COMMISSIONS

§ 5-801. Green Mount Cemetery Commissioner~~s~~

The ~~commissioners of~~ Green Mount Cemetery commission shall ~~constitute a board of cemetery commissioners and shall~~ have charge of all public cemeteries and burial grounds in the city with the same power and authority as similar officials in towns. Commissioners of ~~said~~ the Green Mount Cemetery shall be elected at the annual meeting of the city to comply with the charter of ~~said~~ the Green Mount Cemetery ~~and~~. T~~t~~hey and the city treasurer shall have all the authority and carry out all the conditions made by the charter of Green Mount Cemetery. ~~Said~~ These commissioners shall be five in number, and one shall be elected at each annual meeting for a five-year term. ~~Commissioners already in office shall continue to serve until their terms are completed.~~ Vacancies on the board shall be filled by the remaining commissioners until the next annual meeting of the city.

§ 5-802. Park**s** commissioner~~s~~

The ~~board of park commissioners~~ parks commission shall consist of five members, one of whom shall be elected at each annual meeting for a five-year term. ~~Commissioners already in office shall continue to serve until their terms are completed~~. Vacancies in the ~~board~~ commission shall be filled by the remaining commissioners until the next annual meeting of the city. ~~Said~~The commissioner~~s~~ shall have charge of the construction, maintenance, and control of all public parks within the city. The term "public parks" shall not be construed to include recreational fields and playgrounds.

§ 5-803. Board of civil authority

(a) The city council, city clerk and the justices of the peace resident in the city shall constitute the board of civil authority which~~for the city, and, in conjunction with the city assessor and city clerk shall constitute a board for the abatement of taxes and shall be governed by the general laws of the state in respect to the abatement of taxes. The board of civil authority and the board for the abatement of taxes~~ shall perform all the duties imposed by law upon such boards in towns, except as otherwise provided in this ~~act~~charter.

(b) All meetings of the board of civil authority ~~and the board for the abatement of taxes~~ shall be called by the mayor who shall request the city clerk to notify the members thereof of the time and place of such meeting, either personally or by written notice duly mailed to each member at

least five days before such time appointed. If the mayor fails to call a meeting of the board of civil authority when such meeting is required by law, the city clerk shall call such meeting and shall notify the members.
~~(b) The board of abatement, consisting of the board of civil authority, the city assessor, and the city treasurer, shall meet on the first Tuesday in June in each year, which meeting may be adjourned from time to time thereafter for the purpose of considering the abatement of paid taxes as provided by law 24 V.S.A. §1535. All requests for the abatement of paid taxes shall be filed with the city clerk at least five (5) days before the date of such meeting. The city clerk shall cause such meeting to be warned by posting and publishing a notice of the same at least fifteen (15) days prior to such meeting and also five (5) days prior to such meeting.~~

(c) A minimum of 1/3rd of the members shall constitute a quorum. Annually, at the first meeting of the board of civil authority after the annual city meeting, the members of the board shall elect one of their members as chair of the board to serve until after the next city election. The chair shall preside at each meeting of the board. The city clerk shall preside at each meeting until the presiding officer is chosen. The board of civil authority shall meet before all annual or special meetings, state and national elections, and before city party caucus dates for the purpose of adding and purging the voter checklist.

§ 5-804. ~~Meetings of the Board of Civil Authority~~ **Board for abatement of taxes**
(a) The board for abatement, consisting of the board of civil authority, the city assessor, and the city treasurer, shall be governed by the general laws of the state in respect to abatement of taxes. The board for abatement shall meet on the first Tuesday in June in each year, which meeting may be adjourned from time to time thereafter for the purpose of considering abatement of paid taxes as provided by general law; 24 V.S.A. §1535, as may be amended from time to time. All requests for ~~the~~ abatement of paid taxes shall be filed with the city clerk at least five days before the date of such meeting. The city clerk shall cause such meeting to be warned by posting and publishing a notice of the same at least ~~fifteen~~15 days prior to such meeting and also five days prior to such meeting.

(b) All meetings of the ~~board of civil authority and the~~ board for ~~the~~ abatement of taxes shall be called by the mayor who shall request the city clerk to notify the members thereof of the time and place of such meeting, either personally or by written notice duly mailed to each member at least five days before such time appointed. ~~In event of failure of~~ If the mayor fails to call a meeting of the board ~~of civil authority or the board~~ for ~~the~~ abatement of taxes when such meeting is required by law, the city clerk shall call such meeting and shall notify the members. ~~thereof of the time and place of such meeting by written notice mailed to each member at least five days before such time appointed. A minimum of one-third of the members shall constitute a quorum. Annually, at the first meeting of the board of civil authority after the annual city meeting, the members of the board shall elect one of their members as chair of the board to serve until after the next city election. The chair shall preside at each meeting of the board. The city clerk shall preside at each meeting until the presiding officer is chosen. The board of civil authority shall meet before all annual or special meetings, state and national elections, and before city party caucus dates for the purpose of adding names to the checklist.~~

§ 5-805. Planning commission

The planning commission ~~of the City of Montpelier~~ shall consist of seven members appointed by the city council for two-year terms in accordance with general law, ~~Title~~ 24~~,~~ V.S.A.~~,~~ ~~as amended, Chapter 91,~~ §§ 4322-4323, as may be amended from time to time. The planning commission shall perform such planning functions and duties as may be required by the city council, charter, ordinances, or applicable state laws.

§ 5-806. ~~Board of Adjustment~~ Development review board

The development review board ~~of adjustment of the City of Montpelier~~ shall consist of five ~~(5)~~ regular members and two ~~(2)~~ alternate members, appointed by the city council for three-year terms in accordance with general law, ~~Title~~ 24~~,~~ V.S.A., as amended, Chapter 117, § 4461, as may be amended from time to time. The development review board ~~of adjustment~~ shall, upon the request of an interested person, hear the appeal of any decision or act taken by the administrative officer in accordance with the procedures outlined in ~~Title~~ 24, V.S.A., ~~as amended~~, Chapter 91, sub-chapter 8~~;~~, as may be amended from time to time, and perform such other duties as may be required by the city council, charter, ordinances or applicable state laws. A quorum ~~of the board of adjustment~~ shall consist of a minimum of three regular or alternate members up to a maximum of five regular or alternate members ~~and a minimum of three (3) regular or alternate members~~. Alternate members may serve on the board when one or more regular members are unable to attend a meeting. The development review board ~~of adjustment~~ shall be further governed by the rules and procedures ~~for the board of adjustment~~ as provided in the city ordinances.

§ 5-807. Recreation governance

(a) The city may establish, maintain and conduct a system of public recreation including playgrounds; may set apart for such use any ~~other~~ land or buildings owned or leased by ~~it~~ the city; may acquire land, buildings and recreational facilities by gift or purchase; ~~and~~ may issue bonds therefore as provided by law and equip and conduct the same; may employ a director of recreation and other employees as necesssary~~assistant~~; and may expend funds for the aforesaid purposes.

(b) The ~~legislative body~~ city council may conduct the same through a department ~~or bureau~~ of recreation~~;~~. Alternately, the council~~or~~ may delegate the conduct thereof to a recreation~~al~~ board created by ~~them~~ the council, or to ~~a~~the school board, or to any other appropriate existing board or commission.

(c) If the council chooses to appoint a~~The~~ recreation board, it~~of the City of Montpelier~~ shall consist of five ~~(5)~~ members appointed by the ~~legislative body~~council for three-year ~~(3)~~ terms~~, or in the case of a commission, elected at large at the annual meeting of the city~~. The recreation board shall perform such planning functions and duties as may be required by the ~~legislative body~~council, charter, ordinances, or applicable state laws.

(d) The recreation ~~board~~ budget shall be an integral part of the city budget and under the control of the ~~legislative body~~city or its designee.

§ 5-808. ~~Meetings of Board of Abatement.~~ **Council authority over boards and commissions**

~~The board of abatement, consisting of the board of civil authority, the city assessor, and the city treasurer, shall meet on the first Tuesday in June in each year, which meeting may be adjourned~~

~~from time to time thereafter for the purpose of considering the abatement of paid taxes as provided by law. All requests for the abatement of paid taxes shall be filed with the city clerk at least five days before the date of such meeting. The city clerk shall cause such meeting to be warned by posting and publishing a notice of the same at least fifteen days prior to such meeting and also five days prior to such meeting.~~

(a) City council has the authority to create new boards and commissions. City council also has the authority to consolidate or eliminate any city boards and commissions not required by law.

(b) Upon approval of 2/3rds of its members, the council has the authority to remove a member of a board or commission ~~who has unexcused absences at four or more consecutive meetings of the respective board.~~

§ 5-809. Youth members
The city council may appoint non-voting youth members to city boards and commissions, in addition to the regular appointed members. Youth members shall be enrolled in a secondary school at the time of appointment. Appointments shall last one year, commencing in the beginning of the regular school year calendar.

SUBCHAPTER 9: ADMINISTRATION

§ 5-901. Fiscal year
The fiscal year ~~of the City of Montpelier~~ shall begin the first day of July and end ~~of~~ the 30th day of June each year~~,~~ or as otherwise authorized by the ~~legal~~ voters of the city.

§ 5-902. Annual city budget
The city manager shall prepare and submit a proposed fiscal budget to the city council in December or in compliance with their agreed upon schedule. ~~on or before March 1st of each year.~~ The ~~city~~ council shall have the authority to set~~change~~ the budget submission date~~. when in the opinion of the council it is in the best interests of the city to change the date.~~

§ 5-903. Council action on the budget
The city council shall review the annual city budget as submitted by the city manager at budget meetings established by the council. The meetings of the city council upon the budget shall be open to the public. During its review of the proposed budget, the city council may add or increase budget programs or amounts and may delete or decrease any programs or amounts, except expenditures required by law or for fixed debt service requirements.

§ 5-904. Administrative officers
The administrative officers of the ~~C~~city ~~of Montpelier~~ shall be those provided by law for towns except as otherwise provided by this charter. ~~Such o~~Officers shall have all the powers and duties necessary to carry out the provisions of this charter as well as those provided by law.

§ 5-905. Election and tenure of c~~C~~ity clerk ~~and city treasurer~~
The city clerk shall be elected by the voters of Montpelier for a term of three years ~~and the city~~

~~treasurer shall be appointed~~. Following the~~ir~~ election ~~and qualifications~~, the city clerk may appoint one or more assistant ~~city~~ clerks ~~and assistant city treasurers, respectively~~. In the event of a vacancy in the office of city clerk ~~or city treasurer~~, the assistant city clerk ~~or assistant city treasurer, respectively,~~ shall assume the duties of ~~such~~ the office until such time as the vacancy is filled. The powers, authority, and responsibilities of the city clerk shall be those prescribed by general law in addition to those set forth in this charter.

§ 5-906. ~~Administrative code~~ Appointment of city treasurer

The city treasurer shall be appointed by the city council. The treasurer shall serve as an officer and employee of the city under the city manager's administrative control. ~~The administrative code of the City of Montpelier shall provide for the administration of city government by various departments and divisions and defining the functions and duties of each.~~

Comments: There is no administrative code. Committee agreed to delete text about administrative code and recommends making this section apply to the treasurer, since it is now a council appointed officer and city employee (see also Subchapter 3 City Council, section 317 Council appointments)

§ 5-907. Personnel administration and benefits

The city council may adopt rules relating to personnel administration, including the following: job classification, tenure, retirement, pensions, leaves of absence, vacation, holidays, hours of work, group insurance, salaries, layoffs, reinstatement, promotion, demotion, dismissal, transfer, injury, and settlement of disputes and appeals.

~~§ 5-908. Payment of contractual accrued liability~~

~~In case a contract or contracts shall be made pursuant to Section 6 above with one or more insurance companies or associations of recognized standing, or with any retirement group, plan, or fund established by the State of Vermont, any accrued liability existing at the time of execution of such contract or contracts may be paid over a period of not more than twenty (20) years if the other contracting party or parties agree. The city council is hereby authorized, as a specific exception to the restrictions of this charter prohibiting the creation of indebtedness by the city council, to contract for the payment of such accrued liability over a period not to exceed twenty (20) years, or to issue a note or notes of the city in the amount of such accrued liability, said note or notes to be payable within a period of not more than twenty years.~~

§ 5-909. Annual city report

A full record of expenditures shall be kept and a clear statement of all receipts and disbursements of city money and of the affairs of the city generally, together with the report of the board of school commissioners, auditors, and other city officials, shall be annually published under the direction of the ~~mayor,~~ city manager. ~~and a~~ A reasonable number shall be made available for distribution among the voters of the city at least ~~ten~~10 days prior to the annual city meeting. Such report shall include estimates of receipts and proposed expenditures of the city for the ensuing year.

§ 5-910. Officers' bonds

All officers ~~required by this charter or the general law to give bonds, and all officers~~ from whom the city manager may require bonds, or as required by state statute, shall annually give bonds to

the city, to the satisfaction of the city manager, for the faithful discharge of their respective trusts. Such bond shall be given before the officer concerned enters upon the officer's duties. If the city manager requires a bond with a fidelity company as surety, the city shall pay the expense thereof. The city manager may~~, in the city manager's discretion,~~ contract for one blanket bond to cover all city officials and employees required to furnish bonds. Such blanket bond may, with the concurrence of the ~~board of~~ school commissioners and other boards or agencies requiring bonds from officers and employees under their control, cover the treasurer of the board of school commissioners and other officers or employees under control of such boards.

~~§ 5-911. Authority of police officers~~
~~All police officers and the city sheriff appointed under authority of this charter shall have authority to serve anywhere within this state and return process in criminal causes returnable within the state, and for such duties there shall be taxed and allowed the fees provided by law for a sheriff for similar services. Such fees shall be paid into the city treasury and shall belong to the city whenever such officer shall be under pay from the city. Said police officers and city sheriff shall have the same powers and liabilities as are prescribed by law for constables of towns in all matters arising under the criminal and police laws of this state, and the ordinances and police regulations of the city.~~

SUBCHAPTER 10: CITY MANAGER

§ 5-1001. Appointment, eligibility, ~~and~~ qualifications

The city manager shall be chosen and appointed by majority vote of the city council for an indefinite term, solely on the basis of the city manager's professional qualifications. The city manager~~, and~~ need not be a resident of ~~the City of~~ Montpelier or the State of Vermont at the time of appointment, but shall ~~be expected to~~ reside in the city during the city manager's tenure of office unless other conditions are approved by the council.

§ 5-1002. ~~Compensation of the~~ City manager employment contract

The city council shall enter into a written agreement with the city manager establishing terms of employment, including ~~fix the~~ salary and related benefits.~~ of the city manager.~~

§ 5-1003. Oath of office

The city manager shall be required to take ~~an~~the oath of allegiance and the oath of office as prescribed in the Constitution of the State of Vermont before entering upon the city manager's duties. (See Subchapter 14 General, Section 1401 Oath of Office)

§ 5-1004. Removal of ~~the~~ city manager

The city manager may be removed from office by a majority vote of the city council at a duly warned meeting for that purpose, as provided by general law or employment contract. At least ~~thirty~~30 days prior to the effective date of such removal, the city council shall by majority vote of its members adopt a resolution stating the reason for the removal, and cause a copy of such resolution to be given to the manager. ~~The manager shall have the right to reply in writing and request a public hearing upon the reasons for the dismissal. The public hearing in this matter shall be held not earlier than twenty nor later than thirty days after the filing of a request for public hearing with the city clerk.~~ The city council may by such resolution immediately suspend

the manager from active duty, but shall continue the manager's salary until final dismissal~~, at which time any unpaid balance of the manager's salary for the next three calendar months shall be paid~~ unless otherwise contracted between the council and city manager.

§ 5-1005. Vacancy in ~~the~~ office of city manager

During times of vacation and planned absences, the city manager shall designate an acting city manager to perform the duties of the office. In the event of a vacancy in the office of city manager, or during the temporary absence or disability of the city manager, the city council, by resolution of the majority of its members, may appoint an ~~"~~acting city manager~~"~~ to perform the duties of the office~~,~~. ~~and~~The council shall set~~fix~~ the compensation of the person so appointed. The acting city manager shall have all the powers and duties of the city manager, except ~~the power to appoint and remove officials.~~ any appointment or removal of officials or employees by the acting city manager shall be confirmed by the city council. ~~The city council shall make temporary appointments to fill any vacancy in an office appointed by the city manager.~~

§ 5-1006. Powers and duties of ~~the~~ city manager

The city manager shall be the administrative head of the city government~~,~~. The city manager ~~and~~ shall be responsible to the city council for the administration of the affairs of the city~~,~~ and for carrying out the policies of the city council. The powers and duties of the city manager shall be as follows:

(a) Ensure~~The city manager shall see~~ that all laws and ordinances are enforced~~; and~~

(b) ~~Shall e~~Exercise administrative control over all departments ~~herein created or that may be created by administrative codes; and~~

(c) ~~Shall m~~Make appointments and removals as provided in this charter~~; and~~

(d) ~~Shall p~~Prepare the annual fiscal budgets to be submitted to the city council ~~on or before the date set each year by the city council; and~~ for review and adoption prior to annual meeting

(e) ~~Shall a~~Attend meetings of the city council, take part in the ~~business~~ discussion, provide requested and relevant data, and make ~~such~~ recommendations for the determination of policy as the city manager may deem expedient~~; and~~

(f) ~~Shall a~~Act as purchasing agent for all city departments, except schools~~; and~~

(g) ~~Shall fix the~~Set salaries and wages of all employees under the city manager's jurisdiction in accordance with this charter, fiscal budgets, and personnel policies~~; and~~

(h) ~~Shall a~~Administer the personnel policies, job classifications, and pay plan~~;~~, and is authorized to take final action on all personnel issues for positions under the manager's administrative control

(i) ~~May d~~Delegate responsibility for administrative duties to department heads and subordinate officers~~;~~ and

(j) ~~Shall p~~Perform such other duties as may be prescribed by this charter or required by the city council.

§ 5-1007. City manager appointments

Except for those appointments made by the city council as provided for in this charter, the city manager shall make ~~the following~~ appoint~~ments~~ and remove all city employees including chief of the fire department~~;~~, chief of police~~;~~, director of public works~~;~~, director of planning and community development, finance director, senior center director, ~~city engineer; superintendent of streets, water and sewers; city grand juror;~~ zoning administrative officer~~;~~, city assessor~~;~~, ~~civil defense director;~~building inspector~~;~~, assistant ~~to~~ city manager~~;~~, ~~city sheriff; city constable;~~ health officer~~;~~, ~~pound keeper;~~ parks director/tree warden~~;~~, recreation director,~~employees; credit union loan board;~~ tax collector, and ~~such~~all other officers and employees ~~subordinate officers~~ as may be required by general laws of the state, by this charter, or by the city council. City manager appointments shall serve ~~indefinitely or as defined by congtract unless~~ until removed by the city manager. Removals by the city manager shall be in accordance with any personnel policy or plan adopted in accordance with Subchapter 9 of this charter, section 907.

~~§ 5-1008. Termination of appointments~~

~~The appointments of the city manager shall continue in effect until ninety (90) days after a new city manager is appointed by the city council and assumes the city manager's duties, at which time they shall terminate, and the new city manager shall fill all vacancies by appointment in accordance with this charter.~~

§ 5-1009. Non-interference by ~~the~~ city council

(a) Neither the city council as a body nor any of its members shall dictate or attempt to dictate the appointment of any person to office or employment, ~~n~~or the removal of any person from office or employment by the city manager. The city manager may seek the advice of the city council or its members in matters of appointment or employment, but shall be free to exercise the city manager's own judgment.

(b) In addition, neither the city council nor any of its members shall collectively or individually give orders either publicly or privately to any department head or employee of the city under the jurisdiction of the city manager but shall deal solely through the city manager, except for purposes of inquiry.

SUBCHAPTER 11: INDEBTEDNESS~~,~~; ~~SINKING FUND;~~ BONDS, AND NOTES FOR IMPROVEMENTS

§ 5-1101. Powers

The city may issue bonds or notes for any improvement authorized by general or special law including this charter. The word "improvement," as used in this subchapter, shall have the meaning ascribed to it by the general laws of the state ~~§ 1751(3))~~ and shall include~~, apart from its ordinary signification, the acquisition of land, the construction or purchase or remodeling of buildings or additions, the purchase and installation of furnishings or equipment for any new or existing improvement or department, the construction of water works, the construction of sewers~~

~~and sewage treatment or disposal plants, the construction of streets or bridges or sidewalks,~~ the acquisition and construction of facilities for the production and delivery of heat and of devices, facilities, and other measures to conserve energy or promote efficient energy use, and the acquisition or construction of any other work or improvement for which municipalities of the state may now or hereafter be authorized to ~~raise money~~incur debt.

§ 5-1102. Submission to voters, public improvements

(a) When the city council shall determine that the public necessity or interest demands improvements~~,~~ (other than improvements relating to schools or school property) and that the cost of the same will be too great to be paid out of the ordinary ~~annual income and~~ revenue of the city, ~~it~~the council may by vote of ~~two-thirds~~2/3rds of ~~all~~ its members order the submission of ~~the~~a proposition ~~of~~to make~~ing~~ such improvements and incur~~ring a~~ debt to pay for the ~~same~~ to the ~~legal~~ voters of the city at an annual or special meeting ~~to be~~ warned and held for that purpose.

(b) The city council shall, on receipt of a petition signed by 10% of the voters, promptly order the submission of a proposition to make such improvements and incur debt to pay for them to the voters of the city at an annual or special meeting warned and held for that purpose.

§ 5-1103. Submission to voters, school improvements

When the school board ~~of school commissioners~~ shall determine that the public necessity or interest demands improvements relating to schools or school property, or upon a petition signed by at least 10% of the voters, and that the cost of the same will be too great to be paid out of ordinary ~~annual income and~~ revenue of the city, ~~it~~the school board may by vote of ~~two-thirds~~ 2/3rds of ~~all~~ its members request the city council to order the submission of ~~the~~a proposition ~~of~~to make~~ing~~ such improvements and incur~~ring a~~ debt to pay for the ~~same~~ to the ~~legal~~ voters of the city at an annual or special meeting ~~to be~~ warned and held for that purpose. The city council shall, on receipt of such a request from the school board ~~of school commissioners~~ or by petition, promptly order the submission of a ~~the~~ proposition ~~of~~to make~~ing~~ such improvements and incur~~ring a~~ debt to pay for the ~~same~~ to the ~~legal~~ voters of the city at an annual meeting or special meeting ~~to be~~ warned and held for that purpose.

§ 5-1104. Warning

The warning calling such meeting shall state the object and purpose for which the indebtedness is proposed to be incurred, the estimated cost of the improvements, and the maximum amount of debt to be incurred therefore and shall fix the place where and the date on which such meeting shall be held and the hours of opening and closing of polls.

§ 5-1105. Notice of meeting

The city clerk shall cause the warning of such meeting ~~or the extract thereof provided for in Section 2 of Subchapter 5~~ to be published as provided by general laws of the state. ~~in a newspaper of known circulation in said city once a week for three consecutive weeks on the same day of the week, the last publication to be not less than five nor more than ten days before such meeting. The city clerk shall also cause certified copies of such warning or extract to be posted in six public places within said city not less than 14 nor more than 20 days immediately preceding such meeting.~~

§ 5-1106. Authorization

When a majority of all the voters voting on such proposition at an annual meeting~~,~~ or special city meeting~~, provided the total number of voters voting on such proposition at such special meeting is equal to at least ten percent of the number of names on the check-list of persons qualified to vote at the last annual meeting,~~ shall vote to authorize such improvements and the incurring of debt to pay for the same, the city council (or, if the improvements relate to schools or school property, the school board ~~of school commissioners~~) shall be authorized to make such improvements.

§ 5-1107. Conduct of meetings

The qualifications of voters at all such city meetings shall be the same as the qualifications of voters at annual city meetings, and such meetings shall be conducted in the same manner as city meetings are conducted. The vote on the question of making the improvements and incurring a debt shall be by Australian ballot in the form provided by general laws of the state. ~~The form of ballot to be used shall be substantially as follows:~~

~~Shall the city make the following public improvements, viz: (stating them), and incur not exceeding $_____ debt to pay for the same?~~

~~If in favor of this proposal make a cross (X) in this square [ ]~~

~~If opposed to this proposal make a cross (X) in this square [ ]~~

§ 5-1108. City council action

When the incurring of a debt has been authorized by the voters in the manner above provided, the city council shall determine by resolution whether notes or bonds are to be issued and the terms thereof. ~~Notes for this purpose shall mean obligations payable to or to the order of a named payee, or to bearer, without interest coupons attached, and shall mature within ten years from date at such time or times and in such amount or amounts, not exceeding the amount fixed by vote of the city meeting, as the city council may by resolution establish.~~

§ 5-1109. Bonds, maturities

All bonds issued under this subchapter shall be payable serially, the first payment to be deferred not more than five years after date of issue and subsequent payments to be continued annually in equal or diminishing amounts so that the entire debt will be paid in not more than ~~twenty-five~~ 25 years from the date of issue~~,~~ or ~~within such period in excess of twenty-five years~~ as may be otherwise permitted by law.

§ 5-1110. Debt limits

~~The city shall not incur an indebtedness for improvements which with its previously contracted indebtedness, shall in the aggregate exceed ten times the amount of the last grand list of the city. Bonds or obligations given or created in excess of the limit authorized hereby and contrary to the provisions hereof shall be void. In determining the amount of city indebtedness permitted by this subchapter, obligations created for current expenses, for the water supply system, for an income-producing public sewage disposal system, for parking meters and publicly-owned parking facilities which produce income, and temporary loans created in anticipation of the collection of taxes shall not be taken into account. Sinking funds and other moneys set aside for the sole purpose of paying outstanding bonds or notes which are subject to the above limit shall be deducted. There shall also be deducted any indebtedness created for any purpose authorized by~~

~~the general statutes, which by the terms of such statutes is made exempt from debt limit restrictions which otherwise would apply.~~ The city's debt limits shall be calculated as provided by general laws of the state.

§ 5-1111. Specifications

The city council shall ~~determine~~approve the rate of interest, the date, the denominations, the time and place of payment, and the form of such bonds or notes. The city council may provide that the bonds or notes be sold on a competitive bid basis or by negotiated sale ~~bids fixing the rate of interest, and if so sold, the accepted bid shall fix the rate of interest the bonds are to bear~~.

§ 5-1112. Taxes to meet interest and payments

At the time of voting a general tax levy, the city shall provide annually for the assessment and collection each year, until such bonds or notes are paid, of a tax sufficient to pay the interest on such bonds or notes and ~~such~~the part of the principal as shall become due prior to the time the taxes are due in the next following year.

§ 5-1113. Advertisement

Bonds of the city shall be advertised for sale as provided by general laws of the state. ~~The bonds issued under this chapter shall be sold at not less than par and accrued interest to the highest bidder if the bonds are sold bearing a specified rate of interest, or the highest bidder agreeing to accept the lowest rate of interest if the bonds are sold on bids fixing the rate of interest, after being advertised at least once not less than five nor more than thirty days before the date of sale in a newspaper published in the county and in a Vermont daily newspaper, which may be the same newspaper, and in case of issues exceeding $250,000 also in some financial paper published in Boston, Massachusetts or New York, New York. The advertisement shall state the amount, date and denomination of the bonds, date of maturity, rate of interest, or that the bidding shall be based thereon, and the time and place where the bids will be received. The city council may reject any and all bids. In case all bids are so rejected, they may advertise and call for new bids in the manner hereinbefore provided, or in case, after the bonds have been advertised for sale as herein provided, no bids have been received, or all bids have been rejected and the whole or any part of the bonds remain unsold, those unsold may be sold by the city council at private sale at not less than par and accrued interest.~~

§ 5-1114. Execution

All bonds and notes issued under this subchapter shall be signed by the mayor and treasurer of the city, and in addition bonds shall bear the seal of the city. ~~The coupons to such bonds shall be signed by or bear the facsimile signature of the treasurer.~~ The bonds or notes shall contain a statement that they were issued for the purposes mentioned in and in conformity with the provisions of this charter or applicable provisions of the general laws, and such statement shall be conclusive evidence of the same and of the liability of the city to pay the bonds or notes and the interest thereon in an action by a person who in good faith holds such bonds or notes.

§ 5-1115. Record by treasurer

The city treasurer shall keep a record of every bond or note issued under this subchapter, stating ~~therein~~ the number and denomination of each bond or note, when issued, and the rate of interest

~~thereon~~. The treasurer shall also keep a record of payments of interest or principal~~, and, if coupons are taken up, shall record the fact and deface the same. When notes or bonds are paid the city treasurer shall keep a record of the same, and such notes or bonds shall be cancelled~~.

~~§ 5-1116. Record~~
~~All ordinances or resolutions required by this subchapter to be enacted by the city council or the board of school commissioners shall be duly recorded in the office of the city clerk.~~

§ 5-111~~7~~6. Use of unexpended bond proceeds
(a) The proceeds of all bonds or notes shall be used for the purpose for which they were authorized. However, any unexpended balance remaining after carrying out the purpose for which they were authorized, other than school purposes, may, by vote of any annual or special city meeting duly warned and held for that purpose, be authorized for any purpose for which bonds may be issued, in accordance with general law, or transferred to ~~the general fund of said city or to the~~ a sinking fund established by the council.~~ as hereinafter provided.~~

(b) Any unexpended balance remaining after carrying out a purpose relating to schools or school property for which bonds or notes were authorized may, in addition to other uses permitted by law~~vote of an annual or special city meeting~~, ~~may~~ be transferred to ~~the school fund, or the above mentioned~~ a sinking fund.

§ 5-1118~~7~~. Bonds or notes for refunding - authorization, procedure
The city may issue bonds or notes to refund the principal and interest of bonds or notes then outstanding and for any other purpose authorized by the general laws of the state. Such refunding bonds or notes shall be authorized and issued as provided by law.

§ 5-1119~~8~~. Temporary loans in anticipation of taxes and for current expenses
~~The city council shall have authority to borrow money in any fiscal year in anticipation of taxes in an amount not to exceed 90% of the amount of taxes assessed for such year, or 90% of the amount of taxes assessed for the prior year if the taxes for the current year have not been assessed, and may issue the city's notes therefore. Such notes shall be signed by the mayor and by the city treasurer and shall be payable within twelve (12) months from the date of issue from the tax receipts in anticipation of which such notes were given, but they shall nevertheless be negotiable and shall constitute general obligations of the city. Such notes shall be designated "tax anticipation loan", but the proceeds shall be considered as revenue of the city in ascertaining the amount which may be expended in any one year.~~ The city council shall have the authority to borrow in anticipation of the receipt of taxes and other revenue, in anticipation of the receipt of grants, in anticipation of the issuance of bonds, and for current expenses as provided by the general law and 24 V.S.A. § 1773 and § 1786, as may be amended from time to time.

§ ~~5-1120. Temporary loans for current expenses~~
~~At any time or times in any fiscal year of the city, the city council may borrow money not in excess of a specified sum for the purpose of paying the debts and expenses of the city due and to become due before the close of the fiscal year, and to issue the city's notes therefore, as provided by law. Such notes shall be signed by the mayor and the city treasurer and shall be payable~~

~~within twelve months from the date of issue from the proceeds of the annual tax for the following year or the proceeds of loan in anticipation thereof, but they shall nevertheless be negotiable and shall constitute general obligations of the city and may be refunded as provided by law.~~

§ 5-112~~1~~19. Limitations

The credit of the city shall not be pledged, except in the manner herein provided, and the city council shall not expend in any year a sum of money in excess of the revenues of the city for that year or increase the indebtedness of the city, except, as provided by this charter or to meet obligations imposed by law.

§ 5-112~~22~~20. Special indebtedness for water purposes, sewage disposal, and heat improvements

For the purpose of owning, operating, improving and managing its public water works system, a public sewage disposal system, heat facilities and devices, facilities and other measures intended to conserve energy use, promote efficient energy use, or any combination thereof, the city may pledge all or any part of the net revenues of such enterprises in the manner provided by general laws of the state.

~~For the purpose of owning, operating, extending, adding to, improving, conducting, controlling, and managing its public water works system, a public sewage disposal system, heat facilities and devices, facilities, and other measures to conserve energy, promote efficient energy use, or any combination thereof, the city, by action of the city council, in lieu of the issuance of bonds or the levy of taxes and in addition to any other lawful methods or means of providing for the payment of indebtedness shall have the power to provide for or to secure the payment for all or a part of the cost of purchasing, acquiring, leasing, constructing, extending, adding to, improving, conducting, controlling, operating, or managing its said water works system, public sewage disposal system, heat facilities and devices, facilities, and other measures to conserve energy, promote efficient energy use, or any combination thereof by pledging, *assigning*, or otherwise hypothecating all or any part of the net earnings or profits derived, or to be derived from the operation thereof. To that end the city council shall have full power to authorize and direct the execution and issuance of contracts and evidences of indebtedness as may be necessary to carry out the provisions of this section. Such contracts and evidence of indebtedness shall be in such form, shall contain such provision, and shall be executed as may be determined by the city council. Nevertheless, no such indebtedness shall be incurred nor evidence thereof be issued, nor shall such revenues be pledged, assigned, or otherwise hypothecated by the city council unless and until at least a majority of the legal voters of the city present and voting thereon at a duly warned meeting, called for that purpose, shall have first voted to authorize the same. Such meeting shall be warned and held in the same manner as meetings for the transaction of ordinary business without regard to the foregoing bonds or notes for improvements. Evidences of indebtedness issued as authorized herein shall be payable solely from the net earnings or profits derived, or to be derived from the operation of such public water works system, sewage disposal system, heat facilities and devices, facilities, and other measures to conserve energy, promote efficient energy use, or a combination thereof, and shall not constitute a municipal indebtedness nor impose an obligation or liability upon the city to pay the same from any funds of the city other than such net earnings or profits. A statement referring to the limited nature of the~~

~~obligation and that it has been issued under this section shall be made plainly to appear in or upon each evidence of indebtedness. Such certificates shall be legal investments for savings banks and trust companies in the state. (Amended 2011, No. M-6, § 4, eff. May 6, 2011.)~~

§ 5-11~~23~~21. Powers of the city not limited

The powers hereinabove granted shall not be construed in limitation, diminution, or in substitution for, but in addition to, power provided by law for municipalities generally in authorizing and incurring indebtedness for public improvements or otherwise, all of which general powers shall inure to and be exercisable by the ~~C~~city ~~of Montpelier~~.

§ 5-11~~24~~22. City finances

Except as hereinafter provided, the money raised by taxation from fines and penalties and from other lawful sources shall constitute the entire sum for which appropriations and payments are to be made by authority of the city council, except that money raised by bonds or notes as hereinafter authorized shall be appropriated and paid out in the manner set forth in this charter.

§ 5-11~~25~~23. Budget surplus and deficit

Unless otherwise disposed of in the manner provided by law or set in reserve by the city council or school board, any surplus existing at the end of the fiscal year shall be carried forward as revenue in the general fund or school fund, as appropriate, for the next ensuing fiscal year. Any deficit existing at the end of the fiscal year shall be liquidated in the manner provided by law.

SUBCHAPTER 12: ASSESSMENT AND COLLECTION OF TAXES~~;~~, ESTABLISHMENT OF WATER, SEWER AND HEAT RATES

§ 5-1201. Assessment of taxes and establishment of tax rate

The city council shall assess such taxes upon the grand list of the city as ~~the city~~ voters at any annual or special meeting warned for that purpose ~~and may vote~~have approved for the payment of debts and current expenses of the city, for carrying out any of the purposes of this charter, for the support of schools ~~in said city~~, and for the payment of all state and county taxes and obligations imposed ~~upon said city~~ by law. The vote of the city shall be upon the specific sum of budgeted tax appropriation for the support of all city departments, grants, schools, recreation and senior citizens. The city council shall establish a tax rate based upon the true grand list as appraised by the city assessor, and shall deliver the same to the city treasurer for computation and collection. ~~Any general statutory provisions insofar as they pertain to expressing in the vote the specific sum or rate per cent on the dollar of the grand list for highway purposes or other necessary expenditures shall not apply to any action taken by the City of Montpelier in regard to voting money for city purposes.~~

(b) The city shall have the authority to change the way that the annual fiscal budget is approved, enabling voters to approve the entire municipal budget instead of or in addition to voting on the budgeted tax appropriation amount. Voting on the entire municipal budget shall take effect when such process is adopted by the majority of the voters at an annual or special meeting duly warned for this purpose in accordance with general law.

§ 5-1202. ~~Warrant and~~ ~~n~~Notice of tax bill and due date ~~to non-resident taxpayer~~
Thirty (30) days before the due date for the payment of taxes or before the first installment payment thereof, the city treasurer shall send ~~issue~~ance ~~of a warrant against the person or property of a non-resident~~ all municipal taxpayers~~,~~ ~~the city treasurer shall give such non-resident~~ notice in writing of the tax bill, the amount thereof, and the "due date" by which time ~~within which the same may~~this amount must be paid to the city treasurer. ~~Said notice may be delivered to such non-resident taxpayer or sent by certified mail to the last and usual place of abode, or to the last address given by said non-resident taxpayer as the address to which notices should be sent.~~

§ 5-1203. Tax payment schedule
Except as hereinafter provided, ~~all other~~ taxes assessed upon the grand list of the ~~C~~city ~~of Montpelier~~ shall be due and payable in equal installments, or as the city council may provide by ordinance. Default in payment of any installment due shall render ~~the full amount of such tax overdue. Any special tax assessed on the grand list of said city shall be payable in one installment within thirty days after the above provided notice~~ a penalty based on the payment amount that is in default. Any special tax assessed on the grand list of ~~said~~the city shall be due and payable ~~in one installment within thirty days after the above provided notice~~as the city council shall provide by ordinance.

~~§ 5-1204. Delinquent taxes~~
~~At the expiration of ninety days from the date of the notice above provided, the city treasurer shall issue a warrant against all taxpayers delinquent in payment of installments of taxes permitted to be paid in installments for the full amount of their unpaid taxes. Penalties and interest as provided by ordinance and by law shall be added to each delinquent tax.~~

§ 5-120~~5~~04. Warrants on delinquent taxes, water, sewer, thermal energy bills
Within 30 days following the due date, the treasurer shall prepare ~~W~~warrants for taxpayers and property owners delinquent in payment of taxes, water, sewer, or thermal energy bills. The treasurer ~~issued as above provided~~ shall ~~be~~ deliver~~ed~~ these warrants forthwith to the ~~city sheriff~~ tax collector for collection~~, together with a rate bill of~~ ~~such delinquent~~ with penalties and interest as provided by ordinance and by law. Such warrants~~y~~ shall remain in full force until all the taxes and other delinquent payments ~~thereon~~ have been either collected, abated, or have become outlawed under the general law.

§ 5-120~~6~~05. Lien upon real estate
All taxes lawfully assessed upon real estate in ~~said~~the city as well as charges for water, sewer services, heat, and any special assessments shall constitute an underlying lien on such real estate~~,~~ and shall enjoy priority in law over all other liens regardless of whether such other liens have priority in time.

§ 5-120~~7~~06. Application of payment on delinquent taxes
Payments made on the account of a delinquent taxpayer shall be applied: first, to all outstanding personal property taxes for which said delinquent taxpayer is responsible; second, to real estate taxes for which said delinquent taxpayer is responsible. ~~Provided, h~~However, ~~that~~ the holder of a mortgage or other lien upon real or personal property of a taxpayer may make payment on said

taxpayer's account and may specify that such payments be applied on the tax assessed against the property covered by such mortgage or lien. Any taxes paid shall be applied to penalty, interest and oldest outstanding delinquency in that order first.

§ 5-12~~08~~07. Water and sewer rates
The city council shall establish rates to be paid for the use of water supplied by the city water system~~,~~ and sewage disposal and benefit charges. ~~such rates shall be called water rates. Such W~~water rates and sewage disposal charges shall be and are hereby made a lien in the nature of a real estate tax upon the real estate so supplied with water and public sewers, and shall be collected and enforced under such regulations and ordinances as the city council shall prescribe.

§ 5-12~~09~~08. Water meters
The city council may provide for use of meters or other mechanical devices as a basis of charging users of water supplied by the city water system, and may in its discretion provide for use of such devices by all users of specified classes.

§ 5-12~~10~~09. Thermal energy rates
The city council shall establish rates to be paid for the use of heat and improvements supplied by the city for the production and distribution of heat, and such rates shall be called heat rates. Such heat rates shall be a lien in the nature of a real estate tax upon the real estate so supplied with heat, improvements for the delivery of heat, or both, and shall be collected and enforced under such regulations and ordinances as the city council shall prescribe.

§ 5-12~~11~~10. Heat meters
The city council may provide for use of meters or other devices as a basis of charging users of heat supplied by the city system and may in its discretion provide for use of such devices by all users of specified classes.

§ 5-12~~12~~11. Tax collector
Delinquent taxes, fees, charges, and assessments shall be collected by the city tax collector, appointed under Section 1007 Appointments of Subchapter 10 City manager, whose powers and duties~~, in addition to~~ shall be those provided by general law~~, shall be those of the city *sheriff*. The tax collector's compensation and terms of employment shall be determined by the city council~~.

§ 5-12~~13~~12. Property tax credits - sprinklers
By resolution or ordinance, the city council may grant credits equal to no more than 10%~~percent~~ of the annual municipal property tax, or reductions of up to 10%~~ percent~~ of the appraised valuation, for residential and nonresidential buildings equipped with an operating fire sprinkler system approved by the fire chief in accordance with applicable codes and ordinances.

SUBCHAPTER 13: ~~PUBLIC WORKS;~~ SPECIAL ASSESSMENTS~~;~~, TAKING PROPERTY FOR PUBLIC PURPOSES

§ 5-1301. ~~Laying out streets, sidewalks, sewers, heat facilities and devices, facilities, and other measures to conserve energy or to promote efficient energy use~~Taking property for

public purposes

The city council, upon notice to persons affected, may lay out, make, maintain, alter, establish, install, construct, discontinue or repair the following: any street, road, highway, lane, alley, transportation path or sidewalk; any heat facilities and devices or other measures to conserve or generate energy or promote efficient energy use in the city; any public facilities, parks, playing fields and other improvements deemed necessary by the council; any municipal buildings; any water source, treatment, storage, delivery, sale, transmission and distribution facilities within and without the city; and any sewer and storm water collection, transmission, separation, treatment and disposal facilities as the public health or the public good shall require.

~~The city council, upon notice to persons affected, may lay out, of any convenient width, alter, maintain, establish, and change the grade of and discontinue any street, road, highway, lane, alley, sidewalk, or any heat facilities and devices, facilities, and other measures to conserve energy or to promote efficient energy use in said city and appraise and settle the damage therefore; and may make, maintain, and repair such common sewers and sewage disposal plants and facilities for the production and distribution of heat within or without the City of Montpelier as the public health or the convenience of individuals shall require. The city council may take land and other property necessary to accomplish such purposes on making compensation for the same, causing their proceedings to be recorded in the city clerk's office in said city. [19 V.S.A. chapter 7 Municipal condemnation authority for highways] (Amended 2011, No. M-6, § 6, eff. May 6, 2011.)~~

§ 5-1302. Procedure for taking ~~land and other~~ property [deletion of all old text, replace with new]
~~In taking land and other property for the purposes stated in the preceding section, the city council shall proceed in the same manner as is provided by law for selectmen~~ municipalities ~~in taking land for highways. Any person aggrieved by the proceedings shall have like opportunity of applying to the county court to obtain redress as is or may be allowed by law to those aggrieved by the proceedings of selectmen in taking land for highways. Such appeal, if taken from the appraisal of damages only, shall not prevent the city from proceeding with its work as though no appeal had been taken.~~
(a) Highways and urban renewal: In taking land and other property for the purposes of laying out roads and highways, the city council shall proceed in the same manner as is provided by law for municipalities in taking land for highways. In taking land and other property for the purposes of urban renewal, the council shall proceed in the same manner as is provided by law for municipalities in taking land for urban renewal.

(b) Other public purposes: For all other purposes stated in Section 1301, when the city council determines that interests in real estate are needed or when a municipality votes to purchase additional lands or interests therein, or when, in the exercise of any of the powers or functions authorized by general law or its charter it becomes necessary for public use and benefit to take, damage, or affect an interest in real estate, and the owner refuses to release or convey the same to the city for a reasonable price, the city council, shall set out the necessary lands or interests therein and cause the same to be surveyed. They shall appoint a time and place for hearing and give at least ten (10) days notice before such hearing to the persons evidencing a recorded interest therein either personally or by written notice left at the residence or place of business of

such person. At such hearing the council shall determine the damages sustained by such interested persons. The damages agreed upon or assessed shall be paid or tendered to such persons before taking possession of the lands. Upon payment or tender of damages as determined by the council, the city shall be entitled to take possession of such property. ~~Nothing in this section shall be construed to authorize the taking, by condemnation proceedings, of property of any religious, charitable or educational society, institution or organization, unless held, owned, or used by it for commercial purposes, without the written consent of the trustees or governing body of such society, institution or organization, unless two-thirds (2/3) of the voters at an annual or special meeting duly warned for that purpose vote against the proposition.~~

(c) Notice to mortgagee and application of payment. When such lands are encumbered by mortgage, the city council shall cause the same notice to be given to the mortgagee or assignee thereof as is required to be given to the owner, and the damages agreed upon or otherwise determined, as finally ascertained, shall be paid to the property owner and the mortgagee or assignee.

(d) Removal of improvements. When the city council decides to take lands, in their order for that purpose, they shall fix a time and notify the owner or occupant thereof. Within such time the owner shall, if so ordered, remove his buildings, fences, wood or trees, which, in the case of enclosed or improved lands, shall not, without the consent of the owner, be less than three months nor until compensation for damages to such lands is tendered or paid. If such obstructions are not removed within such time, the council shall remove them at the expense of the city.

(e) Record of orders and proceedings. Orders and proceedings of the council under the provisions of this section, with the survey of the lands taken, shall be recorded in the land records of the city or in the land records of the town in which such lands are located.

(f) Disagreement as to damages. When the owner of such land does not accept the damages awarded by the city council, the council and the owner may agree to refer the question of damages to one or more disinterested persons whose award shall be made in writing and shall be final.

(g) Petition, appointment of commissioners. When a person having an interest in such land is dissatisfied with the action of the council in locating and setting it out or with the damages awarded therefor by them, such person may apply by petition to the superior court for the county in which such land lies within 60 days of the recording of the order of the city council. The petition with a citation shall be served on the city clerk as a writ of summons requiring entry to be made therein within 21 days from the date of service. The court shall appoint three disinterested commissioners, who shall inquire into the amount of damages sustained by the persons interested therein.

(h) Notice, hearing, report, costs. The commissioners shall give the clerk and the petitioners six days' notice of the time and place of the hearing. When they have completed their inquiries, they shall report to the court. Upon hearing, the court may accept or reject the report, in whole or in

part, may make such orders as are necessary for locating and setting out such land and for the removal of obstructions thereon, may render judgment for the petitioners for such damages as they have severally sustained, may tax costs for either party, and may award execution in the premises.

(i) Title to vest on payment of damages. When the damages finally awarded are paid to the person entitled thereto, title to such lands or the right to damage or affect lands shall vest in the city.

(j) Definitions. The following words and phrases as used in this chapter shall have the following meanings:
(1) "Necessity" means a reasonable need which considers the greatest public good and the least inconvenience and expense to the condemning party and to the property owner. Necessity shall not be measured merely by expense or convenience to the condemning party. Necessity includes a reasonable need for the project in general as well as a reasonable need to take a particular property and to take it to the extent proposed. In determining necessity, consideration shall be given to the:
(A) adequacy of other property and locations
(B) quantity, kind, and extent of cultivated and agricultural land which may be taken or rendered unfit for use, immediately and over the long term, by the proposed taking
(C) effect upon home and homestead rights and the convenience of the owner of the land
(D) need to accommodate present and future utility installations within the improvement area
(E) need to mitigate the environmental impacts of the improvements and
(F) effect upon grand lists and revenues.

(2) Damages resulting from the taking or use of property under the provisions of this chapter shall be the value for the most reasonable use of the property or right in the property, and of the business on the property, and the direct and proximate decrease in the value of the remaining property or right in the property and the business on the property. The added value, if any, to the remaining property or right in the property which accrues directly to the owner of the property as a result of the taking or use, as distinguished from the general public benefit, shall be considered in the determination of damages.

(3) "Interested person" or "person interested in lands" or "property owner" means a person who has a legal interest of record in the property taken or proposed to be taken.

§ 5-1303. Special assessments - Streets, sidewalks, ~~and~~ heat production and distribution improvements
The city council, in laying out or establishing new streets, highways, or facilities for the production and distribution of heat, and in making, altering, or repairing sidewalks, and in grading and~~,~~ paving~~, acadamizing, curbing, and guttering~~ streets and highways, either at the time of laying out or ~~improving the street or making the sidewalk or~~ after ~~its~~ completion, shall have the power and may upon notice to the owners of adjoining lands assess the owners of such lands so much of the expense of making such new street or sidewalk or street improvements, or heat improvements, including land damage for new streets, as the city council shall adjudge such lands to be benefited thereby. ~~(Amended 2011, No. M-6, § 6, eff. May 6, 2011.)~~

§ 5-1304. Special assessment - Heat improvements
The city council shall have the power to create an energy district of the City of Montpelier or part thereof and to incur indebtedness for or otherwise finance by any permitted means acceptable facilities for the production and delivery of heat and ~~of~~ devices, facilities, and other measures to conserve energy or to promote efficient energy use on properties within the district. Participation by any property owner in these improvements is subject to city council approval. Persons who participate with an eligible project or projects shall be subject to the requirements of this special assessment. The city council shall establish the criteria and procedures for participation in this special assessment.

§ 5-1305. Special assessment - Sewers and drains
Every person whose particular drain shall empty into any common sewer, either at the time of the construction of the common sewer or thereafter, or who in the opinion of the city council shall receive benefit thereby for draining the person's premises, or whose lands shall be benefited by the proximity of such common sewer, or the owners of lands adjoining or abutting streets in which a common sewer is to be laid, may upon notice be assessed by said city council a just share toward the expense of laying and constructing such common sewer. Such assessment shall be and remain until paid a lien in the nature of a tax upon the land assessed.

~~§ 5-1306. Right of appeal~~
~~From any assessment made upon any land or other property or the owner thereof, there shall be the same right of appeal to the countycourt as is provided by law for appeal from the proceedings of selectmen in the laying out of highways. The same proceedings shall be followed in respect to such appeal, so far as the same shall be applicable, and the decision of the county court in the matter of such appeal shall be final, when the record thereof is duly recorded in the land records of said city. Such appeal shall not delay the laying out or building of such new highway or street, or the making, altering, or repairing of a sidewalk or sewer, if taken from the assessment only.~~

§ 5-13~~07~~06. Record of special assessments
When the city council shall make assessments, ~~it~~the clerk shall immediately make out a statement of all such assessments, giving the name of the owner and describing the land or other property assessed, and shall cause the same to be properly recorded and indexed in the city clerk's office. The city clerk shall, as soon as such assessments have been recorded as above provided, deliver a copy of the same to the city treasurer for collection.

§ 5-13~~08~~07. Notice and time of payment
The city treasurer shall forthwith notify each person so assessed by mail. The notice shall state the nature of the assessment, the amount of the same, and the time of payment. ~~Said time of p~~Payment due date shall ~~not~~ be ~~later than thirty days after date of notice~~as noted on the bill.

§ 5-13~~09~~08. Record of payment
Payment, when made, shall be entered on the record of assessment. Recording as provided ~~in Section 6~~ above shall be required before such assessment becomes a lien on the land or other property affected.

§ 5-131009. Warrant for collection of special assessment

(a) If the owner of lands or other property assessed by authority of this subchapter shall neglect ~~for the space of thirty days after notice of such assessment has been mailed by the~~ to pay to the city treasurer the billed amount of such assessment within ~~, or in case of an appeal to the county court for the space of thirty~~ 30 days after the due date as noticed on the assessment, ~~final decision of the county court, if such final decision upholds the assessment, has been recorded in the office of the city clerk, to pay to the city treasurer the amount of such assessment,~~ the city treasurer shall issue a warrant for collection of the same and deliver ~~said~~the warrant to the ~~city sheriff~~ tax collector for collection.

(b) In case of an appeal, if the court upholds the assessment and it has been recorded in the office of the city clerk, payment shall be due within 30 days after the final court decision, and the city treasurer shall issue a warrant for collection of the same and deliver this warrant to the tax collector for collection.

§ 5-131110. *~~City sheriff~~* Tax collector authority to sell property

The ~~city sheriff~~ tax collector shall have authority to sell at public auction so much of said land or other property as will satisfy such assessment and all legal fees, and will proceed in the same manner in the collection of such assessment as collectors of town taxes are authorized and required by law to proceed in selling real estate at public auction for the collection of town taxes. ~~The city sheriff shall receive the same fees as are provided by law for collectors of town taxes in proceedings in collection of town taxes.~~ All other remedies given towns by law for collection of town taxes are given the ~~C~~city of Montpelier for collection of all legal assessments made under the provisions of this subchapter.

§ 5-131211. Lien not vacated

While the final resolution is ~~The~~ pending~~ency of proceedings~~ on an appeal from an assessment made under the provisions of this subchapter, the city shall not vacate the lien created by such assessment, but shall suspe~~ct~~nd the same until final determination of the proceedings. The liens for all city assessments shall not be vacated or dissolved. ~~(Amended 2011, No. M-6, eff. May 6, 2011.)~~

§ 5-131312. Sufficient description

Whenever a description of lands or buildings is required in making assessments, or in the recording thereof, reference to the deed of conveyance to the last record owner thereof, giving the date of the same and the volume and page of the land records where the same is recorded, or the street upon which the same is situated and the number, shall be a ~~sufficient~~ minimum description.

~~§ 5-1314. Taking property for public improvements~~

~~Whenever, under the provisions of this charter, the city council is required to give notice for the taking of land or other property for public purposes or for the awarding of damages or for the laying of assessments, a citation shall be issued. Said citation shall be signed by the city clerk, shall contain the names of all persons to whom notice is to be given and shall be issued not less than six nor more than sixty days before the time of hearing by the city council thereon. Notice shall be given to all owners and other persons having an interest of record in the land or other~~

property affected.

§ 5-1315. Citation and time of serving
Such citation shall be served by any *sheriff*, *constable*, or police officer in the city upon the persons named therein not less than *six* nor more than *sixty* days prior to the time of hearing. Service of such citation may be accepted by any or all persons named therein, by endorsing their acceptance in writing thereon.

§ 5-1316. Citation served on non-residents
Such citation may be served on any person not an inhabitant of this state by leaving a true and attested copy of such citation, with the officer's return thereon endorsed, with or at the residence of the person's known agent or attorney, if the person has one in this state; and, if not, with or at the residence of the occupant of the land or buildings to which such hearing may appertain. If there is no such occupant, then such copy of said citation shall be left by said sheriff, constable, or police officer with the city clerk for such persons owning or otherwise interested in such land or other property. Said city clerk shall mail to the last known post office address of such person, in a registered package, a true and attested copy of such citation. Said city clerk shall make a certificate of the city clerk's doings touching said copy.

§ 5-1317. Officer's return
The return of such sheriff, constable, or police officer upon the original citation, and the certificate of the city clerk with the registry receipts, shall be prima facie evidence of the service of said citation as herein provided. Said citation and the return thereon, with said certificates of the city clerk and registry receipts, shall be made a part of the record of said proceedings, and shall be filed in the office of the city clerk.

§ 5-1318. Citation served on persons having other interests
If at any stage of the proceedings for the taking of land or other property for public purposes, or for the making of assessments thereon by the city council, or at any proceedings subsequent thereto, it shall appear that any person owning or having other interest of record in such land or other property shall not have been duly notified, the city council shall cause a citation to be issued and served on such person as above provided for persons originally cited. The city council shall further cause such proceedings to be postponed to such time as will permit such citation so issued to be served as provided in this subchapter.

§ 5-1319. Proceedings not voided for failure to give notice
No proceedings instituted by the city council in pursuance of a citation issued as provided in this subchapter nor any proceedings subsequent and pertaining thereto shall be void on account of failure to give notice to any person or persons interested therein, or for that reason be dismissed. Such proceedings shall be suspended until such person or persons are duly notified, whereupon the same proceedings shall be had in the same manner as if such person or persons are duly notified, whereupon the same proceedings shall be had in the same manner as if such person or persons had been duly notified by the original citation. If the person so notified shall appear, the person may be heard upon all matters therein pending in which the person may be interested.

§ 5-1320. Correction of citation record

~~At the time of issued of the citation hereinbefore provided, a copy thereof, duly certified by the city clerk as a true copy, shall be filed in the office of the city clerk and an appropriate notice shall be entered in the land record index system under the name of each person owning land or other property affected. The filing of such copy and the entry of such notice shall serve to join any person or persons subsequently acquiring an interest of record in land or other property affected, as though such person or persons had been included in the original citation and as though service had been duly made or accepted as provided in this subchapter~~.

SUBCHAPTER 14: GENERAL

§ 5-1401. Oath of allegiance, oath of office[2] ~~.~~

All elective officials of the city shall, before assuming office, take, subscribe, and file with the city clerk the following two oaths, as prescribed by the Constitution of the State of Vermont, chapter 2 § 56.

Oath or Affirmation of Allegiance
"I _____ solemnly swear (or affirm) that I will be true and faithful to the State of Vermont, and that I will not, directly or indirectly, do any act or thing injurious to the Constitution or Government thereof. (If an oath) So help me God. (If an affirmation) Under the pains and penalties of perjury."

Oath or Affirmation of Office
"I ____ do solemnly swear (or affirm) that I will faithfully execute the office of ____ ~~of~~for the City of Montpelier and will therein do equal right and justice to all persons to the best of my judgment and abilities, according to law. (If an oath)~~,~~ ~~s~~So help me God. (If an affirmation) Under the pains and penalties of perjury. ~~or I so affirm.~~"

§ 5-1402. Savings clause

The passage of this act shall not affect any ordinance, resolution, or by-law lawfully enacted, ordained, and established under the provisions of the ~~acts~~charter ~~hereby amended by this act, and not inconsistent with the provisions of this act~~, but the same shall be and remain in full force and effect until repealed, altered, or amended.

§ 5-1403. Title of charter

This act shall be designated as the ~~c~~Charter of the City of Montpelier. A copy of this act shall be kept in the office of the Montpelier city clerk ~~of the City of Montpelier~~, to which copy shall be affixed a certificate under the hand of the secretary of state and the seal of the State of Vermont that the laws therein contained are statute laws of the State of Vermont, and such certified copy shall be an authentic record of such laws.

~~§ 5-1404. Continuation in office~~
~~The mayor and council members of said city, and all city officials holding office therein by virtue of the general laws of this state or the acts hereby amended shall hold office until expiration of their current terms of office, unless such office shall sooner become vacant under the provisions of the general laws of this state, or the provisions of this act.~~

§ 5-1405. Amendment of ~~the~~ charter

This ~~act~~charter may be altered, amended, or repealed ~~by the general assembly~~ whenever the public good shall require, in accordance with general laws of the state. A copy certified by the secretary of state ~~of all acts in alteration, amendment, or repeal~~ shall be kept in the office of the city clerk ~~of the City of Montpelier, and said copy shall be certified by the secretary of state as provided in the preceding section~~.

~~§ 5-1406. Transfer of property, rights, privileges, and franchises~~

~~All property, rights, franchises, rights of action, land records, and other records belonging or appertaining to the former town and village of Montpelier shall belong and appertain to the City of Montpelier. All rights, privileges, and franchises heretofore granted to the Village of Montpelier, by any act of the legislature, or existing under any law, or by virtue of any contract relating to the water works formerly possessed by said village, are hereby confirmed under the City of Montpelier.~~

~~§ 5-1407. Penalties, forfeitures or suits not affected~~

~~This act shall not affect a penalty or forfeiture incurred under any acts amended by this act, nor any suit or proceeding had or commended in a civil or criminal cause before this act takes effect, but the proceedings therein shall, when necessary, conform to the provisions of this act.~~

~~§ 5-1408. Continuation of acts not amended~~

~~The provisions of this act, so far as they are the same as those of acts hereby amended, shall be construed as a continuation of such acts, and not as new enactments. Nothing in this act shall exempt the city from the legal jurisdiction of the water conservation board.~~

~~§ 5-1409. Application of state statutes~~

~~Except when changed or modified by the provisions of this act, or by any legal regulation or ordinance of said city, all provisions of the statutes of this state, relating to towns or town officers shall apply to said city, and to the several officers thereof corresponding to like officers of towns. In such statutes the words "selectmen" and the "board of civil authority" shall include "city council" and the words "first selectmen" shall include "mayor".~~

~~§ 5-1410. Inconsistent acts repealed~~

~~All acts and parts of acts affecting the charter of the City of Montpelier inconsistent with this act are hereby repealed.~~

§ 5-14~~11~~06. Separability of provisions

If any provision of this act, or the application of such provision to any person, body, or circumstances, shall be held invalid, the remainder of this act, or the application of such provisions to persons, bodies, or circumstances other than those as to which it shall have been held invalid, shall not be affected thereby.

§ 5-14~~12~~07. ~~Charter effective~~ Merger of Montpelier Fire District No.1 into the city water system

~~This act shall take effect when adopted by the majority vote of the legal voters of the city of~~

~~Montpelier present and voting at an annual or special meeting of said city duly warned for that purpose, and upon legislative approval in accordance with the laws of the State of Vermont.~~
Comment/change; Committee recommends deletion of original text in this section because the charter became effective long ago, and this provision can be safely removed.

Upon the effective date of this act, the Montpelier Fire District No. 1 shall be merged into the city of Montpelier and thereby shall cease to exist.

Minutes of the Montpelier City Council Special Meeting
January 15, 2014
Montpelier City Hall Council Chambers

In attendance: Mayor John Hollar (presiding), City Councilors Thierry Guerlain, Jessica Edgerly Walsh , Alan Weiss, Andy Hooper, Tom Golonka, Anne Watson and City Manager Bill Fraser. City Clerk John Odum acted as Secretary of the meeting.

Mayor Hollar called the meeting call to order at 6:30pm.

14-014. Councilor Weiss moved approval of the consent agenda. Councilor Watson seconded the motion, which carried unanimously at 6:31.

14-015. Tom McKone, Rachel Muse and Lorraine Pilon of the Kellogg Hubbard Library gave a presentation on the Library services, status, and associated 2014 budget request, in support of their appeal to be placed on the city meeting ballot directly, rather than by petition. Councilor Golonka expressed concerns about library programs serving residents of nearby towns in the absence of proportionate financial support from those towns.

Councilor Watson moved that the Council place the $308,673 library budget request onto the annual city meeting budget, consistent last year's language. Councilor Edgerly Walsh seconded the motion. Councilor Golonka asked that bond information be included in the wording, as per last year's ballot. Councilor Weiss stressed that his approval of the motion was based on the item's direct application to Montpelier citizens. The motion carried at 6:47 by a vote of 5-0 with one abstention (Councilor Guerlain, who was announced as the library board chair).

14-018. At 6:48, the Mayor opened the first public hearing on proposed amendments to the city's charter. Nancy Sherman and Page Guertin of the Charter Change Committee briefly addressed the Council on the matter, and the City Manager reviewed the charge of the committee.

The Mayor closed the public hearing at 6:53, and called for a five minute recess.

14-016. At 7:00, the Mayor resumed the meeting, and opened the first public hearing (jointly with Barre City and Barre Town) of the final charter for the Public Safety Authority. The meeting included Mayor Thomas Lauzon, Michael Boutin, Charles Dindo and Michael Smith, of Barre City, and Robert LaClair and Jay Perkins of Barre Town (all of whom sat at the front table). They were joined at the front by Brad Towne of the Berlin select board. Mayor Hollar also acknowledged the presence of Pat McDonald and Patti Lewis.

A quorum being in attendance, Mayor Lauzon of Barre City called a meeting of the Barre City Council to order.

Councilor Golonka opened the discussion with a review of the matter before the Council and its guests. Mayor Lauzon asked for clarification on the details of the document before the group.

Councilor Edgerly Walsh suggested the language be changed to make it easier to bring in other participating towns, without having to amend the document through the legislature.

Representatives from Barre City (led by Mayor Lauzon) broached the dynamics and concerns around the potential for one city dominating the board through the allowance for at-large membership on the board. A brief discussion of the dynamics of electing the at-large members ensued, followed by some discussion of how a municipality could withdraw from the compact. There was also a discussion of the eminent domain provisions, and whether to add a clause allowing veto power over any condemnation by the native municipality of the target parcel. Mr. Boutin echoed Councilor Watson's concerns on the matter.

Councilor Edgerly Walsh had questions about potential protections for municipal staff. Mayor Lauzon described the process of consolidating dispatch services as an illustration of how the charter envisions how such a process would impact staff.

Mr. Perkins had questions about the potential for a municipality (in a four member-town) to be outvoted on a question of service consolidation, and what the implications would be. George Malek of the Central Vermont Chamber of Commerce rose to add to the discussion of the dynamics of the question. Mayor Lauzon stressed the need for flexibility under the charter, identifying possible points of conflict.

Councilor Watson suggested adding a non-voting representative on the governing body who was a public safety professional. Councilor Golonka felt the concerns were addressed through the organizational structure.

Councilor Edgerly Walsh had questions about proposed allowances for ambulance services.

Mayor Lauzon recommended removing the cost-sharing language from the charter to allow more flexibility. There was general acceptance of the idea, and a discussion of how to do so followed. Councilor Golonka offered alternative language.

Councilor Weiss expressed concern about the reception of the document by the legislature, should it contain attachments.

Councilor Guerlain praised the work that had been done and supported the effort.

Councilor Weiss wondered if there may be a continuing role for the current regionalization committee should the project go forward. He also recommended agreed-to language be submitted to the legislature prior to the enabling vote, in order to expedite the process. Mayor Lauzon was dubious about the suggestion.

Ben Eastwood expressed concerns about the amount of input on the proposal from current public safety staff. He suggested that the at-large board members could be chosen from that population. Councilor Watson echoed the concerns.

Mayor Hollar thanked the attendees and closed the public hearing at 8:11. The Barre City Council adjourned their meeting at that time, and the Montpelier Council went into a brief informal recess before resuming the meeting at 8:16.

14-017. The mayor convened the first public hearing on the proposed FY '15 municipal budget at 8:17pm. Page Guertin approached with questions about the proposed Montpelier Community Fund allocations. Mayor Hollar indicated that the Council had ceded full authority on the applications to the fund board. In response to a question from Councilor Edgerly Walsh, the Mayor indicated that the board had chosen not to reconsider their recommendations, following questions raised at the previous meeting.

Councilors Guerlain and Watson engaged in a brief back-and-forth about possible adjustments to the board's procedures.

Councilor Weiss asked about the status of the proposed citizen survey.

The Mayor closed the public hearing at 8:27pm.

14-019. The Mayor opened the first public hearing on the proposed warning for March 4, 2014 Annual City Meeting at 8:28. Finance Director Sandra Gallup addressed the Council on the warning.

Councilor Weiss had questions about one of the draft items, and had further concerns about the relationship between Montpelier Alive and the DID district under Article 11. A review of the DID structure (from the City Manager) followed.

The Mayor closed the public hearing at 8:36pm.

Councilor Hooper moved that the proposed public safety charter language be included on the annual City Meeting ballot. Councilor Guerlain seconded. The motion passed unanimously at 8:37.

14-020. Councilor Edgerly Walsh moved that the Council set the date, time, and location of annual City Meeting as Tuesday, March 4th, 2014, from 7:00 A.M. to 7:00 P.M. in the City Hall Auditorium. Councilor Hooper seconded the motion, which carried unanimously at 8:38.

14-021. The Mayor opened second reading/public hearing regarding a proposed ordinance change that addresses dog waste at 8:38. A discussion among Councilors of some wording followed.

John Akielaszek rose against the ordinance, testifying that concerns over "off-trail" canine defecation were overstated, and that the proposed provisions were inappropriate. He expressed concern that citizens would be exposed to tick-borne illnesses through the expectation that dogs be followed off defined trails.

Lyn Munno and Susan Ritz responded to Mr. Akielaszek, noting environmental impacts of dog waste and countering with their opinion that the concerns over the prevalence of off-trail waste were not overstated. Mr. Akielaszek followed up, restating his concern.

Councilor Guerlain moved the Council change "defecation" to "pet waste" in the ordinance. Councilor Edgerly Walsh seconded. The motion was agreed to unanimously at 8:56. The Mayor immediately closed the hearing.

Councilor Guerlain moved the Council approve the ordinance as amended. Councilor Edgerly Walsh seconded. The motion was agreed to unanimously at 8:57.

Councilor Weiss asked Parks Director Geoff Beyer about the status of strategizing around the expected arrival of the emerald ash borer to the area.

14-022. On the continued discussion regarding the "public banking initiative," the Mayor again recused himself and passed the gavel to Councilor Golonka, who acted as president of the meeting for the duration of the agenda item. Ben Eastwood continued his advocacy from the prior meeting, responding to Councilor Weiss's concerns over the immediate relevance of the proposed ballot item to the citizens of the city. He also provided clarity on the language of the ballot measure versus the language of the legislative proposal promoted by Senator Anthony Pollina (P/D – Washington).

Councilor Guerlain moved that the public banking initiative question as proposed be added to the annual city meeting ballot, with the language "call on the state legislature to create a public bank" changed to "call on the state legislature to consider the creation of a public bank." Councilor Hooper seconded. Councilor Weiss repeated his objection, based on inconsistencies between the ballot item language and proposals being discussed in the legislature.

Councilor Guerlain amended his motion to include an allowance for a non-specified parenthetical on the ballot indicating that the article was appearing under a request by some city citizens, rather than the Council. Councilor Hooper (seconder) agreed.

The motion carried 5-1 at 9:14pm, with Councilor Golonka voting in opposition.

14-023. The Mayor resumed his duties as meeting chair and opened the first public hearing (at 9:15pm) to consider proposed amendments to the City's Code of Ordinances: Chapter 10, Motor Vehicles and Traffic, Article VII. Parking and Parking Meter Zones, Sec. 10-713. NIGHT PARKING DURING WINTER, as it relates to additional parking during the overnight winter parking ban; and Article 10-717, LIMITED PARKING, which will address the restriction of non-electric vehicles parking in the space adjacent to the (ev) charging station behind City Hall. Public Works Director Todd Law addressed the Council to explain the proposals and respond to several questions on the particulars offered by councilors.

The Mayor closed the public hearing at 9:32.

14-024. The Mayor opened the first public hearing to consider proposed amendments to the City's Code of Ordinances: Chapter 10, Motor Vehicles and Traffic, Article VII. Parking and Parking Meter Zones, Sec. 10-716. PARKING PROHIBITED, as it relates to vehicles parking on National Life Drive north of the main entrance to the National Life Complex. Mr. Law remained at the table to explain the proposal and entertain Council questions.

The Mayor closed the public hearing at 9:34pm.

14-025. Councilor Guerlain asked that he be replaced as the Council liaison to the Tree Board. Councilor Hooper volunteered to take on the role.

Councilor Watson reported on the Energy Committee's progress on the solar project.

Councilor Edgerly Walsh asked that future Council meetings be scheduled not to conflict with School Board meetings.

14-026. Mayor Hollar reported that the Vermont Mayor's Coalition was holding a press conference tomorrow on mental health services reform, statewide property tax reform, addition and treatment initiatives, downtown support, and stormwater runoff.

14-028. The City Manager reported on the Carr Lot Committee progress. He also noted that a February Council meeting fell on school vacation. The sense of the council was to move the meeting in conflict to February 19th.

Mr. Fraser noted that his professional credentials required a review process that he suggested could proceed concurrent to his contract review process.

Councilor Edgerly Walsh moved for adjournment. Councilor Guerlain seconded. The motion carried unanimously at 9:4.

CENTRAL VERMONT PUBLIC SAFETY AUTHORITY
A Union Municipal Authority

The member municipalities agree that regionalization of police, dispatch, fire and ambulance services is a better mechanism for ensuring public protection of persons and property than providing the same individually or through nonprofit agencies. For this reason, the municipalities, following votes in each town and city, commit themselves to the creation of this Central Vermont Public Safety Authority.

1. Purpose and Composition. The purpose of the Authority is to provide the two towns in the Authority with an affordable, integrated, efficient system of public safety services (fire, police, ambulance, dispatch) that protects public welfare and provides rapid responses with highly qualified personnel when emergency situations arise.

2. Term. The Authority shall continue perpetually.

3. Powers. The Authority shall have all of the power and authority listed in section 4866 of Title 24 (union municipal authorities) as the same presently exist, together with any additional powers which may be added thereto by amendment in the future, all of which powers are incorporated herein by reference. The Authority shall also have the power:

(1) To operate, cause to be operated, or contract, or both, for the operation of any and all facilities for police, dispatch, fire and ambulance services, as voted by the board.

(2) To purchase, sell, own, lease, convey, mortgage, improve, and use real and personal property.

(3) To sue.

(4) To enter into contracts for any term or duration.

(5) To adopt a capital budget and program.

(6) To issue regulations implementing the purposes of the Authority, subject to the requirements of chapter 59 of Title 24, relating to the functions of the Authority.

(7) To provide public safety services for the members and others.

(8) To exercise the authority of eminent domain, using the procedures and definition of "necessity" as found in Chapter 5 of Title 19, to the extent they are applicable. The exercise of eminent domain needs to be approved in advance by the legislative body of the member towns affected by the proceeding.

(9) To borrow money and issue evidence of indebtedness as provided by chapter 53 of Title 24 (Indebtedness) or other provisions of law authorizing general obligations or

revenue debt, including chapter 12 of Title 10 (Vermont Industrial Development Authority) and chapter 119 of Title 24 (Municipal Bond Bank).

(10) To establish a budget and assess members in accordance with this charter and provisions of state law.

(11) To appropriate and expend monies.

(12) To establish sinking funds for the retirement of bonded or other indebtedness.

(13) To charge members for the cost of providing public safety services.

(14) To exercise any other powers which are necessary or desirable for dealing with public safety measures, as any member may exercise by general state law or charter.

(15) To establish capital reserve funds.

(16) To accept and administer gifts, grants, and bequests in trust.

(17) To exercise all powers incident to public corporations.

(18) To make payments in lieu of taxes to members hosting Authority facilities.

(19) To appoint a Public Safety Director.

(20) To enter into contracts with banks, insurance companies or other financial institutions so as to obtain a letter of credit, bond insurance, or other forms of financial guarantees or credit enhancement in connection with Authority bonds, notes, or other evidence of indebtedness.

(21) To provide host communities of Authority facilities with incentive payments, services, and benefits.

(22) To contract with private businesses, non-profit corporations, and other governments for the provision of services associated with the Authority's functions.

(22) To do all things set forth in or necessary to this chapter.

4. Sovereign immunity. The Authority shall have the benefit of sovereign immunity to the same extent that the State of Vermont does. The Authority shall provide liability and other insurance for itself and the members of the Board of Directors (the "board"). The Authority shall hold harmless and indemnify all members of the board from all claims of every kind and nature arising out of or connected with duties as Directors, excepting only willful negligence and criminal conduct.

5. Definitions. As used in this chapter:

(1) "Board" means the board of Directors of the Central Vermont Public Safety Authority.

(2) "Authority" means the Central Vermont Public Safety Authority.

(3) "Members" means those municipalities that comprise the Authority, acting through their respective legislative bodies that are committed to full participation in the shared net expenses of all services provided by the Authority. Other municipalities may, at the Authority's discretion, contract with the Authority for provision of one or more services from time to time.

(4) "Person" means any individual, partnership, company, corporation, association, unincorporated association, joint venture, trust, municipality, the state of Vermont or any agency, department, or subdivision of the state, federal agency, or any other legal or commercial entity.

6. Authority. All power and authority of the Authority shall be exercised by the board.

7. Composition. Each member of the Authority shall have two Directors on the board, and three other Directors shall be elected at large by the electorate of the member municipalities. Each Director must be a resident of his or her municipality, registered to vote in municipal elections at the time of a Director's appointment or election.

8. Selection of Directors

(a) Initial board. The initial two Directors representing each member shall be appointed by the legislative body of each member. Three Directors shall initially be appointed by the Board of Directors, to serve until the next annual City Meetings of the members, after which they shall be elected at large by the voters of the members.

(b) Directors. The three at-large Directors shall serve terms of three years, but the initial elected at-large Directors shall have terms of one, two and three years, to be chosen by lot by the secretary, to ensure staggered terms for the at-large Directors. The Directors appointed by the respective members shall serve terms of two years, but the initial appointed Directors shall have terms of one or two years, to be chosen by lot by the secretary, to ensure staggered terms of the appointed Directors. No Director shall serve more than three full consecutive terms.

(c) Subsequent boards. Any voter in any of the members may be nominated to be elected an at-large Director by filing a petition signed by 25 voters of the municipalities and filing it with the secretary of the Authority before 5:00 p.m. on the sixth Monday prior to the day of election, which shall be the filing deadline. Votes for at-large Directors shall be tallied by the clerks of the respective members and certified to the secretary of the Authority within a week of the day of election. The Directors receiving a plurality of the votes shall be deemed elected, after the vote is confirmed by the Board of Directors.

(d) Appointments. The legislative body shall make its appointment by the end of March in the year in which the term of the preceding Director for that member expires. The clerk of each member shall certify its appointment to the secretary of the Authority.

(e) Oath of Office. All Directors shall take an oath of office similar to that taken by members of legislative bodies of municipalities, as in section 831 of Title 24. The oath shall be administered by the clerk of the Director's municipality.

(f) The Authority shall pay Directors such reimbursement of expenses or stipend as the board shall determine.

9. Organizational meeting. Within 60 days of the effective date of this chapter, the chair of the Central Vermont Chamber of Commerce shall designate a time and place for the organizational meeting of the initial board. Annually thereafter, on the first Wednesday in April, the board shall hold its organizational meeting at a time and place designated by the board chair. At the organization meeting, the board shall elect from among its membership a chair and a vice-chair, each of whom shall hold office for one year and until a successor is duly elected and qualified. For this election each Director present shall cast one vote, except that no Director shall be elected chair for more than three consecutive terms unless Directors representing at least two-thirds of all votes entitled to be cast on behalf of all members and comprising at least two-thirds of all possible Directors (including vacancies) shall so vote. The chair and vice-chair who are elected at the organizational meeting of the initial board shall hold office until the second board elects their successors.

10. Regular meetings. A schedule of regular meetings of the board shall be established at its annual organizational meeting. The schedule shall be sent to the clerk of each member for posting.

11. Special meetings. Special meetings of the board may be called at any time by the chair and shall be called by the secretary upon written request of a majority of the members of the board. Each Director shall be given at least 24-hours' notice of any special meeting by telephone, or by written notice delivered personally, email, fax, or regular mail. Directors waive the notice requirements if they attend the special meeting, unless attendance is for the sole purpose of protesting the holding of the meeting. No action may be taken at a special meeting which is not warned specifically in the notice.

12. Quorum and Rules. To transact business, at least four Directors must be present and four Directors must vote in favor of a motion for it to be effective. No proxies shall be allowed. A smaller number may adjourn to a later date, provided notice is given to all members as if such adjourned meeting were a special meeting. All meetings of the board and its committees shall be governed by the small boards sections of the most recent edition of Robert’s Rules.

13. Vacancy. (a) A Director may resign at any time by notice to the chair of the Authority. In cases of municipal Directors, notice shall also be given to the legislative body of the municipality represented.

(b) The board may declare, by written certification to the legislative body of a member, a vacancy for the position of the Director from that member after the Director has failed to attend three unexcused, consecutive meetings of the board within one year beginning in March and ending in February of the subsequent year.

(c) Upon resignation, death, certification of vacancy by the board, or removal from the municipality by a Director, the legislative body of that member shall appoint a Director for the remainder of the term of such Director within 45 days. The appointment shall be certified by the clerk of the member to the secretary of the Authority.

(d) Each vacancy or withdrawal of a member shall reduce the number of Directors needed to constitute a quorum or binding vote of the Authority.

14. Officers. The officers of the Authority shall be the chair and the vice chair of the board of Directors, the secretary of the Authority, and the treasurer of the Authority. There may also be an assistant secretary, and an assistant treasurer.

15. Bond. Within 30 days of their election or appointment, all officers shall post bond in such amounts as shall be determined by the board. The cost of such bond shall be borne by the Authority.

16. Public Safety Director. The board shall appoint a public safety director, based on experience and demonstrated competence, and shall set the salary and benefits for this office. The director shall oversee the operations and hire and supervise the personnel of the Authority.

17. Chair. The chair shall preside at all meetings of the board and shall make and sign all contracts on behalf of the Authority upon approval by the board. The chair shall perform all the duties incident to the position and office.

18. Vice chair. The vice chair shall preside during the absence of the chair or in the event the chair elects not to preside. In either case, the vice chair shall have the same duties and authority as the chair.

19. Acting chair. When both the chair and vice chair are either absent or elect not to preside, the board shall designate a member of the board to serve as acting chair. In any such case, the acting chair shall have the same duties and authority of the chair and shall serve until either the chair or vice chair resume his or her duties.

20. Secretary. The secretary of the Authority shall be appointed by the board. The secretary, with the approval of the board, may appoint an assistant secretary, who shall not be a Director of the board. The secretary shall have charge and custody of the public records of the Authority and the seal of the Authority. The secretary shall record all votes and proceedings of the Authority, including meetings of the Authority and meetings of the board and shall cause to be posted and published all warnings of meetings of the Authority. The secretary shall prepare all warnings of meetings of the Authority as required. Following approval by the board, the secretary shall cause the annual report to be distributed to the legislative bodies of the members.

The secretary shall prepare and distribute any other reports required by laws of the state of Vermont and resolutions or regulations of the board. The secretary shall perform all the duties and functions incident to the office of secretary or secretary of a body politic and corporate.

21. Treasurer. The treasurer of the Authority shall be appointed by the board. The treasurer, with the approval of the board, may appoint an assistant treasurer, who shall not be a Director of the board. Neither the treasurer nor the assistant treasurer may be a Director. The treasurer shall have the custody of the funds of the Authority and shall be the disbursing officer of the Authority. When authorized by the board of Directors, the treasurer shall sign, make, or endorse in the name of the Authority all checks and orders for the payment of monies and pay out and disburse the same.

22. Grand juror. The board may appoint a grand juror who shall inquire into any person's offenses under the Authority's regulations or applicable law and present them to the proper authority. If the attorney general or the state's attorney is unwilling to prosecute such offenses, the grand juror may do so. For these purposes, the grand juror shall have the same authority within the Authority as a state's attorney. The grand juror shall not be a Director.

23. Open meetings and public records. The conduct of all meetings and the maintenance of all records of the Authority and the board shall be governed by the laws of this state relating to open meetings and accessibility of public records.

24. Audit. The board shall cause an audit of its financial records to be performed annually by an independent professional accounting firm or a certified public accountant.

25. Committees. The board shall have the authority to establish any and all committees as it may deem necessary.

26. Recall of officers. An officer may be removed by a vote of ~~two-thirds~~ a majority of the board whenever, in its judgment, the best interest of the Authority will be served.

27. Fiscal year. The fiscal year of the Authority shall commence on July 1 and end on June 30 of each year.

28. Budget appropriation and assessment. (a) Proposed budget. Annually on or before January 1, the board shall approve and cause to be distributed to the legislative body of each member for review and comment an annual report of its activities, including a financial statement, the budget history of the preceding two years, a proposed budget of the Authority for the next fiscal year, and a budget projection for the two successive years. The board may appoint a budget committee to develop the proposed budget. The board shall hold a public hearing on or before February 1 of each year to receive comments from the legislative bodies of the members and hear all other interested persons regarding the proposed budget. Additional public hearings may be held if the board deems it appropriate to do so. Notice of such hearing(s) shall be as provided below, except that for additional public hearings, the time requirements of that section shall be reduced by 15 days, and notice(s) need only be published once. The board shall give

consideration to all comments received and make such changes to the proposed budget as it deems advisable.

(b) Budget adoption, appropriations, and assessment. Annually on or before January 1, the board shall approve the budget. At the Town Meeting Day elections, the voters of each member shall vote on appropriating the sums necessary to operate and carry out the Authority's functions for the next ensuing fiscal year. Once a budget is approved, the board shall assess each member for its proportionate share of the sums so appropriated, less revenues anticipated from the members, and adopt a schedule designating when such assessments are due and payable by the members. The members shall include the Authority's assessment as a separate line item on the annual property tax bills so as to appropriate such sums as the member is apportioned, once voted as described in Section 29.

29. Cost-sharing formula. Following its initial meeting, the PSA shall be charged with the creation and acceptance of a memorandum of understanding (MOU) that outlines a cost sharing formula between member municipalities. This MOU will then be proposed to the legislative bodies of the member municipalities for adoption. It is anticipated that the framework of the MOU will include but not be limited to prior historical costs as well as those items listed in Appendix A attached.

30. Invoice. After adoption of the budget for the ensuing fiscal year, the Authority shall deliver an invoice to each member for its share of the net cost of operating the Public Safety Authority, accompanied by its budget estimates for the next two years.

31. Collection. Annually on or before January 1, the treasurer shall issue and present a warrant to the legislative body of each member requiring that the amount of such assessment be paid beginning in accordance with the schedule of payments adopted by the board. The legislative body of each member shall draw an order on the municipal treasurer for the amount of such assessment, and the municipal treasurer shall pay to the Authority treasurer the amount of such order. If any member shall fail to pay when due any assessment against it by the Authority, it shall incur an additional charge that the board determines will be reasonable. However, the charge shall not exceed eight percent plus interest. Interest shall be charged at a rate the board determines to be reasonable.

32. Limitations of appropriations. Appropriations made by the board for the various estimates of the budget as defined above shall be expended only for such estimates; however, by majority vote of the board, the budget may be amended from time to time to transfer funds between or among such estimates. Any balance left or unencumbered in any such budget estimate shall lapse at the end of the fiscal year. The amount of any deficit at the end of the fiscal year shall be included in the next proposed operating budget and paid out of the appropriations for that budget year.

33. Indebtedness. (a) Short-term borrowing. The board may borrow money through the issuance of notes of the Authority for the purpose of paying current expenses of the Authority. Such notes must mature within one year. The board may also borrow money in anticipation of assessment to each member in an amount not to exceed 90 percent of the amount assessed for

each year, and may issue notes of the Authority which must mature within one year. The board may also borrow money in anticipation of grants-in-aid from any source and any revenues other than assessments through the issuance of notes of the Authority. Such notes must mature within one year but may be renewed as provided by general law. The board may also borrow money in anticipation of bond proceeds which have been authorized as provided in this charter. Said notes shall be issued as provided in 24 V.S.A. Chapter 53.

(b) Long-term indebtedness

(1)(A) Submission to voters. On a petition signed by at least ten percent of the voters of the Authority, the proposition of incurring a bonded debt or other indebtedness to pay for public improvements or of authorizing a long-term contract shall be submitted by the board to the voters thereof at a special meeting to be held for that purpose. In the alternative, when the board shall determine by resolution passed by the majority of members present and voting at a duly warned and called meeting, that the public interest or necessity demands improvements or a long-term contract, and that the cost of the same will be too great to be paid out of the ordinary annual income and revenue, it shall order the proposition of incurring indebtedness or of authorizing a long-term contract to be submitted to the voters of the Authority at a meeting to be held for that purpose. A "long-term contract" means a contract in which the Authority incurs obligations for which the costs are too great to be paid out of the ordinary annual income and revenues of the Authority in the judgment of the board. The term "long-term contracts" shall not include any contract that is subject to annual renewal or extension at the election of the Authority, or any contract pursuant to which payment by the Authority shall be subject to annual appropriations in accordance with the annual budget, or any contract for services or the purchase or lease of equipment, materials, or supplies needed in the ordinary course of business of the Authority. The term "public improvements" shall include improvements which may be used for the benefit of the public, whether or not publicly owned or operated. Bonded debt or other indebtedness may be authorized for any purpose permitted by chapter 53 or chapter 119 of Title 24, and chapter 12 of Title 10, or any other applicable statutes for any purpose for which the Authority is organized. The board may not submit to the voters more than twice in the same calendar year the proposition of incurring bonded or other indebtedness to pay for the same or similar public improvement or of entering the same or similar long-term contract.

(B) Any bonds, notes or other evidence of indebtedness of the Authority may be sold at par, premium, or discount, at public or private sale or to the Vermont Municipal Bond Bank, as the Authority acting through the board of Directors shall determine.

(2) Warnings of meeting. The warning of a special meeting of the Authority to incur bonded debt or other indebtedness or to authorize a long-term contract shall state the object and purpose for which the indebtedness or long-term contract is proposed to be incurred or authorized, the estimated cost of the improvements or service, the amount of bonds or other evidence of indebtedness proposed to be authorized, a summary of the terms of any contract proposed to be authorized, and means of raising or apportioning costs entailed thereby for debt service or payments under a long-term contract. The warning shall state the places where and the date and time when the meeting shall be held and the hours of opening and closing the polls. The

board, in cooperation with the Board of Civil Authority of each member, shall determine the number and location of polling places. There shall be at least one polling place in each member.

(3) Notice of meeting. The secretary of the Authority shall cause notice of such special meeting to be published in one or more newspapers of known circulation in the Authority once a week for three consecutive weeks on the same day of the week, the last publication to be not less than five nor more than ten days before such meeting. Notice of such meeting shall also be posted in at least three public places within each member at least 30 and not more than 40 days before the meeting and be filed with the clerk of each member and the secretary of the Authority prior to posting.

(4)(A) Authorization. The voters of the members shall vote for or against the issuance of bonds or other indebtedness or to authorize a long-term contract based upon the majority of votes cast by the voters. When the majority of votes so cast favor the issuance of bonds or other indebtedness or to authorize a long-term contract, the Authority shall be so authorized as provided in chapter 53 of Title 24 (Indebtedness) or other applicable statutes, or to enter into the long-term contract. The ballots cast in each member shall be counted by the election officials of each member, preserved and secured with the checklist, and thereafter the results shall be certified to the Authority secretary within 48 hours.

(B) The Authority may issue such bonds, notes, or other evidence of indebtedness from time to time in one or more series or separate series, as determined by the board of Directors, provided that the aggregate principal amount does not exceed the principal amount for which voter approval was obtained. Such bonds, notes, or other evidence of indebtedness may bear such date or dates, mature at such time or times not exceeding 40 years from their respective dates, bear interest at such rate or rates (including variable rates) payable semiannually, monthly, or at such other time as determined by the board of Directors, be in such denominations, be in such form, either coupon or registered, carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be payable in such medium of payment, at such place or places, and be subject to such terms of redemption, with or without premium, be declared or become due before the maturity date thereof, as such resolutions authorizing their issuance may provide.

(5) Assessment. The cost of debt service or of payments under a long-term contract shall be included in the annual budget of the Authority, and shall be allocated among the members as provided above for the calculation of the annual budget assessment. The applicable provision of chapter 53 of Title 24 (Indebtedness) or other enabling law under which debt is incurred or long-term contracts authorized shall apply to the issuance of bonds or other evidence of indebtedness by the Authority and for that purpose the Authority shall be deemed a "municipal corporation," the board shall be deemed a "legislative branch," and the Authority treasurer shall be deemed a "municipal treasurer" within the purview of that chapter. Bonds or other evidence of indebtedness and long-term contracts shall be signed by the treasurer and chair of the board of the Authority.

(6) Bonds eligible for investment. Bonds and notes issued by the Authority shall be legal investments for all persons without limit as to the amount held, regardless of whether they are

acting for their own account or in a fiduciary capacity; such bonds and notes shall likewise be legal investments for all public officials authorized to invest public funds.

(7) Tax exemption. All bonds, notes, or other evidence of indebtedness issued by the Authority are issued by a body corporate and public of the state and for an essential public and governmental purpose and those bonds, notes, and other evidence of indebtedness and the interest thereon and the income therefrom, and all fees, charges, funds, revenues, income, and other monies pledged or available to pay or secure the payment of those bonds, notes, and other evidence of indebtedness or interest thereon, are exempt from taxation except for transfer, inheritance and estate taxes.

(8) Purchases and disposition of own obligations. The Authority may purchase bonds, notes, and other evidence of indebtedness of the Authority out of any of its funds or money available therefor. The Authority may hold, cancel, or resell the bonds, notes, and other evidence of indebtedness subject to and in accordance with agreements with holders of its bonds, notes, and other evidence of indebtedness.

(9) Presumption of validity. After issuance, all bonds, notes, and other evidence of indebtedness of the Authority shall be conclusively presumed to be fully authorized and issued by all the laws of this state, and any person or governmental unit shall be stopped from questioning their authorization, sale, issuance, execution, or delivery by the Authority.

(10) Specific provisions. In connection with the issuance of any bonds, notes, or other evidence of indebtedness, in addition to the powers it may now have or hereafter have, the Authority may make such covenants and agreements and exercise such powers as contained in chapter 53 of Title 24.

34. Sinking Fund. The board may establish and provide for a sinking fund for the retirement of bond issue or other debt, or to provide security for the payment thereof. When so established, it shall be kept intact and separate from other monies at the disposal of the Authority, and shall be accounted for as a pledged asset for the purpose of retiring or securing such obligations. The cost of payments to any sinking fund shall be included in the annual budget of the Authority.

35. Capital reserve fund. The board may establish and provide for a capital reserve fund to pay for public improvements, replacement of worn out buildings and equipment, and major repairs of Authority facilities. Any such capital reserve fund shall be kept in a separate account and invested as are other public funds and shall be expended for such purposes for which established. The cost of payments to any capital reserve fund shall be included in the annual budget of the Authority.

36. Special Authority meetings. The board may on its own motion call special meetings of the Authority and shall call a special meeting of the Authority when action by the voters of the Authority is required. The board shall call a special meeting of the Authority if petitioned to do so by not less than five percent of the voters of the Authority. The board may rescind the call of the special meeting called on its own motion. The board shall endeavor to

schedule the time of special meetings to coincide with the time of annual municipal meetings, primary elections, general elections or similar meetings when the electorate within the members will be voting on other matters.

37. Places of meetings. At any annual and special meeting of the Authority, voters of each member shall cast their ballots at such polling places within the municipality of their residence as shall be determined by the board in consultation with the Board of Civil Authority of each municipality.

38. Public hearings. Not less than 30 nor more than 40 days prior to any annual or special meeting of the Authority, the board shall hold at least one public hearing at which the issues to be voted upon at the annual or special meeting shall be presented for public comment. Notice of such public hearings shall include a warning published in one or more newspapers of general circulation in the Authority at least once a week, on the same day of the week for three consecutive weeks, the last publication to be not less than five nor more than ten days before the public hearing.

39. Warnings required. The board of the Authority shall warn a annual or special meeting of the Authority by filing a notice with the clerk of each member and by posting or causing to be posted a notice in at least three public places in each municipality in the Authority not less than 30 nor more than 40 days before the meeting. The warning shall be published in one or more newspapers of general circulation in the Authority once a week on the same day of the week for three consecutive weeks before the meeting, the last publication to be not less than five nor more than ten days before the meeting.

40. Signing of warning. The original warning of any annual or special meeting of the Authority shall be signed by the secretary and chair of the board.

41. Warning contents. The posted notification shall include the date, time, place, and nature of the meeting. It shall, by separate articles, specifically indicate the questions to be voted upon.

42. Australian ballot. The Australian ballot system shall be used at all annual and special meetings of the Authority.

43. Qualifications and registration of voters. All legal voters of the members shall be legal voters of the Authority. The municipality shall post and revise checklists in the same manner as for municipal meetings prior to any Authority meeting.

44. Conduct of meetings. At all special meetings of the Authority, the provisions of Title 17 shall apply except where clearly inapplicable. The Authority secretary shall perform the functions assigned to the secretary of state under that title. The Washington unit of the Vermont Superior Court shall have jurisdiction over petitions for recounts. Election expenses shall be borne by the Authority.

45. Reconsideration or rescission of vote. (a) A question voted on at any special meeting of the Authority shall not be submitted for reconsideration or rescission, except at a subsequent special meeting duly warned for that purpose and called by the board on its own motion or pursuant to a petition requesting such reconsideration or rescission signed and submitted in accordance with subsection (b) of this section.

(b) Where a petition signed by not less than five percent of the qualified voters of the Authority requesting reconsideration or rescission of a question considered or voted on at a previous special meeting is submitted to the board of the Authority within 30 days following the date of that meeting, the board shall provide for a vote by the Authority in accordance with the petition within 60 days of the submission at a special meeting duly warned for that purpose.

(c) A vote taken by a special meeting shall remain in effect unless rescinded at a special meeting called and warned in accordance with this section.

(d) A question voted on shall not be presented for reconsideration or rescission at more than one subsequent meeting without the approval of the board.

46. Validation of Authority meetings. When any of the requirements as to notice or warning of a special Authority meeting have been omitted or not complied with, if the meeting and the business transacted is otherwise legal, the omission or noncompliance may be corrected and legalized by vote at a special meeting of the Authority called and duly warned for that purpose. The question to be voted upon shall substantially be: "Shall of the action taken at the meeting of the Authority held on (state date), in spite of the fact that (state the error or omission), and any act or action of the Authority officers or agents pursuant thereto be readopted, ratified or confirmed?" Errors or omissions in the conduct of any prior special meeting which are not the result of an unlawful notice or warning or noncompliance within the scope of the warning may be cured by a resolution of the board of the Authority by a vote of at least two-thirds of all the votes entitled to be cast at a regular meeting or a special meeting called for that purpose, stating that a defect was the result of an oversight, inadvertence or mistake. When an error or omission has thus been corrected by resolution, all business within the terms of the action of the qualified voters shall be as valid as if the requirements had been in compliance initially on the condition that the original action by the board was otherwise in compliance with the legal exercise of its corporate powers.

47. Priority. When a special meeting of the Authority is called to act to incur bonded or other indebtedness or to enter into a long-term contract, and the meeting procedures in this chapter conflict with the procedures in subchapter 4, the procedures in subchapter 4 shall prevail.

48. Withdrawal of a municipality. (a) Subject to the provisions of subsection (b) of this section, a member may vote to withdraw from this chapter in the same manner as it votes to adopt the chapter if three years have elapsed since the Authority has become a body politic and corporate and if the Authority has not voted to bond for construction and improvements, all in accordance with subsection 4863(g) of Title 24. The provisions of 24 V.S.A. § 4863(i) and (j) shall apply so that any vote of withdrawal taken less than one year from the time the Authority has become a body politic and corporate or any vote of withdrawal taken after the Authority has

voted to bond for construction and improvements shall be null and void. The membership of a withdrawing member shall terminate as of one year following a valid vote to withdraw or as soon after such one-year period as the financial obligations of the withdrawing member have been paid to the Authority. All of the foregoing notwithstanding, however, in the event that the general assembly of the state of Vermont shall specifically approve, then a member may vote to withdraw from the Authority at any time.

(b) The financial obligations of a withdrawing member shall include all ongoing costs and assessments of the Authority until the withdrawing member has entered into a written agreement satisfactory to counsel for the Authority obliging the withdrawing municipality as follows:

(1) To continue to pay its share of all debts incurred by the Authority for the remaining terms of all bonds and contracts in existence at the time when the vote to withdraw was taken.

(2) To pay its share, based upon its assessment for the year in which it withdraws, of the defense costs and judgment rendered in any legal action brought against the Authority arising or accruing in any year during which it was a member of the Authority.

(3) To pay its share, based upon its assessment for the year in which it withdraws, of all unbudgeted costs and expenses of the Authority arising out of the activities of the Authority during the withdrawing member's term of membership, regardless of when such costs and expenses may be discovered.

(4) To pay all of these additional costs either in a lump sum or in installments at such times and in such amounts as required by the board.

(c) After a member has voted to withdraw, the board shall give notice to the remaining members of the vote to withdraw and shall hold a meeting to determine if it is in the best interest of the Authority to continue to exist. All interested parties shall be given an opportunity to be heard. If the board determines that it would be in the best interests of the Authority to cease operations, the board may prepare and implement a plan for dissolution of the Authority.

49. Admission of additional municipalities. (a) The board, by the affirmative vote of Directors representing at least two-thirds of all votes entitled to be cast on behalf of all members and comprising at least two-thirds of all possible Directors (including vacancies), may authorize the inclusion of additional municipalities in the Authority upon such terms and conditions as it shall deem to be fair, reasonable and in the best interests of the Authority. The petitioning municipality shall comply thereafter with the approval procedures specified in chapter 121 of Title 24 (Inter-municipal Cooperation and Services). If a majority of the voters of the petitioning municipality present and voting at a meeting of such municipality duly warned for such purpose shall vote to approve the agreement and the terms and conditions for admission, the vote shall be certified by the clerk of that municipality to the secretary of the Authority, and the municipality shall be a member.

(b) The Authority welcomes the consideration of the Towns of Barre and Berlin, and extends to them a special invitation to join the Authority by vote of their residents, and the provisions of Section 51 shall not apply to them if they warn a vote for May or November of 2014 to become members of the Authority. Upon an affirmative vote of residents, the town shall be deemed a member of the Authority under the terms of this charter, on the same terms and conditions as the Cities of Barre and Montpelier, except that the cost-sharing allocation formula shall be modified based on the historical percentage of net public safety costs of the member towns. By voting to accept the charter, the voters of the members which are now included in this charter agree that the draft may be so amended to reflect the involvement of the Towns of Berlin and/or Barre, without a new vote by the cities of Montpelier and Barre.

50. Dissolution of the Authority. (a) Upon the affirmative vote of Directors representing at least two-thirds of all votes entitled to be cast on behalf of all members and comprising at least two-thirds of the Directors present, the board may prepare a plan of dissolution for submission to the voters of the Authority at a special meeting of the Authority duly warned for such purposes. If the voters of the Authority present and voting at such special meeting of the Authority vote to dissolve the Authority, the Authority shall cease to conduct its affairs except insofar as may be necessary to complete the plan of dissolution and conclude its affairs. The board of Directors shall cause a notice of the plan of dissolution to be mailed to each known creditor of the Authority and to the secretary of state.

(b) The plan of dissolution shall, at a minimum:

(1) Identify and value all assets of the Authority;

(2) Identify all liabilities of the Authority, including contract obligations;

(3) Determine how the assets of the Authority shall be liquidated and how the liabilities and obligations of the Authority shall be paid, to include assessments against municipalities of the Authority;

(4) Specify that any assets remaining after payment of all liabilities shall be apportioned and distributed among the municipalities according to the same basic formula used in apportioning the costs of the Authority to the municipalities.

(c) When the plan of dissolution has been fully implemented, the board shall certify that fact to the members whereupon this chapter and the Authority shall be terminated.

51. Amendment of the Authority agreement. Amendments to this charter may be proposed by a petition signed by five percent of the voters of the members, or by the board, by a resolution expressing the intention to amend the chapter. A copy of such resolution shall be mailed to the legislative bodies of the members and to each Director at least ten days prior to the meeting scheduled to act on the proposal of amendment. Unless a majority of the members request, in writing, on or before the date of the meeting scheduled to act on the amendment, that the board hold a special meeting of the Authority to vote on the amendment, the board may adopt the amendment. Within ten days of the adoption of the amendment by the board or by the voters

of the Authority, the secretary of the Authority shall certify to the secretary of state each proposal of amendment. The secretary of state shall then proceed as with municipal charter amendments under section 2645 of Title 17. No amendment shall substantially impair the rights of the holders of any bonds or other notes or other evidence of indebtedness or substantially affect any obligations under long-term contracts of the Authority then outstanding or in effect, or the rights of the Authority to procure the means for payment, continuation, or termination thereof.

52. Seal. The Authority shall have a seal designed as the board requires.

53. Severability. Should any court of competent jurisdiction judge any term, phrase, clause, sentence, or provision of this chapter to be invalid, illegal, or unenforceable in any respect, such judgment shall not affect the validity, legality, or enforceability of the chapter as a whole or any other part of this chapter.

54. Ratification. This charter shall take effect upon the approval by the voters of each member, at its annual meeting; enactment of the charter by the legislature; and subsequent to the enactment, ratification of the charter by each of the legislative bodies of the members.

The legislative bodies of the members shall also have authority to ratify secessions of authority over different services, as the PSA evolves. The PSA shall make formal separate requests of the legislative bodies for dispatch, police, fire, and emergency services, as the PSA is ready to begin administering those services, and the legislative bodies of each member shall then vote on ceding such authority to the PSA.

APPENDIX A

It is anticipated that the Board of Directors will consider but not be bound by the following calculations in determining the member cost allocations to determine the original memorandum of understanding as envisioned in section 29

a. Percentage for the first three years. Prior to the first fully-operational year, the percentage of the total net operating costs of the authority billed to each member in accordance with the following historic burden of cost:

Total Net Costs	2010-2012	Barre City	Barre Town	Berlin	Montpelier
9,431,849	NET COST:	3,805,042	1,359,747	980,092	3,286,968

In accordance with this net cost history, Barre City shall pay 53.7 percent and Montpelier 46.3 percent of the PSA annual budget. These same percentages shall be used for the first three years of full operations.

For scenarios involving the Towns of Barre or Berlin, cost-sharing would be based on the percentage of net costs for the member towns as shown in APPENDIX A.

b. Years four through seven. In the fourth through seventh years of operation, cost-sharing of the net operating costs of the PSA shall change to a blended formula that takes into account each member's resident population as well as requests for law-enforcement services and firefighting services. In each successive year, cost-sharing shall be dictated less by the historic percentages and more by population, law-enforcement and firefighting requests. By the seventh year, these historical percentages will have no role in the cost-sharing calculation.

(a) Year Four shall be weighted as follows: historic percentages (above), 75 percent of the total budget; population, nine (9) percent; law-enforcement, eight (8) percent; and firefighting, eight (8) percent.

(b) Year Five shall be weighted as follows: historic percentages, 40 percent; population, 20 percent; law-enforcement, 20 percent; and firefighting, 20 percent.

(c) Year Six shall be weighted as follows: historic percentages, 25 percent; population, 25 percent; law-enforcement, 25 percent; and firefighting, 25 percent.

(d) In year seven and succeeding years, weighting for the billing of Public Safety Authority services to each member shall be based on population, 34 percent; law-enforcement, 33 percent; and firefighting, 33 percent. Historic percentages shall not be part of the formula from year seven forward.

(e) Each reference to population, law-enforcement services and firefighting services in this chapter shall mean the most recent three-year average for this measure for each municipality that is available at the time of calculation.

					APPENDIX A
	Cost-Sharing Scenarios based on Membership				
Total Cost		Barre City	~~Barre Town~~	~~Berlin~~	Montpelier
7,092,010	**NET COST:**	3,805,042	-	-	3,286,968
	Current % Data	Barre City	Barre Town	Berlin	Montpelier
	Net Cost (2010-12)	**53.7%**	**0.0%**	**0.0%**	**46.3%**
Total Net Costs	**2010-2012**	Barre City	Barre Town	Berlin	Montpelier
9,431,849	**NET COST:**	3,805,042	1,359,747	980,092	3,286,968
	Current % Data	Barre City	Barre Town	Berlin	Montpelier
	Net Cost (2010-12)	**40.3%**	**14.4%**	**10.4%**	**34.8%**
Total Cost		Barre City	Barre Town	~~Berlin~~	Montpelier
8,451,757	**NET COST:**	3,805,042	1,359,747	-	3,286,968
	Current % Data	Barre City	Barre Town	Berlin	Montpelier
	Net Cost (2010-12)	**45.0%**	**16.1%**	**0.0%**	**38.9%**
Total Cost		Barre City	~~Barre Town~~	Berlin	Montpelier
8,072,102	**NET COST:**	3,805,042	-	980,092	3,286,968
	Current % Data	Barre City	Barre Town	Berlin	Montpelier
	Net Cost (2010-12)	**47.1%**	**0.0%**	**12.1%**	**40.7%**

Adoption history:

This charter was adopted on _____ by vote of the members.

This charter was enacted by act of the Vermont General Assembly on _____ by No. ____ (2014).

This charter was ratified by the legislative bodies of the members on _____.

TO: MONTPELIER CITY COUNCIL

FROM: **DOWNTOWN IMPROVEMENT DISTRICT (D.I.D.) COMMITTEE**

SUBJECT: 2013-2014 COMMITTEE RECCOMENDATION

DATE: JANUARY 23, 2014

CC: WILLIAM J. FRASER, CITY MANAGER

The Downtown Improvement District Committee reviewed a revised proposal from Meg Schulz regarding a proposed Montpelier "Park in the Street "event for the 21st of June 2014. The Committee was impressed by the proposal and asked Ms. Schulz to return in January to present a refined idea based on 1 event. The original proposal was for 4 events to run in a series but the committee felt that a well-defined "pilot" would allow for laying the foundation for future events. Ms. Schulz presented a refined idea to the Committee at their January 14, 2014 meeting.

Committee Vote YES 6-0 Approve funding not to exceed $14,000
Long Term Sustainability: The first year will lay the foundation for future events
Leverage: Applicant will work to secure additional sponsorship
Deliverable in One Year: June 21, 2014
Local Supply or Labor: Yes
City Council Goals: Yes

June 2013 City Council Goal: Support and promote a vibrant downtown.

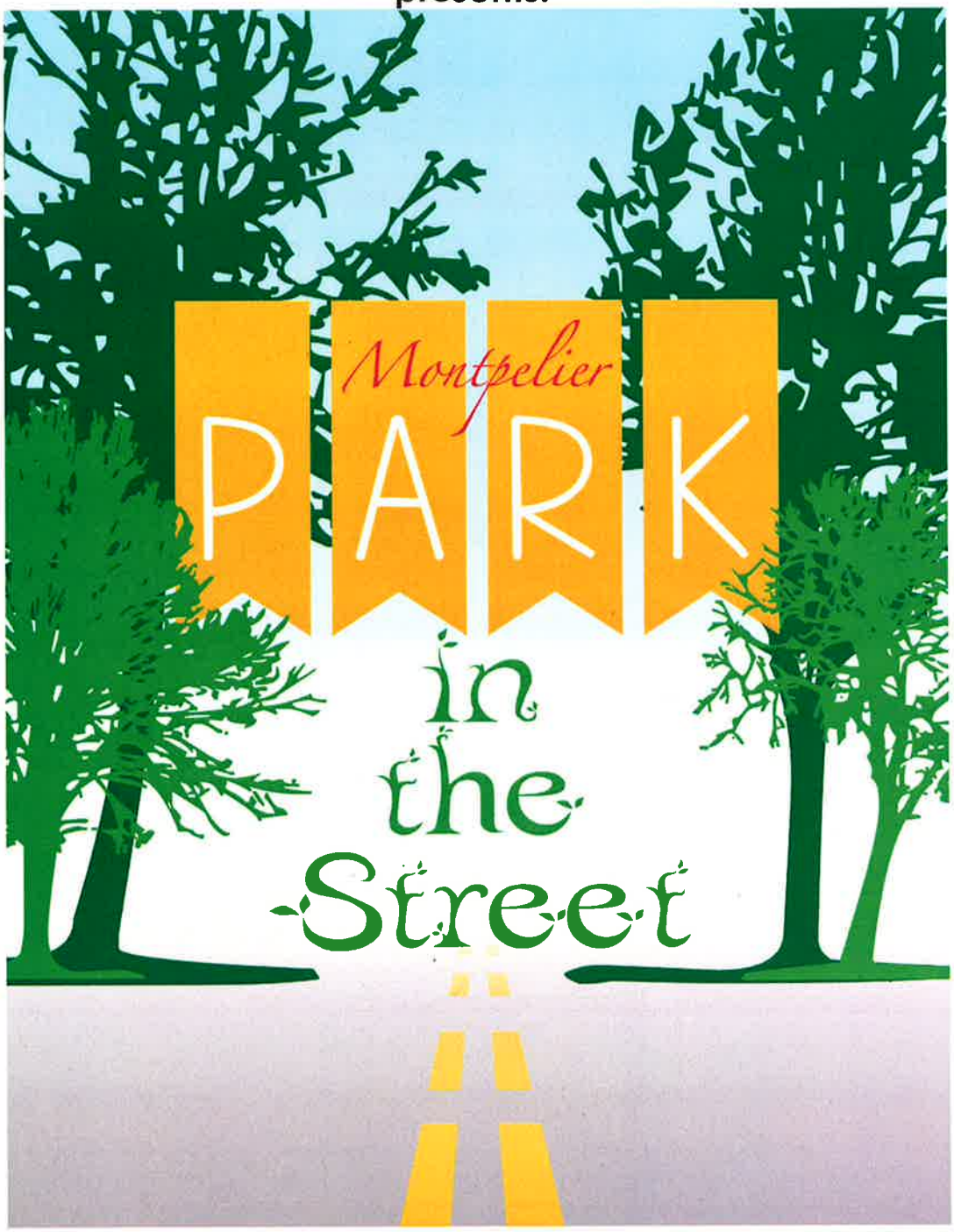
- Work to ensure that the Farmers' Market stays downtown.
- Support groups that come to the City Council with downtown initiatives.
- Explore the periodic closure of State Street.
- Successfully implement the Downtown Improvement District.

Brief Summary:
Meg Schulz Entertainment and Design (MSED) "Montpelier Park in the Street" Craft and Music Festival for June 21, 2014
The idea the Pop-Up Park is to redefine public spaces within "urban" settings. Mixing this concept with the traditional Market event will keep the event familiar, but take it to a new level. While Montpelier is quite lucky to have green spaces within city limits, setting up a Pop Up Park on State Street offers a far more unique, accessible and intriguing setting in which to support local vendors and hang out with the community. Furthermore, no one in Vermont is doing this; there is a huge unmet potential to be:

- The leader in this creative new concept.
- It fits the local culture/vibe, so locals should be in support of it.
- It's very unique, which appeals to visitors who may be more likely to go out of their way for something they've never seen before.
- It's has mass appeal for all ages; it's family friendly, but the 'cool kids' will be into it too.
- No one else in Vermont is doing it!
- There could be some fun ways to play with the date; it's the Solstice, the longest day of the year.

Megan Schultz events & designs

presents:



Event Proposal by Megan Schultz Events & Designs, January 16, 2014

Event Proposal

January 14, 2014

Working Title for Event:

Montpelier Park in the Street

Potential tagline:
Redefining Parking on State Street
Second Sundays all Summer Long!

Event Location:
1 through 54 State Street, Montpelier

Project Event Dates:
Saturday, June 21, 2014

Prepared for:
Montpelier Downtown Improvement District
Kevin Casey, Community Development Specialist
(802) 223-9507
kcasey@montpelier-vt.org

Prepared by:
Megan Schultz
Megan Schultz Events & Designs
P.O. Box 661, Moretown, VT 05660
(802) 496-6466
megsevents@gmavt.net

Introduction
Fun, simple and innovative, the 'Montpelier Park in the Street' is a refreshing new twist on a traditional market-style event. This mix of a standard artist market with parking spaces reinvented as 'Pop Up Parks' has mass appeal and will have locals looking at State Street in a whole new light while also attracting visitors from near and far to this free event. Unique, creative and intriguing, this event will redefine what it means to 'Park in the Street."

Goal
To create a unique, innovative and fun event that will draw a large and diverse crowd to downtown Montpelier and showcase our local businesses and culture.

Proposal, Briefly
- Close the first block of State Street (1-54) on Saturday June 21 and create a community-focused 'Park in the Street.'
- Encourage adjacent and regional businesses to rent/sponsor Pop Up Parks, (see Ideas & Example Photos for Pop Up Parks, page 5,) and set up auxiliary spaces that can be used for retail, recreation or relaxation, (shops, lounges, libraries, kid play zones, etc.)
- Have a selection of local and regional artists selling their crafts, perhaps lining the center of the street. These artists could be selected by jury or on a first come, first served basis.
- Have a selection of food vendors – perhaps food trucks – to provide additional food options to the ones already located on this block of State Street. Care would be taken to complement – not compete with – restaurants and cafes in the immediate area.
- Have a variety of live, free entertainment & music to take place on a stage. Additionally have activities that attract all ages like face-painting, street chalk art and/or street performers.
- Encourage biking (have bike racks,) walking, carpooling and encourage use of an off-site parking area with a trolley/shuttle service running laps.
- Local community members such as Jesse Jacobs and his staff have already agreed to donate their time and resources. Montpelier Alive has also been contacted about reaching out to their volunteer list. The addition of the community to the planning process will help the event reflect the community's spirit. The presence of community volunteers will ensure a smoothly run event.

Advantages
The idea the Pop-Up Park is to redefine public spaces within "urban" settings. Mixing this concept with the traditional Market event will keep the event familiar, but take it to a new level. While Montpelier is quite lucky to have green spaces within city limits, setting up a Pop Up Park on State Street offers a far more unique, accessible and intriguing setting in which to support local vendors and hang out with the community. Furthermore, no one in Vermont is doing this; there is a huge unmet potential to be the leader in this creative new concept.
- It fits the local culture/vibe, so locals should be in support of it.
- It's very unique, which appeals to visitors who may be more likely to go out of their way for something they've never seen before.
- It's has mass appeal for all ages; it's family friendly, but the 'cool kids' will be into it too.
- No one else in Vermont is doing it!
- There could be some fun ways to play with the date; it's the Solstice, the longest day of the year.

Finished Product – A Day at the Park

When this free event is open to the public, visitors will come into town either on their bikes and be directed to a large bike rack area, or in the cars and be directed to off-site parking where there could be a free trolley to and from the event running all day.

The first block of State Street will be open for pedestrian use only. The middle of the street will be lined with booths with artwork from local artisans and crafters. There will be some food trucks as well as food offered from adjacent businesses. There will also be playful and creative Pop Up Parks hosted by assorted local and regional businesses occupying the parking spaces on both sides of the street.

The atmosphere will resemble that of a lively park: family friendly, fun, beautiful, but it will have the intrigue that this usually busy street has been transformed into a public green space. Visitors would see the parking spaces lined with lounges, libraries, play areas, umbrellas, balloons etc. There would be a large assortment of shrubs and small trees as well as picnic tables and benches spread throughout the area, and anchored by a stage, set up on the end of State & Main Streets where live entertainment would take place all day.

The day would start with the Montpelier Farmers Market. Set up would take place while the market is open, but the event wouldn't start until around 11am or so, so as not to compete, but instead overlap and complement the market. People would come to hang out, shop and enjoy the change of atmosphere. Local businesses could use their abutting parking spaces in whatever fashion they like – retail, recreation or relaxation – and have a chance to engage customers in a totally innovative way.

Entertainment would start with a very local and maybe student act. Mid-day entertainment would be either of a theater variety or a mellow music style. Late day entertainment would perhaps be another student act. Early evening would feature a family-friendly act from a sub-headliner. Event entertainment would feature an upbeat and fun-to-dance-to headliner with a regional reputation and draw.

Throughout the day an emcee would make announcements, thank local businesses and encourage visitors to take part in different activities, etc. The Emcee would also encourage people to visit the local bars and restaurants during and especially after the event, giving visitors a full taste of the Montpelier spirit.

1-54 State Street Block Layout:
Yellow: Tent & Stage
Pink: Picnic tables &/or artist booths
Bright Green: Pop Up Parks 36 total
Dark green dots: shrubs, trees

VT Trolley:

Pop Up Parks

Structure of renting/sponsoring Pop Up Parks can be determined later, but in general, adjacent and regional businesses will be offered first dibs on the parking spaces. They can choose to make these retail or public space and spend as little or as much money on decorating them as they like. Parking spaces could still have working meters. People would be asked to 'feed the meter,' either to contribute to the parking space 'renter' or to be donated to a charity? They could also have "homemade" meters so people could donate cash as well as change.

Links to Pop Up Examples

http://parkingday502.org/
http://parkingday502.org/inspiration/
http://inhabitat.com/parking-day-2013-the-best-pop-up-parks-across-the-states-photos/

The possibilities are endless. Here are a few of MSED's favorites:

a $1/minute head & neck massage
a solar panel demonstration
an ecology center
an urban farming display
a hammock park
an outdoor classroom
a finger-painting studio
a free bicycle repair shop
a caricature artist
a ping pong tournament
a public dog park
a paper crown making station
a notebook to elected officials
a chess tournament
a lawn bowling course
an art gallery
a public reading room
a public beach
face painting and/or henna
a scrabble tournament
a putt-putt golf course
a story time for kids
a cornhole set
a yoga class

Example Images

Example Day-of Schedule – timing would have to be worked out so as not to create hassles for the Farmers' Market vendors, etc.

- By 8am – Street closed and cleared of all vehicles, Street Cleaning
- 8am – Stage & tent set up. Entrance set up, banners, sound, lighting, etc
- 9am – Pop Up Park & Artist set up
- 11am – Event opens
- 11:30am – Welcome and Thank you announcements
- 12 pm – First Act, most likely a student music act
- 1 pm – Thank you and announcements
- 1:30pm – Second Act, Theater or mellow music
- 2:30pm – Thank you and announcements
- 3pm – Third Act – Local or Regional Band or another student act
- 4pm – Thank you and announcements
- 4:30pm – Sub-headliner, 2 sets over 2½ hrs, family friendly, dancing music
- 6pm – Thank you announcements, Artist and Pop Up Park take down
- 6:30pm – Headliner, 2 sets over 2½ hrs, upbeat, dancing music
- 9:00pm – Closing Thank you and announcements
- 9:15pm – Tent and stage down
- 9:30pm – Street Cleaning
- By 10pm – Street opens for traffic and parking

Conclusion

The Montpelier Park in the Street has huge potential for success. The draw for locals to see a notably busy stretch of State Street transformed into a welcoming public green space is equal to the draw the event will have for regional and out-of-state visitors.

Local businesses will have a unique opportunity to foster good relationships and test out innovative marketing and sales opportunities with the community. Businesses and the community alike will benefit from the overall conviviality that develops from people simply coming together to have a good time.

It's also a hugely flexible event with tons of areas to explore and develop. Areas for growth could include a Friday Night concert to kick things off, or a mapped out bike route for citywide Pop Up Parks. This event could turn into a summer series, happening once a month over June, July, August & September. It could also work with a variety of tangential smaller events that could occur around town on the same dates. The possibilities are endless.

Perhaps the most appealing thing about this event is that at its core, this is a simple plan that can be shaped many ways to ensure a win/win for everyone involved.

Projected Budgeting

Below is a rough outline of the areas of cost. Revenue paths including Sponsorship Opportunities & Pop Up Park 'renting' options have not been explored in full, but would be the main sources of capital in future years, after any assistance from the City of Montpelier. The numbers in the budget are gross estimates and have been derived from information provided by vendors and guestimates based on similar events.

Category	Subcategory	1st Year Estimate Total	2nd Year Estimate Total[1]	Potential Levels of Sponsorship
Rentals	Stage (16'x12')[2] Tent (over stage 20x40')[2] Sound + service Other Rentals (Portolets, benches)[3]	**$600** **$1100** **$550** **$1000**	$600 $1100 $550 $1000	Solstice Sponsor (1): $2000
Marketing	Brand creation[6] Print Ads[3] Web[4, 6] Social Media Other Signage[3] Photographer[5]	**$1500** **$1400** **$900** (MSED Service) **$500** **$1000**	- $1400 $200 (MSED Service) $500 $500	Community Sponsor (2+): $500
Entertainment	Saturday Emcee Saturday Act 1 – Student Act Saturday Act 2 – Theater Saturday Act 3 – Band Saturday Sub-headliner Saturday Headliner	- - - - **$200** **$700**	- - - - $200 $700	Entertainment Sponsor (1): $1000
Other	Assorted Supplies Postage Street Closing/Street Cleaning/Insurance	**$200** **$100** **$500**	$200 $100 $500	Green Space Sponsors (4+): $250
MSED Event Planning & Management	(Detailed outline available upon request.)	**$6250**	$6250	Friends of the Festival (4+): $150
	TOTALS:	**$16,500**	$13,800	$5600+

Rain Contingency: *In the event of rain, additional tenting to line the streets would be added for the Pop Up Parks. This additional tenting would be in the form of 4 10x60' lengths, the cost of which would be $820 each + anchors, for an approximate extra cost of about $4000. These are not terribly popular rental items so their availability should not be an issue and these could be added to our rental with a weeks notice, possibly less. Artist Vendors will be required to bring their own tents, rain or shine, so we will not need additional tenting for them.*
The size of the tent over the stage is the largest we can get for pavement use (anchors vs. stakes in ground,) so we would not be able to get a bigger tent in the event of rain. There would still be plenty of room for dancing with this size and if needed, we could use 10x10 pop ups for back stage use.

Notes
1 2nd Year Estimates are not guaranteed. They are listed only to show the difference in start up costs for in inaugural event, compared to subsequent events down the road.
2 Stage and tent estimates are from Vermont Tent Company. Prices do not include tax (6%) or same-day delivery and/or after hours pick-up ($440). They have benches $20.50 each, 10 of which might be nice in front of the stage. They offer non-profit rates, when approved by the owner. Additional costs of tax and delivery can be absorbed by 'other rentals.'
3 Item could be cheaper with in-kind sponsorship potential
4 MSED will take over webpage management after initial set up.
5 Hiring a professional Photographer will help future marketing and can likely cost less in future years.
6 Item is a one-time purchase or will at least have a much lower cost in subsequent years.

Megan Schultz Events & Designs | P.O. Box 661, Moretown, VT 05660 | (802) 496-6466 | megsevents@gmavt.net | www.meganschultz.com

Guidelines for Montpelier Downtown Improvement District
As Approved by City Council on September 18, 2013

Sec. 100 Goals and Objectives

(a) Goals

1. To capitalize on the charm of our downtown by improving the downtown streetscape and make it attractive to residents, visitors and shoppers.

2. To increase the marketing of downtown Montpelier to both tourists and Central Vermont residents.

3. To equitably appropriate funds to enhance the downtown streetscape and market Montpelier as a unique destination for tourism and business.

4. Promote a climate which will strengthen our existing businesses while attracting new business to the city

5. To create a long range vision for the beautification and marketing of Montpelier Historic Downtown

(b) Objectives:

1. Maximize and then sustain a high quality streetscape program within the Downtown Improvement District

2. Capitalizing on the other community events and programs to best leverage the use of the DID funds

3. Maximize the diversity of events, businesses, and aesthetics of Downtown Montpelier

Sec. 101 Definitions

The following definitions shall apply in the administration and interpretation of these Guidelines

Advisory Committee

(a) The City Council shall constitute and appoint a Downtown Improvement District Committee consisting of five (5) to ten (10) members who shall represent a cross section of interests within the downtown area. Examples of those interests include but are not limited to: persons owning or representing owners of real estate within the District; persons owning or

representing co-owners of retail businesses within the District; persons owning or representing owners of hospitality businesses with the District; persons owning or representing the owner of a service business within the District; persons owning or representing an arts community enterprise within the District, persons representing or employed by the State of Vermont, and persons representing the City Council. Terms of appointment shall be for two years except during the initial appointment when the Council will evenly divide terms for one and two years. In the event that the district is not continued, all terms will expire at the conclusion of the then current fiscal year

(b) The Committee shall prepare an annual work plan and budget, and shall present the same to the City Council on or before July 1 of each year, for the Council's consideration and approval.

USE OF PROCEEDS

All sums collected under this Article shall be deposited and maintained as a restricted fund balance consistent with funds that are mandated for a specific purpose by Montpelier voters and shall be expended only for improvements within the Downtown Improvement District and for the promotion and marketing thereof. Expenditures, grants and transfers from such account shall be approved by the City Council.

Eligible Applicant*:* A non-profit organization with tax exempt status under the Internal Revenue Code, a private developer, or marketing agency, The applicant shall have demonstrable evidence to prove that they can accomplish their stated proposal.

Sec.102 Establishment of Montpelier Downtown Improvement District Fund

The City Council hereby establishes a special revenue account under the name of the "Montpelier Downtown Improvement District Fund" (hereinafter "DID Fund" or "Fund").Into this account shall be deposited all D.I.D. revenue from public and private sources and any other revenues dedicated to the Downtown Improvement District by the City Council or voters.

Sec.103 Management of the Montpelier Downtown Improvement District Fund

The City Council shall make awards from the Downtown Improvement District Fund. The advisory committee shall work with City staff to prioritize applications to the Fund, make funding recommendations to the City Council and monitor the operation and activity of the Fund. The City Manager or his/her designee shall serve as the manager of the Downtown Improvement District Fund and shall assign a staff person to complete the tasks listed below. Subject to further guidance from the City Council, the responsibilities of the Fund staff shall be to:

a. Develop and maintain application materials and financial and other records;

b. Assist prospective applicants in completing application materials;

c. Collect Downtown Improvement District Funds

d. Monitor the use of monies distributed to recipients to assure compliance with the purposes of the Fund and the conditions under which funds are granted;

e. Report at least annually to the City Council on operation and activity of the Fund;

f. Work with the advisory committee on recommendations to the City Council on awards from the Fund; and

g. Provide information to the public on the operation and activity of the Fund.

Sec. 104 Procedures, awards and use of the Downtown Improvement District Fund's assets

a. As long as there are sufficient monies in the Fund, competitive grant rounds shall be held at least once a year with application deadlines set by the City staff provided that a Request for Proposals ("RFP") is published on or before November 1 of each year;

b. All awards from the Fund shall further the public purposes set forth herein;

c. Given the goals and objectives of the Fund, the City Council is authorized to make awards based on the recommendation of the DID Committee.

d. Priority in all awards shall be given, in the following order of preference,

1. Priority will be given to projects that have a demonstrable component of long term sustainability.
2. Priority will be given to projects that leverage other sources of capital over those that do not.
3. Priority will be given to Projects that will provide a deliverable within one year.

4. Priority will be given to Marketing Projects that are able to demonstrate the value of a project on a short and long term basis.

5. Priority will be given to project that maximizes the use of local suppliers and/or labor.

6. Priority will be given to projects that accomplish specific City Council Goals as outlined annually.

Sec. 105 Waiver by City Council

In order to take advantage of special opportunities or unpredictable circumstances, the City Council may waive some or all of these Guidelines & make awards not approved by the Committee or without Committee Recommendation provided that the waiver furthers the purposes of these Guidelines.

DID Committee Meeting Minutes

Members Present

Phil Zalinger, Chair

Jesse Jacobs

Kim Bent

Claire Benedict

Steve Cook

Kevin Casey, Staff

Chair calls Meeting Called to order at 8:20 A.M.

Meg Schulz an Events Planner was asked to come back to the DID Committee to further refine and discuss a proposal to close state street on June 21st and 22nd for an event titled "Montpelier Park in the Street" which will be a two day event with a stage for musicians, street vendors for crafters, vending for retail owners to bring their good to the street and leverage the time and location of the Farmers market.

CB: Montpelier Alive had talked about doing some sort of event on June 21, 2014.

PL: Nothing concrete yet, still looking at dates but the 21st was one of those dates for street closings and we are also looking at other dates in May-August

PZ: The general public won't differentiate who is closing the street for an event; it will just be "The City"

MS: Refined proposal to one 2 day event (Night-Day) which focuses on an evening show in the street , artwork, stages, creative use of parking spaces , retailers can extends their service out onto the street. Its more than just a craft fair, it's an event timed with the solstice and farmers market to leverage the start of summer and get people excited about these times of uses of public spaces. The "Park in the Street" concept uses the energy around park lets, so that in addition to state street retailers & crafters. The parking spaces on the street whiles it's closed can be used in creative ways by anyone who wants to rent them for the day. It will engage the general community and help bring density and gravity to State Street. "Not just a market but a park as well"

PZ: Would a Second event or "series" make more sense?

MS: You really want to make sure that you build a brand around these events, this will draw in more sponsorship dollars in subsequent years but you need to establish success in yopur first year, you really want to create one great event rather than dilute it with quantity over quality.

PZ: Sidewalks will be open?

MS: Yes

Steve Cook: What would be the plan in inclement weather?

MS: Rain is always a difficulty, but the plan could include tents , you can always plan for a contingency but it costs much more to work that into your planning.

JJ: One difficulty is how do we measure Success and how are we as a committee being accountable when these funds are being used?

MS: Generally speaking the community really engages on these types of events when they are properly marketed. In speaking with others in the service industry the concept has been seen as really appealing and adds an additional "hook" with the "park in the street" and provides a way of creative engagement with the business community and increases engagement across many different levels.

JJ: How do make sure that this promotes the Downtown to the Broader region?

MS; Key in the planning is using a band with bigger appeal and when leverages with other events and amenities in town you create a true destination for a day. The band the "Grift" would be willing to play at an event like this and they have broad appeal in the Valley and in Burlington, couples with the craft and farmers market, use of social media, and a strong web and media presence the event will really be the thing to do that weekend. At the Waterbury Arts festival we had Ben and Jerry's pass out flyers for the event and it drew in a lot of tourists looking for something to do, this type of approach is very helpful. This begins by identifying and then leveraging those partners.

CB: Would there be vendors that conflict with retailers?

MS: I try to minimize these type of conflicts; rather I try to find complementary crafts for a particular store creating a synergy between the two. But I would mainly like to get the existing retailers to engage.

CB: It would be great if you came to the Merchant Meeting in February and we could introduce you to them and get the ball rolling with them and get them engaged early.

MS: The decision that need to be made now require a decision, things like the stage, port-o-lets , sounds system, brand creation and marketing. I would really need some help from the committee to help identify partners to help build some sponsorship opportunities etc.,

PZ : Phayvanh, Would Montpelier Alive be willing to be a partner in this?

PL: I cannot commit Montpelier Alive until I speak with the board, but this does seem like something we would like to be involved in, assuming we don't have something else planned

PZ: Can we refine the proposal prior to next weeks council meeting?

JJ: So do we want to do 1 or 2 days?

PZ: I think that we have an event that follows the farmers market , band in the evening and on into the next day and break down in mid to late afternoon on Sunday.

PZ: I really want to make sure Montpelier Alize is not feeling usurped and that there is some synergy there.

CB: We look forward to you meeting with the business owners.

PZ: Move to approve MSED Park in the Street proposal not to exceed $16000 or as amended.

Bob: Seconded

Unanimous Decision 6-0

CITY HALL EV STATION USEAGE

Session Length (hh:mm)	Sessions	Cumulative %
0:00	1	0.18
0:30	147	27.26
1:00	92	44.2
1:30	70	57.09
2:00	79	71.64
2:30	51	81.03
3:00	34	87.29
3:30	26	92.08
4:00	15	94.84
4:30	13	97.24
5:00	5	98.16
5:30	2	98.53
6:00	3	99.08
6:30	1	99.26
7:00	0	99.26
7:30	0	99.26
8:00	1	99.45
8:30	1	99.63
9:00	0	99.63
9:30	0	99.63
10:00	0	99.63
10:30	1	99.82
11:00	0	99.82
11:30	0	99.82
12:00	0	99.82
12:30	0	99.82
13:00	0	99.82
13:30	1	100
	543	

LAST 30 DAYS

Session Ler	Sessions	Cumulative %
0:00	0	0
0:30	16	29.63
1:00	5	38.89
1:30	6	50
2:00	12	72.22
2:30	9	88.89
3:00	2	92.59
3:30	3	98.15
4:00	1	100

CITY MEETING WARNING
FOR
MARCH 4, 2014

The legal voters of the City of Montpelier, in City Meeting in Montpelier, in the County of Washington and the State of Vermont, are hereby warned to meet in the City Hall Auditorium, in said Montpelier, on the first Tuesday in March, March 4, 2014, at seven o'clock in the forenoon, and there and then to cast their ballot for the election of officers, matters that by law must be determined by ballot, and other matters as directed by the Council. The polls will be opened at 7:00 A.M. and shall be closed and the voting machine sealed at 7:00 P.M.

ARTICLE 1. To elect one commissioner for the Green Mount Cemetery for a term of five years; one park commissioner for a term of five years; two school commissioners, each for a term of three years; one council member from each district, for a term of two years; one mayor, for a term of two years.

ARTICLE 2. Shall the voters appropriate the sum of $7,406,787 for the payment of debts and current expenses of the City for carrying out any of the purposes of the Charter, plus payment of all state and county taxes and obligations imposed upon the City by law to finance the fiscal year July 1, 2014 to June 30, 2015? (Requested by the City Council)

ARTICLE 3. *Shall the voters appropriate the sum of $ _____ necessary for the support of the public school system for the fiscal year July 1, 2014 to Jun 30, 2015? (Local budget of $_____ plus grant budget of $_____, for a total school budget of $_____) (Requested by the School Board)*

ARTICLE 4. Shall the voters appropriate the sum of $575,230 for the support of the Recreation Department for the fiscal year July 1, 2014 to June 30, 2015? (Requested by the School Board)

ARTICLE 5. Shall the voters appropriate the sum of $3,000 as compensation to the Mayor for services for the fiscal year July 1, 2014 to June 30, 2015? (Requested by the City Council)

ARTICLE 6. Shall the voters appropriate the sum of $7,200 ($1,200 each) as compensation to the Council Members for their services for the fiscal year July 1, 2014 to June 30, 2015? (Requested by the City Council)

ARTICLE 7. *Shall the voters appropriate the sum of $7,300 (Chair $1,300; others $1,000 each) as compensation to the School Commissioners for their services for the fiscal year July 1, 2014 to June 30, 2015? (Requested by the School Board)*

ARTICLE 8. *Shall the voters authorize the Board of School Commissioners to hold any audited fund balance as of June 30, 2014 in a reserve (restricted) fund to be expended under the control and direction of the Board of School Commissioners for the purpose of operating the school? (Requested by the School Board)*

DRAFT

ARTICLE 9. Shall the City of Montpelier adopt as its charter the "Comprehensive Revised Charter of the City of Montpelier", as approved by the City Council on January ___, 2014, an official copy of which is maintained in the ballot booth and is on file in the office of the City Clerk? *(Requested by the City Council)*

ARTICLE 10. Shall the voters authorize the City to exempt alternate energy sources from real and personal property taxation in accord with Title 32 V.S.A. § 3845 first effective for the April 1, 2014 tax year? (Requested by the City Council)

ARTICLE 11. Shall the voters authorize the City levy a special assessment of $0.0515 per $100 of appraisal value on properties within Montpelier's Designated Downtown not used entirely for residential purposes? The assessment shall be apportioned according to the listed value of such properties except that the assessment for any property also used for residential purposes shall be reduced by the proportion that heated residential floor space bears to heated floor space for such property. Funds raised by the assessment shall be administered by a Downtown Improvement District Committee, appointed by the City Council, and will be used to improve the downtown streetscape and to market the downtown. (Requested by the City Council and Montpelier Alive)

ARTICLE 12. Shall the voters appropriate the sum of $308,673 to be used by the Kellogg-Hubbard Library for the fiscal year July 1, 2014 to June 30, 2015? (This amount is in addition to the $40,790 for the library bond payment included in the City General Fund Budget, ARTICLE 2) (Requested by the City Council)

ARTICLE 13. Shall the voters of the City of Montpelier adopt the Central Vermont Public Safety Authority Charter? (Requested by the City Council)

ARTICLE 14.

Dated this __ day of January, 2014

Signed:

_____

John Hollar, Mayor

Members of the City Council:

_____ _____

_____ _____

DRAFT

_____ _____

CITY SEAL: ATTEST:

_____

John Odum, City Clerk

DRAFT