

# TOWN OF BERLIN, VERMONT - 2018 ANNUAL REPORT



**PLEASE BRING THIS REPORT WITH YOU TO TOWN MEETING AT  
BERLIN ELEMENTARY SCHOOL  
TUESDAY, MARCH 5<sup>th</sup>, 2019 at 10am**  
Pre Town Meeting will be on Monday, March 4<sup>th</sup> at 6pm at Berlin Elementary School

(SEE REVERSE FOR SCHOOL REPORT)



**BERLIN TOWN OFFICE**  
**108 SHED ROAD**  
**BERLIN, VERMONT 05602**  
[www.berlinvt.org](http://www.berlinvt.org)



**TOWN CONTACT INFORMATION**

TOWN CLERK	229-9298	<a href="mailto:townclerk@berlinvt.org">townclerk@berlinvt.org</a>
Assistant Town Clerk	229-9657	<a href="mailto:assistanttownclerk@berlinvt.org">assistanttownclerk@berlinvt.org</a>

**TOWN OFFICE: 802-223-4405 FAX 229-9530**

Town Administrator / Zoning Administrator	552-8801	<a href="mailto:townadministrator@berlinvt.org">townadministrator@berlinvt.org</a>
Assistant Town Administrator/ Zoning / Health Officer	229-2529	<a href="mailto:zoning@berlinvt.org">zoning@berlinvt.org</a>
Assessor	229-4880	<a href="mailto:listers@berlinvt.org">listers@berlinvt.org</a>
Treasurer/Tax Collector	229-9380	<a href="mailto:treasurer@berlinvt.org">treasurer@berlinvt.org</a>
Sewer Commission	552-8806	<a href="mailto:sewer@berlinvt.org">sewer@berlinvt.org</a>
Highway Department	223-7337	<a href="mailto:highway@berlinvt.org">highway@berlinvt.org</a>
Historical Society	552-8804	<a href="mailto:historicalsociety@berlinvt.org">historicalsociety@berlinvt.org</a>

**Berlin Resource Line 552-8805**



**Recorded message of Town  
Information updated each Thursday**

POLICE DEPARTMENT	<b>Emergency: 911</b> or 223-4400 Other Business: 223-4401	<a href="http://www.berlinvt.org/police.htm">www.berlinvt.org/police.htm</a> facebook: Berlin Police Department
FIRE DEPARTMENT	<b>Emergency: 911</b> or 223-5555 Other Business: 223-5531	<a href="http://www.berlinfiredepartment.org">www.berlinfiredepartment.org</a> facebook: Berlin Volunteer Fire Department
BERLIN ELEMENTARY SCHOOL (BES) Pre K – 6th grade	223-2796 FAX 229-0222	<a href="http://www.berlinschool.org">www.berlinschool.org</a>
U-32 HIGH SCHOOL 7th – 12th grade	229-0321 FAX 223-7411	<a href="http://www.u32.org">www.u32.org</a>
WASHINGTON CENTRAL SUPERVISORY UNION (WCSU)	229-0553 FAX 229-2761	<a href="http://www.wcsuonline.org">www.wcsuonline.org</a>
SCHOOL BUS DISPATCH	229-4404	

*(Last updated 1/2/19)*

Cover photographs – “Then & Now” of Crosstown Road looking westerly  
 Top photo: George Bosworth photo circa 1910 – notice blacksmith shop front left, first house on right has been remodeled / extended, second house on right is the old “Chauncey B. Leonard” house on the National Register of Historic Places – find out more at: [https://en.wikipedia.org/wiki/Chauncey B. Leonard House](https://en.wikipedia.org/wiki/Chauncey_B._Leonard_House)  
 Bottom photo: Norbert Rhinerson photo 2003

**2018**

***In Memoriam***



**William Michael Jennings**

11/15/1956 - 12/26/2018

We were saddened to hear of the passing of the Town's former Police Chief, Bill Jennings. Bill served the Town of Berlin for many years. He started as the Town's constable in 1982 and was instrumental in establishing the Berlin Police Department in 1991. His vision and guidance is what molded the Berlin Police Department for the future. In addition to serving as the Town's Constable and Police Chief he also served as the Animal Control and Health officer. Most recently he was Police Chief in our neighboring community, Northfield. Our thoughts are with his family and his friends. He will be missed.



**Dana Marcel Marineau**

11/15/1948 – 2/7/2018

Dana Marineau a long time member of the Sewer Commission passed away this past year. A long-time resident, Dana will be remembered for his many hours of volunteer service to the Town. He was always available to help. His steady, compassionate, and forward thinking demeanor was an asset to our community. Our thoughts are with Dana's wife, RoseMary and his family. His loss is felt by all.

# **DEDICATION**

## **Wayside Restaurant**

The report this year is dedicated to a Berlin institution, the Wayside Restaurant, Bakery, and Creamery on the Barre-Montpelier Road. There are not many businesses who can claim to be 100 years old and who have been in the same location ever since. The restaurant started in 1918 carries on today, although we cannot get there by trolley car as we could then. While the stewards watching over the restaurant have changed, the restaurant continues as strong as ever and has done a good job to keep us all well fed. It is indeed a Berlin institution. The majority of their parking lot is in Montpelier and it is no wonder that folks are hungry when they get to the restaurant. They just walked from another town. There were many celebrations held to mark the occasion this past year. We congratulate Brian and Karen Galfetti Zecchinelli, and their devoted family of over 60 employees. We thank them for being such an important part of our community and for their generosity. We look forward to the next hundred.



### **Wayside Restaurant through the years**



Wayside Restaurant History - opened in 1918 by Effie Ballou back when you could take the trolley to get there, it was then operated by the Fish family starting in 1945 until Eugene and Harriet Galfetti purchased the Wayside in 1966 and all five of their children helped out over the years. The Galfetti's expanded the seating and food service through seven additions to their restaurant. In 1998 the Galfetti's daughter, Karen, with her husband Brian Zecchinelli purchased this popular restaurant. Find out more about their long history on their website: <https://www.waysiderestaurant.com>

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Berlin Volunteer Fire Department Corporation President John Staab speaking at the 2018 Pre Town Meeting

# TOWN OF BERLIN, VERMONT – ANNUAL MEETING WARNING

## TOWN OF BERLIN, VERMONT WARNING AND NOTICE ANNUAL TOWN MEETING Tuesday, March 5, 2019

The legal voters of the Town of Berlin are hereby warned and notified to meet at 10:00 AM at the Berlin Elementary School on Tuesday, March 5, 2019 to vote on the following articles. **Articles 1 through 24** shall be voted by Australian ballot. The polls will open at 10:00 AM and close at 7:00 PM. A pre-town meeting to discuss all articles to be voted by Australian ballot is scheduled for 6:00 PM on Monday, March 4, 2019 at the Berlin Elementary School.

Residents may register to vote prior to the election at the Town Clerk's Office or on-line at the Secretary of State's website. Residents may also register to vote at the election site on Town Meeting Day. A voter may obtain an Absentee Ballot by contacting the Town Clerk (229-9298) or coming into the office before 3:30 PM on Monday, March 4, 2019. Absentee Ballots must be received by the Town Clerk no later than the close of the polls at 7 PM on March 5, 2019. Voters wishing to vote absentee should request ballots early.

### The articles to be voted by Australian ballot are as follows:

- Article 1:** To elect the following Town Officers, for the terms specified:
- One (1) Selectboard member for a three (3) year term;
  - Two (2) Selectboard members for a one (1) year term each;
- Article 2:** Shall the Town appropriate \$3,002,503 for necessary Town expenses for the period July 1, 2019 through June 30, 2020?
- Article 3:** Shall the voters of the Town of Berlin adopt the Land Use and Development Regulations, (formerly Zoning and Subdivision regulations), filed in the Town Clerk's Office January 15, 2019?
- Article 4:** Shall the Town appropriate \$267,968 to the Berlin Volunteer Fire Department for payment of necessary expenses from July 1, 2019 through June 30, 2020?
- Article 5:** Shall the Town appropriate \$30,402 to the Kellogg Hubbard Library?
- Article 6:** Shall the Town appropriate \$10,920 to the Green Mountain Transit?
- Article 7:** Shall the Town appropriate \$12,500 to the Montpelier Senior Activities Center?
- Article 8:** Shall the Town appropriate \$6,450 to Central Vermont Home Health and Hospice?
- Article 9:** Shall the Town appropriate \$3,000 to the Central Vermont Council on Aging?
- Article 10:** Shall the Town appropriate \$2,000 to Washington County Mental Health?
- Article 11:** Shall the Town appropriate \$1,200 to Central Vermont Adult Basic Education?
- Article 12:** Shall the Town appropriate \$1,000 to the Vermont Center for Independent Living?
- Article 13:** Shall the Town appropriate \$1,000 to the Central Vermont Memorial Civic Center?

- Article 14:** Shall the Town appropriate \$975 to CIRCLE?
- Article 15:** Shall the Town appropriate \$800 to the Family Center of Washington County?
- Article 16:** Shall the Town appropriate \$700 to Capstone Community Action?
- Article 17:** Shall the Town appropriate \$500 to the People’s Health & Wellness Clinic?
- Article 18:** Shall the Town appropriate \$500 to the Vermont Association for the Blind and Visually Impaired?
- Article 19:** Shall the Town appropriate \$500 to Washington County Youth Services Bureau?
- Article 20:** Shall the Town appropriate \$500 to the Sexual Assault Crisis Team of Washington County?
- Article 21:** Shall the Town appropriate \$500 to Washington County Diversion?
- Article 22:** Shall the Town appropriate \$400 to Community Harvest of Central Vermont?
- Article 23:** Shall the Town appropriate \$300 to the Good Beginnings of Central Vermont?
- Article 24:** Shall the Town appropriate \$300 to Home Share Now, Inc.?

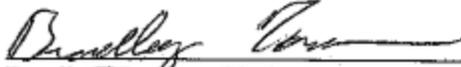
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**The following articles will be voted at the traditional Town Meeting, beginning at  
10:00 AM on Tuesday, March 5, 2019:**

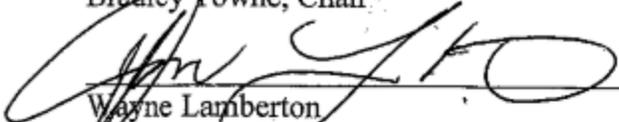
- Article 25:** To elect a Town Moderator for the year ensuing.
- Article 26:** To hear the reports of the Town Officers for 2018.
- Article 27:** Shall the Town collect its real and personal property taxes, to defray the expenses of the Town for the period July 1, 2019 through June 30, 2020 in installments? One-fourth of the taxes to be due, by **delivery** or by **U.S. Postal Service postmark**(no private postal meter postmarks), on or before August 15, 2019, one-fourth of the taxes due on or before November 15, 2019, one-fourth of the taxes due on or before February 15, 2020 and one-fourth due on or before May 15, 2020, with an eight percent (8%) penalty and one percent (1%) interest per month (or portion thereof) to be charged for late payment of any installment?
- Article 28:** To discuss any other business that may legally come before the meeting.

Dated at Berlin, Vermont, this 17<sup>th</sup> day of January, 2019.

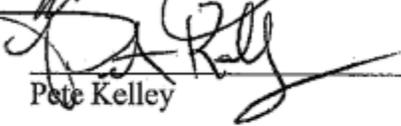
TOWN OF BERLIN SELECTBOARD



Bradley Towne, Chair



Wayne Lamberton



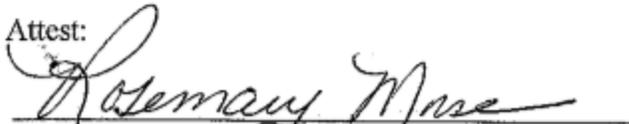
Pete Kelley

Jeremy Hansen

Angelina Capron

Received for posting and recording this 18<sup>th</sup> day of January, 2019.

Attest:



Rosemary Morse Berlin Town Clerk

## BERLIN TOWN OFFICERS

	Term Expires
<b>MODERATOR</b> , Paul Gillies .....	2019
<b>TOWN CLERK</b> , Rosemary Morse .....	2020

**SELECTBOARD**

Meetings on the 1st and 3rd Thursdays of the month

Bradley Towne, Chair	3 year term	2019
Jeremy Hansen, Vice Chair	3 year term	2020
Pete Kelley, Secretary	1 year term	2019
Wayne Lamberton	1 year term	2019
Angelina Capron	3 year term	2021

**BERLIN ELEMENTARY SCHOOL BOARD OF DIRECTORS**

Meetings on the 2nd Monday of the month

Chris Winters, Chair	3 year term	2019
Vera Frazier	2 year term	2020
Carl Parton (resigned)	3 year term	2019
Peter Schober (appointed)		
Eric Chase (resigned)	2 year term	2020
Carl Parton (appointed)		
Corinne Stridsberg (resigned)	3 year term	2021
Nicolle Ferrier (appointed)		

**U-32 HIGH SCHOOL BOARD OF DIRECTORS**

Meetings on the 2nd and 4th Wednesdays of the month

Jonathan Goddard	3 year term	2021
George Gross	3 year term	2020

**GRAND JUROR**, (Vacant)

## **APPOINTED**

### **PUBLIC WORKS BOARD**

Meetings on the 2nd and 4th Mondays of the month – 3 year terms

Rob Allen, Chair	2021
Henry LaGue, Jr.	2020
Wayne Lamberton	2021
Gary Laroche	2021
Edward “Ted” Long, Alternate	2021

Assistant to Public Works Board,  
Tom Badowski

### **PLANNING COMMISSION**

Meetings every 2nd and 4th Wednesdays of the month – 4 year terms

Karla Nuissl, Chair	2019
Clara Ayer, Sec	2019
Shane Mispel	2019
Gary Laroche	2020
Polly McMurtry	2023

### **DEVELOPMENT REVIEW BOARD**

Meetings every 1<sup>st</sup> & 3rd Tuesdays of the month – 4 year terms

Robert Wernecke, Chair	2021
Karla Nuissl, Vice Chair	2021
John Friedrich	2022
Shane Mispel	2021
John Fitzhugh	2022
Paul Irons, alternate	2019
Polly McMurtry, alternate	2021

Recording Secretary, Kristi Flynn

**TOWN ADMINISTRATOR** Dana Hadley

**ZONING ADMINISTRATOR** Dana Hadley

### **ASSISTANT TOWN ADMINISTRATOR**

Tom Badowski

### **ASSISTANT TOWN CLERK**

Corinne Stridsberg

**ROAD SUPERINTENDENT** Tim Davis

**FIRE WARDEN (5 year term)** Nick Garbacik

**HEALTH OFFICER** Tom Badowski

**DEPUTY HEALTH OFFICER** ---

**POLICE CHIEF** William Wolfe

**TREASURER/TAX COLLECTOR /  
DELINQUENT TAX COLLECTOR** Diane Isabelle

### **CENTRAL VERMONT SOLID WASTE MANAGEMENT**

Matt Levin	2019
Paul Irons, Alternate	2019

### **CENTRAL VERMONT REGIONAL COMMISSIONER**

Robert Wernecke	2019
Karla Nuissl, Alternate	2019

### **CENTRAL VT REGIONAL PLANNING TAC**

Robert Wernecke	2019
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### **TREE WARDENS**

Dave Daut, Tree Warden	2019
Beth Daut, Deputy Tree Warden	2019

### **CEMETERY COMMISSION**

Randy Herring, Chairman

Jeremy Hansen	2019
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(3 open vacancies)

### **CONSERVATION / RECREATION**

Meets every other first Wednesday of the month from September to May

Ellen Sulek	2021
Ellen Drysdale	2019
Phil Gentile	2020
J. C. Earle	2021
Beth Daut	2020

### EMERGENCY MANAGEMENT TEAM

Meets the 2<sup>nd</sup> Thursday of the month  
6:30pm at the fire station

Ture Nelson

Fred Doten

Bruce Richardson

Val Cyr

Katina Johnson

John Akielaszek, CERT # 5 Liaison

Wanda Baril, Red Cross Liaison/Shelter  
Manager

### FIRE DEPARTMENT LIAISONS

Executive committee meetings

Selectboard Representative

Jeremy Hansen 2019

Resident Representative

Jerry Diamantides 2019



### JUSTICES OF THE PEACE

Elizabeth Fitzhugh	1398 West Hill Road	West Berlin, VT 05663	802-229-1733
John Fitzhugh	1398 West Hill Road	West Berlin, VT 05663	802-229-1733
Randal LaGue	176 Warner Road	Berlin, VT 05641	
Matthew Levin	146 Lord Road	Berlin, VT 05602	802-229-4281
Margaret Monley	105 Lovers Lane	West Berlin, VT 05663	802-229-1252
Muriel Morse	3939 VT Rt 12	Berlin, VT 05602	802-223-3670
Guy Page	65 Mansfield Lane	Berlin, VT 05641	802-505-0448
Charles Pelletier	1815 Paine Turnpike N	Berlin, VT 05602	802-229-0498
Kathleen Pelletier	1815 Paine Turnpike N.	Berlin, VT 05602	802-229-0498
Sue Rich	575 Hill Street Ext.	Berlin, VT 05602	802-223-6755

# MINUTES FROM 2018 BERLIN TOWN MEETING

## **TOWN MEETING**

**March 7, 2018**

### **Annual Town Meeting**

The polls were opened by the Town Clerk at 10 AM

Moderator Paul Gillies led all present in the Pledge of Allegiance to the flag.

#### **Town Meeting:**

Moderator Paul Gillies convened the Town portion of the meeting at 10 AM.

#### **Article 24: Elect Moderator**

Paul Gillies was nominated for Moderator by Bob Wernecke. There were no other nominations. Selectboard Chairman Ture Nelson ran the election and Paul Gillies was elected moderator for the coming year by voice vote.

#### **Article 25: Report of Town Officers**

Matt Levin asked about the audit report letter and if there were any issues found. Selectboard Chairman stated that the audit had shown the Town in very good shape. Road Superintendent Tim Davis was asked about plans for the roads in the upcoming year. He stated that they plan to do paving as much as they can and that there are 2 big culverts that are planned to be replaced.

The police budget is down because of the decision to not hire another full-time officer.

#### **Article 26: Set tax collection dates**

The Article was moved by Bob Wernecke, seconded by Mike Stridsberg, and passed by voice vote with no discussion.

#### **Article 27: Internet Service**

Jeremy Hansen gave a detailed presentation about the start of a much faster, cheaper internet service that many Washington County Towns could be part of. It would be a fiber system and user owned. Each Town using the system would have a representative on a Board that would make governing decisions.

He was able to answer the many questions that residents had. Many Towns are voting on this and he would be going forward depending on the vote results. The article was moved by Jeremy Hansen, seconded by John Friedrich, and after all the discussion and questions, passed by voice vote.

#### **Article 31: Other business**

State Rep. for Berlin, Anne Donahue from Northfield, filled the assembly in on the proposed changes to Vermont tax laws due to the Federal changes.

Sally Chartrand announced that the Congregational Church at the Corners was having a luncheon on Saturday, March 10.

Ture Nelson, Chairman of Selectboard was recognized for his years of service on the Selectboard. He is done his term today. He mentioned that Mary Wissell, sewer admin, has Berlin Annual Report 2018

retired and that Tom Badowski would be taking on the sewer and water department duties. He also recognized all Town employees for the work they do.

Pat Barberi thanked Tim Davis for the great care of the roads and the police department for all their help.

Corinne Stridsberg made announcements about the PTNA Seed Fundraiser, Girl Scout cookie sales, and the Berlin Historical Society display in the lobby. She reminded people that the Grange has a community pot luck the first Sat. of each month and also reminded folks that dog licenses are due by April 1.

Jeremy Hansen reminded folks that because of a tax break that was voted for the Grange, the Grange lets Berlin people use the Grange for free.

Meeting adjourned at 11:15AM

**School Meeting:**

Paul Gillies called the Annual School Meeting to order at 11:20AM

He was then nominated for moderator by Bob Wernecke.

Carl Parton, School Board Chair, ran the election of the moderator.

Paul Gillies was elected by voice vote

**Article 2: Reports of directors**

There were no questions about the School reports.

**Article 3: Audited fund balance**

Article was moved by Bob Wernecke, seconded by Mike Stridsberg and then passed by voice vote with no discussion.

**Article 4: Borrow in anticipation of taxes**

Article was moved by John Friedrich, seconded by Bob Wernecke, and then passed by voice vote.

**Article 7: Budget**

The school board presented a slide show showing staff and activities at the school.

The Board then showed a presentation on the budget narrated by Carl Parton.

Article is on the Australian Ballot

**Article 5: Other business**

Carl reminded people they are welcome to volunteer at the school and that one doesn't need a child in the school to volunteer.

Both the Elementary Board and the U-32 Board members were thanked for putting children first.

Concern was voiced about news stories of cars running through the flashing lights of school buses. The Superintendent, Bill Kimball said that our bus drivers do report it to the bus company and try to get plate numbers.

The meeting adjourned at 11:50AM

The polls will remain open until 7PM.

## SELECTBOARD REPORT

Three members of the Selectboard were elected in March, 2018. Angelina Capron was elected to a three year term. Pete Kelley and Wayne Lamberton were re-elected to one year terms. The Selectboard conducts their annual Board reorganization at their first meeting following Town Meeting. Brad Towne was elected Chair, Jeremy Hansen, Vice Chair and Wayne Lamberton, Secretary.

### Town Audit

The independent audit ending June 30, 2018 was completed by Fothergill, Segale and Valley, CPA's of Montpelier. The audit report is included within this report if you would like further detail.

### 2018 Town Meeting

A municipal budget of \$2,931,870 was approved at the March, 2018 Town Meeting. Voters also approved \$322,265 in special appropriations that included \$254,818 for the Berlin Fire Department.

The grand list total is \$500,101,800. The Selectboard set a municipal tax rate of \$.5508 per \$100 of valuation. The current Common Level of Appraisal (CLA) is 102.14%.

A history of Berlin's property tax rate follows:

Year	Town Rate	Local Agreement	School Residential Rate	School Non-Residential Rate	Total Residential	Total Non-Residential
2010	0.4270		1.2771	1.3164	1.7042	1.7435
2011	0.4098		1.3541	1.3303	1.7638	1.7401
2012	0.4116		1.3748	1.3329	1.7864	1.7445
2013	0.4297	.0009	1.4537	1.4123	1.8843	1.8429
2014	0.4706	.0006	1.5219	1.4383	1.9931	1.9095
2015	0.4630	.0008	1.5982	1.4727	2.0620	1.9365
2016	0.4629	.0008	1.5966	1.4740	2.0603	1.9377
2017	0.4670	.0010	1.6219	1.4503	2.0899	1.9183
2018	0.5508	.0015	1.6683	1.5422	2.2206	2.0945

### Highway Department

This year Fisher Road was milled and paved. This was a sensitive job due to complexities caused by high traffic and the need to maintain access to the Medical Center. We are pleased to have that project completed. In addition to the paving work on Fisher Road a section of Paine Turnpike North was reclaimed and paved. We also began the task to replace two culverts located

in sensitive areas due to wetlands, requiring engineering work to complete. One of the culverts on Mirror Lake Road has been finished. We appreciate your patience while the culvert work was being done. Mirror Lake Road was closed for several weeks.

The state in accordance with protecting Lake Champlain has instituted the need for communities to have a *Municipal Road General Permit (MRGP)*. This provides framework for the discharge of groundwater from municipal roads. As the road crew knows, drainage is one of the best ways to protect roads. You may have noticed that we have been re working many ditches and lining with rip rap to prepare for the requirements of this permit. This is a long term project and it is the Town's responsibility to demonstrate that all hydrologically-connected municipal roads meet the standards of the MRGP.

#### Zoning and Subdivision Regulations:

The Planning Commission had another busy year. The finished updated Master Plan was adopted this past summer. The zoning update, a task that took three years to complete, was completed within the past few months. The Commission worked very hard on this project and took the time to listen to and address citizen concerns.

#### Town Staff

The Police Department welcomed Officers Robert Gowan and Justin Pickel this past year. Officer Gowans is a native of Berlin and came to us via Pennsylvania. Officer Pickel came to us after having served Barre City. We are pleased to have them both on our team. We also recognize and thank all of the town officials and staff.

#### Citizen Participation

The Board currently meets on the first and third Thursday of the month, we meet at the Municipal Building at 108 Shed Road. We welcome residents to attend our meetings. There is always an opportunity to hear public comment during a meeting. If you would like to be included on the agenda, please contact the Town Administrator and ask to be put on the next agenda. [townadministrator@berlinvt.org](mailto:townadministrator@berlinvt.org) or 802-552-8801. Agenda's and Minutes are available on our web site, meetings are filmed by Orca Media and broadcast on Comcast Cable Channel 17.

It is our pleasure and honor to serve you, the citizens of Berlin.

Respectfully Submitted,

Brad Towne  
Pete Kelley  
Jeremy Hansen  
Angelina Capron  
Wayne Lamberton

Selectboard of Berlin

## TOWN OF BERLIN – GENERAL LEDGER

**Town of Berlin  
Comparative Budget Report  
General Fund**

<b>Account</b>	<b>Budget <u>FY2018</u></b>	<b>Actual <u>FY2018</u></b>	<b>Budget <u>FY2019</u></b>	<b>Budget <u>FY2020</u></b>
<b>STATE OF VERMONT</b>				
Vt Railroad Levy	\$2,000.00	\$4,513.18	\$2,000.00	\$4,000.00
Vt Highway-Summer	\$56,300.00	\$56,303.14	\$56,250.00	\$56,250.00
VT Highway-Winter	\$56,300.00	\$56,303.08	\$56,250.00	\$56,250.00
VT State Hospital	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00
<b>TOTAL STATE OF VERMONT</b>	<b>\$139,600.00</b>	<b>\$142,119.40</b>	<b>\$139,500.00</b>	<b>\$141,500.00</b>
<b>LICENSES &amp; FEES</b>				
Animal Licenses	\$2,000.00	\$1,886.50	\$1,600.00	\$1,600.00
Bev & Entertainment	\$1,100.00	\$1,550.00	\$1,100.00	\$1,100.00
Copier	\$8,000.00	\$6,673.20	\$8,000.00	\$7,000.00
Zoning	\$7,500.00	\$22,563.00	\$10,000.00	\$10,000.00
Town Clerk	\$32,000.00	\$37,341.97	\$28,000.00	\$30,000.00
Records Restoration	\$2,000.00	\$2,372.00	\$2,000.00	\$2,000.00
Excess Weight Permits	\$1,000.00	\$1,080.00	\$1,000.00	\$1,000.00
Peddler's Permits & Tax	\$300.00	\$200.00	\$300.00	\$300.00
Marriage Licenses	\$200.00	\$0.00	\$100.00	\$100.00
Land Posting Permit	\$50.00	\$0.00	\$50.00	\$50.00
Mirror Lake Road Culvert	\$0.00	\$2,826.45	\$0.00	\$0.00
Misc/Other Revenue	\$0.00	\$3,990.66	\$0.00	\$0.00
<b>TOTAL LICENSES &amp; FEES</b>	<b>\$54,150.00</b>	<b>\$80,483.78</b>	<b>\$52,150.00</b>	<b>\$53,150.00</b>
<b>Property Taxes</b>				
Property Taxes	\$2,222,991.00	\$2,290,853.22	\$2,463,470.00	\$2,515,753.00
Town Portion: ED TX&L/C	\$0.00	\$35,912.27	\$0.00	\$0.00
St of Vt Current Use	\$40,000.00	\$44,776.00	\$40,000.00	\$40,000.00
GL Reappraisal Revenue	\$12,500.00	\$12,903.00	\$12,500.00	\$12,500.00
Pilot Revenue	\$165,000.00	\$192,128.21	\$170,000.00	\$185,000.00
<b>TOTAL PROPERTY TAXES</b>	<b>\$2,440,491.00</b>	<b>\$2,576,572.70</b>	<b>\$2,685,970.00</b>	<b>\$2,753,253.00</b>

<b>Account</b>	<b>Budget FY2018</b>	<b>Actual FY2018</b>	<b>Budget FY2019</b>	<b>Budget FY2020</b>
<b>INTEREST</b>				
Interest Earned Check/Sav	\$2,000.00	\$2,342.67	\$1,500.00	\$1,800.00
Delinquent Tax Interest	\$17,000.00	\$18,992.41	\$15,000.00	\$15,000.00
Del Tax Penalties	\$20,000.00	\$28,525.36	\$18,000.00	\$18,000.00
<b>TOTAL INTEREST</b>	<b>\$39,000.00</b>	<b>\$49,860.44</b>	<b>\$34,500.00</b>	<b>\$34,800.00</b>
<b>Misc Revenue</b>				
Water Pollution Control	\$4,500.00	\$4,500.00	\$4,500.00	\$4,500.00
Berlin Historical Society	\$250.00	\$250.00	\$250.00	\$300.00
Loan Proceeds	\$125,000.00	\$77,167.00	\$0.00	\$0.00
Sale of Assets	\$0.00	\$2,652.00	\$0.00	\$0.00
<b>TOTAL MISC REVENUE</b>	<b>\$129,750.00</b>	<b>\$84,569.00</b>	<b>\$4,750.00</b>	<b>\$4,800.00</b>
<b>Police Revenues</b>				
Police-Highway Fines	\$12,000.00	\$18,504.75	\$12,000.00	\$12,000.00
Police-Contract Wages	\$113,880.00	\$32,645.00	\$0.00	\$0.00
Police-Other Revenue	\$3,000.00	\$5,357.00	\$3,000.00	\$3,000.00
NH 4020214	\$0.00	\$4,572.47	\$0.00	\$0.00
02140-77152-1704	\$0.00	\$4,561.28	\$0.00	\$0.00
NH 402-105	\$0.00	\$7,918.62	\$0.00	\$0.00
NH164-105	\$0.00	\$12,106.25	\$0.00	\$0.00
<b>TOTAL POLICE REVENUES</b>	<b>\$128,880.00</b>	<b>\$85,665.37</b>	<b>\$15,000.00</b>	<b>\$15,000.00</b>
<b>TOTAL REVENUES</b>	<b>\$2,931,871.00</b>	<b>\$3,019,270.69</b>	<b>\$2,931,870.00</b>	<b>\$3,002,503.00</b>

**Town of Berlin  
Comparative Budget  
Report  
General Fund**

<b>Account</b>	<b>Budget FY2018</b>	<b>Actual FY2018</b>	<b>Budget FY2019</b>	<b>Budget FY2020</b>
<b>GENERAL GOVERNMENT</b>				
<b>ADMINISTRATION</b>				
Wages-Clerk	\$45,301.00	\$45,318.52	\$46,207.00	\$47,134.00
Wages-Asst Clerk	\$18,045.00	\$18,587.45	\$18,405.00	\$18,838.00
Wages-Treasurer	\$55,360.00	\$55,971.36	\$56,467.00	\$56,600.00
Wages-Town Administrator	\$64,300.00	\$64,324.81	\$65,586.00	\$66,900.00
Wages-Asst Town Admin	\$41,600.00	\$41,338.93	\$42,432.00	\$43,281.00
Wages-Selectboard	\$3,750.00	\$3,750.00	\$3,750.00	\$3,750.00
Wages-Board of Civil Au	\$500.00	\$0.00	\$500.00	\$500.00
Office Supplies	\$8,000.00	\$5,631.00	\$10,000.00	\$12,000.00
Clerk/Treas training	\$1,200.00	\$105.00	\$1,200.00	\$1,200.00
Computers/Equipment	\$0.00	\$2,898.24	\$0.00	\$2,300.00
Clerk-Copier	\$1,450.00	\$1,155.03	\$1,450.00	\$950.00
Records Restoration	\$2,500.00	\$5,262.09	\$2,500.00	\$5,000.00
Postage-All Depts.	\$6,000.00	\$4,977.80	\$6,000.00	\$6,000.00
Postage Meter Rental	\$750.00	\$726.48	\$750.00	\$750.00
Telephone-Office	\$4,500.00	\$3,266.90	\$5,500.00	\$3,000.00
Clerk/Treas Software Sup	\$1,000.00	\$1,376.96	\$1,000.00	\$1,000.00
Clerk-Advertising	\$500.00	\$0.00	\$500.00	\$500.00
<b>TOTAL ADMINISTRATION</b>	<b>\$254,756.00</b>	<b>\$254,690.57</b>	<b>\$262,247.00</b>	<b>\$269,703.00</b>
<b>ASSESSING DEPT</b>				
Contract-Assessor	\$20,750.00	\$20,258.75	\$20,340.00	\$20,400.00
Supplies	\$400.00	\$125.00	\$0.00	\$100.00
Computer Support	\$500.00	\$215.00	\$250.00	\$250.00
Legal Fees	\$500.00	\$0.00	\$500.00	\$500.00
Tax Maps	\$1,500.00	\$2,323.50	\$2,500.00	\$3,000.00
CAPTAP Fees State License	\$600.00	\$1,081.13	\$600.00	\$1,500.00
Computer Expense	\$250.00	\$0.00	\$0.00	\$0.00
<b>TOTAL ASSESSING DEPART</b>	<b>\$24,500.00</b>	<b>\$24,003.38</b>	<b>\$24,190.00</b>	<b>\$25,750.00</b>

<b>Account</b>	<b>Budget FY2018</b>	<b>Actual FY2018</b>	<b>Budget FY2019</b>	<b>Budget FY2020</b>
<b>TOWN MEETINGS &amp; ELECTIONS</b>				
Meet & Elect-Ballots	\$3,000.00	\$1,456.00	\$4,500.00	\$3,000.00
Wages-Meetings & Elec	\$1,300.00	\$984.40	\$2,000.00	\$1,300.00
Town Reports	\$1,500.00	\$1,409.68	\$1,500.00	\$1,500.00
Advertising-Notices	\$500.00	\$1,816.72	\$750.00	\$500.00
<b>TOTAL TOWN MEETINGS</b>	<b>\$6,300.00</b>	<b>\$5,666.80</b>	<b>\$8,750.00</b>	<b>\$6,300.00</b>
<b>INSURANCES</b>				
Workers Comp-General	\$2,000.00	\$1,361.64	\$1,545.00	\$1,303.00
Health Ins-General	\$22,440.00	\$22,572.01	\$24,200.00	\$26,080.00
FICA/MEDI Expense	\$17,200.00	\$17,150.48	\$19,166.00	\$19,500.00
FUTA/SUTA Expense	\$20.00	\$149.58	\$400.00	\$143.00
Disability Ins	\$780.00	\$779.28	\$780.00	\$862.00
Life Ins-General	\$687.00	\$684.89	\$687.00	\$701.00
Health Ins Buy-Back	\$4,875.00	\$9,750.00	\$9,750.00	\$9,750.00
Employee Benefits	\$700.00	\$115.54	\$700.00	\$700.00
Pension-General	\$11,400.00	\$13,044.54	\$13,057.00	\$13,400.00
General Insurance	\$17,700.00	\$15,699.98	\$14,511.00	\$15,509.00
<b>TOTAL INSURANCES</b>	<b>\$77,802.00</b>	<b>\$81,307.94</b>	<b>\$84,796.00</b>	<b>\$87,948.00</b>
<b>ZONING</b>				
Training	\$250.00	\$60.00	\$350.00	\$350.00
Inspection Mileage	\$0.00	\$392.87	\$200.00	\$500.00
Zoning-Telephone	\$650.00	\$1,005.68	\$650.00	\$1,200.00
Zoning-Legal fees	\$2,000.00	\$0.00	\$2,000.00	\$2,000.00
Zoning-Advertising	\$500.00	\$0.00	\$500.00	\$500.00
<b>TOTAL ZONING</b>	<b>\$3,400.00</b>	<b>\$1,458.55</b>	<b>\$3,700.00</b>	<b>\$4,550.00</b>
<b>DRB</b>				
Wages-DRB Sec/PT	\$3,000.00	\$5,533.50	\$4,500.00	\$5,000.00
DRB-Legal Fees	\$2,000.00	\$0.00	\$2,000.00	\$2,000.00
DRB-Advertising	\$1,000.00	\$2,259.73	\$1,500.00	\$1,500.00
<b>TOTAL DRB</b>	<b>\$6,000.00</b>	<b>\$7,793.23</b>	<b>\$8,000.00</b>	<b>\$8,500.00</b>

<b>Account</b>	<b>Budget FY2018</b>	<b>Actual FY2018</b>	<b>Budget FY2019</b>	<b>Budget FY2020</b>
<b>PLANNING COMMISSION</b>				
Supplies-Mileage-Training	\$250.00	\$253.10	\$250.00	\$500.00
Planning-Adverts-Prin	\$500.00	\$44.99	\$500.00	\$500.00
Planning - Consultant	\$1,000.00	\$4,727.05	\$1,000.00	\$0.00
<b>TOTAL PLANNING COMM</b>	<b>\$1,750.00</b>	<b>\$5,025.14</b>	<b>\$1,750.00</b>	<b>\$1,000.00</b>
<b>OTHER BOARDS/COMM</b>				
Recreation Board	\$7,593.00	\$1,122.75	\$500.00	\$2,500.00
Conservation Commission	\$0.00	\$51.83	\$50.00	\$50.00
Green Up Day	\$500.00	\$527.18	\$750.00	\$750.00
Emergency Management	\$1,454.00	\$1,399.95	\$1,454.00	\$1,500.00
<b>TOTAL OTHER BOARDS</b>	<b>\$9,547.00</b>	<b>\$3,101.71</b>	<b>\$2,754.00</b>	<b>\$4,800.00</b>
<b>CEMETERIES</b>				
Maint-Cemeteries	\$10,000.00	\$6,400.00	\$10,000.00	\$10,000.00
<b>TOTAL CEMETERIES</b>	<b>10,000.00</b>	<b>\$6,400.00</b>	<b>10,000.00</b>	<b>\$10,000.00</b>
<b>TAXES &amp; ASSESSMENTS</b>				
Animal Control-Constable	\$2,500.00	\$670.00	\$2,500.00	\$1,500.00
County Tax	\$36,826.00	\$37,233.00	\$38,806.00	\$39,500.00
Ambulance Serv (Both)	\$90,400.00	\$86,896.08	\$90,600.00	\$102,145.00
Humane Society	\$1,000.00	\$0.00	\$1,500.00	\$1,500.00
Central VT Solid Waste	\$2,850.00	\$2,840.00	\$2,850.00	\$2,850.00
Cent VT Econ Deve	\$500.00	\$500.00	\$500.00	\$500.00
VLCT Dues	\$4,271.00	\$4,271.00	\$4,363.00	\$4,363.00
CV Regional Planning	\$3,176.00	\$3,175.70	\$3,263.00	\$3,465.00
<b>TOTAL TAXES AND ASSESS</b>	<b>\$141,523.00</b>	<b>\$135,585.78</b>	<b>\$144,382.00</b>	<b>\$155,823.00</b>

<b>Account</b>	<b>Budget FY2018</b>	<b>Actual FY2018</b>	<b>Budget FY2019</b>	<b>Budget FY2020</b>
<b>TOWN OFFICES</b>				
Janitorial Services	\$8,000.00	\$6,677.21	\$8,500.00	\$8,500.00
Supplies	\$3,000.00	\$1,192.41	\$3,000.00	\$3,000.00
Admin-Training	\$500.00	\$265.00	\$500.00	\$1,000.00
Copier	\$1,600.00	\$1,629.24	\$1,550.00	\$1,550.00
Admin- Supplies	\$0.00	\$689.00	\$0.00	\$0.00
Admin-Advert	\$1,000.00	\$543.99	\$1,000.00	\$1,000.00
Newsletter	\$500.00	\$0.00	\$500.00	\$0.00
Admin-Software Sup	\$6,000.00	\$6,232.38	\$6,000.00	\$6,000.00
Web Page	\$600.00	\$185.00	\$600.00	\$600.00
Cloud Back-Up	\$1,500.00	\$1,510.74	\$1,500.00	\$1,550.00
Back-Up Storage Fees	\$360.00	\$93.73	\$360.00	\$360.00
Maintenance	\$10,000.00	\$7,823.72	\$10,000.00	\$10,000.00
Vehicle	\$1,500.00	\$2,374.84	\$1,500.00	\$1,500.00
Heat & Utilities	\$9,600.00	\$4,352.60	\$9,600.00	\$9,600.00
Internet	\$1,700.00	\$2,251.63	\$2,400.00	\$2,400.00
Equipment Contracts	\$1,500.00	\$2,197.63	\$5,600.00	\$6,000.00
<b>TOTAL TOWN OFFICES</b>	<b>\$47,360.00</b>	<b>\$38,019.12</b>	<b>\$52,610.00</b>	<b>\$53,060.00</b>
<b>GENERAL EXPENSES</b>				
Legal Services	\$20,000.00	\$5,537.91	\$20,000.00	\$20,000.00
CPA-Audit	\$16,000.00	\$12,650.00	\$14,000.00	\$14,000.00
Payroll Services	\$2,000.00	\$2,080.12	\$2,300.00	\$2,300.00
Select Board Minutes	\$2,400.00	\$880.00	\$2,400.00	\$2,400.00
Emergency Generator	\$2,000.00	\$1,210.77	\$2,000.00	\$2,000.00
Tax Refunds/Abatements	\$5,000.00	\$33,030.98	\$5,000.00	\$5,000.00
Misc/Other-Gen Exp	\$1,000.00	\$84.56	\$1,000.00	\$1,000.00
<b>TOTAL GENERAL EXPENSES</b>	<b>\$48,400.00</b>	<b>\$55,474.34</b>	<b>\$46,700.00</b>	<b>\$46,700.00</b>
<b>POLICE SERVICES</b>				
Wages-Police FT	\$290,461.00	\$266,905.000	\$306,398.00	\$315,400.00
Wages-Police Night Shift	\$170,537.00	\$143,648.92	\$175,882.00	\$176,000.00
Wages-Police PT	\$22,000.00	\$60,151.74	\$20,000.00	\$22,000.00
Wages-Police Clerical	\$40,000.00	\$34,547.70	\$40,000.00	\$40,000.00
Wages-Police CVMC	\$87,360.00	\$17,955.00	\$0.00	-
Wages-Police OT	\$15,000.00	\$33,850.91	\$16,000.00	\$20,000.00
Wages-Police On Call	\$6,000.00	\$6,653.84	\$3,351,000	\$4,000.00

<b>Account</b>	<b>Budget FY2018</b>	<b>Actual FY2018</b>	<b>Budget FY2019</b>	<b>Budget FY2020</b>
Wages - Police Education	\$900.00	\$750.00	\$750.00	1,100.00
Wages - Police Longevity	\$500.00	\$500.00	\$500.00	\$500.00
Workers Comp-Police	\$60,300.00	\$69,319.58	\$67,768.00	\$55,745.00
Health Ins-Police	\$100,500.00	\$85,000.75	\$116,010.00	\$143,300.00
FICA/MEDI Exp-Police	\$38,800.00	\$41,955.15	\$44,494.00	\$51,000.00
FUTA/SUTA-Police	\$480.00	\$733.75	\$1,190.00	\$525.00
FICA/MEDI/CVMC	\$6,700.00	\$1,373.58	\$0.00	\$0.00
Disability Ins	\$2,500.00	\$1,575.72	\$2,303.00	\$2,500.00
Life Ins-Police	\$2,025.00	\$1,528.80	\$2,025.00	\$2,000.00
Health Ins Buy-Back-Police	\$10,075.00	\$5,875.00	\$4,875.00	\$4,875.00
Employee Benefits-PD	\$4,500.00	\$725.05	\$4,075.00	\$4,500.00
Pension-Police	\$33,700.00	\$28,736.83	\$32,717.00	\$38,500.00
Veh & Liab Ins-Police	\$31,300.00	\$27,401.50	\$23,558.00	\$19,325.00
Supplies-Police	\$4,500.00	\$1,587.53	\$4,000.00	\$4,000.00
Uniforms-PD	\$8,000.00	\$9,403.80	\$8,500.00	\$9,000.00
Guns/Ammo	\$1,500.00	\$1,486.00	\$2,000.00	\$2,000.00
Copier Lease-PD	\$1,550.00	\$1,488.32	\$1,550.00	\$1,550.00
Police-Equipment Radios	\$6,200.00	\$5,857.60	\$5,500.00	\$4,000.00
VIBRS-Dbase-PD	\$5,100.00	\$3,628.84	\$5,000.00	\$5,000.00
Media/Data Exp	\$4,500.00	\$4,714.74	\$4,500.00	\$5,700.00
Advertising-PD	\$200.00	\$0.00	\$200.00	\$200.00
Training-Police	\$2,500.00	\$3,978.64	\$3,000.00	\$4,000.00
Telephone-Police	\$8,500.00	\$7,686.46	\$8,000.00	\$8,000.00
Legal-Police	\$2,000.00	\$75.00	\$2,000.00	\$2,000.00
Equip Maint-Police	\$13,000.00	\$11,901.13	\$13,000.00	\$13,000.00
Gas/Oil-Police	\$14,000.00	\$19,783.64	\$14,000.00	\$15,000.00
Lodging/Prisoners-Police	\$1,000.00	\$400.00	\$1,000.00	\$1,000.00
Wages-PD Grant	\$0.00	\$14,358.68	\$0.00	\$0.00
FICA/Grant	\$0.00	\$1,090.53	\$0.00	\$0.00
Eq #02140-77152-1704	\$0.00	\$4,561.28	\$0.00	\$0.00
NH174020214	\$0.00	\$5,308.37	\$0.00	\$0.00
Special Investigative Unit	\$2,300.00	\$2,300.00	\$2,300.00	\$2,300.00
Other/Mis Exp-Police	\$0.00	\$2,918.40	\$0.00	\$0.00
Berlin Community Fund	\$0.00	-\$4,916.79	\$0.00	\$0.00
<b>TOTAL POLICE SERVICES</b>	<b>\$998,488.00</b>	<b>\$926,800.99</b>	<b>\$936,446.00</b>	<b>\$978,020.00</b>

<b>Account</b>	<b>Budget FY2018</b>	<b>Actual FY2018</b>	<b>Budget FY2019</b>	<b>Budget FY2020</b>
<b>HIGHWAYS</b>				
<b>SUMMER ROADS</b>				
Wages-Summer Roads	\$91,000.00	\$108,388.80	\$92,487.00	\$94,400.00
Wages-Summer OT	\$835.00	\$3,502.76	\$843.00	\$2,450.00
Roadside Mowing/Tree Trim	\$10,000.00	\$5,950.00	\$10,000.00	\$10,000.00
Chloride-Summer Rds	\$28,000.00	\$24,064.18	\$28,000.00	\$28,000.00
Culvert/Materials	\$10,000.00	\$6,034.93	\$10,000.00	\$10,000.00
Summer Eq-Maint/Repairs	\$26,000.00	\$28,916.13	\$27,000.00	\$27,000.00
Eq Fuel-Summer	\$20,000.00	\$10,984.10	\$20,000.00	\$20,000.00
Highway Equip- Radios	\$10,000.00	\$0.00	\$0.00	\$0.00
<b>TOTAL SUMMER ROADS</b>	<b>\$195,835.00</b>	<b>\$187,840.90</b>	<b>\$188,330.00</b>	<b>\$191,850.00</b>
<b>WINTER ROADS</b>				
Wages-Winter Roads	\$93,100.00	\$75,339.60	\$94,440.00	\$95,000.00
Wages-Winter OT	\$28,000.00	\$35,469.30	\$28,650.00	\$33,650.00
Sand-Winter Roads	\$60,000.00	\$53,878.66	\$65,000.00	\$70,000.00
Salt-Winter Roads	\$70,000.00	\$78,370.35	\$70,000.00	\$75,000.00
Winter-Eq-Maint/Repairs	\$35,000.00	\$29,969.90	\$37,000.00	\$37,000.00
Eq Fuel-Winter	\$30,000.00	\$29,262.32	\$30,000.00	\$30,000.00
<b>TOTAL WINTER ROADS</b>	<b>\$316,100.00</b>	<b>\$302,290.13</b>	<b>\$325,090.00</b>	<b>\$340,650.00</b>
<b>HIGHWAY GENERAL</b>				
Asphalt/Marking/Sealing	\$150,000.00	\$139,960.16	\$150,000.00	\$150,000.00
Resurface/Gravel	\$130,000.00	\$147,266.44	\$130,000.00	\$130,000.00
Bridge Maint	\$10,000.00	\$0.00	\$1,500.00	\$1,500.00
Road Signs	\$4,000.00	\$2,337.65	\$4,000.00	\$4,000.00
Guard Rails	\$12,000.00	\$9,956.40	\$6,000.00	\$10,000.00
<b>TOTAL HIGHWAY GENERAL</b>	<b>\$306,000.00</b>	<b>\$299,520.65</b>	<b>\$291,500.00</b>	<b>\$295,500.00</b>
<b>HIGHWAY OTHER</b>				
Workers Comp-Highway	\$38,400.00	\$23,684.30	\$24,353.00	\$23,378.00
Health Ins.-Highway	\$43,800.00	\$37,692.00	\$40,330.00	\$60,000.00
FICA/MEDI Exp-Highway	\$16,500.00	\$17,654.96	\$16,556.00	\$17,250.00
FUTA/SUTA-Highway	\$60.00	\$199.58	\$350.00	\$143.00
Disability Ins	\$920.00	\$898.68	\$900.00	\$923.00
Life Ins.-Highway	\$800.00	\$823.20	\$823.00	\$850.00
Health Ins Buy-Back-Hwy	\$4,875.00	\$4,875.00	\$4,875.00	\$4,875.00
Employee Benefits	\$1,400.00	\$0.00	\$1,400.00	\$1,400.00

<b>Account</b>	<b>Budget FY2018</b>	<b>Actual FY2018</b>	<b>Budget FY2019</b>	<b>Budget FY2020</b>
Pension-Highway	\$11,900.00	\$12,527.91	\$11,903.00	\$13,500.00
General Ins-Highway	\$12,000.00	\$10,495.00	\$8,969.00	\$9,200.00
Storm water-State Permit	\$300.00	\$1,664.00	\$3,600.00	\$3,600.00
Erosion Control	\$5,000.00	\$1,091.00	\$5,000.00	\$8,000.00
Supplies	\$6,000.00	\$3,837.16	\$6,000.00	\$6,000.00
Advertising-Hwy	\$500.00	\$263.66	\$500.00	\$500.00
Training-Highway	\$500.00	\$45.00	\$500.00	\$500.00
Telephone-Highway	\$2,550.00	\$2,089.13	\$2,550.00	\$2,550.00
Garage Maint/Utils	\$18,000.00	\$14,374.60	\$16,000.00	\$16,000.00
Garage-Energy Improve	\$5,000.00	\$924.95	\$5,000.00	\$5,000.00
Trash Removal-Highway	\$1,300.00	\$0.00	\$1,300.00	\$1,300.00
Street Lights	\$10,500.00	\$8,172.72	\$10,500.00	\$10,500.00
Traffic Lights	\$3,000.00	\$1,461.88	\$3,000.00	\$3,000.00
Misc-Hwy	\$500.00	\$571.44	\$500.00	\$500.00
Uniforms	\$6,200.00	\$6,847.51	\$7,500.00	\$7,500.00
<b>TOTAL HIGHWAY OTHER</b>	<b>\$190,005.00</b>	<b>\$150,193.68</b>	<b>\$172,409.00</b>	<b>\$196,469.00</b>
<b>TOTAL HIGHWAYS</b>	<b>\$1,007,940.00</b>	<b>\$939,846.36</b>	<b>\$977,329.00</b>	<b>\$1,024,469.00</b>
<b>TOTAL GENERAL GOVERNMENT</b>	<b>\$2,637,766.00</b>	<b>\$2,485,173.91</b>	<b>\$2,563,654.00</b>	<b>\$2,676,623.00</b>
<b>CAPITAL BUDGET</b>				
Capital Budget	\$0.00	\$0.00	\$25,000.00	\$15,000.00
Highway Equip & Structures	\$200,000.00	\$157,712.83	\$233,196.00	\$200,000.00
Police Equipment	\$35,000.00	\$32,821.00	\$35,000.00	\$37,000.00
Debt Serv:06 Bond Prin	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00
Debt Serv:06 Bond Int	\$4,490.00	\$3,286.70	\$3,630.00	\$2,750.00
Debt Serv: 15 loan	\$22,800.00	\$22,733.36	\$23,230.00	\$23,680.00
Debt Serv: 15 Int	\$1,115.00	\$1,148.76	\$660.00	\$200.00
Debt Serv: 16 Loan	\$19,300.00	\$19,256.92	\$19,500.00	\$19,800.00
Debt Serv: 16 Int	\$1,400.00	\$1,360.81	\$1,100.00	\$850.00
Debt Serv; 17 Loan	\$0.00	\$0.00	\$15,400.00	\$15,400.00
Debt Serv: 17 Int	\$0.00	\$0.00	\$1,500.00	\$1,200.00
<b>TOTAL CAPITAL BUDGET</b>	<b>\$294,105.00</b>	<b>\$248,320.38</b>	<b>\$368,216.00</b>	<b>\$325,880.00</b>
<b>TOTAL EXPENDITURES</b>	<b>\$2,931,871.00</b>	<b>3048818.29*</b>	<b>\$2,931,870.00</b>	<b>\$3,002,503.00</b>

\* Includes appropriations

# AUDITOR'S REPORT

## TOWN OF BERLIN, VERMONT AUDIT REPORT AND FINANCIAL STATEMENTS JUNE 30, 2018

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FOTHERGILL SEGALE & VALLEY  
Certified Public Accountants



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

**INDEPENDENT AUDITOR'S REPORT**

To the Selectboard  
Town of Berlin  
Berlin, Vermont

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Berlin, Vermont, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

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

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

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

**Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Berlin, Vermont, as of June 30, 2018, 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.

143 BARRE STREET • MONTPELIER • VERMONT 05602 • 802-223-6261 • FAX: 802-223-1550 • www.fsv-cpas.com

## **Other-Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and the schedules of Town's proportionate share of the net pension liability and Town contributions in Schedule 3 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 Town's basic financial statements. The combining and individual nonmajor fund financial statements (Schedules 1 and 2) are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Schedules 1 and 2 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, Schedules 1 and 2 are fairly stated in all material respects in relation to the basic financial statements as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated January 4, 2019 on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

Respectfully submitted,

*Fothergill Segale & Valley, CPAs*

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

January 4, 2019

TOWN OF BERLIN, VERMONT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2018

Our discussion and analysis of the Town of Berlin, Vermont's financial performance provides an overview of the Town's financial activities for the year ended June 30, 2018. Please read it in conjunction with the Town's financial statements which begin on page 10.

**Financial Highlights**

*Government-Wide Statements*

- Net position of our governmental activities decreased by \$118,571 or about 4%, compared to a decrease of \$48,056 in the prior year. The net position of our business-type activities decreased by \$27,535 or less than 1%, compared to an increase of \$146,530 in the prior year.
- The cost of all of the Town's programs was \$4,004,209 in fiscal year 2018, compared to \$3,898,602 in fiscal year 2017, with no new programs added this year.

*Fund Statements*

- The General Fund reported a decrease in fund balance this year of \$29,548, which was \$125,541 better than what was budgeted. This compares to an increase of \$43,912 in fiscal year 2017.
- The General Fund restricted fund balance was \$198,682 and is restricted for lister training, reappraisal and record restoration. The committed fund balance of \$116,485 is for the items noted in Note 10. The assigned fund balance of \$24,032 is for highway equipment, capital budget, and highway materials. The nonspendable fund balance of \$198,781 consists of \$15,883 of prepaids, \$39,165 of highway inventory and the \$143,733 note due from the Water Fund.
- The nonmajor funds, as a whole, reported a net decrease in fund balance this year of \$929, compared to an increase of \$1,345 in fiscal year 2017. This brings the combined fund balance from \$163,413 to \$162,484.
- The Cemetery Funds reported an increase in fund balance this year of \$14 from a balance of \$13,968 to \$13,982.
- The Water Pollution Fund reported a decrease in net position of \$30,113 in fiscal year 2018, compared to a decrease of \$26,629 in fiscal year 2017, resulting in an ending net position of \$1,555,764.
- The Water Division Fund reported an increase in net position of \$2,578 in fiscal year 2018, compared to an increase of \$173,159 in fiscal year 2017, resulting in an ending net position of \$1,876,314.

**Using This Annual Report**

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

TOWN OF BERLIN, VERMONT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2018  
(Continued)

*Reporting the Town as a Whole*

One of the most important questions asked about the Town's finances is, "Is the Town as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the Town as a whole and about its activities in a way that helps answer this question. These statements include all assets 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 Town's net position and change in net position. You can think of the Town's net position – the difference between assets and liabilities – as one way to measure the Town's financial health, or financial position. Over time, increases or decreases in the Town's net position is one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the Town's property tax base and the condition of the Town's roads, to assess the overall financial health of the Town.

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

- **Governmental activities** – The Town's basic services are reported in the General Fund, including the highway department, general administration, and police. Property taxes, charges for services and state and federal grants finance most of these activities.
- **Business-type activities** – The Town charges a fee to customers to help it cover all or most of the cost of certain services it provides. The Town's water pollution and water division are reported here.

*Reporting the Town's Most Significant Funds*

Our analysis of the Town's major funds begins on Exhibit C and provides detailed information about the most significant funds – not the Town as a whole. Some funds are required to be established by State law and by bond covenants. The Town's three categories of funds – governmental, proprietary and fiduciary – use different accounting approaches.

- **Governmental fund** – The Town's basic services are reported in the governmental fund, which focuses on how money flows into and out of that fund and the balance left at year-end that is available for spending. This fund is reported using a measurement focus called current financial resources, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in Exhibits D and F that are included in the financial statements.

TOWN OF BERLIN, VERMONT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2018  
(Continued)

- **Proprietary fund** – When the Town charges customers for the services it provides – whether to outside customers or to other funds of the Town – these services are generally reported in a proprietary fund. A proprietary fund is reported in the same way that all business-type activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the Town's enterprise funds (a type of proprietary fund) are the same as the business-type activities reported in the government-wide statements but provide more detail and additional information, such as the statement of cash flows.
- **Fiduciary fund** – Fiduciary funds are used to account for resources held for the benefit of other parties. Fiduciary activity is not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town's own programs. The Town's fiduciary fund consists of the Cemetery Funds.

**The Town as a Whole**

The Town's combined net position decreased by \$146,106 from a year ago – decreasing from a balance of \$6,383,728 to \$6,237,622. Net position for the governmental activities decreased from a balance of \$2,924,115 to \$2,805,544. Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the Town's governmental and business-type activities.

Table 1  
Net Position

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Current and other assets	\$ 1,472,742	\$ 1,479,429	\$ 962,513	\$ 1,130,747	\$ 2,435,255	\$ 2,610,176
Capital assets, net of depr	1,947,191	1,960,730	6,430,396	6,540,301	8,377,587	8,501,031
Total assets	3,419,933	3,440,159	7,392,909	7,671,048	10,812,842	11,111,207
Deferred outflows of resources	209,741	264,326	0	0	209,741	264,326
Long-term liabilities	309,992	280,641	3,867,662	3,977,673	4,177,654	4,258,314
Net pension liability	378,335	392,273	0	0	378,335	392,273
Other liabilities	126,437	107,456	93,169	233,762	219,606	341,218
Total liabilities	814,764	780,370	3,960,831	4,211,435	4,775,595	4,991,805
Deferred inflows of resources	9,366	0	0	0	9,366	0
Net position:						
Invested in capital assets, net of debt	1,673,271	1,713,226	2,532,892	2,419,999	4,206,163	4,133,225
Restricted	312,206	303,121	0	0	312,206	303,121
Unrestricted	820,067	907,768	899,186	1,039,614	1,719,253	1,947,382
Total net position	\$ 2,805,544	\$ 2,924,115	\$ 3,432,078	\$ 3,459,613	\$ 6,237,622	\$ 6,383,728

Net position of the Town's governmental activities decreased by about 4% in fiscal year 2018 (\$2,805,544 compared to a balance of \$2,924,115). Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – decreased from \$907,768 to \$820,067 in fiscal year 2018. Restricted net position increased from \$303,121 to \$312,206 in fiscal year 2018. The net position of our business-type activities decreased by \$27,535 in fiscal year 2018 (\$3,432,078 compared to \$3,459,613).

TOWN OF BERLIN, VERMONT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2018  
(Continued)

Table 2  
Changes in Net Position

	Governmental Activities			Business-Type Activities		
	2018	2017	Change	2018	2017	Change
<b>REVENUES</b>						
Program revenues:						
Charges for services	\$ 138,665	\$ 193,522	\$ (54,857)	\$ 763,987	\$ 748,477	\$ 15,510
Operating grants and contributions	229,074	227,332	1,742	0	0	0
Capital grants and contributions	11,959	5,100	6,859	79,601	239,430	(159,829)
General revenues:						
Property taxes	2,523,702	2,488,691	35,011	0	0	0
Interest/penalty on del. taxes	47,517	55,332	(7,815)	1,651	2,749	(1,098)
Investment income	2,450	1,731	719	6,845	6,369	476
Gain on sale of assets	52,652	31,768	20,884	0	(3,425)	3,425
Total revenues	<u>3,006,019</u>	<u>3,003,476</u>	<u>2,543</u>	<u>852,084</u>	<u>993,600</u>	<u>(141,516)</u>
<b>PROGRAM EXPENSES</b>						
General government	782,327	753,293	29,034	0	0	0
Highway	1,073,754	1,001,048	72,706	0	0	0
Police	947,523	981,391	(33,868)	0	0	0
Appropriations	315,324	310,124	5,200	0	0	0
Interest on debt	5,662	5,676	(14)	0	0	0
Water division	0	0	0	301,502	267,602	33,900
Water pollution	0	0	0	578,117	579,468	(1,351)
Total program expenses	<u>3,124,590</u>	<u>3,051,532</u>	<u>73,058</u>	<u>879,619</u>	<u>847,070</u>	<u>32,549</u>
CHANGE IN NET POSITION	<u>\$ (118,571)</u>	<u>\$ (48,056)</u>	<u>\$ (70,515)</u>	<u>\$ (27,535)</u>	<u>\$ 146,530</u>	<u>\$ (174,065)</u>

*Governmental Activities*

The decrease in net position for governmental activities was \$118,571 in fiscal year 2018, compared to a decrease of \$48,056 in fiscal year 2017.

The cost of all governmental activities this year was \$3,124,590. However, as shown in the Statement of Activities on Exhibit B, the amount that our taxpayers ultimately financed for these activities through Town taxes and other revenue was only \$2,744,892 because some of the cost was paid by those who directly benefited from the programs (\$138,665) or by other governments and organizations that subsidized certain programs with grants and contributions (\$241,033).

TOWN OF BERLIN, VERMONT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2018  
(Continued)

Table 3 presents the cost of each of the Town's three largest programs – general government, highway, and police – as well as each program's net cost (total cost less program revenues). The net cost shows the financial burden that was placed on the Town's taxpayers by each of these functions.

Table 3  
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2018	2017	2018	2017
General government	\$ 782,327	\$ 753,293	\$ 612,727	\$ 579,509
Highway	1,073,754	1,001,048	958,322	888,362
Police	947,523	981,391	852,857	841,907
All others	320,986	315,800	320,986	315,800
Totals	<u>\$ 3,124,590</u>	<u>\$ 3,051,532</u>	<u>\$ 2,744,892</u>	<u>\$ 2,625,578</u>

*Business-Type Activities*

The net position for business type activities decreased by \$27,535 in fiscal year 2018, compared to an increase of \$146,530 in fiscal year 2017. In 2017, grant funds were received for the completion of the water system project.

The cost of all business-type activities this year was \$879,619. However, these costs were mostly covered by those who directly benefited from the programs (\$763,987) and by other governments and organizations that subsidized certain programs with grants and contributions (\$79,601).

**The Town's Funds**

As the Town completed the year, its governmental funds (as presented in the Balance Sheet on Exhibit C) reported a combined fund balance of \$1,236,451, which is less than last year's total fund balance of \$1,266,928. Included in this year's total decrease in fund balance of \$30,477, was a decrease of \$29,548 in the General Fund and a decrease of \$929 in the nonmajor governmental funds.

*General Fund Budgetary Highlights*

The Town's General Fund activity compared to budget is reported on Exhibit G. Some of the larger variances were as follows:

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes	\$ 2,560,726	\$ 2,518,893	\$ (41,833)
State of Vermont	191,600	247,462	55,862
Fees, licenses and permits	54,150	80,484	26,334
Police	116,880	47,002	(69,878)
Expenditures:			
Police	992,288	925,382	66,906
Highway - other	190,005	150,808	39,197
Capital outlays	306,200	250,033	56,167
Other Financing Sources (Uses)			
Loan proceeds	125,000	77,167	(47,833)

TOWN OF BERLIN, VERMONT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2018  
(Continued)

Tax revenue was less than budget due to changes in appraisal values that were corrected after the tax rates were set. State of Vermont revenue was greater than budget due to having received unbudgeted Public Safety grants and appraisal assistance. Fees, licenses and permits revenue was greater than budget due mostly to unanticipated zoning revenues. Police revenues were under budget due to the discontinuation of the hospital contract and shortage of staff that didn't allow shifts to be filled before the contract ended. Police expenses were under budget due to a staff shortage and the loss of the hospital contract. Highway other expenses were under budget mostly due to employee benefits and garage expenses being less than anticipated. Capital outlays were under budget due to not purchasing some equipment that was planned and some projects that weren't completed by year end as expected. Loan proceeds were under budget due to a vehicle being traded in so less than anticipated loan proceeds were needed.

**Capital Assets and Debt Administration**

*Capital Assets*

At June 30, 2018, the Town had \$8,377,587 invested in a broad range of capital assets, including land, buildings and improvements, vehicles, infrastructure, plant, machinery and equipment, and infrastructure, net of accumulated depreciation. (See Table 4 below) This amount represents a net decrease (including additions and deductions) of \$123,444.

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

	Governmental Activities		Business-type Activities		Totals	
	2018	2017	2018	2017	2018	2017
Land	\$ 52,400	\$ 52,400	\$ 106,000	\$ 106,000	\$ 158,400	\$ 158,400
Construction in progress	38,288	32,458	35,390	0	73,678	32,458
Land improvements	28,967	31,167	0	0	28,967	31,167
Plant	0	0	6,289,006	6,430,802	6,289,006	6,430,802
Buildings and impr.	160,707	170,301	0	0	160,707	170,301
Infrastructure	1,108,550	1,160,722	0	0	1,108,550	1,160,722
Machinery and equip.	38,375	32,008	0	3,499	38,375	35,507
Vehicles	519,904	481,674	0	0	519,904	481,674
Totals	<u>\$ 1,947,191</u>	<u>\$ 1,960,730</u>	<u>\$ 6,430,396</u>	<u>\$ 6,540,301</u>	<u>\$ 8,377,587</u>	<u>\$ 8,501,031</u>

This year's major additions for governmental activities were two new vehicles. The major addition to the business-type activities was the engineering for the sewer project.

*Debt Administration*

At June 30, 2018, the Town had \$4,140,208 in notes, lease and bonds outstanding versus \$4,225,177 on June 30, 2017 – a decrease of \$84,969 – as shown in Table 5.

TOWN OF BERLIN, VERMONT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2018  
(Continued)

Table 5  
Outstanding Debt at Year-End

	Governmental Activities	Business-Type Activities	Total
Balance - June 30, 2017	\$ 247,504	\$ 3,977,673	\$ 4,225,177
Proceeds	77,167	0	77,167
Loan forgiveness	0	(49,921)	(49,921)
Principal payments	(52,125)	(60,090)	(112,215)
Balance - June 30, 2018	<u>\$ 272,546</u>	<u>\$ 3,867,662</u>	<u>\$ 4,140,208</u>

Proceeds received in fiscal year 2018 were for a new highway vehicle.

**Economic Factors and Next Year's Budgets and Rates**

When adopting the budget for the fiscal year 2019 year, the Selectboard based their figures on previous year spending and departmental budget requests. The tax rate is set based on the voter approved budget amount for taxes divided by the Grand List.

**Contacting the Town's Financial Management**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Town Treasurer at Town of Berlin, 108 Shed Road, Berlin, Vermont 05602.

TOWN OF BERLIN, VERMONT  
STATEMENT OF NET POSITION  
JUNE 30, 2018

	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
Cash and cash equivalents	\$ 955,939	\$ 669,244	\$ 1,625,183
Investments - CDs	0	388,213	388,213
Accounts receivable - State	11,517	0	11,517
Accounts receivable - other, net of allowance	0	9,871	9,871
Unbilled user fees	0	192,094	192,094
Grant receivable - USDA	0	2,525	2,525
Taxes, interest and penalty receivable, net of allowance	150,804	0	150,804
Internal balances	299,434	(299,434)	0
Prepaid expenses	15,883	0	15,883
Inventory	39,165	0	39,165
Capital Assets			
Land	52,400	106,000	158,400
Construction in process	38,288	35,390	73,678
Other capital assets, (net of accumulated depreciation)	<u>1,856,503</u>	<u>6,289,006</u>	<u>8,145,509</u>
Total assets	<u>3,419,933</u>	<u>7,392,909</u>	<u>10,812,842</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Pension related	<u>209,741</u>	<u>0</u>	<u>209,741</u>
Total assets and deferred outflows of resources	<u>3,629,674</u>	<u>7,392,909</u>	<u>11,022,583</u>
<u>LIABILITIES</u>			
Accounts payable	35,623	52,713	88,336
Construction and retainage payable	1,374	29,842	31,216
Accrued interest payable	0	10,614	10,614
Accrued payroll and benefits payable	19,224	0	19,224
Prepaid property taxes	70,216	0	70,216
Accrued compensated absences	37,446	0	37,446
Bonds and notes payable due within one year	68,185	61,687	129,872
Net pension liability	378,335	0	378,335
Bonds and notes payable due after one year	<u>204,361</u>	<u>3,805,975</u>	<u>4,010,336</u>
Total liabilities	814,764	3,960,831	4,775,595
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Pension related	<u>9,366</u>	<u>0</u>	<u>9,366</u>
Total liabilities and deferred inflows	<u>824,130</u>	<u>3,960,831</u>	<u>4,784,961</u>
<u>NET POSITION</u>			
Invested in capital assets, net of related debt	1,673,271	2,532,892	4,206,163
Restricted	312,206	0	312,206
Unrestricted	<u>820,067</u>	<u>899,186</u>	<u>1,719,253</u>
Total net position	<u>\$ 2,805,544</u>	<u>\$ 3,432,078</u>	<u>\$ 6,237,622</u>

See Notes to Financial Statements.

TOWN OF BERLIN, VERMONT  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2018

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental Activities:</b>							
General Government	\$ 782,327	\$ 82,158	\$ 87,442	\$ 0	\$ (612,727)	\$ 0	\$ (612,727)
Highway	1,073,754	0	112,606	2,826	(958,322)	0	(958,322)
Police	947,523	56,507	29,026	9,133	(852,857)	0	(852,857)
Appropriations	315,324	0	0	0	(315,324)	0	(315,324)
Interest on Long-Term Debt	5,662	0	0	0	(5,662)	0	(5,662)
<b>Total Governmental Activities</b>	<b>3,124,590</b>	<b>138,665</b>	<b>229,074</b>	<b>11,959</b>	<b>(2,744,892)</b>	<b>0</b>	<b>(2,744,892)</b>
<b>Business-Type Activities:</b>							
Water division	301,502	223,611	0	79,601	0	1,710	1,710
Water pollution	578,117	540,376	0	0	0	(37,741)	(37,741)
<b>Total Business-Type Activities</b>	<b>879,619</b>	<b>763,987</b>	<b>0</b>	<b>79,601</b>	<b>0</b>	<b>(36,031)</b>	<b>(36,031)</b>
<b>Total</b>	<b>\$ 4,004,209</b>	<b>\$ 902,652</b>	<b>\$ 229,074</b>	<b>\$ 91,560</b>	<b>(2,744,892)</b>	<b>(36,031)</b>	<b>(2,780,923)</b>
<b>General Revenues:</b>							
Property taxes					2,523,702	0	2,523,702
Interest and penalties on delinquent taxes/user charges					47,517	1,651	49,168
Net investment income					2,450	6,845	9,295
Gain (loss) on asset disposal					52,652	0	52,652
<b>Total general revenues</b>					<b>2,626,321</b>	<b>8,496</b>	<b>2,634,817</b>
<b>Change in Net Position</b>					<b>(118,571)</b>	<b>(27,535)</b>	<b>(146,106)</b>
<b>Net Position - July 1, 2017</b>					<b>2,924,115</b>	<b>3,459,613</b>	<b>6,383,728</b>
<b>Net Position - June 30, 2018</b>					<b>\$ 2,805,544</b>	<b>\$ 3,432,078</b>	<b>\$ 6,237,622</b>

See Notes to Financial Statements.

TOWN OF BERLIN, VERMONT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2018

	Major Fund General Fund	Nonmajor Funds Other Governmental Funds	Totals
<b>ASSETS</b>			
Cash and cash equivalents	\$ 843,695	\$ 112,244	\$ 955,939
Taxes, interest and penalty receivable, net of allowance	150,804	0	150,804
Accounts receivable - State	11,517	0	11,517
Prepaid expenses	15,883	0	15,883
Inventory	39,165	0	39,165
Advances to other funds	143,733	0	143,733
Due from other funds	105,461	50,240	155,701
Total assets	<u>\$ 1,310,258</u>	<u>\$ 162,484</u>	<u>\$ 1,472,742</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable	\$ 35,623	\$ 0	\$ 35,623
Construction payable	1,374	0	1,374
Accrued wages & taxes	19,224	0	19,224
Property tax overpayments	70,216	0	70,216
Total liabilities	<u>126,437</u>	<u>0</u>	<u>126,437</u>
<b>Deferred Inflows of Resources</b>			
Unavailable revenue - property taxes	109,854	0	109,854
<b>Fund Balances</b>			
<b>Nonspendable:</b>			
Prepays	15,883	0	15,883
Inventory	39,165	0	39,165
Advances to other funds	143,733	0	143,733
Restricted	198,682	113,524	312,206
Committed	116,485	48,960	165,445
Assigned	24,032	0	24,032
Unassigned	535,987	0	535,987
Total fund balances	<u>1,073,967</u>	<u>162,484</u>	<u>1,236,451</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,310,258</u>	<u>\$ 162,484</u>	<u>\$ 1,472,742</u>

See Notes to Financial Statements.

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TOWN OF BERLIN, VERMONT  
 RECONCILIATION OF THE GOVERNMENTAL FUNDS  
 BALANCE SHEET TO THE STATEMENT OF NET POSITION  
 JUNE 30, 2018

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS	\$	1,236,451
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 fund statements.		1,947,191
Unavailable revenue for property taxes is recognized on an accrual basis in the statement of net position, not for the modified cash basis.		109,854
Some liabilities, including net pension obligations, are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Net pension liability		(378,335)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the governmental funds.		200,375
Long-term liabilities, including notes payable, are not due and payable in the current period and therefore are not reported as liabilities in the fund statements. Long-term liabilities at year end consist of:		
Bond and notes payable		(272,546)
Accrued compensated absences		(37,446)
		(310,000)
TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES	\$	2,805,544

See Notes to Financial Statements.

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TOWN OF BERLIN, VERMONT  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGE IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2018

	Major Fund General Fund	Other Governmental Funds	Totals
<b>Revenues</b>			
Property taxes	\$ 2,518,893	\$ 0	\$ 2,518,893
Delinquent tax penalties & interest	47,517	0	47,517
Licenses, fees & permits	80,484	0	80,484
Interest income	2,343	107	2,450
Intergovernmental	247,462	0	247,462
Charges for services - police	47,002	0	47,002
Other	4,750	0	4,750
Total revenues	<u>2,948,451</u>	<u>107</u>	<u>2,948,558</u>
<b>Expenditures</b>			
<b>Current:</b>			
General government	618,527	1,036	619,563
Highways	890,765	0	890,765
Police	925,382	0	925,382
Appropriations	315,324	0	315,324
Total current	<u>2,749,998</u>	<u>1,036</u>	<u>2,751,034</u>
<b>Debt service:</b>			
Principal	52,125	0	52,125
Interest	5,662	0	5,662
Total debt service	<u>57,787</u>	<u>0</u>	<u>57,787</u>
<b>Capital outlays:</b>			
Highways	206,793	0	206,793
Police	43,240	0	43,240
Total capital outlays	<u>250,033</u>	<u>0</u>	<u>250,033</u>
Total expenditures	<u>3,057,818</u>	<u>1,036</u>	<u>3,058,854</u>
Excess Revenues (Expenditures)	<u>(109,367)</u>	<u>(929)</u>	<u>(110,296)</u>
<b>Other Financing Sources (Uses)</b>			
Sale of assets	2,652	0	2,652
Loan proceeds	77,167	0	77,167
Total other financing sources (uses)	<u>79,819</u>	<u>0</u>	<u>79,819</u>
Net Change in Fund Balances	<u>(29,548)</u>	<u>(929)</u>	<u>(30,477)</u>
Fund Balances - July 1, 2017	<u>1,103,515</u>	<u>163,413</u>	<u>1,266,928</u>
Fund Balances - June 30, 2018	<u>\$ 1,073,967</u>	<u>\$ 162,484</u>	<u>\$ 1,236,451</u>

See Notes to Financial Statements.

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TOWN OF BERLIN, VERMONT  
 RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT  
 OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES  
 TO THE STATEMENT OF ACTIVITIES  
 YEAR ENDED JUNE 30, 2018

TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS		\$ (30,477)
Amounts reported for governmental activities in the statement of activities are different because:		
Some revenues are not collected for several months after the Town's year end; they are not considered "available" revenue in the fund statements.		
Unavailable property taxes increased by \$4,809.		4,809
Repayment of notes, bonds and lease principal is an expenditure in the governmental funds; but the repayment reduces long-term liabilities in the statement of net position.		52,125
Loan proceeds are an other financing source in the governmental funds; but increases in long-term liabilities in the statement of net position.		(77,167)
Governmental funds report pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned, net of employee contributions, is reported as pension expense:		
Town pension contributions	50,486	
Cost of benefits earned, net of employee contributions	<u>(100,499)</u>	(50,013)
In the statement of activities, accrued compensated absences are measured by the amounts incurred 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). This year compensated absences accrued was more than what was paid by \$4,309.		
		(4,309)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost (\$300,033) of those assets is allocated over their estimated useful lives and reported as depreciation expense (\$313,572). This is the amount by which depreciation was less than capital outlays in the current period.		
		<u>(13,539)</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		<u>\$ (118,571)</u>

See Notes to Financial Statements.

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TOWN OF BERLIN, VERMONT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN  
FUND BALANCE - COMPARED TO BUDGET  
GENERAL FUND  
YEAR ENDED JUNE 30, 2018

EXHIBIT G

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>			
<b>Taxes</b>			
Property taxes	\$ 2,395,726	\$ 2,326,765	\$ (68,961)
PILOT	165,000	192,128	27,128
Total taxes	<u>2,560,726</u>	<u>2,518,893</u>	<u>(41,833)</u>
<b>State of Vermont</b>			
Current use	40,000	44,776	4,776
Highways	112,600	112,606	6
State hospital	25,000	25,000	0
Appraisal assistance	0	12,903	12,903
Railroad levy	2,000	4,513	2,513
Police - highway fines	12,000	18,505	6,505
Public safety grants	0	29,159	29,159
Total State of Vermont	<u>191,600</u>	<u>247,462</u>	<u>55,862</u>
<b>Fees, Licenses and Permits</b>			
Animal licenses	2,000	1,887	(113)
Beverage and entertainment licenses	1,100	1,550	450
Copier fees	8,000	6,673	(1,327)
Zoning fees	7,500	22,563	15,063
Town Clerk fees	32,000	37,342	5,342
Records restoration	2,000	2,372	372
Excess weight permits	1,000	1,080	80
Peddlers' permits	300	200	(100)
Marriage licenses	200	0	(200)
Land posting permits	50	0	(50)
Mirror Lake Road culvert	0	2,826	2,826
Other miscellaneous	0	3,991	3,991
Total fees, licenses and permits	<u>54,150</u>	<u>80,484</u>	<u>26,334</u>
<b>Police</b>			
Contract wages	113,880	32,645	(81,235)
Other miscellaneous	3,000	14,357	11,357
Total police	<u>116,880</u>	<u>47,002</u>	<u>(69,878)</u>
<b>Interest and Penalties</b>			
Investment income	2,000	2,343	343
Interest on delinquent taxes	17,000	18,992	1,992
Penalties on delinquent taxes	20,000	28,525	8,525
Total interest and penalties	<u>39,000</u>	<u>49,860</u>	<u>10,860</u>
<b>Other Revenues</b>			
Water pollution control	4,500	4,500	0
Berlin Historical Society	250	250	0
Total other revenues	<u>4,750</u>	<u>4,750</u>	<u>0</u>
Total revenues	<u>2,967,106</u>	<u>2,948,451</u>	<u>(18,655)</u>

See Notes to Financial Statements.

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TOWN OF BERLIN, VERMONT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN  
FUND BALANCE - COMPARED TO BUDGET  
GENERAL FUND  
YEAR ENDED JUNE 30, 2018

EXHIBIT G

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
<b>EXPENDITURES</b>			
<b>General Government</b>			
<b>Administration</b>			
Town Clerk	45,301	45,319	(18)
Town Treasurer	55,360	55,971	(611)
Assistant Clerk	18,045	18,587	(542)
Selectboard	3,750	3,750	0
Assistant Town Administrator	41,600	41,339	261
Town Administrator	64,300	64,325	(25)
Board of Civil Authority	500	0	500
Office supplies	8,000	5,631	2,369
Training	1,200	105	1,095
Computers and equipment	0	2,898	(2,898)
Copier	1,450	1,155	295
Records restoration	2,500	5,262	(2,762)
Postage	6,000	4,978	1,022
Postage meter rental	750	726	24
Telephone	4,500	3,267	1,233
Software and support	1,000	1,377	(377)
Clerk - advertising	500	0	500
Total administration	254,756	254,690	66
<b>Listers</b>			
Contract - assessor	20,750	20,259	491
Supplies	400	125	275
Software and support	500	215	285
Legal	500	0	500
Tax maps	1,500	2,324	(824)
License	600	1,081	(481)
Computer	250	0	250
Total listers	24,500	24,004	496
<b>Meetings and Elections</b>			
Town meetings and elections	4,300	2,440	1,860
Town reports	1,500	1,410	90
Legal notices and advertising	500	1,817	(1,317)
Total meetings and elections	6,300	5,667	633
<b>Insurance</b>			
Workers' compensation	2,000	1,362	638
Health insurance	22,440	22,572	(132)
Social Security	17,200	17,150	50
Unemployment	20	150	(130)
Disability	780	779	1
Life insurance	687	685	2
Health insurance buyback	4,875	9,750	(4,875)

See Notes to Financial Statements.

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TOWN OF BERLIN, VERMONT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN  
FUND BALANCE - COMPARED TO BUDGET  
GENERAL FUND  
YEAR ENDED JUNE 30, 2018

EXHIBIT G

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Insurance (continued)			
Deductible	700	115	585
Pension	11,400	13,045	(1,645)
General insurance	17,700	15,700	2,000
Total insurance	<u>77,802</u>	<u>81,308</u>	<u>(3,506)</u>
Zoning			
Training	250	60	190
Mileage	0	393	(393)
Telephone	650	1,006	(356)
Legal fees	2,000	0	2,000
Advertising	500	0	500
Total zoning	<u>3,400</u>	<u>1,459</u>	<u>1,941</u>
Development Review Board			
Secretary	3,000	5,533	(2,533)
Legal fees	2,000	0	2,000
Advertising	1,000	2,260	(1,260)
Total development review board	<u>6,000</u>	<u>7,793</u>	<u>(1,793)</u>
Planning			
Supplies, mileage and training	250	253	(3)
Advertising and printing	500	45	455
Other	1,000	4,727	(3,727)
Total planning	<u>1,750</u>	<u>5,025</u>	<u>(3,275)</u>
Other			
Cemeteries	10,000	6,400	3,600
Recreation	7,593	1,123	6,470
Conservation Commission	0	52	(52)
Green Up Day	500	527	(27)
Emergency management commission	1,454	1,400	54
Total other	<u>19,547</u>	<u>9,502</u>	<u>10,045</u>
Taxes and Assessments			
Animal control officer	2,500	670	1,830
Washington county assessment	36,826	37,233	(407)
Ambulance service	90,400	86,896	3,504
Central Vermont Humane Society	1,000	0	1,000
Central Vermont Solid Waste Mgmt District	2,850	2,840	10
Central Vermont Economic Development	500	500	0
Vermont League of Cities and Towns	4,271	4,271	0
Central Vermont Regional Planning Commission	3,176	3,176	0
Total taxes and assessments	<u>141,523</u>	<u>135,586</u>	<u>5,937</u>

See Notes to Financial Statements.

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TOWN OF BERLIN, VERMONT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN  
FUND BALANCE - COMPARED TO BUDGET  
GENERAL FUND  
YEAR ENDED JUNE 30, 2018

EXHIBIT G

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Town Office			
Janitorial	8,000	6,677	1,323
Supplies	3,000	1,881	1,119
Training	500	265	235
Copier	1,600	1,629	(29)
Advertising	1,000	544	456
Newsletter	500	0	500
Software and support	6,000	6,232	(232)
Web page	600	185	415
Cloud backup	1,500	1,511	(11)
Backup storage fees	360	94	266
Maintenance	10,000	7,824	2,176
Vehicle	1,500	2,375	(875)
Heat and utilities	9,600	4,353	5,247
Internet	1,700	2,252	(552)
Equipment contracts	1,500	2,197	(697)
Total town office	<u>47,360</u>	<u>38,019</u>	<u>9,341</u>
General			
Legal	20,000	5,538	14,462
Auditing and accounting	16,000	12,650	3,350
Payroll services	2,000	2,080	(80)
Selectboard minutes	2,400	880	1,520
Emergency generator	2,000	1,211	789
Tax refunds and abatements	5,000	33,031	(28,031)
Miscellaneous	1,000	84	916
Total general	<u>48,400</u>	<u>55,474</u>	<u>(7,074)</u>
Total general government	<u>631,338</u>	<u>618,527</u>	<u>12,811</u>
Police			
Wages	290,461	266,905	23,556
Wages - night shift	170,537	143,649	26,888
Wages - part time	22,000	60,152	(38,152)
Wages - clerical	40,000	34,548	5,452
Wages - CVMC	87,360	17,955	69,405
Wages - overtime	15,000	33,851	(18,851)
Wages - on call	6,000	6,654	(654)
Wages - education	900	750	150
Wages - longevity	500	500	0
Workers' compensation	60,300	69,320	(9,020)
Health insurance	100,500	85,001	15,499
Social Security	38,800	41,955	(3,155)
Unemployment	480	734	(254)
Social Security - CVMC	6,700	1,373	5,327
Disability insurance	2,500	1,576	924

See Notes to Financial Statements.

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TOWN OF BERLIN, VERMONT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN  
FUND BALANCE - COMPARED TO BUDGET  
GENERAL FUND  
YEAR ENDED JUNE 30, 2018

EXHIBIT G

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Police (continued)			
Life insurance	2,025	1,528	497
Health insurance buyback	10,075	5,875	4,200
Employee benefits	4,500	725	3,775
Pension	33,700	28,737	4,963
Vehicle and liability insurance	31,300	27,402	3,898
Supplies	4,500	1,587	2,913
Uniforms	8,000	9,404	(1,404)
Guns and ammo	1,500	1,486	14
Copier lease	1,550	1,488	62
VIBRS	5,100	3,629	1,471
Media and data	4,500	4,715	(215)
Advertising	200	0	200
Training	2,500	3,979	(1,479)
Telephone	8,500	7,686	814
Legal	2,000	75	1,925
Equipment maintenance	13,000	11,901	1,099
Vehicle fuel	14,000	19,784	(5,784)
Lodging prisoners	1,000	400	600
Policing grants	0	20,757	(20,757)
Special investigation unit	2,300	2,300	0
Other	0	2,918	(2,918)
Berlin Community Fund	0	4,083	(4,083)
Total police	<u>992,288</u>	<u>925,382</u>	<u>66,906</u>
Highways			
Summer roads			
Wages	91,835	111,892	(20,057)
Roadside mowing	10,000	5,950	4,050
Chloride	28,000	24,064	3,936
Culverts and materials	10,000	6,035	3,965
Equipment maintenance	21,000	23,146	(2,146)
Fuel	20,000	10,984	9,016
Total summer roads	<u>180,835</u>	<u>182,071</u>	<u>(1,236)</u>
Winter roads			
Wages	121,100	110,809	10,291
Sand	60,000	53,880	6,120
Salt	70,000	78,370	(8,370)
Equipment maintenance	35,000	29,970	5,030
Fuel	30,000	29,262	738
Total winter roads	<u>316,100</u>	<u>302,291</u>	<u>13,809</u>

See Notes to Financial Statements.

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TOWN OF BERLIN, VERMONT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN  
FUND BALANCE - COMPARED TO BUDGET  
GENERAL FUND  
YEAR ENDED JUNE 30, 2018

EXHIBIT G

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
<b>General</b>			
Paving	100,000	96,035	3,965
Resurfacing - gravel	130,000	147,266	(17,266)
Bridge maintenance	10,000	0	10,000
Road signs and fencing	4,000	2,338	1,662
Guardrails	12,000	9,956	2,044
Total general	<u>256,000</u>	<u>255,595</u>	<u>405</u>
<b>Other</b>			
Workers' compensation	38,400	23,684	14,716
Health insurance	43,800	37,692	6,108
Social Security	16,500	17,655	(1,155)
Unemployment	60	200	(140)
Disability insurance	920	899	21
Life insurance	800	823	(23)
Health insurance buyback	4,875	4,875	0
Deductible	1,400	0	1,400
Pension	11,900	12,528	(628)
General insurance	12,000	10,495	1,505
Storm water permit	300	1,664	(1,364)
Erosion control	5,000	1,091	3,909
Supplies	6,000	3,837	2,163
Advertising	500	264	236
Training	500	45	455
Telephone	2,550	2,089	461
Garage	23,000	15,300	7,700
Trash removal	1,300	0	1,300
Street lights	10,500	8,173	2,327
Traffic lights	3,000	1,462	1,538
Miscellaneous	500	1,185	(685)
Uniforms	6,200	6,847	(647)
Total other	<u>190,005</u>	<u>150,808</u>	<u>39,197</u>
Total highways	<u>942,940</u>	<u>890,765</u>	<u>52,175</u>
<b>Appropriations</b>			
Battered Women Services	975	975	0
Berlin Volunteer Fire Department	247,658	247,658	0
Barre Area Senior Center	1,000	1,000	0
Central Vermont Adult Basic Education	1,200	1,200	0
Capstone Community Action	500	500	0
Central Vermont Council on Aging	3,000	3,000	0
Central Vermont Home Health and Hospice	5,700	5,700	0
Central Vermont Memorial Civic	1,000	1,000	0
Family Center of Washington County	800	800	0

See Notes to Financial Statements.

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TOWN OF BERLIN, VERMONT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN  
FUND BALANCE - COMPARED TO BUDGET  
GENERAL FUND  
YEAR ENDED JUNE 30, 2018

EXHIBIT G

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Appropriations (continued)			
Good Samaritan Haven	800	800	0
Green Mountain Transit Agency	10,920	10,920	0
Green Up Vermont	150	150	0
Home Share	300	300	0
Kellogg-Hubbard Library	28,271	28,271	0
Good Beginnings of Central Vermont	300	300	0
Just Basics, Inc.	4,000	4,000	0
Montpelier Senior Center	4,600	4,600	0
Our House of Central Vermont	250	250	0
People's Health & Wellness Clinic	500	500	0
Prevent Child Abuse VT	600	600	0
Sexual Assault Crisis Team	300	300	0
Vermont Assoc. for the Blind & Visually Impaired	500	500	0
Vermont Center for Independent Living	1,000	1,000	0
Washington County Diversion	500	500	0
Washington County Youth Service Bureau	500	500	0
Total appropriations	315,324	315,324	0
Debt service			
Principal	52,100	52,125	(25)
Interest	7,005	5,662	1,343
Total debt service	59,105	57,787	1,318
Capital outlays			
Highway	265,000	206,793	58,207
Police	41,200	43,240	(2,040)
Total capital outlays	306,200	250,033	56,167
Total expenditures	3,247,195	3,057,818	189,377
Excess Revenues (Expenditures)	(280,089)	(109,367)	170,722
Other Financing Sources (Uses)			
Sale of assets	0	2,652	2,652
Loan proceeds	125,000	77,167	(47,833)
Total other financing sources (uses)	125,000	79,819	(45,181)
Net Change in Fund Balance	\$ (155,089)	(29,548)	\$ 125,541
Fund Balance - July 1, 2017		1,103,515	
Fund Balance - June 30, 2018		\$ 1,073,967	

See Notes to Financial Statements.

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TOWN OF BERLIN, VERMONT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2018

EXHIBIT H

	Water Pollution Fund	Water Division Fund	Total
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 593,934	\$ 75,310	\$ 669,244
Investments - CDs	388,213	0	388,213
Accounts receivable, net of allowance	9,015	856	9,871
Unbilled user fees	136,463	55,631	192,094
Grant receivable	0	2,525	2,525
Total current assets	1,127,625	134,322	1,261,947
<b>Non-Current Assets</b>			
Land	0	106,000	106,000
Construction in progress	25,110	10,280	35,390
Plant and equipment, net of depreciation	594,990	5,694,016	6,289,006
Total non-current assets	620,100	5,810,296	6,430,396
Total assets	1,747,725	5,944,618	7,692,343
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts payable	50,260	2,453	52,713
Construction and retainage payable	14,082	15,760	29,842
Accrued interest payable	0	10,614	10,614
Due to other funds	127,619	28,082	155,701
Bond and note payable due within one year	0	61,687	61,687
Total current liabilities	191,961	118,596	310,557
<b>Noncurrent Liabilities</b>			
Advances from other funds	0	143,733	143,733
Bond and note payable due after one year	0	3,805,975	3,805,975
Total noncurrent liabilities	0	3,949,708	3,949,708
Total liabilities	191,961	4,068,304	4,260,265
<b>NET POSITION</b>			
Invested in capital assets, net of related debt	606,018	1,926,874	2,532,892
Unrestricted	949,746	(50,560)	899,186
Total net position	\$ 1,555,764	\$ 1,876,314	\$ 3,432,078

See Notes to Financial Statements.

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TOWN OF BERLIN, VERMONT  
STATEMENT OF REVENUES, EXPENSES AND  
CHANGE IN NET POSITION  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2018

EXHIBIT I

	Water Pollution Fund	Water Division Fund	Total
<b>OPERATING REVENUES</b>			
User charges and fees	\$ 540,376	\$ 223,611	\$ 763,987
Interest and penalties	783	868	1,651
Total operating revenues	541,159	224,479	765,638
<b>OPERATING EXPENSES</b>			
Wages and related	17,448	5,561	23,009
Professional services	4,215	1,985	6,200
Maintenance, operations and services	518,566	40,280	558,846
Administrative expenses	6,234	2,321	8,555
Depreciation	31,654	148,799	180,453
Total operating expenses	578,117	198,946	777,063
<b>OPERATING INCOME (LOSS)</b>	<b>(36,958)</b>	<b>25,533</b>	<b>(11,425)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Grant income	0	29,680	29,680
Cancellation of planning loan	0	49,921	49,921
Interest expense	0	(102,556)	(102,556)
Interest income	6,845	0	6,845
Net nonoperating revenues (expenses)	6,845	(22,955)	(16,110)
<b>CHANGE IN NET POSITION</b>	<b>(30,113)</b>	<b>2,578</b>	<b>(27,535)</b>
<b>NET POSITION - JULY 1, 2017</b>	<b>1,585,877</b>	<b>1,873,736</b>	<b>3,459,613</b>
<b>NET POSITION - JUNE 30, 2018</b>	<b>\$ 1,555,764</b>	<b>\$ 1,876,314</b>	<b>\$ 3,432,078</b>

See Notes to Financial Statements.

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TOWN OF BERLIN, VERMONT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2018

EXHIBIT J

	Water Pollution Fund	Water Division Fund
<b>CASH FLOWS FROM (TO) OPERATING ACTIVITIES</b>		
Cash received from customers	\$ 551,574	\$ 221,401
Cash payments to suppliers for goods and services	(574,317)	(49,131)
Net cash from (to) operating activities	(22,743)	172,270
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Cash payments from other funds	21,419	6,400
<b>CASH FLOWS FROM (TO) CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Proceeds from long-term debt and grants	0	173,136
Principal paid on capital debt	0	(60,090)
Additions of capital assets, net of change in related payables	(11,028)	(172,308)
Interest paid on capital debt	0	(102,676)
Net cash to capital and related financing activities	(11,028)	(161,938)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income	922	0
Net cash from investing activities	922	0
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(11,430)	16,732
<b>CASH, CASH EQUIVALENTS - JULY 1, 2017</b>	605,364	58,578
<b>CASH, CASH EQUIVALENTS - JUNE 30, 2018</b>	\$ 593,934	\$ 75,310
<b>RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH FROM (TO) OPERATING ACTIVITIES</b>		
Income (loss) from operations	\$ (36,958)	\$ 25,533
Adjustments to reconcile income (loss) from operations to net cash flow from operating activities		
Depreciation	31,654	148,799
(Increase) decrease in accounts receivable	11,263	(3,078)
Increase (decrease) in accounts payable	(28,702)	1,016
Net cash from (to) operating activities	\$ (22,743)	\$ 172,270

See Notes to Financial Statements.

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TOWN OF BERLIN, VERMONT  
 STATEMENT OF NET POSITION - FIDUCIARY FUND  
 JUNE 30, 2018

	<u>Cemetery Funds</u>
ASSETS	
Cash and cash equivalents	\$ 13,982
LIABILITIES	
	<u>0</u>
NET POSITION	
Restricted	<u>\$ 13,982</u>

See Notes to Financial Statements.

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TOWN OF BERLIN, VERMONT  
 STATEMENT OF CHANGE IN NET POSITION  
 FIDUCIARY FUND  
 YEAR ENDED JUNE 30, 2018

	<u>Cemetery Funds</u>
ADDITIONS	
Interest	\$ 14
DEDUCTIONS	<u>0</u>
CHANGE IN NET POSITION	14
NET POSITION - July 1, 2017	<u>13,968</u>
NET POSITION - June 30, 2018	<u>\$ 13,982</u>

See Notes to Financial Statements.

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TOWN OF BERLIN, VERMONT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018

The Town of Berlin (the Town) is a unit of local government organized under the statutes of the State of Vermont. The Town is governed by a five member Select Board. The Town provides various services as authorized and funded by State government or Town voters.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Town's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is primarily responsible for establishing GAAP for state and local governments through its pronouncements (including Statements and Interpretations). The more significant accounting policies established in GAAP and used by the Town are discussed below.

*Reporting Entity*

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

Based on the criteria, the Town has no component units.

*Basic Financial Statements – Government-Wide Statements*

The Town's basic financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (focusing on the Town's major funds). The government-wide financial statements categorize primary activities as either governmental or business type.

The government-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Town's net position is reported in three parts – invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The Town first utilizes restricted resources to finance qualifying activities for which both restricted and unrestricted resources are available.

The government-wide Statement of Activities reports both the gross and net cost of each of the Town's governmental functions and business-type activities. The functions are also supported by general government revenue (property taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenue, including operating and capital grants and contributions. Program revenue must be directly associated with the governmental function (public works, etc.) or a business-type activity. Operating grants include operating-specific and discretionary grants while capital grants and contribution column reflects capital specific grants and contributions.

The net costs (by governmental function or business-type activity) are normally covered by general revenues (property taxes, intergovernmental revenues, interest income, etc.).

This government-wide focus is more on the sustainability of the Town as an entity and the change in the Town's net position resulting from the current year's activities.

TOWN OF BERLIN, VERMONT  
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018  
(Continued)

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Basic Financial Statements - Fund Financial Statements*

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

The Town's major funds consist of the General Fund, the Water Pollution Fund and the Water Division Fund. The non-major funds of the Town consist of the Recreation and Parks Fund, Conservation Fund, Montpelier Filtration Fund, Bike Path Fund, Bridge Fund and the Road Project Fund. The General Fund is the main operating fund of the Town. The Water Pollution Fund accounts for the activity of the water pollution system. The Water Division Fund accounts for the activities of the Town's water supply system.

*Proprietary Funds*

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, and cash flows. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the Town:

Enterprise funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Water Pollution Fund and the Water Division Fund are major Enterprise Funds.

*Fiduciary Funds*

Fiduciary funds account for assets held in a trustee capacity (trust funds) or as an agent (agency funds) for the benefit of parties outside of the Town. The Town's fiduciary fund is the Cemetery Fund, which is a trust fund.

*Measurement Focus*

The accounting and financial reporting 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). Fund equity 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 position.

TOWN OF BERLIN, VERMONT  
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

(Continued)

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Basis of Accounting*

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

Accrual

Both governmental and business-type activities in the government-wide financial statements and the proprietary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when transactions occur and expenses are recognized when incurred.

Modified Accrual

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenue is recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end for property taxes and six months for other revenue (grants and loans). Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, compensated absences, claims and judgments, and certain prepaids, which are recognized when due/paid.

*Government-wide and Proprietary Fund Net Position*

Net position represents the difference between assets and liabilities in the statement of net position. Net position is divided into three components:

Invested in capital assets, net of related debt – consist of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets plus deferred outflows of resources less deferred inflows of resources related to those assets.

Restricted net position – consist of assets that are restricted by the Town's creditors, enabling legislation, by grantors, and by other contributors.

Unrestricted net position – all other net position is reported in this category.

*Unavailable Revenue*

Unavailable revenue consists of the following:

General Fund – Delinquent taxes not collected within sixty (60) days after year end and other receivables not collected within six months after year end.

TOWN OF BERLIN, VERMONT  
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018  
(Continued)

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Pensions*

GASB Statement No. 68 establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expenses/expenditures.

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

*Deferred Outflows of Resources*

The Town reports decreases in net assets that relate to future periods as deferred outflows of resources in a separate section of its government-wide and proprietary funds statements of net position. The deferred outflows of resources reported in this year's financial statements are for 1) the difference between expected and actual experience 2) changes in assumptions 3) contributions made subsequent to the measurement date 4) differences between projected and actual investment earnings and 5) changes in proportion and differences between employer contributions and proportionate share of contributions. No deferred outflows of resources affect the governmental funds financial statements in the current year.

*Deferred Inflows of Resources*

The Town's statements of net position and its governmental fund balance sheet report a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net position that applies to a future period(s).

Deferred inflows of resources are reported in the Town's statement of net position for differences between expected and actual experience. This deferred inflow of resources is attributed to pension expense over a total of 5 years, including the current year.

In its governmental funds, the only deferred inflow of resources is for revenues that are not considered available. The Town has one item which occurs because governmental fund revenues are not recognized until available (collected not later than sixty days after the end of the Town's fiscal year for property taxes, and six months for all other revenues) under the modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, unavailable property tax revenue is reported in the governmental funds balance sheet. The Town did not have deferred inflows of resources to report in its government-wide or proprietary fund financial statements for the current year.

TOWN OF BERLIN, VERMONT  
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018  
(Continued)

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Fund Equity*

GASB Statement 54 "Fund Balance Reporting and Governmental Fund Type Definitions" provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable fund balances - Indicates the portion of fund equity that cannot be spent due to their form (e.g. inventories, prepaids and long-term receivables) or funds that legally or contractually must be maintained intact.

Restricted fund balances - Indicates the portion of fund equity that is mandated for a specific purpose by external parties, constitutional provisions, or enabling legislation (e.g. federal and state grants, bondholders, trust and trustee accounts).

Committed fund balances - Indicates the portion of fund equity that is set aside for a specific purpose by the Town's highest level of decision making authority, the voters, as a result of articles passed at Annual or Special Meetings.

Assigned fund balances - Indicates the portion of fund equity that is set aside with the intent to be used for a specific purpose by the Selectboard. Assigned funds cannot cause a deficit in unassigned fund balance.

Unassigned fund balances - Indicates the portion of fund equity that has not been classified in the previous four categories. All funds in this category are considered spendable resources. This category provides the resources necessary to meet unexpected expenditures and revenue shortfalls.

When an expenditure is incurred that qualifies for payment from either of the three unrestricted fund balance categories, it will be applied in the following order:

1. Committed
2. Assigned
3. Unassigned

*Cash and Cash Equivalents*

The Town has defined cash and cash equivalents to include cash on hand, demand deposits, cash with fiscal agent, and short-term investments with original maturities of three months or less from the date of acquisition.

*Inventory*

Inventory in the General Fund consists of expendable supplies held for consumption by the Highway Department and is valued at cost, using the first-in/first-out method. Inventory is recorded as an expenditure when consumed rather than when purchased.

TOWN OF BERLIN, VERMONT  
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018  
(Continued)

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Capital Assets*

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Net interest costs are capitalized on projects during the construction period.

Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings and improvements	30 years
Infrastructure	15 - 30 years
Machinery and equipment	5 - 10 years
Vehicles	4 - 10 years

GASB No. 34 requires the Town to report and depreciate new general infrastructure assets prospectively starting July 1, 2003. General infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc.

*Accrued Compensated Absences*

Government-Wide Financial Statements – All vested or accumulated vacation leave is reported as a liability and an expense on the government-wide financial statements. Sick days are not accrued since they are not paid when the employee terminates employment.

Fund Financial Statements - Vested or accumulated vacation leave that has matured is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are not reported as a liability in the fund financial statements and no expenditure is reported for these amounts. 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.

*Budgetary Accounting*

The Town employs a formal budgetary process as a management control device during the year for the General Fund. The Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual, presents comparisons of the budget with actual data. The budget numbers shown are on the same basis as the financial statements.

The Town is not legally required to adopt a budget for funds other than the General Fund. Therefore, a budgetary comparison is not presented for those funds.

TOWN OF BERLIN, VERMONT  
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018  
(Continued)

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Interfund Activities*

Transactions between funds that are representative of lending/borrowing arrangements that are outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion) or “advances to/from other funds” (i.e., the non-current portion). 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 reserve account (nonspendable fund balance) in the applicable funds to indicate that they are not available for appropriation and are not expendable available financial resources.

*Prepaid Expenses*

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

*Use of Estimates*

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

**NOTE 2 - DEPOSITS**

The Treasurer is authorized to invest excess deposits and investments according to policies set by the Selectboard.

*Custodial Credit Risk – Deposits.* Custodial credit risk is the risk that in the event of a bank failure, the Town’s deposits may not be returned to it. As of June 30, 2018, \$1,578,106 of the government’s bank balance of \$2,082,416 was exposed to custodial credit risk. A summary of the Town’s custodial credit risk is as follows:

	Bank Balance
Insured by FDIC	\$ 504,310
Uninsured, collateralized by securities held by the pledging financial institution	1,578,106
Total	\$ 2,082,416

Of the Town’s \$2,082,416 bank balance, \$388,213 were CDs recorded as investments. Interest rates on the CDs range from 1.5% to 2.08% and mature between January 2019 and February 2022.

TOWN OF BERLIN, VERMONT  
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018  
(Continued)

**NOTE 3 - PROPERTY TAXES**

Property taxes in the Town of Berlin support the School District as well as Town operations. Property taxes attach as an enforceable lien on property owned as of April 1<sup>st</sup>. Listers establish a grand list of all property and the Selectboard sets the tax rate required to raise the tax revenue authorized by Town and School District voters and the Vermont Agency of Education. Taxes are payable in four installments, in August, November, February and May. All late payments are subject to an 8% penalty, and interest.

**NOTE 4 – INTERFUND LOAN**

During fiscal year 2015, the General Fund loaned the Water Division \$143,733 at 0% interest. The note is a demand note that is due in its entirety on June 30, 2021.

**NOTE 5 - INTERFUND ACTIVITY**

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them in accordance with budgetary authorizations. There were no transfers in fiscal year 2018.

The composition of due from/(to) other funds at June 30, 2018 are as follows:

	Due from other funds	Due to other funds
Governmental funds:		
General Fund	\$ 105,461	\$ 0
Montpelier Filtration Fund	1,280	0
Bridge Fund	19,398	0
Road Project Fund	29,562	0
Proprietary funds:		
Water Pollution	0	127,619
Water Division	0	28,082
	\$ 155,701	\$ 155,701

**NOTE 6 - RECEIVABLES**

Receivable balances as of June 30, 2018 were as follows:

	Governmental Activities	Business-Type Activities	Total Receivables
Delinquent taxes, penalty & interest receivable, net of \$31,419 allowance	\$ 150,804	\$ 0	\$ 150,804
Grant receivable - USDA	0	2,525	2,525
Unbilled user fees	0	192,094	192,094
Accts receivable - State	11,517	0	11,517
Accts receivable - other, net of \$2,500 allowance	0	9,871	9,871
	\$ 162,321	\$ 204,490	\$ 366,811

TOWN OF BERLIN, VERMONT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018  
(Continued)

**NOTE 7 - CAPITAL ASSETS**

The following is a summary of the changes in capital assets for the year:

	Balance June 30, 2017	Additions	Disposals/ Reclassification	(Depreciation)	Balance June 30, 2018
<i>Governmental activities</i>					
Capital assets not depreciated					
Land	\$ 52,400	\$ 0	\$ 0	\$ 0	\$ 52,400
CIP - culverts	0	5,830	0	0	5,830
CIP - Berlin Bike Path	32,458	0	0	0	32,458
Total capital assets not deprec.	<u>84,858</u>	<u>5,830</u>	<u>0</u>	<u>0</u>	<u>90,688</u>
Capital assets being depreciated					
Land improvements	33,000	0	0	0	33,000
Buildings and improvements	287,845	0	0	0	287,845
Infrastructure	1,880,699	43,926	0	0	1,924,625
Machinery and equipment	183,030	16,189	0	0	199,219
Vehicles	1,665,585	234,088	(200,424)	0	1,699,249
Total capital assets being depr.	<u>4,050,159</u>	<u>294,203</u>	<u>(200,424)</u>	<u>0</u>	<u>4,143,938</u>
Less accumulated depreciation for:					
Land improvements	(1,833)	0	0	(2,200)	(4,033)
Buildings and improvements	(117,544)	0	0	(9,594)	(127,138)
Infrastructure	(719,977)	0	0	(96,098)	(816,075)
Machinery and equipment	(151,022)	0	0	(9,822)	(160,844)
Vehicles	(1,183,911)	0	200,424	(195,858)	(1,179,345)
Total accum. depreciation	<u>(2,174,287)</u>	<u>0</u>	<u>200,424</u>	<u>(313,572)</u>	<u>(2,287,435)</u>
Total capital assets, net of deprec.	<u>1,875,872</u>	<u>294,203</u>	<u>0</u>	<u>(313,572)</u>	<u>1,856,503</u>
Total gov't activities assets, net	<u>\$ 1,960,730</u>	<u>\$ 300,033</u>	<u>\$ 0</u>	<u>\$ (313,572)</u>	<u>\$ 1,947,191</u>
<i>Business-type activities</i>					
Capital assets not depreciated					
Land	\$ 106,000	\$ 0	\$ 0	\$ 0	\$ 106,000
CIP - water pollution	0	25,110	0	0	25,110
CIP - water division	0	10,280	0	0	10,280
Total capital assets not deprec.	<u>106,000</u>	<u>35,390</u>	<u>0</u>	<u>0</u>	<u>141,390</u>
Capital assets being depreciated					
Capital improvements	749,574	0	0	0	749,574
Water supply system	5,918,630	35,158	0	0	5,953,788
Main pump upgrades	88,701	0	0	0	88,701
Equipment	71,549	0	0	0	71,549
Total capital assets being depr.	<u>6,828,454</u>	<u>35,158</u>	<u>0</u>	<u>0</u>	<u>6,863,612</u>
Less accumulated depreciation for:					
Capital improvements	(201,177)	0	0	(25,198)	(226,375)
Water supply system	(110,974)	0	0	(148,799)	(259,773)
Main pump upgrades	(13,952)	0	0	(2,957)	(16,909)
Equipment	(68,050)	0	0	(3,499)	(71,549)
Total accum. depreciation	<u>(394,153)</u>	<u>0</u>	<u>0</u>	<u>(180,453)</u>	<u>(574,606)</u>
Total capital assets, net of deprec.	<u>6,434,301</u>	<u>35,158</u>	<u>0</u>	<u>(180,453)</u>	<u>6,289,006</u>
Total business type activities assets, net	<u>\$ 6,540,301</u>	<u>\$ 70,548</u>	<u>\$ 0</u>	<u>\$ (180,453)</u>	<u>\$ 6,430,396</u>

TOWN OF BERLIN, VERMONT  
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018  
(Continued)

**NOTE 7 - CAPITAL ASSETS (Continued)**

Depreciation for the governmental activities was charged to general government for \$109,791, highway for \$182,827 and police for \$20,954. Depreciation for the proprietary funds consisted of \$31,654 for the Water Pollution Fund and \$148,799 for the Water Division Fund.

**NOTE 8 – UNAVAILABLE REVENUE**

Unavailable revenue in the General Fund consists of \$109,854 of property taxes not received within sixty days after year end.

**NOTE 9 - LONG-TERM LIABILITIES**

Long-term liabilities at June 30, 2018 consisted of the following:

<u>Governmental Activities</u>		Due within one year
Bond payable to Vermont Bond Bank with yearly principal reduction of \$10,000 until 11/15/24, then \$5,000 due 11/15/25, variable interest due semiannually.	\$ 75,000	\$ 10,000
Note payable to Community National Bank for highway truck. Principal and interest payments of \$20,618 due annually through January 2022. Interest at 1.375%.	79,712	19,522
Note payable to Community Bank, N.A. for highway truck. Principal payments of \$15,433 plus interest due annually through August 2022. Interest at 1.95%.	77,167	15,433
Note payable to Northfield Savings Bank for dump truck and chipper. Principal and interest payments of \$5,971 due quarterly through March 2020. Interest at 1.99%.	40,667	23,230
Subtotal	<u>272,546</u>	<u>\$ 68,185</u>
Accrued compensated absences	37,446	
Total	309,992	
Amount due within one year	(68,185)	
Amount due after one year	<u>\$ 241,807</u>	
 <u>Proprietary Funds</u>		
<u>Water Division Fund</u>		
Note payable with USDA, semiannual principal and interest payments of \$81,405 through November 2055, interest at 2.625%.	\$ 3,867,662	\$ 61,687
Amount due within one year	(61,687)	
Amount due after one year	<u>\$ 3,805,975</u>	

TOWN OF BERLIN, VERMONT  
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018  
(Continued)

**NOTE 9 - LONG-TERM LIABILITIES (Continued)**

Long-term debt will mature approximately as follows:

	Governmental			Proprietary		
	Principal	Interest	Total	Principal	Interest	Total
2019	\$ 68,185	\$ 6,072	\$ 74,257	\$ 61,687	\$ 101,123	\$ 162,810
2020	62,660	4,705	67,365	63,316	99,494	162,810
2021	45,495	3,026	48,521	64,989	97,811	162,800
2022	45,772	2,333	48,105	66,706	96,103	162,809
2023	25,434	1,321	26,755	68,469	94,341	162,810
2024-2028	25,000	126	25,126	370,456	443,804	814,260
2029-2033	0	0	0	422,054	391,995	814,049
2034-2038	0	0	0	480,837	333,213	814,050
2039-2043	0	0	0	547,809	266,241	814,050
2044-2048	0	0	0	624,107	189,943	814,050
2049-2053	0	0	0	711,034	103,016	814,050
2054-2058	0	0	0	386,198	15,191	401,389
<b>Total</b>	<b>\$ 272,546</b>	<b>\$ 17,583</b>	<b>\$ 290,129</b>	<b>\$ 3,867,662</b>	<b>\$2,232,275</b>	<b>\$ 6,099,937</b>

The following is a summary of changes of long-term liabilities for the year ended June 30, 2018:

	Governmental	Proprietary	Total
Balance at June 30, 2017	\$ 280,641	\$ 3,977,673	\$ 4,258,314
Proceeds	77,167	0	77,167
Accrued vacation earned	38,281	0	38,281
Accrued vacation used	(33,972)	0	(33,972)
Loan forgiveness	0	(49,921)	(49,921)
Principal payments	(52,125)	(60,090)	(112,215)
<b>Balance at June 30, 2018</b>	<b>\$ 309,992</b>	<b>\$ 3,867,662</b>	<b>\$ 4,177,654</b>

Interest of \$108,338 was paid on long-term debt in fiscal year 2018.

In May 2018, the Town signed a loan with Vermont Municipal Bond Bank for a State Revolving Fund loan of \$90,000 for the Water Division Fund. Annual principal payments of \$18,000 are due in March starting in 2023 through 2027. As of January 4, 2019, \$10,281 had been drawn on that loan.

TOWN OF BERLIN, VERMONT  
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018  
(Continued)

**NOTE 10 – RESTRICTED/COMMITTED/ASSIGNED FUND BALANCES AND NET POSITION**

Net position and fund balances are committed/restricted/assigned as follows:

	Restricted Net Position & Fund Balance	Committed Fund Balance	Assigned Fund Balance
<b>General Fund:</b>			
Police Community Fund	\$ 0	\$ 17,570	\$ 0
Fire warden	0	760	0
Building maintenance	0	7,026	0
Cemeteries	0	2,758	0
Bridge maintenance	0	34,799	0
Economic Dev. Board	0	1,515	0
Highway equipment	0	0	10,848
Bond build renovation	0	5,980	0
Water supply	0	2,165	0
FY 19 expenditures	0	43,912	0
Capital budget	0	0	6,233
Highway materials	0	0	6,951
Reappraisal	185,231	0	0
Listers education	821	0	0
Records restoration	12,630	0	0
Total General Fund	<u>198,682</u>	<u>116,485</u>	<u>24,032</u>
<b>Other Nonmajor Funds:</b>			
Recreation and parks	12,890	0	0
Conservation	46,974	0	0
Montpelier Filtration	1,280	0	0
Bike path	52,380	0	0
Bridges	0	19,398	0
Road projects	0	29,562	0
Total Other Nonmajor Funds	<u>113,524</u>	<u>48,960</u>	<u>0</u>
Totals	<u>\$ 312,206</u>	<u>\$ 165,445</u>	<u>\$ 24,032</u>

TOWN OF BERLIN, VERMONT  
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018  
(Continued)

**NOTE 11 - PENSION PLAN**

**DEFINED CONTRIBUTION PLAN**

The State of Vermont authorized VMERS to establish a new defined contribution (DC) plan available to members on July 1, 2000. The DC plan is a tax-sheltered money purchase plan under IRC 401(a). The plan includes a 5.0% employee contribution and a 5.175% employer contribution. 100% vesting occurs after one year of municipal service.

Of the Town's total payroll of \$1,072,912, \$73,875 was covered under the VMERS defined contribution plan. The total contributions to this plan by the employer were \$3,823 and by the employees were \$3,730.

**VMERS**

*Plan description.* The Town contributes to the Vermont Municipal Employees' Retirement System (VMERS) which is a cost sharing multiple employer defined benefit pension plan that is administered by the State Treasurer and its Board of Trustees. It is designed for school districts and other municipal employees that work on a regular basis and also includes employees of museums and libraries if at least half of that institution's operating expenses are met by municipal funds. An employee of any employer that becomes affiliated with the system may join at that time or at any time thereafter. Any employee hired subsequent to the effective participation date of their employer who meets the minimum hourly requirements is required to join the system. During the year ended June 30, 2017, the retirement system consisted of 423 participating employers.

The plan was established effective July 1, 1975, and is governed by Title 24, V.S.A Chapter 125.

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

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

**Summary of System Provisions**

*Membership* is open to all full time employees of participating municipalities. The municipality elects coverage under Groups A, B, C, or D. The Town only has Group B members.

*Creditable service* is service as a member plus purchased service.

TOWN OF BERLIN, VERMONT  
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018  
(Continued)

**NOTE 11 - PENSION PLANS (Continued)**

*Benefits provided and contributions*

	<u>Group A</u>	<u>Group B</u>	<u>Group C</u>	<u>Group D</u>
<b>Avg Final Compensation (AFC)</b>	Average annual compensation during highest 5 consecutive years	Average annual compensation during highest 3 consecutive years	Average annual compensation during highest 3 consecutive years	Average annual compensation during highest 2 consecutive years
<b>Service Retirement Allowance</b>				
Eligibility	Earlier of age 65 with 5 years of service or age 55 with 35 years of service	Earlier of age 62 with 5 years of service or age 55 with 30 years of service	Age 55 with 5 years of service	Age 55 with 5 years of service
Amount	1.4% of AFC times service	1.7% of AFC times service as Group B member plus percentage earned as a Group A member times AFC	2.5% of AFC times service as Group C member plus percentage earned as a Group A or B member times AFC	2.5% of AFC times service as Group D member plus percentage earned as a Group A, B, or C member times AFC
Maximum Benefit	60% of AFC, including portion of allowance provided by member contributions		50% of AFC, including portion of allowance provided by member contributions	
<b>Early Retirement Allowance</b>				
Eligibility	Age 55 with 5 years of service		n/a	Age 50 with 20 years of service
Amount	Normal allowance based on service and AFC at early retirement, reduced by 6% for each year commencement precedes Normal Retirement Age		n/a	Normal allowance based on service and AFC at early retirement, without reduction
<b>Vested Retirement Allowance</b>				
Eligibility	5 years of service	5 years of service	5 years of service	5 years of service
Amount	Allowance beginning at normal retirement age based on AFC and service at termination. The AFC is to be adjusted annually by one-half of the percentage change in the CPI, subject to the limits on "Post-Retirement Adjustments" described below.			
<b>Disability Retirement Allowance</b>				
Eligibility	5 years of service and disability as determined by Retirement Board			
Amount	Immediate allowance based on AFC and service to date of disability; children's benefit of 10% of AFC payable to up to three minor children (or children up to age 23 if enrolled in full-time studies) of a disabled Group D member.			
<b>Death Benefit</b>				
Eligibility	After 5 years of service	After 5 years of service	After 5 years of service	After 5 years of service
Amount	Reduced early retirement allowance under 100% survivor option commencing immediately or, if greater, survivor's benefit under disability annuity computed as of the date of death.			70% of the unreduced accrued benefit plus children's benefit
<b>Optional Benefit and Death after Retirement</b>				
	Lifetime allowance or actuarially equivalent 50% or 100% joint and survivor allowance with refund of contributions guarantee.			Lifetime allowance or 70% contingent annuitant option with no reduction
<b>Refund of Contribution</b>				
	Upon termination, if the member so elects or if no other benefit is payable, the member's accumulated contributions are refunded.			
<b>Post-Retirement Adjustments</b>				
	Allowance in payment for at least one year, increased on each January 1 by one-half of the percentage increase in CPI but not more than the following percentage:			
	2%	3%	3%	3%
<b>Member Contributions</b>	2.5% effective 1/1/00	4.875% effective 7/1/16	10% eff. 1/1/16	11.35% effective 7/1/16
<b>Employer Contributions</b>	4%	5.5% effective 7/1/16	7.25% eff. 1/1/16	9.85% effective 7/1/16
<b>Retirement Stipend</b>	\$25 per month payable at the option of the Board of Retirees			

TOWN OF BERLIN, VERMONT  
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018  
(Continued)

**NOTE 11 - PENSION PLANS (Continued)**

For the year ended June 30, 2018, the Town's contributions to the Plan were \$50,486.

*Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions.* At June 30, 2018, the Town reported a liability of \$378,335 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2017, the Town's proportion was 0.31227%, which was an increase of 0.00746% from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the Town recognized pension expense of \$100,499. At June 30, 2018, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 5,504	\$ 9,366
Changes in proportion and differences between Town contributions and proportionate share of contributions	11,533	0
Changes in assumptions	79,204	0
Difference between projected and actual investment earnings	63,014	0
Member contributions subsequent to the measurement date	50,486	0
Total	\$ 209,741	\$ 9,366

Of the \$209,741 of deferred outflows of resources, \$50,486 was from the Town's contributions subsequent to the measurement date which will be recognized as pension expense in the year ending June 30, 2019. Other amounts (\$149,889) reported as deferred outflows of resources net of deferred inflows of resources will be recognized in pension expense as follows:

<b>Year ending June 30,</b>	
2018	\$ 55,103
2019	76,335
2020	20,467
2021	(2,016)

TOWN OF BERLIN, VERMONT  
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018  
(Continued)

**NOTE 11 - PENSION PLANS (Continued)**

**Actuarial Assumptions**

The total pension liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

*Interest rate of return* – 7.5%, net of pension plan investment expenses, including inflation.

*Salary increase* - 5% per year

*Mortality:*

*Death in Active Service:*

Groups A, B, C – 98% of RP-2014 blended 60% Blue Collar Employee, 40% Healthy Employee with generational projection using Scale SSA-2017

Group D – RP-2014 Blue Collar Annuitant Table with generational projection using Scale SSA-2017

*Healthy Post-retirement:*

Groups A, B, C – 98% of RP-2014 blended 60% Blue Collar Annuitant, 40% Healthy Annuitant with generational projection using Scale SSA-2017

Group D – 100% of RP-2014 Healthy Annuitant Table with generational projection using Scale SSA-2017

*Disabled Post-retirement:*

All groups - RP-2014 Disabled Mortality Table with generational projection using Scale SSA-2017

*Spouse's age* – females three years younger than males.

*Cost of Living Adjustments* – Assumed to occur on January 1 following one year of retirement at the rate of 1.15% per annum for Group A members and 1.3% per annum for Groups B, C and D members (beginning at Normal Retirement eligibility age for members who elect reduced early retirement, at age 62 for members of Groups A, B, and D who receive a disability retirement benefit, and at age 55 for members of Group C who receive a disability retirement benefit). The January 1, 2018 COLA is assumed to be .75% for all age groups.

*Actuarial Cost Method* – Entry Age Actuarial Cost Method. Entry Age is the age at date of employment or, if date is unknown, current age minus years of service. Normal Cost and Actuarial Accrued Liability are calculated on an individual basis and are allocated by salary, with Normal Cost determined using the plan of benefits applicable to each participant.

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

*Inflation* – 2.5%

TOWN OF BERLIN, VERMONT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2018  
 (Continued)

**NOTE 11 - PENSION PLANS (Continued)**

**Long-term expected rate of return**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2017, is summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	16.00%	6.07%
Non-US Equity	16.00%	7.42%
Global Equity	9.00%	6.85%
Real Estate	8.00%	4.62%
Private Markets	15.00%	7.80%
Hedge Funds	8.00%	3.95%
Risk Parity	4.00%	4.84%

*Discount Rate* – The discount rate used to measure the total pension liability was 7.5%. In accordance with paragraph 29 of GASB 68, professional judgement was applied to determine that the System's projected fiduciary net position exceeds projected benefit payments for current active and inactive members for all years. The analysis was based on the expectation that employers will continue to contribute at the rates set by the Board, which exceed the actuarially determined contribution, which is comprised on an employer normal cost payment and a payment to reduce the unfunded liability to zero by June 30, 2038. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the net pension liability calculated using the discount rate of 7.5%, as well as what the proportionate share would be if it were calculated using a discount rate that is 1 percent lower (6.5%) or 1 percent higher (8.5%) than the current rate:

<u>1% Decrease (6.5%)</u>	<u>Discount Rate (7.5%)</u>	<u>1% Increase (8.5%)</u>
\$ 675,492	\$ 378,335	\$ 131,891

*Plan Fiduciary Net Position.* Detailed information about the Plan's fiduciary net position is available in the State of Vermont's Comprehensive Annual Financial Report (CAFR). The CAFR can be viewed on the State's Department of Finance and Management website.

TOWN OF BERLIN, VERMONT  
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018  
(Continued)

**NOTE 12 - RISK MANAGEMENT**

The Town is exposed to various risks of loss related to tort; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. The Town maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Town. Settled claims have not exceeded this commercial coverage in any of the past three (3) fiscal years.

**NOTE 13 - COMMITMENTS**

In September 2016, the Town entered into a three year contract for ambulance service with the Town of Barre. The contract fees are based on a per capita fee with ranges from \$29.52 for fiscal year 2017 up to \$33.79 per capita for fiscal year 2019. The contract was extended for two additional years at the per capita rates of \$36.15 and \$38.68. The amount paid in fiscal year 2018 under this contract was \$79,771.

**NOTE 14 - CONTINGENCY**

The Town participates in state grant programs that are subject to audits by the grantors or their representatives. The audits of these programs for or including the year ended June 30, 2018 have not yet been reviewed by the grantor agencies. Accordingly, compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenses which may be disallowed by the granting agencies cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

**NOTE 15 – BUDGETED DEFICIT**

The Town elected to budget expenditures in excess of revenues by \$155,089 in the General Fund in order to reduce the prior year fund balance. This is reflected as a budgeted deficiency in revenues over expenditures on Exhibit G.

**NOTE 16 – TAX ABATEMENTS**

The State of Vermont operates a Current Use Program and enters into tax abatement agreements directly with landowners. Enrolled landowners are required to manage their land in accordance with an approved plan, and the land is subject to a lien to recover taxes abated if the land is ever developed. In exchange, the landowners receive a reduction in assessed value on their property tax bills, which results in a reduction of property tax revenue to the Town. For fiscal year 2018, the amount of Town property taxes forgone as a result of the Current Use Program was approximately \$45,200. In accordance with 32 V.S.A. § 3760, the State of Vermont limits the total loss of revenue to zero by providing the Town with a Hold Harmless payment in the following year that is equivalent to the taxes previously foregone.

**NOTE 17 – SUBSEQUENT EVENTS**

Management has evaluated subsequent events through January 4, 2019, the date which the financial statements were available for issue. In July 2018, the Town signed a loan with Vermont Municipal Bond Bank for a State Revolving Fund loan of \$42,415 for the Water Pollution Fund. Annual principal payments of \$4,242 are due in July starting in 2023 through 2027. As of January 4, 2019, no funds had been drawn on that loan. One half of the original loan amount is to be forgiven in July 2023.

TOWN OF BERLIN, VERMONT  
 COMBINING AND INDIVIDUAL FUND BALANCE SHEET  
 OTHER GOVERNMENTAL FUNDS  
 JUNE 30, 2018

	Special Revenue Funds			Capital Project Funds			Total
	Recreation and Parks Fund	Montpelier Conservation Fund	Montpelier Filtration Fund	Bike Path Fund	Bridge Fund	Road Project Fund	
<b>ASSETS</b>							
Cash and cash equivalents	\$ 12,890	\$ 46,974	\$ 0	\$ 52,380	\$ 0	\$ 0	\$ 112,244
Due from other funds	0	0	1,280	0	19,398	29,562	50,240
Total assets	<u>\$ 12,890</u>	<u>\$ 46,974</u>	<u>\$ 1,280</u>	<u>\$ 52,380</u>	<u>\$ 19,398</u>	<u>\$ 29,562</u>	<u>\$ 162,484</u>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>LIABILITIES</b>	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>FUND BALANCES</b>							
Restricted	12,890	46,974	1,280	52,380	0	0	113,524
Committed	0	0	0	0	19,398	29,562	48,960
Total fund balances	<u>12,890</u>	<u>46,974</u>	<u>1,280</u>	<u>52,380</u>	<u>19,398</u>	<u>29,562</u>	<u>162,484</u>
Total liabilities and fund balances	<u>\$ 12,890</u>	<u>\$ 46,974</u>	<u>\$ 1,280</u>	<u>\$ 52,380</u>	<u>\$ 19,398</u>	<u>\$ 29,562</u>	<u>\$ 162,484</u>

SCHEDULE 2

TOWN OF BERLIN, VERMONT  
 COMBINING AND INDIVIDUAL FUND SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 OTHER GOVERNMENTAL FUNDS  
 YEAR ENDED JUNE 30, 2018

	Special Revenue Funds				Capital Project Funds			Total
	Recreation and Parks Fund	Conservation Fund	Montpelier Filtration Fund	Bike Path Fund	Bridge Fund	Road Project Fund		
REVENUES								
Interest	\$ 10	\$ 46	\$ 0	\$ 51	\$ 0	\$ 0	\$ 0	\$ 107
Total revenues	10	46	0	51	0	0	0	107
EXPENDITURES	1,036	0	0	0	0	0	0	1,036
EXCESS REVENUES (EXPENDITURES)	(1,026)	46	0	51	0	0	0	(929)
FUND BALANCES - July 1, 2017	13,916	46,928	1,280	52,329	19,398	29,562		163,413
FUND BALANCES - June 30, 2018	\$ 12,890	\$ 46,974	\$ 1,280	\$ 52,380	\$ 19,398	\$ 29,562	\$ 29,562	\$ 162,484

TOWN OF BERLIN, VERMONT  
 SCHEDULES OF TOWN'S PROPORTIONATE SHARE OF NET PENSION LIABILITY  
 AND TOWN CONTRIBUTIONS  
 YEAR ENDED JUNE 30, 2018

SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE  
 NET PENSION LIABILITY  
 VERMONT EMPLOYEES MUNICIPAL RETIREMENT PLAN  
 AS OF MEASUREMENT DATE JUNE 30,

	2017	2016	2015	2014
Town's proportion of the net pension liability (asset)	0.31227%	0.30481%	0.29990%	0.26030%
Town's proportionate share of the net pension liability (asset)	\$ 378,335	\$ 392,273	\$ 231,207	\$ 23,756
Town's covered-employee payroll	\$ 927,215	\$ 842,285	\$ 779,921	\$ 655,141
Town's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	40.80%	46.57%	29.64%	3.63%
Plan fiduciary net position as a percentage of the total pension liability	83.64%	80.95%	87.42%	98.32%

SCHEDULE OF TOWN CONTRIBUTIONS  
 VERMONT EMPLOYEES MUNICIPAL RETIREMENT PLAN  
 YEARS ENDED JUNE 30,

	2018	2017	2016	2015	2014	2013
Contractually required contributions	\$ 50,486	\$ 50,997	\$ 46,326	\$ 41,921	\$ 33,576	\$ 30,031
Contributions in relation to the contractually required contribution	(50,486)	(50,997)	(46,326)	(41,921)	(33,576)	(30,031)
Contribution deficiency (excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Town's covered-employee payroll	\$ 917,932	\$ 927,215	\$ 842,285	\$ 779,921	\$ 655,141	\$ 600,620
Contributions as a percentage of covered-employee payroll	5.500%	5.500%	5.500%	5.375%	5.125%	5.000%

# FOTHERGILL SEGALE & VALLEY

Certified Public Accountants



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

## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Selectboard  
Town of Berlin  
Berlin, Vermont

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Berlin, Vermont, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements and have issued our report thereon dated January 4, 2019.

### Internal Control Over Financial Reporting

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

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

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

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

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Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

#### **Compliance and Other Matters**

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

#### **Purpose of this Report**

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

Respectfully submitted,

*Fothergill Segale & Valley, CPAs*

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

January 4, 2019

## ASSESSOR'S REPORT

For the 2019 Grand List, we are completing a categorical reappraisal of all unlanded mobile homes within the Town. To accomplish this, we have inspected all of these properties, at least on the exterior. As part of this process, we will look at the most current sales, comparing them to the new assessments. Notice of the new values will be sent out to all property owners in May, 2019. Should you have any questions about this reappraisal, please let us know.

In addition, we also inspect all properties where there have been changes for any other reason. If you obtained a building permit, this includes following up with an inspection.

If you have any questions about your property or would like to know how your property is assessed, we are always available. Formal grievances are usually held in June but we can take a look at a property any time during the year. If you wait until after grievances to contact us, any changes we might make will, by law, apply to the following year not the current year.

We do not notify every property owner of their value every year. Only those who have had changes will receive formal notification. Information about Grievance hearings are posted in 5 places in town for those who do not receive an individual notice. It is the responsibility of the property owner to contact us in a timely manner if they wish to formally grieve the assessment of their property.

If you would like to talk to us, Tom and Clarissa are in the office on Wednesdays. We can be reached at 229-4880. If you need to leave a message, we will get back to you as soon as possible.

Property information is available any time even if we are not here. The Town Clerk or Assistant Town Clerk would be glad to help you Monday-Thursday 8:30 – 3:30.

We are available to answer questions about your value at any time during the year. You do not have to wait until Grievances. If you have any questions or would like us to take a new look at your property, please let us know.

**Don't forget to file your Homestead Declaration. You must file even if you do not have to file Vermont Income Tax. You must declare a homestead in order to be eligible for an income sensitivity payment. We would be glad to help with homestead filings if needed.**

Tom Cain  
Ted Nelson  
Clarissa Holmes  
Assessors, Town of Berlin

## TOWN CLERK'S OFFICE – 2018 ANNUAL REPORT

- 322 Total Birth Certificates filed
  - 303 Births were at Central Vermont Medical Center
    - 11 Berlin babies born at other hospitals
    - 6 Berlin Babies at born at Central Vermont Medical Center
  - 8 Adoptions
  - 303 Copies of birth certificates sent to the State
  - 303 Copies of birth certificates sent to Towns of residence
  - 64 Birth certificates corrected
    - 64 Corrected copies sent to the State
    - 64 Corrected copies sent to Towns of residence
  
- 237 Total Death certificates filed
  - 45 were Berlin residents
    - 13 were at home
    - 3 at Central Vermont Medical Center
    - 3 were outside of Berlin
    - 26 were in the two Nursing homes
  
- 20 Marriage Licenses issued
  - 20 copies sent to the State
  
- 8 First Class Restaurant liquor licenses
- 7 Second Class liquor licenses (stores)
- 5 Requests for a catering liquor license
- 2 Outside Consumption License
  
- 111 Excess Weight Permits
  
- 300 Dog Licenses
  
- 333 Documents received for recording into the Land Records (These ranged from 1 page to 158 pages)
  
- 121 Property Transfers recorded (16 are Mobile Home Transfers)
  - 104 Recorded and sent electronically to the State
  - 17 Recorded and sent via mail to State.
  
- 24 Survey mylars
  
- 2000 Certified birth, death, and marriages certificates (approximately)
  
- 361 Researchers signed to use the vault records
  
- Voter Checklist as of Dec. 31, 2018 = 1935

## BERLIN RESIDENTS BORN IN 2018

1/10	Sydney Fongeallaz	Dylan & Amamda Fongeallaz	in Randolph
2/16	Rick Pregent	LeeAnn McKinstry & James Pregent	
3/3	Emmett Russell	Julia Morse & Jesse Russell	
3/18	Maxwell Bogie	Brian & Amanda Bogie	in Burlington
3/18	Sawyer Bogie	Brian & Amanda Bogie	in Burlington
4/14	Vincenzo Gallitano	Andrea & Amanda Gallitano	in Randolph
4/12	Jackson Hammond	Nicole Herring & Kyle Hammond	
4/14	Kiernan Britton	Sarah Britton & Kerry McCarthy	in Burlington
5/13	Adeline Lafirira	Brandon & Cary Lafirira	
5/21	Isabelle Kelley	Amber Burnell & Lester Kelley	in Burlington
5/21	McKenna Kelley	Amber Burnell & Lester Kelley	in Burlington
6/28	Benjamin Egizi	Anthony & Jessica Agizi	
7/26	Elliana Jorgenson	Nicole Didomenico & Jeremy Jorgenson	in Randolph
8/6	Abel Wright	Vanessa Tremblay & Christopher Wright	
9/4	Rio Dezan-Gray	Rebecca Dezan & Ashley Gray	in Randolph
11/26	Kayla Stover	Jennifer Roy	in Burlington
12/31	Oliver Cockrum	Kealan Sloan & Zachary Cockrum	in Randolph

Total 17

## BERLIN RESIDENTS WHO PASSED AWAY IN 2018

1/1	Walter Wells	Rowell Hill	
1/3	Joyce Cameron	Woodridge	
1/6	Ashley Gordon	Bennington Dr	
1/30	Stephen Green	Rowell Hill	at Mayo
2/8	Wilfred Badore	Junction Rd	
2/15	Walter Cooley	Woodridge	
3/5	Steven Casella	Maple St	
3/6	Beverly Ball	Berlin Health & Rehab	
3/30	Jean Dukette	Chandler Rd	
4/8	Robert Parsons	Scott Hill RD	in Burlington
4/12	Mary Berard	Woodridge	
4/17	Margaret Moon	East Rd	
4/25	Edmund Morrison Jr.	Vine St	at Woodridge
5/15	Clarence Parker Sr.	Muzzy Rd	at CVMC
5/20	Betty Trepanier	Woodridge	
5/20	Rodney Ward	Berlin Health & Rehab	
5/24	Rosina Cheney	Woodridge	

5/27	Alston Douglass	Second St	
5/27	Katherine Langlois	Berlin Health & Rehab	
5/29	Tammy Surprise	Pine Hill Dr	
6/6	Gregg Haskin	Scott Hill RD	
6/15	Lizette Morton	Berlin Health & Rehab	
7/26	Christopher Davlantes	Coos trail	
7/31	Donald Violette	Berlin Health & Rehab	
8/12	Gloria Rathbone	Woodridge	
8/23	Corrine Westover	Berlin Health & Rehab	
9/6	Jenna Slack	Berlin Health & Rehab	
9/15	Eunice Carpenter	Chandler Rd	
9/15	Robert Kelley	VT RT 12	
9/19	Frances Dial	River Run Manor	at Woodridge
9/22	Jamie Jenkins	Scott Hill RD	at Woodridge
10/13	Martha Bunting	Berlin Health & Rehab	at CVMC
10/13	Lorraine Isabelle	Woodridge	
10/20	Lida Kenyon	Woodridge	
10/21	Gloria Craft	Berlin Health & Rehab	
10/25	Henry Perrin	Scott Hill RD	in Greensboro
10/29	Marilyn Morey	Berlin Health & Rehab	at CVMC
11/3	Kenneth Snell	Berlin Health & Rehab	
11/7	Phyllis Govea	Berlin Health & Rehab	
11/17	Gary Muir	Scott Hill RD	at BHRH
11/22	Gemma Philcox	Woodridge	
12/3	Steven Rich	Hill Street Ext	
12/6	Joan Bomhower	Berlin Health & Rehab	
12/13	Roger Morgan	Crosstown Rd	at Woodridge
12/17	Jesse Griffith	Woodridge	

Total 45

### DOG FUND FOR YEAR ENDING DECEMBER 31, 2018

Dog Licenses .....	\$3,068.00
@\$1.00 per dog to support Vermont Rabies Program .....	\$300.00
@\$4.00 per dog spaying and neutering surcharge .....	\$1,200.00
Total to the State .....	\$1,500.00

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\$1,568.00

## DELINQUENT TAXES

Badger, Phillip	Gibson, Dwayne	Pearce, Terry L Jr.
Bancroft, Emogene	Goodell, Robert	Peatman, Jeremy
Barr, Mark	Hansen, Jeremy	Pixley, Alicia
Batchelder, Robert	Hock, Nathan	Pulsifer, James
Blair, June	HSBC Bank USA National	Rathbone, Lori
Blake, Ed	Jenkinson, Mark	Royer, Anthony
Boisvert, Jason	Jensen, Charles	Savard, Sandra
Bushey, Reed	Kingsbury, David	Shepard, Gloria Jean
Buska, Barbara	Lavigne, Debra	Sherman, Timothy
Callahan, Peter	Lavigne, Susan	Simonetta, Aurelio
Campbell, Jesse	Lawrence, Betty	Smith, Joanne
Cannizzaro, Joseph	Leonard, Jason	Sollace, Kevin
Chapin, Steven	Magoon, Lillian	Swift, Brenda Life Estate
Codling, Timothy	Manges, Mark	Taylor-Paugh, Cyndi
Colombe, Chellby	Maroney, Richard	Thompson, Jennie
Currier, Erick	Marshall, Todd	Thomson, George III
Dalton, James	Matison, Sally	Thresher, Donald
Davis, Wendell	McCaffrey, Robert	Tonne, Ed
Deschamps, Annette	McGinnis, Frank	Towne, Bradley
Dion, Mark	Mead, Eric	Vaupel, Michael
Dorney, Colleen	Mintzer Brothers	Vilbrin, Michael
Dunkling, Peggy	Morway, Scott	Weston Mobile Homes
Durga Enterprises	Moyer, Charles	Weston, Scott
Estes, George III	O'Kelly, Seamus Patrick	Wilder, Christopher
Fleury, James	O'Neill, Patricia	Willett, Christopher
		Wynet LTD

**Accounts under \$100.00 (15)**

**Delinquent tax balance as of June 30, 2018 \$182,222.47**

## PUBLIC WORKS BOARD

The Town of Berlin Public Works Board is composed of five members of the community appointed by the Selectboard to operate the municipal sewer and water systems. The Board meets on the second and fourth Monday of each month at 7 PM at the Town Offices.

In 2018, the Town sent for treatment 70+ million gallons of sewage and produced nearly 14 million gallons of drinking water. The Board conducts annual sewer manhole maintenance and fire hydrant flushing programs.

Future projects to improve and update the system including:

- \$2.2 million in Sewer Improvements to the Paine Turnpike North gravity sewer system
- \$600K to add 30% additional water source to meet increasing customer need

Town Water and Sewer bills are sent quarterly. Bills will be sent by the 15<sup>th</sup> of January; April; July and October and payments are due within 30 days.

Sewer and Water ordinances and bylaws are posted on the Town website under Public Works Board. Allocation application Forms and Instructions are also posted there for the convenience of customers.

Customers may now choose to have sewer payments automatically deducted from your bank account. There is no fee for this service. Contact the Treasurer office for details and forms.

Robin Allen, Chair; Henry LaGue, Jr., Wayne Lamberton, Gary Laroche and Ted Long are the Board Members.

Ron Mercier is the Sewer Operator and Nathaniel Fredericks is the Water Operator.

The Board would like to thank these individuals and the Town Road crew for their tireless efforts.

## BOARD OF CIVIL AUTHORITY AND BOARD OF ABATEMENT

Town of Berlin, 2018

The Berlin Board of Civil Authority (BCA), the Board of Abatement (BOA), and the 10 Justices of the Peace (JPs) had relatively busy years in 2018. The BCA handled one tax appeal, the BOA met twice to address 10 abatement requests and the JP's met as a group to check the voting machines prior to elections and then to assist in supervising elections and counting votes.

The BCA tax appeal involved land where the applicant argued that the town's valuation of two undeveloped lots was too high; the town's assessors contended that the valuations were correct. After a hearing, a site visit by a committee of the board and another hearing, the BCA voted to deny the requested reduction. A written decision was issued and was not appealed.

The BOA met March 28 and June 26 to hear abatement requests. Of the ten requested, eight were granted in whole or in part, one was tabled and one was denied. \$2991 was abated because the taxpayer had left the state and could not be found. Four abatements totaling \$6,331 were granted because of inability to pay. Two abatements totaling \$12,142 were granted because of a manifest error by the town in imposing an education tax on solar equipment exempt from such tax. \$840 was abated on four properties at the treasurer's request due to either the small amount in dispute or impossibility of collection.

Abatement requests under the category "inability to pay" are always difficult. We work diligently to be fair to the applicants and to the taxpayers. In most cases we abate only a portion of what is owed and are reluctant to grant multiple requests from the same applicant.

I want to thank the boards and JPs for their participation and hard work in 2018, and also to the town clerk, assistant clerk, and town treasurer for their expert advice and support.

John "Josh" Fitzhugh, Chair  
Chair, Board of Civil Authority and Board of Abatement

## BERLIN HIGHWAY DEPARTMENT

The news in the highway department is much the same year after year. The four seasons provides us with opportunity to vary duties as needed with the overall goal of providing the safest roadways that we can to the public, which is our top priority. Plowing, cutting brush, replacement of culverts and ditching are a few tasks that must be done to protect the integrity of our roads.

Road improvements this year include the re-paving of Fisher Road. This road was in poor condition. Last year we had put a coat of asphalt on it to get us through and I am glad that the road was properly paved this year. This work was done at night due to the high traffic volume on this street and the need to provide access to Central Vermont Medical Center and Berlin Mall.

We have recently upgraded the traffic lights at the hospital-mall intersection. The electrical components were 1983 vintage and had served their usefulness. We take traffic lights for granted but when they don't work well it can create havoc.

The culvert replacement on Mirror Lake Road was another big project that was finished this year. This took much longer than we had expected but we are pleased with the result and glad that this culvert will serve its purpose for many years to come. We are fortunate that both the Mirror Lake culvert and Fisher Road paving were partially funded by a highway grant from the state. We thank the Vermont Agency of Transportation for working with us, helping us with the project and offering generous grants to help defray the cost.

There has been a lot of effort to clean and line ditches with rip rap in an effort to manage stormwater. Stormwater management is becoming very important as the state moves to protect Lake Champlain. We have completed a fair amount of this work and we are working with Central Vermont Planning Commission who are assisting us with grant funds and guidance.

As always, I would like to thank you, the citizens of Berlin for your continued support of the department. We strive to do the very best job we can for you. It takes a team and I thank the other members of the highway crew, Thomas (TJ) McDermott, Ed LaPan, and Tim Emmons. I would also like to thank the Selectboard for their support and direction. The Berlin Police Department for its assistance with many situations. The Treasurer, the Town Clerk, the Water and Sewer Divisions, and the Administrative offices for all their help throughout the year. I ask that motorists be patient and cautious upon approaching a work zone. We really don't like being in the road any more than you like us to be, but it is necessary. We appreciate your care during snow operations by allowing our plow trucks room to maneuver safely. Our goal is safe roads and to be as safe as possible to attain that.

Respectfully Submitted,

Timothy Davis  
Highway Superintendent

## ZONING ADMINISTRATOR

During the calendar year 2018, there were a total of 62 Zoning Applications acted on.

### *Zoning Permit Decisions 2018*

<i>TYPE OF PERMIT</i>	<i>NUMBER OF PERMITS</i>
Barns/Farm Structures	1
Boundary Line Adjustments	6
Commercial Building/ Additions/Conditional Uses	8
Curb Cut/Work In Right of Way	2
Deck/Porch	5
Fill Placement	0
Garages	4
Residential Additions	10
Residential Units	4
Sheds	9
Signs	6
Subdivision	7
Waivers/Variances	0
<b>TOTAL:</b>	<b>62</b>

During the past year, the Berlin Zoning Office processed applications for 3 single family homes. The office also processed applications for new commercial development projects including Fecteau Residential to complete four unit condominium, Grandfield Masonry to construct 8,900 square foot commercial building, and the Berlin Mall to develop a 99 unit senior housing complex to name a few.

The Zoning Office hours are 8:00 AM to 4:00 PM Monday through Friday. Berlin's Zoning and Subdivision Regulations and required development application forms can be accessed on-line at [www.berlinvt.org](http://www.berlinvt.org), or at the Town Office. The Zoning Office can be reached at 223-4405 x 304, or by email at [zoning@berlinvt.org](mailto:zoning@berlinvt.org).

Thomas J. Badowski  
Assistant Town Administrator / Zoning

## ZONING ADMINISTRATOR – ABOUT THE MANDATORY PURCHASE OF FLOOD INSURANCE

**The NFIP:** The National Flood Insurance Program (NFIP) is a federal program enabling property owners in participating communities to purchase flood insurance on eligible buildings and contents, whether they are in or out of a floodplain. The Town of Berlin participates in the NFIP, making federally backed flood insurance available to its property owners.

The NFIP insures most walled and roofed buildings that are principally above ground on a permanent foundation, including mobile homes, and buildings in the course of construction. Property owners can purchase building and contents coverage from any local property and casualty insurance agent. To find a local insurance agent that writes flood insurance in your area visit [www.floodsmart.gov](http://www.floodsmart.gov).

**Mandatory Purchase Requirement:** Pursuant to the Flood Disaster Protection Act of 1973 and the National Flood Insurance Reform Act of 1994, the purchase of flood insurance is mandatory for all federal or federally related financial assistance for the acquisition and/or construction of buildings in Special Flood Hazard Areas (SFHAs). An SFHA is defined as any A or V flood zone on a Federal Emergency Management Agency (FEMA) Flood Insurance Rate Map (FIRM).

The mandatory purchase requirement also applies to secured loans from such financial institutions as commercial lenders, savings and loan associations, savings banks, and credit unions that are regulated, supervised, or insured by federal agencies, such as the Federal Reserve, the Federal Deposit Insurance Corporation, the Comptroller of Currency, the Farm Credit Administration, the Office of Thrift Supervision, and the National Credit Union Administration. It further applies to all loans purchased by Fannie Mae or Freddie Mac in the secondary mortgage market.

Federal financial assistance programs affected by the laws include loans and grants from agencies such as the Department of Veterans Affairs, Farmers Home Administration, Federal Housing Administration, Small Business Administration, and FEMA disaster assistance.

**How it Works:** When making, increasing, renewing, or extending any type of federally backed loan, lenders are required to conduct a flood zone determination using the most current FEMA FIRM to determine if any part of the building is located in an SFHA. If the building is in an SFHA, the federal agency or lender is required by law to provide written notification to the borrower that flood insurance is mandatory as a condition of the loan. Even though a portion of real property on which a building is located may lie within an SFHA, the purchase and notification requirements do not apply unless the building itself, or some part of the building, is in the SFHA. However, lenders, on their own initiative, may require the purchase of flood insurance even if a building is located outside an SFHA. Up to 25% of all NFIP flood losses arise from outside SFHAs (B, C, and X Zones).

Under federal regulations, the required coverage must equal the amount of the loan (excluding appraised value of the land) or the maximum amount of insurance available from the NFIP, whichever is less. The maximum amount of coverage available for a single-family residence is \$250,000 and for non-residential (commercial) buildings is \$500,000. Federal agencies and regulators, including government-sponsored enterprises, such as Freddie Mac and Fannie Mae, may have stricter requirements.

Questions? Please call the Zoning Office at 802-223-4405 x304

## PLANNING COMMISSION

### Planning Commission Report

This past year was hectic but productive! Throughout 2018, the Town of Berlin Planning Commission (PC) continued to focus on revising the Berlin Town Plan and the Berlin Zoning and Subdivision Regulations. The PC recognizes that its volunteer work is done on behalf of Berlin and its residents. During the process the PC heard from many constituents and worked hard to balance the concerns of individuals with the interests of the town as a whole. This is not always easy but we welcome and encourage participation!

The Berlin Town Plan was approved at the August primary. With the Town Plan in place, the Planning Commission went back to work to complete the revision of the Town's Subdivision Regulations (last updated in 1989) and Zoning Regulations (last updated in 2013) which were combined into a single Unified Code. The PC approved a final draft of the Unified Code in December and then forwarded the final draft to the Selectboard. After holding a public hearing in January, the Selectboard approved the Unified Code and placed it on the ballot for a town vote on Town Meeting Day. This vote is the culmination of three-plus years of work by the Planning Commission on the Unified Code.

Thank you to the residents, landowners, and business owners who have been actively involved throughout this process. In addition to PC members Clara Ayer, Geoff Farrell, Gary LaRoche and Shane Mispel, I want to specifically thank Tom Badowski, Bob Wernecke, Ron Lyon and Brandy Saxton who were integral to our work.

Anyone interested in more information on this process can visit the Town's website at [www.berlin.org/boards-agendaminutes/planning-commission](http://www.berlin.org/boards-agendaminutes/planning-commission) or call 802-223-4405 x304.

Karla Nuissl, Chair  
Planning Commission

## POLICE DEPARTMENT



# Berlin Police Department

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## 2018 Annual Report

Hello,

Happy New Year to everyone! Hopefully you are all well and enjoying the winter season. As I begin my eleventh year as your Police Chief I can attest that it has been a busy and productive year. As has been the case for a few years now, this profession is becoming more dangerous than ever and for this reason, many young men and women are choosing not to pursue careers in law enforcement. Additionally, there were 88 officers killed in the line of duty 2018. As a result, we are facing a critical shortage of qualified police officers, not just here in Vermont, but nationwide. I am fortunate to serve in a community where our Selectboard, Town Administrator, and residents recognize the dilemma we face and continue to be supportive and take the necessary steps to allow us to recruit, train and retain quality personnel. Because of this support, Berlin continues to be a very competitive employer. We could not do what we do without your incredible assistance.

This year Justin Pickel joined the department. Justin came to us from the Barre City Police Department. He is a Level III certified officer as well as a DRE and is a valuable addition to our team and we are certainly happy to have him onboard.

I am happy to report that we currently have two DREs on staff here in Berlin. A DRE (Drug Recognition Expert) undergoes a very rigorous and demanding training program designed to enable them to detect individuals who are driving under the influence of drugs. As I mentioned, Officer Pickel is a DRE, and also this year, Officer Ben Cavarretta completed this course. I am proud of them both and their expertise has already helped make Berlin and our surrounding communities a safer place. We are very fortunate to have two DREs on our staff as many departments have none.

Also this year, Officer Dan Withrow received specialized training in school safety. Dan works closely with our elementary school as well as provides excellent outreach services to our youth. His efforts are instrumental in fostering a safe and trusting environment for our youth.

We are currently in the process of filling one vacancy which will afford us the ability to staff the department

In 2018 your police department responded to 3314 calls for service, made 421 arrests on 600 offenses, (a 63% increase), investigated 88 accidents, and issued 777 traffic citations in addition

to our other duties. The Berlin Police Department continues to rank among the top three in the county for submission of criminal cases to the States Attorney's officer for prosecution which is a testament to just how busy this department is. We continue to see an increase in drug dependence, which directly affects our rates of property crime, and crimes of violence. We strongly encourage you to work with your neighbors and look out for one another when your neighbor's residence is unoccupied. We also strongly encourage the use of surveillance cameras as a useful tool in helping protect property. They have become much more affordable and user friendly. If possible please consider adding them to your residences and businesses. To that end, we again ask each of you to lock your vehicles and residences when you leave and at night. Please help us to help you and report any suspicious activity you observe in your neighborhood and workplace.

I would again like to thank the residents of Berlin, the Berlin Selectboard and our Town Administrator, Dana Hadley for your consistent and overwhelming support throughout the year. You make it possible for us to do our jobs. You have our word; we will continue to work hard to provide a safe community for our residents and visitors. Please feel free to call or stop by with concerns, questions, or just to say hello. As many of you know, we have a Facebook page as well that is updated often.

Our duties within this community extend far beyond just enforcing state, local, and federal law. We have a duty to serve the needs of our community as best we can, given the resources we have. To that end, I would like to take this opportunity to again recognize Sergeant Chad Bassette for his extraordinary efforts to assist those in our community who have fallen on difficult times. In addition to his many other duties, he has taken it upon himself to provide much needed assistance in the form of clothing, food, and arranging for shelter. His efforts and dedication are very much appreciated.

I would like to take a moment and remember Retired Chief William "Bill" Jennings who sadly passed away in December. Bill was a founding member of this department and spent many years making Berlin a safer community. We thank you for your service Bill, you will be greatly missed. Rest in Peace my friend.

In closing I would like to thank my staff for their unwavering dedication and vigilance to duty, and their significant others for their patience and cooperation throughout the year.

### **Fulltime Officers**

Sergeant Mark Monteith  
Sergeant Chad Bassette  
Officer Daniel Withrow  
Officer Ben Cavarretta

Officer Robert Gowans  
Officer Justin Pickel  
Officer Steven Tiersch

Admin. Diana Yahyazadeh and Emily Shuman

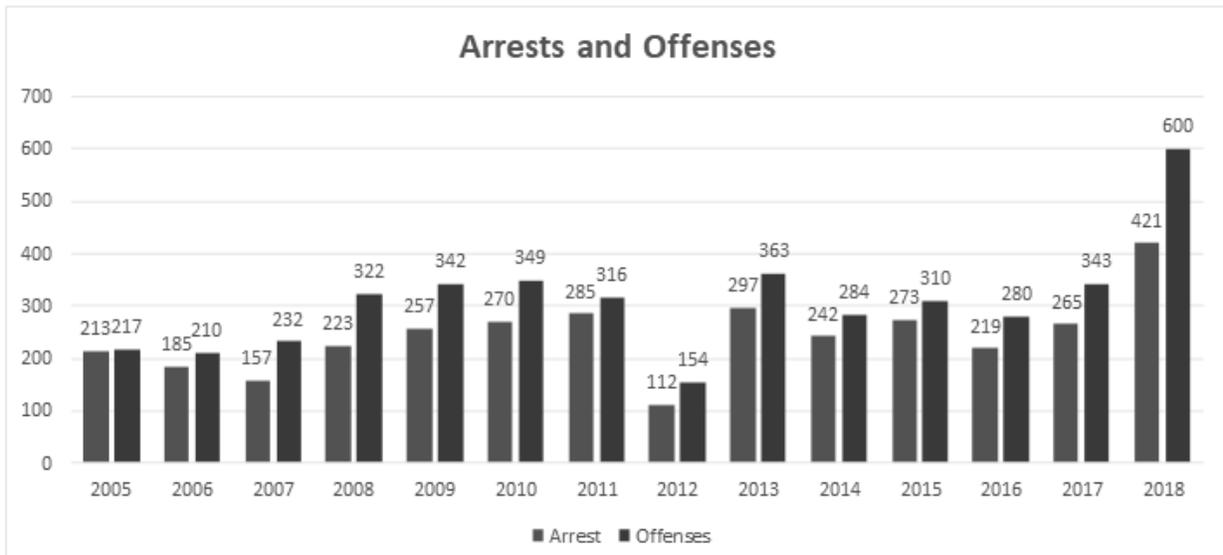
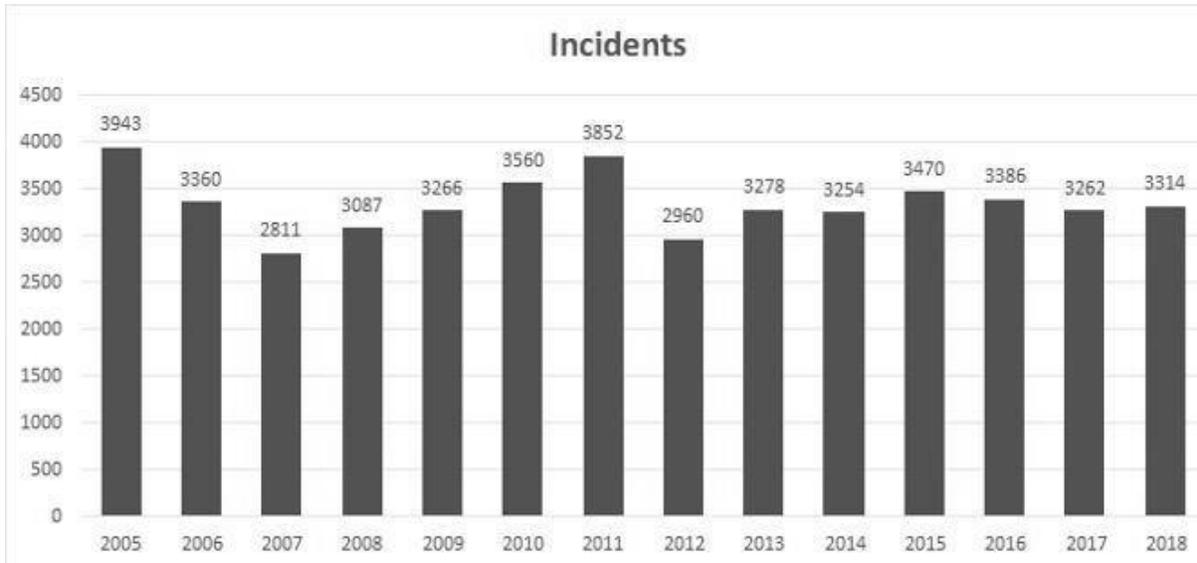
### **Part time Officers**

Officer Jeffrey Strock

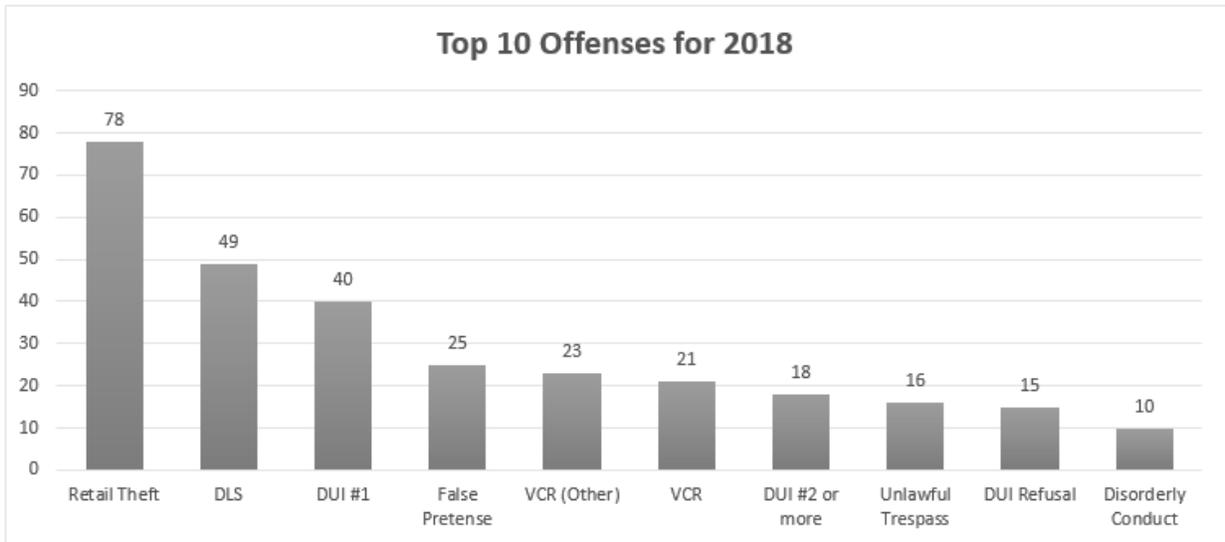
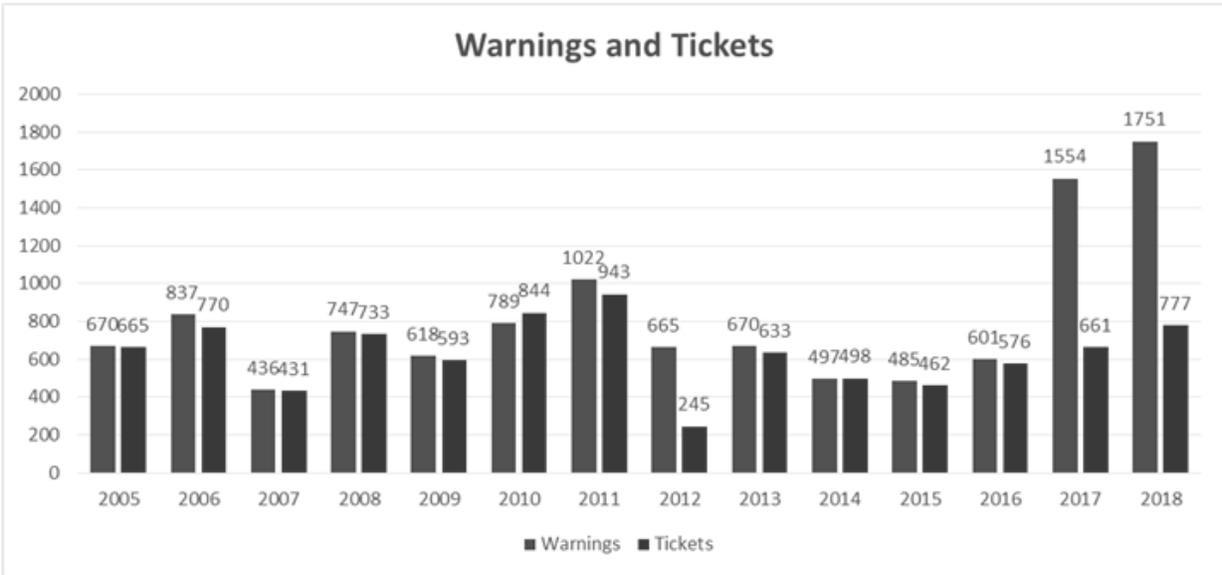
Respectfully submitted,  
William H. Wolfe  
Chief of Police

Berlin Annual Report 2018

## Berlin Police Department Statistics 2018



## Berlin Police Department Statistics 2018



## TOWN OF BERLIN STAFF

	TOWN OF BERLIN CALENDAR YEAR 2018			TOTAL
	WAGES	SPECIAL DUTY*	BENEFITS	
<b>GENERAL GOVERNMENT</b>				
Badowski, Thomas (Assist Town Admin)	63,024.00		8,652.15	71,676.15
Capron, Angelina (Select Board)	593.80			593.80
Hadley, Dana (Town Administrator)	64,943.06		18,744.83	83,687.89
Hansen, Jeremy (Select Board)	712.50			712.50
Isabelle, Diane (Treasurer)	56,474.63		11,631.76	68,106.39
Kelley, Peter (Select Board)	712.50			712.50
Lamberton, Wayne, (Select Board)	712.50			712.50
Morse, Rosemary, (Town Clerk)	45,754.02		7,691.45	53,445.47
Nelson, Ture (Select Board Chair)**	150.00			150.00
Stridsberg, Corinne (Assist. Town Clerk)	19,190.72			19,190.72
Towne, Brad (Select Board Chair)	915.95			915.95
<b>GENERAL GOVERNMENT TOTALS</b>	<b>253,183.68</b>		<b>46,720.19</b>	<b>299,903.87</b>
<b>HIGHWAY DEPARTMENT</b>				-
Davis, Timothy (Road Foreman)	71,660.52		9,128.56	80,789.08
Emmons, Timothy (Road Crew)	55,460.31		12,611.16	68,071.47
LaPan, Edward (Road Crew)	51,018.64		25,304.75	76,323.39
McDermott, Thomas (Road Crew)	49,096.07		11,219.61	60,315.68
<b>HIGHWAY DEPARTMENT TOTALS</b>	<b>227,235.54</b>		<b>58,264.08</b>	<b>285,499.62</b>

<b>POLICE DEPARTMENT</b>				-
Bassette, Chad (Full-time Officer)	77,309.21	2,810.79	26,890.24	107,010.24
Carriveau, Joseph (Part-time Officer)**	3,463.70			3,463.70
Cavarretta, Benjamin (Full-time Officer)	61,646.87	5,736.83	12,237.33	79,621.03
Daniell, Melanie (Part-time Secretary)	49.98			49.98
Fredholm, Jonathan (Part-time Officer)	22,835.41	2,775.53	1,186.67	26,797.61
Gowans, Robert (Full time Officer)	40,210.49		8,510.77	48,721.26
Helfant, John (Full-time Officer)**	37,094.85		4,815.84	41,910.69
Monteith, Mark (Full-time Officer)	85,282.40	668.46	19,913.17	105,864.03
Pickel, Justin (Full-time Officer)	21,481.69		13,095.69	34,577.38
Sanborn, Jonathan (Part-time Officer)		320.00		320.00
Shuman, Emily (Part-time Secretary)	253.75			253.75
Strock, Jonathan (Part-time Officer)	16,572.41	957.08		17,529.49
Tiersch, Steven (Full-time Officer)	50,323.13	1,323.91	12,566.75	64,213.79
Tuttle, Ashley (Part-time Secretary)	166.25			166.25
Withrow, Daniel (Full-time Officer)	56,559.24		18,288.28	74,847.52
Wolfe, William (Chief of Police)	75,095.54		18,980.65	94,076.19
Yahyazadeh, Diana (Secretary)	34,413.60		7,060.56	41,474.16
<b>POLICE DEPARTMENT TOTALS</b>	582,758.52	14,592.60	143,545.95	740,897.07
				-
<b>2018 WAGE/BENEFIT TOTALS</b>	1,063,177.74	14,592.60	248,530.22	1,326,300.56

**\*Special Duty Wages are paid from Contract, \*\*No longer Town of Berlin Employee**

# CEMETERY COMMISSION

The Cemetery Commission works to maintain the nine historical cemeteries in Berlin:

Black Cemetery  
Boles Cemetery  
Colby Cemetery  
Cox Brook Cemetery  
Dewey-Wright Cemetery

East Road Cemetery  
Howard Cemetery  
Johnston-Sawyer Cemetery  
West Berlin Cemetery

Information on these cemeteries can be found on the Town website [www.berlinvt.org](http://www.berlinvt.org). There is an index of the cemeteries that can be found online and also in the Town Clerk's Office and the Historical Society Office.

## Cemetery Commission Annual Report 2018

**The commission needs volunteers to serve in order to continue this commission for the Town.**

Joe Mangan continues as our lawn care/ maintenance person and he has done a great job keeping up with everything we ask of him.

No major projects were addressed this year so the current funding provided by the Town was enough to cover all expenses.

Many thanks to everyone for approval of the budget. We strive to keep the cemeteries in good repair.

Randy Herring

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**Berlin Corner Cemetery** is the only active cemetery in Berlin and is not managed by the Town but by an association. Gerald Stauff is the sexton and he can be contacted at 802-249-1531. The Board of Directors are: Roy Kilburn, President; Linda Sands, Vice President; Diane Frink, Treasurer, (open) Secretary; Sue Rich, Jeff Mugford, and Matt Fitzgerald.

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## CONSERVATION COMMITTEE AND RECREATION BOARD

### **Berlin Conservation Commission - 2018 Annual Report**

The Berlin Conservation Commission oversees Berlin's natural resources, including the management of the town forests, rivers, lakes and open lands. The commission meets five times annually, and is currently seeking new members to join in developing a vision for conserving our town's diverse landscape.

The commission's current projects include a focus on mapping our town's resources, maintaining Berlin's forests and parks, developing an educational kiosk, and actively engaging in outdoor activities that protect and conserve our town's resources. Past commission activities include land purchases and the creation of a trail network on Irish Hill, managing the town forest, supporting recreation opportunities in the community, working on conservation issues such as invasive species, maintaining our small parks, and planning educational activities.

But these activities cannot continue without a strong membership. Won't you please consider joining our committee? Many of the present members are of retirement age, and a shot of youthful energy would be most welcome. Besides, wouldn't it make sense to have a membership that reflects our town's age demographic? It's your chance to protect our town's natural resources and help plan a future that focuses on our townspeople's values. If you are interested, please contact the Town office with your phone number and email address or email the committee at [berlinvtconservation@gmail.com](mailto:berlinvtconservation@gmail.com) .

Respectfully submitted,

Philip Gentile, Thomas Willard, Ellen Sulek, JC Earle

The Berlin Conservation Commission

## DEVELOPMENT REVIEW BOARD

The Development Review Board had a relatively light workload in Calendar Year 2018. The Board had only 15 meetings. A total of 24 applications were referred to the Board for review. The majority of the applications were for subdivisions and boundary line adjustments. The applications break down as follows:

- 4 Site Plan Reviews
- 3 Conditional Use Reviews
- 5 Minor Subdivisions (Concept and Final Hearings)
- 5 Major Subdivisions (Concept, Preliminary and Final Hearings)
- 6 Boundary Line Adjustments
- 2 Illuminated Signs

There were several significant changes to the Development Review Board proceedings during 2018. First, after serving as the Recording Secretary for most of the past 20 years, Carla Preston decided to cut back her workload effective July 17 2018. Carla did an outstanding job and we are forever grateful for her good work.

We welcome Kristi Flynn who started as our new Recording Secretary on August 21, 2018. Kristi also serves as the Recording Secretary for the Town of East Montpelier.

Also, effective August 21, 2018, the Development Review Board meetings are being recorded by ORCA. The Hearings can be seen on [www.orcamedia.net](http://www.orcamedia.net).

We also welcome a new Alternate Board Member, Polly McMurtry.

Again, we would like to thank Tom Badowski, Zoning Administrator for his good work and making our jobs much easier.

Berlin Development Review Board

Robert J. Wernecke, Chair  
Karla Nuissl, Vice-Chair  
John Friedrich  
Josh Fitzhugh  
Shane Mispel  
Paul Irons, Alternate  
Polly McMurtry, Alternate

## EMERGENCY MANAGEMENT TEAM

Looking back at 2018 from an emergency management perspective, it was another relatively "quiet" year for the town of Berlin, thankfully. Even so, Vermont was granted a federal disaster declaration for severe storms and flooding in May that affected five counties, and Governor Scott has requested a declaration for the "winter" storm that hit in November which brought down trees and limbs and caused wide-spread power outages. Since the best way to protect yourself, your family, and your property is to be prepared and have an emergency plan, the Berlin Emergency Management (EM) Team strongly encourages all town residents to review the "Family Emergency Preparedness Workbook", which is available on-line from Vermont Emergency Management at:

<http://vem.vermont.gov/sites/demhs/files/pdfs/preparedness/Family-Preparedness-Workbook.pdf>

The Berlin EM Team uses the Vermont Alert system, or VT-Alert, to send urgent notifications to warn town residents of emergencies, through a number of delivery methods, including text messages, e-mail, and voice messages via telephone. We STRONGLY encourage town residents to sign up for this free service which can be done on-line through the following link:

<https://vem.vermont.gov/vtalert>

In 2018 the EM Team continued to expand its working relationship with the Berlin Volunteer Fire Department, sponsoring a pot-luck social gathering with the help of Fire Chief Jeremie Dufresne. The EM Team expresses our appreciation to the fire department for its ongoing support of team activities.

The Berlin community is also very fortunate to have a strong partnership between the American Red Cross and the Berlin Elementary School in maintaining a shelter agreement, as the need for such shelters occurs routinely across all types of large-scale emergencies or disasters. The Berlin EM Team also maintains a good working relationship with other area emergency-related organizations, including liaison support from the Central Vermont Disaster Animal Response Team (CVDART) for our region. Finally, from a regional perspective, the EM team participates on the Local Emergency Planning Committee #5 (LEPC-5), which in turn is supported by the Central Vermont Regional Planning Commission (CVRPC). The support of these organizations is greatly appreciated.

Finally, we would like to thank all of the members of the Berlin Emergency Management team and our liaisons for their active participation and dedication to make this a successful team. The team is always looking to add new members to its cadre of volunteers. The EM team typically meets once a month, at 6:30pm on the second Thursday of the month (somewhat variable, depending on extenuating circumstances) at the Berlin Four Corners fire station of the Berlin

Volunteer Fire Department. We invite any interested resident to stop by and see what we do in trying to prepare for whatever the next big emergency-type event will be in Berlin.

Respectfully submitted,

Ture Nelson  
Fred Doten  
Val Cyr  
Bruce Richardson

Katina Johnson, Chair, LEPC District 5  
John Akielaszek, CVDART Liaison  
Wanda Baril, Red Cross Liaison/Shelter  
Manager

Below are some resources that you might find helpful in your emergency preparations:

Berlin Emergency Management (EM) Team:

Facebook page: [www.facebook.com/berlinvteoc](http://www.facebook.com/berlinvteoc)

Twitter page: [www.twitter.com/@BerlinEOC](http://www.twitter.com/@BerlinEOC)

Citizen Assistance Registration for Emergencies (CARE): <http://e911.vermont.gov/care>

Vermont Emergency Management (VEM): <http://vem.vermont.gov>

Facebook page: <https://www.facebook.com/vermontemergencymanagement>

Twitter page: <https://twitter.com/vemvt>

Volunteering:

American Red Cross: <http://www.redcross.org/volunteer/volunteer-opportunities/disaster-volunteer>

Vermont Disaster Animal Response Team: <http://vermontdart.org/volunteer>

Community Emergency Response Team (CERT): <http://vem.vermont.gov/programs/cert>

## BERLIN VOLUNTEER FIRE DEPT. 2018 – PRESIDENT’S REPORT

I am sad to say that in 2018 the Berlin Volunteer Fire Department (BVFD) lost two of our members, corporate member Geoff King, and Ladies Auxiliary member Kitty Langlois. Geoff King was never a responder for BVFD but was a firefighter for many years while also serving our country in the military. Geoff was a staple for most all Tuesday night meetings, fundraisers and other special functions. Kitty Langlois was a Ladies Auxiliary member for many years. This group, the Ladies Auxiliary, was comprised of firefighters wives, who, for the most part, were part of the Auxiliary to be close to their husbands. They raised money to supply their husbands with personal gear that the budget at the time did not allow the Department to purchase. When the fire tone went out, the Ladies would respond to the station to prepare hot coffee and a meal for their return and even respond to the fire to serve the firefighters on scene. Kitty was unique, for she did not have a family member on the Department. It was Kitty’s love and dedication for her community and friends she found within the membership of the Department that kept her coming day & night. Both Geoff and Kitty will be dearly missed but not forgotten.

On the front of the station, in between the truck bay doors, are four granite plaques. On these plaques are the names of 20 former members of the Berlin Fire Department who have passed away. These plaques had been hung for years without a formal unveiling or dedication of any sorts. On Saturday, October 20<sup>th</sup>, 2018, Chief Jeremie Dufresne and the Berlin Fire Department hosted a memorial dedication for these members who had passed away. It was a pleasant surprise to have the sun out with comfortable temperatures on that October day for the nearly 60 people that attended the service. Attendees consisted of family members and friends of the former members, along with neighboring departments, local officials and members of Vermont Public Safety. Both Chief Jeremie Dufresne and Department Chaplain Sam Newton presided over the ceremony, with performances by the Blue Cross Singers and the Norwich University Regimental Band. After the ceremony all gathered for refreshments and shared stories. I want to thank everyone who was able to attend and who participated in making this a wonderful event.

It has been over a year now since the Department has outsourced its accounting and I can say that it is going well. Since outsourcing the accounting and implementing the use of purchase orders the Department have been able to track our expenses in a way we haven’t been able to do in quite some time.

Every year the Department has seen, much like everyone, an increase in expenses. This year, insurance and dispatch fees alone are anticipated to go up nearly 10 percent. In addition, for years the Department has tried to lessen the blow to the taxpayer by underfunding things like Capital Replacement and Equipment. What that has done is left the Department with a fleet of trucks, each one over 20 years old and gradually breaking down, resulting in an increase in truck repair costs. The Department cannot afford to continue to do this. Fleet replacement is inevitable, and we need to be prepared to do so.

Last year the Department added a line-item to the budget, the Contingency Fund (with an empty balance). This was done to start the conversation on the need to be prepared for unanticipated expenses such as roofs, boilers and water pumps. This year the Department placed \$5,000 of unspent FY 18 funds into the Contingency fund. The intent is to continue to fund this line-item each year with the same amount.

We continue to work on and revise our 5-year plan to be better prepared for the large expenditures related to maintenance and replacement. One of the many things being looked at and discussed is the Riverton Station. We have had it inspected and the results of that inspection is that the building is in fair to poor condition. We will be doing some excavation next summer to inspect the foundation before developing a plan for the building. Any major changes to the building or its use will be communicated to the Select Board and the Town with an open community meeting if warranted.

Other than emergency response, our members are also at the ready to open our stations as temporary shelters in times of need during fires and weather-related emergencies. Department members are also visiting schools and daycares, along with giving station tours to teach fire safety to children and their parents. The Department is also conducting child seat installation and inspections. To learn more about this please call the station or stop in any Tuesday night.

It is my pleasure to offer this annual report on behalf of the Berlin Volunteer Fire Department Inc. Attached is the previous year's budget and this year's proposed budget. If you have any questions, we encourage you to contact the department at (802) 223-5531.

We invite you to come to the Four Corners Station on any Tuesday night, where members would be pleased to give anyone a tour of our station and our equipment. The members of the Berlin Volunteer Fire Department would like to thank you, the Town of Berlin for your continued support. We have been proud to serve the town of Berlin and the neighboring communities through mutual aid for over 60 years and we will continue to do so through the dedication of our members.

Respectfully,  
Captain John J Staab III  
Corporate President



## BERLIN VOLUNTEER FIRE DEPARTMENT FY20 BUDGET

<b>BERLIN VOLUNTEER FIRE DEPARTMENT - EXPENDITURE</b>						
Line Items		Proposed FY 20	Percent Difference	FY19 Budget	FY 18 Budget	FY 18 Actuals
<u>Administration</u>						
	Accounting	\$20,000	0%	\$20,000	\$9,000	\$14,280.00
	Annual Dinner	750	33%	500	500	642.00
	Dues/Fees	500	0%	500	500	400.00
	NFIRS Software	1,900	0%	1,900	1,750	1,884.00
	Office Supplies	1,500	33%	1,000	1,500	1,196.81
	Scholarship	300	0%	300	300	300.00
	HazMat			1,500	0	0.00
	Donations from Depart.				0	0.00
	Postage	150	33%	100	300	112.75
	Operating carryover	10,000	0%	10,000	10,000	10,000.00
	<b>Totals</b>	<b>\$35,100</b>	<b>-2%</b>	<b>\$35,800</b>	<b>\$23,850</b>	<b>\$28,815.56</b>
<u>Insurance</u>						
	Insurance	\$30,500	0%	\$30,500	\$27,000	\$26,737.80
	<b>Totals</b>	<b>\$30,500</b>	<b>0%</b>	<b>\$30,500</b>	<b>\$27,000</b>	<b>\$26,737.80</b>
<u>Benefits</u>						
	Retirement	\$18,000	0%	\$18,000	\$25,000	\$19,835.04
	Stipend	10,000	0%	10,000	10,000	10,000.00
	Stipend Taxes	1,000	0%	1,000	0	824.45
	<b>Totals</b>	<b>\$29,000</b>	<b>0%</b>	<b>\$29,000</b>	<b>\$35,000</b>	<b>\$30,659.49</b>
<u>Utilities</u>						
	Electric	\$8,250	0%	\$8,250	\$7,250	\$7,258.60
	Internet	1,450	0%	1,450	850	1,314.57
	Sewer/Water	800	31%	550	550	783.77
	Phone	5,800	2%	5,700	5,600	5,701.76
	<b>Total</b>	<b>\$16,300</b>	<b>2%</b>	<b>\$15,950</b>	<b>\$14,250</b>	<b>\$15,058.70</b>
<u>Communications</u>						
	Communication	\$5,000	40%	\$3,000	\$3,000	\$2,577.61
	Dispatch	47,000	7%	43,500	36,810	39,252.55
	<b>Total</b>	<b>\$52,000</b>	<b>11%</b>	<b>\$46,500</b>	<b>\$39,810</b>	<b>\$41,830.16</b>
<u>Building</u>						
	Building Maint	\$8,000	8%	\$7,400	\$8,400	\$6,169.82
	Heating	15,000	13%	13,000	11,500	15,548.33
	Plowing	4,000	0%	4,000	4,000	4,630.00
	Rubbish	1,600	19%	1,300	1,000	1,187.12
	<b>Total</b>	<b>\$28,600</b>	<b>10%</b>	<b>\$25,700</b>	<b>\$24,900</b>	<b>\$27,535.27</b>

<b>BERLIN VOLUNTEER FIRE DEPARTMENT – EXPENDITURE CONTINUED</b>						
		Proposed FY 20	Percent Difference	FY19 Budget	FY 18 Budget	FY 18 Actuals
<u>Truck</u>						
	Vehicle Fuel	\$8,000	0%	\$8,000	\$10,000	\$3,470.47
	Vehicle Repair	28,000	0%	28,000	28,000	29,824.45
	Vehicle Tires	6,000	-67%	10,000	4,000	4,912.14
	<b>Total</b>	<b>\$42,000</b>	<b>-10%</b>	<b>\$46,000</b>	<b>\$42,000</b>	<b>\$38,207.06</b>
<u>Training / Education</u>						
	Education, safety	\$500	0%	\$500	\$500	\$0.00
	Training EMS	1,500	50%	750	1,500	0.00
	Training Fire	2,000	25%	1,500	2,500	596.00
	<b>Total</b>	<b>\$4,000</b>	<b>31%</b>	<b>\$2,750</b>	<b>\$4,500</b>	<b>\$596.00</b>
<u>Gear</u>						
	Gear Purchase	\$13,500	19%	\$11,000	\$11,000	\$12,020.46
	Uniforms	1,500	50%	750	750	1,412.80
	Helmet Incentive	1,000	0%	1,000	1,500	0.00
	<b>Total</b>	<b>\$16,000</b>	<b>20%</b>	<b>\$12,750</b>	<b>\$13,250</b>	<b>\$13,433.26</b>
<u>Equipment</u>						
	Equip Maint	\$6,000	17%	\$5,000	\$5,000	\$7,328.22
	Equip purch	12,500	0%	12,500	12,300	1,952.67
	Hose Testing	1,500	100%	0	0	0.00
	EMS Equip purch	1,000	0%	1,000	1,500	792.38
	<b>Total</b>	<b>\$21,000</b>	<b>12%</b>	<b>\$18,500</b>	<b>\$18,800</b>	<b>\$10,073.27</b>
<u>Operational Support</u>						
	Food	\$750	0%	\$750	\$750	\$490.39
	Soda/drinks	500	0%	500	1,080	93.27
	<b>Total</b>	<b>\$1,250</b>	<b>0%</b>	<b>\$1,250</b>	<b>\$1,830</b>	<b>\$583.66</b>
<u>Loans</u>						
	SCBA Funding	\$30,400	0%	\$30,400	\$32,000	\$32,882.34
	<b>Total</b>	<b>\$30,400</b>	<b>0%</b>	<b>\$30,400</b>	<b>\$32,000</b>	<b>\$32,882.34</b>
<u>Miscellaneous</u>						
	Misc	\$250	0%	\$250	\$750	\$421.00
	<b>Total</b>	<b>\$250</b>	<b>0%</b>	<b>\$250</b>	<b>\$750</b>	<b>\$421.00</b>
<u>Capital Replacement</u>						
	Capital Replacement	\$20,000	0%	\$20,000	\$12,500	unknown
	<b>Total</b>	<b>\$20,000</b>	<b>0%</b>	<b>\$20,000</b>	<b>\$12,500</b>	<b>\$0.00</b>
<u>Contingency Funds</u>						
		\$5,000	100%	0	0	\$0.00
		\$5,000	<b>100%</b>	\$0		



Memorial dedication held at the Berlin Volunteer Fire Department on October 20<sup>th</sup>, 2018



# EMERGENCY MEDICAL SERVICES (EMS) DEPARTMENT

By Chris LaMonda, MPH

Director of EMS

The Barre Town EMS Department continues to grow. Last year the total call volume increased by 3.7%, we increased our primary service area by adding the northern portion of Brookfield, and saw the addition of 5 new per diem staff members.

Over the past 3 years we have seen a 7.6% increase in our total call volume (294 calls). Paramedic Intercepts and Mutual Aid have been the fastest growing areas. While our primary service area call volume has increased by 55 calls over the past year, its rate has been much slower than the calls for Paramedic Intercepts and Mutual Aid. These rates increased by 69 and 157 calls, respectively over that same 3-year period. This trend is being monitored for future planning.

## **Services and Service Area**

Barre Town EMS welcomed the northern portion of Brookfield into our primary service area in January. This increases our service area from 5 to 6 towns (Towns of Barre, Berlin, Orange, Topsham, Washington, and Brookfield). This area has an approximate population of 14,347 and covers 215.3 sq. miles.

To cover this area, Barre Town EMS continues to work out of three stations. The East Barre and Berlin stations are staffed at the Paramedic level 24 hours a day 7 days a week. The South Barre station (added in 2016) continues to be staffed at the Paramedic level Monday through Friday 9am to 7pm. Nearly 100% of all scheduled trucks have at least one Paramedic on them.

## **Equipment**

This year we put a great deal of financial resources toward equipment and training. We added a video intubation scope, transport ventilator, iPad, 6 new hand-held radios, and increased the training budget by \$1675, as well as a new 2018 Ford 450 Medix ambulance. We chose to go with e450 to increase the size of the truck. This allows for better handling, more storage, and larger fuel tank. A power load and power stretcher system were also purchased for this ambulance. This brings our fleet up to 3 power load and power stretcher systems which helps increase patient and provider safety.

## **Personnel**

This fiscal year ended with Barre Town EMS having 36 employees: 10 Critical Care Paramedics, 12 Paramedics, 13 AEMT, 1 EMT. Jon Cullen and Marc Truedson resigned as full-time employees. Their positions were fill by Michael "Mickey" Witham and Michelle Brock. Mickey returns to us post military training. He spent a year in Texas becoming licensed as a Critical

Care Paramedic. Michelle has a long history in EMS and is currently licensed at the Paramedic level with hopes to increase to critical care. In December, I completed my master’s degree in public Health.

The following are new per diem Barre Town EMS providers hired in FY16/17

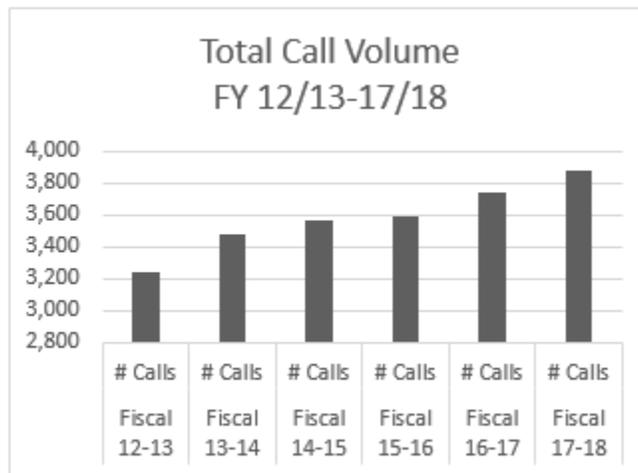
- Robert Gowans, Paramedic
- Brook O’Steen, Critical Care Paramedic
- Jackie Bombardier, Paramedic
- Dan Trask, Critical Care Paramedic
- Gage Rhoades, Paramedic

Primary Service area call volume

**Fiscal 17-18**

Town	Total Calls
Orange	86
Washington	69
Topsham	81
Berlin	2170
Barre	688
Brookfield	18

3112



# BERLIN HISTORICAL SOCIETY

## Annual Report – 2018

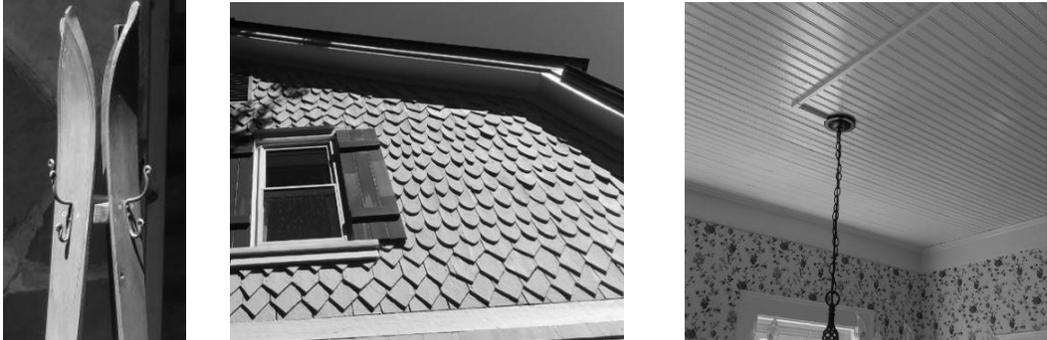
*The Berlin Historical Society is an all-volunteer 501(c)(3) non-profit organization founded in 1982. Our mission is: To bring together those people interested in history, and especially in the history of Berlin, Vermont; to collect and preserve articles of interest pertaining to the town; and to maintain its historical archive library for public access. We continually work at preserving and sharing our history. The annual financial statements are open to the public and available for review upon request at the Berlin Historical Society office.*

In 2018 the Berlin Historical Society (BHS) met monthly March – December. The Annual Potluck Dinner was held at the First Congregational Church of Berlin with Priscilla “Sally” Chartrand sharing part of the history of the church. The church was established in 1798 and has been in its current location on Scott Hill Road since 1838 after the former meeting house burned at the top of Turner Hill. Sally’s brother, David Perrin, shared some church stories followed by a lively sharing of memories by attendees of local events that took place at the church. The church is very active with community dinners, including their fabulous annual chicken pie supper in the fall, concerts, and supports various community programs such as “Tatum’s Totes” and local food banks.

Our BHS presentations are recorded (when authorized) and can be viewed at the BHS office located at the Town offices. Notable presentations this year include:

- In coordination with Westview Meadows, Brian & Karen (Galfetti) Zecchinelli presented the history of the family-owned Wayside Restaurant, Bakery, and Creamery, in celebration of its 100th Anniversary of business, in the same location, here in Berlin.
- Daniel Barlow, co-founder of Green Mountain Graveyards, discussed his on-going photography and research project which is focused on Vermont cemeteries. Dan presented the history of some of the more compelling gravestones he has researched and the meaning behind some of the images and symbols popular in different periods of history from the 1800s forward. Dan refers to himself as a tombstone tourist and showed us how an engraved stone and some “digging” through historical records can reveal some very surprising and intriguing stories.
- Richard Turner gave a presentation, including a slide show, of the dismantling of the Turner homestead along Paine Turnpike that took place over the winter of 2017- 2018. The house was built circa 1830 and the property is being redeveloped for commercial purposes, with the demolished building being used for salvage material. A brick and some square nails from the farmhouse also made for interesting discussion about building construction in the 1800s.
- Mike Stridsberg presented on Cyber Safety – Protecting Yourself From Scams, Fraud and Hoaxes, a topic on which we all need advice, especially useful in preserving our historical files.
- David Perrin shared a delightful six-page letter written by Minna Everett to David’s brother, Henry, on the occasion of his 1<sup>st</sup> birthday in 1930. Minna’s father bought their house in Berlin in the 1860’s when she was about nine years old and in later years, Minna would visit Berlin in the summers. There are mentions of daily life in the letter, along with some family history, as Minna relayed to little Henry how she had watched his father grow up over the years.

Do you live in an old house in Berlin that has a story? Please share your story with BHS! Need help doing your own research? We assist those who are looking for information about Berlin and its residents.



In the 1920s the Olsen brothers, from Sweden, were making skis in their house on Widow Moses Road in Berlin and sold the skis locally. The shingle siding on their home (above middle), now owned by David and Jody McGraw, were made from practicing making the ski tips! The skis shown (left), repurposed as a coat hook, are Olsen skis. In the room where the skis were steamed to curl the tips, the steam caused the wallpaper to fall off, so wainscoting was put on the ceiling (above) and all the walls. The wainscoting remains under the current wallpaper you see. The McGraws have operated a small private downhill ski area at the home for the past 25 years. Their students from Montpelier High School would use the slopes and many splendid times were had on these slopes!

Nearby on Junction road, there was a farm owned by the Bronson's. In January of 1939, a ski tow opened and in February 1939 it was reported that a new ski warming hut was in use. This became a popular place for the local ski club to practice and for other ski events.

The Berlin Historical Society appreciates receiving information, stories, anecdotes, photos, recordings, and small artifacts regarding all types of Berlin history and historic events. In particular, BHS has a current project compiling records of Berlin citizens who were involved in or soldiers of the American civil war. Please consider sharing some of your family lore and treasures with us, we are happy to scan photos for you or copy a recording.

In 2018, BHS received a video recording from Margaret Lessard of the Goodyear blimp visiting our airport in 1938 and several other artifacts—two local signs, a 1998 aerial photo of Berlin from Doug Hill, and a 1942 aerial photo of the Berlin Corner area from Paul Irons. In the fall of 2018, Richard Turner went out with Robert Lehmert, who has a drone, to take aerial photos of Berlin. Photos then and now, such as the ones on the cover of this Town Report, provide a great reference for our research and discussions .



*Cecil Tucker photo*

*Cecil Tucker photo*



Sign donated by Robert Felch



Sign donated by Lucille "Barbara" Felch



**2' x 2' 1942 aerial photo donated by Paul Irons.** The original is hanging at the Town Office and the scanned version can be zoomed, allowing detailed viewing on the computer.

We encourage people to become members of our organization (you do not need to be a Berlin resident to be a member), and all are welcome to attend our meetings/presentations, and join our email list to know when events are happening. Contact us at [historicalsociety@berlinvt.org](mailto:historicalsociety@berlinvt.org). Berlin historical information can be found on the Town website (<http://www.berlinvt.org/community/berlin-historical-society>) and the Berlin, Vermont Memories Facebook page (<https://www.facebook.com/groups/BerlinVermontMemories>)

Respectfully submitted,  
Corinne Stridsberg, President and Meredith Dodge, Treasurer

## CAPSTONE COMMUNITY ACTION

20 Gable Place, Barre, VT 05641 802-479-1053

### **Fall 2018 Report to the Citizens of Berlin**

Since 1965, Capstone Community Action (formerly known as Central Vermont Community Action Council) has served low-income residents of Lamoille, Orange, and Washington Counties and nine communities in Windsor, Addison, and Rutland Counties. We help people build better lives for themselves, their families and their communities. This year, Capstone Community Action served 16,017 people in 10,494 Vermont households through Head Start and Early Head Start, business development, financial education, food shelves and nutrition resources, housing counseling, tax preparation, teen parent education, emergency heating assistance, home weatherization, workforce training, healthcare navigation, and more.

### **Programs and services accessed by 177 Berlin households representing 293 individuals this past year included:**

- 130 individuals in 63 households accessed nutritious meals and/or meal equivalents at the food shelf.
- 34 households with 68 family members were able to keep heating their homes with help from our Crisis & Supplemental fuel programs as well as other utility costs.
- 6 individuals in 4 households worked with housing counselors to find and retain affordable, safe, secure housing.
- 4 children were in Head Start and Early Head Start programs that supported 10 additional family members.
- 2 households received emergency furnace repairs and 3 household furnaces were replaced at no charge, making them warmer and more energy efficient for residents.
- 6 households were weatherized at no charge, making them warmer and more energy efficient for 9 residents, including 4 seniors and 1 residents with disabilities.
- 1 person found and maintained reliable transportation with support from the Capstone Transportation Project.
- 7 people attended classes or met one-on-one with a financial counselor to be better able to manage and grow family finances.
- 9 entrepreneurs received counseling and technical assistance on starting or growing a business.
- 33 residents had their taxes prepared at no charge by Capstone's IRS certified volunteers ensuring them all the refunds and credits they were due.
- 1 childcare provider received nutrition education and was reimbursed for the cost of serving nutritious meals and snacks to the 8 children in their care.
- 2 people participated in an intensive 12-week workforce training program for the food service sector.

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

## CENTRAL VERMONT ADULT BASIC EDUCATION IN BERLIN



### *Local Partnerships in Learning*

Central Vermont Adult Basic Education, Inc. (CVABE), a community-based nonprofit organization has served the adult education and literacy needs of Berlin residents for 53 years.

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

- Basic skills programs: reading, writing, math, computer and financial literacy
- English Language Learning and preparation for U.S. citizenship
- High school diploma and GED credential programs
- Academic skill readiness for work, career training and/or college

Berlin is served by our learning centers in Barre and Montpelier. The sites have welcoming learning rooms (each with computers, laptops and internet access to support instruction). CVABE staff and volunteers also teach students at the library or other local sites as needed.

Last year, 10 residents of Berlin enrolled in CVABE's free programs. Additionally, 2 volunteers from Berlin worked with CVABE's professional staff to deliver and support literacy services. Teachers instruct students one-to-one and/or in small groups. Each student has a personalized education plan to address his/her learning goals. These goals might include: getting or improving a job, earning a high school credential, helping one's children with homework, budgeting and paying bills, reading important information, obtaining a driving license, preparing for college, gaining citizenship, and more. *As parents gain literacy, their children are twice as likely to grow up literate themselves.*

CVABE provides free instruction to nearly 500 people annually in the overall service area of Washington, Orange and Lamoille Counties. It currently costs CVABE \$3,055 per student to provide a full year of instruction. *Nearly all students are low income.* Over 100 community volunteers work with CVABE's professional staff to meet the large need for these services while keeping overhead low.

We deeply appreciate Berlin's voter-approved *past* support. This year, your level support is again critical to CVABE's free, local education services. Only a portion of CVABE's budget is comprised of state and federal support. Funding is needed each year from the private sector and from the towns and cities we serve, to ensure we can help the neighbors who need education for a better life.

For more information regarding CVABE's adult education and literacy instruction for students, or volunteer opportunities, contact **Central Vermont Adult Basic Education, Inc.** at:

**Barre Learning Center**  
46 Washington Street - Suite 100  
Barre, VT 05641  
**(802) 476-4588**

**Montpelier Learning Center**  
100 State Street, Suite 3  
Montpelier, VT 05602  
**(802) 223-3403**

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

## CENTRAL VERMONT COUNCIL ON AGING



**Promoting Healthy Aging**  
**Senior Helpline: 1-800-642-5119**

Report of Services to Berlin FY18  
December 12, 2018

Central Vermont Council on Aging is a private, nonprofit organization that is dedicated to the mission of supporting elders and family caregivers in leading self-determined, healthy, interdependent, meaningful and dignified lives in their homes and communities.

For more than 40 years, CVCOA has assisted older Vermonters aged 60 and up to remain independent for as long as possible. We connect the elders in our communities to the network of benefit programs and services that they need to thrive. All services are made available to our clients at no charge without regard to health, income or resources.

Some of the options we make available include:

- Senior Help Line – (800) 642-5119 – has the answers to hundreds of common questions from elders, families and caregivers.
- Information & Assistance staff counsel elders and families on the many available benefit programs and services, such as 3SquaresVT, seasonal fuel assistance, and more.
- Case Managers work with clients in their homes to assess needs and develop, implement and coordinate individualized long-term care plans.
- Nutrition Services oversees the menu development for home-delivered and community meals and provides the largest source of funding for the 14 meal sites that prepare and deliver these meals.
- State Health Insurance Program (SHIP) provides personalized Medicare counseling, group training, and enrollment assistance for Medicare Part D plans.
- Family Caregiver Support promotes the well-being of the family members who help to make it possible for seniors to remain in their home.

During the last year, Central Vermont Council on Aging provided one or more of the above services to **70 Berlin residents**. **Case Manager Megan Thomas is designated to work directly with the seniors in Berlin**. Central Vermont Council on Aging devoted a total of 793 hours of service to Berlin seniors.

All of us at CVCOA extend our gratitude to the residents of Berlin for their ongoing commitment to the health, independence, and dignity of those who have contributed to making the Central Vermont communities what they are today.

59 N. Main Street, Suite 200, Barre VT 05641-4121  
1-877-379-2600 (Toll Free) 1-802-479-0531 (Local)  
[cvcoa@cvcoa.org](mailto:cvcoa@cvcoa.org)

# CENTRAL VERMONT HOME HEALTH & HOSPICE



## 2018 ANNUAL SERVICE REPORT

### TOWN OF BERLIN

Central Vermont Home Health and Hospice (CVHHH) is a 107 year-old full service, not-for-profit Visiting Nurse Association governed by a local voluntary Board of Directors. Serving the residents of 23 Central Vermont towns in the comfort and privacy of their own homes, CVHHH is committed to providing high quality, medically-necessary home health and hospice care to all Central Vermonter regardless of their ability to pay, geographic remoteness or complexity of health care needs. The agency also promotes the general welfare of local community members with long term care and health promotion activities including flu and pneumonia vaccinations, health screenings, foot care clinics, international travelers' health and caregiver support. In addition to direct patient care, our hospice program offers comprehensive bereavement services and volunteer training.

#### Report of CVHHH Services to the Residents of Berlin Jan 1, 2018 to December 2018\*

Program	# of Visits
Home Health Care	3,026
Hospice Care	521
Long Term Care	1,700
Maternal Child Health	81
TOTAL VISITS/CONTACTS	5,328
TOTAL PATIENTS	138
TOTAL ADMISSIONS	179

*\*Audited figures are not available at the time of report submission. Preliminary figures are prorated based on the number of visits from January 1, 2018 – August 31, 2018 and are not expected to vary significantly.*

Town funding will help ensure CVHHH continues these services in Berlin through 2019 and beyond. For more information contact Sandy Rouse, CPA, President & CEO, or Kim Farnum, Manager of Community Relations & Development at 802.223.1878.

600 Granger Road, Berlin, VT 05641 | 802.223.1878 | fax: 223-2861 | [www.cvhhh.org](http://www.cvhhh.org)

# CENTRAL VERMONT REGIONAL PLANNING COMMISSION

## 2018 ANNUAL REPORT, TOWN OF BERLIN

The Central Vermont Regional Planning Commission is a consortium of 23 towns and cities in Washington County and western Orange County. The Commission provides planning, development, and project assistance to communities. All municipalities in the region are entitled to equal voting representation by a locally appointed member to the governing Board of Commissioners.

### 2018 Berlin Activities

- ❖ Completed traffic counts.
- ❖ Developed a data report for the Town Plan update.
- ❖ Completed a Stormwater Master Plan and wrote funding applications for final design of stormwater projects.
- ❖ Conducted outreach on the Winooski River Tactical Basin Plan to incorporate the town's needs
- ❖ Reviewed the design of two park and ride lots and a bridge scoping project.
- ❖ Supported emergency preparedness by assisting with a Local Emergency Operations Plan update and supporting town official training in ICS 402 and the Emergency Management Director courses.

**Regional Commissioner**

Bob Wernecke

**Transportation Advisory  
Committee**

Bob Wernecke

### CVRPC Projects & Programs

- ❖ *Municipal plan and bylaw updates:* Focus on predictable and effective local permitting through education, bylaw modernization and plan updates.
- ❖ *Brownfields:* Complete environmental site assessments so properties can be sold, developed or redeveloped to benefit the community, stimulate the economy, create/protect jobs and increase housing opportunities.
- ❖ *Transportation planning:* Coordinate local involvement in transportation decisions through the Transportation Advisory Committee and provide studies, plans, data collection, and counts.
- ❖ *Emergency planning:* Better prepare our region and state for disasters by coordinating with local volunteers and the state on emergency planning, exercises, and training.
- ❖ *Energy conservation and development:* Foster projects that support energy conservation to save energy and tax dollars and identify opportunities for renewable energy generation.
- ❖ *Natural resource planning and projects:* Implement activities to protect water resources/supplies, enhance recreational opportunities, maintain the forest products industry, and enhance environmental health.
- ❖ *Regional plans:* Coordinate infrastructure, community development, and growth at the regional level through the development, adoption, and implementation of a regional plan.
- ❖ *Geographic Information System services:* Provide municipalities, state agencies, and regional groups with mapping and data analysis in support of their projects.
- ❖ *Special projects:* Complete special projects, such as downtown revitalization, recreation paths, farmland preservation, economic development, and affordable housing projects.
- ❖ *Grants:* Identify appropriate grant sources, define project scopes, and write grant applications

The Commission has no regulatory or taxing authority; each year, we request a per capita assessment from our members in support of local and regional planning activities and to help offset costs and provide local matching funds needed for state and federal funding.

Your continued support for local and regional planning is appreciated! CVRPC is your resource -- please contact us at 802-229-0389 or [cvrpc@cvregion.com](mailto:cvrpc@cvregion.com) for assistance.

## CENTRAL VERMONT SOLID WASTE MANAGEMENT DISTRICT



137 Barre Street, Montpelier, VT 05602

[www.cvswmd.org](http://www.cvswmd.org) 802-229-9383

The Central Vermont Solid Waste Management District serves 19-member cities and towns and approximately 52,000 residents to reduce and manage solid waste. Matthew Levin represents Berlin on the CVSWMD Board of Supervisors. CVSWMD is committed to providing quality programming, meeting state mandates and providing information and resources to our member communities.

In FY18, CVSWMD provided \$9816 in School Zero Waste and Lawrence Walbridge Reuse Grants, and \$6207 in Green Up Day Grants. The Town of Berlin received a \$400 Green Up Day Grant. The District invites all member municipalities to apply for an annual non-competitive Green Up Day Grant each spring.

The District continues to provide award-winning programming, including:

- **Residential Composting:** CVSWMD sells Green Cone food digesters, Soil Saver composting bins and kitchen compost buckets at cost to district residents. CVSWMD also offers free workshops about backyard composting, recycling, safe non-toxic cleaning, and zero waste initiatives.
- **Events Assistance:** In FY18 the district added three events programs: a bin loan program providing recycling, compost, and trash bins with clear signs, an “event kit” for events under 300 people, providing reusable dishware, flatware, linens and more to help community events reduce waste, and staff assistance to larger event organizers, including downloadable templates for zero waste events on our website, [cvswmd.org/zero-waste-events](http://cvswmd.org/zero-waste-events).
- **School Programming:** Our School Zero Waste Program works with all 26 schools in the District, teaching solid waste lessons in classrooms and facilitating the recycling of paint, bulbs, electronics, batteries and more. In FY18, we led students in 14 classroom programs, one waste audit, and 17 special programs at Berlin Elementary School and U-32. School Program Coordinators work with maintenance staff and teachers to help schools compost on site and mentor student groups who lead initiatives toward zero waste in their schools.
- **Special Collections:** In 2018, 10 events were held, in which CVSWMD collected hazardous waste, paint, batteries and fluorescent bulbs.
  - 106 households participated in the Barre Town household hazardous waste collection and 166 participated in the Montpelier hazardous waste collection.
- **Additional Recyclables Collection Center (ARCC):** The ARCC, at 540 N. Main St. in Barre, is open M, W, F noon-6pm and the third Sat. of each month, 9-1pm. **Please note that ARCC hours may change in 2019.** The ARCC is a recycling drop-off for over 40 hard-to-recycle materials, [cvswmd.org/arcc](http://cvswmd.org/arcc). Blue bin recyclables are not accepted at the ARCC.
  - In FY18, 213 residents from Berlin recycled at the ARCC.
- **Web Site:** CVSWMD posts useful information including what can be recycled, what can be composted, how to dispose of hazardous waste, leaf and yard waste, Act 148, details of our special collections, and an A to Z Guide listing disposal options for many materials.



Po Box 652, Barre, Vermont 05641  
**24-Hour Toll-free Hotline: 1-877-543-9498**  
Formerly Battered Women's Services and Shelter

Fiscal Year 2018 has proven to be a year of development and progress for Circle. We have welcomed a number of new staff and board members to our organization; we have conducted a Safety Audit in collaboration with community partners so that together, we can address victim safety and offender accountability; we have continued to work with law enforcement to provide enhanced first response; and we have updated our existing materials and website so that they are more accessible to any individual in need of services. In addition, Circle advocates have also been very busy providing the following core services:

- Over the past year, staff and volunteer advocates responded to 5,781 hot line calls, an average of 481 calls per month.
- Shelter services were provided to 12 women and 9 children for a total of 2,869 bed nights.
- Our prevention school-based programs reached a total of 236 Washington County students through the 11 presentations held during this fiscal year.
- Circle provided community presentations to 220 people through the 12 presentations offered to individuals and professionals in Washington County.
- Advocates provided support to 138 plaintiffs during Final Relief from Abuse Hearings, and assisted 139 individuals file for temporary orders.
- Circle offered 142 evening support groups, reaching a total of 43 women and children.
- 1,974 duplicated people received direct services from Circle, which are maintained by trained staff and volunteer advocates.
- Our organization continues to rely heavily on the vast support of its many dedicated volunteers; Board Members, Hotline Advocates, and Shelter Support have all contributed 9,278 hours to the work of Circle.

**Our services include:**

- SHELTER: Emergency Shelter for women and children fleeing from domestic abuse
- SHELTER YOUTH PROGRAM: Available to children staying in shelter
- TOLL FREE CONFIDENTIAL 24-HOUR HOT LINE (1-877-543-9498)
- EMERGENCY, CIVIL and CRIMINAL COURT ADVOCACY
- SUPPORT GROUPS
- PREVENTION EDUCATION OFFERED TO SCHOOLS THROUGHOUT WASHINGTON COUNTY
- EDUCATIONAL PRESENTATIONS and TRAININGS: offered to civic organizations and businesses.
- INFORMATION AND REFERRAL: information about domestic violence and community resources, as well as individualized advocacy and referral to social service, legal, employment, counseling, and housing options.

## COMMUNITY HARVEST OF CENTRAL VERMONT



Community Harvest of Central Vermont (CHCV) is a volunteer-driven program bringing our community together through gleaning. We recover surplus food produced on Central Vermont farms and utilize this recovered food to feed those in our community who have limited access to healthy, fresh local food, and in the process help the community to gain a greater awareness and appreciation of the local food system, healthy eating, and waste reduction.

CHCV was founded in 2014 and since then has donated 171,800 pounds, equivalent to 515,400 servings of fresh local produce. We work with 40 local farms and growers to glean the extra produce that can't be sold and would otherwise go to waste, all with the help of hundreds of volunteers each season.

The produce CHCV recovers is donated to 20 organizations throughout Washington County that serve over 9,000 individuals with limited access to healthy nutritious food. In particular CHCV partners with food shelves in Barre and Montpelier that serve Berlin residents and all the senior meal programs that provide Meals on Wheels and other meals to Berlin seniors. CHCV also donates to and partners with Berlin Elementary School's Farm to School program, engaging students with local agriculture and serving their neighbors in need.

In addition, CHCV provides a diverse group of community volunteers the opportunity to help their neighbors in need and gain a greater awareness and appreciation of the local food system. CHCV promotes community connections and involvement with farms by bringing people into farm fields to work together and learn how fresh food is grown in their community. Over 275 Central Vermont residents of all ages volunteered with CHCV in 2018, including many from Berlin.

This is the second year CHCV has requested funding from Berlin, although individuals in Berlin have been benefiting from our work for the last five years. We look forward to continuing to serve even more Central Vermonters and those in Berlin in the coming years as we work to expand the amount of food we can glean and donate each growing season.

CHCV is a private, 501(c)(3) non-profit, volunteer driven community service organization. All our work is funded by individuals, area towns, foundations, partner contributions, and local sponsors.

Thank you for your continued support.

**For more information or to become involved with CHCV please visit our website or contact Allison Levin at Community Harvest of Central Vermont.**

[www.CommunityHarvestVT.org](http://www.CommunityHarvestVT.org) \* 802-229-4281 \* [CommunityHarvestVT@gmail.com](mailto:CommunityHarvestVT@gmail.com)  
146 Lord Road, Berlin, VT 05602

## FAMILY CENTER OF WASHINGTON COUNTY



### **FAMILY CENTER OF WASHINGTON COUNTY ....serving families in Berlin**

The Family Center of Washington County provides services and resources to all children and families in our region. We offer services for children, youth and families, including: Early Care and Education, Children's Integrated Services-Early Intervention, Family Support Home Visiting, Child Care Financial Assistance, Child Care Referral, Welcome Baby visits, Family Supportive Housing Services, Specialized Child Care supports, Transportation, Reach Up and Job Development, Family Works, on-site Counseling Services and Crisis Intervention Support, Vermont Children and Families Community Response, Adverse Family Experiences (ACEs) assessment and support, Parent Education, and Playgroups for children from birth to five. We are grateful for the support shown by the voters of Berlin. For more information about Family Center programs and services, please visit: [www.fcwcv.org](http://www.fcwcv.org).

#### **Among the 160 individuals in Berlin who benefited from the Family Center's programs and services from July 1, 2017 – June 30, 2018 were:**

- \*10 families** who received **Information & Referral**, including consulting our **Child Care Referral services**, receiving assistance in finding child care to meet their needs, answering questions related to child care and child development, and receiving information about other community resources available to them.
- \*23 families** who received **Child Care Financial Assistance**.
- \*23 children and caregivers** who participated in our **Playgroups**. Playgroups are free, open to all families with children birth to five, and have no eligibility requirements. Children have a chance to play with others in a safe, stimulating and nurturing environment. Parents talk to other parents, draw upon each other for support, learn new skills from Playgroup Facilitators and get information about community resources.
- \* 8 children and parents** who attended our **Community Events**.
- \* 5 children** who attended our 5 STARS **Early Childhood Education** program.
- \*31 individuals** who were served by one of our **Home Visiting** services, providing parent and family education and support.
- \*35 children and caregivers** who received food and household items from our **Food Pantry** to help supplement their nutritional and basic needs of families we serve.
- \* 2 child** who received **Transportation** assistance through our bus.
- \*14 individuals** who received **Employment Training** in our **Family Works program** and **Reach Up Job Development**.

*Building resourceful families and healthy children to create a strong community.*

## GOOD BEGINNINGS OF CENTRAL VERMONT



Our mission is to bring community to families with new babies. Our largest program, the Postpartum Angel Family Support Program, matches families with a trained volunteer for up to 12 weeks of in-home postpartum support and respite. Our volunteers also provide in-arms cuddling to newborns boarding at CVMC for health reasons. The Birthing Year is a free workshop series covering a range of early parenting topics, and the Nest parent drop-in space hosts formal and informal gatherings for parents with infants and toddlers, in a welcoming and developmentally-appropriate space. Low-income families are eligible for assistance through our Emergency Fund and Free Carrier Programs. All our programs are available at no charge to any local family with a new baby.

Last fiscal year, our volunteers provided nearly 1,000 hours of respite, support, and community connections to 75 families, including 5 newborns boarding at the hospital. 114 families visited our Nest drop in space. 15 families received free infant carriers, and 5 families received a total of \$1252 in emergency funding to help with basic needs.

Last year, we served 6 families from Berlin. Two families were matched with a Postpartum Angel and received a total of 50 hours of in-home respite, support, and community connection. One of these families also received a free high quality infant carrier through our Free Carrier Program as well as other financial assistance in the form of free bus passes. Four families visited our Nest parent drop-in space.

### **Contact Us:**

Good Beginnings of Central Vermont

174 River Street, Montpelier, VT 05602

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

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

802.595.7953

# GREEN MOUNTAIN TRANSIT (GMT)

## Town of Berlin FY18 Annual Report

### Who We Are

GMT is the public transportation provider for the northwest and central regions of Vermont, offering a variety of services to the communities in which we serve. GMT is proud to offer traditional public transportation services like commuter, deviated fixed routes and demand response shuttles, while providing individualized services such as shopping and health care shuttles, Medicaid, Elderly and Disabled services to both urban and rural communities.

### Our Services

#### Individual Special Service Transportation

GMT provides essential medical and non-medical transportation service to those who qualify for Medicaid, Elderly and Disabled, non-Medicaid medical, human service and/or critical care funds. We offer individual coordinated services for those who qualify and who are in need of scheduled rides through GMT volunteer drivers, special shuttle service or general public routes.

***In FY18 Berlin residents were provided special transportation services, totaling 15,205 trips originating in Berlin. Special services offered direct access to:***

- Medical treatment
- Meal site programs
- VT Association of the Blind
- Reach Up
- Central VT Substance Abuse
- Prescription and Shopping
- Social and Daily services
- BAART
- Washington County Mental Health
- Vocational Rehabilitation

#### General Public Transportation

GMT also provides traditional general public transportation service directly supporting the increasing demand for affordable commuter and essential daily needs transportation solutions.

**In FY18, total rural GMT ridership was 336,248.** This general public transportation ridership was *in addition to* Special Service ridership, (above), and is available through a variety of services including:

- Deviated Fixed Routes
- Local Commuter Routes
- Local Shopping Shuttles
- Health Care Shuttles
- Demand Response Service
- Regional Commuters to Chittenden and Caledonia Counties

### Thank You

Thank you to the taxpayers and officials of Berlin for your continued financial support of GMT's public transportation service and for your commitment to efficient transportation solutions.

### Information

Please feel free to contact Chris Loyer, Public Affairs Coordinator with questions or to request additional information on GMT services at 802.540.2481 or [cloyer@RideGMT.com](mailto:cloyer@RideGMT.com) .

## HOME SHARE NOW



105 North Main Street, Suite 103, Barre, VT 05641 (802) 479-8544

Since 2003, Home Share Now has been facilitating home sharing, typically between people who need affordable housing and older adults. Instead of market rent, vetted home seekers deliver services and/or a stipend. Home Share Now is the only organization offering this service in central Vermont; we serve Orange, Washington, and Lamoille County and nine adjacent towns.

Our mission—cultivating relationships to expand the possibilities for living—is a means to many ends: stabilized housing, extra income, reduced rent, nursing home diversion, enhanced sense of community, respite for adult children caring for aging parents, and at-home, non-medical services.

Our goal is to enable our target audience (seniors in need of in-home assistance, seniors living in subsidized housing, adults living with disability, the financially insecure sharing housing in an effort to maintain stability, and people in transition) to live where and how they would like. Here’s how our overall population served stacks up over the last few years:

	FY14	FY15	FY16	FY17	FY18
<b>Unique home sharers</b>	49	90	107	115	110
<b>Hours of assistance provided</b>	6,5000 hours	10,200 hours	12,800 hours	12,125 hours	16,122 hours
<b>% of home seekers paying \$0</b>	35%	25%	37%	31%	24%
<b>Average monthly rent exchanged</b>	\$340	\$304	\$323	\$290	\$297
<b>Nursing home savings</b>	\$229,000	\$425,000	\$631,000	\$354,423	\$567,737
<b>Housing units created</b>	61 units	76 units	94 units	99 units	106 units
<b>Rental savings</b>	\$81,780	\$122,558	\$168,696	\$157,996	\$149,815
<b>Potential new construction cost</b>	\$12 million	\$15 million	\$18 million	\$19 million	\$21 million
<b>% of low-income participants</b>	74%	80%	86%	85%	73%
<b>HSN’s Operating Budget</b>	\$234,945	\$259,373	\$269,843	\$277,642	\$278,051

In FY19 we expect to secure housing for 120 people via home sharing while providing another 650 people with housing assistance. In Berlin last year, we served 11 people. Of those 11 people, 3 were matched in home shares. Thanks to the support of the voters in Berlin:

- 100% of home seekers worry less about money.
- 74% of all matched persons feel less lonely.
- 82% of all matched persons live where and how they want.
- 74% of matched home providers feel much safer at home.
- 98% of all matched persons reporting being satisfied with Home Share Now’s services.
- 94% of individuals in matches report their quality of living has improved.

## KELLOGG-HUBBARD LIBRARY

135 Main Street, Montpelier, VT 05602

223-3338 Adult Desk / 223-4665 Children's Desk / [info@kellogghubbard.org](mailto:info@kellogghubbard.org) / [www.kellogghubbard.org](http://www.kellogghubbard.org)



The Kellogg-Hubbard Library is an independent non-profit organization that serves Berlin and five other Central Vermont communities. One of the busiest libraries in the state, it is open 46.5 hours and six days per week and has the largest public library collection in the region. Last year we had over 203,000 patron visits.

The library's current budget is \$913,926, and it depends on taxpayers for about half of its revenue. Fundraising, donations, grants and earnings on the library's endowment provide the other half and allow us to provide high quality service for far less than the state average. We are asking the Town of Berlin to contribute \$30,402 towards running the library. This is the same amount Berlin residents approved on Town Meeting Day 2018, and *it is only 3.3% of the cost of operating the library*. Recognizing that not all Berlin residents use this library, the Kellogg-Hubbard is requesting \$10.80 per capita support from the town. The statewide average local taxpayer support for libraries is over \$30.00 per capita.

How does the Kellogg-Hubbard Library serve Berlin residents?

- Last year, Berlin residents borrowed 9,449 items (plus e-books and audio books, which are not tallied by town).
- 360 Berlin residents have *active* library cards. (Cards not being used become *inactive*.)
- Volunteers regularly engage in pre-literacy activities and read stories to children at two Berlin daycares. Last year they read 534 stories at the daycares.
- Staff and volunteer provided occasional story times at locations in town.
- Started last summer, the new free book exchange at the Berlin Mall is very popular. Furnished with easy chairs and tables, the exchange is at the central entrance most of the year and moves to the J.C. Penney entrance during the holidays. It is the largest of the library's five book exchanges.

How does the library serve our communities as a whole?

- Free museum and park passes to: Fairbanks Museum, Billings Farm & Museum, Vermont Institute of Natural Resources, Vermont State Parks, Vermont Historic Sites, Shelburne Farms, Vermont History Museum.
- Reduced-price passes to: ECHO Aquarium and Shelburne Museum.
- Dozens of summer activities and three multiple-day summer camps for children.
- An e-book and audio book download service that allows patrons to download those items without even coming into the library. (This was used 16,253 times last year.)
- 84 magazine subscriptions. Issues can be borrowed.
- 14 public computers (used 303 times/wk.) and free wi-fi (used 1,105 times/wk.).
- 61,693 books (still the most popular thing about the library!) and 4,542 DVDs.
- Over 500 programs for children and adults. Last year, attendance totaled 9,990.

In 2019, we look forward to continuing to expand services in Berlin.

~ Tom McKone, Executive Director

Berlin Annual Report 2018

## MONTPELIER SENIOR ACTIVITY CENTER

58 Barre Street, Montpelier, Vermont

### **Montpelier Senior Activity Center Full Report FY18**

The Montpelier Senior Activity Center is your home for healthy aging and lifelong learning. Everyone 50+ is welcome at the Montpelier Senior Activity Center (MSAC), a place where vibrant, diverse programming promotes lifelong learning, healthy aging, socialization, enhanced nutrition, and access to aging resources. If you'd like to learn more, visit [www.montpelier-vt.org/msac](http://www.montpelier-vt.org/msac), call us at 223-2518 or stop by at 58 Barre Street in Montpelier.

Our core program is our diverse set of nearly 75 weekly classes that encourage mental and physical well-being. Our welcoming center offers a gathering space for games, computer use, a book and DVD library, and connects older adults to vital community services that help them stay healthy and independent. Classes are very affordable (a 12-week yoga class is just \$35), many activities are free, and financial aid is available to all.

Community meals, called FEAST Together, are offered on Tuesdays and Fridays for a low suggested donation. Meals are delivered daily to residents in Montpelier and West Berlin. Over 2,000 meals were delivered to 15 individuals in Berlin last year. Over 18,000 meals in total were served last year, including more than 12,000 home-delivered meals.

In the past year, at least 78 residents from Berlin participated in our programs overall. Our increased funding request this year reflects a more equitable portion of the actual cost of providing programs and services to your town's residents, particularly home delivered meals (FEAST at Home). As a supporting town, Berlin members also have reduced dues and can register for classes as early as Montpelier residents and two weeks earlier than members from non-supporting towns. Additional uncounted residents from Berlin took advantage of the many MSAC and community events, meals and services that are free and open to the public at the Center – an average of over 30 hours per week.

## PEOPLE'S HEALTH & WELLNESS CLINIC

553 North Main Street • Barre, VT 05641 • Telephone (802) 479-1229  
Serving the Uninsured and Underinsured of Central Vermont

### **Berlin Town Meeting Day 2018 Report People's Health & Wellness Clinic**

People's Health & Wellness Clinic has been providing primary health care and wellness education to uninsured and underinsured central Vermont residents since 1994. High quality medical, mental health, oral health, and bodywork services are provided at no cost to our patients. We also continue to provide extensive case management, referrals, and assistance enrolling in health insurance and financial assistance program.

In Calendar Year 2018, People's Health & Wellness Clinic served 484 unduplicated individuals, who came for 1,190 clinical visits, requiring 2,374 patient interactions. 180 of these patients were new to the clinic. We had 818 medical visits and 671 medical consults. 149 individuals came for 212 dental hygiene visits and 62 referrals to dentists for more advanced treatment. We provided 179 pharmaceutical samples, immunizations, and vouchers, and wrote hundreds more prescriptions. Our services include screening all patients for eligibility in a variety of health insurance and financial assistance programs, such as Vermont Health Connect, Medicaid, Ladies First, and hospital patient financial assistance programs. 105 patients were assisted with enrollment in these programs.

Volunteer practitioners are the heart of our service model. In 2018, over 60 volunteers gave over \$95,000 worth of their time serving our patients. Over \$69,000 worth of pharmaceuticals, medical supplies, and other services were donated for our patients.

***8 separate Berlin residents sought our services in 2018, 2 of whom were new to the clinic. They required 59 separate patient interactions. They came for 29 medical visits, 4 dental visits, and 5 mental health visits. Berlin patients had 20 case management interactions, 6 medical consults, and 5 diagnostic tests (labs, x-rays, etc.). All 8 patients received assistance enrolling in health insurance and/or financial assistance programs.***

As a federally-deemed free clinic, we cannot charge for services. We depend on grants, donations, and municipal funding. We are grateful to the voters of Berlin for many years of support and are very pleased to be able to provide free and accessible healthcare to the central Vermont community. For additional information, please contact Rebecca Goldfinger-Fein, Executive Director, at 802-479-1229 or [rebecca@phwcv.org](mailto:rebecca@phwcv.org).

## SEXUAL ASSAULT CRISIS TEAM



# Sexual Assault Crisis Team

*of Washington County, VT*

### FY 2017-2018 Annual Report to Municipalities

The Sexual Assault Crisis Team of Washington County (SACT) provides services and support to people of all genders who have been impacted by sexual violence. SACT is a private, non-profit organization that offers advocacy free of charge and is a member of the Vermont Network Against Domestic and Sexual Violence.

SACT operates with volunteers and less than five full-time employees. Volunteers and staff receive twenty hours of intense training in order to provide advocacy with Crisis Worker Privilege (confidentiality). SACT services are voluntary and highly confidential.

SACT funding primarily comes from a variety of restricted State and Federal grants that provide services to victims of crimes. Support from area municipalities allows SACT to target the special needs of our population in ways that build resiliency and healing.

This year, SACT hired its first Child and Youth Advocate to provide specialized services to families who have experienced sexual harm. SACT joined the Washington County Multi-Disciplinary Team that engages advocates, law enforcement, medical professionals, Our House, and Family Services in providing support and services to the Special Investigations Unit.

SACT services strengthen our communities, connect people in need with important resources, and provide opportunities for seeking justice and healing. Thank you for your ongoing support of our important work.



### Services Provided

- 24/7 **HOTLINE** support at: **802-479-5577**
- Community education and sexual violence prevention
- Safety planning
- Emotional support
- Advocacy at Sexual Assault Nurse Examinations (SANE)
- Assistance applying for victim's compensation
- Support in court hearings and at crime related appointments and interviews
- Referrals to and support in accessing community resources
- Parent, friend, and caregiver support and education
- Emergency shelter and support in accessing safe and permanent housing
- Coordinated efforts with other area agencies
- Bystander training
- Support groups
- Case management
- Emergency support with basic living needs
- Sex trafficking response and prevention

Sexual Assault Crisis Team, 4 Cottage Street, Barre, VT 05641; 802-476-1388; [www.sactvt.org](http://www.sactvt.org)

## U.S. DEPARTMENT OF VETERANS AFFAIRS



U.S. Department  
of Veterans Affairs

**White River Junction VA Medical Center**  
**215 North Main Street**  
**White River Junction, VT 05009**  
**866-687-8387 (Toll Free)**  
**802-295-9363 (Commercial)**

In Reply Refer to: 405/00

November 29, 2018

Dear Veteran,

The White River Junction VA Medical Center is attempting to contact all Veterans in our catchment area of Vermont and New Hampshire who are not enrolled and no longer utilizing our services. If you currently receive our services, please pass this note on to a Veteran who may benefit.

We offer a wide variety of services including assistance to Veterans who are homeless or unemployed to providing primary and specialty care. We have a robust mental health department offering one-on-one counseling, peer support, group sessions, and more. There is a designated treatment area for our women Veterans at the Women's Comprehensive Care Clinic, a safe space.

The White River Junction VA Medical Center has seven community based outpatient clinics. They are located in Bennington, Rutland, Brattleboro, Newport and Burlington, Vermont; in New Hampshire we offer services in Keene and Littleton. We are here to serve all Veterans, please do not hesitate to contact us, if for no other reason than to register/enroll with us in case of future need.

Our eligibility office in White River Junction can be reached at 802295-9363 extension 5118. A single form – VA form 10-10EZ – and a copy of the DD214 is all that is needed.

The American Legion, Disabled American Veterans and Veterans of Foreign Wars have full time service officers that are knowledgeable about our programs. These independent organizations serve all Veterans including nonmembers in processing disability and pension claims. They can be reached in White River Junction at:

American Legion	802-296-5166
Disabled American Veterans	802-296-5167
Veterans of Foreign Wars	802-296-5168

Thank you for your service to our nation. On behalf of the White River Junction VA Medical Center team, we look forward to serving you.

Sincerely,

A handwritten signature in cursive script that reads "Laura Miraldi".

Laura Miraldi  
Acting Medical Center Director

## VERMONT 2-1-1

### Vermont 2-1-1 Referrals in Berlin

Vermont 2-1-1 is an Information and Referral program of the United Ways of Vermont. By **dialing 2-1-1 or by texting your zip code to 898211**, you will receive up-to-date information and referrals on health and human services for your area and region. (Text between 8:00am-8:00pm, Monday-Friday.)

Our 2-1-1 system in Vermont is at the fingertips of every resident and every phone. 2-1-1 is cost-effective, high quality, personal, flexible and community-based.

**Can't find what you need?** You can always reach one of our trained professionals by phone or by text. Vermont 2-1-1 is here to offer help and to offer hope.

- One call or text gives you access to resources across your community. 2-1-1 is efficient, fast and easy to use.
- No more wrong numbers; no more wasted time trying to find the right resource(s).
- 2-1-1 is a private and confidential call or text; most often the name of the caller is not even taken. Language translation services are also available.
- 2-1-1 maintains the integrity of the 9-1-1 system; saving that vital community resource for life and death emergencies.
- 24-hour availability every day of the year by phone or by clicking on [vermont211.org](http://vermont211.org)
- 2-1-1 is an easy way to find or give help in your community.

In times of disaster, Vermont 2-1-1 plays a critical role in bringing information to the people most affected by the events and relaying the needs of callers back to the government officials and the first responders.

#### **What are the needs in your community?**

Vermont 2-1-1 collects town, county and statewide data and feeds it back to communities to help make systemic change. Monthly reports showing the needs of your county are available on our website.

**Residents of Berlin** made 159 contacts to Vermont 2-1-1 during 2018 for a range of needs, resulting in 127 referrals to services and resources. The top five were as follows:

- Basic Needs, with referrals for homeless intake (50) and community shelters (12). Others included rental assistance, clothing, transportation, and utility assistance.
- Income Support and Employment, resulting in referrals for general relief (12) and undesignated temporary financial assistance.
- Organizational/Community Services for specialized information and referral services and directory assistance (6).
- Mental Health and Substance Abuse Services, including 5 referrals to domestic violence hotlines, and others related to substance abuse.
- Health Care, including referrals to tests, urgent care centers, and physicians accepting Medicaid.

Other referrals concerned consumer services, including tax preparation and consumer protection; criminal justice and legal services; and individual and family life services. There also

were two unmet needs for community shelters and extreme weather shelters, as well as two for transportation and one for medical sharps disposal. In addition, of the many people who use our website to search for services, nine visits searched using the town of Berlin. Three were for mental health services; two were for Basic Needs, including meals and financial aid; two were for public assistance, and one was for public health.

### Want to subscribe to our monthly newsletter?

Our e-newsletter shares monthly statistics on the needs of Vermonters, highlights resources and keeps you up-to-date on new initiatives. To see or subscribe to our newsletter, go to: <http://www.vermont211.org/news/monthly-newsletter>

### Vermont 2-1-1 Partners with Help Me Grow

Vermont 2-1-1 participates in the Vermont Department of Health's statewide Help Me Grow initiative. Help Me Grow provides a centralized telephone access point, via Vermont 2-1-1, for parents, caregivers, and providers to get information and referrals for local services for children birth through age eight. Help Me Grow Child Development Specialists answer questions about children's behavior and development and help identify children who are at risk for delays, so that services can begin as early as possible. Help Me Grow Child Development Specialists are available from 8:00am – 5:00pm Monday-Friday by dialing 2-1-1, x6.



**Need help finding help?**  
Reaching out to Vermont 2-1-1 is your first step.

*Are you facing difficult times and don't know where to turn?*  
Vermont 2-1-1 is an easy-to-remember three-digit phone number that connects you with the services that can help.

*Looking for help with everyday needs?*  
At 2-1-1, you will speak to someone who will provide the human touch, help to problem solve, and link callers throughout Vermont with government programs, community-based organizations, support groups, and other local resources.

**WHEN should you contact 2-1-1?**  
Call 2-1-1: 24 hours/7 days  
*(Or 1-866-652-4636 toll-free in Vermont, or 1-802-652-4636 from outside Vermont)*  
OR  
Text your zip code to 898211: Monday-Friday: 8am-8pm  
Standard message & data rates apply. Text STOP to opt-out. For end user privacy and terms and conditions of texting with 898211, go to: <http://www.preventionpsystext.com/policies/>

Also visit: [www.vermont211.org](http://www.vermont211.org)

*In Vermont, call 9-1-1 to save a life, stop a crime or report a fire;  
Contact 2-1-1 for community information and referral.*



Standard messaging & data rates may apply. Text STOP to opt-out. For end user privacy and terms and conditions of texting with 898211 go to: <https://www.preventionpsystext.com/policies>

## VERMONT ASSOCIATION FOR THE BLIND AND VISUALLY IMPAIRED



The Vermont Association for the Blind and Visually Impaired's 2018 Fiscal Year was an exciting one. We served more clients than ever before and we launched our new iOS Training program for adult clients.

It's clear to us at VABVI that our mission and services will continue to play a critical role in the lives of many Vermonters well into the future. We are working harder than ever to support anyone living in Vermont who is experiencing vision loss.

**iOS Training Program:** Starting in January 2018 VABVI began providing clients with one on one iOS Training on iPhones and iPads.

**PALS (Peer Assisted Learning and Support) Groups:** PALS Groups, held throughout Vermont, are monthly meetings where members share coping strategies and to discuss the practical, social and emotional challenges of vision loss.

**HAPI (Helping Adolescents Prepare for Independence):** The HAPI program enables Teachers of the Visually Impaired and Certified Vision Rehabilitation Therapists to work one-on-one with students to practice daily living skills.

**IRLE Summer Camp (Intensive Residential Life Experience):** IRLE camp helps VABVI students develop social skills, meet fellow visually impaired peers, meet adult mentors, learn independent living skills, and improve self-advocacy skills.

During Fiscal Year 2018, we served 1,770 clients from all 14 counties in Vermont. This included 6 adult clients in Berlin, and 104 adult clients and 13 students in Washington County.

For more information about VABVI's services, or to volunteer, please contact Katie Shappy at (800) 639-5861 ext. 219, or at [kshappy@vabvi.org](mailto:kshappy@vabvi.org) or visit us our website at [www.vabvi.org](http://www.vabvi.org). Feel free to "like" us on Facebook at [www.facebook.com/vabvi.org](http://www.facebook.com/vabvi.org).

VERMONT CENTER FOR INDEPENDENT LIVING  
TOWN OF BERLIN - SUMMARY REPORT

**Request Amount: \$1000.00**

Since 1979, The Vermont Center for Independent Living (VCIL) has been teaching people with disabilities and the Deaf how to gain more control over their lives and how to access tools and services to live more independently. VCIL employees (85% of whom have a disability) conduct public education, outreach, individual advocacy and systems change advocacy to help promote the full inclusion of people with disabilities into community life.

In FY'18 (10/2017-9/2018) VCIL responded to over **3,700** requests from individuals, agencies and community groups for information, referral and assistance and program services for individuals living with a disability. VCIL Peer Advocate Counselors (PACs) provided one-on-one peer counseling to **315** individuals to help increase their independent living skills and **11** peers were served by the AgrAbility program. VCIL's Home Access Program (HAP) assisted **149** households with information on technical assistance and/or alternative funding for modifications; **83** of these received financial Freedom Fund (SWFF) provided **87** individuals with information on assistive technology; **45** of these individuals received funding to obtain adaptive equipment. **532** individuals had meals delivered through our Meals on Wheels (MOW) program for individuals with disabilities under the age of 60. We are also home to the Vermont Telecommunications Equipment Distribution Program (VTEDP) which served **41** people and provided **33** peers with adaptive telecommunications enabling low-income Deaf, Deaf-blind, Hard of Hearing and individuals with disabilities to communicate by telephone.

VCIL's central office is located in downtown Montpelier and we have five branch offices in Bennington, Chittenden, Lamoille, Rutland and Windham Counties. Our Peer Advocate Counselors and services are available to people with disabilities throughout Vermont. Our Windham County office also houses the Vermont Interpreter Referral Service (VIRS) (previously under the VT Center for the Deaf and Hard of Hearing) and provides statewide interpreter referral services for sign language, spoken English and CART services for assignments in medical, legal, mental health, employment, educational, civil and recreational settings.

During FY '18, **9** residents of **Berlin** received services from the following programs:

- Meals on Wheels (MOW)  
(over **\$2,500.00** spent on meals for residents)
- Home Access Program (HAP)
- Sue Williams Freedom Fund (SWFF)  
(**\$1,500.00** spent on assistive technology)
- Information Referral and Assistance (I,R&A)

To learn more about VCIL, please call VCIL's toll-free I-Line at:  
**1-800-639-1522**, or, visit our website at **www.vcil.org**.

## VERMONT DEPARTMENT OF HEALTH TOWN REPORTS

### State of Vermont Department of Health

**Barre District Office, 5 Perry Street Suite 250, Barre, Vermont 05641**

HealthVermont.gov | 802-479-4200 | fax 802-479-4230 | toll free 888-253-8786

### Vermont Department of Health Local Report for Berlin

**At the Vermont Department of Health our twelve Local Health District Offices around the state provide health services and promote wellness for all Vermonters.**

Your local health district office is in Barre at the address and phone number above. Available to help individuals and families at worksites, schools, town meetings, or by appointment, we work hard to provide you with knowledgeable and accessible care, resources, and services. We also partner with local organizations and health care providers to ensure we're equipped to respond to the community's needs. In 2018, we worked in partnership with communities to:

- Increase capacity statewide to prevent underage and binge drinking and reduce prescription drug misuse and marijuana with Regional Prevention Partnerships (RPP).
- Increase awareness of how and where to safely dispose of sharps (i.e. needles, syringes, or lancets) in collaboration with Greater Barre Safe Sharps Alliance. In the first six months, over 240,000 sharps were collected throughout the community thanks to this work.
- Prevent and control the spread of infectious disease. In 2018 we responded to 244 cases of infectious disease statewide, including 25 cases in Washington and Orange Counties.
- Promote wellness by focusing on walking and biking safety, reducing tobacco exposure, and increasing access to healthy foods with the implementation of local projects and municipal strategies.
- Serve over 11,000 families statewide with the Women, Infants, and Children (WIC) Nutrition Education and Food Supplementation Program, including over 1,000 families in Berlin and neighboring towns.
- Share new data and reports including the Vermont Lead in School Drinking Water Testing Pilot Report which is helping Vermonters understand and address the risk of lead in school drinking water, and the Injury and Violence in Vermont Report, which is shedding light on the risk of suicide among youths.
- Work with local partners, including, schools, hospitals, and emergency personnel, to ensure we are prepared to distribute medicine, supplies, and information during a public health emergency.
- Improve understanding of how to stay healthy at work, home, and in the community through initiatives and resources related to 3-4-50, Help Me Grow, WIC, Building Bright Futures, Be Tick Smart, 802Quits, and the Breastfeeding Friendly Employer project.

Learn more about what we do on the web at [www.healthvermont.gov](http://www.healthvermont.gov)

Join us on [www.facebook.com/vdhbarre](https://www.facebook.com/vdhbarre)

Follow us on [www.twitter.com/healthvermont](https://www.twitter.com/healthvermont)

# WASHINGTON COUNTY YOUTH SERVICE BUREAU

The Washington County Youth Service Bureau / Boys & Girls Club

**During the past service year July 1, 2017 – June 30, 2018, the Washington County Youth Service Bureau/ Boys & Girls Club provided the following services to 23 individuals in Berlin:**

**3 Youth and young adults** were provided with Substance Abuse Treatment through the **Healthy Youth Program**. This service includes substance abuse education, intervention, assessments, treatment and positive life skills coaching. Support is also available for families.

**1 Youth and their Families** were assisted by the **Country Roads Program** that provides 24-hour crisis intervention, short-term counseling, and temporary, emergency shelter for youth who have runaway, are homeless, or are in crisis.

**1 Teen** participated in the **Basement Teen Center** (Montpelier) that provides regular, supervised drop-in time, a variety of positive activities, and opportunities for youth leadership that support positive skill development between the hours of 2pm and 6pm, when teens are at greatest risk to engage in harmful behaviors.

**4 Youth** were served through the **Youth Development Program**; provides case management services to youth ages 15-22 who are or have been in custody through the Department for Children and Families.

**1 Youth** participated in the **Transitional Living Program** that helps homeless youth ages 16-21 make the transition to independent living. This program teaches life skills and budgeting; assists with employment and education goals; and provides direct rent assistance.

**13 Community Members** were served through the **45<sup>th</sup> Annual Free Community Thanksgiving Dinner** organized by the Bureau and includes home delivery for housebound community members. One meal was delivered.

This year's funding request represents approximately \$22 per person served. This is only a small fraction of the cost of the services provided by the Bureau. Most of the services provided to Berlin residents have involved multiple sessions, counseling services were provided by certified or licensed counselors, and emergency temporary shelter included 24-hour supervision, meals, and transportation. **No one is turned away for inability to pay.**

The Bureau's offers a variety of programs eligible to Berlin residents including: youth & family counseling; a program for runaway youth; a transitional living program for homeless youth; an adolescent substance abuse treatment program; a support program for youth in foster care; a transitional living program for young men returning from jail; a teen center; and a 24 hour on-call service. Please visit [www.wcysb.org](http://www.wcysb.org) for more information.

The Bureau is a private, non-profit, social service agency. All programs and services are funded by foundations, state government, federal government, Medicaid and other insurance, private donations, area towns, and fundraising activities.

**For Information and Assistance call:**



**The Washington County Youth Service Bureau / Boys & Girls Club**

**CALL 229-9151 - 24 Hours a Day – 7 Days A Week**

P.O. Box 627, 38 Elm St, Montpelier, Vermont 05601

Fax: 802-229-2508 / E-Mail: [wcysb@wcysb.org](mailto:wcysb@wcysb.org)

## VOLUNTEER POSITIONS ON TOWN BOARDS

The Town of Berlin is looking for qualified individuals to serve on Boards / Committees. If you are interested in getting involved, please fill out and return this form to:

Town of Berlin - Volunteer Positions  
108 Shed Road, Berlin, VT 05602  
or call the Town Office at 223-4405

Name \_\_\_\_\_

Address \_\_\_\_\_

Home phone \_\_\_\_\_ Cell phone \_\_\_\_\_

Interest in serving on:

- |                                                         |                                                                     |
|---------------------------------------------------------|---------------------------------------------------------------------|
| <input type="checkbox"/> Public Works Board             | <input type="checkbox"/> Conservation Commission / Recreation Board |
| <input type="checkbox"/> Planning Commission (PC)       | <input type="checkbox"/> Emergency Management Team                  |
| <input type="checkbox"/> Development Review Board (DRB) | <input type="checkbox"/> Economic Development Committee             |
| <input type="checkbox"/> Cemetery Commission            | <input type="checkbox"/> Berlin Vol Fire Dept. Liaison              |

Background/Experience/Previous Boards or Committees served on:

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There is additional information about these entities within this Town Report and on the Town website [www.berlinvt.org](http://www.berlinvt.org)

### Other Berlin groups:

Berlin Historical Society – 552-8804 [historicalsociety@berlinvt.org](mailto:historicalsociety@berlinvt.org)

Berlin Volunteer Fire Dept. – 223-5531 <http://berlinfiredepartment.org>

TAXES – AUTOMATIC DEDUCTION FORM



NOTICE TO ALL TAXPAYERS OF THE TOWN OF BERLIN

You may elect to have your taxes automatically deducted from your bank account. This free service offers convenience and reliability. The Town of Berlin will issue an electronic withdrawal from either your checking or savings account (at any bank in the United States) and apply it to your property taxes. Deductions may be as follows:

- Quarterly (4 equal – Aug./Nov./Feb./May)
Or
25% down, 9 monthly September – May (new automatic accounts, first year)
and
12 Monthly: June thru May (ongoing automatic accounts, after first year)

In the event that there is insufficient funds in that account on the day of withdrawal you will be assessed an 8% penalty and 1% interest. (Just as if you have paid late.)

PLEASE COMPLETE THIS FORM BELOW AND RETURN TO THE TREASURER AT THE BERLIN MUNICIPAL OFFICE BUILDING

=====

AUTHORIZATION AGREEMENT FOR PRE-AUTHORIZED PAYMENTS

Agreement form must be complete in order for your request to be processed.

Name \_\_\_\_\_ Parcel ID# \_\_\_\_\_

Tel # \_\_\_\_\_

I (we) hereby authorize the Town of Berlin to initiate a debit/credit entry to my (our) \_\_\_ Checking account / \_\_\_ Savings Account (select one) indicated below and the depository named below, hereinafter called Depository, to debit same to such account.

Name of Bank or Credit Union \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

ABA Number\*\* \_\_\_\_\_ Account Number \_\_\_\_\_

\*\* Usually the ABA Number is the first nine digit number on the bottom of your check. You may call your bank or financial institutions to verify. PLEASE ATTACH PHOTOCOPY OF A CHECK.

Payment Option: \_\_\_ Quarterly (4 equal to coincide with tax due dates)
\_\_\_ 25% down with 9 monthly payments. September – May and
12 Monthly Payments: June thru May

This authorization will remain in full force and effect until the Town of Berlin receives written notification of its termination in such time and in such manner as to afford the Town a reasonable opportunity to act on it.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

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**TOWN OF BERLIN, VERMONT  
2018 SCHOOL DISTRICT ANNUAL REPORT**



**PLEASE BRING THIS REPORT WITH YOU TO TOWN MEETING AT**

**BERLIN ELEMENTARY SCHOOL**

**TUESDAY, MARCH 5<sup>th</sup>, 2019 at 10am**

**Pre Town Meeting will be on Monday, March 4<sup>th</sup> at 6pm at Berlin Elementary School**

**(SEE REVERSE FOR TOWN REPORT)**

Cover photographs provided by Berlin Elementary School:

Pre-K students searching for a good book.

Students in the Anne Burke Community or “ABC” Garden at the school.

Rock climbing in PE with Mr. Marc Chamberlain.

1<sup>st</sup> and 2<sup>nd</sup> graders participate in outdoor learning.



Photo by Corinne Stridsberg

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## BERLIN TOWN SCHOOL DISTRICT WARNING

The legal voters of the Berlin Town School District are hereby noticed and warned to meet at the Berlin Elementary School at 372 Paine Turnpike North on Tuesday, March 5, 2019 at 10 A.M. to act on the following business not involving Australian ballot:

- ARTICLE 1.** To elect a Moderator for the year ensuing.
- ARTICLE 2.** To hear and act upon the report of the Town School Directors.
- ARTICLE 3.** To transact any other business that may legally come before the meeting.
- ARTICLE 4.** Shall the School District authorize the Board of School Directors to hold any audited fund balance as of June 30, 2019 in a reserve fund to be expended under the control and direction of the Board of School Directors for the purpose of operating the school?
- ARTICLE 5.** Shall the School District authorize the Board of School Directors to borrow money in anticipation of the receipt of revenues for the 2019- 2020 school year?

### **Articles to be voted by Australian Ballot Polling Times – 10:00 A.M. Through 7:00 P.M.**

- ARTICLE 6.** To elect the following School Directors:

One (1) School Director	One (1) Year of a Two (2) Year Term
One (1) School Director	Two (2) Year of a Three (3) Year Term
Two (2) School Directors	Three (3) Year Term
- ARTICLE 7.** Shall the voters of the school district approve the school board to expend \$3,630,287 which is the amount the school board has determined to be necessary for the ensuing fiscal year? It is estimated that this proposed budget, if approved, will result in education spending of \$17,637 per equalized pupil. This projected spending per equalized pupil is 4.41% higher than spending for the current year.

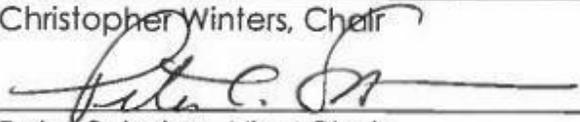
The legal voters of Berlin Town School District are further notified that voter qualification, registration, and absentee voting relative to said annual meeting shall be as provided in Section 553 of Title 16, and Chapters 43, 51

and 55 of Title 17, Vermont Statutes Annotated.

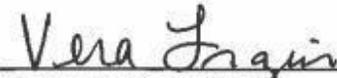
SCHOOL DIRECTORS



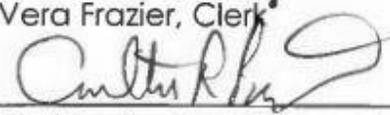
Christopher Winters, Chair



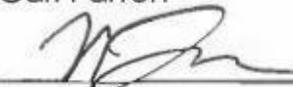
Peter Schober, Vice Chair



Vera Frazier, Clerk



Carl Parton



Nicolle Ferrier

# BERLIN ELEMENTARY SCHOOL REPORT FROM THE BOARD OF DIRECTORS

Hello Berlin Community,

Typically, this is the space where your Berlin School Board chair gives you an update on educational goals and accomplishments for the past year, and some basic information about the proposed budget for the coming year. This has not been a typical year.

Despite our district-wide efforts to oppose consolidation and create an alternate governance proposal retaining local control and keeping our town debts separate, Act 46 has forced a merger of our five towns into one board and one budget. We have joined a lawsuit to try to halt the merger, but the outcome is uncertain. There is also legislation pending that could change the approach, but that too, is unpredictable.

You will find a Berlin Elementary budget in this town report, but this very well may be the final year of existence for the Berlin board and this may not be the binding budget for the next year if a merged board forms and adopts and proposes a district-wide budget.

Some of the five towns in our supervisory union are putting a local budget in front of voters and others are not. The Berlin board decided it was our obligation to do so until the new merged board is officially constituted in a few months. If it is, all local budgets will be rolled up into one and put before the voters, including the U-32 budget, which is not in this report and will not be before you on Town Meeting Day.

Meanwhile, we are making preparations to merge under the assumption that the State Board of Education's November order to merge remains legally binding. Please take a look at the Superintendent's letter in this report for details and a timeline, as best we can know them, for information on merged board elections and a unified proposed budget to be voted on by the entire district in the coming months.

We think we have adopted and are presenting a responsible Berlin budget. We are doing this as a precautionary measure and because we believe we have a legal obligation to do so until the merger becomes official. The majority of the expense increase over last year reflects salaries and health benefits (about 2%), and the per equalized pupil spending increase you see in the warning reflects the expense increase AND our student numbers going down by a few students AND our common level of appraisal (property values overall) decreasing, among other factors.

I have thoroughly enjoyed my years on this board and serving the children of our community. I think it is unfortunate that board members and school administrators have been forced to spend far too much time focused on things like governance, lawsuits and debt rather than on kids. I've tragically seen far too many board members from all five towns come and go in my five years on the board. Smart, enthusiastic, giving people who became too frustrated and understandably couldn't take that much time away from their families and jobs.

Being on a school board is often called a thankless job, but I have been rewarded many times over with how much I have learned about education and the gratification of having helped bring a much needed renovation of our school to fruition. I am constantly amazed by the dedication of

the teachers and staff at Berlin Elementary and the wonderful parents, community members, and other volunteers who give so much to our future by putting our kids first. Thank you to all of those school board members who have served in recent years and taken on the additional burden of Act 46 work.

School consolidation could prove to be a good thing in many ways. Combined resources, shared best practices, and a focus on a preK-12 educational system with aligned curriculum in each school are all benefits of unification and working together. There are efficiencies of scale and flexibility of educational opportunities, all of which can be positives. I'm also heartened by the fact that there are so many great people in the other four towns and the combined ideas of the larger district make all of us richer. Sadly, we were well on our way to working together and doing all of the above before Act 46.

We are in a difficult place as of the time of this writing, but it's not all doom and gloom. We have so much to be proud of and to be thankful for. We are fortunate to have a talented and highly competent new principal in charge of our school. We benefit from the many other focused and diligent professionals in our school and in the central office who soldier on with the important work of educating our youth in spite of the distractions of Act 46.

Please read Principal Aaron Boynton's piece in this report to hear about some of the accomplishments and other wonderful things happening at our school. Berlin Elementary is still providing a top quality education for our kids and you should feel confident that the team is working hard every single day to better the lives of our Berlin children.

If we are merged, the good work of school board members and our educational community will go on in a different form. I plan to stay involved, and I hope you will too.

Sincerely,

Chris Winters  
Berlin Elementary School Board Chair



Left: Mrs. Lynn Spencer, Art Teacher  
Right: Cooking and Farm to School  
initiatives with Mrs. Meg Dawkins  
*Photos provided by  
Berlin Elementary School*

# BERLIN ELEMENTARY SCHOOL PRINCIPAL'S ANNUAL REPORT

## School Report 2018



**Aaron Boynton, Principal**

I would like to start by saying thank you for giving me the opportunity to be your new Berlin Elementary School Principal. Coming on board, I have already seen how wonderful and amazing the staff and families are in the way they support the children of Berlin. As new principal, I see the respect, care, and positive atmosphere that has been built over the many years and I am proud to continue fostering these traits. I have been a Vermont public school principal for 11 years and in the field of education for 18. I know already that Berlin is a special place that cares about all children. It's with your support as a community that we can continue to provide the level of support to build the skills students need to be successful as a citizen and in life.

Our staff works hard to identify areas of strength and improvement. As a staff we have recognized that our students' reading outcomes are strong and our math outcomes need to be improved. We are planning and engaging in strategies that will improve math outcomes for students, many of which will come to fruition through the proposed budget. Our improvements in scheduling, instructional programming, and intervention are areas that we are also working to improve.

Each year, we conduct a student survey as student feedback is important. Three positive areas that were reported from students were:

- "My teacher treats me with respect."
- "At school, I work out problems I have with others."
- "My parents think that school is important."

We are pleased that students are recognizing good character traits that will help them succeed as positive citizens.

Genius Hour, Nature Trail and outdoor science program, spring theater club, athletics offerings soccer and basketball, monthly assemblies and celebrations, principal's challenge, school garden, farm to school program, healthy snack program, MakerSpace, 1:1 laptops, reading and math intervention, PBIS, School spring BBQ are all programs I am excited about and try to highlight in my monthly principal reports and on social media.

Berlin Elementary School is very proud of our positive climate and culture. We use a strategic positive behavior intervention approach which has decreased negative behaviors. It also increases positive experiences for students that affect social and emotional well-being. Quite simply, Berlin Elementary is a positive and supportive place and it is felt school wide!

Respectfully submitted,  
Aaron Boynton

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Students have 1:1 computer access.



Reading in the school library.

Photos provided by Berlin Elementary School

# BERLIN ELEMENTARY SCHOOL BUDGET 2019 - 2020

**Berlin Elementary School  
Summary of Changes Budget 2020 vs. 2019**

	<u>Town Meeting</u>	<u>Entire Budget</u> <u>% Change</u>
<b>Staffing Changes:</b>		
<b>Negotiated Items</b>		
Salary Increases	\$55,246	1.57%
Health Insurance Inflation (11.8%) & Coverage Changes	\$20,102	0.57%
Other Benefit Changes	\$192	0.01%
<b>Subtotal Negotiated Items</b>	<b>\$75,540</b>	<b>2.15%</b>

**Staffing Changes**

Staffing Turnover & changes(Salary & Benefits) FY18-19 Health Insurance	\$6,919	0.20%
SPED Paraeducator 1.6 FTE's FY1819	\$33,550	0.96%
Anticipated Staffing Changes-Retirement	\$15,827	0.45%
Instructional Teacher Return from LOA FY1920	-\$9,289	-0.26%
<b>Subtotal Staffing Changes</b>	<b>\$47,007</b>	<b>1.34%</b>

<b>Total Staffing Change</b>	<b>\$122,548</b>	<b>3.49%</b>	<b>Budget FY 19</b> <b>\$2,141,215</b>
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<b>Budget FY 20</b>	<b>\$2,263,763</b>
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**Nonsalary changes:**

School-wide Expenses-ELL Services	\$10,128	0.29%
Instructional and Support Program Books and Supplies	\$7,000	0.20%
Act 166 -Preschool Costs	\$1,067	0.03%
WCSU Assessments-Operations	-\$4,029	-0.11%
WCSU Assessments-SPED	\$12,976	0.37%
WCSU Assessment-Student Transportation Svcs	-\$2,053	-0.06%
Fund Transfers-Capital	-\$25,000	-0.71%
Fund Transfers-Bond and Water Loan	-\$3,268	-0.09%

<b>Total Nonsalary</b>	<b>-\$3,179</b>	<b>-0.09%</b>	<b>Budget FY 19</b> <b>\$1,369,703</b>
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<b>Budget FY 20</b>	<b>\$1,366,524</b>
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<b>Total Expense Budget Change(A)</b>	<b>\$119,369</b>	<b>3.40%</b>	<b>\$3,510,918</b>
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<b>Budget FY 20</b>	<b>\$3,630,287</b>
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**Revenue Changes Related to Budget Increases:**

Projected Special Educ. Reimbursement for Eligible Costs	\$25,531	0.73%
<b>Subtotal Revenue Changes(B)</b>	<b>\$25,531</b>	<b>0.73%</b>

<b>Net Impact on Taxes(A-B)**</b>	<b>\$93,838</b>	<b>2.67%</b>
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**BERLIN ELEMENTARY SCHOOL  
BUDGET 2019-2020**

<b>DESCRIPTION</b>	<b>Actual 2018</b>	<b>W/SPEDCHG BUDGET 2019</b>	<b>PROJECTED 2019</b>	<b>Final Town Meeting BUDGET 2020</b>
<b>REVENUES</b>				
INVESTMENT EARNINGS INTEREST	\$49,632	\$30,305	\$29,754	\$30,305
MISCELLANEOUS INCOME-OTHER	\$54,572	\$12,031	\$12,031	\$12,031
EDUC. SPENDING REVENUES	\$3,249,305	\$3,331,701	\$3,321,941	\$3,425,539
SPED EXPENDITURE REIMBURSEMENT	\$156,943	\$136,881	\$155,669	\$162,412
<b>SUBTOTAL REVENUES</b>	<b>\$3,510,452</b>	<b>\$3,510,918</b>	<b>\$3,519,395</b>	<b>\$3,630,287</b>
FUND BALANCE	\$0	\$0	\$0	\$0
<b>TOTAL REVENUES</b>	<b>\$3,510,452</b>	<b>\$3,510,918</b>	<b>\$3,519,395</b>	<b>\$3,630,287</b>

**EXPENSES**

**INSTRUCTIONAL SERVICES**

SALARIES-TEACHERS	\$845,428	\$842,230	\$841,130	\$868,479
SALARIES-PARAEDUCATOR	\$16,361	\$17,384	\$17,384	\$17,860
SALARIES-TEMPORARY-SUBSTITUTES	\$45,547	\$39,920	\$39,920	\$41,118
GROUP HEALTH BENEFITS & HRA	\$137,162	\$143,840	\$151,489	\$162,526
SOCIAL SECURITY CONTRIBUTIONS	\$65,036	\$66,957	\$66,825	\$68,726
MISCELLANEOUS BENEFITS	\$18,235	\$21,970	\$22,722	\$23,047
TUITION REIMBURSEMENT	\$13,297	\$25,000	\$25,000	\$25,000
PROFESSIONAL EDUCATION SVC	\$23,933	\$5,000	\$5,000	\$5,000
TUITION TO OTHER SCHOOL DISTRICTS	\$11,000	\$0	\$0	\$0
TRAVEL	\$0	\$0	\$0	\$0
GENERAL SUPPLIES	\$30,436	\$28,925	\$28,925	\$33,375
BOOKS AND PERIODICALS	\$5,352	\$5,535	\$5,535	\$5,535
EQUIPMENT	\$9,538	\$20,000	\$20,000	\$20,000
DUES AND FEES	\$280	\$0	\$0	\$0
<b>TOTAL INSTRUCTIONAL SERVICES</b>	<b>\$1,221,605</b>	<b>\$1,216,761</b>	<b>\$1,223,930</b>	<b>\$1,270,666</b>

**PRESCHOOL PROGRAM**

SALARIES-TEACHERS	\$43,502	\$43,595	\$43,264	\$44,562
SALARIES-PARAEDUCATOR	\$16,870	\$44,534	\$45,977	\$47,273
GROUP HEALTH BENEFITS & HRA	\$26,581	\$26,293	\$26,293	\$28,673
SOCIAL SECURITY CONTRIBUTIONS	\$3,830	\$6,403	\$6,488	\$6,647
MISCELLANEOUS BENEFITS	\$3,950	\$6,394	\$6,025	\$6,238
TUITION REIMBURSEMENT	\$0	\$800	\$800	\$800
TUITION TO PRIVATE SCHOOLS	\$32,529	\$35,562	\$35,562	\$36,629
GENERAL SUPPLIES	\$4,654	\$2,415	\$2,415	\$2,415
<b>TOTAL PRESCHOOL PROGRAM</b>	<b>\$131,916</b>	<b>\$165,996</b>	<b>\$166,824</b>	<b>\$173,237</b>

**GUIDANCE SERVICES**

SALARIES-TEACHERS	\$67,487	\$69,242	\$70,633	\$72,752
GROUP HEALTH BENEFITS & HRA	\$19,475	\$19,304	\$19,304	\$21,157
SOCIAL SECURITY CONTRIBUTIONS	\$4,587	\$5,033	\$5,140	\$5,271
MISCELLANEOUS BENEFITS	\$1,417	\$1,508	\$1,508	\$1,554
TUITION REIMBURSEMENT	\$425	\$1,300	\$1,300	\$1,300
GENERAL SUPPLIES	\$107	\$250	\$250	\$1,550
BOOKS AND PERIODICALS	\$31	\$250	\$250	\$1,500
<b>TOTAL GUIDANCE SERVICES</b>	<b>\$93,529</b>	<b>\$96,887</b>	<b>\$98,385</b>	<b>\$105,084</b>

**BERLIN ELEMENTARY SCHOOL  
BUDGET 2019-2020**

<b>DESCRIPTION</b>	<b>Actual 2018</b>	<b>W/SPEDCHG BUDGET 2019</b>	<b>PROJECTED 2019</b>	<b>Final Town Meeting BUDGET 2020</b>
<b>HEALTH SERVICES</b>				
SALARIES-TEACHERS	\$54,269	\$53,821	\$53,412	\$55,014
GROUP HEALTH BENEFITS & HRA	\$7,983	\$7,469	\$7,469	\$8,138
SOCIAL SECURITY CONTRIBUTIONS	\$3,716	\$4,022	\$3,991	\$4,102
MISCELLANEOUS BENEFITS	\$2,495	\$2,552	\$2,599	\$2,715
TUITION REIMBURSEMENT	\$84	\$1,300	\$1,300	\$1,300
TECHNICAL SERVICES	\$199	\$0	\$0	\$0
GENERAL SUPPLIES	\$1,820	\$1,965	\$1,965	\$1,965
BOOKS AND PERIODICALS	\$0	\$88	\$88	\$88
<b>TOTAL HEALTH SERVICES</b>	<b>\$70,566</b>	<b>\$71,217</b>	<b>\$70,824</b>	<b>\$73,322</b>
<b>LIBRARY SERVICES</b>				
SALARIES-TEACHERS	\$37,761	\$38,272	\$37,996	\$39,031
SOCIAL SECURITY CONTRIBUTIONS	\$2,888	\$2,928	\$2,907	\$2,986
MISCELLANEOUS BENEFITS	\$810	\$846	\$846	\$855
TUITION REIMBURSEMENT	\$415	\$1,300	\$1,300	\$1,300
GENERAL SUPPLIES	\$1,416	\$435	\$435	\$435
BOOKS AND PERIODICALS	\$6,578	\$4,750	\$4,750	\$4,750
<b>TOTAL LIBRARY SERVICES</b>	<b>\$49,868</b>	<b>\$48,531</b>	<b>\$48,234</b>	<b>\$49,357</b>
<b>INSTRUCTIONAL -RELATED TECHNOLOGY SVCS</b>				
SALARIES-TEACHERS	\$22,594	\$23,181	\$22,998	\$23,688
SOCIAL SECURITY CONTRIBUTIONS	\$1,728	\$1,773	\$1,759	\$1,812
MISCELLANEOUS BENEFITS	\$494	\$517	\$517	\$524
TUITION REIMBURSEMENT	\$0	\$0	\$0	\$0
TECHNOLOGY RELATED R&M	\$2,587	\$2,000	\$2,000	\$2,000
RENTALS AND LEASES-COPIER	\$4,767	\$5,000	\$5,000	\$5,000
COMMUNICATIONS	\$20,568	\$18,700	\$18,700	\$18,700
SUPPLIES-TECHN RELATED	\$7,208	\$4,100	\$4,100	\$4,100
SUPPLIES-TECHN RELATED-SOFTWARE	\$4,162	\$3,000	\$3,000	\$3,000
EQUIPMENT	\$14,100	\$29,750	\$29,750	\$29,750
<b>TOTAL INSTR REL-TECHNOLOGY SVCS</b>	<b>\$78,208</b>	<b>\$88,021</b>	<b>\$87,824</b>	<b>\$88,574</b>
<b>SU ASSESSMENTS</b>				
SU ASSESSMENTS	\$264,805	\$268,109	\$268,109	\$264,080
<b>TOTAL SU ASSESSMENTS</b>	<b>\$264,805</b>	<b>\$268,109</b>	<b>\$268,109</b>	<b>\$264,080</b>
<b>BOARD OF EDUCATION SVCS.</b>				
SALARIES-CLERICAL	\$1,471	\$816	\$816	\$840
SOCIAL SECURITY CONTRIBUTIONS	\$113	\$63	\$63	\$65
LEGAL SERVICES	\$1,688	\$1,000	\$1,000	\$1,000
INSURANCE	\$9,996	\$11,077	\$11,077	\$11,077
ADVERTISING	\$2,384	\$400	\$400	\$400
GENERAL SUPPLIES	\$0	\$1,200	\$1,200	\$1,200
DUES AND FEES	\$1,675	\$1,750	\$1,750	\$1,750
<b>TOTAL BOARD OF EDUCATION SVCS.</b>	<b>\$17,327</b>	<b>\$16,306</b>	<b>\$16,306</b>	<b>\$16,332</b>

**BERLIN ELEMENTARY SCHOOL  
BUDGET 2019-2020**

<u>DESCRIPTION</u>	Actual 2018	W/SPEDCHG BUDGET 2019	PROJECTED 2019	Final Town Meeting BUDGET 2020
<b>OFFICE OF THE PRINCIPAL</b>				
SALARIES-ADMINISTRATION	\$96,738	\$93,547	\$96,500	\$99,395
SALARIES-CLERICAL	\$53,675	\$62,478	\$56,827	\$58,532
SALARIES-TEMPORARY-SUBS	\$3,749	\$3,677	\$3,677	\$3,787
GROUP HEALTH BENEFITS & HRA	\$37,141	\$37,285	\$38,607	\$42,313
SOCIAL SECURITY CONTRIBUTIONS	\$11,198	\$11,727	\$11,483	\$11,781
MISCELLANEOUS BENEFITS	\$7,561	\$7,368	\$5,875	\$5,991
TUITION REIMBURSEMENT	\$190	\$2,000	\$2,000	\$2,000
PURCHASED PROF & TECHNICAL SERVICES	\$0	\$0	\$0	\$0
COMMUNICATIONS-POSTAGE	\$4,164	\$3,500	\$3,500	\$3,500
TRAVEL	\$1,401	\$400	\$400	\$400
GENERAL SUPPLIES	\$2,573	\$4,000	\$4,000	\$4,000
DUES AND FEES	\$920	\$525	\$525	\$525
<b>TOTAL OFFICE OF THE PRINCIPAL</b>	<b>\$219,310</b>	<b>\$226,507</b>	<b>\$223,394</b>	<b>\$232,224</b>
<b>FISCAL SERVICES</b>				
INTEREST ON SHORT-TERM DEBT	\$39,194	\$40,305	\$39,754	\$40,305
<b>TOTAL FISCAL SERVICES</b>	<b>\$39,194</b>	<b>\$40,305</b>	<b>\$39,754</b>	<b>\$40,305</b>
<b>OPERATION AND MAINT.PLANT</b>				
SALARIES-TECHNICAL/TRADES	\$103,190	\$107,956	\$107,966	\$111,205
SALARIES-TEMPORARY-SUBS	\$9,129	\$10,873	\$10,873	\$11,199
GROUP HEALTH BENEFITS & HRA	\$23,711	\$22,406	\$22,406	\$24,413
SOCIAL SECURITY CONTRIBUTIONS	\$8,286	\$8,805	\$8,805	\$9,045
MISCELLANEOUS BENEFITS	\$5,921	\$8,096	\$8,527	\$8,727
UTILITY SERVICES	\$7,850	\$7,500	\$7,500	\$7,500
CLEANING SERVICES	\$9,218	\$8,500	\$8,500	\$8,500
REPAIR AND MAINTENANCE SERVICES	\$16,415	\$22,100	\$22,100	\$22,100
TRAVEL	\$260	\$400	\$400	\$400
SERVICES PURCHASED-SU	\$0	\$10,000	\$10,000	\$10,000
GENERAL SUPPLIES	\$11,468	\$11,000	\$11,000	\$11,000
ELECTRICITY	\$20,633	\$28,510	\$28,510	\$28,510
OIL	\$31,337	\$45,000	\$45,000	\$45,000
EQUIPMENT	\$0	\$4,000	\$4,000	\$4,000
<b>TOTAL OPER. AND MAINT.PLANT</b>	<b>\$247,418</b>	<b>\$295,146</b>	<b>\$295,587</b>	<b>\$301,599</b>
<b>STUDENT TRANSPORTATION SV</b>				
SU ASSESSMENTS	\$87,825	\$129,640	\$129,640	\$127,587
<b>TOTAL STUDENT TRANSPORTATION SV</b>	<b>\$87,825</b>	<b>\$129,640</b>	<b>\$129,640</b>	<b>\$127,587</b>
<b>STUDENT TRANS-OTHER</b>				
STUDENT TRANS-FIELD TRIPS	\$2,978	\$3,000	\$3,000	\$3,000
<b>TOTAL STUDENT TRANS-OTHER</b>	<b>\$2,978</b>	<b>\$3,000</b>	<b>\$3,000</b>	<b>\$3,000</b>
<b>DEBT SERVICE</b>				
REDEMPTION OF PRINCIPAL	\$177,971	\$178,034	\$178,034	\$175,874
INTEREST LONG TERM DEBT	\$98,279	\$91,770	\$91,770	\$90,662
<b>TOTAL DEBT SERVICE</b>	<b>\$276,250</b>	<b>\$269,804</b>	<b>\$269,804</b>	<b>\$266,536</b>

**BERLIN ELEMENTARY SCHOOL  
BUDGET 2019-2020**

<b>DESCRIPTION</b>	<b>Actual 2018</b>	<b>W/SPEDCHG BUDGET 2019</b>	<b>PROJECTED 2019</b>	<b>Final Town Meeting BUDGET 2020</b>
<b>FUND TRANSFER OUT</b>				
FUND TRANSFER-CAPITAL	\$85,000	\$50,000	\$50,000	\$25,000
FUND TRANSFER-FOOD SERVICE	\$25,000	\$25,000	\$25,000	\$25,000
<b>TOTAL TRANSFER TO OTHER FUNDS</b>	<b>\$110,000</b>	<b>\$75,000</b>	<b>\$75,000</b>	<b>\$50,000</b>
<b>INSTRUCTIONAL SVC-SP ED</b>				
SALARIES-TEACHERS	\$0	\$0	\$0	\$0
SALARIES-PARAEDUCATOR	\$203,414	\$174,172	\$196,112	\$201,722
SALARIES-TEMPORARY-SUBSTITUTES	\$3,286	\$1,051	\$1,051	\$1,083
GROUP HEALTH BENEFITS & HRA	\$43,888	\$40,409	\$51,613	\$56,195
SOCIAL SECURITY CONTRIBUTIONS	\$15,157	\$12,895	\$14,428	\$14,785
MISCELLANEOUS BENEFITS	\$14,511	\$15,903	\$15,759	\$16,237
TUITION REIMBURSEMENT	\$0	\$0	\$0	\$0
OTHER PROFESSIONAL SVCS & WCMH	\$0	\$0	\$0	\$0
COMMUNICATIONS	\$0	\$0	\$0	\$0
GENERAL SUPPLIES	\$0	\$0	\$0	\$0
EQUIPMENT	\$0	\$0	\$0	\$0
<b>TOTAL INSTRUCTIONAL SVC-SP ED.</b>	<b>\$280,256</b>	<b>\$244,430</b>	<b>\$278,963</b>	<b>\$290,022</b>
<b>SUPPORT PROGRAMS</b>				
SU ASSESSMENTS	\$280,608	\$231,858	\$231,858	\$244,834
<b>TOTAL SUPPORT PROGRAMS</b>	<b>\$280,608</b>	<b>\$231,858</b>	<b>\$231,858</b>	<b>\$244,834</b>
<b>ENGLISH LANGUAGE LEARNER</b>				
SERVICE PURCHASE-SU	\$23,383	\$23,400	\$23,400	\$33,528
<b>TOTAL ENGLISH LANGUAGE LEARNER</b>	<b>\$23,383</b>	<b>\$23,400</b>	<b>\$23,400</b>	<b>\$33,528</b>
<b>TOTAL EXPENSES</b>	<b>\$3,495,046</b>	<b>\$3,510,918</b>	<b>\$3,550,836</b>	<b>\$3,630,287</b>
	\$15,406	\$0	-\$31,441	\$0

# BERLIN ELEMENTARY SCHOOL DISTRICT SALARY & BENEFIT PROJECTION

**Berlin Elementary School District  
Salary & Benefit Projection  
As of October 27, 2018**

**Benefits include the cost of: Health Insurance, Retirement, Section 125 Plan, Social Security/  
Medicare, Dental Insurance, Disability Insurance, Workers Compensation Insurance and  
Unemployment Insurance.**

	<b>Projected Salaries</b>	<b>Total Salary &amp; Benefits</b>	<b>FTE Position</b>
Anderson Debra	\$23,801	\$42,045	1.00 Food Service Worker
Audet Lisa	\$25,184	\$43,634	1.00 Paraeducator
Boucher Jane	\$68,642	\$93,882	1.00 Classroom Teacher
Boynton, Aaron	\$96,500	\$124,779	1.00 Principal
Burke Lucia	\$24,211	\$32,215	1.00 Paraeducator
Chamberlin, Marc	\$44,110	\$60,646	0.80 Classroom Teacher
Daniels Steven	\$33,151	\$46,096	1.00 Maintenance Worker
Dessureau Amber	\$57,494	\$82,290	1.00 Classroom Teacher
Dutton-Renaud Lori	\$44,398	\$70,689	1.00 Administrative Assistant
Ebersole Christina	\$12,429	\$13,488	0.50 Administrative Assistant
Farone Kimberly	\$70,633	\$91,611	1.00 Classroom Teacher
Gregoire Deborah	\$24,698	\$43,076	1.00 Paraeducator
Grenier Kathy	\$26,196	\$44,797	1.00 Paraeducator
Heinz Jessica	\$70,633	\$96,602	1.00 Guidance Counselor
Hood Janice	\$30,091	\$42,579	1.00 Paraeducator
Knapp Kimberly	\$63,135	\$74,463	1.00 Classroom Teacher
Liptak, Katelyn	\$52,320	\$62,120	0.90 Classroom Teacher
MacMartin, Kelly	\$65,036	\$75,233	1.00 Classroom Teacher
Maring Melissa	\$66,708	\$92,327	1.00 1 Temporary
McHugh Kay	\$57,494	\$77,318	1.00 Classroom Teacher
Mitchell Megan	\$61,487	\$71,368	1.00 Classroom Teacher
Moyer Byron	\$21,879	\$28,222	1.00 Food Service Worker
Mullaney Erin	\$53,412	\$67,466	1.00 Nurse
Paquet Hilary	\$70,633	\$107,727	1.00 Classroom Teacher
Paquet Louis	\$46,063	\$60,935	1.00 Maintenance Worker
Parks Jeffery	\$28,752	\$39,746	1.00 Maintenance Worker
Pellegrini Rebecca	\$27,260	\$35,720	1.00 Paraeducator
Rogers Sarah	\$57,494	\$82,290	1.00 Classroom Teacher
Sharma Anju	\$21,085	\$27,358	1.00 Classroom Teacher
Smith Ashlyn	\$61,487	\$92,404	0.40 Classroom Teacher
Smith Tyler	\$58,133	\$63,946	1.00 Classroom Teacher
Spencer Lynn	\$45,995	\$56,859	0.80 Classroom Teacher
Wagner Lynn	\$70,633	\$96,602	1.00 Classroom Teacher
Walczak Kathryn	\$43,264	\$65,051	0.81 Classroom Teacher
Wilson Lisa	\$21,085	\$32,229	1.00 Paraeducator
Young Amy	\$57,494	\$67,018	1.00 Librarian
<b>Total</b>	<b>\$ 1,703,020</b>	<b>\$2,304,831</b>	

# TOWN OF BERLIN ESTIMATED TAX CALCULATIONS

Town of Berlin  
 Estimated Tax Calculations  
 As of January 28, 2019

These calculations assume Washington Central Supervisory Union NOT Washington Central Unified Union School District (WCUUSD)  
 NOTE: Includes Berlin Elementary and U32 Proposed Budgets to the WCUUSD Transition Board.

Town	Education Spending Per Eq Pupil	Property Yield	District Spen Adjustment	Equalized Pupils	TAX RATES:			
					Equalized Homestead	Actual Homestead	Equalized Nonresidential	Actual Nonresidential
Projected Budget 19-20	\$18,233	\$10,666	170.95%	375.69	\$1.709	\$1.674	\$1.580	\$1.547
Budget 18-19	\$17,467	\$10,220	170.91%	389.32	\$1.709	\$1.668	\$1.580	\$1.542
	4.39%	4.36%		-3.50%				

Common of Appraisal		Actual Homestead Tax Rate		Actual Nonresidential Tax Rate	
FY13-14	101.96%	\$1.454	\$1.412		
FY14-15	105.33%	\$1.522	\$1.438		
FY15-16	104.23%	\$1.598	\$1.473		
FY16-17	104.14%	\$1.597	\$1.474		
FY17-18	105.84%	\$1.622	\$1.450		
<b>FY19-20</b>	<b>102.14%</b>	<b>\$1.674</b>	<b>\$1.542</b>		

Local Tax Impact-Increase (Decrease)	<b>\$0.006</b>
Impact on a \$100,000 property	<b>\$6</b>

Amount Per Town	Educ Spending Per Equalized Pupil		TAX RATES:		Total Tax Rate
	Elementary	U32	Current Common Level of Appraisal	Appraised at 100% Equalized	
Elementary	\$18,233	\$17,637	-\$0.018	\$0.855	\$0.837
U32	\$18,872	\$18,872	-\$0.018	\$0.855	\$0.837
			-\$0.036	\$1.709	\$1.674

**\*\*Note: the tax rate is allocated as follows:**

## U-32 SCHOOL DISTRICT WARNING

The legal voters of the Union High School District No. 32 (“U-32”), a municipal corporation consisting of the Town School Districts of Berlin, Calais, East Montpelier, Middlesex, and Worcester, Vermont, are hereby notified and warned to meet in their respective towns on Tuesday, March 5, 2019, to vote by Australian ballot on Articles 1 through 2 as outlined below.

### Polling Places and Times:

Berlin Elementary School in Berlin Corner – 10:00 AM - 7:00 PM

Calais Elementary School in Calais – 7:00 AM - 7:00 PM

East Montpelier Elementary School in East Montpelier – 7:00 AM – 7:00 PM

Rumney Memorial School in Middlesex – 7:00 AM – 7:00 PM

Doty Memorial School in Worcester – 10:00 AM – 7:00 PM

A public hearing will take place at U-32, Room 128/131 at 6:00 PM on March 4, 2019 to provide information on the articles to be voted by Australian Ballot at the municipalities’ respective Town Meetings on Tuesday, March 5, 2019.

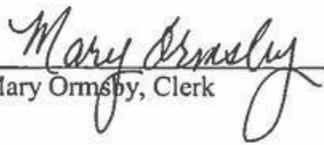
The legal voters of U-32 are further notified that voter qualification, registration, and absentee voting relative to said annual meeting shall be as provided in Sections 553 and 706(u) of Title 16, and Chapters 43, 51 and 55 of Title 17, Vermont Statutes Annotated.

**ARTICLE 1.** To elect a Clerk for a term of one (1) year.

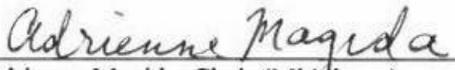
**ARTICLE 2.** To elect a Treasurer for a term of one (1) year.

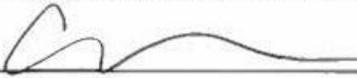
**ARTICLE 3.** To fix the annual compensation of the Union School District officers.

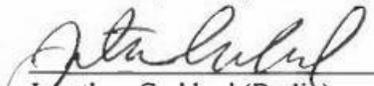
Clerk	\$500.00
Directors	\$850.00 each
Chair	\$875.00
Treasurer	\$1,500.00

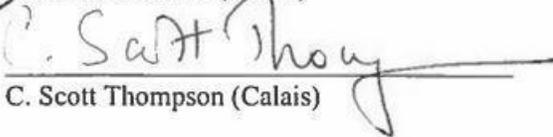
  
Mary Ormsby, Clerk

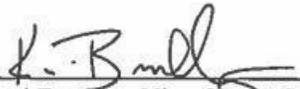
SCHOOL DIRECTORS

  
Adrienne Magida, Chair (Middlesex)

  
Carl Witke, Clerk (Worcester)

  
Jonathan Goddard (Berlin)

  
C. Scott Thompson (Calais)

  
Kari Bradley, Vice Chair (East Montpelier)

  
Karen Bradley, (East Montpelier)

  
George Gross (Berlin)

## U-32 SCHOOL DISTRICT SALARY & BENEFIT PROJECTION

**U-32 School District  
Salary & Benefit Projection  
As of October 24, 2018**

**Benefits include the cost of: Health Insurance, Retirement, Section 125 Plan, Social Security/ Medicare, Dental Insurance, Disability Insurance, Workers Compensation Insurance and Unemployment Insurance.**

	<b><u>Projected Salaries</u></b>	<b><u>Total Salary &amp; Benefits</u></b>
Abair Jill	\$53,526	\$77,916
Abbiati Judy	\$68,642	\$82,425
Albee Brian	\$57,494	\$66,907
Allison Megan	\$59,819	\$68,941
Arsenault Peter	\$59,755	\$85,971
Bazis David	\$66,708	\$92,263
Bennett Eric	\$49,348	\$76,330
Bird Alden	\$61,422	\$74,843
Blackburn Christopher	\$70,392	\$96,272
Blakely Xiomara	\$37,166	\$62,341
Boulanger Chantal	\$37,918	\$63,204
Bove Mary	\$58,133	\$71,264
Brophy Abigail	\$45,331	\$55,025
Brown Mark	\$57,994	\$84,079
Butts Molly	\$53,526	\$67,550
Buttura Holly	\$39,742	\$51,248
Carpenter Kelly	\$22,882	\$33,720
Chaloux Sandra	\$57,494	\$66,963
Chaplin Mark	\$72,383	\$93,467
Chartrand Kristine	\$53,526	\$77,916
Christiana Kendra	\$49,232	\$73,243
Clark-Warner Heather	\$29,326	\$52,820
Cook George	\$72,248	\$83,020
Cook Vicki	\$26,296	\$38,192
Cooke Ellen	\$68,642	\$82,701
Crossett Paula	\$57,494	\$82,235
Crosson-Stewart Mary	\$52,074	\$72,443
Cruikshank Donald	\$23,750	\$40,538
Dalmasse Denise	\$28,253	\$30,602
David Beatrice	\$57,494	\$70,498
Davis David	\$58,133	\$68,958
Davis Elizabeth	\$22,815	\$30,589
Decker Anne	\$69,468	\$79,994
Deiss William	\$41,414	\$55,554
Desch Marguerite	\$70,633	\$84,868
Devries Aanika	\$74,867	\$96,170
Divelbliss Brian	\$76,447	\$87,589

**U-32 School District  
Salary & Benefit Projection  
As of October 24, 2018**

**Benefits include the cost of: Health Insurance, Retirement, Section 125 Plan, Social Security/ Medicare, Dental Insurance, Disability Insurance, Workers Compensation Insurance and Unemployment Insurance.**

	<b><u>Projected Salaries</u></b>	<b><u>Total Salary &amp; Benefits</u></b>
Duquette Samantha	\$20,311	\$31,319
Dunn Colleen	\$70,633	\$82,563
Dunn William	\$64,182	\$84,541
Duprey Jenniffer	\$92,913	\$116,011
Dy Krista	\$64,182	\$84,541
Emerson Jody	\$92,913	\$116,011
Emery Paula	\$53,366	\$64,861
Falby Meaghan	\$66,708	\$92,262
Fair Patricia	\$35,470	\$48,728
Fisher Brian	\$62,131	\$91,309
Fitch Christine	\$49,232	\$59,271
Fitch Lesley	\$55,778	\$78,742
Fournier Dennis	\$52,701	\$68,514
French Adam	\$75,616	\$90,291
Gadapee Bonnie	\$66,708	\$87,291
Galligan-Baldwin Erin	\$45,995	\$63,253
Garand Laura	\$25,184	\$43,610
George Christiana	\$23,750	\$46,935
Gilman Tina	\$24,280	\$35,877
Girouard Matthew	\$42,858	\$55,939
Gonzalez Zachary	\$55,510	\$69,709
Gora Peter	\$28,374	\$40,578
Grace Caroline	\$72,383	\$83,166
Green Geoffrey	\$42,858	\$55,939
Grow Roger	\$53,412	\$77,792
Guiffre Catherine	\$66,708	\$92,262
Hannigan David	\$60,683	\$84,374
Healy Brianne	\$52,074	\$71,364
Heintz Benjamin	\$68,881	\$94,682
Hilferty John	\$66,708	\$92,262
Hill MaryEllen	\$27,545	\$46,321
Hoermann Tammy	\$30,281	\$39,162
Holquist Nicholas	\$66,708	\$76,990
Ingersoll Jennifer	\$59,973	\$79,961
Jarvis Lucas	\$20,128	\$22,252
Jones Barrett Nicholas	\$66,708	\$87,291
Junkins Drew	\$46,646	\$60,062
Keese Cairsten	\$55,020	\$74,570
Keys Margaret	\$66,708	\$92,192
Kiefer Julie	\$77,227	\$98,739

**U-32 School District  
Salary & Benefit Projection  
As of October 24, 2018**

**Benefits include the cost of: Health Insurance, Retirement, Section 125 Plan, Social Security/ Medicare, Dental Insurance, Disability Insurance, Workers Compensation Insurance and Unemployment Insurance.**

	<b><u>Projected Salaries</u></b>	<b><u>Total Salary &amp; Benefits</u></b>
Koenigbauer Amy	\$59,755	\$73,029
Lakey John	\$46,249	\$67,799
Lakey Sam	\$40,236	\$46,826
Lang Roderick	\$23,660	\$41,860
LaPlante Lisa	\$98,666	\$122,272
Leiberman Karen	\$30,711	\$35,494
Lewton Sherry	\$40,331	\$48,355
Lovitz Nathan	\$50,714	\$64,489
Lucchina Sarah	\$21,085	\$30,943
Lynch Brennan	\$45,380	\$55,078
Magoon Heather	\$32,832	\$52,393
Marks Elizabeth	\$45,380	\$58,684
Martin Christiana	\$47,896	\$68,117
Martin Tracy	\$47,418	\$69,142
McGinnis Devan	\$34,348	\$47,439
McKellar Kimberly	\$32,977	\$39,160
McMahon William	\$37,918	\$51,538
McNaulty William	\$39,442	\$53,288
Molina Amanda	\$89,860	\$118,079
Monti Amanda	\$23,750	\$40,538
Mooney Erin	\$73,930	\$100,122
Orellana Riena	\$33,659	\$53,342
Pagel Heather	\$49,183	\$76,140
Papineau Amy	\$28,488	\$36,836
Pate Stephen	\$118,518	\$143,753
Placey Rhenee	\$29,290	\$39,860
Powelson David	\$53,412	\$67,426
Rackliff Matthew	\$27,170	\$39,196
Randall Nanci	\$30,091	\$42,550
Richardson Barbara	\$19,719	\$37,334
Richardson Mindi	\$20,470	\$30,274
Rimmer Paula	\$24,698	\$34,875
Roberts Caitlin	\$40,706	\$54,739
Rosenberg Kara	\$59,883	\$69,424
Roy Georgia	\$50,606	\$63,072
Scarzello Dylan	\$66,264	\$91,779
Schaeffer Nicolle	\$63,203	\$73,176

**U-32 School District  
Salary & Benefit Projection  
As of October 24, 2018**

**Benefits include the cost of: Health Insurance, Retirement, Section 125 Plan, Social Security/ Medicare, Dental Insurance, Disability Insurance, Workers Compensation Insurance and Unemployment Insurance.**

	<b><u>Projected Salaries</u></b>	<b><u>Total Salary &amp; Benefits</u></b>
Sheeler Stephen	\$56,615	\$81,278
Slade Jodie	\$22,815	\$45,861
St. Peter Hollis	\$60,487	\$70,220
Staley Katherine	\$42,858	\$54,501
Stevens Debra	\$24,211	\$42,492
Towne Stephen	\$66,708	\$92,262
Ushakov Steven	\$46,646	\$56,401
VanDeren Lauren	\$46,207	\$61,058
Van Orman Henry III	\$67,432	\$97,096
Verchereau Suzanne	\$44,788	\$58,875
Volinsky Sarah	\$70,633	\$81,262
Wade-Keeney Adrian	\$52,018	\$75,653
Walker Jessica	\$58,133	\$84,230
Walker Katherine	\$44,130	\$50,460
Weinstein Robert	\$47,168	\$73,826
Wiese Kathy	\$72,383	\$93,467
Williams Christopher	\$68,642	\$94,367
Willis James	\$27,823	\$45,184
Wilson Carolyn	\$68,642	\$94,367
Wysolmeski Erin	\$49,391	\$63,049
	<b>\$6,774,330</b>	<b>\$9,017,495</b>

# WCSU SUPERINTENDENT'S OFFICE REPORT

## WASHINGTON CENTRAL SUPERVISORY UNION

Superintendent's Office  
Report January 18, 2019

I am pleased to have this opportunity to report on the educational and financial status of Washington Central Supervisory Union (WCSU). WCSU is comprised of Berlin, Calais, Doty, East Montpelier, and Rumney Elementary Schools, as well as U-32 Middle and High School.

As a supervisory union, our mission is:

*Washington Central Supervisory Union exists to nurture and inspire in all students the passion, creativity, and power to contribute to their local and global communities.*

We do this by providing quality educational opportunities for the 1,500 students we serve in PreK through graduation and ensuring that we are preparing our students for their future. To meet these goals, we remain focused on: improving curriculum, instruction, assessment, and professional development; providing high-quality early education programs and special education services; providing transportation services; grant, and construction management; improving technology and financial services to our member schools; and recruiting and retaining high caliber staff. Below I have highlighted some of our work and accomplishments over the past year.

### **Governance Changes Due to Act 46**

In June of 2015, Governor Peter Shumlin signed into law Act 46, which required school districts to examine their governance structures to meet five goals of increased equity of educational opportunities, support students in meeting the Education Quality Standards, maximize operational efficiencies, promote transparency and deliver education at a cost the parents, taxpayers and voters can afford. Since the summer of 2015, the boards in Washington Central have been discussing the direction for the supervisory union and how they will comply with Act 46.

During the winter of 2018, the boards elected to submit an alternative governance proposal for the consolidation of our governance system which would keep our six local boards intact. The Vermont State Board of Education reviewed our proposal and ultimately determined, on November 28, 2018, that the six boards in Washington Central will unify into one board. This new entity will be known as the *Washington Central Unified Union School District (WCUUSD)*. During December, four of our boards chose to be party to a lawsuit that is appealing this ruling from the Board of Education.

As of the writing of this report, we are currently under the direction of the state board to move forward with a merged governance system that will take effect on July 1, 2019. This governance change will modify our election process for board members and budgets. Our current local school boards are responsible for the operations of our six schools until June 30, 2019; therefore, we need to keep the local boards constituted until December 31, 2019. To keep our local boards operational we will need to elect all open seats at Town Meeting this year (Please see the warning in this town report). Due to the state board's ruling, there will *not* be any budget vote at Town Meeting this year for either a local school budget or a WCUUSD budget.

In the state ruling of November 28, 2018, the Board of Education gave Washington Central

default articles of agreement that require the creation of a transitional board. This transitional board has the responsibility to recommend a proposed budget to the newly merged board and publish how town members may run for the WCUUSD board, which will be made up of two representatives from each town.

### *Timeline*

As of the publishing of this report, our critical dates are listed below. Please note that the district organizational meeting will be held in a Town Meeting style election; the floor will determine if our elections for board members and all other items will be done via an Australian ballot or in a district meeting. Please note that all dates in this report, besides the district meeting date, are being recommended to the boards by the superintendent and only the boards have authority to set these dates.

- February 19, 2019 – District Organizational Meeting
- April 2, 2019 – *Possible* elections for WCUUSD board membership
- May 7, 2019 – *Possible* WCUUSD budget vote

To keep up with the latest developments in the change of governance for our supervisory union, please either check out the Washington Central Act 46 website, contact a Washington Central school board member or e-mail [act46@u32.org](mailto:act46@u32.org).

### **Contents in this School Report**

Due to the state board ruling for the change in governance for Washington Central and postponement of our budget vote, this report will focus on the activities of the schools for this current year and the previous school year. You will see information on the audit of the fiscal year 2018, reports from the school board, principal and superintendent, list of staff and other current information. Once timelines are finalized, we will be providing information regarding the proposed budget and tax impact as we get closer to the budget vote for the fiscal year 2020.

### **Board Goals, Student Learning Outcomes, and Implementation Plan**

As many of you know, in May of 2016, the boards created the WCSU Mission and Student Learning Outcomes (SLO) to define what we wanted all children to know and be able to do when they receive a U- 32 diploma. The Washington Central Full Board tasked the Leadership Team of the supervisory union to develop an Implementation Plan to support each student in obtaining all the Student Learning Outcomes. The Leadership Team's Theory of Action for this plan is:

*If we provide high-quality instruction and interventions that are responsive to learners' needs and interests, based on clear learning targets, and measured by a comprehensive and balanced assessment system, then we will close achievement gaps and ensure that all students achieve proficiency in our WCSU Student Learning Outcomes.*

This past October, the six boards of Washington Central used their unified mission and Student Learning Outcomes (SLO) for our PreK – 12 school system to set a baseline for student performance in a Student Monitoring Report. We are starting to see some improvement in student achievement in some schools and grade levels that are focusing on providing a multi-tier system of supports for students. In these grade levels and classes we are seeing a closing of the achievement gap between students at risk and the overall population of children which is both exciting and motivating. The board has asked us to ensure that all students are meeting our SLO's.

## **Curriculum, Instruction, Assessment and Professional Development**

Jen Miller-Arsenault, Director of Curriculum, Instruction, and Assessment, oversees curriculum, instruction, assessment, and professional development for our school system. Ms. Miller-Arsenault works with administrators and teachers throughout our schools to review student assessment results, provide ongoing professional development opportunities to improve teaching and learning, and coordinate curriculum development PreK-Graduation. This work is mainly robust as we continue our transition to a proficiency-based learning system.

Vermont's new Education Quality Standards went into effect in 2014. They call for all students to graduate under a proficiency-based system starting with this year's eleventh graders. Local school boards determine the proficiency-based graduation requirements. Our school boards responded by adopting our WCSU Student Learning Outcomes in May 2016. All of the work that Ms. Miller-Arsenault facilitates regarding the five components of a proficiency-based system--curriculum, instruction, assessment, scoring, and reporting--is aligned to our Student Learning Outcomes and is a reflection of our community's values. Our Student Learning Outcomes are aligned to state and national standards as well.

As mentioned last year, our teachers play an integral role in articulating our expectations for students. In so doing, they ensure that the expectations for students progress coherently from one grade level or grade level cluster to the next. This year we have focused primarily on our reporting practices and our communication in an effort to ensure that both students and families are clear about our expectations for students and get feedback about their current performance and next steps in learning. We also continuously examine our practices in instruction and assessment in service to our students.

### **Early Education Programs**

Helping our youngest learners to be ready for kindergarten is an essential step in assuring school success. Each of our five WCSU elementary schools has a pre-kindergarten program that serves three- and four-year-olds from their towns for 10 hours per week. All of the programs have met high STARS quality scores. WCSU currently serves 105 students in our pre-kindergarten programs. These programs are funded by a combination of funds from the local school budget and state supports.

Additionally, we are fully implementing Act 166, Vermont's universal pre-kindergarten law. Act 166 is designed to provide access to high-quality pre-kindergarten for all students. Across our five towns, 41 students are enrolled in 16 private, pre-qualified programs.

WCSU continues to provide programs and supports for our pre-kindergarten children with disabilities. We also partner with organizations that support children from birth to three years who have disabilities in order to ensure a smooth transition to our school system. This year we have experienced a significant increase in the number of PreK students eligible for services.

### **Special Services**

Kelly Bushey continues as our Director of Special Services, working closely with administrators and case managers to oversee the continuum of services and supports for approximately 260 students (up from 230 last year due in part to an influx of eligible PreK students) with disabilities ages birth to 22, assuring compliance with state and federal laws. This work includes managing contracted services and oversight of state placed students, as well as out of district placements.

Throughout the current school year, Ms. Bushey has been leading the work related to Trauma Informed Practices across all of our schools. From securing grant funding, leading professional development opportunities, coordinating with outside agency partners in providing professional development, to supporting teams of professionals around specific students, Ms. Bushey has been a champion in this work. The behavior data across our schools is starting to show the change and growth in our capacity to support all students in the general education classroom.

As mentioned in last year's town report, Ms. Bushey has been working with outside agency partners to improve on the ways to provide supports and services to students and families across our system. The alternative program that was in the creation stages last year at this time is now well underway. We are serving a few more students in the program than we had initially planned to in year one. The students in the program have given it the name of Zenith. Students are attending to academics each morning and therapeutic supports in the afternoon. We have been working to transition students from outside placements back to the U-32 campus, as well as meet the needs of students that would have otherwise needed to be placed in an alternative setting. There are also students that are already participating in classes in the U-32 building. The program continues to be a work in progress and Ms. Bushey meets with the staff of the program on a weekly basis - monitoring student progress and providing oversight to the financial aspect of the program.

This is the first year that we have a "POD" contract with Washington County Mental Health. This contract includes eight Behavior Interventionists, a Board Certified Behavior Analyst (BCBA) and a Case Manager. This partnership is showing to be incredibly supportive to our schools, students, and families.

As we move into the next school year, Ms. Bushey will be working with the Vermont Council of Special Education Administrators and the Vermont Agency of Education to support our transition to the new special education funding law (Act 173). Beginning in FY20, the way in which the state provides funding to school districts for special education services is changing from a reimbursement model to a block grant. This will allow for more flexibility in meeting the needs of all children. Ms. Bushey will be focusing her learning on this throughout the coming months to support the supervisory union in making this change.

### **Technology**

Keith MacMartin joined the Technology Department as the new Technology Coordinator in October. The Technology Department is focusing on security and improving the efficiency of IT operations, in order to have more time to provide services to students and staff. Our student information system, Infinite Campus (IC), was moved from an on premise installation to a hosted installation, providing additional security and a dedicated support team. Progress has been made on our E-911 compliance, and we are anticipating compliance at all schools by early March. We continue to support our Google environment and the one-to-one Chromebook initiative, providing a device for all students in grades 3 through 12. This integrated environment, along with other software, allows us to serve the needs of student learning through the integration of technology in the classroom.

### **Fiscal Services**

Lori Bibeau, the Business Administrator, manages and oversees all WCSU fiscal and business operations. Last year, the total funds processed through WCSU, including school budgets, grants,

food programs, capital improvement funds and construction projects, totaled \$40.4 million. As required by law, each year WCSU conducts an outside audit of all schools, central office, and fiscal operations. Annually, we receive accolades for our outstanding fiscal operations with either no or only minor audit findings.

For the past several years, most of our budgets have shown modest level or below level increases. In developing budgets for FY20, each school board looked carefully at their per-pupil costs, reduced some staffing and found other areas where they could cut costs while continuing to meet the needs of our students. WCSU continues to look at ways to enhance efficiencies across the supervisory union and to collaborate with neighboring schools.

### **High-Quality Staff and Parent and Community Involvement**

Credit for the many accomplishments of our supervisory union goes to the efforts and commitment of our outstanding professional and support staff, as well as to our Leadership Team.

Parent and community involvement is vital to quality schools and school improvement. I ask each of you to be involved in supporting the education systems in all of our five towns. Our schools are fortunate to have so many parents, community and board members involved in the education of our students. On behalf of the students and staff, I wish to thank you for the continued support of our schools and students.

Respectfully submitted,  
William Kimball  
Superintendent of Schools

SUMMARY REPORT OF THE FINANCIAL CONDITION OF WCSU  
**SUMMARY REPORT OF THE FINANCIAL CONDITION OF  
THE WASHINGTON CENTRAL SUPERVISORY UNION**

Submitted to the board for the school districts of Berlin, Calais, East Montpelier, Middlesex, Worcester and U-32.

On behalf of the Board of Directors of the Washington Central Supervisory Union, I hereby submit the following summary report of the financial operations of the supervisory union.

For the year ending June 30, 2018, the Washington Central Supervisory Union operated on approved general fund and special education budgets totaling \$8,452,586. The supervisory union ended fiscal year 2018 with a \$594,483 reserved fund balance. This fund balance is reserved as follows: \$304,489 operations, \$0 special education, \$205,985 office equipment and technology, \$78,453 building capital fund and \$5,556 administrative fiscal agent fees.

For fiscal year 2019, the supervisory union budgets total \$8,914,555 and it is anticipated that the year will end in balance.

For fiscal year 2020, it is anticipated that the supervisory union budgets will total \$9,287,455 which consists of \$2,187,241 for operations and \$7,100,214 for special education and transportation services.

William Kimball  
Superintendent of Schools

**ATTENTION RESIDENTS OF BERLIN, CALAIS, EAST MONTPELIER, MIDDLESEX AND WORCESTER**

Washington Central Supervisory Union (WCSU) offers special education services to eligible children three through twenty-one and early intervention for children birth to age three.

Eligible students with disabilities are entitled to receive a free, appropriate, public education.

WCSU may not be aware of all resident children and youth with a disability. If you know of a child who has a disability and is not in school, homeless, attending an independent school, enrolled in home study or not otherwise being educated at public expense, please notify us by contacting your local school principal or by calling or writing:

Kelly Bushey  
Director of Special Services  
Washington Central Supervisory Union  
1130 Gallison Hill Road  
Montpelier, VT 05602  
802-229-0553 X 303

# WCSU BUDGET SUMMARY

## Washington Central Supervisory Union Budget Summary

## Final SU Board

	FY 2018 Actual	FY 2019 Budget	FY 2019 Projected	FY 2020 Budget	Increase (Decrease)
<b>Revenues:</b>					
SU Assessments	\$1,846,005	\$1,996,456	\$1,996,455	\$2,010,674	\$14,218
Earnings on Investments	\$13,672	\$7,600	\$7,600	\$12,600	\$5,000
Shared SU Services & Miscellaneous Income	\$125,664	\$62,711	\$140,771	\$150,439	\$87,728
SPED Reimbursements & SU Assessments	\$4,045,255	\$4,337,859	\$4,681,273	\$4,802,602	\$464,743
State Reimbursements-State Placed, 504 & Case Mgmt	\$833,257	\$1,105,100	\$762,244	\$859,957	-\$245,143
Student Transportation Svcs-Reimbursement & Assess	\$1,364,700	\$1,404,829	\$1,489,594	\$1,451,183	\$46,354
<b>Subtotal</b>	<b>\$8,228,553</b>	<b>\$8,914,555</b>	<b>\$9,077,937</b>	<b>\$9,287,455</b>	<b>\$372,900</b>

Fund Balance Usage	\$0	\$0	\$0	\$0	\$0
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<b>Total Revenues</b>	<b>\$8,243,553</b>	<b>\$8,914,555</b>	<b>\$9,077,937</b>	<b>\$9,287,455</b>	<b>\$372,900</b>
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**Expenditures:**

Instruct Curriculum Services	\$125,217	\$218,924	\$287,875	\$253,501	\$34,577
Technology Services	\$592,798	\$690,000	\$690,000	\$667,552	-\$22,448
Superintendent's Office & Board Services	\$563,711	\$536,354	\$566,972	\$554,698	\$18,344
Preschool Administration	\$0	\$0	\$0	\$0	\$0
Fiscal Services	\$478,078	\$465,256	\$529,816	\$541,583	\$76,327
Operation and Maint Plant	\$20,865	\$24,760	\$24,758	\$24,907	\$147
Debt Service	\$0	\$0	\$0	\$0	\$0
Fund Transfers-Capital, Building & Financial Software	\$138,350	\$145,000	\$145,000	\$145,000	\$0
Instructional Svcs-State Placed Students & Case Mgmt.	\$778,472	\$1,105,100	\$807,801	\$859,957	-\$245,143
Special Education Summer Program & Eval Team	\$238,377	\$330,157	\$269,717	\$288,957	-\$41,200
Special Area Admin. Services	\$191,807	\$204,692	\$204,798	\$210,957	\$6,265
School SPED Programs-(No Paraeducators)	\$3,638,733	\$3,789,482	\$4,157,125	\$4,289,160	\$499,678
Student Transportation Services	\$1,370,674	\$1,404,830	\$1,404,830	\$1,451,183	\$46,353

<b>Total Expenditures</b>	<b>\$8,137,082</b>	<b>\$8,914,555</b>	<b>\$9,088,692</b>	<b>\$9,287,455</b>	<b>\$372,900</b>
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<b>Fund Balance Increase (Decrease)</b>	<b>\$106,471</b>	<b>\$0</b>	<b>-\$10,755</b>	<b>\$0</b>	<b>\$0</b>
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## WCSU CENTRAL OFFICE BUDGET & BERLIN ELEMENTARY SCHOOL SHARE

The Central Office budget is paid for by all the member schools, and appears in each school's budget. Each school's share is determined by its equalized pupils. Using the equalized pupils, the allocation for Berlin Elementary School is 13.1% for FY2019-2020. The total assessment for Berlin Elementary is \$636,501 which is an increase of \$6,894 over 2018-2019. The increase of \$6,894 represents a 0.20% increase to the Berlin budget. The full budget detail is available from the WCSU Central Office.

### **Summary of Services Received From WCSU Central Office:**

**Function & Services (not an exclusive list):** Berlin share is \$264,080

**Administration Services-** SU leadership, planning & coordination; background checks; contract administration; legal issues; legislation; school quality standards; SU calendar; oversight of teacher and principal evaluation; new required accounting & software standards.

**Curriculum Services-** Curriculum planning, implementing and evaluating; technology integration; state and local assessments planning and results reporting; job-embedded professional development across the SU; grant writing.

**Technology Services-** Technology planning; supervision of tech staff; network administration and support; SU wide purchases; system development and implementation; and integration of technology into SU operations are included in this total.

**Fiscal Services-** Budget development for all schools; monthly financial reports; accounts payable, purchase orders; payroll and benefits; SU wide bidding; investments and loans; bus contract; oversight of audits, food services, Community Connections and all grants.

**Student Special Services -** Oversight, planning, implementation, tracking and funding of all students with disabilities PreK-12 plus homeschoolers, private school students and homeless students, special education summer programs and evaluation team are included in this total.

**Preschool Administration-** Planning, coordination and implementation of the preschool program, systems, practices and support for all schools; preparation for accreditation.

**Special Education** – All Special Education costs are included in the WCSU Budget (except paraeducators.) Berlin share is \$244,834

**Student Transportation** –All student transportation costs to/from school are included in the WCSU budget. Berlin share is \$127,587

## WCSU SALARY & BENEFIT PROJECTION

**Washington Central Supervisory Union**

**Salary & Benefit Projection**

**As of October 26, 2018**

**Benefits include the cost of: Health Insurance, Retirement, Section 125 Plan, Social Security/Medicare, Dental Insurance, Disability Insurance, Workers Compensation Insurance and Unemployment Insurance.**

	<b>Projected Salaries</b>	<b>Total Salary &amp; Benefits</b>	
Accles Amy	\$60,642	\$70,388	1
Bates Renee	\$51,364	\$78,673	1
Bibeau Lori	\$121,413	\$154,612	1
Blondin Patricia	\$9,594	\$17,843	1
Bohn Jamie	\$53,469	\$63,882	1
Breer Virginia	\$62,222	\$91,113	1
Brett Michelle	\$50,031	\$57,760	0.75
Brigitte Kalat	\$71,005	\$96,939	1
Bushey Kelly	\$102,794	\$127,064	1
Carter Anne	\$28,253	\$30,623	0.4
Carter Robert	\$54,411	\$66,871	1
Caswell Jane	\$35,317	\$40,510	0.5
Credeen Mary	\$33,354	\$39,032	0.5
Dawkins Margaret	\$70,633	\$96,534	1
Deiss William	\$41,414	\$54,904	0.5
Dentith Susan	\$70,633	\$84,868	1
Dorsey Ellen	\$49,138	\$65,184	0.8
Easterbrooks Brian	\$37,260	\$50,782	1
Flynn Brian	\$56,494	\$77,474	1
Gauthier Emily	\$46,645	\$61,626	1
Gilstad Ashley	\$44,063	\$64,704	0.8
Griggs Janine	\$46,646	\$60,062	1
Hall Sally	\$60,761	\$89,436	1
Hernandez Rachel	\$44,054	\$57,241	1
Hodgson Lisa	\$44,054	\$53,635	1
Holden Kerra	\$84,001	\$116,744	1
Howe Dana	\$21,670	\$23,488	0.42
Johnson Jessica	\$49,180	\$67,856	1
Kimball William	\$127,036	\$143,047	1
Kittredge Matthew	\$49,694	\$65,061	1
Ksepka Michelle	\$60,343	\$88,956	1
MacMartin Keith	\$67,586	\$87,753	1
Mankoff Joanne	\$70,633	\$98,979	1

1/14/2019

**Washington Central Supervisory Union  
Salary & Benefit Projection  
As of October 26, 2018**

**Benefits include the cost of: Health Insurance, Retirement, Section 125 Plan, Social Security/Medicare, Dental Insurance, Disability Insurance, Workers Compensation Insurance and Unemployment Insurance.**

	<b>Projected Salaries</b>	<b>Total Salary &amp; Benefits</b>	
Marineau Craig	\$62,150	\$75,826	1
Mayette Sue Anne	\$70,633	\$91,562	1
Meachum Michelle	\$4,750	\$7,043	0.2
Melkonian Lauren	\$49,232	\$73,243	1
Messier Carla	\$50,112	\$72,235	1
Metivier Krista	\$49,945	\$77,015	1
McLeod Sarah	\$58,000	\$87,510	1
McGlynn Margrith	\$68,642	\$79,095	1
McLane Megan	\$56,380	\$69,119	1
Miller-Arsenault Jennifer	\$104,794	\$118,846	1
Morse Amanda	\$56,824	\$71,639	1
Nathanson Theodore	\$55,020	\$74,570	1
Newberry Holly	\$70,633	\$101,001	0.9
Nicholas-Fleming James	\$70,633	\$96,534	1
O'Brien Michael	\$59,210	\$72,382	1
Ognibene Susan	\$53,412	\$79,092	1
Paris Maria	\$68,642	\$82,701	1
Pauley William	\$58,133	\$77,958	1
Perry Brittany	\$75,435	\$86,453	1
Paterson Sheila	\$68,642	\$94,367	1
Powers Bess	\$68,643	\$97,780	1
Pryce Susan	\$57,494	\$70,568	1
Rhodes Sonya	\$34,321	\$47,219	0.5
Richardson Sarah	\$66,850	\$80,745	1
Sanville Penny	\$28,988	\$41,284	1
Smart Stephanie	\$55,636	\$68,278	1
Taffel Patricia	\$28,253	\$30,623	0.4
Toffel-Murray Michele	\$34,321	\$39,306	0.5
Vanderlip Elizabeth	\$68,642	\$94,367	1
Wilbur Rebecca	\$31,524	\$55,861	1
Wolf Sara	\$38,808	\$48,953	1
	<b>\$3,600,509</b>	<b>\$4,706,819</b>	

**Note: This information is not comparable from year to year as several positions listed above are paid by grants and other funding sources. These funding sources vary in amount on an annual basis.**

1/14/2019

BERLIN SCHOOL DISTRICT FINANCIAL STATEMENTS

Audited Financial Statements and  
Other Financial Information

Berlin School District

June 30, 2018



*Proven Expertise and Integrity*

BERLIN SCHOOL DISTRICT

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JUNE 30, 2018

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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Berlin School District  
Montpelier, Vermont

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of Berlin School District as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Berlin School District's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditors' Responsibility

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

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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, business- type activities, each major fund and the aggregate remaining fund information of Berlin School District as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

### Other Matters

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and pension and OPEB information on pages 4 through 10 and 60 through 65 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 Berlin School District's basic financial statements. The Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund Revenues, Schedule of Departmental Operations - General Fund and capital asset schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund Revenues, Schedule of Departmental Operations - General Fund and capital asset schedules are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling

such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund Revenues, Schedule of Departmental Operations - General Fund and capital asset schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 27, 2018, on our consideration of the Berlin School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants 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 Berlin School District's internal control over financial reporting and compliance.

*RHR Smith & Company*

Buxton, Maine  
Vermont Registration No. 092.0000697  
November 27, 2018

**REQUIRED SUPPLEMENTARY INFORMATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2018  
(UNAUDITED)**

The following management's discussion and analysis of the Berlin School District's financial performance provides an overview of the School District's financial activities for the fiscal year ended June 30, 2018. Please read it in conjunction with the School District's financial statements.

**Financial Statement Overview**

The School District's basic financial statements include the following components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes required supplementary information which consists of the general fund budgetary comparison schedule and pension information, and other supplementary information which includes combining and other schedules.

**Basic Financial Statements**

The basic financial statements include financial information in two differing views: the government-wide financial statements and the fund financial statements. These basic financial statements also include the notes to financial statements that explain in more detail certain information in the financial statements and also provide the user with the accounting policies used in the preparation of the financial statements.

**Government-Wide Financial Statements**

The government-wide financial statements provide a broad view of the School District's operations in a manner that is similar to private businesses. These statements provide both short-term as well as long-term information in regards to the School District's financial position. These financial statements are prepared using the accrual basis of accounting. This measurement focus takes into account all revenues and expenses associated with the fiscal year regardless of when cash is received or paid. The government-wide financial statements include the following two statements:

The Statement of Net Position - this statement presents *all* of the government's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference being reported as net position.

The Statement of Activities - this statement presents information that shows how the government's net position changed during the period. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows.

Both of the above mentioned financial statements have separate columns for the two different types of School District activities. The types of activities presented for the School District are:

- *Governmental activities* - The activities in this section are mostly supported by intergovernmental revenues (federal and state grants), support from the town and charges for services. Most of the School District's basic services are reported in governmental activities, which include direct services, support services, fiscal services, operations and maintenance, transportation and program expenses.
- *Business-type activities* - These activities are normally intended to recover all or a significant portion of their costs through user fees and/or charges to external users for goods and/or services. The activity for the School District includes the food service fund.

### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School District, like other local governments uses fund accounting to ensure and demonstrate compliance with financial related legal requirements. All of the funds of the School District can be classified into three categories: governmental funds, proprietary funds and fiduciary funds.

*Governmental funds:* Most of the basic services provided by the School District are financed through governmental funds. Governmental funds are used to account for essentially the same functions reported in governmental activities in the government- wide financial statements. However, unlike the government-wide financial statements, the governmental fund financial statements focus on near-term inflows and outflows of spendable resources. They also focus on the balance of spendable resources available at the end of the fiscal year. Such information will be useful in evaluating the government's near-term financing requirements. This approach is known as the current financial resources measurement focus and the modified accrual basis of accounting. Under this approach, revenues are recorded when cash is received or when susceptible to accrual. Expenditures are recorded when liabilities are incurred and due. These statements provide a detailed short-term view of the School District's finances to assist in determining whether there will be adequate financial resources available to meet the current needs of the School District.

Because the focus of governmental funds is narrower than that of government- wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances

provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. These reconciliations are presented on the page immediately following each governmental fund financial statement.

The School District presents four columns in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances. The School District's major funds are the general fund, the special revenue fund, the capital projects fund and the bond sinking fund. There are no nonmajor funds.

The general fund is the only fund for which the School District legally adopted a budget. The Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund provides a comparison of the original and final budget and the actual expenditures for the current year.

*Proprietary Funds:* The School District maintains one proprietary fund, the food service fund. This fund is used to show activities that operate more like those of commercial enterprises. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Like the government-wide financial statements, proprietary fund financial statements use the accrual basis of accounting. No reconciliation is needed between the government-wide financial statements for business-type activities and the proprietary fund financial statements.

*Fiduciary Funds:* These funds are used to account for resources held for the benefit of parties outside the Berlin School District. These funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the School District's own programs. The accounting used for fiduciary funds are much like that of proprietary funds. They use the accrual basis of accounting.

### **Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and the Fund Financial Statements. The Notes to Financial Statements can be found following the Statement of Net Position - Fiduciary Funds.

### **Required Supplementary Information**

The basic financial statements are followed by a section of required supplementary information, which includes a Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund, a Schedule of Proportionate Share of the Net Pension Liability, a Schedule of Contributions - Pensions, a Schedule of Proportionate Share of the Net OPEB Liability, a Schedule of Contributions - OPEB and Notes to Required Supplementary Information.

### Other Supplementary Information

Other supplementary information follows the required supplementary information. These combining and other schedules provide information in regards to capital asset activity and other detailed budgetary information for the general fund.

### Government-Wide Financial Analysis

Our analysis below focuses on the net position, and changes in net position of the School District's governmental activities. The School District's total net position for governmental activities increased by \$237,911 from \$891,263 to \$1,129,174. For business-type activities, the School District's total net position increased by \$5,685 from \$62,489 to \$68,174.

Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements - increased for governmental activities to a balance of \$298,169 at the end of the fiscal year. For business-type activities, the balance increased to a balance of \$58,835.

**Table 1**  
**Berlin School District**  
**Net Position**  
**June 30,**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	2018	2017	2018	2017
<b>Assets:</b>				
Current Assets	\$ 983,051	\$ 3,088,465	\$ 60,423	\$ 54,289
Capital Assets	<u>3,642,134</u>	<u>1,413,753</u>	<u>9,339</u>	<u>10,279</u>
Total Assets	<u>\$ 4,625,185</u>	<u>\$ 4,502,218</u>	<u>\$ 69,762</u>	<u>\$ 64,568</u>
<b>Liabilities:</b>				
Current Liabilities	\$ 181,609	\$ 183,458	\$ -	\$ -
Long-term Debt Outstanding	<u>3,251,070</u>	<u>3,422,497</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>\$ 3,432,679</u>	<u>\$ 3,605,955</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Deferred Inflows of Resources:</b>				
Deferred Revenues	<u>\$ 2,000</u>	<u>\$ 5,000</u>	<u>\$ 1,588</u>	<u>\$ 2,079</u>
Total Deferred Inflows of Resources	<u>\$ 2,000</u>	<u>\$ 5,000</u>	<u>\$ 1,588</u>	<u>\$ 2,079</u>
<b>Net Position:</b>				
Net Investment in Capital Assets	\$ 235,933	\$ 186,041	\$ 9,339	\$ 10,279
Restricted	656,404	420,050	-	-
Unrestricted	<u>298,169</u>	<u>285,172</u>	<u>58,835</u>	<u>52,210</u>
Total Net Position	<u>\$ 1,190,506</u>	<u>\$ 891,263</u>	<u>\$ 68,174</u>	<u>\$ 62,489</u>

## Revenues and Expenses

Revenues for the School District's governmental activities increased by 10.59%, while total expenses increased by 6.80%. The increase was due to increases in all categories. The increase in expenses was due mainly to increases in on-behalf payments, program expenses and interest on long-term debt, offset by decreases in direct services, support services, fiscal services, operations and maintenance and transportation.

Revenues for the School District's business-type activities increased by 0.05%, while total expenses decreased by 5.64%.

**Table 2**  
**Berlin School**  
**District Changes in**  
**Net Position**  
**For the Years Ended June 30,**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
<b>Revenues</b>				
<i>Program Revenues:</i>				
Charges for services	\$ -	\$ -	\$ 43,648	\$ 36,067
Operating grants and contributions	759,124	420,435	56,468	63,203
<i>General Revenues:</i>				
Grants and contributions not restricted to specific programs	3,406,248	3,404,235	-	-
Miscellaneous	189,475	113,203	3,164	3,958
<b>Total Revenues</b>	<b>4,354,847</b>	<b>3,937,873</b>	<b>103,280</b>	<b>103,228</b>
<b>Expenses</b>				
Direct services	1,974,637	2,297,822	-	-
Support services:			-	-
Student services	164,757	159,293	-	-
Instructional staff services	134,985	225,362	-	-
General administrative services	282,132	64,778	-	-
Area administrative services	274,297	213,063	-	-
Fiscal services	39,194	84,920	-	-
Operations and maintenance	251,710	281,208	-	-
Transportation	90,803	124,195	-	-
On-behalf payments	522,274	143,927	-	-
Program expenses	235,574	230,572	123,871	117,257
Interest on long-term debt	120,297	5,014	-	-
<b>Total Expenses</b>	<b>4,090,660</b>	<b>3,830,154</b>	<b>123,871</b>	<b>117,257</b>
Transfers	(26,276)	(40,000)	26,276	40,000
Change in Net Position	237,911	67,719	5,685	25,971
Net Position - July 1	891,263	823,544	62,489	36,518
Net Position - June 30	\$ 1,129,174	\$ 891,263	\$ 68,174	\$ 62,489

## Financial Analysis of the School District's Fund Statements

*Governmental funds:* The financial reporting focus of the School District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information may be useful in assessing the School District's financial requirements. In particular, unassigned fund balance may serve as a useful measure of a government's financial position at the end of the year, and the net resources available for spending.

**Table 3**  
**Berlin School District**  
**Fund Balances - Governmental Funds**  
**June 30,**

	<b>2018</b>	<b>2017</b>
Major Funds:		
General Fund:		
Unassigned	\$ 303,206	\$ 287,800
Total General Fund	\$ 303,206	\$ 287,800
Capital Projects Fund:		
Restricted	\$ 442,608	\$ 2,581,500
Total Capital Projects Fund	\$ 442,608	\$ 2,581,500
Bond Sinking Fund:		
Restricted	\$ 213,796	\$ 190,214
Total Bond Sinking Fund	\$ 213,796	\$ 190,214

The general fund total fund balance increased by \$15,406 from the prior fiscal year, primarily due to decreased net debt service expenditures. The capital projects fund total fund balance decreased by \$2,138,892 from the prior fiscal year due to the decrease in bond proceeds. The bond sinking fund total fund balance increased by \$23,582 from the prior fiscal year due to interest income.

### Budgetary Highlights

There was no difference between the original and final budget for the general fund.

The general fund actual revenues exceeded budgeted amounts by \$59,453 primarily due to all categories exceeding budgeted amounts with the exception of State/Town support.

The general fund actual expenditures exceeded budgeted amounts by \$44,407 primarily due to all categories being expended over budgeted amounts with the exception of support services, fiscal service, operations and maintenance and debt service - interest.

## Capital Asset and Long-Term Debt Activity

### Capital Assets

As of June 30, 2018, the net book value of capital assets recorded by the School District increased by \$2,166,109. This increase was due to current year capital additions of \$2,281,469 less current year disposals of \$62,325 and current year depreciation expense of \$53,035.

**Table 4**  
**Berlin School District**  
**Capital Assets (Net of Depreciation)**  
**June 30,**

	<u>2018</u>	<u>2017</u>
Construction in progress	\$ 2,656,937	\$ 437,086
Buildings, building improvements and land improvements	764,794	792,506
Infrastructure	83,025	84,791
Furniture and equipment	<u>146,717</u>	<u>109,649</u>
Total	<u>\$ 3,651,473</u>	<u>\$1,424,032</u>

### Debt

Obligations for the School District at June 30, 2018 included \$3,401,845 in bonds and a note outstanding versus \$3,571,038 last year. Other obligations include a capital lease payable and accrued compensated absences. Refer to Note 6 of Notes to Financial Statements for more detailed information.

### Currently Known Facts, Decisions, or Conditions

#### Economic Factors and Next Year's Budgets and Rates

The 2018-2019 budget could be severely impacted by the reduction of funding from the State.

### Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the School District at 1130 Gallison Hill Road, Montpelier, Vermont 05602.

## STATEMENT A

BERLIN SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2018

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 787,131	\$ -	\$ 787,131
Investments	213,063	-	213,063
Due from other governments	35,902	5,974	41,876
Inventory	-	1,404	1,404
Internal balances	(53,045)	53,045	-
Total current assets	<u>983,051</u>	<u>60,423</u>	<u>1,043,474</u>
Noncurrent assets:			
Capital assets:			
Land and other assets not being depreciated	2,656,937	-	2,656,937
Buildings, building improvements and other assets, net of accumulated depreciation	<u>985,197</u>	<u>9,339</u>	<u>994,536</u>
Total noncurrent assets	<u>3,642,134</u>	<u>9,339</u>	<u>3,651,473</u>
<b>TOTAL ASSETS</b>	<u>\$ 4,625,185</u>	<u>\$ 69,762</u>	<u>\$ 4,694,947</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	\$ 13,218	\$ -	\$ 13,218
Due to other governments	8,223	-	8,223
Current portion of long-term obligations	<u>160,168</u>	<u>-</u>	<u>160,168</u>
Total current liabilities	<u>181,609</u>	<u>-</u>	<u>181,609</u>
Noncurrent liabilities:			
Noncurrent portion of long-term obligations:			
Bonds payable	3,197,728	-	3,197,728
Notes payable	52,083	-	52,083
Accrued compensated absences	<u>1,259</u>	<u>-</u>	<u>1,259</u>
Total noncurrent liabilities	<u>3,251,070</u>	<u>-</u>	<u>3,251,070</u>
<b>TOTAL LIABILITIES</b>	<u>3,432,679</u>	<u>-</u>	<u>3,432,679</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred revenue	<u>2,000</u>	<u>1,588</u>	<u>3,588</u>
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>2,000</u>	<u>1,588</u>	<u>3,588</u>
<b>NET POSITION</b>			
Net investment in capital assets	235,933	9,339	245,272
Restricted	656,404	-	656,404
Unrestricted	<u>298,169</u>	<u>58,835</u>	<u>357,004</u>
<b>TOTAL NET POSITION</b>	<u>1,190,506</u>	<u>68,174</u>	<u>1,258,680</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<u>\$ 4,625,185</u>	<u>\$ 69,762</u>	<u>\$ 4,694,947</u>

See accompanying independent auditors' report and notes to financial statements.

STATEMENT B

BERLIN SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2018

Functions/Programs	Program Revenues			Net (Expense) Revenue & Changes in Net Position			
	Expenses	Charges for Services & Contributions	Operating Grants & Contributions	Capital Grants & Contributions	Governmental Activities	Business - type Activities	Total
Governmental activities:							
Direct services	\$ 1,974,637	\$ -	\$ -	\$ -	\$ (1,974,637)	\$ -	\$ (1,974,637)
Support services:							
Student services	164,757	-	-	-	(164,757)	-	(164,757)
Instructional staff services	134,985	-	-	-	(134,985)	-	(134,985)
General administrative services	282,132	-	-	-	(282,132)	-	(282,132)
Area administrative services	274,297	-	-	-	(274,297)	-	(274,297)
Fiscal services	39,194	-	-	-	(39,194)	-	(39,194)
Operations and maintenance	251,710	-	-	-	(251,710)	-	(251,710)
Transportation	90,803	-	-	-	(90,803)	-	(90,803)
Program expenses	235,574	-	236,850	-	1,276	-	1,276
On-behalf payments	522,274	-	522,274	-	-	-	-
Interest on long-term debt	120,297	-	-	-	(120,297)	-	(120,297)
Total governmental activities	4,090,660	-	759,124	-	(3,331,536)	-	(3,331,536)
Business-type activities:							
Food service	123,871	43,648	56,468	-	(23,755)	-	(23,755)
Total business-type activities	123,871	43,648	56,468	-	(23,755)	-	(23,755)
Total government	\$ 4,214,531	\$ 43,648	\$ 815,592	\$ -	(3,331,536)	(23,755)	(3,355,291)

## STATEMENT B (CONTINUED)

BERLIN SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2018

	Governmental Activities	Business-type Activities	Total
Changes in net position:			
Net (expense) revenue	<u>(3,331,536)</u>	<u>(23,755)</u>	<u>(3,355,291)</u>
General revenues:			
Grants and contributions not restricted to specific programs	3,406,248	-	3,406,248
Miscellaneous	189,475	3,164	192,639
Transfers	<u>(26,276)</u>	<u>26,276</u>	<u>-</u>
Total general revenues and transfers	<u>3,569,447</u>	<u>29,440</u>	<u>3,598,887</u>
Change in net position	237,911	5,685	243,596
NET POSITION - JULY 1,	<u>891,263</u>	<u>62,489</u>	<u>953,752</u>
NET POSITION - JUNE 30	<u>\$ 1,129,174</u>	<u>\$ 68,174</u>	<u>\$ 1,197,348</u>

See accompanying independent auditors' report and notes to financial statements.

STATEMENT C

BERLIN SCHOOL DISTRICT

BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2018

	General Fund	Special Revenue Fund	Capital Projects Fund	Bond Sinking Fund	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 479,054	\$ -	\$ 307,344	\$ 733	\$ 787,131
Investments	-	-	-	213,063	213,063
Due from other governments	33,383	2,519	-	-	35,902
Due from other funds	-	-	135,264	-	135,264
<b>TOTAL ASSETS</b>	<b>\$ 512,437</b>	<b>\$ 2,519</b>	<b>\$ 442,608</b>	<b>\$ 213,796</b>	<b>\$ 1,171,360</b>
<b>LIABILITIES</b>					
Accounts payable	\$ 13,218	\$ -	\$ -	\$ -	\$ 13,218
Due to other governments	8,223	-	-	-	8,223
Due to other funds	187,790	519	-	-	188,309
<b>TOTAL LIABILITIES</b>	<b>209,231</b>	<b>519</b>	<b>-</b>	<b>-</b>	<b>209,750</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred revenue	-	2,000	-	-	2,000
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>2,000</b>	<b>-</b>	<b>-</b>	<b>2,000</b>
<b>FUND BALANCES</b>					
Nonspendable	-	-	-	-	-
Restricted	-	-	442,608	213,796	656,404
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	303,206	-	-	-	303,206
<b>TOTAL FUND BALANCES</b>	<b>303,206</b>	<b>-</b>	<b>442,608</b>	<b>213,796</b>	<b>959,610</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 512,437</b>	<b>\$ 2,519</b>	<b>\$ 442,608</b>	<b>\$ 213,796</b>	<b>\$ 1,171,360</b>

See accompanying independent auditors' report and notes to financial statements.

BERLIN SCHOOL DISTRICT  
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
 TO THE STATEMENT OF NET POSITION  
 JUNE 30, 2018

	<u>Total Governmental Funds</u>
Total Fund Balances	\$ 959,610
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, net of accumulated depreciation	3,642,134
Long-term liabilities shown below are not due and payable in the current period and therefore are not reported in the funds shown above:	
Bonds payable	(3,347,602)
Note payable	(54,243)
Capital leases payable	(4,356)
Accrued compensated absences	<u>(5,037)</u>
Net position of governmental activities	<u>\$ 1,190,506</u>

See accompanying independent auditors' report and notes to financial statements.

BERLIN SCHOOL DISTRICT  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2018

	General Fund	Special Revenue Fund	Capital Projects Fund	Bond Sinking Fund	Total Governmental Funds
<b>REVENUES</b>					
Intergovernmental revenues	\$ 3,406,248	\$ 236,850	\$ -	\$ -	\$ 3,643,098
Interest income	49,632	-	1,929	23,582	75,143
On-behalf payments	172,007	-	-	-	172,007
Miscellaneous revenues	54,572	-	42,538	-	97,110
<b>TOTAL REVENUES</b>	<b>3,682,459</b>	<b>236,850</b>	<b>44,467</b>	<b>23,582</b>	<b>3,987,358</b>
<b>EXPENDITURES</b>					
Current:					
Direct services	1,937,767	-	-	-	1,937,767
Support services:					
Student services	164,095	-	-	-	164,095
Instructional staff services	128,077	-	4,306	-	132,383
General administrative services	282,132	-	-	-	282,132
Area administrative services	219,310	-	54,834	-	274,144
Fiscal services	39,194	-	-	-	39,194
Operations and maintenance	247,418	-	-	-	247,418
Transportation	90,803	-	-	-	90,803
On-behalf payments	172,007	-	-	-	172,007
Program expenses	-	235,574	-	-	235,574
Debt service:					
Principal	155,953	-	-	-	155,953
Interest	120,297	-	-	-	120,297
Capital outlay	-	-	2,209,219	-	2,209,219
<b>TOTAL EXPENDITURES</b>	<b>3,557,053</b>	<b>235,574</b>	<b>2,268,359</b>	<b>-</b>	<b>6,060,986</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>125,406</b>	<b>1,276</b>	<b>(2,223,892)</b>	<b>23,582</b>	<b>(2,073,628)</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	85,000	-	85,000
(out)	(110,000)	(1,276)	-	-	(111,276)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(110,000)</b>	<b>(1,276)</b>	<b>85,000</b>	<b>-</b>	<b>(26,276)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>15,406</b>	<b>-</b>	<b>(2,138,892)</b>	<b>23,582</b>	<b>(2,099,904)</b>
<b>FUND BALANCES - JULY 1</b>	<b>287,800</b>	<b>-</b>	<b>2,581,500</b>	<b>190,214</b>	<b>3,059,514</b>
<b>FUND BALANCES - JUNE 30</b>	<b>\$ 303,206</b>	<b>\$ -</b>	<b>\$ 442,608</b>	<b>\$ 213,796</b>	<b>\$ 959,610</b>

See accompanying independent auditors' report and notes to financial statements.

## BERLIN SCHOOL DISTRICT

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
 TO THE STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED JUNE 30, 2018

Net change in fund balances - total governmental funds (Statement D)	<u>\$ (2,099,904)</u>
Amounts reported for governmental activities in the Statement of Activities (Statement B) are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense allocated to those expenditures over the life of the assets:	
Capital asset acquisitions	2,281,469
Capital asset disposals	(993)
Depreciation expense	<u>(52,095)</u>
	<u>2,228,381</u>
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position	<u>173,175</u>
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:	
Accrued compensated absences	<u>(2,409)</u>
Change in net position of governmental activities (Statement B)	<u>\$ 299,243</u>

See accompanying independent auditors' report and notes to financial statements.

## BERLIN SCHOOL DISTRICT

STATEMENT OF NET POSITION – PROPRIETARY FUNDS  
JUNE 30, 2018

	<u>Enterprise Fund</u> <u>Food</u> <u>Service</u>
<b>ASSETS</b>	
Current assets:	
Due from other governments	\$ 5,974
Inventory	1,404
Due from other funds	<u>53,045</u>
Total current assets	60,423
Noncurrent assets: Capital assets:	
Building improvements	24,588
Equipment	33,560
Less: accumulated depreciation	<u>(48,809)</u>
Total noncurrent assets	<u>9,339</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 69,762</u></b>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	\$ -
Total current liabilities	<u>-</u>
<b>TOTAL LIABILITIES</b>	<b><u>-</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred revenue	<u>1,588</u>
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b><u>1,588</u></b>
<b>NET POSITION</b>	
Net investment in capital assets	9,339
Unrestricted	<u>58,835</u>
<b>TOTAL NET POSITION</b>	<b>68,174</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<b><u>\$ 69,762</u></b>

See accompanying independent auditors' report and notes to financial statements.

## BERLIN SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2018

	<u>Enterprise Fund</u>
	<u>Food</u>
	<u>Service</u>
OPERATING REVENUES	
Intergovernmental	\$ 56,468
Charges for services	43,648
Miscellaneous	3,164
TOTAL OPERATING REVENUES	103,280
OPERATING EXPENSES	
Salaries	43,928
Benefits	28,397
Repairs and maintenance	2,709
Supplies and food	47,897
Depreciation	940
TOTAL OPERATING EXPENSES	123,871
OPERATING INCOME (LOSS)	(20,591)
NONOPERATING REVENUES (EXPENSES)	
Transfers in	26,276
Transfers (out)	-
TOTAL NONOPERATING REVENUES (EXPENSES)	26,276
CHANGES IN NET POSITION	5,685
NET POSITION - JULY 1	62,489
NET POSITION - JUNE 30	\$ 68,174

See accompanying independent auditors' report and notes to financial statements.

## BERLIN SCHOOL DISTRICT

STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018

	<u>Enterprise Fund</u>
	Food Service
	<u>                    </u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	\$ 46,811
Intergovernmental receipts	52,679
Internal activity - receipts (payments) from/to other funds	(3,369)
Payments to suppliers	<u>(122,397)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(26,276)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers in (out)	<u>26,276</u>
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>26,276</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	-
CASH AND CASH EQUIVALENTS - JULY 1	<u>-</u>
CASH AND CASH EQUIVALENTS - JUNE 30	<u>\$ -</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:	
Operating income (loss)	\$ (20,591)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation expense	940
Changes in operating assets, liabilities and deferred inflows of resources:	
(Increase) decrease in due from other governments	(3,789)
(Increase) decrease in inventory	1,025
(Increase) decrease in due from other funds	(3,370)
(Decrease) increase in deferred revenue	<u>(491)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (26,276)</u>

See accompanying independent auditors' report and notes to financial statements.

BERLIN SCHOOL DISTRICT  
STATEMENT OF NET POSITION – FIDUCIARY FUNDS  
JUNE 30, 2018

	<u>Agency Funds</u> <u>Student</u> <u>Activities</u>
ASSETS	
Due from other governments	<u>\$ 8,223</u>
TOTAL ASSETS	<u>\$ 8,223</u>
LIABILITIES	
Deposits held for others	<u>\$ 8,223</u>
TOTAL LIABILITIES	<u>\$ 8,223</u>

See accompanying independent auditors' report and notes to financial statements.

BERLIN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Reporting Entity**

Berlin School District was incorporated under the laws in the State of Vermont. The School District operates under the Board of Directors-superintendent form of government and provides the following services: direct services, support services, fiscal services, operations and maintenance, transportation and program expenses.

The School District's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

The School District's combined financial statements include all accounts and all operations of the School District. We have determined that the School District has no component units as described in GASB Statement No. 14 and amended by GASB Statements No. 39 and No. 61.

**Implementation of New Accounting Standards**

Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*." The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 81, "*Irrevocable Split-Interest Agreements*". The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. Split-interest agreements are a type of giving agreement used by donors to provide resources to two or more beneficiaries, including governments. Split-interest agreements can be created through trusts or other legally enforceable agreements with characteristics that are equivalent to split-interest agreements in which a donor transfers resources to an intermediary to hold and administer for the benefit of a government and at least one other beneficiary. Examples of these types of agreements include charitable lead trusts, charitable remainder trusts,

BERLIN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

and life-interests in real estate. As such, this Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 85, “Omnibus 2017.” The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 86, “Certain Debt Extinguishment Issues.” The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. Management has determined the impact of this Statement is not material to the financial statements.

**Government-Wide and Fund Financial Statements**

The School District’s basic financial statements include both government-wide (reporting the School District as a whole) and fund financial statements (reporting the School District’s major funds).

Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The School District’s food service fund is categorized as a business-type activity. All other activities of the School District are categorized as governmental.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are (a) presented on a consolidated basis by column, and (b) are reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The School District’s net position is reported in three parts - net investment in capital assets; restricted net position; and unrestricted net position. The School District first utilizes restricted resources to finance qualifying activities.

BERLIN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The government-wide Statement of Activities reports both the gross and net cost of each of the School District's functions and business-type activities (instruction, administration, etc.) excluding fiduciary activities. The functions are also supported by general government revenues (support from the School District, certain intergovernmental revenues, miscellaneous revenues, etc.). The Statement of Activities reduces gross expenses by related program revenues, operating and capital grants. Program revenues must be directly associated with the function or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. For the most part, the interfund activity has been eliminated from these government-wide financial statements.

The net costs (by function) are normally covered by general revenue (taxes, certain intergovernmental revenues and charges for services, etc.).

The School District does not allocate indirect costs. All costs are charged directly to the corresponding departments.

The government-wide focus is more on the sustainability of the School District as an entity and the change in the School District's net position resulting from the current year's activities.

**Measurement Focus - Basic Financial Statements & Fund Financial Statements**

The financial transactions of the School District are reported in the individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements. The following fund types are used by the School District:

1. Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the School District:

Major Funds:

- a. The General Fund is the general operating fund of the School District. It is used to account for all financial resources except those required to be accounted for in another fund.

BERLIN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- b. The Special Revenue Fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
- c. The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities or equipment.
- d. The Bond Sinking Fund is used to account for or report financial resources that are restricted, committed or assigned to pay debt principal and interest.

2. Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. Operating revenues include charges for services, intergovernmental reimbursements and other miscellaneous fees which are a direct result of the proprietary activity. Non-operating revenues are any revenues which are generated outside of the general proprietary activity, i.e. interest income. The following is a description of the proprietary funds of the School District:

- a. Enterprise Funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) established fees and charges based on a pricing policy designed to recover similar costs.

3. Fiduciary Funds:

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support the School District's programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds. Component units that are fiduciary in nature have been excluded from these financial statements.

The School District's fiduciary funds are presented in the fiduciary fund financial statements by type (agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, etc.) and cannot be

BERLIN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

used to address activities or obligations of the government, these funds are not incorporated into the government-wide financial statements.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, or expenses of either the fund category or the governmental and enterprise combined) for the determination of major funds. The School District has no nonmajor funds.

**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.

1. Accrual

Governmental activities in the government-wide financial statements and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

**Budget**

The School District's policy is to adopt an annual budget for operations. The budget is presented on the modified accrual basis of accounting which is consistent with generally accepted accounting principles.

BERLIN SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In accordance with Governmental Accounting Standards Board Statement No. 24, Accounting and Reporting for Certain Grants and Other Financial Assistance, payments made by the State of Vermont to the Vermont State Retirement System for teachers and certain other school employees are reported as offsetting revenues and expenditures of the general fund.

Revenues per budgetary basis	\$ 3,510,452
Add: On-behalf payments	<u>172,007</u>
Total GAAP basis	<u>\$ 3,682,459</u>
Expenditures per budgetary basis	\$ 3,495,046
Add: On-behalf basis	<u>172,007</u>
Total GAAP basis	<u>\$ 3,667,053</u>

The following procedures are followed in establishing budgetary data reflected in the financial statements:

1. The annual school budget is the planning management tool, which delineates the School District’s educational priorities and programs and forms the basis for voter review and approval of the budget according to applicable State of Vermont education finance laws.
2. The Board budget process includes input from school district administration and staff, educational priorities for the next school year, along with public hearings, which include the Board of Directors and general public.
3. The budget document itself is based upon the most current funding information available along with the projection of current revenues and expenditures for the next year. At the conclusion of the budget process, a final budget is approved by the Board of Directors.

**Deposits and Investments**

The District’s cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

It is the School District’s policy to value investments at fair value. None of the School District’s investments are reported at amortized cost. For purposes of the statement of cash flows, all highly liquid investments with a maturity of three months or less when purchased are considered to be a cash equivalent. The School District Treasurer is authorized by State Statutes to invest all excess funds in the following:

BERLIN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Obligations of the U.S. Government, its agencies and instrumentalities

- Certificates of deposits and other evidences of deposits at banks, savings and loan associations, and credit unions
- Repurchase agreements
- Money market mutual funds

The Berlin School District has no formal investment policy but instead follows the State of Vermont Statutes.

**Receivables**

Receivables include amounts due from governmental agencies and local businesses. All receivables are current and therefore due within one year. Receivables are reported net of an allowance for uncollectible accounts and revenues net of uncollectibles. Allowances are reported when accounts are proven to be uncollectible. Allowances for uncollectible accounts netted with accounts receivable were \$41,876 for the year ended June 30, 2018. The allowance for uncollectible accounts is estimated to be \$0 as of June 30, 2018.

**Inventories**

Inventories consist of expendable supplies held for consumption and are valued at cost which approximate market, using the first-in, first-out (FIFO) method. The costs of inventories are recorded as expenditures when used (consumption method). The food service fund inventory consists of school lunch supplies and food on hand at the end of the year.

**Interfund Receivables and Payables**

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “due to/from other funds.” While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Any residual balances outstanding between governmental activities and business-type activities are reported in the governmental-wide financial statements as “internal balances”.

**Transactions Between Funds**

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of both Governmental and Proprietary Funds.

BERLIN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Capital Assets**

Capital assets purchased or acquired with an original cost of \$1,000 or more for land, \$20,000 or more for buildings and improvements, \$2,500 for furniture and equipment and \$5,000 for vehicles are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the estimated useful lives.

The assets are valued at historical cost when available and estimated historical cost where actual invoices or budgetary data was unavailable. Donated fixed assets are valued at their estimated fair market value on the date received. All retirements have been recorded by eliminating the net carrying values.

Estimated useful lives are as follows:

Buildings	20 - 50 years
Infrastructure	50 - 100 years
Furniture and equipment	3 - 50 years

**Long-term Obligations**

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in government-wide statements. The long-term debt consists of bonds and a note payable, capital leases payable and accrued compensated absences.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary funds is the same in the fund statements as it is in the government-wide statements.

BERLIN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Compensated Absences**

The District's policies regarding vacation and sick time do permit employees to accumulate earned but unused vacation and sick leave. The liability for these compensated absences is recorded as long-term debt in the government-wide financial statements. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources, while the proprietary funds report the liability as it is incurred. As of June 30, 2018, the School District's liability for compensated absences is \$5,037.

**Pensions**

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

**OPEB**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, information about the fiduciary net position of the Vermont State Teachers' Retirement System (VSTRS). Additions to/deductions from the VSTRS OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by VSTRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

**Net Position**

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on its use either through enabling legislations adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or restricted net position.

BERLIN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Fund Balance**

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components - nonspendable, restricted, committed, assigned and unassigned.

**Nonspendable** - This includes amounts that cannot be spent either because they are not in spendable form or because they are legally or contractually required to be maintained intact.

**Restricted** - This includes amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

**Committed** - This includes amounts that can be used only for specific purposes determined by a formal action of the inhabitants of the School District. The inhabitants of the School District through School District meetings are the highest level of decision-making authority of the School District. Commitments may be established, modified, or rescinded only through a School District meeting vote.

**Assigned** - This includes amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The authority for assigning fund balance is expressed by the Board of Directors.

**Unassigned** - This includes all other spendable amounts. The general fund is the only fund that reports a positive unassigned fund balance amount. Other governmental funds besides the general fund can only report a negative unassigned fund balance amount.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the School District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the School District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the School District meeting vote has provided otherwise in its commitment or assignment actions.

BERLIN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Deferred Outflows and Inflows of Resources**

In addition to assets, the statement of financial position and/or balance sheet will at times report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School District currently has no deferred outflows of resources.

In addition to liabilities, the statement of financial position and or balance sheet will at times report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has only one type of item, deferred revenues, which is reported in both the statements of net position and governmental funds balance sheet. All items in this category are deferred and recognized as an inflow of resources in the period that the amounts become available.

**Program Revenues**

Program revenues include all directly related income items applicable to a particular program (charges to customers or applicants for goods, services, or privileges provided, operating or capital grants and contributions, including special assessments).

**Operating/Non-Operating Proprietary Fund Revenues**

Operating revenues consist mainly of direct revenue sources and/or charges for services applicable to that fund's ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**Encumbrance Accounting**

Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, appropriations lapse at fiscal year-end. The School District does not utilize encumbrance accounting for its general fund.

**Use of Estimates**

During the preparation of the School District's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosure of contingent items as of the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results may differ from these estimates.

BERLIN SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2018

NOTE 2 – DEPOSITS AND INVESTMENTS

**Deposits:**

The School District’s investment policies, which follow state statutes, authorize the School District to invest in obligations of the U.S. Treasury, agencies and instrumentalities, other states and Canada, provided such securities are rated within the three highest grades by an approved rating service of the State of Vermont, corporate stocks and bonds within statutory limits, financial institutions, mutual funds and repurchase agreements. These investment policies apply to all School District funds.

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the School District will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. The School District does not have a policy covering custodial credit risk.

At June 30, 2018, the School District’s cash balance of \$787,131 was comprised of bank deposits of \$915,973. Of these bank deposits, \$733 were fully insured by federal depository insurance and consequently were not exposed to custodial credit risk. The remaining balance of \$915,973 as collateralized with securities held by the financial institution in the School District’s name.

<u>Account Type</u>	<u>Bank Balance</u>
Checking accounts	\$ 13,160
Repurchase agreements	902,080
Cash equivalents	<u>733</u>
<b>\$</b>	<b><u>915,973</u></b>

**Investments:**

Custodial credit risk for investments is that, in the event of failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Currently, the School District does not have a policy for custodial credit risk for investments.

BERLIN SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2018

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

At June 30, 2018, the School District had the following investments and maturities:

Investment Type	Fair Value	Not Applicable	Less than	
			1 Year	1 - 5 Years
U.S. agency securities	\$ 50,288	\$ 50,288	\$ -	\$ -
Mutual fund	163,508	163,508	-	-
	<u>\$ 213,796</u>	<u>\$ 213,796</u>	<u>\$ -</u>	<u>\$ -</u>

**Fair Value Hierarchy**

The School District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The School District has the following recurring fair value measurements as June 30, 2018:

	Fair Value Measurements Using			
	June 30, 2018 Total	Quoted Prices in Active Markets for Identical Assets (Level I)	Significant Other Observable Inputs (Level II)	Significant Unobservable Inputs (Level III)
<u>Investments by fair value level</u>				
<u>Debt securities:</u>				
U.S. agency securities	\$ 50,288	\$ -	\$ 50,288	\$ -
Mutual fund	163,508	-	163,508	-
Total debt securities	<u>213,796</u>	<u>-</u>	<u>213,796</u>	<u>-</u>
Total investments by fair value level	<u>213,796</u>	<u>\$ -</u>	<u>\$ 213,796</u>	<u>\$ -</u>
<u>Cash equivalents measured at the net asset value (NAV)</u>				
Money market fund				
Total cash equivalents measured at the NAV	<u>733</u>			
Total investments and cash equivalents measured at fair value	<u>\$ 214,529</u>			

Equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued from publicly reliable sources or using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The School District has no Level 1 or Level 3 investments. The fair value of money market funds that are measured at NAV per share (or its equivalent) is calculated as of June 30, 2018 in a manner consistent with the Financial Accounting Standards Board's measurement principles for investment companies.

BERLIN SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2018

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

Credit risk - Statutes for the State of Vermont authorize the School District to invest in obligations of the U.S. Treasury, agencies and instrumentalities, other states and Canada, provided such securities are rated within the three highest grades by an approved rating service of the State of Vermont, corporate stocks and bonds within statutory limits, financial institutions, mutual funds and repurchase agreements. The School District does not have an investment policy on credit risk. Generally, the School District invests excess funds in savings accounts and various insured certificates of deposit.

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES

Interest rate risk - is the risk that changes in interest rates will adversely affect the fair value of an investment. The School District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from fluctuations in interest rates.

Interfund balances at June 30, 2018 consisted of the following individual fund receivables and payables:

	Receivables (Due from)	Payables (Due to)
General Fund	\$ -	\$ 187,790
Special Revenue Fund	-	519
Capital Projects Fund	135,264	-
Food Service Fund	53,045	-
	\$ 188,309	\$ 188,309

BERLIN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018

NOTE 4 – CAPITAL ASSETS

	Balance 7/1/17	Additions	Disposals	Balance 6/30/18
<u>Governmental activities:</u>				
Non-depreciated assets:				
Construction in progress	\$ 437,086	\$ 2,219,851	\$ -	\$ 2,656,937
	437,086	2,219,851	-	2,656,937
Depreciated assets:				
Buildings	407,744	-	-	407,744
Building improvements	1,077,796	-	-	1,077,796
Infrastructure	88,324	-	-	88,324
Furniture and equipment	249,171	61,618	(62,325)	248,464
	1,823,035	61,618	(62,325)	1,822,328
Less: accumulated depreciation	(846,368)	(52,095)	61,332	(837,131)
	976,667	9,523	(993)	985,197
 Net governmental capital assets	 \$ 1,413,753	 \$ 2,229,374	 \$ (993)	 \$ 3,642,134
 Business-type activities:				
Depreciated assets:				
Building improvements	\$ 24,588	\$ -	\$ -	\$ 24,588
Furniture and equipment	33,560	-	-	33,560
	58,148	-	-	58,148
Less: accumulated depreciation	(47,869)	(940)	-	(48,809)
Net business-type capital assets	\$ 10,279	\$ (940)	\$ -	\$ 9,339
 <u>Current year depreciation:</u>				
Direct services				\$ 34,461
S.S. - students				662
S.S. - staff				2,602
S.S. - area adm				153
Operations & maintenance				14,217
Total governmental activities depreciation				52,095
Food service				940
Total depreciation expense				\$ 53,035

BERLIN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018

NOTE 5 – SHORT-TERM DEBT

Short-term debt activity for the year ended June 30, 2018, was as follows:

	Balance 7/1/17	Additions	Reductions	Balance 6/30/18
Tax/revenue anticipation note	\$ -	\$ 1,420,376	\$ (1,420,376)	\$ -
Totals	<u>\$ -</u>	<u>\$ 1,420,376</u>	<u>\$ (1,420,376)</u>	<u>\$ -</u>

On July 1, 2017, the Berlin School District issued a tax/revenue anticipation note to provide liquidity for governmental operations financed by property taxes. The tax/revenue anticipation note allowed principal draws up to \$1,420,376 at 2.79% interest per annum with a maturity date of June 30, 2018. On June 29, 2018 the tax/revenue anticipation note was paid in full. Interest expense for the note was \$39,194.

NOTE 6 - LONG-TERM DEBT

The following is a summary of changes in the long-term debt for the year ended June 30, 2018:

	Balance, 7/1/17	Additions	Deletions	Balance, 6/30/18	Current Year Portion
Bonds payable	\$ 3,497,476	\$ -	\$ (149,874)	\$ 3,347,602	\$ 149,874
Note payable	73,562	-	(19,319)	54,243	2,160
Capital lease payable	8,338	-	(3,982)	4,356	4,356
Accrued compensated absences	2,628	2,409	-	5,037	3,778
Total	<u>\$ 3,582,004</u>	<u>\$ 2,409</u>	<u>\$ (173,175)</u>	<u>\$ 3,411,238</u>	<u>\$ 160,168</u>

BERLIN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018

NOTE 6 – LONG-TERM DEBT (CONTINUED)

The following is a summary of the bonds and note payable as of June 30, 2018:

Bonds payable:

<p>\$500,000, Merchants Bank Qualified School Construction Bond due in one principal installment of \$500,000 in March of 2027 with interest at 1.00% per annum payable semi-annually through March of 2027. Deposits of \$26,000 remitted annually into a sinking fund through March of 2027. Interest of 1.00% per annum, applied to the sinking fund balance, payable semi-annually into the sinking fund through March of 2027. The sinking fund balance is irrevocably pledged to secure the principal payment of the bond at maturity.</p>	\$ 500,000
<p>\$2,997,476 Merchants Bank bond payable, with principal payments due in annual installments of \$149,874. Interest of 2.99% paid semi-annually. The proceeds from the note were used for school building improvements. The bond matures on December 31, 2036.</p>	<u>2,847,602</u>
<p>Total bonds payable</p>	<u>3,347,602</u>

Note payable:

<p>\$81,340 Vermont Municipal Bond Bank Vermont Environmental Protection Agency Drinking Water State Revolving Fund note payable, due in annual principal, interest and administrative fee installments of \$3,787 through April of 2037. Interest of 1.00% and administrative fees of 2.00% payable annually through September of 2037. In fiscal year 2017, \$25,000 of the principal balance of the loan was forgiven. Proceeds were originally borrowed for a municipal water connection project.</p>	<u>54,243</u>
<p>Total note payable</p>	<u>54,243</u>
<p>Total bonds and note payable</p>	<u>\$ 3,401,845</u>

BERLIN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018

NOTE 6 - LONG-TERM DEBT (CONTINUED)

The following is a summary of outstanding bonds and note principal and interest requirements for the following fiscal years ending June 30:

Year Ending June 30,	Principal	Interest	Total Debt Service
2019	152,033	91,771	243,804
2020	152,098	87,225	239,323
2021	152,165	82,885	235,050
2022	152,234	78,127	230,361
2023	152,304	73,575	225,879
2024-2028	1,262,661	294,676	1,557,337
2029-2033	764,778	160,540	925,318
2034-2038	<u>613,572</u>	<u>45,896</u>	<u>659,468</u>
	<u>\$ 3,401,845</u>	<u>\$ 914,695</u>	<u>\$ 4,316,540</u>

The following is a summary of the capital lease outstanding as of June 30, 2018:

Berlin School District entered into a capital lease with Conway Office Products, LLC for two copiers under a non-cancelable lease agreement dated July 18, 2016. Interest is at 9.44% per annum, with 3 annual payments of principal and interest of \$4,767, and a maturity date of August of 2018.

Future minimum payments, for the years ending June 30, are as follows:

Year Ending June 30:	
2019	<u>\$ 4,767</u>
Total minimum lease payments	4,767
Less amount representing interest	<u>(411)</u>
Present value of future minimum lease payments	<u>\$ 4,356</u>

NOTE 7 - OPERATING LEASE

A summary of the outstanding operating lease payable is as follows:

Berlin School District leases a postage meter from MailFinance, a Neopost USA Company, under a lease agreement dated January 20, 2016. The lease term is for 60 months ending in December of 2020. Monthly payments are \$67.

BERLIN SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2018

NOTE 7 - OPERATING LEASE (CONTINUED)

Future minimum lease payments at June 30, 2018, are as follows:

Year Ending June 30:		
2019	\$	809
2020		809
2021		405
Total lease payments	\$	2,023

NOTE 8 - RESTRICTED FUND BALANCES

At June 30, 2018, the School District had the following restricted fund balances:

Capital project fund	\$	442,608
Bond sinking fund		213,796
	\$	656,404

NOTE 9 - FINANCIAL INFORMATION

The detailed budget to actual report can be found on Schedules 1, A and B.

NOTE 10 - DEFINED BENEFIT PENSION PLANS

VERMONT STATE TEACHERS' RETIREMENT SYSTEM

**Plan Description**

All of the teachers employed by the School District participate in the Vermont State Teachers' Retirement System ("VSTRS"), a cost-sharing multiple-employer defined benefit pension plan with a special funding situation, covering nearly all public day school and nonsectarian private Union teachers and administrators as well as teachers in schools and teacher training institutions within and supported by the State of Vermont that are controlled by the State Board of Education. Membership in the system for those covered classes is a condition of employment. During the year ended June 30, 2017 (the most recent period available), the retirement system consisted of 299 participating employers.

The plan was established effective July 1, 1947, and is governed by *Title 16, V.S.A. Chapter 55*. Subsequent Vermont state legislation, *Act 74*, which became effective on July 1, 2010, contained numerous changes to the plan benefits available to

BERLIN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018

NOTE 10 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

current and future members, as well as a change in access to health care coverage after retirement, resulting from a multi-party agreement to provide sustainability of quality pension and retiree health benefits for Vermont teachers.

The general administration and responsibility for formulating administrative policy and procedures of the retirement System for its members and their beneficiaries is vested in the Board of Trustees consisting of six members. They are the Secretary of Education (ex-officio); the State Treasurer (ex-officio), the Commissioner of Financial Regulation (ex-officio); two members and one alternate elected by active members of the System under rules adopted by the Board; and one retired member and one alternate elected by the board of directors of Association of Retired Teachers of Vermont. The Chair is elected by the Board and acts as executive officer of the Board.

All assets are held in a single trust and are available to pay retirement benefits to all members. Benefits available to each group are based on average final compensation (AFC) and years of creditable service. The Vermont State Agency of Administration issues a publicly available Comprehensive Annual Financial Report (CAFR) that includes financial statements and required supplementary information for the VSTRS. That report may be viewed on the State's Department of Finance & Management website at: [http://finance.vermont.gov/reports\\_and\\_publications/cafr](http://finance.vermont.gov/reports_and_publications/cafr).

**Benefits Provided**

The VSTRS provides retirement, and disability benefits, annual cost-of-living adjustments, health care and death benefits to plan members and beneficiaries. There are two levels of contributions and benefits in the System: Group A - for public school teachers employed within the State of Vermont prior to July 1, 1981 and elected to remain in Group A; and Group C - for public school teachers employed within the State of Vermont on or after July 1, 1990. Group C also includes those teachers hired prior to July 1, 1990 and were in Group B on July 1, 1990. When *Act 74* became effective on June 30, 2010, Group C was further bifurcated into Groups #1 and #2. Group #1 contains members who were at least 57 years of age or had at least 25 years of service, and Group #2 contains members who were less than 57 years of age and had less than 25 years of service.

BERLIN SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2018

NOTE 10 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

Benefits available to each group are based on average final compensation (AFC) and years of creditable service, and are summarized below:

<b>VSTRS</b>	<b>Group A</b>	<b>Group C - Group # 1</b>	<b>Group C - Group # 2</b>
Normal service retirement eligibility (no reduction)	Age 60 or 30 years of service	Age 62 or with 30 years of service	Age 65 or when the sum of age and service equals 90
Average Final Compensation (AFC)	Highest 3 consecutive years, including unused annual leave, sick leave, and bonus/incentives	Highest 3 consecutive years, excluding all payments for anything other than service actually performed	Highest 3 consecutive years, excluding all payments for anything other than service actually performed
Benefit formula - normal service retirement	1.67% x creditable service x AFC	1.25% x service prior to 6/30/90 x AFC + 1.67% x service after 7/1/90 x AFC	1.25% x service prior to 6/30/90 x AFC + 1.67% x service after 7/1/90 x AFC, 2.0% after attaining 20 years
Maximum Benefit Payable	100% of AFC	53.34% of AFC	60% of AFC
Post-Retirement COLA	Full CPI, up to a maximum of 5% after 12 months of retirement; minimum of 1%	50% CPI, up to a maximum of 5% after 12 months of retirement or with 30 years; minimum of 1%	50% CPI, up to a maximum of 5%, minimum of 1% after 12 months of normal retirement or age 65

<b>VSTRS</b>	<b>Group A</b>	<b>Group C - Group # 1</b>	<b>Group C - Group # 2</b>
Early Retirement Eligibility	Age 55 with 5 years of service	Age 55 with 5 years of service	Age 55 with 5 years of service
Early Retirement Reduction	Actuarial reduction	6% per year from age 62	Actuarial reduction

BERLIN SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2018

**NOTE 10 – DEFINED BENEFIT PENSION PLANS (CONTINUED)**

Other post-employment benefits available to all plan members include the following:

<b>VSTRS</b>	<b>Group A</b>	<b>Group C - Group # 1</b>	<b>Group C - Group # 2</b>
Medical Benefits	Health subsidy based on member's service credit	Health subsidy based on member's service credit	Health subsidy based on member's service credit
Dental	Members pays full premium	Members pays full premium	Members pays full premium

**Contributions**

VSTRS is a cost-sharing public employee retirement system with one exception: all risks and costs are not shared by the School District but are the liability of the State of Vermont. VSTRS is funded through State and employee contributions and trust fund investment earnings; and the School District has no legal obligation for paying benefits. Required contributions to the System are made by the State of Vermont based upon a valuation report prepared by the System's actuary, which varies by plan group. The Vermont State Teachers Retirement System estimates the contributions on behalf of the School District's employees included in the teacher's retirement plan which approximates \$172,007 or 13.58% of total payroll for employees covered under the plan.

Employee contribution rates by plan group follow:

<b>VSTRS</b>	<b>Group A</b>	<b>Group C - Group # 1</b>	<b>Group C - Group # 2</b>
Employee Contributions	5.5% of gross salary	5.0% of gross salary with 5 or more years of service as of 7/1/14; 6.0% of gross salary if less than 5 years of service as of 7/1/14	5.0% of gross salary with 5 or more years of service as of 7/1/14; 6.0% of gross salary if less than 5 years of service as of 7/1/14

Employee contributions totaled \$65,399 during the year and were paid by the School District to the State of Vermont. The School District has no other liability under the plan. The School District's total payroll for all employees covered under this plan was \$1,266,618 for the year ended June 30, 2018.

BERLIN SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2018

NOTE 10 – DEFINED BENEFIT PENSION PLANS (CONTINUED)

**Pension Liabilities**

*VSTRS Plan*

The State is a nonemployer contributor and is required by statute to make all actuarially determined employer contributions on behalf of member employers. Therefore, these employers are considered to be in a special funding situation as defined in GASB No. 68 and the State is treated as a nonemployer to VSTRS. Since the Supervisory Union does not contribute directly to VSTRS, no net pension liability was recorded at June 30, 2018. The State's portion of the collective net pension liability that was associated with the School District was as follows:

School District's proportionate share of the net pension liability	\$	-
State's proportionate share of the net pension liability associated with the Town		<u>2,816,489</u>
Total	<u>\$</u>	<u>2,816,489</u>

The State of Vermont's proportionate share of the net pension liability associated with the School District is equal to the collective net pension liability, actuarially measured as of June 30, 2017, multiplied by the School District's proportionate share percentage. The School District's proportionate share percentage was based on its reported salaries to the total reported salaries for all participating employers. At June 30, 2017, the School District's proportion was 0.18999% which was an increase of 0.0127% from its proportion measured as of June 30, 2016.

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended June 30, 2018, the School District recognized pension expense of \$252,231 and revenue of \$252,231 for support provided by the State of Vermont for the VSTRS plan. At June 30, 2018, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

BERLIN SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2018

NOTE 10 – DEFINED BENEFIT PENSION PLANS (CONTINUED)

	VSTRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	-	-
Total	\$ -	\$ -

\$0 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows

	VSTRS Plan
Plan year ended June 30:	
2018	\$ -
2019	-
2020	-
2021	-
2022	-
Thereafter	-

**Significant Actuarial Assumptions and Methods**

The total pension liability for the June 30, 2017 measurement date was determined by an actuarial valuation as of June 30, 2016 rolled forward to June 30, 2017 using the actuarial assumptions outlined below. These assumptions were selected on the basis of the experience study that was performed on July 27, 2015:

*Investment Rate of Return:* 7.50% per annum.

BERLIN SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2018

NOTE 10 – DEFINED BENEFIT PENSION PLANS (CONTINUED)

*Inflation:* The separately stated assumptions for investment return, salary increases and cost of living adjustments for the VSTRS plan is consistent with an expected annual inflation rate of 2.50% per year.

*Salary Increases:* Representative values of the assumed annual rates of future salary increases for the VSTRS plan are as follows:

Age	Annual Rate of Salary Increase
25	7.78%
30	6.47%
35	5.60%
40	4.92%
45	4.43%
50	4.09%
55	3.85%
60	3.75%

*Deaths After Retirement:* The VSTRS plan used the RP-2014 White Collar Employee with generational improvement Table for pre-retirement, the RP-2014 White Collar Annuitant with generational improvement Table for healthy retirees, and the RP-2014 Disabled Mortality Table for disabled retirees.

*Separation from Service Before Retirement (Due to Withdrawal and Disability):* Representative values of the assumed annual rates of withdrawal and disability are as follows:

VSTRS Plan:

Age	Withdrawal		Disability	
	Male	Female	Male	Female
25	21.00%	20.00%	0.005%	0.008%
30	12.60%	14.00%	0.008%	0.008%
35	8.40%	11.30%	0.010%	0.008%
40	6.50%	9.03%	0.015%	0.010%
45	5.80%	6.30%	0.026%	0.023%
50	5.40%	5.25%	0.067%	0.070%
55	5.40%	5.04%	0.044%	0.048%
60	5.40%	5.04%	0.147%	0.084%

BERLIN SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2018

NOTE 10 – DEFINED BENEFIT PENSION PLANS (CONTINUED)

*Retirement Rates:* For the VSTRS plan:

Age	Reduced Early Retirement		Full Early Retirement
	Group A	Group C	Grandfathered (Group C)
55	6.13%	6.13%	6.13%
56	6.25%	6.25%	6.25%
57	6.25%	6.25%	6.25%
58	6.25%	6.25%	6.25%
59	9.38%	9.38%	9.38%
60	12.50%	18.75%	18.75%
61	18.75%	18.75%	18.75%

Age	Service Retirement		
	Group A	Group C Non-Grandfathered	Group C Grandfathered
60	12.5%	17.0%	N/A
61	18.8%	17.0%	N/A
62	25.0%	20.0%	20.0%
63	22.0%	22.0%	22.0%
64	22.0%	22.0%	22.0%
65	33.0%	33.0%	33.0%
66	33.0%	33.0%	33.0%
67	33.0%	33.0%	33.0%
68	22.0%	22.0%	22.0%
69	33.0%	33.0%	33.0%
70	100.0%	100.0%	100.0%

Retirement After 30 Years of Service		
Age	Group A	Grandfathered (Group C)
49	0.00%	0.00%
50	40.00%	40.00%
51	20.00%	20.00%
52	20.00%	20.00%
53	20.00%	20.00%
54	20.00%	20.00%
55	20.00%	8.75%
56	10.00%	6.25%
57	10.00%	6.25%
58	10.00%	10.00%
59	10.00%	10.00%
60	30.00%	25.00%
61	25.50%	17.00%

BERLIN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018

NOTE 10 – DEFINED BENEFIT PENSION PLANS (CONTINUED)

*Inactive Members:* Valuation liability for the VSTRS plan equals 332.5% of accumulated contributions.

*Future Administrative Expenses:* No provisions were made for the VSTRS plan.

*Unknown Data for Participants:* They are the same as those exhibited by participants with similar known characteristics. If not specified, participants are assumed to be male.

*Percent Married:* 85% of male members are assumed to be married. 35% of female members for the VSTRS plan are assumed to be married.

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

*Cost-of-Living Adjustments:* Adjustments for the VSTRS plan are assumed to occur on January 1 following one year of retirement. For the VSTRS plan this occurs at the rate of 2.55% per annum for Group A members and 1.40% per annum for Group C members (beginning at age 62 for Group C members who elect reduced early retirement).

*Actuarial Cost Method:* For the VSTRS plan is the Entry Age Actuarial Cost Method. Entry age is the age at date of employment, or, if date is unknown, current age minus years of service. Normal Cost and Accrued Actuarial Liability are calculated on an individual basis and are allocated by salary, with Normal Cost determined using the plan of benefits applicable to each participant.

The *asset valuation method* used equals the preliminary asset value plus 20% of the difference between the market and preliminary asset values. The preliminary asset value is equal to the previous year's asset value (for valuation purposes) adjusted for contributions less benefit payments and expenses and expected investment income. If necessary, a further adjustment is made to ensure that the valuation assets are within 20% of the market value.

The *long-term expected rate of return* on both plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) developed for each major asset class. These best estimate ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

BERLIN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018

NOTE 10 – DEFINED BENEFIT PENSION PLANS (CONTINUED)

Best estimates of arithmetic rates of return for each major asset class included in the target asset allocation as of June 30, 2017 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
US Equity	16.00%	6.07%
Non-US Equity	16.00%	7.42%
Global Equity	9.00%	6.85%
Fixed Income	24.00%	2.41%
Real Estate	8.00%	4.62%
Private Markets	15.00%	7.80%
Hedge Funds	8.00%	3.95%
Risk Parity	4.00%	4.84%

**Discount Rate**

The discount rate used to measure the total pension liability was 7.50% for the VSTRS plan. The projection of cash flows used to determine the discount rate assumed that contributions will continue to be made in accordance with the current funding policy which exceeds the actuarially determined contribution rate. Based on these assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments to current System members. The assumed discount rate has been determined in accordance with the method prescribed by GASB 68.

**Sensitivity of the School District’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following presents the School District’s proportionate share of the net pension liability calculated using the discount rate of 7.50% for the VSTRS plan, as well as what the School District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

BERLIN SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
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NOTE 10 – DEFINED BENEFIT PENSION PLANS (CONTINUED)

	1% Decrease	Discount Rate	1% Increase
<u>VSTRS:</u>			
Discountrate	6.50%	7.50%	8.50%
School District's proportionate share of the net pension liability	\$ -	\$ -	\$ -

**Pension Plan Fiduciary Net Position**

The schedule of employer allocations and schedule of pension amounts by employer are prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles. The schedules present amounts that are elements of the financial statements of the VSTRS or their participating employers. VSTRS does not issue stand-alone financial reports, but instead are included as part of the State of Vermont's Comprehensive Annual Financial Report (CAFR). The CAFR can be viewed on the State's Department of Finance & Management website at: [http://finance.vermont.gov/reports\\_and\\_publications/cafr](http://finance.vermont.gov/reports_and_publications/cafr)

NOTE 11 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN

VERMONT STATE TEACHERS' RETIREMENT SYSTEM

**Plan Description**

The Vermont State Teachers' Retirement System provides postemployment benefits to eligible VSTRS employees who retire from the System through a cost-sharing, multiple-employer postemployment benefit (OPEB) plan (the Plan).

The plan covers nearly all public day school and nonsectarian private high school teachers and administrators as well as teachers in schools and teacher training institutions within and supported by the State that are controlled by the State Board of Education. Membership in the system for those covered classes is a condition of employment. During the year ended June 30, 2017 (the most recent period available), the plan consisted of 21 participating employers.

BERLIN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018

NOTE 11 – OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Vermont Statute Title 16 Chapter 55 assigns the authority to VSTRS to establish and amend the benefits provisions of the Plan and to establish maximum obligations of the Plan members to contribute to the Plan. Management of the Plan is vested in the Vermont State Teachers' Retirement System Board of Trustees, which consists of the Secretary of Education (es-officio); the State Treasurer (ex-officio); the Commissioner of Financial Regulation (ex-officio); two trustees and one alternate who are members of the system (each elected by the system under rules adopted by the Board) and one trustee and one alternate who are retired members of the system receiving retirement benefits (who are elected by the Association of Retired Teachers of Vermont).

All assets of the Plan are held in a single trust and are available to pay OPEB benefits to all members. The Vermont State Agency of Administration issues a publicly available Comprehensive Annual Financial Report (CAFR) that includes financial statements and required supplementary information for the VSTRS. That report may be viewed on the State's Department of Finance & Management website at: [http://finance.vermont.gov/reports\\_and\\_publications/cafr](http://finance.vermont.gov/reports_and_publications/cafr).

**Benefits Provided**

VSTRS retirees and their spouses are eligible for medical, prescription drug and dental benefits on a lifetime basis if the retiree is eligible for pension benefits, as described in the Notes to Financial Statements for Defined Benefit Plan(s).

**Contributions**

Varying levels of contributions are required from retirees and spouses for medical and prescription drug coverage at the following premium subsidy rates:

BERLIN SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2018

NOTE 11 – OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

	<b>Retiree Subsidy</b>	<b>Spouse Subsidy*</b>		
Retired before June 30, 2010	At least ten years of service- 80% of premium Less than ten years of service- 0% of premium	0% of premium		
Retired after June 30, 2010	10 years or more of service at June 30, 2010-80% of premium	Years of service at June 30, 2010-80% of premium:		
	Less than 10 years of service at June 30, 2010:			
	Less than 15 years at retirement	Less than 15 years at retirement	Less than 10 years	25 years at retirement
	15-19.99 years at retirement	15-19.99 years at retirement	10-14.99 years	25 years at retirement
	20-24.99 years at retirement	20-24.99 years at retirement	15-24.99 years	10 additional years from June 30, 2010
	25 years or more at retirement	25 years or more at retirement	25-29.99 years	35 years at retirement
		30 or more years	5 additional years from June 30, 2010	

\* Spouses of retirees who do not meet the requirements for an 80% subsidy can receive unsubsidized coverage

Premium Reduction Option: Participants retiring on or after January 1, 2007 with a VSTRS premium subsidy have a one-time option to reduce the VSTRS subsidy percentage during the retiree's life so that a surviving spouse may continue to receive the same VSTRS subsidy for the spouse's lifetime. If the retiree elects the joint and survivor pension option but not the Premium Reduction Option, spouses are covered for the spouse's lifetime but pay 100% of the plan premium after the retiree's death.

BERLIN SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2018

NOTE 11 – OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

**OPEB Liabilities**

The State is a nonemployer contributor and is required by statute to make all actuarially determined employer contributions on behalf of member employers. Therefore, these employers are considered to be in a special funding situation as defined in GASB No. 75 and the State is treated as a nonemployer to VSTRS. Since the School District does not contribute directly to VSTRS, no net OPEB liability was recorded at June 30, 2018. The State’s portion of the collective net OPEB liability that was associated with the School District was as follows:

School District's proportionate share of the net OPEB liability	\$	-
State's proportionate share of the net OPEB liability associated with the School District		<u>1,783,478</u>
Total	<u>\$</u>	<u>1,783,478</u>

The State of Vermont’s proportionate share of the net OPEB liability associated with the School District is equal to the collective net OPEB liability, actuarially measured as of June 30, 2017, multiplied by the School District’s proportionate share percentage. The School District’s proportionate share percentage was based on its reported salaries to the total reported salaries for all participating employers. At June 30, 2017, the School District’s proportion was 0.1913% which was an increase of 0.01091% from its proportion measured as of June 30, 2016.

**OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2018, the School District recognized total OPEB expense of \$98,036 and revenue of \$98,036 for support provided by the State of Vermont for the Plan. At June 30, 2018, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

BERLIN SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2018

NOTE 11 – OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

	<u>VSTRS OPEB Plan</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	-	-
<b>Total</b>	<u>\$ -</u>	<u>\$ -</u>

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in pension expense as follows:

	<u>VSTRS OPEB Plan</u>	
Plan year ended June 30:		
2018	\$	-
2019		-
2020		-
2021		-
2022		-
Thereafter		-

**Discount Rate**

The discount rate is the single rate of return, that when applied to all projected benefit payments, results in an actuarial present value that is the sum of the actuarial present value of projected benefit payments projected to be funded by plan assets using a long term rate of return, and the actuarial present value of projected benefit payments that are not included in (1) using a yield or index rate for 20 year tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The sensitivity of net OPEB liability to changes in discount rate are as follows:

BERLIN SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2018

NOTE 11 – OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

	1% Decrease	Discount Rate	1% Increase
VSTRS OPEB Plan:			
Discount rate	2.580%	3.580%	4.580%
School District's proportionate share of the net OPEB liability	\$ -	\$ -	\$ -

**Healthcare Trend Rate**

Health care trend measures the anticipated overall rate at which health plan costs are expected to increase in future years. The trend rate assumptions were developed using Segal's internal guidelines, which are established each year using data sources such as the 2018 Segal Health Trend Survey, internal client results, trends from other published surveys prepared by the S&P Dow Jones Indices, consulting firms and brokers, and CPI statistics published by the Bureau of Labor Statistics. The sensitivity of net OPEB liability to changes in healthcare trend rates are as follows:

	1% Decrease	Healthcare Trend Rates	1% Increase
School District's proportionate share of the net OPEB liability	\$ -	\$ -	\$ -

**Actuarial Methods and Assumptions**

The total OPEB liability for the Plan was determined by an actuarial valuation as of June 30, 2016, using the following methods and assumptions applied to all periods included in the measurement:

*Actuarial Cost Method*

The Entry Age Normal Actuarial Cost Method is used to determine costs. Under this funding method, a normal cost rate is determined as a level percent of pay for each active Plan member and then summed to produce the total normal cost for this Plan. The unfunded actuarial liability is the difference between the actuarial liability and the actuarial value of assets.

*Amortization*

The total OPEB liability of this Plan is amortized on an open 30-year period. The amortization method is a level dollar amortization method.

BERLIN SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2018

NOTE 11 – OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

*Asset Valuation Method*

The Asset Valuation Method used equals the preliminary asset value plus 20% of the difference between the market and preliminary asset values. The preliminary asset value is equal to the previous year’s asset value (for valuation purposes) adjusted for contributions less benefit payments and expenses and expected investment income. If necessary, a further adjustment is made to ensure that the valuation assets are within 20% of the market value.

The long-term expected rate of return on both plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) developed for each major asset class. These best estimate ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic rates of return for each major asset class included in the target asset allocation as of June 30, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate Return</u>
Large cap equity	20.00%	5.92%
International equity	15.00%	6.71%
Emerging international equity	5.00%	9.70%
Core bonds	<u>60.00%</u>	1.38%
Inflation		2.75%
Total	<u>100.00%</u>	

*Assumptions*

The actuarial assumptions used to calculate the actuarially determined contribution rates can be found in the Report on the Actuarial Valuation of Post-Retirement Benefits of the Vermont State Teachers’ Retirement System Prepared as of June 30, 2016 completed by Buck Consulting. As of June 30, 2017, they are as follows:

BERLIN SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2018

NOTE 11 – OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Discount Rate	3.58%
Salary Increase Rate	Varies by age
Non-Medicare	7.50% graded to 4.50% over 12 years
Medicare	7.75% graded to 4.50% over 11 years
Retiree Contributions	Equal to health trend
Pre-retirement Mortality	98% of RP-2014 White Collar Employee with generational projection using Scale SSA-2017.
Post-retirement Mortality	98% of RP-2014 White Collar Annuitant with generational projection using Scale SSA-2017.

**Changes in Net OPEB Liability**

Changes in net OPEB liability are recognized in OPEB expense for the year ended June 30, 2018 with the following exceptions:

*Changes in Assumptions*

Differences due to changes in assumptions about future economic, demographic or claim and expense factors or other inputs are recognized in OPEB expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. The amortization period was six years for June 30, 2017. For the fiscal year ended June 30, 2017, there were no changes in assumptions with the exception of the discount rate was increased from 2.85% to 3.58%.

**OPEB Plan Fiduciary Net Position**

The schedule of employer allocations and schedule of OPEB amounts by employer are prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles. The schedules present amounts that are elements of the financial statements of VSTRS or their participating employers. VSTRS does not issue stand-alone financial reports, but instead are included as part of the State of Vermont's Comprehensive Annual Financial Report (CAFR). The CAFR can be viewed on the State's Department of Finance & Management website at: [http://finance.vermont.gov/reports\\_and\\_publications/cafr](http://finance.vermont.gov/reports_and_publications/cafr)

BERLIN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018

NOTE 12 – RISK MANAGEMENT

The School District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees, students and guests; as well as natural disasters for which the School District either carries commercial insurance, participates in a public entity risk pool, or is effectively self-insured. There have been no significant reductions in coverage from the prior year. Management believes such coverage is sufficient to preclude any significant uninsured losses to the School District.

The School District is a member of the Vermont School Boards Association. The Association has set up two insurance Trusts; Vermont School Boards Insurance Trust, Inc. (VSBIT) for worker compensation, multi-line intermunicipal school program, and unemployment compensation program, and the Vermont Education Health Initiative (VEHI) for medical benefits. VSBIT and VEHI are nonprofit corporations formed to provide insurance and risk management programs for Vermont School Districts and is owned by the participating Districts. The Trusts are not licensed insurance carriers and members are not protected by the Vermont Insurance Guaranty Association.

To provide insurance coverage, VEHI has established a self-funded fully insured program in conjunction with Blue Cross and Blue Shield (BCBS). A portion of member contributions is used to purchase reinsurance and to fund a reserve required by the reinsurance. Contributions in excess of claims requirements, reserve fund requirements, reinsurance and administrative costs are returned to participants. The pooling agreement does not permit the pool to make additional assessments to its members.

Multi-Line Intermunicipal School Program provides coverage for property; inland marine and boiler and machinery; crime; commercial general liability; automobile/garage keepers; and educators legal liability. Annual contributions are based upon appropriate rates applicable to each member; such rates are set based on recommendations of a qualified actuary, plus a proportionate share of all operational and administrative cost including excess reinsurance premiums incurred by the trust. In the event that total contributions assessed to and made by all members result in an actual or projected financial deficit and VSBIT is unable to meet its required obligations, the program will be terminated with each member assessed their proportionate share of the deficit.

NOTE 13 - CONTINGENCIES

With regard to pending legal claims or any unasserted claims, it is not feasible at this time to predict or determine their outcome. Management believes, however, that settlement amounts, if any, will not have a material adverse effect on the School District's financial position.

BERLIN SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018

NOTE 13 – CONTINGENCIES (CONTINUED)

The School District participates in various intergovernmental grant programs which may be subject to future program compliance audits by the grantors or their representatives. Accordingly, the School District's compliance with applicable grant requirement may be established at some future date. The amount, if any, of any liabilities arising from the disallowance of expenditures or ineligibility of grant revenues cannot be determined at this time.

The School District participates in a medical insurance plan negotiated through VEHI. This plan is a high-deductible plan with an HRA (Health Reimbursement Arrangement) funded by the School District. The organization contracted to coordinate the processing of claims on behalf of the School District with HRA funds has not processed all claims through June 30, 2018, and as of the date of this report. Additionally, they were unable to provide management with the outstanding amount to be expensed by the School District through June 30, 2018. Therefore, the amount, if any, of any liabilities arising from the unprocessed claims cannot be determined at this time.

NOTE 14 - RELATED ORGANIZATION

The School District has an ongoing financial responsibility to Washington Central Supervisory Union as defined in GASB 14, paragraph 71. Through Washington Central Supervisory Union's assessment process, the School District's assessment can be increased to cover a share of any prior year deficits and decreased to share in any prior year surpluses. Separate financial statements on Washington Central Supervisory Union are available from Washington Central Supervisory Union.

NOTE 15 - COMPARATIVE DATA/RECLASSIFICATIONS

Comparative total data for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the School District's financial position and operations. Also, certain amounts presented in the prior year's data have been reclassified to be consistent with the current year's presentation.

NOTE 16 - SUBSEQUENT EVENT

On July 3, 2018, the School District issued a tax/revenue anticipation note through Community Bank, NA in anticipation of revenues to meet its operating obligations during the 2018 fiscal year. The note allows principal draws up to \$1,484,588 at 2.70% interest per annum with a maturity date of June 28, 2019.

## Required Supplementary Information

Required supplementary information includes financial information and disclosures that are required by the Government Accounting Standards Board but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund
- Schedule of Proportionate Share of the Net Pension Liability
- Schedule of Contributions - Pensions
- Schedule of Proportionate Share of the Net OPEB Liability
- Schedule of Contributions - OPEB
- Notes to Required Supplementary Information

BERLIN SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE – BUDGETARY BASIS  
 BUDGET AND ACTUAL – GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2018

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 290,081	\$ 290,081	\$ 290,081	\$ -
Resources (Inflows):				
Intergovernmental:				
State/Town support	3,267,431	3,267,431	3,249,305	(18,126)
Other	141,232	141,232	156,943	15,711
Interest income	30,305	30,305	49,632	19,327
Miscellaneous	<u>12,031</u>	<u>12,031</u>	<u>54,572</u>	<u>42,541</u>
Amounts Available for Appropriation	<u>3,741,080</u>	<u>3,741,080</u>	<u>3,800,533</u>	<u>59,453</u>
Charges to Appropriations (Outflows):				
Direct services	1,871,481	1,871,481	1,937,767	(66,286)
Support services:				
Student services	160,100	160,100	164,095	(3,995)
Instructional staff services	136,153	136,153	128,077	8,076
General administrative services	270,005	270,005	282,132	(12,127)
Area administrative services	224,932	224,932	219,310	5,622
Fiscal services	40,305	40,305	39,194	1,111
Operations and maintenance	342,556	342,556	247,418	95,138
Transportation	82,004	82,004	90,803	(8,799)
Debt service:				
Principal	26,000	26,000	155,953	(129,953)
Interest	252,463	252,463	120,297	132,166
Transfers to other funds	<u>45,000</u>	<u>45,000</u>	<u>110,000</u>	<u>(65,000)</u>
Total Charges to Appropriations	<u>3,450,999</u>	<u>3,450,999</u>	<u>3,495,046</u>	<u>(44,047)</u>
Budgetary Fund Balance, June 30	<u>\$ 290,081</u>	<u>\$ 290,081</u>	<u>\$ 305,487</u>	<u>\$ 15,406</u>

See accompanying independent auditors' report and notes to financial statements.

BERLIN SCHOOL DISTRICT  
 SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
 LAST 10 FISCAL YEARS\*

	2018	2017	2016	2015
<u>VSTRS:</u>				
Proportion of the net pension liability School District's proportionate share of the net pension liability	0.19%	0.18%	0.19%	0.23%
	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District Total	<u>2,816,489</u>	<u>2,321,970</u>	<u>2,233,759</u>	<u>2,164,564</u>
	<u>\$ 2,816,489</u>	<u>\$ 2,321,970</u>	<u>\$ 2,233,759</u>	<u>\$ 2,164,564</u>
Covered-employee payroll	\$ 1,241,824	\$ 1,148,637	\$ 1,049,963	\$ 1,280,207
Proportionate share of the net pension liability as a percentage of its covered- employee payroll	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	53.98%	55.31%	58.22%	64.02%

\* The amounts presented for each fiscal year were determined as of June 30, and are for those years for which information is

See accompanying independent auditors' report and notes to financial statements.

BERLIN SCHOOL DISTRICT  
 SCHEDULE OF CONTRIBUTIONS - PENSIONS  
 LAST 10 FISCAL YEARS\*

	2018	2017	2016	2015
<u>VSTRS:</u>				
Contractually required contribution	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	-	-	-	-
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 1,266,618	\$ 1,241,824	\$ 1,148,637	\$ 1,049,963
Contributions as a percentage of covered-employee payroll	0.00%	0.00%	0.00%	0.00%

\*The amounts presented for each fiscal year are for those years for which information is available.

See accompanying independent auditors' report and notes to financial statements.

BERLIN SCHOOL DISTRICT  
 SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY  
 LAST 10 FISCAL YEARS\*s

	<u>2018</u>	<u>2017</u>
<u>VSTRS OPEB Plan:</u>		
Proportion of the net OPEB liability School District's proportionate share of the net OPEB liability	0.19%	0.18%
	\$ -	\$ -
State's proportionate share of the net OPEB liability associated with the School District	<u>958,199</u>	<u>-</u>
Total	<u>\$ 958,199</u>	<u>\$ -</u>
Covered-employee payroll	\$ 1,241,824	\$ 1,148,637
Proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%

\* The amounts presented for each fiscal year were determined as of June 30 and are for those years for which information is available.

See accompanying independent auditors' report and notes to financial statements.

BERLIN SCHOOL DISTRICT  
 SCHEDULE OF CONTRIBUTIONS - OPEB  
 LAST 10 FISCAL YEARS\*

	2018	2017
<u>VSTRS OPEB Plan:</u>		
Contractually required contribution	\$ -	\$ -
Contributions in relation to the contractually required contribution	-	-
Contribution deficiency (excess)	\$ -	\$ -
Covered-employee payroll	\$ 1,266,618	\$ 1,241,824
Contributions as a percentage of covered- employee payroll	0.00%	0.00%

\* The amounts presented for each fiscal year are for those years for which information is available.

See accompanying independent auditors' report and notes to financial statements.

BERLIN SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2018

**Changes of Assumptions**

The actuarial assumptions regarding inflation, investment return, salary increase, COLA increase and mortality were changed based on reviews of economic assumptions, rates of mortality and future expectations of experience for VSTRS.

The discount rate increased from 2.85% to 3.58% for the VSTRS OPEB liability.

See accompanying independent auditors' report and notes to financial statements.

### Other Supplementary Information

Other supplementary information includes financial statements and schedules not required by the Government Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

- Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund Revenues
- Schedule of Departmental Operations - General Fund
- Schedule of General Capital Assets by Function
- Schedule of Changes in General Capital Assets by Function

BERLIN SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE – BUDGETARY BASIS  
 BUDGET AND ACTUAL – GENERAL FUND REVENUES  
 FOR THE YEAR ENDED JUNE 30, 2018

	Original Budget	Final Budget	Actual Amounts	Variance Positive (Negative)
Resources (Inflows):				
Intergovernmental revenues:				
Education spending grant	\$ 3,267,431	\$ 3,267,431	\$ 3,249,305	\$ (18,126)
Education spending grant	-	-	-	-
Transportation aid	-	-	-	-
Mainstream block grant	-	-	-	-
Special education reimbursement	141,232	141,232	156,943	15,711
Extraordinary reimbursement	-	-	-	-
E-rate	-	-	69	69
Interest income	30,305	30,305	49,632	19,327
Miscellaneous:				
Other receipts	12,031	12,031	54,503	42,472
Transfers in	-	-	-	-
Amounts Available for Appropriation	<u>\$ 3,450,999</u>	<u>\$ 3,450,999</u>	<u>\$ 3,510,452</u>	<u>\$ 59,453</u>

See accompanying independent auditors' report and notes to financial statements.

BERLIN SCHOOL DISTRICT  
SCHEDULE OF DEPARTMENTAL OPERATIONS – GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Direct services -</b>				
Instructional services				
Salaries	\$ 882,617	\$ 882,617	\$ 967,708	\$ (85,091)
Benefits	264,241	264,241	268,090	(3,849)
Professional services	5,000	5,000	24,288	(19,288)
General supplies	24,925	24,925	34,735	(9,810)
Books and periodicals	9,535	9,535	5,352	4,183
Equipment	20,000	20,000	9,538	10,462
Dues and fees	-	-	280	(280)
Preschool program				
Salaries	59,016	59,016	-	59,016
Benefits	36,049	36,049	-	36,049
Tuition	33,296	33,296	43,529	(10,233)
General supplies	2,415	2,415	-	2,415
Special education				
Salaries	172,532	172,532	206,700	(34,168)
Benefits	79,668	79,668	73,556	6,112
SU assessments				
SU shared services - special education	192,602	192,602	280,608	(88,006)
SU services - special education	68,991	68,991	23,383	45,608
SU services - EEE program	8,477	8,477	-	8,477
English language learner	12,117	12,117	-	12,117
	<u>1,871,481</u>	<u>1,871,481</u>	<u>1,937,767</u>	<u>(66,286)</u>
<b>Support services -</b>				
Students –				
Guidance services				
Salaries	65,665	65,665	67,487	(1,822)
Benefits	27,879	27,879	25,904	1,975
General supplies	250	250	107	143
Books and periodicals	250	250	31	219
Health services				
Salaries	57,044	57,044	54,269	2,775
Benefits	6,959	6,959	14,278	(7,319)
Repairs and maintenance	-	-	199	(199)
General supplies	1,965	1,965	1,820	145
Books and periodicals	88	88	-	88
	<u>160,100</u>	<u>160,100</u>	<u>164,095</u>	<u>(3,995)</u>

SCHEDULE B (CONTINUED)  
 BERLIN SCHOOL DISTRICT  
 SCHEDULE OF DEPARTMENTAL OPERATIONS – GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Support services (continued) -</b>				
Instructional staff -				
Library services				
Salaries	38,483	38,483	37,761	722
Benefits	5,087	5,087	4,113	974
General supplies	435	435	1,416	(981)
Books and periodicals	4,750	4,750	6,578	(1,828)
Technology services				
Salaries	22,603	22,603	22,594	9
Benefits	2,245	2,245	2,222	23
Repairs and maintenance	2,000	2,000	2,587	(587)
Rental and leases - copier	5,000	5,000	4,767	233
Communications	18,700	18,700	20,568	(1,868)
General supplies	4,100	4,100	7,209	(3,109)
Computer software	3,000	3,000	4,162	(1,162)
Equipment	29,750	29,750	14,100	15,650
	<u>136,153</u>	<u>136,153</u>	<u>128,077</u>	<u>8,076</u>
General administration -				
Board of Education				
Salaries	789	789	1,471	(682)
Benefits	61	61	113	(52)
Legal services	1,500	1,500	1,688	(188)
Insurance	-	-	9,996	(9,996)
Advertising	800	800	2,384	(1,584)
Travel	100	100	-	100
General supplies	200	200	-	200
Dues and fees	1,750	1,750	1,675	75
Office of the superintendent				
SU assessments	264,805	264,805	264,805	-
	<u>270,005</u>	<u>270,005</u>	<u>282,132</u>	<u>(12,127)</u>
Area administration -				
Office of the principal				
Salaries	156,491	156,491	154,162	2,329
Benefits	60,016	60,016	56,090	3,926
Repairs and maintenance	1,000	1,000	-	1,000
Communications/postage	2,500	2,500	4,164	(1,664)
Travel	400	400	1,401	(1,001)
General supplies	4,000	4,000	2,533	1,467
Books and periodicals	-	-	40	(40)
Dues and fees	525	525	920	(395)
	<u>224,932</u>	<u>224,932</u>	<u>219,310</u>	<u>5,622</u>

SCHEDULE B (CONTINUED)

BERLIN SCHOOL DISTRICT  
 SCHEDULE OF DEPARTMENTAL OPERATIONS – GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Fiscal services -</b>				
Interest expense	40,305	40,305	39,194	1,111
	<u>40,305</u>	<u>40,305</u>	<u>39,194</u>	<u>1,111</u>
<b>Operations and maintenance -</b>				
Salaries	117,391	117,391	112,319	5,072
Benefits	47,078	47,078	37,918	9,160
SU shared services asbestos	14,017	14,017	-	14,017
Water and sewer	7,500	7,500	7,850	(350)
Disposal services	2,650	2,650	9,218	(6,568)
Snow plowing services	3,200	3,200	-	3,200
Repairs and maintenance	26,000	26,000	16,415	9,585
Insurance	10,070	10,070	-	10,070
Travel	800	800	260	540
General supplies	10,000	10,000	11,468	(1,468)
Energy	99,850	99,850	51,970	47,880
Equipment	4,000	4,000	-	4,000
	<u>342,556</u>	<u>342,556</u>	<u>247,418</u>	<u>95,138</u>
<b>Transportation -</b>				
Shared SU services	79,004	79,004	87,825	(8,821)
Student transportation - field trips	3,000	3,000	2,978	22
	<u>82,004</u>	<u>82,004</u>	<u>90,803</u>	<u>(8,799)</u>
<b>Debt service -</b>				
Principal	26,000	26,000	155,953	(129,953)
Interest	252,463	252,463	120,297	132,166
	<u>278,463</u>	<u>278,463</u>	<u>276,250</u>	<u>2,213</u>
<b>Transfers to other funds -</b>				
Food service fund	25,000	25,000	25,000	-
Capital projects funds	20,000	20,000	85,000	(65,000)
	<u>45,000</u>	<u>45,000</u>	<u>110,000</u>	<u>(65,000)</u>
<b>TOTAL DEPARTMENTAL OPERATIONS</b>	<u>\$ 3,450,999</u>	<u>\$ 3,450,999</u>	<u>\$ 3,495,046</u>	<u>\$ (44,047)</u>

See accompanying independent auditors' report and notes to financial statements.

### General Capital Assets

General capital assets are those assets related to activities reported in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position.

SCHEDULE C

BERLIN SCHOOL DISTRICT  
 SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION  
 JUNE 30, 2018

	Land and Non-depreciable Assets	Buildings, Building Improvements & Land Improvements	Furniture, Fixtures, Equipment & Vehicles	Infrastructure	Total
Direct Services	\$ -	\$ 1,069,256	\$ 165,535	\$ -	\$ 1,234,791
S.S. - Students	-	55,534	-	-	55,534
S.S. - Staff	-	104,588	16,154	-	120,742
S.S. - Area Adm	-	12,886	-	-	12,886
Operations & Maintenance	2,656,937	243,276	66,775	88,324	3,055,312
Food Service	-	24,588	33,560	-	58,148
<b>Total General Capital Assets</b>	<b>2,656,937</b>	<b>1,510,128</b>	<b>282,024</b>	<b>88,324</b>	<b>4,537,413</b>
<b>Less: Accumulated Depreciation</b>	<b>-</b>	<b>(745,334)</b>	<b>(135,307)</b>	<b>(5,299)</b>	<b>(885,940)</b>
<b>Net General Capital Assets</b>	<b>\$ 2,656,937</b>	<b>\$ 764,794</b>	<b>\$ 146,717</b>	<b>\$ 83,025</b>	<b>\$ 3,651,473</b>

See accompanying independent auditors' report and notes to financial statements

SCHEDULE D

BERLIN SCHOOL DISTRICT  
 SCHEDULE OF CHANGES IN GENERAL CAPITAL ASSETS BY FUNCTION  
 JUNE 30, 2018

	General Capital Assets 7/1/17	Additions	Deletions	General Capital Assets 6/30/18
Direct Services	\$ 1,208,801	\$ 61,618	\$ (35,628)	\$ 1,234,791
S.S. - Students	55,534	-	-	55,534
S.S. - Staff	147,439	-	(26,697)	120,742
S.S. - Area Adm	12,886	-	-	12,886
Operations & Maintenance	835,461	2,219,851	-	3,055,312
Food Service	58,148	-	-	58,148
<b>Total General Capital Assets</b>	<b>2,318,269</b>	<b>2,281,469</b>	<b>(62,325)</b>	<b>4,537,413</b>
<b>Less: Accumulated Depreciation</b>	<b>(894,237)</b>	<b>(53,035)</b>	<b>61,332</b>	<b>(885,940)</b>
<b>Net General Capital Assets</b>	<b>\$ 1,424,032</b>	<b>\$ 2,228,434</b>	<b>\$ (993)</b>	<b>\$ 3,651,473</b>

See accompanying independent auditors' report and notes to financial statements



*Proven Expertise and Integrity*

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors  
Berlin School  
District Montpelier,  
Vermont

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Berlin School District as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Berlin School District's basic financial statements, and have issued our report thereon dated November 27, 2018.

Internal Control Over Financial Reporting

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### Compliance and Other Matters

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

### Purpose of this Report

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



Buxton, Maine  
Vermont Registration No. 092.0000697  
November 27, 2018