

ASK THE LEAGUE, NOVEMBER 2015

How must the annual town report be distributed in our town?

During the 2015 legislative session, some changes were made to the law regarding the distribution of the annual town report. Pursuant to 24 V.S.A. § 1682, towns are legally required to disseminate the auditors' annual financial report. The statute declares that the auditors must "report their findings in writing and cause the same to be mailed or otherwise distributed to the voters of the town at least ten days before the annual meeting." The law previously required the report be mailed or distributed to the "voters *or* residents" of the town. The law now requires it to be sent to just "the voters of the town," which means that there is no longer any legal obligation to provide the report to residents who are not registered voters.

Towns may use this change in the law as an opportunity to save money by reducing the number of reports that are printed and distributed. However, towns should be aware that if they stop providing their non-voting residents with the report, those residents may feel alienated from their local government. Not only are those residents not provided a voice at town meeting because they are not registered voters in that town, but they are also now cut off from a source of detailed information about the town and its finances. If they have grown accustomed to receiving the report every year, this change may come as an unpleasant surprise.

An alternative cost-cutting measure is to vote at a duly-warned annual or special meeting to provide notice of the availability of the auditors' report instead of mailing or otherwise distributing the report. If the town votes to provide notice of availability, it may still choose to send that notice to all town residents, but the town is only required to send it to all voters. Furthermore, if the town votes to provide notice of availability, that vote must specify how notice of availability will be given and that such notice must be provided at least 30 days before the annual meeting.

Although the law no longer requires the town report or notice of availability be sent to town residents, a copy of the town report should, at the very least, be available for inspection at the Town Clerk's office. Not only is this best practice and good customer service, it is also required by the Public Records Law because the town report is considered a public record under that law. Therefore, the Town Clerk's office should have a copy available for copying and inspection.

For towns that vote to provide notice of availability rather than mailing or otherwise distributing the report, the Municipal Assistance Center has developed the following model article language:

Shall the town provide notice of the availability of the annual town report by [*insert method of providing notice such as "postcard, mailed to all registered voters"*] at least 30 days before the annual meeting in lieu of mailing or otherwise distributing the report to the voters of the town pursuant to 24 V.S.A. § 1682?

It is also important to clarify that, although many towns choose to provide significant information in their annual report (such as reports from municipal departments, next year's proposed budget, vital statistics, etc.), this information is not required by law and its inclusion is entirely optional. In other words, there is no law that requires the creation or distribution of a "town report" other than the auditor's report. Therefore, your town could decide that it will still provide the annual report to all voters and residents, but that it will cut costs by only printing and distributing the report from the town auditors.

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