AND THE AYES HAVE IT
MODERATOR ADAM BOYCE REFLECTS ON 14 YEARS
AT THE PODIUM

Usually, when someone steps up to the podium, in front of a large crowd, a speech of some kind is in order.

Not so at Town Meeting. In fact, just the opposite is true. When Williamstown moderator Adam Boyce and other Town Meeting moderators from around the state step up to the podium next month, it will be to keep the peace so that others may speak their minds.

Boyce sees himself as a guide, not a leader, whose role it is to help voters go in “the direction they want to go.” This can sometimes get sticky, he concedes, when the direction the voters are going in isn’t “reasonable or equitable,” despite the moderator’s best efforts to keep it so. In this case, Boyce says, it is the courts that will ultimately make the final decision, not the moderator. Most important to him, Boyce says, is that each voter leaves the meeting “feeling that they’ve been treated fairly.”

A tenth generation Vermonter (eight of those generations have called Williamstown)

LOCAL GOVERNMENT DAY 2002

Two hundred local officials and 75 legislators attended the VLCT/VMCTA Local Government Day in the Legislature on February 14, 2002. Top left, VLCT PACIF Board member and Randolph Town Manager Mel Adams listens to VLCT Loss Prevention Supervisor Brian FitzPatrick make a point; top right, Montpelier Mayor Chuck Karparis welcomes the crowd to the Capital City; bottom, officials listen to the legislative briefing before walking to the State House.

NEW FOR NEW OFFICIALS
LAW CENTER PRESENTS INTRODUCTORY TRAINING

On March 19, 2002, VLCT will conduct its first-ever free training session for newly elected officials. The session is designed to introduce those new to their office to the basics of town government.

Jon Groveman, Director of VLCT’s Municipal Law Center, said that the idea for the training grew out of a comment made by a town clerk on the Muninet, a listserv run by the University of Vermont for municipal employees and officials.

“A town clerk was lamenting the fact that when local officials are elected, especially for the first time, they typically have very little idea of all the responsibilities of the position or all the intricacies local government,” Groveman said. “When I read the e-mail I thought to myself that the clerk was absolutely right and what a great idea it would be to provide a basic orientation for new local officials right off the bat.”

The focus of the orientation is to inform new officials about their role in local govern-

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VLCT Board of Directors Profile

Jeffrey Wilson, Manager, Manchester

Manchester, tucked away in the southwestern part of Vermont, takes a fair amount of ribbing for its unique geographical and socio-economic position in the state. Relatively isolated from Vermont’s major population centers, and a mecca for high-end retail stores and their affluent, out-of-state customers, Manchester is considered somewhat of an anomaly by its municipal counterparts and a rich source of material by media and political pundits statewide.

Manager Jeff Wilson acknowledges that Manchester is unique in a few notable ways. But looking back over his 16 years as manager, many of the items on his list of accomplishments mirror the issues and concerns of other Vermont municipalities. He is proud of “pulling together and overseeing an efficient, effective, responsive and respected organization to address the current and future needs of Manchester and its residents.” In 1991, Jeff oversaw the relocation of the town offices to a former school building that works better for the town and is handicapped accessible. In 1995, the town constructed a new Public Safety Facility to house its police, fire and rescue services. And since 1986, Manchester has invested about $600,000 in sidewalk construction to make the downtown more pedestrian friendly. Such facility improvements require sound budget planning, and that is another area of which Jeff is proud — budget development, oversight and coherent capital planning.

Since 1999, Manchester has had the benefit of a one percent local sales tax to assist it in the financing of municipal projects. As the only municipality in the state to have adopted the sales tax (approximately 60 were authorized to do so in 1998 by the Vermont Legislature as part of Act 60), this is where Manchester’s path definitely diverges from other Vermont municipalities. The local sales tax, Jeff noted, “has served to significantly reduce the Town’s dependence on the property tax as a source of municipal revenue and has worked so well that it has been embraced by (Continued on Page...
Our Government Banking Division serves those public entities providing valuable services to citizens and taxpayers in the Northeast. We offer deposit, investment and loan products and unparalleled service in everything we do.

All of our Relationship Managers have direct experience in governmental affairs and banking. This knowledge, combined with local decision making and the power to personally deliver virtually any banking request you may have, produces results for the citizens and taxpayers you serve.

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STORMWATER PERMITS; DEFINING DISABILITY

WATER RESOURCES BOARD ISSUES STORMWATER PERMIT DECISION

Back in the August 2001 Legal Corner we reported that the Vermont Water Resources Board (WRB) had rendered a preliminary, but controversial, decision on an appeal of a stormwater permit issued by the Agency of Natural Resources (ANR) to Lowes Home Center in South Burlington. (The WRB is the first stop for appellants of such ANR permit decisions.)

The decision was controversial because the WRB ruled for the first time that Vermont law requires that a more stringent standard be applied to applications for a new or increased discharge of pollutants to an impaired water.

Last month, the WRB issued its final decision in the case. The decision sheds some light on how applications for stormwater permits for discharges to impaired waters will be reviewed in the future. See Hannaford Bros. Co. and Lowes Home Centers, Inc., Docket No. WQ-01-01, Findings of Fact, Conclusions of Law, and Order (Jan. 18, 2002).

As explained in our previous article, the ANR prepares a list of “impaired waters” for the state of Vermont. Waters are listed as impaired if they fail to meet any of the criteria contained in the Vermont Water Quality Standards (VWQS). Based on the WRB’s final decision it is clear that if an applicant applies for a stormwater permit to discharge to one of the impaired waters on the ANR list, the permit can only be granted under two scenarios.

One scenario is that ANR has prepared a wasteload allocation for the waterbody and the discharge is found to be consistent with the allocation. The allocation is based on the Total Maximum Daily Load (TMDL) of pollutants that may be discharged to the waterbody without violating any of the VWQS. To date, no TMDLs have been established in the state of Vermont. While ANR is working on a plan to create TMDLs, until TMDLs are widely established, permit applicants will not be able to count on this scenario to obtain a permit.

The second scenario is that an applicant can establish that the proposed discharge will not increase the “pollutants of concern.” Pollutants of concern mean the pollutants that have been previously discharged into the waterbody that caused the waterbody to become impaired. For example, if a waterbody segment is impaired for phosphorous, the applicant must prove that the proposed stormwater discharge will not increase the amount of phosphorous to the impaired water and phosphorous would be the “pollutant of concern.”

In order to determine whether a proposed discharge will increase the “pollutants of concern,” the WRB had to establish a baseline for measuring the impact of pollutants that would be discharged to the impaired waterbody. Importantly, in its decision, the WRB chose to establish the baseline as the existing conditions at the site, rather than at a pure, unimpaired state.

Based on how the WRB decided to measure the baseline, an applicant is not required to prove that the waterbody will no longer be impaired in order to obtain a permit. Rather, an applicant must prove that the proposed discharge will not exacerbate the existing impairment in order to qualify for a permit, a much more relaxed standard.

Considering the evidence in light of the above standards, the WRB concluded that the applicant was able to establish that the proposed discharge will not increase the load of pollutants of concern to the waterbody and the WRB granted the stormwater permit. In its decision, the WRB indicated it was persuaded that the proposed stormwater discharge system would not increase the pollutants of concern being discharged to the waterbody. The WRB also rejected the notion that proof of compliance with ANR stormwater procedures created any presumption that the proposed discharge would not further impair the waterbody.

Again at the end of the day the question arises, what does this decision mean for Vermont cities and towns? In our opinion, it means that it will be much more difficult to obtain a stormwater permit for a discharge to an impaired water. With the ANR just beginning to establish TMDLs on a widespread basis, an applicant will not be able to rely on the TMDL as a basis for a stormwater permit for some time. Accordingly, to obtain a stormwater permit for a discharge to an impaired water an applicant will have the

(Continued on next page)

Summarizing recent court decisions of municipal interest
burden of proving that the proposed discharge will not exacerbate the impairment. This means if a municipality is the applicant for a stormwater permit it will have to hire experts to design a stormwater system that will not increase the “pollutants of concern” and convince ANR that the system will in fact not exacerbate the impairment. With proposals to increase jurisdiction over municipal projects requiring a stormwater permit, this could become a greater problem for municipalities in the future. See “Water-related Issues” in this VLCT News and watch VLCT’s Weekly Legislative Report for information on potential legislative changes that could affect the impact of this decision and the legal obligation of municipalities with regard to stormwater.

- Jon Groveman, Director, VLCT Municipal Law Center

UNITED STATES SUPREME COURT NARROWS THE DEFINITION OF DISABILITY UNDER THE ADA

The United States Supreme Court issued an opinion that clarifies and narrows the definition of disability for being unable to perform “manual tasks” under the Americans with Disabilities Act (ADA). Toyota Motor Mfg., Kentucky, Inc. v. Williams 2002 WL 15402 (Decided Jan. 8, 2000). The relevant facts of the case are as follows:

An assembly line worker for the Toyota engine manufacturing plant in Kentucky complained of carpal tunnel syndrome as a result of using pneumatic tools during her employment. At her doctor’s request, the plant initially accommodated her by limiting her responsibilities. For example, the employer altered her job responsibilities several times to address her carpal tunnel syndrome. However, when the employee continued not to be able to function at work as a result of her condition, the employer terminated the employee. The employee filed suit claiming that the employer had a responsibility to continue to accommodate her under the ADA. The employee claimed that she qualified as disabled under the ADA because the carpal tunnel syndrome left her unable to perform manual tasks at or above shoulder level for long periods of time.

The ADA defines ‘disability’ as “a physical or mental impairment that substantially limits one or more of the major life activities of such individual.” Regulations enacted in association with the ADA provide examples of major life activities, which include walking, seeing and performing manual tasks.

The lower court ruled that to prove a substantial limitation on her ability to perform manual tasks, the employee had to show that her “manual disability involved a ‘class’ of manual activities affecting the ability to perform tasks at work.” The lower court went on to find that the employee met this burden because her ailments prevented her from performing tasks associated with certain types of manual assembly jobs.

The Supreme Court reversed the lower court’s ruling and criticized the lower court for confining its analysis to only a “limited class of manual tasks” associated with her job, rather than inquiring whether her impairment restricted her ability to perform tasks of “central importance to most people’s lives.” In rendering its decision, the Supreme Court clarified that the determining factor in whether an employee has a disability under the ADA is not whether the employee can perform tasks associated with a particular job, but whether the claimant can perform “major life activities” as these activities are defined in the ADA.

The bottom line is that when faced with a request for accommodation under the ADA based on an employee’s inability to perform manual tasks, municipalities should examine whether the condition has a broad affect on the employee’s ability to perform major life activities, not whether the employee can perform his or her job. This is an important ruling because, with common conditions like carpal tunnel syndrome, employees will often claim the inability to perform manual tasks as a disability and this ruling narrows the application of the manual task disability under the ADA.

It is worth noting that in rendering its decision, the Supreme Court specifically avoided the question of whether working itself could be a major life activity under the ADA. The Supreme Court stated that “because of the conceptual difficulties inherent in the argument that working could be a major life activity, we have been hesitant to hold as much and we need not decide this difficult question today.” Accordingly, this is still an open legal question.

Finally, as always, the Law Center advises municipalities to consult an attorney when faced with an employment-related ADA issue to obtain fact-specific advice on how to deal with your particular situation. Better safe than sorry!

- Peter Stein, Intern, VLCT Municipal Law Center
Is there a difference between a dedicated or designated fund and a reserve fund?

Yes, both legally and in how these terms are used in the world of municipal finance. As a matter of law, in Vermont a reserve fund is a fund created by the voters at Town Meeting or at a special meeting for the purpose of a funding a specific item or project. 24 V.S.A. § 2804. For example, a reserve fund may be created for improvements to the town offices, or for constructing a playground or purchasing a piece of equipment for the town.

The reason for creating a reserve fund is twofold. First, it ensures that money appropriated by the voters will only be used for the stated purpose of the reserve fund. In this sense, the money in a reserve is “dedicated” for a particular purpose. Perhaps this is why reserve funds are sometimes confused with dedicated funds. Once created, the funds can be disbursed by the selectboard without further voter approval.

Second, a reserve fund allows the selectboard to roll over money that is placed in the fund and not spent from year to year. This is contrary to the general rule of budgeting under Vermont law, which is that money not spent in a budget year must be reallocated the following year as part of the budget approval process at town meeting. An exception to this rule is highway money, which may only be spent on highway purposes and does carry over from year to year if a surplus exists. See the VLCT Highway Handbook for a detailed discussion on handling highway budgeting.

The bottom line is that a reserve fund does not exist unless the voters have approved it at Town Meeting. In fact, under Vermont law reserve funds only cease to exist if the voters vote to rescind the fund. Accordingly if you’re not sure if you have a bonafide reserve fund, check the town or special meeting minutes to see if a record of the voters creating the fund exists. If no such record exists, neither does the fund.

From a fund accounting/auditing/financial reporting perspective, there is also a difference between a reserve fund and a designated fund. In financial terms, a reserve fund is a fund that has been legally set aside for a specific purpose by the taxpayers. If you have been following this article closely, you will know that this financial definition of a reserve fund is the same as the legal definition described above.

A designated fund in financial terms is money set aside by management (the selectboard, city council, trustees etc.) for some specific purpose and without any legal basis. For example, in its budget the selectboard may designate certain money for use by the recreation committee. However, if a legal “reserve fund” has not been created they are authorized to spend these designated funds for another purpose if the need or desire arises. See the December 2001 Ask the League for an in-depth discussion of the authority of the municipal legislative body to move money around within the budget.

- Jon Groveman, Director, VLCT Municipal Law Center
BOYCE -
(Continued from Page One)

home), Boyce has a strong personal as well as family history of involvement in his local government. His grandfather, Earl Boyce, was the Williamstown moderator for 14 years beginning in the 1950s, as well as a Justice of the Peace. His grandson is also a Justice of the Peace and was the Fire District moderator from 1993-2001 and a Cemetery Commissioner from 1995-2000. Next month he will run not for moderator, but for a selectboard seat in Williamstown.

History and music also keep Boyce busy. He is President of the Williamstown Historical Society and Curator of its museum, and perhaps most importantly for the town, he winds the Congregational church clock once a week. A fiddler and composer, Boyce is a member of the Ed Larkin Contra Dancers and a trustee of the New England Fiddlers Association. He can also be called upon as a storyteller for the Vermont Arts Council and as a speaker for the Vermont Council on the Humanities on the history of square and contra dancing.

Moderating town meetings, Boyce says, is also in a sense acting as curator for a piece of living Vermont history. In his work with historical societies around the state, Adam often runs into other moderators. “I think a respect for history and for fairness is what brings the two [historians and moderators] together,” he commented. And in-depth knowledge of their communities probably also aids these historian/moderators when old or recurring problems come up at Town Meeting.

Does Boyce the historian think that Town Meeting is destined to change from a living historical institution to one confined to the history books? “I’m not overly optimistic,” he said. “It is an important institution, it is part of who we are, culturally, politically and socially, but that identity is disappearing from a community viewpoint. With technology and transportation,” he added, “the push is to the outside.” Boyce also feels that the loss of local control has had an impact on Town Meeting. “The things local officials can do nowadays have been severely curtailed,” he said, adding, “there’s not a lot of local control, but there are lots of regulations and little common sense, which we are in dire need of!”

There are exceptions of course – large snowstorms and controversy being two events that can quickly reverse a Town Meeting’s declining attendance. “We had more people show up at 10 a.m. last year than any other I can remember,” Boyce said about last year’s record Town Meeting Day snowfall. The storm, which cancelled many other events and closed employers for the day, kept people home and free to travel the short distance to Town Meeting. “We need a storm like that every Town Meeting Day,” Boyce concluded.

Controversy, too, is a reliable predictor of meeting attendance. Williamstown has had its fair share of that over the last year, and Boyce said Town Meeting this year “will be interesting.” When things get dicey on the floor, Boyce is quick to order a paper ballot. “I remember my grandfather telling me that if you don’t, you run into the problem whereby folks vote with their neighbors,” he recalled.

Boyce, unlike some moderators, is also fairly lenient with petitioned articles and the “Other Business” portion of Town Meeting. Making it very clear that these articles and topics are generally non-binding, he will let the discussion of them run its course. “That is the core of what democracy is all about,” he commented.

- Katherine Roe, VLCT Communications Coordinator

TIPS FOR MODERATORS

Adam Boyce passed on these tips for moderators who are running next month’s Town Meetings:

• Have a lot of patience.
• Remember that the majority of citizens are fair-minded.
• Don’t step down to speak to an article – Boyce personally feels that this can compromise the role of impartial moderator.
• Don’t play favorites/treat each voter fairly.
• Use paper ballots for large sums of money or controversial items.
• When a question is called, make sure the voter knows which question he or she is calling.
• Work with the selectboard and citizens ahead of time to make sure each article is written to leave the voters with as many options as possible.
The bad news is that many workplace injuries are caused by human error. The good news is that just as people cause accidents that lead to injury, people can prevent them. Here are ten ways you can help prevent injuries on the job:

1. **Follow established work procedures.** They have been carefully designed with the help of safety experts to protect your safety. Do not take shortcuts or short-change safety by being careless about how you perform your tasks.

2. **Participate in safety training.** This means more than just showing up. It means paying close attention, participating in discussions and practice sessions, reading materials, and asking questions. It also means applying what you have learned in training on the job.

3. **Be a hazard detective.** Be on the lookout for hazards. Keep alert to anything that could go wrong. The only hazards that can hurt you are the ones you do not know about. If you can identify a hazard, you can take precautions.

4. **Report anything that does not seem quite right.** Do not take any chances with your safety. Even if you are not sure if something really is a hazard, if it does not feel right, report it to your supervisor.

5. **Keep your work area clean and uncluttered.** It is up to you and your co-workers to make sure that your work area is not going to be the cause of an injury. That means keeping aisles clear, cleaning up spills, properly disposing of scrap and waste materials, putting tools away when not in use, and eliminating any other items or conditions that could create a hazard.

6. **Pay attention to warning signs and tags.** There is a reason for every safety sign and tag in your facility. Read them carefully and heed their warnings.

7. **Gather necessary safety information before you start a job.** In order to do any job safely, you need all the necessary information at your fingertips before you start working. If you are missing any information, ask your supervisor. If you are not sure about how to proceed, ask your supervisor.

8. **Always use assigned PPE.** Personal protective equipment (PPE) is assigned to prevent injuries. Some PPE is required by OSHA regulations. Some has been determined to be necessary by safety experts. PPE is your best defense against hazards that cannot be eliminated through other means.

9. **Look for ways to make the job safer.** There is always room for improvement. Often it is the people on the front lines, like you, who are in the best position to see the gaps in procedures or figure out safer ways to do your job.
NEW PACIF/MUNICIPAL LAW CENTER PROGRAM OFFERED
SEXUAL HARASSMENT AWARENESS TRAINING

Sue Ritter, VLCT Municipal Law Center Attorney, and the VLCT PACIF Risk Management Services Department have teamed up to offer a new educational seminar on Sexual Harassment Awareness for the employees of PACIF member municipalities.

“When Sue Ritter joined the VLCT staff last fall, VLCT PACIF and the Law Center decided to work together to tap her expertise in the areas of liability law and personnel issues,” VLCT Group Services Director Dave Sichel said, adding “this is a collaboration that will greatly benefit VLCT PACIF members.” The PACIF staff is also working with Ritter and the Law Center to rewrite the VLCT PACIF Personnel Handbook and to develop other training programs.

Under Vermont’s Fair Employment Practices Act, sexual harassment awareness training in the workplace is strongly encouraged. The PACIF/Law Center training sessions are offered at no additional cost to PACIF members. The sessions that have been held so far have been very successful both in terms of the number of people trained and the practical tools provided to help municipalities with these very tough issues.

The sessions are offered in two parts. Part one is designed for managers and supervisory personnel only. The topics include:

- Overview of applicable federal and state laws.
- What constitutes sexual harassment.
- Overview of employer liability and compliance.
- What makes a good personnel policy with regard to sexual harassment.
- What to do if you become aware of a complaint.
- How to properly investigate and resolve a complaint.

This session lasts approximately two and a half hours.

The second part is for non-supervisory personnel. It also provides an overview of applicable state and federal laws and a discussion on what harassment is and why you do not want it as part of the workplace. How and to whom you should report a complaint as well as what happens after a complaint is filed is also covered. Participants will learn what responsibilities they have with regard to harassment situations as well as an employer’s responsibilities.

This session lasts approximately one hour.

Both sessions are very informative and offer a chance for everyone to interact with their peers through questions, role-playing and “real life” discussions about what really happens with these types of issues. It should also be noted that even though the sessions are entitled Sexual Harassment Awareness, the training sessions are applicable to any type of harassment.

These training sessions are being offered on a regional basis. We are trying to have as many municipalities as possible attend the same sessions. We feel that this enhances the educational opportunity and gives participants a chance to learn along with their neighboring communities. If your municipality is a member of VLCT PACIF and would like to host a training session, please call VLCT Risk Management Services at 800/649-7915.

- Patrick Williams, Deputy Director, VLCT Group Services

Anne Saulenas joined the VLCT staff last month as our new Production Clerk, taking the place of Maria Chouinard.
Anne came to the League from Blue Cross Blue Shield of Vermont, where she worked as a records scanner. Prior to that, she worked as a temporary Administrative Secretary for various clients of Kelly Services in Montpelier.
Anne’s previous experience with computer and production equipment allowed her to jump right in and help the League staff with the Weekly Legislative Report, workshop announcements, newsletters and the wide variety of other mailings that leave the VLCT offices each week.

A native of Massachusetts, Anne now lives in Greensboro Bend with her husband, Paul. Welcome, Anne!

Zachary Paul Clark was born on Monday, January 28, 2002 to proud mom Trisha Clark and her husband, Kevin. Trisha will be on leave from her receptionist position until April, while she takes care of her youngest son – Zachary joins his two older brothers, the three of whom will surely keep Trisha and Kevin busy for the foreseeable future.

NEW VLCT PACIF MEMBERS
Johnson Village and the Town of Rochester

NEW VLCT HEALTH TRUST MEMBERS
Winooski Valley Park District, Town of Whitingham, Town of Whiting and the Winooski Natural Resources Conservation District
just about every segment of the community.”
In this case, what is good for Manchester is also good for the state. Manchester must share 30% of the proceeds of its local sales tax with other communities. This has translated into approximately $400,000 being sent annually to the state to help fund its “payments in lieu of taxes” (PILOT) to towns hosting state buildings. Also forgotten in the Act 60-framed debate over revenue sharing is the fact that towns like Manchester already send millions to the state in state sales and rooms and meals taxes. Last year, Manchester alone contributed $6.4 million in state sales tax revenue and $3.6 million in rooms and meals taxes to support state programs.

Manchester is also somewhat unique in its response to Act 60’s revenue sharing requirements. It is one of twenty communities that have been able to set up and maintain a private foundation to raise funds for education, so that fewer local property tax dollars have to be raised and shared with the state through the Act 60 “sharing pool.” The foundation is three years old and raised $2.3 million for Manchester’s education needs in its most recent fiscal year. While not exactly what the authors of Act 60 had in mind, the foundation is, Jeff said, “an example of appropriate community problem solving,” and illustrates the difficult choices Act 60 forced some communities to make. Taken together, the foundation and the local sales tax “have proven effective in maintaining a sound school system, in the absence of skyrocketing school taxes,” Jeff said. He did point out that Manchester’s school tax rate increased by $.15 just from the imposition of the statewide property tax feature of Act 60 and that the town does share at least that much throughout the state.

Looking ahead, Jeff feels that amending Act 60, continuation of the local sales tax enabling legislation and correction of Manchester’s infamous traffic problems at “Malfunction Junction,” (the intersection of Routes 30, 11 and 7A in downtown Manchester) are all high priorities for his town. He’d like to see an end to the controversy that still surrounds Act 60 by amending it to increase the statewide property tax and basic block grant, while eliminating the “sharing pool.” The sunset provision in the enabling legislation for the local sales tax is currently set for December 31, 2004; Jeff would like to see it eliminated entirely and have the tax made an option for “all of Vermont’s cities and towns.” Finally, Manchester is planning to start design work this summer on a roundabout for Malfunction Junction, with an eye toward constructing it by 2006.

Jeff joined the VLCT Board last fall for the second time – he previously served from 1986-1992, including a term as President of the Board from 1989-1990. He hasn’t signed on either time with a specific legislative or organizational agenda. Rather, he would like to “work to elevate the perception of the League in the minds of state officialdom and the public at-large, so that our organization is viewed as an equal public partner with state government.

“Ultimately,” he continued, “it is my somewhat naïve dream that the League could be thought of as not just another special interest group, but would be able to work on the same plane with the state to solve common problems in a less combative, more collaborative manner.”

Jeff believes that VLCT suffers from some of the same image problems that local governments do – we work hard, do a good job, and yet are not often recognized for our efforts. “VLCT,” he said, “needs to get its message out to the citizens of Vermont, constantly reminding them of who we are and what we stand for.

“The League is a first class organization, with excellent staff and programs that represent 245 cities and towns, and thousands of local officials. In my book, we wear the white hats and shouldn’t be shy about tooting our own horn and polishing our image,” Jeff concluded.

From his comments, though, it is clear that Jeff knows that the ultimate reward for working in local government (or for the League) is not recognition received from others, but the personal satisfaction of a job well done. Jeff has worked in the public sector since graduating in 1977 from the University of Massachusetts with a BA in Political Science (followed in 1981 by an MPA from Suffolk University in Boston). Before moving to Vermont, he served as a legislative aide in the Massachusetts Legislature and as a full-time selectman in Barnstable, Massachusetts.

In the public sector, he noted, “every day seems to present a different, new and interesting challenge. Moreover, it is incredibly satisfying to accomplish tasks and projects that can actually help people and make a difference. This sense of rewarding accomplishment has especially been true during my tenure in local government. To me, local government is where the action is; it is where you can make things happen and readily see the concrete fruits of your labor.”

Jeff’s wife of 26 years, Jacquelyne, probably would agree. She is an educator who last year became Principal of the Main Street Middle School in Montpelier. The couple probably has some interesting conversations about education funding and quality, but Jeff was mum as to the details, except to say that he has much respect for his wife, who must deal with many different constituents: kids, teachers, administrators, the school board and parents. Most challenging for the two presently is figuring out the logistics of a modern, two-career couple whose jobs require them to live apart during the week. The arrangement only works, Jeff noted, because their three sons have left home – the youngest is a freshman at Colorado College.

Welcome back to the VLCT Board Jeff!
- Katherine Roe, VLCT Communications Coordinator
HOW WELL DO YOU KNOW VERMONT?

This month, we debut a new feature – a question to test your knowledge of Vermont trivia. We’ll print the name of the first person to get the correct answer in our next issue, along with a new question for all. Here goes:

There is a road running through various sections of the state called the Bayley-Hazen Road. Who built it, why, where did it start and where does it end?

Call, write, fax or e-mail your answer to VLCT, 89 Main Street, Suite 4, Montpelier, VT 05602; tel., 800/649-7915; fax, 802/229-2211; e-mail, info@vlct.org.

CONGRATULATIONS!
FRANKLIN TOWN TREASURER WINS $2.4 MILLION

Jean Richard said that as Franklin Treasurer, she was used to handling large sums of money without thinking too much about it. However, after winning $2.4 million on January 25, 2002 in the Tri-state WinCash game, that all changed.

“This is a little different,” she said earlier this month about her winnings. “It is a whole different game – now I worry more about where to put it and how to keep it safe.” Richard was at work as usual in early February, and commented, “both feet are back down on the ground. We’ve had W-2s to file and the Town Report to finish. Life goes on!”

Richard hasn’t yet decided whether she will run again in March for the treasurer position she has held for 13 years. Luckily for her, she said, Franklin elects its town officials from the floor, which gives her a little bit more time to decide. She and her husband Lyle are now weighing their options. They have a few immediate plans, like finishing their house and helping their two children attend college.

Whichever path the Richards take, Jean will always be known as the town treasurer who could coax a pretty good return from a dollar “invested.” Good work, Jean, and best wishes from your municipal colleagues.
LOCAL OFFICIALS MEET TO DISCUSS WATER-RELATED ISSUES

Water issues – riparian buffers, watershed planning, on-site sewage regulations, stormwater management rules, wastewater facilities funding priorities, and Total Maximum Daily Loads (TMDLs), as well as Vermont’s impaired waterways – consumed the attention of the Agency of Natural Resources (ANR) over the past year.

Local officials followed ANR’s progress with interest and concern, and met in late December to assess the combined impact of the Agency’s initiatives on local land use regulation. Also discussed was whether or not local governments have the capacity to comply with the initiatives.

Chris Recchia, Commissioner of the Department of Environmental Conservation, briefed officials about the proposals for regulation (stormwater management, on-site sewage, and funding priorities for wastewater treatment facilities) and the new arsenic standard in the recently adopted Water Supply Rules.

STORMWATER

Recchia made it clear that under the proposed stormwater regulations, municipalities would be considered “selected contributors” and subject to regulation because of their responsibility for roads. Those bordering any of the 26 waters in the state considered to be impaired as a result of polluted stormwater runoff would be the first to have to comply with stormwater regulations.

One of the most pressing, and unanswered, questions raised by local officials was, “What are the standards and what will they cost local governments?” Clearly, the answer is key for both the federal Phase II plan and for the state program. Yet no one can even estimate what the costs will be for the state program.

ANR is hopeful that municipalities in the most impaired and densely settled watersheds will opt to establish stormwater utilities. Stormwater utilities would encompass a specific geographic area, and the regulating municipality or group of municipalities would have authority to collect fees from all dischargers of stormwater within the geographic area to operate stormwater discharge, collection and management facilities. South Burlington and Colchester are two municipalities looking at this kind of utility. Because it is not now clear that municipalities have authority to establish stormwater utilities, enabling legislation would have to be passed. Local officials at the meeting encouraged VLCT staff to ensure that such legislation be written broadly so stormwater management can be incorporated in current public works departments, to mesh with municipal regulation of on-site sewage, or to enable the creation of a regional or even statewide utility.

Local officials also noted that stormwater management and on-site sewage treatment warrant significant statewide education programs. As was the case with recycling, there is much that an individual can do to maintain stormwater and on-site sewage disposal systems, and even more to reduce pollutants going into these systems. Participants felt that the state should commit resources to such an education program.

Participants also urged VLCT staff to develop sample stormwater ordinances modeled on ordinances in states that are further along in stormwater management than Vermont; to develop an education piece for legislators outlining the costs to municipalities for complying with state law; to assure that local officials have the opportunity to testify to the Legislature; and to avoid state legislation that exceeds federal standards (this last one is not specific to stormwater management).

Serious doubts were raised about a plan proposed by Governor Dean to clean up waters impaired for phosphorus in Chittenden County within two years. This plan is in response to the Water Resources Board Loews decision. (See August 2001 and this issue’s Legal Corners for discussions of this case.)

Vermont has been directed to put TMDLs in place several times. Participants at the December meeting urged the state to do so, because without them, it will be difficult for development to secure water resources permits, and no one wants to stop development altogether or force it out of cities and towns to green strips. The problem now is that while the majority of pollutants to our lakes and streams come from non-point sources, including agriculture, the easiest way to measure reductions of pollutants is from a point source – an outflow from a municipal treatment plant.

ON-SITE SEWAGE DISPOSAL

On-site sewage is a significant issue for more rural areas. Local officials were concerned about being able to rewrite their planning and zoning bylaws in time to accommodate new treatment technologies and the different development patterns they will bring. The subject of closing the ten-acre loophole was not significant in this meeting. Revised on-site sewage rules will go through the administrative rules process during the 2002 legislative session and the Legislature may make changes to the rules or to the rule adoption process as a result.

Neither stormwater nor on-site rules are a done deal. The Legislature is very interested in both subjects. Local public works officials should keep apprised of those rules’ progress and contact VLCT staff member Karen Horn as well as their legislators with concerns as the session progresses. For the time being, VLCT staff found the December round table on water issues to be invaluable and were given many initiatives to work on through the winter.

ARSENIC IN DRINKING WATER

Commissioner Recchia also mentioned that proposed water supply rules had been finally adopted and that they reflect the new federal standard for arsenic of 10 parts per billion as the maximum contaminant level (MCL). The existing standard was 50 parts per billion, adopted as an interim standard in 1976. Arsenic occurs naturally in the earth’s crust and water supplies in New England are likely to have high concentrations. Four water supplies in Vermont that will have to reduce their arsenic levels under the new rule are Newport City, North Troy, Coventry and a smaller system in Graniteville.

- Karen Horn, Director, VLCT Legislative and Membership Services
Tech Check

A Data and Telecommunications Primer

Remember the days when you had a telephone and you had a computer and, when you bought one or the other, you didn’t have to think about digital communications or networks or “dial-up” versus “Frame Relay” versus “DSL?” In the good old days, all you had to do was call Ma Bell for a telephone, AT&T for long distance and IBM for a PC.

Well, times have changed and communications are a whole lot more complex than they used to be. The good news is that there is better pricing for all this technology; the bad news is that it takes someone who speaks in acronyms to understand and analyze the products and services offered by the competing vendors. To help you sort through the various terms and concepts, I offer this brief glossary, and suggest some useful publica-

BASICS

Analog Transmission – This is how your voice is transmitted over a wire. Analog signals are electronic signals sent over a line that vary with the sound waves produced when you speak.

Bandwidth – This refers to the range of the wavelength (from high to low frequency), whether it is an analog or digital signal. An analog signal must have a bandwidth to accommodate the frequency of the sound waves emitted from a human voice. Digital signals, however, are electrical impulses that are either on or off, and must be translated to sound in order to carry over a standard copper wire (analog transmission media). There are a couple of ways to transmit data: baseband, where a single signal is transmitted, and broadband, where multiple signals are transmitted simultaneously.

Coaxial or Coax – This is a type of shielded copper wire used for analog transmissions. It can also be used for digital transmission using a modem on each end to change the signal.

Digital Transmission – This is how data is transmitted over a wire. These signals, very much like Morse code, are a series of 0s and 1s (current on and current off) that represent a letter of the alphabet or some other type of character like a carriage return or upper or lower case. The number of bits that represents a particular character varies with the type of digital transmission used. A group of eight bits is called a byte, and, roughly speaking, a kilobyte is equal to 1,000 bytes, a megabyte is a million bytes, and a gigabyte is a billion bytes.

Modem - Analog lines like the old copper wire with which we’re all familiar, require conversion of digital signals to analog. Digital signals form square wave patterns while analog signals form waves that vary like sound waves. Therefore, a modem (short for modulation demodulation device) makes that transition prior to sending the signals over the analog line. The number of bytes per second that it transmits measures the transmission speed of a modem. 12 kilobits, or 12k (12,000 bits), was once the standard, as was 36k; however, the latest modems can reach theoretical speeds of up to 56k. In reality, the type and quality of the line can limit the actual speed of transmission.

Two-Pair Wire – The telephone wire standard: a copper wire coming in two pairs, the extra one provided in case a resident desires an extra phone line.

VOICE COMMUNICATIONS TERMS AND OPTIONS

Central Office – The place where the main “switch” or telephone switchboard for your particular calling area is located.

LEC (Local Exchange Carrier) – The company that operates the Central Office for your telephone network (Verizon for most of you).

LATA (Local Access and Transport Area) – The area covered by your Central Office. Like a computer network, the Central Office connects to a number of residences and businesses, managing the incoming and outgoing transmissions within your calling area. It routes the calls that are directed outside the LATA to a long-distance carrier within your calling area. This long distance carrier’s location is called the POP (Point of Presence). The POP will route the long distance call to the correct central office in order for the person you’re calling to actually get the call. Intra-LATA calls are those made within your local call area and inter-LATA calls are those made outside your local call area.

PBX (Private Branch Exchange) – This is essentially a multiple line phone system that is a mini central office or switchboard at your business location. If you have several offices in a location, you can purchase a PBX that will take one or more main incoming phone lines and allow you to route calls to various extensions. Outgoing phone lines are set up

(Continued on next page)
to allow more than one person to make calls simultaneously. These systems vary in degree of sophistication, depending on the vendor.

**Centrex** – This is a multiple line service offered by the former New England Telephone/Nynex/Bell Atlantic, now Verizon, that establishes its central office as your switchboard. You have a number of direct lines, one for each user, with separate phone numbers. The Centrex service was designed to offer businesses a lower cost for multiple lines. Businesses with multiple line needs can also combine Centrex lines with a PBX system by purchasing Centrex lines to connect to the PBX.

**DATA COMMUNICATIONS TERMS AND OPTIONS**

**Cable Internet** – Cable TV is now in the business of providing Internet services using a technology that provides faster speed through hardware at each end, an alternative to the standard dial-up connection for online access. It provides higher speed transmission over cable lines capable of carrying voice, data and video signals. Cable service has shared access - that is, it combines users in the same location on the same line.

**DSL (Digital Subscriber Line)** – Also known as xDSL (the “x” denoting a variation of the service), this is a digital access service that provides a “point to point” or dedicated line, combining voice and data over a copper wire. There are several variations of DSL, with ADSL being the more common service used for residential and small businesses. ADSL (Asymmetric DSL) is named for its lopsided two-way transmission; the bulk of its transmitting capacity provides fast download, with only a small amount of bandwidth for uploading. Transmission speed can reach up to 6.1 megabits per second (Mbps). **SDSL (Symmetric DSL)** has equal bandwidth for sending and receiving, with a speed of 1.544 Mbps in both directions.

**Frame Relay** – This technology uses a method called packet switching to transmit data between two points. It basically divides the files, emails, etc. into variable length pieces, or “packets,” that are numbered and addressed so they can be put back together again at the other end. By using this method, large amounts of data can be efficiently transmitted simultaneously. With frame relay, you’re likely looking at a transmission speed of 1.544 Mbps, however, it can be purchased to provide speed in excess of 155.52 Mbps.

**ISDN (Integrated Services Digital Network)** – This is a digital transmission standard that provides a transmission service with speeds between 16 kbps and 64 kbps (kilobits per second) for residential or small businesses and up to 1.544 Mbps for larger commercial users. It combines voice and data signals over an analog line by using ISDN adapters at both ends of the network path. Broadband ISDN uses fiber optic cable instead of standard copper wire.

**T-1 Trunk** – This is a high-speed digital transmission technology that will accommodate both voice and data communications. The “trunk” contains 24 channels, for a total network speed of 1.544 Mbps. A “Frac-T” (fractionalized T) uses only a portion of the 24 channels, cutting the speed of transmission. It is a more expensive alternative generally used for mid-sized and large organizations.

**RESOURCES**

For more information on telecommunications and data communications, check out William J. Beyda’s book *Data Communications From Basic to Broadband,* (1999 New Jersey: Prentice Hall). ICMA (International City/County Management Association) also has some good publications that can be ordered from their website at www.icma.org. And a really nifty website for quick definitions for those blasted acronyms that vendors love to spew ad nauseum is http://whatis.techtarget.com/.

Other website resources:
- www.vtac.org/tngeducation/telecom102/sld001.htm
- www.howstuffworks.com/dsl.htm
- www.webopedia.com

Thanks to Jill George of VLCT and Marty Shaw of SoverNet for their technical assistance in editing this article.

- Michael Gilbar, Director, VLCT

**Administrative Services**

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**BICYCLE AND PEDESTRIAN FUNDING AVAILABLE**

The Vermont Agency of Transportation (VTrans) recently announced the availability of funding for bicycle and pedestrian-related projects through the 2002 Bicycle and Pedestrian Program.

The 2002 Technical Assistance Program offers a total of $250,000 in funds for the development of bicycle and pedestrian feasibility studies of projects statewide. Communities should have a conceptual idea for an alternative transportation facility that provides a safe route for the general public to either bicycle or walk to and from activity centers within the community or region.

Program applications *must* be submitted through your respective regional planning commission or the Chittenden County Metropolitan Planning Organization. Municipalities will be responsible for 10% local match. Applications are due at VTrans by Monday, April 8, 2002.

For additional information, application materials or a program guidebook, contact your regional planning commission, the Chittenden County Metropolitan Planning Organization, Amy Bell, VTrans Bicycle and Pedestrian Coordinator, at 802/828-5799 or Amy.Bell@state.vt.us, or Jon Kaplan, VTrans Assistant Bicycle and Pedestrian Coordinator, at 802/828-0059 or Jon.Kaplan@state.vt.us.
RECRUITING FOR SUCCESSFUL HIRES

Although the tight market of the recent past may be slowing some, hiring the right person remains of the utmost importance. With the right individual you gain an obvious asset to your team and avoid the risks associated with hiring the wrong person. These risks include possible exposure to a lawsuit claiming wrongful discharge, reduced morale of other staff members and the costs associated with lost productivity, training, missed opportunities and additional recruiting time.

While we all want to avoid these risks, at the same time there should be no cutting corners in your efforts to find the right new hire as there are legal requirements imposed to ensure that you hire in a lawful fashion.

Here are some steps to ensure a non-discriminatory process that will get you the right candidate:

PREPARATION

Consider the possibility of interviewing as a panel of two to five individuals. Better ideas are often generated in crafting interview questions and different perspectives can be considered when making the hiring decision. There can be an added bonus when colleagues or subordinates of the new hire are included, i.e. they feel more appreciated by virtue of their input being sought and there is greater “buy-in” regarding the final choice.

Analyze the job and be sure to identify the knowledge, skills, abilities and behaviors that would be critical to successful performance. A good place to start is with the job description, assuming it is recent and accurate, but you should also think about incumbents to identify the specific qualities that contribute to their performance and give thought to qualifications the ideal candidate would possess.

Screen candidates by reviewing applications and resumes. Ensure that all minimums are met, and look for clues to successful performance, e.g. writing style, required experience, typos, degree of professionalism, etc. Select at least three candidates to interview.

Prepare for the interview process by carefully devising a list of questions to ask each candidate. Questions should always be defensibly job-related. It is crucial to avoid questions that relate directly or indirectly to age, sex, race, color, national origin, religion, sexual preference, marital status, pregnancy or disabilities. For example, you may not inquire about an applicant's workers' compensation history, nor whether an applicant has a disability. You may ask if there is anything that precludes the applicant from performing the essential functions of the job for which he or she is applying. Asking the same basic questions of all candidates allows for good comparison and a fair process.

After basic skills and qualifications have been determined, interview questions should facilitate discussion as well as elicit from candidates past behaviors and situations that demonstrate the desired behaviors for the job. Questions should therefore be open-ended (i.e. avoid a yes/no response) and might address such areas as work ethic, problem solving, people management, communication, self-motivation, ability to multi-task, etc. depending on what the position calls for. You should also try to determine the degree of “fit” between the applicant and the supervisor. Here are some examples:

- For a position with a high volume of contact with the public, you might say: “Tell me about a past job where you were in frequent contact with members of the public. What did you enjoy about it? What were the challenges for you?”
- To determine how well someone works under time pressure you might say, “Tell me about a job where you were under time constraints to get work done. What happened if you didn’t meet the deadlines?”
- To determine how well an individual works as part of a team, you might say, “Describe a past job where your work depended closely upon the work of others. What was enjoyable about that and what was frustrating?”

NOMINATIONS SOUGHT FOR TWO VACANCIES ON VLCT BOARD

The VLCT Board of Directors will likely have two vacancies after Town Meeting, as two Board members have indicated that they will not seek re-election to their local office.

The terms of both vacancies expire at Town Fair this September. Members of the Board may stand for re-election at that time.

The VLCT Board’s Nominating Committee seeks the names of persons who would qualify to be a Director. The VLCT Bylaws state that a Director shall be “a qualified official of a member city or town,” and that “a qualified official is a person currently holding the position of selectperson, mayor, municipal manager, clerk, treasurer or position established in a municipal charter.

with responsibilities comparable to one of the aforementioned.”

A person elected to the Board of Directors must be able to attend the monthly, half-day Board meeting that is usually held at VLCT’s Montpelier offices. As a Board member, you will be asked to help formulate League legislative policy for approval by the membership, provide direction for VLCT’s long-range goals and objectives, and assist staff on specific legislative positions, including possibly testifying before legislative committees. The position also demands approximately two days in September of each year to help with the Town Fair and Annual Meeting of VLCT. VLCT provides reimbursement for travel expenses, a small per diem for attendance at Board meetings and a super lunch.

If you or someone you know is interested in municipal issues of statewide significance, and would like to be involved in VLCT’s work on these issues as a member of the VLCT Board of Directors, please call VLCT and request a nomination form be mailed or faxed to you. Please return the completed form to the VLCT offices by Wednesday, March 6, 2002. We hope that the VLCT Nominating Committee will be able to recommend candidates to the Board of Directors for action at its March 7, 2002 meeting.

(Continued on next page)
RECRUITING -
(Continued from previous page)

- To determine motivation you could ask: “What part of your work experience has given you the greatest feeling of satisfaction?” What part has been most frustrating? Why did you leave your job? What would interest you in a similar position?”
- To determine the degree of fit between the applicant and supervisor it is helpful to ask: “What type of supervisor have you found easiest to work with? What type was most difficult? Why?”

Consider job components that might be subject to testing. In addition to traditional tests for clerical jobs, candidates for certain positions may be more accurately assessed by having him or her prepare a short presentation or provide a writing sample.

INTERVIEWING

When it comes to conducting the actual interview, try to help the candidate feel comfortable so that he or she is more likely to share information. For instance, you can begin with a warm introduction and if the candidate freezes on a particular question move on to the next until the person is more relaxed. (Sometimes you can segue back to the original question as part of a later discussion.)

It is important to take notes. It will help you remember and compare candidates accurately later on. Additionally, it provides documentation should your choice of candidate be legally challenged. At the conclusion of the search, make sure those notes are filed in one place.

Good listening skills are essential. It is important to let the applicant speak without being interrupted. Since the purpose is to learn as much information as possible in a finite period of time, never dominate the conversation.

A common mistake occurs when interviewers, while introducing a question or trying to put a candidate at ease, telegraph the answer being sought. For example: “We have had a problem with lateness with other people in this position. Is this a problem for you?” or “We need someone who can be flexible in their hours during winter snowplowing season. Does that work for you?” The applicant is then placed in a position where he or she knows there is only one right answer.

Give the candidate enough information about the job and the opportunity to ask questions. Encourage her or him to call you if a question arises later on. Be direct about level of compensation, when performance reviews are conducted and when raises are considered. Try to make sure you’ve given the candidate every opportunity to share relevant information with you. A final question could be, “Is there anything else we should know about you?”

MAKING YOUR CHOICE

Compare the candidates and choose the one whom you believe will do the best job. If you do not believe the right person is among your current pool of candidates, do not feel you have to hire anyone yet. Hiring the wrong person can be much more costly than waiting and culling a pool of new candidates. When the first recruitment attempt fails, the second is usually successful.

- Jill Muhr, VLCT Human Resources Administrator

EMPLOYEE ASSISTANCE PROGRAM

Got a problem, work-related or personal, that you need help resolving? Contact EAP at 800/287-2173 for assistance. This program is co-sponsored by the VLCT Health and PACIF Trusts for their member municipalities, so there is no additional fee. It is available to you and your household members.
**EXCELING IN MUNICIPAL FINANCE**

**MONITORING AND EVALUATING THE BUDGET**

Last month, our first article in this series examined the basics of municipal financial statements. Once you have a clear understanding of the structure of the various financial reports, you are ready to begin "reading" them. We discussed three types of reports: the Balance Sheet; the Statement of Revenue, Expenditures and Changes in Fund Balance; and the Budgetary Basis report. This article will focus on the Budgetary Basis report. This report generally consists of your budgeted revenues and expenditures, shown against the actual revenues and expenditures, with the variance and the percentage received (for revenues) and used (for expenditures). It might look like this:

<table>
<thead>
<tr>
<th>Account</th>
<th>Budget</th>
<th>Current</th>
<th>Year to Balance %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
<td>82,000</td>
<td>6,308</td>
<td>41,000</td>
</tr>
</tbody>
</table>

So what should you as a manager or selectboard member look for in the Budgetary Basis report? There are two ways to evaluate them, both giving you important information about your financial performance. The first is to examine the report for any potential problems, discrepancies or "blips." The second is to examine the report against the normal trends of monthly revenue or expenditures.

**LOOKING FOR RED IN ALL THE WRONG PLACES**

The basic rule of thumb is to look for anything that could cause you financial distress at year-end. Monitoring your financials on a monthly basis is important. Your revenues should be watched closely to ensure that you don't have a shortfall on June 30. Remember that your revenues should balance your appropriations (budgeted expenditures approved at town meeting), and if you have too little revenue and you still expend what you've budgeted, you'll end up with a deficit. If you catch any revenue shortfalls during the year, they can be balanced by spending cuts. On the other hand, if you spend more than you budgeted, you'd better either have excess revenue (over what you budgeted) or have unexpended funds elsewhere in the budget.

Some questions to ask yourself as you examine your monthly budget report:

**Expenditures**
- Have I exceeded the budgeted expenditures? If so, is there a reasonable explanation, and have I covered the over-expenditure with a surplus elsewhere?
- For even expense flows like payroll, benefits, and utilities, is my year-to-date expended where it should be? In other words, if I'm a quarter of the way through the year, I should have expended roughly 25%; if I'm seven months into the year, expenditures should be at 58%; etc. For quick reference:
  - 1 month in: 8.3%  
  - 2 months in: 16.7%  
  - 3 months in: 25.0%  
  - 4 months in: 33.3%  
  - 5 months in: 41.7%  
  - 6 months in: 50.0%  
  - 7 months in: 58.3%  
  - 8 months in: 66.7%  
  - 9 months in: 75.0%  
  - 10 months in: 83.3%  
  - 11 months in: 91.7%  
  - 12 months in: 100.0%
- For all other expenditures, am I roughly where I should be at this time of the year? If not, why?
- Are there expenditures in accounts that have no budget? If so, are they covered by under-expenditures elsewhere, or were they mistakenly booked to the wrong account?

**Revenues**
- For even revenue flows like sewer or water charges, and interest income, is my year-to-date received where it should be? (See even expense flows above.)
- If the year-to-date total is all I'm going to receive for the year, did it meet my budget projection? If not, will I be able to make up the shortfall elsewhere?
- For uneven revenue flows, am I roughly where I should be at this time of the year? If not, why, and can I reasonably expect to receive enough to meet my budget?

Above all, don't be afraid to ASK QUESTIONS if you don't understand something!

**EVERYONE KNOWS IT’S TRENDY**

Our second important and little used evaluation method is to analyze revenue and
expenditure trends. You can use it as a tool for evaluating individual line items in your budget as well as analyzing overall revenues and expenditures.

I would recommend looking at general categories of revenue like taxes, user fees or charges (sewer, water, ambulance), and lump remaining revenues into a category called “other.” For expenditures, you might categorize by department (Police, Highway, Fire, etc.) or type of expense (Salaries, Benefits, Supplies, Contracts, Equipment, etc.).

Establishing trends is relatively simple. Using a line graph gives you the best results. (In the next couple of installments of Excelling in Municipal Finance, I’ll explain how to do that.) What you’re looking for is what you expended and received each month of the year for at least the past three years, including the current year you’re evaluating. Or you can examine the percentage of budget expended and received. Both methods will allow you to determine how your current year lines up with the trend of expenditure and revenue flows over prior years.

Create a table for each category as follows, inserting either the total of the category or the percentage spent or received for each category:

<table>
<thead>
<tr>
<th></th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1999</td>
<td>8.3%</td>
<td>8.0%</td>
<td>8.5%</td>
</tr>
<tr>
<td>2000</td>
<td>8.2%</td>
<td>8.1%</td>
<td>8.5%</td>
</tr>
<tr>
<td>2001</td>
<td>8.3%</td>
<td>8.1%</td>
<td>8.4%</td>
</tr>
</tbody>
</table>

You will find that once you create all your tables and graph the data in each, you have three types of trends. The first is a predictable evenly spread series of lines such as with the above table. Graphing this table will show a series of almost straight lines, one on top of the other.

A second type of trend will occur with data that has predictable changes from year to year, but is not evenly spread throughout the year. An example would be tax revenues. On your graph, you’ll see large peaks in the months of property tax collections (for example, July and December), and that trend will occur from year to year, so the graph lines will be almost identical for each year.

The third trend type is the non-predictable, uneven flow. Miscellaneous revenue and expenditures are perfect examples. Peaks on your graph will not appear in the same month each year; you may have higher percentages in May and August of 1999, but the following year have peaks in January and March.

The point of this discussion is that with an analysis of your trends, you should be able to monitor your financials more effectively. If you know that your supplies expenditures follow a fairly predictable pattern from year to year, and by mid-year you usually expend 70% of the budget, any percentage that greatly exceeds this should be examined more closely. As you go through the Budget Report line by line, stop at the subtotals you have established trend data for, and check them against your tables or graphs to see how close you are. With the uneven and unpredictable line items, you may have no way of knowing how you’re doing until your year is over.

In summary, scrutinize your Budget Report carefully; look for potential problems and trends. You also should be sure at the outset that the numbers in the Budget Report under the “Budgeted” column balance with your approved budget from your Town Report. Errors in entry, confusion about the various funds, or incomplete account numbers in your accounting system can sometimes result in a Budget Report that doesn’t reflect the total approved budget from your annual meeting.

Monitoring and evaluating your budget is a proactive way to maintain control over your town’s financial well-being. Make it a routine part of every monthly meeting agenda and take plenty of time to analyze the report thoroughly.

- Michael Gilbar, Director, VLCT

MUNICIPAL FINANCE - 
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In a survey conducted after the September 11 terrorist attacks on the World Trade Center, the National League of Cities asked municipalities to list specific changes they were planning to make as a result of the attacks. Some of the changes listed were:

- Seek more state and federal grants for terrorism training.
- Update emergency equipment.
- Hire additional police and fire personnel.
- Obtain better media and communication equipment to monitor situations.
- Improve security coordination with military bases, federal labs, and defense facilities.
- Make permanent street closures around certain municipal and federal buildings.
- Expand airport security.
- Obtain training in how to respond to biological and chemical poisoning.
- Learn better ways to monitor safety of water supplies and keep them safe.
- Provide training on new FAA rules regarding airport safety.
- Secure supplies of blood, fuel reserves, and other necessities.
- Build in mental health planning to provide counseling for first-responders and citizens.

The National League of Cities offers local officials a guidebook to terrorism preparedness called, Domestic Terrorism: Resources for Local Government, which can be viewed at www.nlc.org.
WHAT TO DO WITH YOUR OLD COMPUTERS

What does your town do with its computers when they no longer work?

- Find an empty storage space for them until some future date
- Give them to an organization that can reuse them
- Throw them away
- Recycle them

Actually, most computers do wind up in storage when they are no longer needed. A researcher at Tufts University estimated that over three-quarters of all computers ever bought in the United States are now stored when they are no longer needed. A researcher at Tufts University estimated that over three-quarters of all computers ever bought in the United States are now stored when they are no longer needed. A researcher at Tufts University estimated that over three-quarters of all computers ever bought in the United States are now stored when they are no longer needed.

One common alternative to storage is to throw away the old computers and purchase new ones. However, this option diminishes their value for recycling and reduces the chance they will be reused.

What’s wrong with throwing away computers?

The number of computers manufactured and thrown away is growing and the infrastructure for collecting, reusing and recycling them has not kept pace. Unfortunately, while consumer electronics currently account for only one percent of our waste stream, they contribute up to 70 percent of its toxic content, according to a study by the New Jersey Institute of Technology. Computers contain hazardous materials such as lead, mercury, cadmium, chromium and some types of flame retardants. In particular, according to the Silicon Valley Toxics Coalition, the glass screens, or CRTs, in a personal desktop computer contain about six pounds of lead. Many other materials used in computer manufacture such as metals, glass and plastics can also be recovered and used again which saves on our natural resources.

Where to reuse and recycle computers in Vermont?

While computer recycling still has a long way to go, solid waste districts, non-profit organizations and private businesses currently provide for reuse and recycling across the state. Some of these programs are offered year-round, others are offered during special collection events one or more times per year. The Agency of Natural Resources Computer Reuse and Recycling web page lists these options. It also includes links to national and manufacturing programs: http://www.anr.state.vt.us/dec/wastediv/recycling/compR3.htm.

What’s on the horizon for computer recycling?

This past fall, the regional recycling organization, the Northeast Recycling Council (NERC), received grants from the U.S. Department of Agriculture and the Electronics Industry Alliance grant to research and design cost-effective computer recycling strategies in rural areas. NERC selected the Central Vermont Solid Waste District and the Towns of Springfield and Chester for the project and the towns will implement the collection programs starting in spring 2002.

On the national front, industry, the public sector and private organizations have been working together to promote the concept of product stewardship in the computer industry. In short, product stewardship requires all those responsible for the design, manufacture, retail and use to take responsibility for minimizing the product’s environmental impact throughout all stages of the products’ life cycle.

Call Carolyn Grodinsky of the Vermont Agency of Natural Resources at 802/241-3477 for more information.

- Carolyn Grodinsky, Waste Prevention Coordinator, Vermont Agency of Natural Resources

EQUIPMENT EXCHANGE FINDS NEW HOMES FOR UNWANTED STUFF

Interested in saving money and protecting the environment? Check out the Vermont Business Materials Exchange (VBMX). The VBMX will list materials your town has available for others to reuse (for free or for a fee), or your town can list materials it is seeking through a “wanted” listing on the VBMX.

For example, here is a recent listing:

Available Materials: Shelving. Metro or Metro-style free-standing shelving systems. Units differ in condition, ranging from excellent to adequate. Each unit has at least the vertical supports and two to six shelves. Some have casters, some casters and base with bumpers, some sides and/or backs. Prices from $150 down to $25. You pick up in NH.

Supply: One Time
Present Quantity: 27 of assorted sizes
State: NH
Contact Name: Barry Greess
Phone: 617/957-0906
Fax: 617/924-2681

All listings for Available and Wanted materials are posted on the VBMX website at www.vbmx.net. If you want to be automatically updated on all listings, you can subscribe to the VBMX listserve where listings are distributed as soon as they are received.

Call the Vermont Business Materials Exchange to participate in the listserve, or get on the mailing list for its quarterly catalogue, tel., 800/895-1930.

DON’T FORGET -

The U.S. Communities purchasing contract is designed for local governments and features competitive pricing, a non-exclusive agreement and great prices on quantity purchases.

For more information contact:

E-mail: info@uscommunities.org
Tel.: 866/472-7467; 800/635-3993
Website: www.uscommunities.org

Or Michael Gilbar at VLCT, e-mail, mgilbar@vlct.org; tel., 800/649-7915.
REQUEST FOR QUALIFICATIONS

Town of Georgia, Vermont seeks consultants to assist with a village planning study for South Georgia in the vicinity of the I-89 exchange. The consultant will be expected to:

1. Create hypothetical build-out scenarios, including streetscapes and neighborhood site plans in the vicinity of the I-89 interstate exchange.
2. Develop a preferred concept plan based on public feedback.
3. Develop specific amendments to the Zoning Regulations for allowed uses, dimensional requirements, and review standards.

Deadline: Applicants may form a team for this project. Submissions should be postmarked no later than March 8, 2002. For more information, please contact: Dean Bloch, Town Planner, Georgia Municipal Office, 47 Town Common Road North, St. Albans, VT 05478; 802/524-9794.

Legal Aspects of Property Taxes. Thursday, March 28, 2002, Suzanna’s Restaurant, Berlin. Due to the overwhelming popularity of the January offering of this seminar, the VLCT Municipal Law Center is offering it a second time. Property taxes from assessment to appeals will be discussed. For registration information, contact Jessica Hill, VLCT Conference Coordinator, tel. 800/649-7915 or jhill@vlct.org.

Town Officer Educational Conferences. Thursday, April 4, 2002, Lyndon State College, Lyndon; Wednesday, April 10, 2002, Rutland Holiday Inn, Rutland; Tuesday, April 16, 2002, Lake Morey Inn, Fairlee; Wednesday, April 24, 2002, Hampton Inn, Colchester; Thursday, May 2, 2002, Mt. Snow Resort, Dover. Save these dates!

Vermont GIS Expo: A Road Map to Geographic Information Systems in Vermont. Thursday, April 11, 2002, Capitol Plaza Hotel and Conference Center, Montpelier. Exhibits, workshops and presentations will be featured at this annual event. For information, visit www.vcgi.org or call Leslie Pelch, 802/656-8319.

American Planning Association’s 2002 National Planning Conference. Saturday, April 13 – Wednesday, April 17, 2002, Hyatt Regency Hotel, Chicago, Illinois. This annual conference offers over 200 sessions and workshops, 80 mobile workshops and special tracks on disaster preparedness, small towns and rural areas, parks, and the interrelationships of transportation and communities. For information, visit www.planning.org or call 312/786-6703.

Vermont Town and City Management Association Spring Conference. Thursday, June 6 – Friday, June 7, 2002, Okemo Mountain Resort, Ludlow. For more information, contact Jessica Hill, VLCT Conference Coordinator, tel. 800/649-7915 or jhill@vlct.org.