Selectpersons are the backbone of local government in New England towns — yet historically, there has been little sustained training or support for the challenges of their multifaceted roles. In 1999 the Selectperson Institute was founded in New Hampshire to meet this need. Now the Vermont League of Cities and Towns is helping bring this popular year-long training program to Vermont’s Upper Valley.

What makes the program a success? The Selectperson Institute focuses on one of the biggest challenges facing locally elected officials: how to engage the public in identifying and solving community needs. This focus is woven throughout a broad cross-section of technical and managerial topics presented in the program. This year, topics include:

- Working effectively with constituents and community organizations;
- Budgeting strategies;
- Planning and zoning;
- Financial management;
- Personnel and risk management;
- Delivery of municipal services;
- Communicating with the media; and others.

The Institute also provides a confidential forum for officials to collaborate with their counterparts from area towns to identify solutions to similar problems.

(Continued on Page Five)

Hinesburg Police reach out to citizens via e-mail

Hinesburg Community Police are working hard to keep community members up to date on what is happening in their neighborhood. Recognizing how many residents turn to their computer as a source of information, the members of the department developed their own geographically specific e-mail newsletter.

Unlike other e-mail newsletters, this one does not promote anything. What it does do is tell residents when something that might affect their safety and security is occurring in their neighborhood. Officers divided the town of 4,500 people spread over 36 square miles into five geographic zones. On a map, they appear similar to the way Washington, DC is laid out: northwest, northeast, southeast, southwest and the center, or village, area.

When a daytime burglary is committed, the investigating officer sends an e-mail to people living in that area describing what happened and including a description of any suspects or vehicles. Residents who may have any information are asked to respond back.

(Continued on Page Seven)

Celebrating Pool Insurance

Friday, June 14, 2002, StoweLake Resort, Stowe (note new location)

The three insurance trusts that make up VLCT Group Services have some important birthdays to celebrate, and they will do it in style on June 14.

The year 2002 is a special one for the trusts. VLCT PACIF is 15 years old; the Health Trust turns 20 and the “granddaddy” Unemployment Trust celebrates 25 years in business.

In typical Group Services fashion, Celebrating Pool Insurance will be a day that mixes fun and excellent service in the form of several outstanding workshops and roundtable discussions for members. One session will look at how pooling compares to the commercial insurance market and what its strengths are. Looking ahead, speakers will discuss employee benefit trends, pool insurance trends and risk management.

(Continued on next page)
VLCT News

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Katherine B. Roe, Editor, VLCT News

The VLCT News is published monthly by the Vermont League of Cities and Towns, a non-profit, nonpartisan organization founded in 1967 to serve the needs and interests of Vermont municipalities. The VLCT News is distributed to all VLCT member towns. Additional subscriptions are available for $25 to VLCT members and $63 for non-members. Please contact the League for subscription and advertising information.

VLCT Membership

Services Policy

When VLCT Assists Local Officials (Always) and Citizens (Sometimes)

The Vermont League of Cities and Towns is a membership organization that exists to serve the needs of our members - local officials from the 246 cities and towns in Vermont. For this reason, the League does not serve members of the general public.

This policy can be confusing to citizens who call the League for information and even to some of our local official members, who may have referred the citizens to the League in the first place. We ask that our members not refer citizens to VLCT but to the Secretary of State’s office instead. The Secretary of State’s office is prepared to answer a wide range of questions citizens may have about local government and elections. They maintain a toll-free number, which is 800/439-8683.

The League does not serve the general public for three reasons:

1. The League’s mission is to serve and strengthen Vermont local governments.

2. When a member of the public calls, it is often because he or she is upset with the city or town over a zoning decision, tax assessment, highway taking, etc. The League cannot get involved in these matters because we represent ‘the other side’ - you, the local official who made the zoning, assessment or taking decision.

3. At times the League has unknowingly given out information to a non-member, only to find out later that the information was actually used against a member town or city.

League receptionists refer most citizen calls to the Secretary of State’s office after they explain that the League only assists our local official members (which is usually understood and graciously accepted by the caller).

(Continued on Page Thirteen)

Pool Insurance - (Continued from previous page)

ment and claim trends. VLCT Staff Attorney Sue Ritter will wrap up the educational portion of the day with a session on employment practices.

A luncheon will celebrate the trusts’ past achievements with awards and entertainment. The companies that do business with the trusts will also be on hand to answer members’ questions.

Please plan to join us by returning the form mailed out earlier this month, registering online in the Calendar section of the VLCT website, www.vlct.org, or contacting the League (tel. 800/649-7915, e-mail, jhill@vlct.org). And don’t forget, this event is free for trust members.

The Stoweflake Resort & Conference Center’s new spa and sports club are available to attendees of “Celebrating Pool Insurance.” During the day, attendees will enjoy the Resort’s beautiful meeting areas, complete with views of its gardens and nearby Mt. Mansfield. Don’t miss this special day in a special place!
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.

If you would like to work with a bank that puts your business first, call us today to schedule an appointment.

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U.S. SUPREME COURT NARROWS APPLICATION OF REGULATORY TAKING DOCTRINE

In a 6-3 decision, the United States Supreme Court issued a ruling that narrowed the application of the “regulatory takings” doctrine established by the Court in Pennsylvania Coal Co. v. Mahon, 260 U.S. 393 (1922). See Tahoe-Sierra Preservation Council, Inc. v. Tahoe Regional Planning Agency, 2002 WL 654431 (U.S. April 23, 2002). The decision is significant for municipalities because it indicates that the Court is making it more difficult for a landowner to win a claim that a zoning bylaw has deprived the person of the right to use his or her property.

Before summarizing the decision it is important to briefly draw a distinction between the two categories of takings: physical takings and regulatory takings. Physical takings occur when the government physically takes away a private landowner’s fee simple ownership in land for public purposes. The most obvious example of this is condemning land for use in creating a public highway. When that occurs the government must compensate the landowner.

Regulatory takings occur when a government regulation, for example a zoning bylaw, is so restrictive that it deprives a landowner of “all economically beneficial uses” of his or her land. Lucas v. South Carolina Coastal Council, 505 U.S. 1003 (1992). In Lucas, the Supreme Court applied what it called a categorical rule. The rule basically provides that a taking exists and compensation is required if, as a result of a regulation, “no productive or economically beneficial use of land is permitted.”

If the categorical rule does not apply, to win a takings claim a landowner must establish that a regulatory taking has occurred based on a test that was set forth by the Supreme Court in Penn Central Trans Co. v. New York City, 438 U.S. 104 (1978). The Penn Central analysis involves a complex set of factors including the economic effect of the regulation, the extent to which the regulation interferes with investment-backed expectations, and the character of the regulation.

In the Tahoe case, the Tahoe Regional Planning Agency (TRPA) imposed a 32-month moratorium on development in the Lake Tahoe Basin. Tahoe-Sierra Preservation Council, Inc. v. Tahoe Regional Planning Agency, 2002 WL 654431 (U.S. April 23, 2002). The purpose of the moratorium was to allow the TRPA to develop a comprehensive land use plan for the area.

The Tahoe-Sierra Preservation Council (TSPC), an organization that represents about 2,000 landowners in the Lake Tahoe Basin, challenged the 32-month moratorium by claiming it constituted a regulatory taking that invoked the categorical rule established in Lucas and that the TSPC members should be compensated by the TRPA. The dispute ultimately reached the U.S. Supreme Court.

The Supreme Court’s decision is lengthy and complex. However, in our opinion, the bottom line of the decision is that in the Court’s view, a temporary moratorium on use of property imposed by the government does not trigger the categorical rule established in Lucas. Rather, unless a government regulation creates a permanent taking that results in no productive or economically beneficial use of land, the landowner must meet the requirements of the Penn Central analysis in order to establish a takings claim.

Based on this case it appears very likely that if your municipality adopts a reasonable moratorium on land use, a takings challenge will not be successful unless a landowner can meet the complex Penn Central analysis. This certainly makes it more difficult for landowners to challenge a moratorium.

With regard to adopting a moratorium, because Vermont is not a home-rule state, municipalities must consider the authority to adopt a moratorium prior to implementing one. This question of authority can and will be the subject of an entire article. For now, our advice is to check with the VLCT Law Center or your municipal attorney prior to implementing any type of moratorium.

While this decision involves a moratorium, it has broader implications than that. The decision indicates that this U.S. Supreme Court is inclined to narrowly apply the Lucas categorical rule to all regulatory taking issues. It is not clear how far the Court will go in narrowing the application of the Lucas decision. However, as far as municipalities are concerned, the Court is heading in the right direction.

- Jon Groveman, Director, VLCT Municipal Law Center

(Continued on next page)
Airways eventually refused Barnett’s request for a reasonable accommodation to accommodate his disability. U.S. Airways to make an exception to the seniority system? In considering this issue, Barnett argued that making an exception to the seniority system would violate the employer’s seniority system. The Court concluded that it would be reasonable to make an exception to the seniority system unless the employee can show undue hardship. The Court noted that normally a request similar to Barnett’s would be reasonable within the meaning of the statute but for the fact that it would violate the employer’s seniority system rules. The Court noted that it would not be reasonable to accommodate the employee in the “run of cases” that a proposed assignment “trump[s]” the rules of a seniority system. The Supreme Court did, however, leave a small window of opportunity for employees who can demonstrate “special circumstances” that would warrant a finding that their ADA rights would prevail over a seniority system. Such special circumstances may include proof that the employee’s seniority system is inconsistently applied – thereby reducing employee expectations that the system will be followed. The employee may also show that the seniority system already has enough exceptions so that one further exception is unlikely to matter. In any event, the Court noted that employees bear the burden of showing special circumstances, which means that the employee must show why an exception to the seniority policy constitutes a reasonable accommodation when in the ordinary case it would not.

A word of caution: It is unclear how the Vermont Supreme Court would rule if faced with a similar issue under Vermont’s Fair Employment Practices Act (although ordinarily the Vermont Supreme Court tends to follow the United States Supreme Court’s ADA decisions when considering similar statutory provisions under VFEPA). For this reason, and as a matter of prudent practice, it is critical that municipalities seek the advice of an attorney when dealing with accommodation requests or other related disability issues.

- Sue Ritter, Staff Attorney, VLCT Municipal Law Center

**SELECTPERSON INSTITUTE -**

(Continued from Page One)

“VLCT expects to build on the success of the New Hampshire experience to provide a forum where selectpersons can engage in sustained learning about their responsibilities,” commented Karen Horn, VLCT Director of Legislative and Membership Services.

Previous New Hampshire participants have been very enthusiastic about the program. “The Selectperson Institute not only helped us to deal with the challenges facing our own communities more effectively, but also helped community leaders in our region work together more effectively,” said graduate Larry Robinson, chairman of the Marlborough, New Hampshire Board of Selectmen. Another graduate commented, “Many of the issues discussed at the Institute are just beginning to appear on our town’s horizon. Discussing the pros and cons with people who have already dealt with many of these issues gives me more confidence that I can deal with these issues in a proactive manner. In addition, I now have a broader network of people with experience to draw on for ideas and solutions.”

The Selectperson Institute consists of four Saturday seminars from 8:30 am to 4:00 p.m. The Upper Valley training, open to both Vermont and New Hampshire, will take place at the Lebanon City Hall on June 15, September 28, October 26, and November 23, 2002. VLCT Municipal Law Center Director Jon Groveman will speak on the role of Vermont selectpersons in planning and zoning at the first session and on personnel and risk management at the second session. Karen Horn will speak on ethics and the right to know at the fourth session.

The registration deadline is May 31st. Enrollment is limited, and there is a $150 registration fee. VLCT PACIF will provide $100 in tuition assistance to selectboard members who are from PACIF member towns who complete all four sessions of the 2002 Selectperson Institute.

The Selectperson Institute is offered by Antioch New England Institute (a nonprofit educational and community assistance organization of Antioch New England Graduate School). Please call Sarah Friedman at Antioch New England Institute to request a registration form, tel. 603/357-3122, ext. 344.
Questions asked by VLCT members and answered by the League’s legal and research

Ask The League

Municipal Purchase at Tax Sale; Authority to Issue Overweight Permits

If no bids are made for a property at tax sale, is the town required to purchase the property?

No. This appears to be a common misconception that municipalities must purchase property at tax sales if no qualified bids are made. Thirty-two V.S.A. § 5259 clearly states that the municipality may purchase the property. However, there is absolutely no requirement that the municipality must purchase the property if no qualified bids are made at tax sale. This is an important point because sometimes towns that automatically purchased a property at tax sale have been left with a liability. For example, a property may be contaminated and require an environmental clean-up, or a mobile home may exist on the property that must be removed, etc. So think before you buy at tax sale.

In our town only the selectboard signs off on overweight permits. However, we are aware that in other towns overweight permits are approved by town clerks or other municipal officials. Our board would like to assign this responsibility to the road commissioner or another official. However, it appears from reading the statutes that only the legislative body is authorized to issue these permits. Do you agree?

Yes. In our opinion 23 V.S.A. § 1400a requires that the legislative body handle the permit requests. The statute is clear that the selectboard is the body with the authority to determine and accept compensation associated with the issuance of overweight permits. In our opinion the clear implication is that the board must handle the process.

Don’t Forget Us...

Has your municipality recently enacted a new ordinance or approved a new policy? If so, please send a copy to VLCT, Attn:
Believe it or not, many local officials have already received their first mailing from VLCT about Town Fair 2002. Last month, we sent out committee nomination forms to begin the process of developing the 2003 Municipal Policy.

These forms seek nominations to the four volunteer committees that draft the Policy over the summer. Please, if you haven’t already returned your nominations to the Shaun Fielder (center), VT Training Coordinator for NE Rural Water, received the 2002 Environmental Educator Award.

Finance, Administration and Intergovernmental Relations (FAIR); Public Safety; Quality of Life and Environment; and Transportation committees, send in your forms by Friday, May 31, 2002. We urge you to get involved in formulating VLCT’s legislative platform if you are knowledgeable in one of the four policy areas and have the time for one or two meetings over the summer.

Next on the Town Fair timeline is seeking nominations for the five annual Town Fair awards and for vacancies on the VLCT Board of Directors. Members should have recently received a packet seeking their ideas for persons worthy of recognition by VLCT in these five areas: Municipal Person of the Year; Legislator of the Year; Town Government Award; Town Citizenship Award; and Lifetime Achievement. Also included in this mailing was a nomination form for service on the VLCT Board of Directors. Please send us the names of deserving colleagues for the awards and persons interested in serving on the VLCT Board by June 28, 2002.

With this work done, VLCT staff members are now embarking on the fun part – planning the program. Please let us know if you would like to see a particular topic addressed at a Town Fair workshop (e-mail jhill@vlct.org or khorn@vlct.org). We are all looking forward to a great day!

Hinesburg Police -
(Continued from Page One)

Hinesburg has been plagued with a number of rabid wild animals in the last few years. When one is spotted in an area, residents of that area are advised so they can keep a more careful watch of their pets and can warn their children not to approach any wild animals they might see.

Still another list keeps fellow public safety officers such as firefighters and emergency medical responders up to date on special hazards they may encounter when responding to certain addresses in the town.

As noted above, the e-mail newsletter is not a self-promoting device. It only is sent when there is an issue of importance to the subscribers. In addition, residents are not sent the e-mail newsletter unless they ask to be signed up for it.

It is also used to explain why things have occurred in the town. Last year, information was received that three men were going to kill some high school students for a drug deal gone bad. This was allegedly going to occur during the middle of a family fireworks display at the rear of the local school. Hinesburg police, with only an hour notice of the threatened shooting, called in other area police agencies.

The fireworks display went off as scheduled, but many community members wondered why eight police officers, an unusual display of force, were roaming through the crowd. There was no shooting and everything remained peaceful.

Those residents who returned home that night and checked their e-mail found the answer to their question waiting for them.

Sir Robert Peel, the founder of the London Metropolitan Police Force, said, “…the police are the only members of the public who are paid to give full time attention to duties which are incumbent on every citizen in the interest of community welfare and existence.” Hinesburg Community Police subscribe to this principle. To make sure the public can partner effectively with them, they use modern e-mail.

- Chief Chris Morrell, Hinesburg Community Police

Vermont Drinking Water Week 2002

Vermont Drinking Water Week culminated on May 10 with a Fair on the State House Lawn. Students from around the state participated in games, viewed displays and enjoyed performances by the National Theatre for Children. Winners of the Water Week 2002 Poster Contest are (l.-r.): Dale Guisinger, 5th Grade, Charleston Elementary; Victoria Martin, 4th Grade, Charleston Elementary; and Holly Kipp, 6th Grade, Woodbury Elementary.
WHO TO CALL IF YOU NEED HELP

David Sichel  Director, Group Services
Rodney Bora  Senior Loss Control Consultant
Patricia Boyle  Administrative Asst., Claims
Darlene Bresett  Claims Supervisor
Kathi Chaloux  Senior Claims Representative
Brian FitzPatrick  Loss Prevention Supervisor
Kim Gauthier  Member Relations Assistant
Heidi Joyce  Health and Safety Coordinator
Kelly Kindestin  Senior Claims Representative
Arthur LaPierre  Senior Loss Control Consultant
Sandra Lockerby  Underwriter
Terri McAdams  Assistant Underwriter
Jennifer Patterson  Claims Representative
Suzanne Schittina  Member Relations Manager
Maureen Turbitt  Administrative Asst., Risk Management
Patrick Williams  Deputy Director, Group Services
Nicolette White  Administrative Asst., Group Services

Telephone, 800/649-7915; fax, 802/229-2211, mail, 89 Main Street, Ste. 4, Montpelier, VT 05602; e-mail, firstinitiallastname@vlct.org.

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 fee. Employees and their household members are eligible to use the EAP.

WELCOME NEW PACIF MEMBERS

Town of Dummerston
Town of Ferrisburgh
Town of Highgate
Ira Volunteer Fire Department
Town of Isle La Motte
Town and Village of Northfield
Town and Village of Woodstock

PACIF membership now stands at 261.

NEW PACIF MEMBER?

EXPECT A VISIT FROM THE WELCOME COMMITTEE

The Welcome Committee visits to new members are a perfect opportunity for PACIF staff and local officials to get to know each other, and for members to start using PACIF services right away. “Our visits thus far have proven to be very positive,” McAdams reported. “Many of our new members,” she added, “have commented, ‘We’ve never had this kind of service before.’”

KEEPING KIDS AND DOGS SAFE TOGETHER

The Welcome Committee visits to new members are a perfect opportunity for PACIF staff and local officials to get to know each other, and for members to start using PACIF services right away. “Our visits thus far have proven to be very positive,” McAdams reported. “Many of our new members,” she added, “have commented, ‘We’ve never had this kind of service before.’”

The American Kennel Club (AKC) recently put together a video and activity booklet, Safety Around Dogs, Your Safety Begins With You!, which are designed to help community leaders teach children how to be safe around and enjoy dogs. The materials demonstrate how to greet a dog, what to do when you see a loose dog or group of dogs, and how to read a dog’s body language.

The kit is free to municipal leaders (including animal control officers, animal shelters and librarians). There is a limit of one copy per school or organization. To order, call AKC Customer Service at 919/233-9767; e-mail, orderdesk@akc.org.

COMMUNICATIONS UNDER TEN SENTENCES

CUTS

(Communications Under Ten Sentences)
AVOID A CHAINSAW MASSACRE

Many accidents involve chainsaws, and the resulting injuries tend to be severe—even life threatening. The following tips can help you handle chainsaws safely on or off the job:

STARTING AND CARRYING
- Always wear safety goggles, a hard hat, sturdy shoes and chaps.
- Make sure the saw is sharp.
- Start with a full fuel tank.
- Plan your cut and check clearances.
- Never work near electrical lines.
- Always start the saw on the ground, not on your knee or in the air.
- When carrying a chainsaw any distance, carry it by the handle, with the motor stopped and the guide bar to the rear. Carry the saw in such a way that you can throw it clear in case you stumble or fall.
- When moving from tree to tree, make sure your finger is not on the saw trigger in case you fall.

REFUELING
- Shut off the motor and let it cool before refueling.
- Refuel only in a clear area with mineral soil exposed (dirt, rock, sand, etc.)—not wood, leaves, pine needles, or the like.
- Take gasoline to and from the job in a safety can, appropriately labeled.

WHAT’S THE BIG RUSH?

Racecars that rush around a track are marked with stripes. People who rush around at work and speed through their tasks are often marked with bandages.

In most instances, hurrying on the job has little to do with increased productivity, but it has a lot to do with unsafe acts that lead to accidents and injuries. Slow down and do the job right—and safely!
**Municipal Equipment Loan Fund**

Don’t forget this source of low-interest loan funds for the purchase of construction, fire, emergency or heavy equipment or vehicles. (See “State Treasurer’s Office Reports on the Municipal Equipment Loan Fund” in the July 2002 issue of the VLCT News.)

The next deadline for applications to the Fund is October 15, 2002. The amount available varies depending on the current loan portfolio, but requests have, over time, rarely exceeded available funds.

For more information about the program, call Susan Shontelle-Smith at the Agency of Transportation, 802/828-2631. You can also consult 29 V.S.A. §§ 1601-1603.

**Planning Reports for Loan From VLCT**

As a member of the American Planning Association’s Planners’ Advisory Service, VLCT receives a copy of the Service’s periodic reports on issues important to planners. Two have recently arrived: Number 505, Telecom Hotels: A Planner’s Guide and Number 506/507, Old Cities / Green Cities: Communities Transform Unmanaged Land.

These reports are kept in the VLCT Municipal Law Center library and are available for VLCT members and Vermont Planners Association members to borrow. Please contact Gail Lawson (tel. 800/649-7915 or e-mail, glawson@vlct.org) if you would like to borrow a Planners’ Advisory Service report.

**May’s Trivial Pursuit**

Well, we stumped you again last month with the question:  
_In what year did Vermont adopt a bicameral legislature (House and Senate)?  
Ironically, the Vermont Asylum for the Insane in Brattleboro was founded in the same year!

Answer: 1836

This month’s question is:  
_Who is the only Vermont native to have his name on the Stanley Cup?

Contact us with your answer: VLCT, 89 Main Street, Ste. 4, Montpelier, VT 05602; 800/649-7915; fax, 802/229-2211, e-mail, info@vlct.org.
EXCELLING IN MUNICIPAL FINANCE

TRENDS AND FORECASTING

In the last four articles of this series we examined three areas of financial management: first, we discussed setting up a chart of accounts that creates a solid reporting model; next, we explained how to evaluate and monitor financial reports; and in the last two installments, we learned how to use ratios to assess financial performance. To conclude the series this month, we’ll look at how charts and graphs are useful in managing municipal finances. If used properly, they can assist in budgeting as well as measuring performance.

THE FORECASTING PROCESS

Forecasting is a process that blends what you know about external economic events and your historical financial data to produce an estimate of what will happen in the future. Like any quantitative analysis, it isn’t perfect. However, it does provide you with a more scientific basis for producing financial data when future events are uncertain.

When you are attempting to forecast revenue or certain types of expenditures, you make assumptions about events or circumstances that may affect your projection. For example, your investment or interest earned for the past five years (this is called historical data) may have increased by an average of 5% each year. This is based on a couple of factors. First, it depends on your cash available to invest, and secondly, it is a function of the interest that is paid on the investment (the external event). If either of these factors change or are expected to change over the next year, you can be sure that your future revenue will change as well.

Once you’ve made your forecast, you can evaluate it to determine if it is indeed reasonable. Most finance managers tend to be very conservative when forecasting revenue and fairly liberal with expenditures in an attempt to provide a cushion, in case forecasts do not meet expectations. This is called “management judgment” in the world of quantitative analysis. It brings you back to the drawing board to modify your forecast so it can be applied practically and safely.

FORECAST GENERATION

Generating a forecast involves three steps:

1) Analyze the “time series” (your historical data in chronological order);
2) Identify the forecasting method or technique that best fits your time series;
3) Create the forecast.

Step 1 is fairly simple if you have an accounting system that will allow you to download several years worth of data into Excel. You can create a data table by importing revenue and expenditures by account for the last few years with column heading A being your account number, B your account description and from C on, each fiscal year’s data.

NEMRC’s General Ledger module allows you to export budget data to an Excel format. Also, in most accounting programs, you can generally print any report to a file by choosing Print to File in the Print dialogue box or menu. Print to a text file, preferably tab delimited, and you can import that file into Excel and format it into the data table as indicated above by deleting unnecessary rows and columns. To import the file into Excel, click on Data, then Get External Data, and Import Text File. The Import Wizard will take you through the process in just a few easy steps.

TRENDS

Step 2 of generating a forecast involves determining the trend or pattern of the time series. There are five types of trends:

1) A base level trend is an underlying pattern that clearly shows a particular trend in a predictable series of points. This may be a revenue or expenditure that increases on an annual basis by a predictable amount (such as long term leases with built-in annual increases or a waste disposal service contract with fixed increases).
2) A long-term trend shows a predictable pattern over several periods, either up or down. Examples are employee salaries and benefits. Salaries may fluctuate with CPI changes and show larger increases some years and small to no increases other years, but over the long term will continue upward. Benefits act in the same way, but increases will generally be much greater due to high medical insurance premiums.
3) Seasonal trends occur when the pattern fluctuates during the fiscal year, according to seasonal events. Electric costs and fuel costs tend to reflect this pattern, increasing during the winter months as demand increases. Tax revenue is seasonal according to billing dates.
4) Cyclical trends are long term fluctuations that may follow the business cycle or some other event or series of events that may be reasonably predictable. State or federal revenue may follow a long-term cycle (not

(Continued on next page)
as predictable as one might like!) that moves from recession to boom every few years. Interest rates and investment returns are good examples of cyclical trends as well.

5) Random patterns or “noise” are essentially a lack of any trend. This occurs when your data is graphed and shows no predictable pattern, or perhaps a couple of points on the graph are way outside the underlying pattern to varying degrees. Miscellaneous revenue or expenditures may be a good example of this.

In Excel’s charting feature, you can add a trendline to Bar, Column, Line, Scatter, Area and certain Custom graphs. There are six types available and your choice depends on which trend your data most closely resembles.

Let’s create a simple line graph for interest income over the last five years using the following data:
FY 1998 - $21,917; FY 1999 - $22,715; FY 2000 - $21,295; FY 2001 - $26,839; FY 2002 - $21,146. Row 1 contains the FY headings beginning in column B, and row 2 contains the data under the appropriate headings with the label “Interest Income” in cell A2.

To create a line graph, click on cell A2, and click on the Chart Wizard icon on your Standard toolbar. Choose the Line graph under Chart Type then click on the first Line graph option that displays trend over time or categories. Click Next to get to the next step, choosing the data range and series. Accept the defaults by clicking Next. Note that you may graph more than one “series” here; in other words, you can have more than one row of data graphed, such as Salaries in row 1 and Benefits in row 2, resulting in a graph with two lines (series 1 being Salaries and series 2 Benefits).

The next step allows you to choose the titles you want for the graph under the tab Titles, adjust the axes and gridlines in those tabs, position the legend and choose data labels, and show the data table. Just click on the appropriate tab and make your choices. For this example, click on the tab Legend and click on the box that says Show Legend. We don’t want the legend to show and the box should no longer be checked.

The final step of the Chart Wizard will place the graph in a new worksheet or in the worksheet of your choice, defaulting to the current worksheet with your data table.

Click Finish and the graph will be inserted into your worksheet.

To add a trendline, right click on the graph line and a two-tab dialogue box will open giving you six choices of trendlines under the tab Types. The second tab allows you to refine that type by choosing a custom name, the number of periods (years in this case) to forecast either forward or backward (would backward be a hindcast?), where to set the intercept on the graph (where the axes meet), and whether or not you wish to show the equation of the graph and the R² factor (more on that later). For purposes of determining the best graph type, always activate the R² factor (clicking on the box).

Combining steps 2 and 3 of the forecast generation process outlined above, you will graph the data and, through the process of elimination, find the best fitting method or type of trendline. Let’s look briefly at each type:

**Linear:** This is a straight-line graph that works best with data that shows gradual steady increases or decreases that have little to no fluctuation. Base level and long-term trend patterns in your data will best fit this graph type.

**Logarithmic:** When your data shows rapid steady changes that level out, this method will work the best. Base level and long-term trend patterns in your data will best fit this graph type.

**Polynomial:** If your data shows fluctuations, this method may be the best. Seasonal, cyclical and random data series will generally fit this graph type the most closely.

**Power:** If your data increases at a specific rate, use this method. Any data series could potentially fit this method.

**Exponential:** If your data is increasing or decreasing at a higher rate as time goes on, this method will serve you best. Any data series may here as well.

**Moving Average:** This method is a bit different from the others and can be used with any data series. It is referred to as a “smoothing” technique: it will smooth out fluctuations to give you a better picture of the underlying trend. If none of the other graph types fit your data series closely, this is the method to use.

The R² factor will help you measure how closely the graph fits your data. The closer this number is to 1.00, the better your data fits the graph. I use a range of about .85 to .99 as a rule of thumb. Anything below that, you might consider using a moving average.
FINANCE -
(Continued from previous page)

talking to VLCT members. We are just trying to make sure that you represent and your particular position carefully to ask for your name, the municipality you will understand why our receptionists are League with questions. We also hope that your municipality who wish to call the calls by explaining our policy to citizens in.

We hope that you will help us to reduce these curves change directions. In the graph

\[
\begin{align*}
\text{Interest Income} & \quad \text{FY 1998} \quad \text{FY 1999} \quad \text{FY 2000} \quad \text{FY 2001} \quad \text{FY 2002} \\
\text{5,000} & \quad 10,000 \quad 15,000 \quad 20,000 \quad 25,000 \quad 30,000 \\
\end{align*}
\]

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The most important thing to remember about forecasting is that analysis has to combine the quantitative with the qualitative – you must temper scientific methods with your own experience and judgment. Look at your graph and see if what’s telling you makes sense. Consider Excel’s forecasting function another tool for your financial management toolbox!

- Mike Gilbar, Director, VLCT Administrative Services

MEMBERSHIP POLICY -
(Continued from Page Two)

We hope that you will help us to reduce these calls by explaining our policy to citizens in your municipality who wish to call the League with questions. We also hope that you will understand why our receptionists are careful to ask for your name, the municipality you represent and your particular position when you call VLCT with a question. We don’t mean to put you through the wringer - we are just trying to make sure that we are talking to VLCT members.

With this line, you can see that the fluctuations are smoothed out and the forecast is in the middle of the range of the fluctuation between FY 2001 and FY 2002. Assuming that cash to be invested is roughly the same as in the past and knowing that rates are fairly stable right now in a slowly improving economy (everywhere but Vermont!), I would be comfortable with a figure between $21,000 and $24,000, possibly about $22,500.

Taxpayers may be confused about VLCT’s role in their municipality when they see the VLCT Dues expense item in the town budget or read the information about the League that VLCT submits annually to each municipality’s town report. These items may lead them to compare us to other non-profit organizations that the town supports and which provide direct services to the town’s citizens, such as the ambulance, visiting nurse or youth services organizations. However, as you know, the League’s relationship to the town is different. If you find that your taxpayers are confused about the League’s role, you might explain to them that the town’s ‘purchase’ of membership in the League is comparable to other goods and services it purchases, like the town grader or the advice of an accountant or attorney. In these cases, just because their tax dollars purchased the items, taxpayers are not entitled to use the town grader on their driveway or call the town attorney for legal advice. Similar guidelines exist for their access to the League’s services.

Once citizens understand the benefits of League membership to a municipality - toll free legal and technical assistance, participation in the League-sponsored insurance programs, municipal representation at the State House, training workshops and programs, etc., - they should realize that while VLCT is not serving them directly, its resources are very important to their town government.

All that said, the League’s objectives include “to enhance the stature and influence of Vermont municipalities and the League” and “to promote participation in local government.” This means that we often help certain people who are not local officials if doing so will better local government in Vermont. The most obvious beneficiaries of this policy are members of the press, who consult the League often for information on local government practices. Local citizens who are considering running for office frequently turn to the League for information on the duties of that particular office, and legislators, of course, are provided with information to help them understand and appreciate VLCT’s position on bills before them.

If you have any further questions about VLCT’s membership services policy, please do not hesitate to call Executive Director Steve Jeffrey at 800/649-7915; e-mail, sjeffrey@vlct.org.

(Updated from an article that ran in the February 1996 VLCT News.)

- Katherine Roe, VLCT Communications Coordinator
DECISIONS, DECISIONS...

At its quarterly meeting last month, the Vermont Recreation and Parks Association hosted a workshop on making good decisions.

Participants worked their way through a series of brief case studies that highlighted common, but difficult, situations where tough decisions had to be made. Together they made decisions on managing personnel, accommodating competing interest groups, emergency management, risk management, public relations and crisis communication, ethical dilemmas and ... more managing personnel. (Yes, personnel problems were definitely a theme – a large portion of a recreation manager's job entails “people skills.”)

At the end of the session, which was facilitated by Lyndon State College Professor Cathy DeLeo, participants left with a series of questions to ask before making a difficult decision. They are:

- Who needs to be involved, and at what point?
- Who needs to be informed of the decision? When and how do they need to be informed?
- Who benefits and loses from the decision? (Pay particular attention to the losers and try to anticipate wider ramifications.)
- How does the decision tie into your organization's mission?
- Will your decision be legally, morally and ethically correct? Could you defend it in a court of law?
- Is it environmentally, economically and socially sustainable?
- Does it help improve the quality of life for users, clients, guests, visitors; does it help staff grow personally and professionally?
- Do you believe in it?
- Would it make your mother proud?

DeLeo left her audience with a few final considerations. Don’t limit your creativity by falling into the mindset that believes every decision is “right” or “wrong,” and remember, she said, “sometimes a decision is not to make one quite yet.”

- Katherine Roe, VLCT Communications Coordinator

PROGRESS UPDATE - VERMONT EMERGENCY SERVICES MEMORIAL

A state-wide fundraising effort to support the design, construction and installation of an Emergency Services Memorial is well on its way to success. The committee organizing the effort recently released an updated timeline:

- Completion of the face of the main stone by the end of May.
- Begin the base and pedestal carving during late May or early June.
- Begin carving the bricks already purchased and notify the donors.
- Finalize the permit process by late summer.
- Develop the final plans for the foundation by late summer.
- Construction and placement of the Memorial in late fall.
- Dedication in mid-November.

This sounds ambitious but can be achieved. Shortly a fund raising campaign will get underway to raise the remainder of the money needed to complete the project. For those that have already donated, we thank you. Those funds have gotten us to this point. We would encourage you to contact your friends and neighbors so they can become a part of the dream. We also appreciate the generosity of the towns and cities that have dedicated funds. Their names will be carved on the back of the face stone on a large map of the State of Vermont.

There is still time to make a donation. Please contact Ron Morell at the Police Academy (802/483-6228) or Jim Litevich at the Fire Academy (802/483-2755). A special word of thanks goes the members of the committee who have worked so hard and maintained the vision for nearly 10 years. Should anyone have questions, please contact Ron or Jim. You can also check the Police Academy web page (www.vcjtc.state.vt.us.) for pictures and a progress report.

- Ronald Morell, Chair, Memorial Committee, and Executive Director, Vermont Criminal Justice Training Council
FOR SALE

Fire Truck. The Town of Richmond Fire Department offers a 1984 Maxim Pumper on a 1985 International Chassis - DT466. Hale Single Stage 1250 gpm pump. Chassis, pump and tires in excellent condition. Suction hose and ladders go with truck. Tank holds 1,000 gallons of water - tank needs work. May be seen at Richmond Fire Station, 357 East Main Street, US Route 2, Richmond, VT 05477 (Interstate 89, Exit 11). Can e-mail pictures if interested. Contact: Chief Thomas Levesque, tel. 802/434-2002, fire station answering machine - leave message; e-mail tlevesque@chittendeneast.k12.vt.us.

Dump Truck. 1988 International 2500 Series dump truck with 270 Cummins Engine, 8-speed Road Ranger w/double lo transmission, jake brake, 140,000 miles, one owner, includes 9’ Everest wing. Tenco double auger tailgate sander. No offers under $12,000. Mower. Alamo Extenda-cut roadside mower, 5’ rotary deck, 3-point hitch mount. Contact: Michael Anthony, Town of Hinesburg, 802/482-2635 or hinesburghighway@gmavt.net.

Dump Truck. The Town of Pawlet has a 1984 Mack, single-axle dump truck, model R487P, with Viking wing for sale. Truck has 117,941 miles on it and 8,032 engine hours. Selectboard reserves the right to accept or reject bids. For more information please call or fax one of these numbers: Town Garage, 802/325-3467; Town Office, 802/325-3309, fax, 802/325-6109.

HELP WANTED

Administrative Assistant to the Selectboard. Charlotte, Vermont. The Charlotte Selectboard is seeking a person to provide general administrative support to the board, to include: research data necessary to support projects, assist in the preparation and monitoring of town budgets, maintain town manuals, correspondence and files, and other general administrative duties. This position is part-time, 10-20 hours per week. Qualifications: baccalaureate degree or equivalent and at least one year of experience in town government. Send cover letter and resume by May 30, 2002. Attention: Charles Russell, Selectboard Chair, Charlotte Town Hall, Charlotte, VT 05445.

Assistant Development Director. The Village of Essex Junction, VT is accepting applications for the position of Assistant Development Director. The person hired will be responsible for assisting the Development Director in administering zoning regulations and comprehensive planning. Applications will be accepted at the Village of Essex Junction, 2 Lincoln St., Essex Junction, VT 05452 until the position is filled. EOE.

Chief – Fire/Ambulance. The City of Barre is accepting applications for Fire Chief position to lead & manage an IAFF Local of 14 full-time and 24 call fire fighters, five fire-fighting vehicles, two ambulances and a $680,000 budget. Requires in-depth knowledge of fire ground command, fire prevention, emergency management, hazardous materials response, and emergency medical services plus training, grants, planning, budgeting skills. Ideal candidate has an Associate Degree (four-year degree preferred) in Fire Sciences, current EMT certification, five-eight years career fire service with three years of command in a union environment or equivalent combination of education, training and experience. Excellent benefit package and salary ($45,000-$55,000 DOQ. Send resume with salary requirements to City Manager, 6 North Main Street, Barre, VT 05641; 802/476-0240; fax, 802/476-0264; email, citymgr@citygov.ci.barre.vt.us by COB July 1, 2002. EOE
Vermont Town and City Managers 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.

Municipal Attorney’s Forum. Thursday, June 6, 2002, Holiday Inn, Waterbury. Offered by the VLCT Municipal Law Center for attorneys who practice municipal law and those who are interested in entering the field. The program will address takings, zoning limitations, regulating telecommunications facilities and ethics. For more information, contact Jessica Hill, VLCT Conference Coordinator, tel. 800/649-7915 or jhill@vlct.org.

Planning and Zoning Basics Series. Wednesday, June 12, 2002, Vermont Interactive Television sites throughout Vermont. This is the fourth and last of the 2001-02 series co-sponsored by the VLCT Municipal Law Center and the state’s 12 regional planning associations. The topic will be Permitting A-Z; sessions will be on the permit process and rendering decisions on permit applications. For more information, contact Jessica Hill, VLCT Conference Coordinator, tel. 800/649-7915 or jhill@vlct.org.

Celebrating Pool Insurance. Friday, June 14, 2002, Stoweflake Inn, Stowe (note change to new location). VLCT Group Services is sponsoring this celebration of PACIF’s 15th, the Health Trust’s 20th and the Unemployment Trust’s 25th anniversary. There will be awards, educational sessions and a great luncheon. For more information, contact Jessica Hill, VLCT Conference Coordinator, tel. 800/649-7915 or jhill@vlct.org.