

Addison County Regional Planning Commission

14 Seminary Street Middlebury, VT 05753 www.acrpc.org Phone: 802.388.3141 Fax: 802.388.0038

May 27, 2020

Chris Rottler
ANR, Department of Environmental Conservation
Watershed Investment Division
Chris.rottler@vermont.gov

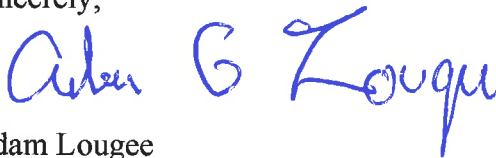
Dear Chris,

Addison County Regional Planning Commission is pleased to offer this proposal for our organization to act as the Clean Water Service Provider for the Otter Creek Basin. We look forward to bringing together a broad coalition of individuals and groups to deliver projects that improve the environment for the communities we serve.

ACRPC is well positioned to take the lead as CWSP. We have deep connections with communities in the Otter Creek Basin, and have many years of working with the Natural Resource Conservation District. We have assembled an exceptional staff with a great deal of experience in natural resource management. We will work closely with the Rutland County Regional Planning Commission and the Rutland Natural Resources Conservation District to identify and implement clean water projects throughout the Basin.

We look forward to serving our region as Clean Water Service Provider. Please do not hesitate to reach out to me if you have any additional questions.

Sincerely,



Adam Lougee
Executive Director

Addison ~ Bridport ~ Bristol ~ Cornwall ~ Ferrisburgh ~ Goshen ~ Leicester
Lincoln ~ Middlebury ~ Monkton ~ New Haven ~ Orwell ~ Panton ~ Ripton
Salisbury ~ Shoreham ~ Starksboro ~ Vergennes ~ Waltham ~ Weybridge ~ Whiting



Addison County
Regional Planning Commission

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RFP: **Selection of Clean Water Service Provider for Seven Vermont Watershed Basins, Per Act 76 of 2019**

Proposal by: **Addison County Regional Planning Commission**
 14 Seminary Street, Middlebury, VT 05753

Watershed Basin: **Otter Creek - Basin 3**

Introduction:

The Addison County Regional Planning Commission (ACRPC) seeks to serve as the Clean Water Service Provider (CWSP) for the Otter Creek Basin (herein after “Basin 3”).

ACRPC agrees comply with the forthcoming final rules and guidance, as a condition of relevant grants issued under Act 76.

Vision:

ACRPC envisions using our skills in group facilitation, grant administration, and program management to develop and implement non-regulatory phosphorus and other water pollution control projects to meet reduction allocations established by the State of Vermont. Given that Basin 3 spans both Rutland and Addison Counties, we expect to work closely with the Rutland Regional Planning Commission (RRPC) to recruit and administer projects in Rutland County. ACRPC intends to enable and support the on-the-ground expertise of partner organizations and municipalities and to coordinate with the Vermont Department of Environmental Conservation (DEC) and the Otter Creek Basin Water Quality Council. ACRPC will implement a systematic and open process to bring cost-effective projects from concept through development to installation to annual ongoing operation and maintenance.

Initial Start-up Activities:

Upon designation by the State of Vermont and issuance of a contract or grant agreement, ACRPC will create a dedicated webpage at www.acrpc.org to host all relevant content related to acting as the Clean Water Service Provider for Basin 3. Secondly, ACRPC will organize two separate informational meetings, one each in Addison and Rutland counties so that ACRPC and RRPC staff can meet with water quality partners and the public to educate all interested parties about ACRPC’s anticipated activities as the CWSP for Basin 3. Finally, ACRPC will formally begin tracking expenses and activities related to CWSP services to meet any financial or programmatic requirements the DEC may prescribe in its agreement with ACRPC.

Formation of Basin Water Quality Council:

If we are designated as a CWSP, another early start-up activity ACRPC will undertake will be to form the Basin Water Quality Council for Basin 3. This Council will be developed in accordance with applicable statute, rules and guidance. ACRPC will invite three different groups to select members consistent with Act 76, as follows:

- Solicit Otter Creek and Rutland County Natural Resource Conservation Districts (NRCDs) and Vermont Association of Conservation Districts to select two (2) persons representing NRCDs;
- Solicit Addison County and Rutland County Regional Planning Commissions (RPC) to select two (2) persons representing RPCs; and
- Solicit Addison County River Watch Collaborative, Lake Champlain Committee, Lake Champlain International, Lewis Creek Association, Lake Dunmore/Fern Lake Association, Champlain Valley Farmer Coalition, New Haven River Anglers Association, and any other similar organizations that may self-identify or be identified by Watersheds United Vermont to select two persons representing local watershed protection organizations.

ACRPC will also make a request to:

- applicable local land conservation organizations such as the Middlebury Area Land Trust and statewide land conservation organizations such as Lake Champlain Land Trust, New England Forestry Foundation, Northeast Wilderness Trust, The Nature Conservancy of Vermont, Trust for Public Lands, Vermont Housing & Conservation Board, Vermont Land Trust and the Vermont River Conservancy, additional land trusts identified by RRPC and any other similar organizations that may be identified to select one (1) representative of those organizations.
- applicable municipalities in Addison County, Rutland County and Bennington County to select two (2) representatives. ACRPC will likely use their existing natural resource committees to select a representative from each region.

ACRPC will assist the BWQC to establish Council Rules of Procedure, which will define member terms and charges of the BWQC, including but not limited to project identification and prioritization. These rules will be consistent with the pending rules and guidance now under development.

Initial inventory of possible projects:

In order to assist the BWQC with project identification and project prioritization, upon commencement of an agreement with the Vermont DEC, ACRPC will invite RRPC to meet jointly with the Vermont DEC Watershed Planner for Basin 3, Angie Allen, to identify likely high priority potential non-regulatory projects in the Basin. The primary source for these projects will be the DEC Watershed Projects Database, <https://anrweb.vt.gov/DEC/cleanWaterDashboard/WPDSearch.aspx>.

ACRPC will review the initial list of projects with BWQC members and other partners in the basin to identify additional projects that are not yet in the database or that will need project identification/development funding to advance for consideration. Often watershed groups and RPCs receive project ideas organically through phone calls, emails, field work, stakeholder and municipal

outreach. These projects may not be in the state database. ACRPC, in partnership with RRPC will make sure to identify and include these projects during the identification phase. Projects might include, for example, stream reaches that may never have been formally assessed for fluvial erosion hazards or for floodplain restoration opportunities.

We will likely separate the potential project list into two broad categories, consistent with the rules and guidance to be issued by DEC: first, projects that need Identification & Development and second, those ready for Design & Implementation. We anticipate that a percentage of overall project funding will be allocated towards the Identification & Development of projects.

Prioritization of Projects:

As prescribed in Act 76, the responsibility for prioritization of projects rests with the BWQC. After the Basin 3 Water Quality Council is formally convened, ACRPC will work with the Council to develop the best systems to present and analyze potential projects. The BWQC will use this system to efficiently prioritize investments in Basin 3 to meet the assigned phosphorus reduction targets.

ACRPC will provide administrative and technical support to assist the BWQC selection process. The prioritization process will also be informed by and consistent with the 2019 update to the Basin 3 Tactical Basin Plan. ACRPC will also employ DEC's Clean Water Project Explorer <https://anrweb.vt.gov/DEC/cleanWaterDashboard/ProjectExplorer.aspx> and DEC's Clean Water Roadmap: <https://anrweb.vt.gov/DEC/CWR/CWR-tool> to inform this process.

We expect that, consistent with draft guidance under development by DEC, ACRPC as CWSP will use a technical scoring system developed by DEC to evaluate pollution reduction and related water quality benefits relative to cost. We also expect to supplement the technical score with additional scoring of co-benefits and project readiness analyzed by the BWQC. Given the importance of this step, the system ACRPC develops will include a public meeting, open to other partners in the basin, at which the BWQC will make the decision about priorities for funding. All project awards will be contingent upon the winning applicant securing all necessary permits before starting construction.

Project Management/Work Flow:

ACRPC anticipates that the vast majority of funding flowing through the ACRPC as a CSWP would be invested in partners. We expect that the Basin Water Quality Council will authorize a package of projects for Construction or Implementation for each summer/fall and also authorize projects on an ongoing basis for development and/or design. Once projects have been determined to be ready for further development, design work, construction, inspection & verification, or operations & maintenance, then task orders would be issued to the partners that originally proposed the project. The partner will serve as a local project manager. All necessary funds would be awarded to the same partner to: manage the development, design or construction of the project; pay any needed subcontractors such as engineers

and construction firms; and cover administrative tasks required by the partner to cover their organizations operating overhead and required by ACRPC as CWSP such as accounting, financial reporting, progress reporting, documentation, etc. For large projects where cash flow requirements may be an impediment, the CWSP may procure and directly pay construction firms assisting a project implementor.

We may use a request for qualifications (RFQ) process to identify and develop agreements with organizations, individuals, and firms with construction, technical and scientific expertise in water quality projects to assist partners in certain tasks. The ACRPC will work closely with the BWQC and with the DEC in developing details of the RFQs. ACRPC intends to design its process to be open, inclusive and efficient. The RFQ process will not be finalized until the BWQC is formed and as they will help influence the process for distribution of funds. In addition, the process may change in accordance with the rules as finalized by DEC.

The RFQ process may be used for following elements of a project:

Identification & Development: Funding will be awarded to qualified partners to help identify projects that are not yet known, or not yet ready to move forward. This project work will include work with landowners, development of project alternatives, identification of possible constraints and permitting issues, and development of conceptual solutions. The criteria for reviewing these projects include problem identification, expected pollution reduction, and other criteria that may be developed by the BWQC and/or DEC.

Design & Permitting: Successful respondents will have direct experience with development of conceptual or final designs, final cost estimate and bid documents, completion of applications for required permits and/or easements, access agreements. It is anticipated that the BWQC would review and select professionals for this work based upon qualifications no more than once per year and maybe for two- or three-year terms. Entities selected for this work could either: 1) be under subcontract with a partner who would oversee their work and also be responsible for overall management of a project or 2) be under contract with the CWSP and be available to provide ad hoc consulting assistance to partners for smaller projects.

Implementation: Successful respondents will have direct experience with actual physical implementation of projects or with the management of construction firms performing same. Respondents will have experience with the completion of progress and financial reporting and maintaining adequate records of same. Each project funded would have an agreement between the CWSP and a partner who is responsible for overall successful implementation of the project.

Verification and Inspection: As the CWSP, ACRPC will either develop the expertise in-house or hire firms, individuals, municipalities or organizations with experience in inspection of water quality projects are constructed in accordance with the Final Design and Project Specifications, DEC rules and/or permits and with accepted engineering or design practices. The proposed RFQ process will likely garner both engineering firms as well as other qualified individuals and

organizations who can assist the ACRPC and RRPC in these efforts. Each selected entity would have an agreement with the CWSP, and work would be assigned via task orders.

Operations and Maintenance: Entities selected for this task will be expected to have experience in operations and maintenance of non-regulatory water pollution control projects as well as experience with record-keeping and reporting on same. As the CWSP, ACRPC expects to work with the BWQC on how to best invest in partners to operate and maintain installed projects and practices. The amounts of these investments are not known at this time, but we expect them to be some percentage of the cost of implementation or a flat annual fee, depending on the type of project. These entities will most likely be determined by the project sponsor earlier in the process. The first and preferred option would be for the partner to enter into a contract with the CWSP to provide these services for the design life of the implemented practice. If that is not desired by the partner or by the landowner, the CWSP in consultation with the BWQC would contract with a third party to perform these annual services.

Available Support Systems:

ACRPC has substantial technology and financial systems to support office functions. Our office technology consists of 10 or more networked desktop/laptops as well as additional laptops in use for remote access. In addition, a windows server is housed on Amazon Web Services as is a nightly backup volume on Amazon EC2 storage. A large-format printer/plotter and high-speed volume copier are available for reports and map products for public presentations. Our website is hosted offsite with a private firm and staff has immediate access to provide updates and information to the public. Staff email is hosted via a secure Google Suite account. ACRPC agrees to utilize ANR/DEC project tracking and reporting solutions.

ACRPC operates under longstanding financial and administrative procedures which its Executive Board, Executive Director and Office Manager update periodically. ACRPC's budget is currently \$680,000 and includes annual contracts from various state agencies, municipal dues and additional federal and local program funds. Our accounting system is well established and meets all applicable federal and state accounting standards. An annual audit is undertaken by an independent CPA firm and submitted to all state partners, including the Agency of Natural Resources for review.

CWSP Qualifications Overview:

ACRPC continually engages in facilitation, consensus building and bringing diverse stakeholders to agreement on an ongoing basis across the 21 communities we serve. The ACRPC provides planning and technical assistance in the areas of community development, transportation, agriculture, natural resources, housing, economic development, telecommunications and emergency management. The mission of the Commission is to provide a forum for municipalities to discuss and resolve mutual concerns, provide assistance to municipalities with the planning process and information gathering, to develop the Addison County Regional Plan, and to be a central repository of regional planning

information. In addition to monthly Commission meetings, ACRPC staff also facilitate and organize regular meetings of its Natural Resources, Housing, Energy, and Transportation Advisory Committees. ACRPC manages large projects that overlap including the Transportation Planning Initiative, Local Emergency Management Planning Grant, the Addison County portions of the Grants-in-Aid program to address road erosion and the Tactical Basin Planning Initiative.

ACRPC also helped develop a partnership between local groups that became the Addison County River Watch Collaborative. The ACRWC focuses its efforts on educating landowners and on targeted sampling to identify impaired streams and rivers within Addison County.

Available Staffing:

The ACRPC will rely on existing and potential water quality partners to carry out project development, construction, inspection, verification, operations and maintenance of water quality projects. These partners will come from the list of BWQC invitees noted above along with new partners who may be identified through the RFQ process.

ACRPC efforts under this work program will be led by **Kevin Behm**, Assistant Director, with the assistance of additional professional staff. Kevin has managed the Clean Water Initiative Program grant awards to the Addison County Regional Planning Commission since 2016. Kevin has been with the ACRPC since 1995 and has a MS degree in Geography and Natural Resource Economics. In addition to serving as Assistant Director, he maintains the Geographical Information System, staffs ACRPC's Natural Resource Committee, and assists the Addison County River Watch Collaborative (ACRWC) with their water quality monitoring in sub-basins of the Otter Creek. He is a member of the Lake Champlain Basin Technical Advisory Committee (2012 - current) which provides technical support to the LCBP Steering Committee.

Adam Lougee, Esq. currently serves as the Executive Director of the Addison County Regional Planning Commission, a position he has held since 1999. Adam is also a past-president of the Vermont Association of Planning and Development Associations. Prior to working with the Addison County Regional Planning Commission, Adam practiced law in Burlington and South Burlington in the areas of real estate and corporate transactions and served as the Vice President of the Bolton Valley Corporation where he managed the resort's permitting requirements and infrastructure needs. Over the course of his professional career, Adam has worked on and managed a number of contracts addressing water quality, including having served as the overall manager of Vermont's 604B allocation to the RPCs for water quality planning.

Staff personnel includes **Mike Winslow**. Mike is currently the Transportation Planner for ACRPC. Prior to working for ACRPC, Mike spent fifteen years as staff scientist for the Lake Champlain Committee where he conducted invasive species surveys, completed stream geomorphic assessments, and helped establish a citizen cyanobacteria monitoring program. Mike served on the Lake Champlain Basin Program Technical Advisory Committee from 2002 to 2018, the last five years as chair. Mike holds an BSc. in Biology and Environmental Studies and a Masters in Botany. In his current capacity, Mike works

with town road foremen assisting them in complying with Vermont's Municipal Roads General Permit, identifying projects that remediate road erosion, and inspecting completed projects.

Andrew L'Roe, ACRPC's Emergency Management/Land-Use Planner. Andrew has an extensive background in natural resources science and policy, with a BSc. in Environmental Science, a Masters in Natural Resource Management, and a PhD in Forestry. He has provided assistance and project coordination for town emergency managers in the Addison Region, including hazard mitigation and preparation for flooding events. Andrew has worked on river restoration following dam removal on the Elwha River of Olympic National Park and with regional land trusts to protect and maintain wetlands and watersheds of western North Carolina. Internationally, he has worked on the implementation of conservation practices in riverine communities of the Amazonian Loreto Region of Peru, as well as forest and wildlife protection in western Uganda. Andrew is a member of the Addison County Local Emergency Planning Commission and Middlebury Conservation Commission.

Katie Raycroft-Meyer is a Community Planner for Addison Regional Planning Commission. Katie received her BSc. in Biology and Ecology and continued her education at Cornell University's graduate school of Architecture, Art and Planning in the field of Landscape Architecture. Since 1991, Katie has practiced landscape architecture and planning throughout New England and in 2003 established RAYCROFT/MEYER Landscape Architecture with her husband Peter Meyer. In her practice, Katie has managed projects of various scale and scope, from residential design to campus planning and throughout all phases, from inventory to implementation. Recent projects have focused on horticulture and plant ecology to better employ sustainable strategies, specifically Green Stormwater Infrastructure, into her work.

She has collaborated with many Vermont municipalities and community groups as a professional and local volunteer for her home towns. Katie is currently the chair of the Bristol Planning Commission and has been active on the steering committee for the development of their Stormwater Master Plan.

The ACRPC also hosts an **ECO AmeriCorps member**, partly funded by the DEC, who serves as a Water Quality Planner. The ACRPC has hosted three members and has been approved for a fourth member for 2020-2021. ACRPC's past ECO members have assisted in the MRGP Road Erosion Inventory, sought funding for water quality project permitting and design and supported a community effort to reclassify significant wetlands.

Existing ACRPC staff is identified that has qualifications necessary to develop and implement the CWSP objectives. Additional staff may be necessary with other areas of expertise to fulfill the phosphorus reductions required.

Operating Policies:

ACRPC shall operate this program consistent with its longstanding operating policies and procedures, which include substantial internal controls for a small organization to ensure against fraud or mis-use of

funds. Controls include ACRPC Personnel Policy, governing all aspects of employee pay and benefits, a procurement policy governed by and in compliant with state and federal auditing standards updated and certified annually for the Agency of Transportation, internal controls over accounts payable, accounts receivable, check signing authority and other daily operations. Payroll is calculated internally based upon detailed individual timesheets kept on a monthly basis by all ACRPC employees recording the hours they worked and the projects they worked on. ACRPC procures an independent auditor annually to conduct a thorough audit of its books and financial records. ACRPC's governs its activities with a set of bylaws, including conflict of interest provisions and operates all of its meetings and committee meetings in accordance with the Vermont public meeting rules.

ACRPC applies to serve as the CWSP for basin 3, Otter Creek in a strong financial position. As of its last monthly budget report dated May 13, 2020, ACRPC's Treasurer's Report shows it has \$275,857.09 in cash, money market funds or CDs. It also shows \$52,023.35 of accounts receivable and no debts. A copy of the Treasurer's report is attached. ACRPC's accumulated reserves result from years of conservative fiscal management. In conjunction with its audited financials from the last three years they demonstrate that ACRPC has the financial acumen necessary to serve as the CWSP and manage the investments necessary to improve water quality in the Otter Creek.

Copies of ACRPC's Bylaws, Personnel Policies, Procurement policies and ACRPC's most recent audit are attached for your reference.

Attachment 1:

Letters of Support



May 15, 2020

CWSP Review Committee
Vermont Agency of Natural Resources
Department of Environmental Conservation
1 National Life Drive, Montpelier, VT 05620

RE: Otter Creek / Basin 3 ACRPC Proposal for Clean Water Service Provider

Dear Review Committee:

The Rutland Regional Planning Commission is pleased to support the proposal by the Addison County Regional Planning Commission (ACRPC) to serve as the Clean Water Service Provider (CWSP) in Basin 3. ACRPC has outlined a process that will include broad participation in water quality decision making as well as program efficiencies to achieve maximum implementation benefits. It is a process that is also designed to strengthen collaborations and communications within the watershed with a network of organizations ranging from governmental to non-profit.

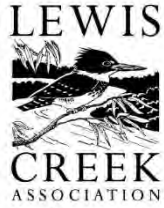
The Rutland Regional Planning Commission is interested in serving as a sub-grantee for managing water quality projects as well as being a representative on the Basin Water Quality Council for Otter Creek. As one of two regional planning commissions in these basins, we offer connections to local watershed organizations, land conservation groups, landowners and municipalities to a sizable portion of the basin: the upper reaches of the watershed and southern portions of Otter Creek itself.

It is vital to the Rutland Regional Planning Commission to be a partner in all CWSP work in this section of Lake Champlain and to be part of the upcoming critical work to reduce phosphorus and sediment levels and improve the water quality of the lake.

Thank you for your consideration.

Sincerely,

Edward Bove
Executive Director
Rutland Regional Planning Commission



May 18, 2020

CWSP Review Committee
Vermont Agency of Natural Resources
Department of Environmental Conservation
1 National Life Drive, Montpelier, VT 05620

RE: ACRPC Proposal for Clean Water Service Provider for Basin 3

Dear Review Committee:

The Lewis Creek Association is pleased to support the proposal by the ACRPC to serve as the Clean Water Service Provider (CWSP) in Basin 3. ACRPC has outlined a process that will include broad participation in water quality decision-making as well as program efficiencies to achieve maximum implementation benefits. It's designed to strengthen collaborations and communications within the watershed with a network of organizations ranging from governmental to non-profit.

The Lewis Creek Association is interested in serving as a representative of the Basin 3 Water Quality Council. We are a watershed protection organization that works to maintain and restore ecological health while promoting social values that support sustainable community development in the Lewis Creek watershed. We have been active for over thirty years, assisting in town planning and facilitating the restoration and conservation of important natural areas of high public value.

It is important to the Lewis Creek Association to be a partner in all CWSP work in the northern part of the Otter Creek Basin and to be part of the critical upcoming work to reduce phosphorus and sediment in the lake. We look forward to hopefully working with the ACRPC to continue this work.

Thank you for your consideration.

Sincerely,

A handwritten signature in cursive script that reads "Katherine Kelly".

Katherine Kelly
Program Manager, Lewis Creek Association



Otter Creek Natural Resource Conservation District

68 Catamount Park, Suite B, Middlebury, VT 05753

Phone: 802-771-3037 E-mail: pam.stefanek@vt.nacdnet.net

May 20, 2020

CWSP Review Committee
Vermont Agency of Natural Resources
Department of Environmental Conservation
1 National Life Drive, Montpelier, VT 05620

RE: ACRPC Proposal for Clean Water Service Provider for Basin 3

Dear Review Committee:

The Otter Creek Natural Resources Conservation District is pleased to support the proposal by the ACRPC - to serve as the Clean Water Service Provider (CWSP) in Basin 3. ACRPC has outlined a process that will include broad participation in water quality decision-making as well as program efficiencies to achieve maximum implementation benefits. It's designed to strengthen collaborations and communications within the watershed with a network of organizations ranging from governmental to non-profit.

The Otter Creek Natural Resources Conservation District is interested in serving as a representative of the Basin 3 Water Quality Council. We are a non-regulatory entity that works with private landowners, farms, state and federal agencies, and other partner organizations to promote and implement conservation programs in the northern portion of the basin.

It is important to the Otter Creek Natural Resources Conservation District to be a partner in all CWSP work in the northern part of the Otter Creek Basin and to be part of the critical upcoming work to reduce phosphorus and sediment in the lake.

Thank you for your consideration.

Sincerely,

Pam Stefanek
District Manager

Otter Creek Natural Resources Conservation District



Rutland Natural Resources Conservation District
170 South Main Street, Ste. 4, Rutland, VT 05701

May 22, 2020

CWSP Review Committee
Vermont Agency of Natural Resources
Department of Environmental Conservation
1 National Life Drive, Montpelier, VT 05620

RE: ACRPC Proposal for Clean Water Service Provider for Basin 3

Dear Review Committee:

The Rutland Natural Resources Conservation District is pleased to support the proposal by the ACRPC - to serve as the Clean Water Service Provider (CWSP) in Basin 3. ACRPC has outlined a process that will include broad participation in water quality decision-making as well as program efficiencies to achieve maximum implementation benefits. It's designed to strengthen collaborations and communications within the watershed with a network of organizations ranging from governmental to non-profit.

The Rutland Natural Resources Conservation District has expressed interest in being a member of the Basin 3 Water Quality Council. We are a non-regulatory entity that works with private landowners, farms, state and federal agencies, and other partner organizations to promote and implement conservation programs in the southern portion of the basin.

It is important to the Rutland Natural Resources Conservation District to be a partner in all CWSP work in the southern part of the Otter Creek Basin and to be part of the critical upcoming work to reduce phosphorus and sediment in the lake.

Thank you for your consideration.

Sincerely,

Nanci McGuire
District Manager
Rutland Natural Resources Conservation District

Attachment 2:

ACRP By-laws

ADDISON COUNTY REGIONAL PLANNING COMMISSION BYLAWS

**ADOPTED
AMENDED**

**MAY 10, 1989
DECEMBER 13, 1989
JANUARY 10, 1990
FEBRUARY 14, 1990
DECEMBER 12, 1990
DECEMBER 09, 1992
May 10, 2006
JANUARY 11, 2017**

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ADDISON COUNTY REGIONAL PLANNING COMMISSION BYLAWS

ARTICLE I: LEGAL BASIS

SECTION 101. Enabling Legislation

This regional planning commission is established pursuant to and in conformance with Title 24, Chapter 117 of the Vermont Statutes Annotated hereinafter referred to as the ("Act")

ARTICLE II: NAME

SECTION 201. Name

The name of this regional planning commission shall be the Addison County Regional Planning Commission, hereinafter referred to as the ("Commission").

ARTICLE III: POWERS AND DUTIES OF THE COMMISSION

SECTION 301. Statutory Powers and Duties of the Commission

As provided in 24 V.S.A. Section 4345a of (the "Act"), The Commission shall:

1. Promote the mutual cooperation of its municipalities and assist and advise municipalities, compacts and authorities within the region to facilitate economic development programs for the appropriate development, improvement, protection and preservation of the region's physical and human resources;
2. Advise municipal governing bodies with respect to public financing;
3. Provide technical and legal assistance to municipalities in the preparation and maintenance of plans, capacity studies and bylaws and in related implementation activities;
4. Cooperate with the planning, legislative or executive authorities of neighboring states, regions, counties or municipalities to promote coordination of planning for conservation and development of the region and adjoining or neighboring territory;
5. Prepare a regional plan and amendments that are consistent with the goals established in Section 4302 of this title, and compatible with approved municipal and adjoining regional plans. When preparing a regional plan, the Commission shall:
 - a. develop and carry out a process that will encourage and enable widespread citizen involvement;
 - b. develop a regional data base that is compatible with, useful to, and shared with the geographic information system established under 3 V.S.A. §8 to identify viable agricultural lands;
 - c. conduct capacity studies;
 - d. identify areas of regional significance. Such areas may be, but are not limited to, historic sites, earth resources, rare and irreplaceable natural areas, recreation areas and scenic areas;

- e. use a land evaluation and site assessment system, that shall at a minimum use the criteria established by the commissioner of agriculture under 6 V.S.A. §8, to identify viable agricultural lands;
 - f. consider the probable social and economic consequences of the proposed plan; and
 - g. Prepare a report explaining how the regional plan is consistent with the goals established in Section 4302 of this title.
6. Prepare implementation guidelines that will assist municipalities and the Commission in developing a planning process that will attain, within a reasonable time, consistency with the goals established in Section 4302 of this title. Guidelines, which may be revised at any time, shall be prepared initially by July 1, 1989.
 7. Prepare, in conjunction with the Commissioner of the Department of Housing and Community Development, guidelines for the provision of affordable housing in the region, share information developed with respect to affordable housing with the municipalities in the region and with the Commissioner of the Department of Housing and Community Development, and consult with the Commissioner when developing the housing element of the regional plan.
 8. Confirm municipal planning efforts, where warranted, as required under Section 4350 of this title and provide town clerks of the region with notice of confirmation.
 9. At least every eight years, review the compatibility of municipal plans, and if the Commission finds that growth in a municipality without an approved plan is adversely affecting an adjoining municipality, it shall notify the legislative body of both municipalities of that fact and shall urge that municipal planning be undertaken to mitigate those adverse effects. If, within six months of receipt of this notice, the municipality creating the adverse effects does not have an approved municipal plan, the Commission shall adopt appropriate amendments to the regional plan as it may deem appropriate to mitigate those adverse effects.
 10. Develop strategies specifically designed to assist municipalities in defining and managing growth and development that have cumulative impacts.
 11. Review proposed state capital expenditures for compatibility with regional plans.
 12. Assist municipalities to review proposed state capital expenditures for compatibility with municipal plans.
 13. Appear before District Environmental Commissions to aid them in making a determination as to the conformance of developments and subdivisions with the criteria of 10 V.S.A. §6086.
 14. Appear before the Public Service Board to aid the Board in making determinations under 30 V.S.A. §248.
 15. Hold public hearings.
 16. Before requesting the services of a mediator with respect to a conflict that has arisen between adopted or proposed plans of two or more regions or two or more municipalities located in different regions, appoint a joint interregional commission, in cooperation with other affected regional commissions for the purpose of negotiating differences.
 17. As part of its regional plan, define a substantial regional impact, as the term may be used with respect to its region. This definition shall be given due consideration or substantial deference, where relevant, in state regulatory proceedings.
 18. If a municipality requests the assistance of the Commission in coordinating the way that its plan addresses projects of substantial regional impact with the way those projects are addressed by its neighbors' planning efforts, the Commission shall convene an ad hoc working group to address the issue. The working group shall be composed of representatives of all municipalities likely to be affected by the plan in question,

regardless of whether or not they belong to the same region. With the assistance of a facilitator provided by the Commission, the ad hoc working group will attempt to develop a proposed consensus with respect to projects of substantial regional impact. If a proposed consensus is developed, the results of the consensus will be reported to the planning commissions and legislative bodies represented.

SECTION 302. Optional Powers of the Commission

As provided in 24 V.S.A. Section 4345 of the “Act”, the Commission may:

1. Develop an inventory of the region's fire and safety facilities; hospitals, rest homes, or other facilities for aging or disabled persons; correctional facilities; and emergency shelters; and work with regulated utilities, the Department of Public Service, the Department of Public Safety, potential developers of distributed power facilities, adjoining regional planning commissions, interested adjoining regional entities from adjoining states, and citizens of the region to propose and evaluate alternative sites for distributed power facilities that might provide uninterrupted local or regional power at least for identified critical service providers in time of extended national, statewide, or regional power disruption or other emergency.
2. Undertake studies and make recommendations on land development, urban renewal, transportation, economic, industrial, commercial, and social development, urban beautification and design improvements and historic and scenic preservation, the conservation of energy and the development of renewable energy sources, and wetland protection;
3. Require from each municipality in its area and all state agencies such available information as relates to the work of the Commission;
4. In the performance of its functions, enter upon land, with prior approval of the landowner, to make examinations and surveys;
5. **Retain staff and consultant assistance in carrying out its duties and powers** and contract with one or more persons to provide administrative, clerical, information technology, human resources, or related functions. Undertake comprehensive planning, including related preliminary planning, State capital investment plans and engineering studies,
6. Carry out, with the cooperation of municipalities within the region, economic development programs for the appropriate development, improvement, protection and preservation of the region's physical and human resources;
7. Provide planning, training, and development services to local and regional communities and assist communities in evaluating economic conditions and prepare for economic growth and stability.
8. Gather economic and demographic information concerning the area served.
9. Assist existing business and industry, encourage the development and growth of small business, and to attract industry and commerce.
10. Include in its charter and bylaws adopted pursuant to section 4343 of this chapter the power to:

(A) Acquire and dispose of a fee simple or lesser interest in real property through purchase, lease, grant, gift, bequest, or devise for the purpose of fulfilling its duties pursuant to this section and section 4345a of this title.

(B) Borrow money and incur indebtedness for the purposes of purchasing or leasing property for office space, establish and administer a revolving loan fund, or establish a line of credit, if approved by a two-thirds vote of those representatives to the regional planning commission present and voting at a meeting to approve such action. Any obligation incurred under this subdivision (B):

(i) shall not encumber the grand list or any property of a member municipality; and

(ii) in the case of a purchase, shall pledge the property to be purchased as collateral and shall not exceed the fair market value of such property.

(C) At the request of one or more member municipalities, act as an escrow agent and hold funds related to a municipal capital project or a project subject to a municipal land use permit in an escrow account, including taxes to be paid by the project, fines, and developer fees. Funds so held shall be segregated in a special account for each project on the books of the regional planning commission and, within each project account, by municipality. However, this subdivision (C) shall not confer authority on a regional planning commission to hold tax increment revenues received from a tax increment financing district under chapter 53, subchapter 5 of this title.

(D) Enter into contracts with public and private entities, including the State of Vermont and the federal government to provide regional planning services and fulfill its duties pursuant to this section and section 4345a of this title.

11. Perform such other acts or function as it may deem necessary or appropriate to fulfill the duties and obligations imposed by, and the intent and purposes of the Act.

ARTICLE IV: MEMBERSHIP

SECTION 401. Member Municipalities

1. The membership of the Commission shall consist of 21 of the 23 municipalities in Addison County, with only Granville and Hancock excepted because of geography. Membership of municipalities in the Commission shall be in two categories: Voting or Non-voting members.
2. Voting members consist of those municipalities that are current in their payment of annual assessments and that have duly appointed, in writing, at least one delegate to the Commission to represent their interests. Non-voting members consist of those municipalities that have chosen not to pay an annual assessment or who have failed to appoint at least one delegate to the Commission to represent them.
3. Member municipalities may change pursuant to 24 V.S.A. §4341(a) of the Act.
4. A member municipality that has elected to forego its voting privileges by not paying the annual assessment shall be required to pay its assessment for each delinquent year up to a maximum of three (3) years in order to regain its voting privilege.
5. Representation of member municipalities shall be apportioned annually at the same time as membership assessment is approved using the most recent Vermont Department of Health population estimates, excluding Group Quarters population. New representation

allocations shall become effective July 1. The following shall be the basis for apportionment of representatives;

Population of Municipality	Number of Delegates
0- 1000 persons	1
1001 – 2500 persons	2
Over 2500 persons	3

SECTION 402. Delegates Representing Member Municipalities

1. Delegates constitute the representatives of member municipalities appointed and authorized by the legislative body of the member municipality to act on behalf of the member municipality. The legislative body of each municipality shall appoint or re-affirm the appointment of its delegate(s) to the Commission and shall notify the Commission in writing by June 30 of each year, or immediately if there is a change during the year. Delegates shall, within the stipulations of Sub-section 2 of this section, have voting privileges and shall be eligible to serve on the Executive Board, hold any office in the Commission (except those for which remuneration is provided) and to serve on or chair any committee.
2. Delegates voting privileges and ability to hold elected office on the Executive Committee of the Commission shall be contingent upon payment to the Commission of an annual assessment by June 30 of each year by the member municipality the delegate represents. Delegates representing non-voting municipal members shall retain voting privileges in the matters of ratifying or vetoing a regional plan adoption pursuant to 24 V.S. A. §4348(f) of the Act, and decisions of the Commission regarding approval of local plans and confirmation of local planning processes, pursuant to 24 V.S.A. §4350(f) of the Act

SECTION 403. Citizen Interest Group Members

In addition to member municipalities, the Commission may also consist of Citizen Interest Group members. The following shall govern Citizen Interest Group members and the delegate each may appoint to represent them:

1. A Citizen Interest Group may become a member of the Commission, by application, upon a two-thirds vote of approval by the voting municipal members present at any regular meeting. A Citizen Interest Group shall not be assessed for membership.
2. The total number of Citizen Interest Group members shall not exceed one-fourth of the total number of member municipalities.
3. Termination of Membership. A Citizen Interest Group's membership shall be terminated by:
 - a. A two-thirds vote of the delegates representing member municipalities eligible to vote at any regular or special meeting upon two weeks' notice of the proposed vote.
 - b. If a Citizen Interest Group fails to be regularly represented at Commission meetings, the Executive Board may instruct the Executive Director to discuss the absences with the delegates and alternates representing the Citizen Interest Group and warn the governing body of that group of their poor attendance records. Should the delegates or alternates representing the Citizen Interest Group continue their absence or should the Citizen Interest Group express interest in leaving the Commission, the Executive Board may instruct the Executive Director to schedule a vote of the Commission on whether to terminate the Citizen Interests Groups membership on the Commission by a properly warned vote of the Full Commission pursuant to sub-section 3(a) immediately above.

SECTION 404. Delegates Representing Citizen Interest Groups

1. A Citizen Interest Group shall have one delegate, appointed by the group on an annual basis, who shall have voting privileges on all matters except:
 - a. Admission or removal of Citizen Interest Groups.
 - b. Adoption of a regional plan.
 - c. Assessments of municipalities.
 - d. Approval of local plans or confirmation of local planning process.

The Commission shall be notified by the Citizen Interest Group in writing of their delegate by June 30 of each year and of any change in delegate during the year.

2. The Citizen Interest Group delegate may serve on or any committee including the Executive Board, but may not chair any committee or hold any office on the Executive Board.

SECTION 405. Alternates

Member municipalities or Citizen Interest Group members may appoint alternates to represent them in the absence of their regular delegate pursuant to the following conditions:

1. The legislative bodies of member municipalities or of Citizen Interest Groups that appoints a delegate or delegates may annually appoint an alternate or alternates to serve in the absence of its delegate(s). At Commission meetings, the alternate shall have voting privileges only when serving in place of an appointed voting delegate from a member municipality or Citizen Interest Group member.
2. Alternates shall not be eligible to serve or hold office on the Executive Board.
3. Alternates may serve on any committee. Since all committee votes are advisory only and in order to encourage participation on committees, alternates may participate and vote on committees in addition to or in the absence of a delegate.

SECTION 406. Appointment and Resignation

All appointments of delegates or alternates shall be made by the legislative body of the member municipality or Citizen Interest Group member in writing to the Commission.

All resignations of either member municipalities or Citizen Interest Group members, or the delegates or alternates representing the member municipalities or Citizen Interest Group member shall be submitted to the Commission in writing.

ARTICLE V: MEMBERSHIP ASSESSMENT

SECTION 501. Assessments of Member Municipalities

Member municipalities of the Commission shall appropriate funds to the Commission.

Assessments to member municipalities shall be made on a per capita basis with a minimum, the per capita amount to be decided by the Commission membership eligible to vote on the matter in time for inclusion in warnings of Annual Town Meetings. The most recent population estimate available from the Vermont Department of Health, excluding Group Quarters population, or the most recent preliminary or final census count available from the US Census, excluding Group Quarters population, shall be used as the basis for determining assessments. Each municipality's membership assessments shall be due and payable on or before June 30.

ARTICLE VI: COMMISSION VOTING DELEGATES

SECTION 601. Composition

The voting representatives of the Commission shall be composed of its delegates, or alternates representing absent delegates, subject to the limitations contained in ARTICLE IV.

SECTION 602. Powers and Duties

The voting delegates of the Commission shall be its policy making body. In addition to the powers and duties set forth in the statute and ARTICLE III of these Bylaws, the voting delegates of the Commission shall have the power, without limitation, except as contained in ARTICLE IV. to:

1. Exercise the authority of the Commission;
2. Approve the annual budget of the Commission;
3. Oversee the operation of the Commission;
4. Prescribe such operating procedures, in addition to those set forth herein, as are necessary to guide the Executive Board, Executive Director, and other staff, officers, and committees in the performance of their duties;
5. Instruct or assign additional duties to any committee, officer, staff member, or the Executive Board;
6. Authorize the creation of all staff positions;
7. Authorize the expenditure of all monies over and above the approved budget of the Commission.

SECTION 603. Special Voting Procedures

Pursuant to 24 VSA Chapter 117, §4350(f), the Commission shall confirm that a municipality is engaged in a planning process and regionally approve the plan produced as a result of the process. Confirmation and approval decisions shall require majority affirmative votes of all delegates representing municipalities. Votes shall be counted as follows:

1. Delegates representing municipalities constitute duly appointed delegates actively representing municipalities. The Commission has interpreted this to mean the total number of municipal seats filled by delegates (If a municipality has not appointed a delegate, but had the right too, that seat is not counted.)
2. Alternates may only vote when an appointed delegate to their municipality is absent.
3. Delegates, or alternates replacing absent delegates, must be present to vote.
4. The vote will be taken by roll call based on the roll call of delegates and alternates listed on the back of the agenda for the meeting.

SECTION 604. Regional Plan Adoption – Voting

Pursuant to 24 V.S.A. §5348(f), adoption or amendment of the Regional Plan shall require not less than a sixty percent vote of all Delegates representing municipalities. The definition of “delegates representing municipalities” and when alternates may vote are noted in Section 603 immediately above. Additionally, a majority vote of the municipalities represented at such vote shall be required for the adoption of a regional plan or amendment to said plan. Delegates must be present to cast votes.

ARTICLE VII: MEETINGS

SECTION 701. Conduct of Meetings

All meetings of ACRPC constitute public meetings and shall be warned conducted and recorded to promote public participation, transparency and accountability in accordance with Vermont's statutes governing public meetings.

SECTION 702. Regular Meetings

The regular meetings of the Commission shall be held a minimum of six times a year during the months of September through July.

SECTION 703. Annual Meeting

The regular meeting in May shall be known as the annual meeting and shall be for the purpose of electing officers, receiving reports of officers and committees, and any other business that may arise.

SECTION 704. Special Meeting

Special meetings may be called by the Chair or Executive Board on their own initiative. The Chair shall call a special meeting upon written request of ten voting delegates of the Commission.

SECTION 705. Notice of Meeting

Notice of regular or special meetings of the Commission shall be mailed by the Executive Director or Secretary to voting members and alternates at least one week in advance.

SECTION 706. Minutes

The Secretary shall be responsible for the minutes of all Commission meetings.

SECTION 707. Quorum

A minimum of one-third of the voting municipalities shall be represented in order for a quorum to be met for Commission meetings. Unless specifically stated otherwise in these Bylaws or in the Act, official Commission action shall require a majority vote of delegates present and voting.

ARTICLE VIII: OFFICERS

SECTION 801. Composition

The officers of the Commission shall be a Chair, Vice Chair, Secretary and Treasurer.

SECTION 802. Powers and Duties of Officers

Chair. The Chair of the Commission shall:

1. Be the chief executive officer; and shall represent the Commission on other organizations or appoint a designated representative;
2. Call and preside at meetings of the Commission;
3. Appoint the Chair and membership of all committees except the nominating committee;
4. Serve as an ex-officio member of all committees except the nominating committee;
5. In the absence of the Treasurer, sign all checks, notes, and drafts;

6. Perform such other duties as are assigned by these bylaws and as are customary to the office.
7. The Commission shall carry Employee Dishonesty Insurance on its employees and officers, including the Chair in an amount to be determined and approved by the Commission. The premium for such insurance shall be paid from Commission funds.

Vice-Chair. The Vice-Chair of the Commission shall act as Chair of the Commission in the absence or incapacity of the Chair.

Secretary. The Secretary of the Commission shall be responsible for the keeping of accurate and complete record of all Commission meetings and official actions. The Secretary shall perform such other duties as are required by these bylaws and as are customary to the office.

Treasurer. The Commission shall carry Employee Dishonesty Insurance on its employees and officers, including the Treasurer of the Commission in an amount to be determined and approved by the Commission. The premium for such insurance shall be paid from Commission funds. The Treasurer shall:

1. Carry out the directives of the Commission;
2. be responsible for prompt deposit of funds in such depositories as may be designated by the Commission;
3. be responsible for supervising and keeping of such books and accounts as may be ordered by the Commission or Executive Board;
4. Be responsible for the signing of all checks, notes, and drafts in the name of the Commission;
5. Be responsible for monthly reporting of the current operating expenditures of the Commission.
6. Perform such duties as are assigned by these bylaws and as are customary to the office.

SECTION 803. Eligibility

A candidate for any office must be a delegate representing a voting municipality.

ARTICLE IX: NOMINATIONS, ELECTIONS AND TERMS

SECTION 901. Nominations

At the February full commission meeting, the Executive Board shall request volunteers for a Nominating Committee consisting of three voting members (Delegates). At its February meeting the Executive Board shall choose a slate for the Nominating Committee. which it shall recommend to the full Commission for election at the March meeting of the Commission. The nominating committee shall render its report of nominations for all elective officers and at-large members of the Executive Board at the subsequent April meeting. Members of the nominating committee may be nominated for any position for which they are eligible. The nominating committee must obtain acceptance of nomination from each person whom it wishes to nominate prior to rendering its report. Nominations may also be made from the floor, with the consent of the nominee, at either the meeting at which the nominating committee makes its report, or the meeting at which elections take place.

SECTION 902. Elections

The Commission officers and at-large members of the Executive Board shall be elected by voice vote at the May meeting by majority vote of the voting delegates present unless a secret ballot is requested by three voting delegates present. Voting delegates may vote for any eligible person. If no candidate for a particular office obtains a majority, the balloting shall be repeated for that office as many times as necessary to obtain a majority vote of those voting delegates present for a single candidate.

SECTION 903. Term

The terms of office of all officers and at-large members of the Executive Board shall begin July 1 and shall end June 30, but officers shall hold office until their successors have been elected and installed. All officers and at-large members of the Executive Board shall be elected for a term of one year, but may not serve more than three consecutive terms in the same office, and no more than five consecutive terms on the Executive Board.

SECTION 904. Vacancies

A vacant office shall be filled by a majority vote of the delegates at the next Commission meeting. Officers and at-large members of the Executive Board so elected shall hold office only for the balance of the current term or until their successors are elected and installed.

SECTION 905. Representative to the Council of Regional Commissions

If the State of Vermont constitutes a Council of Regional Commissions, as anticipated by statute, the Executive Board shall nominate a representative to the Council of Regional Commissions annually at the April meeting, as necessary for that council to function. Nominations may also be made from the floor. The representative may hold any other Commission office. The eligibility, election, term and procedure for filling a vacancy in this position shall be the same procedure used for officers of the Commission.

ARTICLE X: EXECUTIVE BOARD

SECTION 1001. Composition

The Chair, Vice-Chair, Secretary, and Treasurer and three at-large members elected as described in Article X serve as an Executive Board.

SECTION 1002. Purpose

The purpose of the Executive Board shall be to implement and supervise the policies and programs of the Commission and to review and recommend to the Commission all matters of policy affecting the activities of the Commission including, but not limited to, regional planning recommendations, program and scope, personnel policies and finances.

SECTION 1003. Powers and Duties

The Executive Board shall be subject to the orders of the Commission voting membership, and none of its acts shall conflict with action taken by the Commission. The duties of the Executive Board will include, but not be limited to, the following:

1. To carry out the instructions of the Commission voting membership;

2. To supervise the affairs of the Commission between its regular meetings but to act for the Commission only when immediate action is required and the Commission voting membership would not be able to take the necessary action in time;
3. To be responsible for the normal operating expenditures of the Commission;
4. To review and recommend the annual budget of the Commission as drafted by the Executive Director and to transmit it to the Commission for final approval;
5. To review and recommend the financing procedure for regular funding of the Commission and to transmit it to the Commission for final approval;
7. To nominate the Commission's representative to the Council of Regional Commissions, as necessary, for election by the Commission pursuant to Section 1005 of these Bylaws;
8. To implement with the assistance of the Executive Director, general personnel policies of the Commission, and other matters which would tend to promote good working conditions and morale among the Commission staff; and to review and recommend changes to the personnel policies;
9. To recommend appointment and removal of the Executive Director, subject to approval of the Commission, and to determine compensation of the Executive Director and otherwise implement personnel policies;
10. To review the scope and content of the annual work program and transmit it to the Commission for final approval, and to report progress;
11. To establish the fiscal year;
12. To adopt, formulate, and record its policies, rules and regulations for easy reference;
13. To submit a report of its activities at each Commission meeting;
14. To review and comment on Committee recommendations and to forward such recommendations unchanged to the Commission.

SECTION 1004. Meetings

Regular meetings of the Executive Board shall be held a minimum of six times a year during the months of September through July at such time as the Executive Board members shall determine. Special meetings of the Board may be called by the Chair or Executive Director and shall be called by the Chair upon written request of three members of the Executive Board. A quorum to conduct business shall consist of a simple majority of the membership of the Executive Board.

ARTICLE XI: STAFF

SECTION 1101. Composition

The staff of the Commission shall be an Executive Director, and other staff as approved by the Executive Board to implement the work program approved by the Commission voting delegates.

SECTION 1102. Executive Director: Powers and Duties

The Executive Director shall:

1. Exercise the powers and duties assigned by the Commission and the Executive Board;
2. Fill all staff positions authorized by the Commission pursuant to the personnel policies;
3. Direct a regional planning and development program as approved by the Commission and within the framework of applicable state and federal regulations.
4. Sign contracts and perform such other management acts as necessary and appropriate to direct a regional planning and development program as approved by the Executive Board and Commission.

SECTION 1103. Equal Opportunity Employer

No person seeking employment or having business with the Commission shall be discriminated against for reasons of race, color, religion, ancestry, national origin, sex, sexual orientation, gender identity, place of birth, or age or against a qualified individual with a disability. The Executive Director shall take affirmative steps to insure this policy is followed.

ARTICLE XII: COMMITTEES

SECTION 1201. Composition

1. Upon assuming office each year, the Executive Board shall appoint the chairperson and membership of such standing committees as it deems necessary to fulfill the responsibilities of the Commission. The Executive Board may also appoint the Chairperson and membership of ad hoc committees deemed necessary during their term.
2. Committee chairs must be delegates from voting municipalities. Any person shall be eligible to serve on a committee. Voting on policy and ad hoc committees shall be limited to duly appointed delegates, alternates (even if a delegate from the same municipality is present) and Citizen Interest delegates.
However, ad hoc committees structured ~~especially~~ specifically to meet the requirements of a law or funding source, such as solid waste committees under Act 78, or transportation planning committees under the Federal law, as amended, are not subject to the voting rule. Municipal representatives and representatives from the Commission shall both be eligible to vote. Such committees, if possible under their enabling legislation/funding, should have a Commission delegate as chair to enable communication and coordination between the Commission and ad hoc committee.
3. The Executive Board shall make Committee appointments from a list of the delegates and alternates. Any delegate or alternate may make requests or add recommendations to that list. The Executive Board shall review the requests and make appointments such that balanced representation occurs within each committee.
4. Committee recommendations shall be submitted to the Executive Board by July 1 of each year. The Executive Board shall make its appointments by September 1 of each year.
5. Any committee chair may, with the approval of the Chair of the Executive Board, after consultation with the Executive Director regarding staff capacity, appoint subcommittees to conduct specific work on topics within the Committees' jurisdiction.
6. No committee shall consist of fewer than three members.
7. Vacancies on committees shall be filled using the same procedures regarding appointment to the Committee as noted above.

SECTION 1202. Powers and Duties

Committees shall have the power to gather information, prepare reports and make recommendations to the Commission through the Executive Board. No committee may take unilateral action in behalf of the Commission without approval of the voting delegates to the Commission.

SECTION 1203. Standing Committee Meetings

Quorums for committee meetings shall consist of the lesser of five members or a simple majority of committee members.

ARTICLE XIII: RESOLVING CONFLICTING INTERESTS

SECTION 1301. Conflicts.

1. Purpose. The purpose of this policy is to ensure that this Commission conducts its business in the best interests of the Region and preserves the public trust the Region places with the Commission. No delegate of the Commission may participate so as to gain a financial advantage from his or her work for the Commission. It is also the intent of this policy to ensure that all decisions made by commission delegates must be based on the best interest of the Region and/or the municipality which he or she represents.
2. Definitions. For the purposes of this policy, the following definitions shall apply:
 - a. A direct or indirect financial interest of a delegate, his or her spouse, household member, child, stepchild, parent, grandparent, grandchild, sibling, aunt or uncle, in law, close business associate, employer or employee, in the outcome of a cause, proceeding, application or any other matter pending before the Commission.
 - b. Appearance of conflicts means conduct which may be construed to constitute a conflict. In order to preserve the public trust, all commissioners are encouraged to disclose relationships or interests that may appear to be conflicts in order to allow the Commission to make a timely decision concerning whether an actual conflict exists.
 - c. Public interest means an interest of the Region as a whole, conferred generally upon all residents of the Region.
3. Disqualification.
 - a. A delegate shall not participate in any official action if he or she has a conflict of interest in the matter under consideration.
 - b. A delegate shall not personally, or through any member of his or her household, business associate, employer or employee, represent, appear for, or negotiate in a private capacity on behalf of any person or organization in a cause, proceeding, application or other matter pending before the Commission in which the delegate holds office or is employed.
 - c. Commission members or employees shall not accept gifts or other offerings for personal gain by virtue of their public office.
 - d. In the event a delegate is uncertain whether he or she or any other delegate has a conflict of interest in any matter, he or she may notify the Chair, prior to action taken by the Commission, and request the Commission to determine whether a conflict of interest exists as to another delegate or him/herself. The Commission shall resolve the question by a majority vote. If the Commission concludes that a delegate has a conflict the Commission shall exclude that delegate from participation, voting or taking action on the subject matter in his/her capacity as a Commission member. He or she shall retain all rights as a citizen and may participate as a member of the general public.
4. Disclosure. A delegate who has reason to believe that he or she has or may have an appearance of a conflict of interest but believes that he or she is able to act fairly, objectively and in the public interest in spite of the appearance of a conflict of interest shall, prior to participating in any official action on the matter disclose to the commission at a public hearing the matter under consideration, the nature of the potential conflict of

interest and why he or she believes that he or she is able to act in the matter fairly, objectively and in the public interest.

5. Recusal. A delegate shall recuse him or herself from any matter in which he or she has a conflict of interest, pursuant to the following:
 - a. Any Commissioner may request that a member recuse him or herself due to a conflict of interest. Such request shall not constitute a requirement that the member recuse him or herself; If the member refuses to recuse him or herself and the issue of conflict remains, the Full Commission shall make the decision regarding whether an actual conflict exists using the process outlined in Section 3D above.
 - b. A delegate who has recused him or herself from a proceeding shall not sit with the commission, deliberate with the commission, or participate as a delegate while that proceeding is pending; He or she shall retain all rights as a private citizen and may participate as a member of the general public.

ARTICLE XIV: SUPPLEMENTARY PROVISIONS

SECTION 1401. Parliamentary Authority

The rules contained in the current edition of Robert's Rules of Order shall govern the Commission in all cases to which they are applicable and in which they are not inconsistent with these Bylaws and any special rules of order the Commission may adopt.

SECTION 1402. Amendment of Bylaws

These Bylaws may be amended at any regular meeting of the Commission by a 2/3rds vote of delegates present and voting, provided that the amendment has been submitted in writing at the previous regular meeting and included in the notice of the meeting at which such vote occurs.

SECTION 1403. Separability

If any provision of these Bylaws is held invalid, the other provisions of the Commission's Bylaws shall not be affected thereby.

Attachment 3:

ACRPC Personnel Policy

ACRPC PERSONNEL POLICY

ADOPTED: By Vote of the Full Commission October 9, 2019



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Chapter 1: INTRODUCTION AND PURPOSE

The Addison County Regional Planning Commission (“ACRPC”) has prepared this Personnel Policy as a guide for reference for all of its employees. This Personnel Policy (“Policy”) provides employees with ACRPC’s policies and procedures regarding various employment issues. ACRPC reserves the right to change these policies and procedures for any reason and at any time. As ACRPC revises policies, procedures and benefits, it will amend this Policy and will provide its employees with notice of the changes.

This Policy constitutes guidelines only. This Policy is not a contract of employment, either express or implied, or a guarantee of future employment for any particular period of time. Employment with ACRPC is an employment “at-will” relationship, whereby either ACRPC or the employee has the right to dismiss/terminate employment for any reason and at any time, with or without notice.

No representative of ACRPC shall make verbal or written assurances contrary to the provisions of this Policy. Only persons authorized by this Policy may enter into agreements for employment as representatives of ACRPC.

If you have substantive questions about this Policy, please contact the Executive Director of ACRPC. For questions regarding benefits or administrative matters covered in this Policy, please see ACRPC’s Office Manager.

Chapter 2: ADMINISTRATION

The Policy will be administered by the Executive Director of the ACRPC. The Executive Director shall report to the ACRPC Executive Board. Changes to this policy shall be recommended by the Executive Board to the Full Commission for action.

Chapter 3: EQUAL EMPLOYMENT OPPORTUNITY

ACRPC is committed to providing equal opportunity to all employees and applicants for employment regardless of race, color, religion, ancestry, national origin, sex, sexual orientation, gender identity, age, place of birth, crime victim status, HIV status, political affiliation, genetic information, veteran status or military obligation, marital status, pregnancy, disability, need for health insurance, or any other characteristic protected by law.

Chapter 4: EMPLOYMENT AUTHORITY

Authority to employ rests with ACRPC. The authority to make hiring decisions, however is delegated as follows:

A. EXECUTIVE DIRECTOR

The Executive Board, or a search committee it designates, will review applicants for the position of Executive Director and make recommendations for approval and action by the Full Commission.

B. PROFESSIONAL, ADMINISTRATIVE and SPECIAL PROJECTS EMPLOYEE

Authority to hire all professional and administrative employees is delegated to the Executive Director. Authority to hire employees for special projects **included** in the approved annual budget rests with the Executive Director. Hiring employees or special project employees for projects **not included** in the approved budget requires approval of the Executive Board upon recommendation of the Executive Director.

Chapter 5: EMPLOYMENT PROCEDURES

A. EXECUTIVE DIRECTOR

The selection process for the position of Executive Director shall be initiated by the Executive Board by appointing a Search Committee.

The Search Committee shall advertise the vacancy in newspapers and/or professional publications, and other appropriate media, receive written applications and written and verbal comments of recommendation, interview selected applicants and recommend a limited number of those interviewed to the Executive Board. The Executive Board, after review and interviews, shall then recommend a selected finalist for the position to the Commission for approval.

B. PROFESSIONAL & ADMINISTRATIVE EMPLOYEES

The Executive Director shall advertise the vacancy in newspapers and/or professional publications or other appropriate media, receive written applications and written and verbal recommendations, interview selected applicants and offer employment to the successful applicant. Supplemental application materials and/or skills tests may be required from those applicants being considered for interviews. ACRPC will not reimburse the applicant for expenses involved, unless otherwise agreed upon at the time of interview arrangements.

C. SPECIAL PROJECTS EMPLOYEES

Special Projects employees are those employees hired to work on projects with specific limited duration and/or financial consideration. Employment procedures for special projects employees, shall be those procedures in Section (B) above for employees whose total compensation will exceed \$15,000 in any fiscal year. For employees paid from Federal funds, procurement procedures shall be the minimum required as a condition of funding. For part-time, or temporary employees whose compensation shall be less than \$15,000 in any fiscal year, the Executive Director may use an accelerated procurement method at their discretion. The interests of special projects boards, advisory committees or other appropriate groups shall be considered in employing or contracting special projects services.

D. NOTIFICATION OF EMPLOYMENT OR AWARD

For employment for positions included within the annual budget, the Executive Director, shall negotiate an employment agreement or, for contractors, a contractual agreement, and shall present the agreement in writing to the potential employee or contractor. The agreement will include beginning date of employment or task, a job description or scope of work, beginning salary or fee for service and other pertinent information. Each shall specifically state that the employee is “at will”, unless a specific contract of employment is entered into. The ACRPC Personnel Policy shall be offered as guidelines accompanying all employment agreements. Written acceptance of the employment offer by the employee or receipt of a signed contract from the contractor are required before the end of the first pay period or, for contractors, the end of the first billing period.

Chapter 6: PERSONS COVERED JOB CLASSIFICATION/JOB DESCRIPTIONS

A. PERSONS COVERED

The Policy applies to all employees of ACRPC. Certain employee benefits and leave time may only be available to employees working a minimum number of hours per week as specified in the relevant Chapter/section of this Policy. Except by written agreement, volunteers and persons who provide ACRPC with services on a contract basis are not covered by this Policy.

B. EXEMPT/NON-EXEMPT EMPLOYEES

There shall be two categories of employees, exempt and non-exempt.

1. **Exempt employees.** Salaried employees, who are executive, professional or and administrative personnel, as defined by the Fair Labor Standards Act, are exempt from the minimum wage and overtime requirements of the Fair Labor Standards Act. Flextime and compensatory time shall be available to exempt employees as detailed in Chapter 13 of this Policy.

2. **Non-exempt employees.** Non-exempt employees are any employees who receive an hourly wage, or who do not meet the definition of “exempt employee” in accordance with the Fair Labor Standards Act. Examples of non-exempt positions might include temporary, clerical, or part-time employees. Non-exempt employees are subject to minimum wage and overtime requirements as specified by State and Federal wage and hour laws.

C. EMPLOYEE CLASSIFICATIONS

ACRPC also divides employees into classifications based on hours of work averaged per week. These categories are:

1. **Employee, full-time.** Any employee who in a normal month, works the equivalent of thirty-seven and one-half hours per week calculated on a monthly basis.

2. **Employee, part-time.** An employee working the equivalent of a minimum of 18 hours per week calculated on a monthly basis.

3. **Employee, hourly, temporary.** An employee, generally working on a special project of limited duration, paid hourly, on a biweekly basis for the payroll period.

D. JOB DESCRIPTIONS/SALARY RANGES

ACRPC shall create job descriptions generally describing the different types of planning and administrative positions it employs. The Executive Director shall draw from these descriptions to create a job description for each employee hired. Job descriptions shall be reviewed annually as part of the evaluation process, and adjusted, if necessary, to more fully describe the duties and responsibilities of each position. Modifications to job descriptions shall not require an amendment to the Personnel Policy. Job descriptions shall include approximate starting salary ranges for each position. Job descriptions for current positions are attached as Appendix A of this Policy.

E. AUTHORIZED POSITIONS

The Executive Director may hire personnel necessary to fulfill the contracts anticipated in ACRPC's Annual Budget and Workplan and shall be responsible to ensure that ACRPC has the financial capacity to support the positions hired.

Chapter 7: PERFORMANCE EVALUATION

A. EXECUTIVE DIRECTOR

The Executive Board shall prepare a written evaluation of The Executive Director's performance annually prior to the end of each fiscal year. The Chairperson shall then review the results of the evaluation with the Executive Director and jointly create a plan to implement the recommendations contained in the evaluation.

B. EMPLOYEE PROBATIONARY PERIOD

All new employees will be required to complete a six-month probationary period. The purpose of this probationary period is to determine whether the employee is suited for the job. During the probationary period, an employee may be terminated at any time at the sole discretion of the Executive Director. Notwithstanding any other provision of this Policy, an employee terminated during the probationary period will have no right to appeal such termination.

C. EMPLOYEE PERFORMANCE EVALUATION

Employees may be subject to job performance evaluations at such times and in such manner as the Executive Director deems reasonable. However, generally, after the initial evaluation, the Executive Director will prepare a written evaluation of the performance of each employee annually at the end of each fiscal year. The Director shall then review the results of the evaluation with the employee and jointly create a plan to implement any recommendations. Alternatively, the Executive Director may take other action as he or she deems necessary. The results of such evaluations will be submitted to the employee and will become a part of the employee's personnel file.

Chapter 8: HOURS OF WORK/TIMESHEETS/PAY PERIOD

A. OFFICE HOURS AND WORKWEEK

Regular office hours will generally be 8:30 am to 5:00 PM, Monday through Friday. Regular work hours may be changed and employees may be expected to work additional hours that may exceed their regular work hours in a given week, as circumstances require. For purposes of accruing time off within this Policy, unless a more specific provision applies, a day shall be defined as equal to 7.5 (seven and one-half) hours for full-time employees and a pro-rated fraction thereof for part-time employees.

B. FLEX TIME

A different workweek schedule may be granted to an employee after consultation with the Executive Director after consideration of the work needs of the ACRPC office and the employee.

C. PAY PERIOD AND TIMESHEETS

Employees shall be paid every other week (biweekly). Employees shall keep detailed time sheets and expense forms to support billings to funding sources and for administrative planning purposes for anticipating future staffing and funding needs. Time sheets shall be submitted monthly for both full and part-time employees and biweekly for hourly employees.

Chapter 9: COMPENSATION / COMP TIME

ACRPC recognizes the value of its employees in operating an effective organization and in providing superior service to its members. Because of this and in recognition of the fact that ACRPC must compete for qualified professional employees in a national marketplace, ACRPC strives to retain competitive compensation levels. The Executive Director may use applicable salary surveys and other resources to help determine appropriate wage/benefit levels. Salary adjustments or bonuses are usually made to coincide with performance evaluations and the onset of a new fiscal year, the completion of a probationary period or in recognition of outstanding service to ACRPC. If, however, the director, finds employee wages to have become no longer competitive in the marketplace, he/she may provide for additional adjustments to wage scales from moneys available within an existing budget.

Exempt employees as determined by Chapter 6 above, are not eligible for overtime pay. However, when hours exceed 37.5 hours per week averaged over any given month one hour of compensatory time shall be earned per one (1) hour worked over thirty-seven and one-half (37.5) hours. The use of compensatory time shall be arranged with the Executive Director, and shall generally not be taken in longer than one-week increments except in special circumstances. Employees should attempt to use compensatory time earned in any year within that year.

An employee may, at the Executive Director's discretion, be paid in cash in lieu of comp time off. An employee receiving payment for accrued comp time will be paid at the regular rate of pay earned by the employee at the time the employee receives such payment.

Upon discontinuance of employment, an employee will be paid for unused comp time at a rate not less than the average regular rate of pay received by the employee during the last three years of employment or the employee's final regular rate of pay, whichever is higher.

Overtime compensation, at a rate of one and one-half (1.5) times the rate of pay, will be paid to non-exempt employees for hours worked in excess of an average of Forty (40) hours in a workweek. Overtime hours must be approved by the Executive Director in advance, who shall stay with the approved or amended budget when giving such approvals.

Chapter 10: TIME OFF/LEAVE

A. HOLIDAYS

Full-time and part-time employees as defined in Chapter 6, Section C will receive the following paid holidays:

- New Year's Day
- Memorial Day
- Independence Day
- Thanksgiving Day and the day following
- Christmas Day

Remaining paid holidays for a total of 12 in any fiscal year may be taken at the discretion of the employee, with prior arrangement with the Executive Director. Employees may choose to work on a fixed holiday and take the time later as a floating holiday. Holiday time may not be carried over into the next fiscal year. Employees will receive holiday leave pay for the number of hours in the employee's typical workday on which the holiday falls, at the employee's regular rate of pay. Part-time employees will receive prorated holiday leave pay based on the number of hours the employee is regularly scheduled to work.

B. PERSONAL DAYS

The Executive Director may grant employees up to three paid personal days annually to be used at the discretion of the employee with the approval of the Executive Director.

C. VACATION LEAVE

Vacation leave will accumulate as follows:

1. Full-time employees

<u>Years of Employment</u>	<u>Vacation Accrual</u>
0 to 6mos.	1 day per month is earned during employee's probationary period. Receivable upon successful completion of this period.
6 months to 1-year	1 day per month completed
1 to 5 years	1.5 days per month completed
5+ years	2 days per month completed

The Executive Director may offer experienced senior planners additional vacation time within the guidance provided above at the time of their hire.

2. Part-time and hourly employees

Part-time employees who work at least 18 (eighteen) hours per week on a continual and regular basis accrue vacation leave on a pro-rated basis at the same rate of leave per months worked as full-time employees. No vacation pay will accrue for hourly employees.

D. ACCUMULATED VACATION LEAVE

An employee may take vacation during the employee's probationary period only with the pre-authorized approval of the Executive Director.

Employees are encouraged to use their vacation time. However, surplus vacation time may be carried into the next fiscal year in an amount not to exceed double that which the employee may earn in the coming fiscal year. Any accrual of time beyond the allowable accumulation will be forfeited at the end of the fiscal year. Any accumulated vacation time will be paid to an employee upon termination, provided that the required notice of resignation is given. *See Resignation, Chapter 15, for the amount of required notice.*

E. PARENTAL AND FAMILY LEAVE

Parental and Family Leave. All regular full-time employees and part-time employees who meet eligibility requirements shall be entitled to take unpaid leave for a period not to exceed twelve (12) weeks during the employee's pregnancy and following the birth or adoption of his or her child in accordance with the requirements or 21 V.S.A Section 472.

All regular full-time employees or regular part-time employees who meet eligibility requirements shall be entitled to take unpaid leave for a period not to exceed twelve (12) weeks to care for a seriously ill spouse, child stepchild, ward foster child, parent or parent-in-law, in accordance with the requirements of 21 V.S.A Section 472.

Accrued sick or vacation leave may be used when taking parental or family leave, in a manner consistent with provisions of this Policy, but will not extend the leave provided for by this provision.

ACRPC will continue the employee's benefits during this leave period. ACRPC will continue to pay the costs of premiums to the extent it did so prior to the leave. Employees that made a contribution toward a benefit shall make arrangements with ACRPC to continue to make their contribution during the leave period. Failure to make a required contribution may result in the termination of the benefit.

An employee who wishes to take parental leave must give notice to the Director of the date the leave is expected to begin and the duration of the leave at least six weeks prior to its commencement, or in the event of an unexpected illness, as soon as is reasonably possible. The Director, in his or her discretion, may give approval for an employee to return from leave earlier than expected.

Upon return from leave an employee shall be offered the same or a comparable job at the same level of compensation, employee benefits, seniority or any other term or condition of employment existing on the day the leave began.

For the purposes of determining the twelve-month period in which an employee may be entitled to VPFLA leave, ACRPC will use a rolling twelve-month period measured backward from the date an employee uses such leave.

F. SHORT TERM FAMILY LEAVE

In accordance with 21 V.S.A. § 472a, eligible employees may be entitled to take unpaid leave not to exceed four hours in any thirty-day period and not to exceed twenty-four hours in any twelve-month period for the following purposes:

- To participate in preschool or school activities directly related to the academic educational advancement of the employee's child, stepchild, foster child, or ward who lives with the employee, such as a parent-teacher conference;
- To attend or accompany the employee's child, stepchild, foster child, or ward who lives with the employee or the employee's parent, spouse or parent-in-law to routine medical or dental appointments;
- To accompany the employee's parent, spouse or parent-in-law to other appointments for professional services related to their care and well-being; or
- To respond to a medical emergency of the employee's child, stepchild, foster child, or ward who lives with the employee or the employee's parent, spouse or parent-in-law.

ACRPC may require that leave (including vacation and personal leave) be taken in a minimum of two-hour segments. At the option of the employee, accrued paid leave may be used. Before taking leave under this section an employee shall make a reasonable attempt to schedule appointments outside of regular work hours. An employee shall provide their supervisor or Executive Director with the earliest possible notice of the intent to take short term family leave, but in no case later than seven days before leave is to be taken, except in the case of an emergency where the required seven day notice could have a significant adverse impact on the family member of the employee.

G. SICK/BEREAVEMENT LEAVE

Paid sick leave is given for use in the event of personal or family illness, bereavement or medical appointments. An employee may use sick leave for the purposes below:

- The employee is ill or injured.
- The employee obtains professional diagnostic, preventive, routine, or therapeutic health care.
- The employee cares for a sick or injured parent, grandparent, spouse, child, brother, sister, parent-in-law, grandchild, or foster child, including helping that individual obtain diagnostic, preventive, routine, or therapeutic health treatment, or accompanying the employee's parent, grandparent, spouse, or parent-in-law to an appointment related to his or her long-term care.
- The employee is arranging for social or legal services or obtaining medical care or counseling for the employee or for the employee's parent, grandparent, spouse, child, brother, sister, parent-in-law, grandchild, or foster child, who is a victim of domestic violence, sexual assault, or stalking or who is relocating as the result of domestic violence, sexual assault, or stalking. As used in this

section, “domestic violence,” “sexual assault,” and “stalking” shall have the same meanings as in 15 V.S.A. § 1151.

- The employee cares for a parent, grandparent, spouse, child, brother, sister, parent-in-law, grandchild, or foster child, because the school or business where that individual is normally located during the employee’s workday is closed for public health or safety reasons.

Employees must provide notice as soon as practicable of the intent to use earned sick time and the expected duration of the employee's absence. Employees must make reasonable efforts to avoid scheduling routine or preventive health care or other appointments during regular work hours. Compensation for use of paid leave will be at the employee's regular rate of pay.

Paid sick leave shall accrue to both full-time and part-time employees at a rate of one day per month for full-time employees and shall be pro-rated for part-time employees working at least an average of 18 (eighteen) hours weekly in any given month. At the end of each fiscal year, each employee may carry over unused accrued sick leave up to 5 days per year. Unused, accrued sick leave will not be paid at the time of termination.

Use of this paid leave does not diminish the rights that an employee may have under the Vermont Parental Family Leave Act, 21 V.S.A. § 470.

H. JURY LEAVE

ACRPC will compensate employees for their service as jurors or witnesses at their regular rate of pay, even when unrelated to their status as an employee. In accordance with 21 V.S.A. § 499, during their term of jury leave, employees will otherwise be considered in the service of ACRPC for purposes of determining seniority, benefits, credit towards vacations, sick leave, and other rights, privileges, and benefits of employment.

When ACRPC employees are called to serve as a witness in a court proceeding due to their status as an employee of ACRPC, ACRPC will compensate the employee at their regular rate of pay.

I. CRIME VICTIM LEAVE

In accordance with 21 V.S.A. § 472c, eligible employees who are crime victims may be entitled to take unpaid leave for the following purpose of attending a deposition or court proceeding related to:

- a criminal proceeding when the employee has a legal right or obligation to appear at the proceeding;
- a relief from abuse, neglect, or exploitation hearing when the employee is the plaintiff
- hearings concerning an order against stalking or sexual assault, when the employee seeks the order as plaintiff.

A “crime victim” is a person who has:

- obtained a relief from abuse order against a family or household member;
- obtained a court order against stalking or sexual assault;
- obtained a court order against abuse of a vulnerable adult; or

- sustained physical, emotional or financial injury as the direct result of the commission or attempted commission of a crime or act of delinquency and is identified as a crime victim in an affidavit filed by law enforcement official with a prosecuting attorney. This also includes the victim's child, foster child, parent, spouse, stepchild or ward of the victim who lives with the victim, or a parent of the victim's spouse, provided that the individual is not identified in the affidavit as the defendant.

At the option of the employee, accrued sick leave, vacation leave, or any other accrued paid leave may be used.

J. MILITARY LEAVE

ACRPC will comply with the requirements of the Uniformed Services Employment and Reemployment Rights Act (USERRA), 38 U.S.C. §§ 4303 et seq., and 21 V.S.A. §§ 491 et seq. Employees who take military leave subject to the provisions of these laws will be granted leave without pay. At the option of the employee, accrued sick leave, vacation leave, or any other accrued paid leave may be used.

K. LEAVE OF ABSENCE WITHOUT PAY

Other requests for leaves of absence without pay for any reason other than those covered by federal or state law or this Policy must be submitted in writing to the employee's supervisor and must set forth the purpose for which the leave is requested. All leave requests must be for a definite period of time and include a specified date of return.

If a leave of absence without pay is granted, the employee may, at ACRPC's sole discretion, continue the employee's group health plan coverage by paying the required premium in accordance with the payment schedule established by ACRPC. The employee's failure to pay their contribution in a timely manner may result in the termination of the benefit. Other employee benefits (e.g. sick leave, vacation, seniority, etc.) will not accrue during an unpaid leave period that exceeds 14 days.

Chapter 11: BENEFITS

The following benefits are provided to eligible full-time employees and part-time employees on a pro-rated basis:

A. MEDICAL INSURANCE

ACRPC provides medical insurance to its full-time employees and part-time employees on a pro-rated basis. ACRPC sets the rate of premium contribution just prior to the open enrollment period each year based upon the projected cost of the upcoming year's plan. (Currently, the Blue Cross/Blue Shield rate for an individual Platinum Plan serves as ACRPC's base insurance plan). Employees may enroll family members in ACRPC's insurance plan by paying the difference between the single and family premiums for the plan they choose. For employees covered by a non-Commission health insurance program, ACRPC will grant a payment in lieu of benefit equal to 50% of the amount of ACRPC's base plan. The payment in lieu of benefit shall be paid monthly.

B. HEALTH REIMBURSEMENT ACCOUNT (HRA)

For employees using ACRPC's medical insurance, ACRPC also funds an HRA for each full-time employee (Currently \$1,500) and part-time employees on a pro-rated basis. The amount ACRPC funds employees' HRA accounts is determined annually. Employees may draw against the HRA to pay health related expenses. Any money remaining in the HRA at the end of the plan year reverts to the Commission. The value of the HRA also contributes to the base rate for payments in lieu of insurance.

C. GROUP LIFE INSURANCE

ACRPC currently provides a small group life insurance policy for each full-time or part-time employee.

D. SHORT-TERM AND LONG-TERM DISABILITY INSURANCE

ACRPC currently provides short term and long-term disability policies for each full-time or part-time employee.

E. DENTAL INSURANCE

ACRPC provides employees with a dental insurance plan. Employees may enroll additional family members by paying the additional premium costs associated with adding these members.

F. EYECARE

ACRPC currently offers an eyecare insurance program to its employees. Employees may enroll additional family members by paying the additional premium costs associated with adding these members.

G. RETIREMENT

ACRPC will pay a certain percentage of gross wages (Currently 7%) into an employee's Simplified Employee Plan (SEP). Payments shall be made as required by the funds in which the SEP is invested on a monthly basis. The employee is fully vested after the end of the probationary period. Retirement benefits accrue during the probationary period leading to continued employment. No retirement benefit accrues if an employee is terminated during or at the end of the probationary period.

H. OTHER

All ACRPC employees are eligible to receive the following:

1. **Required Benefits.** Benefits as may be required by law such as Worker's Compensation, Social Security, or Unemployment Compensation benefits.

2. **Education and Training.** Employees may attend pre-approved conferences, courses, seminars, etc. relating to Commission business for professional improvement at Commission expense within the limits of the approved budget. Employees will receive regular pay while attending such events, and shall be reimbursed for travel, meal and lodging expenses as approved by the Executive Director in advance of the event. The Chairperson of the Board shall be informed by the Executive Director of educational events which will require an employee to be out of the office for more than a week.

3. **Expense reimbursement.** A mileage allowance for Commission work will be paid to Commission employees at the current IRS allowable rate upon receipt of a travel voucher showing date, destination, purpose of travel and mileage. Meal allowances for Commission work will be reimbursed at a reasonable rate. All expense vouchers must be reviewed and approved by the Executive Director prior to payment. Expense forms must be submitted monthly.

4. **Eligibility for enrollment in ACRPC's Flexible Benefit Plan.** The Commission provides a flexible benefits plan by which employees may set aside specified amounts of money, pre-tax, to be drawn down by that employee against eligible expenses over the course of the year in accordance with IRS rules. (See Plan documentation for details of eligibility.)

5. **Professional liability insurance.** As part of its Officers and Directors Insurance Policy, ACRPC carries professional liability insurance for acts of its eligible employees and agents undertaken in good faith on behalf of ACRPC in the ordinary course of business.

Details regarding each of the policies noted above are available during normal business hours from ACRPC's Office Manager.

Chapter 12: WORKPLACE HEALTH AND SAFETY

ACRPC is committed to providing a safe, healthy and comfortable workplace for its employees, clients and guests. A clean work area makes for a more pleasant, as well as safer place to work. Employees are asked to maintain their work spaces and the office common spaces in a clean, safe, and orderly manner.

A. EMERGENCIES

ACRPC will keep fire extinguishers and supplies for minor medical injuries in the office. Employees shall keep all emergency exits free from obstructions at all times. Employees are encouraged to be conscious of health and safety, and are expected to comply with all safety and health requirements of local, state and federal law.

B. ILLNESS AND INJURIES

Job related injuries and illnesses, regardless of severity, should be reported as soon as possible to the Executive Director so that the injury or illness can be evaluated and medical attention provided if necessary. A first report of injury must also be filed with the District's workers' compensation insurance provider.

Chapter 13: WORKPLACE CONDUCT

A. CONDUCT OF EMPLOYEES

All employees are considered representatives of ACRPC and as such are expected to conduct themselves in a courteous, helpful and respectful manner in all their interactions with the public, other employees, and elected and appointed officials.

All employees are expected to faithfully execute the duties and responsibilities to the best of their ability and in compliance with the provisions of this Policy.

Employees are prohibited from engaging in conduct listed below and may receive discipline, up to and including dismissal/termination, for doing so. This list has been established to provide examples of behavior that could warrant a range of disciplinary sanctions. Appropriate levels of discipline may be based on the severity of employee conduct. This list is not exhaustive.

- Engaging in any illegal activity.
- Refusing to do assigned work or failing to carry out the reasonable assignments of a supervisor or Executive Director.
- Being inattentive to duty, including sleeping on the job.
- Falsifying a time card or other record or giving false information to anyone whose duty is to make such record.
- Being repeatedly or continuously absent or late, being absent without notice or satisfactory reason or leaving one's work assignment without appropriate authorization.
- Conducting oneself in any manner that is offensive, abusive or contrary to reasonable community standards and expectations of public employees.
- Engaging in any form of harassment including sexual harassment.
- Misusing, misappropriating, or willfully neglecting ACRPC property, funds, materials, equipment or supplies.
- Unlawfully distributing, selling, possessing, using or being under the influence of alcohol or drugs when on the job or subject to duty.
- Fighting, engaging in horseplay or acting in any manner which endangers the safety of oneself or others. This includes acts of violence as well as threats of violence.
- Stealing or possessing without authority any equipment, tools, materials or other property of ACRPC or attempting to remove them from the premises without approval or permission from the appropriate authority.
- Marking or defacing walls, fixtures, equipment, tools, materials or other ACRPC property, or willfully damaging or destroying property in any way.
- Failure to search for or disclose public records upon request.
- Willful violation of ACRPC rules or policies.

B. PUBLIC RECORDS

Any written or recorded information that is produced or acquired by An ACRPC employee in the course of ACRPC business is a public record, subject to Vermont's Public Records Law and may be covered by the State of Vermont's retention rules and disposition schedules for public records. Although ACRPC discourages the use of personal computers, devices, or accounts to conduct ACRPC business (See Chapter 13, Section F of this Policy) the use of a personal computer, device, or account does not prevent an otherwise public record from being subject to public inspection and copying. In the event that an employee uses their personal computer, device, or account to conduct ACRPC business, the record created, sent, or received should be forwarded by the employee to the employee's ACRPC computer system, or otherwise captured and retained as an ACRPC record. All employees are required to respond in the manner prescribed by Vermont's Public Records Law regardless of where an ACRPC public record may be stored. All employees must provide any ACRPC public records stored in their personal computers, devices, or accounts that are responsive to a public records request.

C. CONFLICT OF INTEREST

1. DEFINITION

A conflict of interest may exist when an employee of ACRPC has the authority or responsibility to act on some matter in which he or she also has a substantial personal or financial interest that may inhibit or appear to inhibit the person's ability to act in the interest of the general public and ACRPC. Such an interest may be financial or may result from family or social relationships. A conflict does not exist when the person's interest is or appears to be no greater than that of any other person generally affected by the act for which the employee has authority or responsibility. The employee or contractor has the obligation to disclose the potential conflict to the Executive Director as noted below.

2. DISCLOSURE

An employee of ACRPC who has a personal or financial interest or the appearance of a conflict of interest with his or her responsibilities or obligations to ACRPC shall disclose such interest to the Executive Director. The Director shall determine whether an actual conflict exists. If the Director finds that a conflict of interest exists, the Director will assign those responsibilities to another employee or take other appropriate action. If the Director has a personal or financial interest that creates the appearance of a conflict of interest with his or her responsibilities or obligations to ACRPC, the Director shall disclose such interest to the Executive Board. The Executive Board will shall determine whether an actual conflict exists. If the Executive Board finds that a conflict of interest exists, the Executive Board will assign those responsibilities to another employee or take other appropriate action. A conflict of interest may be cause for alteration or termination of a contractual agreement.

D. POLITICAL ACTIVITY

No employee may use his or her official authority for the purpose of interfering with or affecting the nomination or election of any candidate for public office, or demand or solicit from any individual direct or indirect participation in any political party, political organization or support of any political candidate. Employees are prohibited from using ACRPC facilities, equipment or resources for political purposes and from pursuing political activities while working.

This personnel policy is not to be construed to prevent employees from becoming or continuing to be members of any political party or organization, from attending political party or organization meetings or events, or from expressing their views on political matters, so long as these views are clearly articulated as being those of the individual and not of the ACRPC, and these activities do not interfere with the individual's ability to effectively perform his or her duties and take place or are expressed during non-working hours. Nor is this personnel policy to be construed as prohibiting, restraining or in any manner limiting an individual's right to vote with complete freedom in any election.

E. USE OF ACRPC EQUIPMENT

ACRPC provides furnishings and equipment for business use. The property should not be used for personal tasks, except for minor or incidental use associated with normal day to day activity. ACRPC reserves the right to inspect ACRPC owned property or ACRPC-owned equipment, including but not limited to desks, filing cabinets, lockers, and vehicles to protect its reputation and property interests. Employees should expect that such areas may be searched at any time to retrieve work-related materials or to investigate violations of workplace rules.

F. USE OF ACRPC COMPUTER SYSTEMS

For purposes of this policy, "computer system" means all computers and devices and any related hardware, equipment, components, or software, including, but not limited to, host computers, file servers, workstation terminals, laptops, tablets, smartphones, internal or external communication networks, the world wide web (www), the Internet, commercial online services, bulletin board systems, backup systems, and the internal and external e-mail systems accessed via the ACRPC's computer equipment.

Electronic communications regarding ACRPC business should be, to the extent possible, conducted via official ACRPC computer systems. ACRPC recognizes that employees may sometimes create or send information on their own device when working out of the office. Employees must recognize that all ACRPC work may be considered public documents and therefore subject to disclosure no matter where it is stored.

The ACRPC computer system is to be used by employees for the purpose of conducting ACRPC business. Occasional, brief, and appropriate personal use of the ACRPC computer system is permitted, provided it is consistent with this policy and does not interfere with an employee's job duties and responsibilities.

Employees should have no expectation of privacy or confidentiality regarding anything created, sent or received on the ACRPC computer system. ACRPC reserves the right to monitor its computer system without warning or notice to employees including any and all computer transactions, communications and transmissions to ensure compliance with this policy and evaluating the use of its computer system. All files, documents, data and other electronic messages created, received or stored on the ACRPC computer system are open to review and regulation by the ACRPC and may be subject to the provisions of Vermont's Public Records Law.

Employees may not introduce software from any outside source on the ACRPC's computer system without explicit prior authorization from the IT Director. Employees may be held responsible for any damages caused by using unauthorized software or viruses they introduce into the ACRPC computer system.

Employees shall refrain from accessing files or retrieving any stored information unless authorized to do so. Employees are prohibited from attempting to gain access to another employee's computer system without their permission.

Any employee who discovers a violation of this policy should notify the Executive Director.

Transmission of electronic messages on the ACRPC computer system shall be treated with the same degree of propriety, professionalism, and confidentiality as written correspondence. The following are examples of uses of the ACRPC computer system that are prohibited:

- Communications that in any way may be construed by others as disruptive, offensive, abusive, discriminatory, harassing, or threatening;
- Communications of sexually explicit images or messages;
- Transmission of chain letters or solicitations for personal gain, commercial or investment ventures, religious or political causes, outside organizations, or other non-job-related solicitations during or after work hours;

- Access to Internet resources, including web sites and news groups, that are inappropriate in a business setting;
- Any other use that may compromise the integrity of the ACRPC and its business in any way.

Nothing in this policy will be interpreted or applied in a manner that interferes with employee rights to organize, form, join, or assist labor organizations, to bargain collectively through representatives of their choosing to the extent allowed by law, or to engage in other concerted activities for the purpose of addressing the terms and conditions of employment.

G. DRUG/ALCOHOL WORKPLACE POLICY

ACRPC intends to maintain a drug-free workplace and workforce. The use of alcohol, illegal drugs and the abuse of prescription drugs are not tolerated in the workplace.

As an ACRPC employee, you are prohibited from working, or presenting yourself for work, while under the influence, or severe after effects, of illegal drugs, controlled substances, and/or alcohol. This policy is designed to promote our goal of providing a safe, healthy and productive work environment. This policy covers all employees.

ACRPC prohibits the manufacture, distribution, transfer, display, transportation, sale, dispensation, possession, consumption or use of illegal drugs, controlled substances, and/or alcohol by ACRPC employees at the workplace and/or during working hours while engaged in work activities.

For the purposes of this policy, the term “illegal drug” includes both: (a) all state and/or federally controlled substances, including look-alike and designer drugs, and drug paraphernalia, and (b) prescription medications that have not been prescribed for current use by an authorized medical practitioner or that are being used contrary to the prescribing medical practitioner’s instructions. Controlled substances include but are not limited to the following substances: marijuana, cocaine, opiates, amphetamines, phencyclidine (PCP), barbiturates, benzodiazepine, methadone, methaqualone, and propoxyphene.

The illegal use of prescription drugs is also prohibited. If an employee is legally taking prescription drugs that affect the employee’s ability to safely perform any of the essential functions of his or her job, the Executive Director will determine whether or not the employee should continue to perform his or her functions until concerns regarding safety can be addressed. Medical certification may be required.

Violations of this policy may subject employees to disciplinary action, up to and including termination of employment and referral for prosecution. ACRPC also may provide information and recommendation to participate in an appropriate drug assistance or rehabilitation program.

The limited, responsible consumption of alcohol on or off ACRPC premises at an ACRPC sponsored business or social function is permitted, but only if it has been authorized in advance by the Executive Director. ACRPC expects all attendees at such a function to behave in a professional manner and in accordance with ACRPC policies.

ACRPC reserves the right to search and inspect all areas of the workplace and its premises for the purposes of maintaining a safe and healthy workplace.

H. TOBACCO USE

In recognition of the hazards that tobacco poses to the health of employees, and in accordance with 18 V.S.A. §§ 1421 et seq. and §§ 1741 et seq., the ACRPC hereby prohibits employees' use of tobacco in any form, including electronic cigarettes, in all publicly-owned buildings, offices and enclosed areas, designated smoke-free areas of ACRPC property, and in all ACRPC vehicles.

I. EMPLOYMENT HARRASSMENT AND DISCRIMINATION

ACRPC is committed in all areas to providing a work environment that is free from unlawful harassment and discrimination. Vermont and federal law prohibit employment discrimination or retaliation based on race, color, religion, sex, gender identity, marital status, national origin, age, pregnancy, genetic information, crime victim or veteran status, any other category of person protected under federal or state law, or against a qualified individual with a disability with respect to all employment practices. Vermont law also prohibits discrimination based on sexual orientation, ancestry, HIV status, and place of birth. It is also unlawful to retaliate against employees or applicants who have alleged employment discrimination.

Examples of harassment include the following: insulting comments or references based on a person's race, color, religion, sex, gender identity, marital status, national origin, age, pregnancy, genetic information, crime victim or veteran status, disability, sexual orientation, ancestry, HIV status, place of birth; aggressive bullying behaviors; inappropriate physical contact or gestures, physical assaults or contact that substantially interferes with an individual's work performance or creates an intimidating, hostile or offensive working environment; retaliation against an employee for complaining about the behaviors described above or for participating in an investigation of a complaint of harassment.

Petty slights, annoyances, and isolated incidents (unless serious) will not rise to the level of illegality. To be unlawful, the conduct must create a work environment that would be intimidating, hostile, or offensive to reasonable people.

ACRPC will not tolerate unlawful harassment based on a person's race, color, religion, sex, gender identity, marital status, national origin, age, pregnancy, genetic information, crime victim or veteran status, disability, sexual orientation, ancestry, HIV status, place of birth, or membership in a classification protected by law. Likewise, ACRPC will not tolerate retaliation against an employee for filing a complaint of harassment or for cooperating in an investigation of harassment.

All employees, including supervisors and other management personnel, are expected and required to abide by this policy. Employees who are found to have engaged in harassment may face disciplinary action up to and including termination. Any individual who believes that she or he has been the target of this type of harassment, or who believes she or he has been subjected to retaliation for having brought or supported a complaint of harassment, is encouraged to directly inform the offending person or persons that such conduct is offensive and must stop.

Any employee who wishes to report harassment should file a complaint with ACRPC's Executive Director or the Chair of ACRPC's Executive Board.

A prompt, thorough and impartial investigation will be conducted and confidentiality will be protected to the extent possible. If it is determined that unlawful harassment has occurred, ACRPC will

take immediate and appropriate corrective action. No person will be adversely affected in employment with ACRPC as a result of bringing a complaint of unlawful harassment.

Complaints of harassment or retaliation may also be filed with the following agencies:

Civil Rights Unit
Vermont Attorney General's Office
109 State Street
Montpelier, VT 05609-1001
Tel: (802) 828-3657 (voice)
(888) 745-9195 (Toll Free VT)
(802) 828-3665 (TTY)
Fax: (802) 828-2154
Email: ago.civilrights@vermont.gov
Online: <http://ago.vermont.gov/about-the-attorney-generals-office/divisions/civil-rights/>

Equal Employment Opportunity Commission
JFK Federal Building
475 Government Center
Boston, MA 02203
Tel: 1 (800) 669-4000 (voice)
1 (800) 669-6820 (TTY)
1 (844) 234-5122 (ASL Video)
Fax: 617-565-3196
Email: info@eeoc.gov
Online: www.eeoc.gov

These agencies may conduct impartial investigations, facilitate conciliation, and, if they find that there is probable cause or reasonable grounds to believe unlawful harassment occurred, they may take a case to court.

J. SEXUAL HARASSMENT

Sexual harassment in the workplace is illegal under federal and Vermont law and is strictly prohibited. The ACRPC is committed to providing a workplace free from this unlawful conduct. All employees have the right to work without being subjected to insulting, degrading or exploitative treatment on the basis of their gender. It is against the policies of the ACRPC for any individual, male or female, to sexually harass another individual in the workplace. In accordance with 21 V.S.A. § 495h, the ACRPC has adopted the following sexual harassment policy. All employees are required to read this policy before signing the employee acknowledgement form.

Sexual harassment is a form of sex discrimination and means unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature when:

- submission to that conduct is made either explicitly or implicitly a term or condition of employment;

- submission to or rejection of such conduct by an individual is used as a component of the basis for employment decisions affecting that individual; or
- the conduct has the purpose or effect of substantially interfering with an individual's work performance or creating an intimidating, hostile or offensive work environment.

Examples of sexual harassment include, but are not limited to, the following when such instances or behavior come within one of the above definitions:

- either explicitly or implicitly conditioning any term of employment (e.g., continued employment, wages, evaluation, advancement, assigned duties or shifts) on the provision of sexual favors;
- touching or grabbing a sexual part of an individual's body;
- touching or grabbing any part of an individual's body after that party has indicated, or it is known, that such physical contact was unwelcome;
- continuing to ask an individual to socialize on or off-duty when that person has indicated he/she is not interested;
- displaying or transmitting sexually suggestive pictures, objects, cartoons or posters if it is known or should be known that the behavior is unwelcome;
- continuing to write sexually suggestive notes or letters if it is known or should be known that the person does not welcome such behavior;
- referring to or calling a person a sexualized name if it is known or should be known that the person does not welcome such behavior;
- regularly telling sexual jokes or using sexually vulgar or explicit language in the presence of a person if it is known or should be known that the person does not welcome such behavior;
- retaliation of any kind for having filed or supported a complaint of sexual harassment (e.g., ostracizing the person, pressuring the person to drop or not support the complaint, adversely altering that person's duties or work environment, etc.);
- derogatory or provoking remarks about or relating to an employee's sex;
- harassing acts or behavior directed against a person on the basis of his or her sex;
- off-duty conduct which falls within the above definition and affects the work environment.

It is also unlawful to retaliate against employees for filing a complaint of sexual harassment or for cooperating in an investigation of sexual harassment.

Any individual who believes that she or he has been the target of sexual harassment, or who believes she or he has been subjected to retaliation for having brought or supported a complaint of harassment, is encouraged to directly inform the offending person or persons that such conduct is offensive and must stop.

Employees who are found to have engaged in sexual harassment may face disciplinary action up to and including termination.

Any employee who wishes to report sexual harassment should file a complaint with ACRPC's Executive Director or the Chair of ACRPC's Executive Board.

A prompt, thorough and impartial investigation will be conducted and confidentiality will be protected to the extent possible. If it is determined that unlawful harassment has occurred, ACRPC will

take immediate and appropriate corrective action. No person will be adversely affected in employment with ACRPC as a result of bringing a complaint of unlawful harassment.

Complaints of sexual harassment or retaliation may also be filed with the following agencies:

Civil Rights Unit
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(802) 828-3665 (TTY)
Fax: (802) 828-2154
Email: ago.civilrights@vermont.gov
Online: <http://ago.vermont.gov/about-the-attorney-generals-office/divisions/civil-rights/>

Equal Employment Opportunity Commission
JFK Federal Building
475 Government Center
Boston, MA 02203
Tel: 1 (800) 669-4000 (voice)
1 (800) 669-6820 (TTY)
1 (844) 234-5122 (ASL Video)
Fax: 617-565-3196
Email: info@eeoc.gov
Online: www.eeoc.gov

These agencies may conduct impartial investigations, facilitate conciliation, and, if they find that there is probable cause or reasonable grounds to believe sexual harassment occurred, they may take a case to court.

Chapter 14: DISCIPLINARY ACTION AND GRIEVANCE PROCEDURES

An employee may be subject to disciplinary action, up to and including dismissal/termination, for violation of any of the provisions of this Policy and/or failure to maintain an acceptable level of performance. When an employee fails to conform to expected standards, ACRPC shall endeavor to give the employee notice and an opportunity to correct the deficiency. If performance does not improve, the disciplinary steps set forth below may be instituted. Notwithstanding the disciplinary procedures set forth below, ACRPC reserves the right in its sole discretion to bypass progressive discipline and to take whatever action it deems necessary to address the issue at hand. This means that more or less severe discipline, up to and including termination may be imposed in a given situation at ACRPC's sole discretion.

Probationary period employees are not subject to ARCPS discipline and dismissal process.

ACRPC expects all employees to respect one another and to cooperate on tasks and projects. ACRPC recognizes, however, that conflicts may occur. All efforts should be made to resolve personnel conflicts through supervisors or the Executive Director. When an issue is not resolvable within the staffing structure, appeal in accordance with the grievance procedure under Section C of this Chapter may be instituted. The Executive Board has the final responsibility for resolving all occasions of conflict among employees.

The following describes the steps and procedures for disciplinary action:

A. VERBAL WARNING

In the event of misconduct, the Executive Director may give the employee a verbal warning. The director may also create a memorandum for the employee's personnel file noting the date and time of the warning, the subject of the warning and how to correct the specific deficiency. Additional verbal warnings, instead of a written reprimand, may be given as progress is being made in correcting the deficiency. Memorandums documenting verbal warnings for minor infractions may be removed from the file after two years after correcting the incident.

B. WRITTEN REPRIMAND

In the event of a second or subsequent occurrence, a written reprimand may be given in a meeting with the employee, citing date, time, situation and means as well as a schedule for expected correction. Reprimands become part of the personnel file of that employee. With a reprimand on file, any further misconduct may be construed as grounds for an additional written reprimand. Two or more written reprimands may be grounds for probation, suspension or dismissal.

C. GRIEVANCE

A grievance is a request by an employee or group of employees for relief in a matter causing dissatisfaction with the work situation. Please also see Sections 13 I and J of this Policy which provide alternatives to the grievance procedure for cases for Harassment and Discrimination and Sexual Harassment.

1. GRIEVANCE PROCEDURE

Grievances must be submitted in writing to the Executive Director within 30 days of the date the person filing the grievance becomes aware of the alleged action which causes the grievance. A grievance must be in writing, signed by the grieving party and contain an explanation of the alleged action or problem and the remedy or relief sought.

The Executive Director shall investigate the grievance within 7 days after the grievance is filed. The investigation may be informal, but it will be thorough. The Director will then issue a written decision on the grievance within 12 working days of the filing. This written decision will be filed with the Chairperson of the Executive Board and a copy given to the grieving party.

2. APPEAL

Persons filing a grievance may appeal the decision of the Executive Director to the Executive Board within 15 working days after the written decision is transmitted to the grieving party. The Executive Board shall convene a subcommittee to hear the appeal. All interested parties may be invited to attend. The subcommittee shall make a recommendation to the next regularly scheduled meeting of the Executive Board whose action shall be final subject to appeal beyond ACRPC.

D. DISMISSAL/TERMINATION

An employee being considered for dismissal/termination will be provided with written notice. The notice will contain a brief statement of the reasons dismissal is being considered and the date, time and place of a pre-dismissal meeting with the employee's supervisor or the Executive Director.

At the pre-dismissal meeting, the employee will be afforded an opportunity to present the employee's response to the reasons for dismissal. If the employee declines to attend the pre-dismissal meeting, the employee may submit a written response to the pre-dismissal notice not later than the scheduled date of the meeting.

Within seven (7) calendar days of the date of the meeting, the supervisor or Executive Director will provide the employee with a written notice informing the employee whether he/she has been dismissed. Dismissal shall be decided by the Executive Director. If the employee has been dismissed, the notice will provide the general reasons therefore and will inform the employee of the opportunity to request a post-dismissal hearing before the Executive Board pursuant to section E of this Chapter of this Policy.

E. APPEAL OF DISMISSAL

Dismissals/terminations by the Executive Director are appealable to the Executive Board. Employees dismissed have the opportunity to appeal the Executive Board by giving written notice of such request to their supervisor or the Executive Director within seven (7) days of the pre-dismissal meeting. The employee will be informed that the employee's failure to make a timely request for a post-dismissal hearing will result in such hearing being waived.

If a request for a post-termination hearing is made, the Executive Board will provide the employee with a notice informing the employee of the date, time, and place of the post-dismissal hearing before the Board. The notice will inform the employee of his or her right to be represented by counsel, to present and cross-examine witnesses and to offer supporting documents and evidence.

At the post-dismissal hearing, the employee will be afforded the opportunity to address the basis for dismissal by hearing and examining the evidence presented against the employee, cross-examining witnesses and presenting evidence on the employee's behalf. The Executive Board will make such determinations as may be necessary in the event of evidentiary objections or disputes. When the hearing is adjourned, the Board, under the authority granted by 1 V.S.A. § 312(e), will consider the evidence presented in the hearing in deliberative session.

The Executive Board will render a written decision within fourteen (14) days after close of the hearing, unless otherwise agreed upon by the parties.

Chapter 15: RESIGNATION

The Executive Director must submit written notice of resignation in writing to the Executive Board at least 60 days prior to date of termination. Full Time and part-time employees working greater than 18 hours/week shall submit written notice of resignation to the Executive Director at least 30 days prior to date they choose to leave. Hourly employees shall submit written notice of resignation at least two calendar weeks prior to date they choose to leave. Failure to provide required notice shall result in forfeiture of accumulated vacation pay. A period shorter than outlined above, may be allowed in unusual circumstances by mutual agreement and approval of the Executive Director and the Executive Board.

Chapter 16: REDUCTION IN STAFF

ACRPC retains the right to unilaterally eliminate a position and thus terminate employment or reduce the work hours for some or all employees due to economic conditions, shortage of work, organizational efficiency, changes in departmental functions, and/or reorganization or reclassification of positions resulting in the elimination of a position or for other related reasons. In such case, this termination process outlined in Section 14 D of this Policy does not apply.

Chapter 17: CONFIDENTIALITY

ACRPC respects its employees' privacy and will protect and preserve confidentiality of all personal information in its records or files, except when required to be disclosed by law or necessary to be disclosed to secure benefits or at the request of the employee. ACRPC's disclosure policy is written below.

A. PERSONNEL RECORDS

A personnel record is maintained by ACRPC for each employee. Examples of what this record may contain includes:

- Completed employment application and resume
- Current and prior job descriptions within ACRPC
- Performance evaluations
- Salary history
- Medical records for insurance purposes (these will be kept separately in a secure file)
- Record of accrued vacation, sick and compensatory time
- Record of disciplinary actions
- Other information which may be legally available, and is necessary to determine suitability for employment

An employee may inspect his or her employment record upon request to the Office Manager. Copies may be provided on request. However, no items may be removed without permission of the Executive Director. An employee may correct or request deletion of inaccurate information, and may include a note of disagreement if there is a conflict.

B. DISCLOSURE OF INFORMATION

Disclosure of information about an employee from their personnel records may not be made to unauthorized persons or organizations outside ACRPC without the employee's written permission, except as may be required or permitted by law. Those authorized within ACRPC to review employment records of employees are: The Executive Director, Executive Board and Office Manager in the case of employees or the Executive Board and the Office Manager in the case of the Executive Director.

To protect the privacy of all concerned, all personnel of ACRPC will direct incoming inquiries regarding credit references or employment verification for present or past paid employees to the Office Manager. Verification of employment and references shall be limited to title, salary and duration of employment only unless additional disclosure is legally required or authorized, preferably in writing by the employee.

Chapter 18: AMENDMENTS

This Personnel Policy may be amended at any time at the discretion of ACRPC upon recommendation of the Executive Board.

Chapter 19: SEVERABILITY

If any provision of this personnel policy or the application hereof to any person or a circumstance(s) is held invalid, this invalidity does not affect other provisions or applications of the personnel rules which can be given effect without the invalid provision or application. For this purpose, this personnel policy is severable.

Addendum A: Personnel Acknowledgement

I, _____, acknowledge that:

- A. I received a copy of ACRPC's personnel policy on _____ and it is my responsibility to familiarize myself with its contents;
- B. I understand that it is my responsibility to ask questions if there is anything in the policy that I do not understand;
- C. I understand that the language used in this personnel policy is not intended to create, nor should it be construed to create, a contract of employment between myself and ACRPC;
- D. I understand that this policy replaces any and all prior versions and that ACRPC reserves the right to add, amend or discontinue any of the provisions of this policy for any reason or none at all, in whole or in part, at any time, with or without notice;
- E. I understand that it is my responsibility to comply with all the provisions of ACRPC's personnel policy.

Employee's Signature

Date

Attachment 4:

Procurement Procedures

Addison County Regional Planning Commission

14 Seminary Street Middlebury, VT 05753 www.acrpc.org Phone: 802.388.3141 Fax: 802.388.0038

PROCUREMENT PROCEDURES & SELF-CERTIFICATION

Purpose and Authority

This document constitutes the Addison County Regional Planning Commission's ("ACRPC") Procurement procedures. It describes the process by which ACRPC will execute capital purchases and secure contractor services for tasks that it chooses to fulfill by sub-contract. ACRPC developed these policies and procedures to comply with the requirements of 2 Code of Federal Regulations (CFR) §200, entitled "Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards" and Vermont Agency of Administration Bulletin 3.5, "Procurement and Contracting Procedures". ACRPC staff and all selected contractors shall comply with these procedures and with all relevant federal, state, municipal laws, bylaws, ordinances and regulations.

General Procurement

- ACRPC will administer its contracts to ensure that contractors perform in accordance with the terms, conditions, and specifications of those contracts or purchase orders. 2 *CFR 200.318(b)*
- ACRPC will review proposed procurements to avoid purchase of unnecessary or duplicative items. ACRPC will consider consolidating or breaking out procurements to obtain a more economical purchase and to increase free and open competition. Where appropriate, ACRPC will analyze lease versus purchase alternatives, and any other appropriate factors to determine the most economical approach. 2 *CFR 200.318(d)*
- To foster greater economy and efficiency, ACRPC will endeavor to enter into State and local intergovernmental agreements for procurement or use of common goods and services. 2 *CFR 200.318(e)*
- To reduce project costs, ACRPC will endeavor to use Federal and state excess and surplus property in lieu of purchasing new equipment and property. 2 *CFR 200.318(f)*
- ACRPC will make awards only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. ACRPC will consider such matters as contractor integrity, compliance with public policy, record



of past performance, and financial and technical resources. 2 CFR 200.318(h)

- ACRPC maintains records sufficient to detail the significant history of a procurement consistent with our records retention policy. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price. Federal and state agencies will be provided contract records upon request. 2 CFR 200.318(i), 2 CFR 200.324(a)
- ACRPC will be solely responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve ACRPC of any contractual responsibilities under its contracts. Federal or State awarding agency will not substitute its judgement for that of ACRPC unless the matter is primarily a Federal or State concern. 2 CFR 200.318(k)
- ACRPC will resolve disputes relating to contracts awarded pursuant to its established bid protest procedures. ACRPC disclose information regarding all instances of bid protests to any funding agencies. See “*Bid Protest Procedure*” on page 8.
- ACRPC will select, to the extent practicable and economically feasible, products and services that conserve natural resources, protect the environment, are energy efficient and use recovered materials in accordance with 2 CFR 200.322.
- ACRPC will provide termination provisions in all contracts and agreements over \$10,000 and contracts for projects over the Simplified Acquisition Threshold (\$150,000) will address administrative, contractual, or legal remedies when contractors violate or breach contract terms and provide for sanctions and penalties as appropriate. 2 CFR 200 Appendix II(A) and (B)
- ACRPC will analyze cost or price in connection with every procurement action, including contract modifications, in excess of the Simplified Acquisition Threshold. The scope of the analysis shall depend upon the facts surrounding the procurement. At a minimum, ACRPC will create independent estimates before receiving bids or proposals. Cost analysis includes the evaluation of each element of cost to determine total cost reasonableness, allocability and allowability. 2 CFR 200.323

Procurement Code of Conduct

ACRPC maintains the following written code of standards of conduct governing the performance of their employees, officers, Board Members and all others engaged in the selection, award and administration of contracts. 2 CFR 200.318(c)(1)

- Per 2CFR §200.31(c)(1), no employee, officer, or agent of the ACRPC or its sub-grantees shall participate in the selection, award or administration of a contract

supported by State or Federal funds if a conflict of interest, would be involved. Such a conflict would arise when (1) the employee, officer, or agent, (2) any member of his or her immediate family, (3) his or her partner, or (4) an organization which employs or is about to employ any of (1) through (3) above, have a financial or other interest in the firm selected for the award. *2 CFR 200.318(c)(1)*

- Officers, employees, and agents of both the ACRPC and ACRPC's sub-grantees will neither solicit nor accept gratuities, favors, or items of value (excluding calendars, pens, and other nominal items) from contractors, potential contractors, or parties to sub-agreements. *2 CFR 200.318(c)(1)*
- A staff person who has an outside activity or interest which would have a potential for being a conflict of interest with his or her duties at the ACRPC will disclose that activity or interest to the Executive Director. If the Executive Director determines that the outside activity or interest adversely affects or otherwise impairs the staff person's ability to perform his or her official duties, the staff person shall refrain from the outside activity during the term of his or her employment by the ACRPC.
- Should the Executive Director have an outside activity or interest which would have a potential for being a conflict of interest with his or her duties at the ACRPC, he or she will disclose that activity or interest to the Executive Committee. If the Executive Committee determines that the outside activity or interest adversely affects or otherwise impairs the Executive Director's ability to perform his or her official duties, the Executive Director shall refrain from the outside activity during the term of his or her employment by the ACRPC.
- Should the officers, board members or agents of ACRPC have outside employment, activities or interests which would appear to be or have a potential for being a conflict of interest with a particular decision at the ACRPC, he or she will recuse himself/herself of decision making responsibilities for that particular instance. *See Section 1301 of ACRPC's Bylaws (2017).*
- This Code of Conduct does not preclude staff, board members, officers or agents of ACRPC from having outside activities as long as those activities do not impair the ability of the person to perform his or her duties without a conflict of interest as defined above.

Competition

- ACRPC will conduct all procurement transactions in a manner providing full and open competition. ACRPC shall endeavor to avoid situations considered to be restrictive of competition, including but not limited to:
 - placing unreasonable requirements on firms for them to qualify to do business;
 - requiring unnecessary experience and excessive bonding;
 - noncompetitive pricing practices between firms or between affiliated companies;

- noncompetitive awards to contractors on retainer contract if that award is not for the property or services specified for delivery under the retainer contract;
 - organizational conflicts of interest;
 - specifying only a “brand name” product instead of allowing “an equivalent” product to be offered and describing the performance of other relevant requirements of the procurement; and
 - any arbitrary action in the procurement process. *2 CFR 200.319(a)*
- In order to ensure objective contractor performance and eliminate unfair competitive advantage, ACRPC shall exclude contractors that develop or draft specifications, requirements, statements of work, invitations to bid, or requests for proposals from competing for such procurements. *2 CFR 200.319(a)*
 - ACRPC will not administratively impose state or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. This section does not preempt state licensing laws. *2 CFR 200.319(b)*
 - ACRPC shall draft solicitations for goods and services with clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description shall not, in competitive procurements, contain features which unduly restrict competition. ACRPC shall endeavor to avoid using detailed product specifications whenever possible. Instead, ACRPC may use “Brand name or equivalent” descriptions as a means to define the performance or other salient requirements of a procurement. *2 CFR 200.319(c)(1)*
 - ACRPC will take all necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible. Affirmative step include: placing qualified small and minority businesses and women's business enterprises on solicitation lists; assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources; dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises; and requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in this section. *2 CFR 200.321*

Procurement Types & Requirements

ACRPC hereby adopts the bidding thresholds contained in 2 CFR § 200.320 and Vermont Agency of Administration Administrative Bulletin 3.5 Procurement and Contracting Procedures, for its procurement process. ACRPC shall use procurement by micro-purchase for contact amounts less than \$3,000; procurement by small purchase procedures (contract less than \$100,000); procurement by competitive proposals (optional for contracts under \$100,000, required for contracts over \$100,000). For all contracts involving amounts over ACRPC's

preferred method of procuring contractor services greater than \$15,000 is procurement by competitive proposals.

All contracts are signed by the Executive Director or Chair of ACRPC. Administration of all contracts is the responsibility of the Executive Director who may delegate it to appropriate staff.

Procurement by Micro-Purchase - \$3,000 or less

Procurement by micro-purchase constitutes the acquisition of supplies or services, the aggregate annual dollar amount of which does not exceed the micro-purchase threshold as stated in 2 CFR § 200.67, currently defined at \$3,000. Micro-purchases may be awarded without soliciting competitive quotations if ACRPC considers the price to be reasonable. To the extent practicable, ACRPC will distribute micro-purchases equitably among qualified suppliers. 2 CFR 200.320(a)

Procurement by Small Purchase Procedures (Simplified Bid Process) – not more than \$100,000

A standard bidding process is the preferred method for selecting contractors, especially on contracts greater than \$15,000. However, a simplified bid process may be used for relatively simple and informal procurements for securing services, supplies, or other property that do not cost more than \$100,000 (per Vermont Bulletin 3.5). Justification for using a simplified bid process must be submitted to, and approved by, the ACRPC Executive Director in writing. A “simplified bid process” means that the ACRPC has developed a specific and detailed statement of work for the service or product desired and has solicited written price quotations from at least three potential vendors known to provide the specified services or products. Price quotations may be obtained through telephone or verbal quotes, facsimile quotes, e-mail quotes or written bids. All communications with vendors to obtain price quotes must be documented. All records relating to the simplified bid process, including proposals and a record of the selection process, shall be retained in the contract file. The quotation most responsive to the selection criteria should be selected. If ACRPC is unsure whether the contract will fall below the \$100,000 threshold, the standard bid process will be undertaken. 2 CFR 200.329(b), Vermont Bulletin 3.5 Section VIII(A)

Procurement by Competitive Proposals (Standard Bid Process) – Preferred for Contracts less than \$100,000; Required for Contracts Greater than \$100,000

Procurement by competitive proposal is ACRPC’s preferred method for procuring contractor services and is required for contracts greater than \$100,000 (per Vermont Bulletin 3.5). The technique of competitive proposals is normally conducted with more than one contractor submitting an offer, and either a fixed-price or cost-reimbursement type contract is awarded. It is generally used when the following conditions apply: 2 CFR 200.320(d) and Vermont Bulletin 3.5 Section VIII(B)

- Requests for qualifications, proposals or bid solicitations will be publicized and identify all evaluation factors and their relative importance. It is recommended, but not required, that a minimum of three weeks be allowed for responses. Any response to publicized

requests for qualifications, proposals or bids shall be considered to the maximum extent practical;

- Qualifications, proposals or bids will be solicited from an adequate number of qualified sources;
- ACRPC will have a written method for conducting technical evaluations of the qualifications, proposals or bids received and for selecting awardees;
- Awards will be made to the responsible contractor whose qualifications, proposal or bid is most advantageous to the program, with price and other factors considered. Qualifications-based procurement cannot be used to procure construction services.

Procurement by Noncompetitive Proposals

Procurement by noncompetitive proposals is contrary to the competitive process supported by ACRPC and will be avoided except when no available alternative exists. Procurement by noncompetitive proposals solicits proposals from only one source, or after solicitation of a number of sources, competition is determined inadequate. Procurement by noncompetitive proposals may be used only when the award of a contract is not feasible under a competitive bid process and one of the following circumstances applies: the item is available only from a single source; the public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation; the awarding agency authorizes noncompetitive proposals; or after solicitation of a number of sources, competition is determined inadequate. 2 CFR 200.320(f)

Procurement by Time & Material Type Contracts

ACRPC will use time and material type contracts, as defined in 2 CFR §200.318(j), only after a determination that no other contract is suitable, and if the contract includes a ceiling price that the contractor exceeds at its own risk. It is noted that time and material contracts provide no incentive for cost control or labor efficiency.

Contractor & Consultant Selection Procedure

ACRPC conducts regional and transportation planning for the benefit of the municipalities and citizens of the Addison Region. For tasks that ACRPC chooses to sub-contract, ACRPC may procure the services of contractors. ACRPC's preferred method for procuring contractor services is a Standard Bid Process, though a Simplified bid process may be used under some circumstances (see above). ACRPC will follow the procedures described below for procuring contractor services using a Standard Bid Process.

ACRPC maintains an informal list of potential contractors that include contractors who are currently working for ACRPC, those who have previously worked for ACRPC and those who have expressed interest in working with ACRPC. The list also includes contractors identified by the Vermont Agency of Transportation (VTrans) and other sources. The intention of this list is to

contain all potentially qualified contractors. Interested contractors will be added to the list upon request. ACRPC will not preclude potential bidders from qualifying during the solicitation process. *2 CFR 200.319(d)*

- **Request for Proposal.** For projects where the scope of work is well defined ACRPC may use a Request for Proposal (RFP) process. For this process ACRPC staff will solicit proposals from contractors listed on ACRPC's contractor list. ACRPC shall place the RFP on the Vermont Bid System and may also place an ad in a newspaper of general circulation and may place a notice on ACRPC's website announcing the availability of the Request for Proposals. For specialized services, other sources for distribution of the RFP may be used.
- **Request for Qualifications.** For projects where the scope of work is not well defined or where the anticipated contractor response is expected to be large, a Request for Qualifications (RFQ) process may be used. If an RFQ process is undertaken, ACRPC staff will solicit statements of qualification from contractors listed on ACRPC's contractor list. ACRPC shall place the RFQ on the Vermont Bid System and ACRPC may also place an ad in a newspaper of general circulation and may place a notice on ACRPC's website announcing the availability of the Request for Qualifications. For specialized services, other sources for distribution of the RFQ may be used. A short list of contractors deemed to be qualified to perform the project may be sent a RFP for final selection of a contractor.
- **RFP or RFQ Formats and Requirements.** The RFP or RFQ will contain adequate project descriptive information for contractors to understand the scope of the project. The RFP or RFQ will also detail the information required to be considered responsive to the RFP/RFQ and will outline the criteria that will be used for contractor selection. The contractors will be asked to provide the information listed below, as well as other items deemed important to the proposed project. *Consistent with Vermont Bulletin 3.5 Section VIII (B)(2)*
 - Name, address and brief history and description of the firm.
 - Resumes of key personnel to be assigned to the project.
 - Related projects/areas of expertise/experience.
 - Description of budgeting, cost and quality control procedures.
 - A brief description of the firm's approach to the project.
 - Additional information ACRPC may think is useful.
- **RFP/RFQ Evaluation.** The RFP/RFQ will be evaluated considering a predetermined system of criteria and by a predetermined selection committee likely consisting of representatives of the affected communities, ACRPC staff members, a representative of VTrans, and others with expertise in the area of the proposal. Criteria may include, but not be limited to the following:
 - Responsiveness to the scope of work

- Knowledge of the project area
- Quality and number of staff assigned to the project
- Distribution of staff hours to tasks
- Specific experience of the proposed staff
- Schedule
- Creativity of methodological approach
- Technical resources
- Location of the key management and staff team in relation to the location of the project.
- Overall experience of the firm
- Experience with similar projects
- Good faith effort soliciting DBE's. The recipient shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any DOT-assisted contract or in the administration of its DBE program.

Once the proposal is discussed and ranked the cost proposal, if required, will be reviewed for consistency with, and in light of, the evaluation of the technical proposal.

The ACRPC reserves the right to seek clarification of any proposal submitted and to select the proposal considered to best promote the public interest.

All proposals become the property of ACRPC upon submission. The cost of preparing, submitting and presenting a proposal is the sole expense of the contractor. The ACRPC reserves the right to reject any and all proposals received as a result of any solicitation, to negotiate with any qualified source, to waive any formality and any technicalities or to cancel a project in part or in its entirety if it is in the best interest of the ACRPC. This solicitation of proposals in no way obligates the ACRPC to award a contract.

Bid Protest Procedure

ACRPC, in accordance with good administrative practice and sound business judgment, will be responsible for the settlement of all contractual and administrative issues arising out of procurement. If a dispute arises, ACRPC will notify the funding Agency. The Executive Director of the Addison County Regional Planning Commission, together with the Committee responsible for the solicitation will meet with the party filing a bid protest to hear the issues that are the subject of the protest, and to present the procurement procedures that were followed. If the matter cannot be satisfactorily resolved, the Executive Director will refer the dispute to ACRPC's Executive Board, which shall meet as a "Disputes Committee", render its final decision and notify the funding agency of the outcome.

Attachment 5:

Audited Financial Statements 2017-2019

ADDISON COUNTY REGIONAL PLANNING COMMISSION

FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2017 AND 2016

Addison County Regional Planning Commission

Financial Statements

June 30, 2017

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Vance P. DeBouter, CPA, PC

181 West College Street
Oberlin, Ohio 44074

INDEPENDENT AUDITORS REPORT

Board of Commissioners
Addison County Regional Planning Commission
14 Seminary Street
Middlebury, VT 05753

I have audited the accompanying financial statements of Addison County Regional Planning Commission as of June 30, 2017 and 2016, and the related statements of revenues, expenses, changes in net assets and cash flows for the year then ended, and the related notes to the financial statements which collectively comprise the Addison County Regional Planning Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Addison County Regional Planning Commission as of June 30, 2017 and 2016, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3-6 and 17-18 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. In addition, Schedules I, II, III, IV and the Agency of Transportation report are presented for purposes of additional analysis and are not a required part of the financial statements. I have applied certain limited procedures to the required supplementary information, Schedules and report listed above in accordance with auditing standards generally accepted in the United States of America which consisted of inquiries of management about the methods of preparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards I have also issued my report dated November 28, 2017 on my consideration of Addison County Regional Planning Commission's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Addison County Regional Planning Commission's internal control over financial reporting and compliance.



Vance P. DeBouter, CPA, PC

Oberlin, Ohio

November 29, 2017

VT Professional License # 624

Addison County Regional Planning Commission
Management's Discussion and Analysis
For the Year Ended June 30, 2017

Overview of the Financial Statements

This annual report consists of the following three parts; Management's Discussion and Analysis, Basic Financial Statements, and other required supplementary information. The financial statements include notes which explain in detail some of the information included in the basic financial statements.

Required Financial Statements

The financial statements of the Commission report information using the accrual basis of accounting. The financial statements conform to accounting principles which are generally accepted in the United States of America. The Statement of Net Assets includes information on the Commission's assets and liabilities and provides information about the nature and amounts of resources (assets) and their obligations to others (liabilities) at June 30, 2017 and 2016. The Statements of Revenues, Expenses and Changes in Net Assets identify the Commission's revenue and expenses for the fiscal years ended June 30, 2017 and 2016. This statement provides information on the Commission's operations over the past two fiscal years.

Financial Analysis of the Commission

The Statement of Net Assets and Statements of Revenues, Expenses and Changes in Net Assets provide an indication of the Commission's financial condition and indicate that the financial condition of the Commission remained strong and improved slightly during the last fiscal year.

Management's Discussion and Analysis

This section of the Addison County Regional Planning Commission's annual financial report constitutes management's analysis of the Commission's financial performance during the fiscal year ended June 30, 2017. This information is presented in conjunction with the audited basic financial statements which follow this section.

Financial Highlights for Fiscal Year 2017

- Total assets increased \$1,084 from \$431,868 to \$432,952.
- Total liabilities decreased \$15,957 from \$130,695 to \$114,738.
- Total net assets increased \$17,041 from \$301,173 to \$318,214.
- Operating revenue decreased \$27,396 from \$709,223 to \$681,827.
- Operating expenses decreased \$21,678 from \$686,976 to \$665,298.

Addison County Regional Planning Commission
Management's Discussion and Analysis
For the Year Ended June 30, 2017

Management's Discussion and Analysis (continued)

ACRPC ended fiscal year 2017 with a positive fund balance. As the first bulleted item above notes, ACRPC's total assets increased by \$1,084 and ACRPC's current liabilities decreased by \$15,957. Accordingly, the total net assets; which accounts for both assets and liabilities increased by \$17,041 during fiscal year 2017. The increase in net assets represents positive income for the current fiscal year and solidifies the continued overall financial health of the organization. ACRPC's financial position remains strong, with total net assets of \$318,214. Additionally, since most of ACRPC's current assets, which increased by \$1,722 are composed of cash or other relatively easily liquidated securities, ACRPC will be able to control its cash flow for the foreseeable future.

Factors leading to the modest gain in net assets include the following:

Revenues: ACRPC operating revenue decreased by \$27,396 over the previous year but by only \$14,000 under ACRPC's projected budget. It remained significantly higher than 2015's actual operating revenues of \$605,105. Decreases in revenues in three programs largely drove the total decrease. The first program decrease involved NR-WQ2016-604B-01, a water quality testing program. The decrease in revenue was due largely to a timing issue that resulted from the late release of the grant. As a result, that grant will extend into the current fiscal year which reduced the amount of revenue recognized in FY 2017, but not the total funds that ACRPC will collect. Since the program expenses will also accrue in the next fiscal year, the delay had a very limited net impact. The second area of program decrease, in Regional Energy Planning (\$14,000) also continues into the following fiscal year, but was offset by a net increase in Town energy planning dollars, again resulting in no net change. The final area of underperformance, Hazard Mitigation Planning Grant lagged its budgeted revenue for a second consecutive year. ACRPC uses that funding to help municipalities create All Hazard Mitigation Plans. The cost per plan is significantly less than ACRPC had initially anticipated, largely because the FEMA federal program rules controlling the grant prohibit ACRPC from collecting its indirect overhead costs. Accordingly, ACRPC has chosen not to pursue that funding source as vigorously as we otherwise would have. As a result, ACRPC's revenues fell slightly below the projected amounts.

Expenditures: ACRPC'S expenditures generally tracked ACRPC's projections. All major categories of expenditures performed generally as anticipated. ACRPC's expenditures decreased \$21,678 or 3.1% from the previous year, which helped to offset the decrease in operating revenue of \$27,396 or 3.8% which allowed ACRPC to achieve a modest surplus for the fiscal year.

As of June 30, 2017 the capital assets owned by the Commission had a carrying value of \$138,664 and accumulated depreciation of \$136,554 resulting in a net book value of \$2,110, a decrease of \$638 from the previous year. The decrease stems from depreciation expense of \$638.

Addison County Regional Planning Commission
Management's Discussion and Analysis
For the Year Ended June 30, 2017

Management's Discussion and Analysis (continued)

Overall management was relatively pleased with the financial results it achieved in 2017. 2017 represented the second consecutive year of a modest surplus. In order to continue providing planning services to the Addison County Region, ACRPC must maintain its current sound financial foundation. ACRPC will continue to forecast conservatively moving into the future and intends to operate with a modest projected fund balance in the coming year.

Charts summarizing the Commission's Consolidated Statement of Net Assets and the Commission's Revenues, Expenditures and Changes in Net Assets follow.

Table 1
Condensed Statement of Net Assets
June 30,

	<u>2017</u>	<u>2016</u>	<u>\$ Change</u>	<u>% Change</u>	<u>2015</u>	<u>\$ Change</u>	<u>% Change</u>
Current Assets	\$ 430,842	\$ 429,120	\$ 1,722	.40%	\$ 389,343	\$ 39,777	10.22%
Capital Assets, Net	<u>2,110</u>	<u>2,748</u>	<u>(638)</u>	<u>(23.22%)</u>	<u>2,433</u>	<u>315</u>	<u>12.99%</u>
Total Assets	432,952	431,868	1,084	.25%	391,776	40,092	10.23%
Current Liabilities	<u>114,738</u>	<u>130,695</u>	<u>15,957</u>	<u>(12.21%)</u>	<u>113,055</u>	<u>17,640</u>	<u>15.60%</u>
Total Net Assets	<u>\$ 318,214</u>	<u>\$ 301,173</u>	<u>\$ 17,041</u>	<u>5.66%</u>	<u>\$ 278,721</u>	<u>\$ 22,452</u>	<u>8.06%</u>

Table 2
Condensed Statement of Revenues, Expenses and Changes in Net Assets
For the years ended June 30,

	<u>2017</u>	<u>2016</u>	<u>\$ Change</u>	<u>% Change</u>	<u>2015</u>	<u>\$ Change</u>	<u>% Change</u>
Revenues	\$ 682,339	\$ 709,428	\$ (27,089)	(3.82%)	\$ 605,163	\$ 104,265	17.23%
Total Expenses	<u>665,298</u>	<u>686,976</u>	<u>(21,678)</u>	<u>(3.86%)</u>	<u>604,505</u>	<u>82,471</u>	<u>13.64%</u>
Change in Net Assets	17,041	22,452	(5,411)	(24.10%)	658	21,794	3,889.42%
Beginning Net Assets	<u>301,173</u>	<u>278,721</u>	<u>22,452</u>	<u>8.06%</u>	<u>278,063</u>	<u>658</u>	<u>.24%</u>
Total Net Assets	<u>\$ 318,214</u>	<u>\$ 301,173</u>	<u>\$ 17,041</u>	<u>5.66%</u>	<u>\$ 278,721</u>	<u>\$ 22,452</u>	<u>8.06%</u>

Addison County Regional Planning Commission
Management's Discussion and Analysis
For the Year Ended June 30, 2017

Management's Discussion and Analysis (continued)

Additional Financial Information

This financial report is designed to provide the Commission's interested parties with an overview of the Commission's financial operations and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional financial information, please contact the Addison County Regional Planning Commission at 14 Seminary Street, Middlebury, Vermont 05753.

ADDISON COUNTY REGIONAL PLANNING COMMISSION

STATEMENTS OF NET ASSETS

JUNE 30, 2017 AND 2016

ASSETS

	<u>2017</u>	<u>2016</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 264,066	\$ 279,368
Municipal Assessments receivable	34,740	31,688
Individual program receivables	116,649	102,335
Prepaid expenses	14,386	14,294
Utilities receivable	1,001	1,435
TOTAL CURRENT ASSETS	<u>430,842</u>	<u>429,120</u>
CAPITAL ASSETS		
Equipment net of accumulated depreciation of \$136,554 in 2017 and \$135,916 in 2016	<u>2,110</u>	<u>2,748</u>
TOTAL ASSETS	<u>\$ 432,952</u>	<u>\$ 431,868</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable	\$ 26,779	\$ 37,818
Accrued and withheld payroll taxes	160	1,331
Employee benefits withheld and accrued (FSA)	440	1,255
Vacation wages payable	46,062	49,268
Deferred Town Assessments	41,297	41,023
	<u>114,738</u>	<u>130,695</u>
TOTAL CURRENT LIABILITIES		
NET ASSETS		
Invested in capital assets	2,110	2,748
Unrestricted net assets	316,104	298,425
Total net assets	<u>318,214</u>	<u>301,173</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 432,952</u>	<u>\$ 431,868</u>

See accompanying independent auditors' report and notes to the financial statements.

ADDISON COUNTY REGIONAL PLANNING COMMISSION
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

OPERATING REVENUES	<u>2017</u>	<u>2016</u>
State of Vermont: DCA	\$ 235,835	\$ 234,944
Municipal Assessments	41,023	40,027
TA MPG Contracts (TP/ZB/SDR)	27,925	32,442
Chargepoint (Charging Station)	398	0
Transportation - ISTE A	184,763	198,472
Middlebury Exchange Street Sidewalk (STPBP(13)11)	4,880	3,940
Middlebury PMB/Seymour St. Proj (STPBP 14(8)	8,558	3,846
Middlebury - Ped Path (Print Alley) (STPEH 09(5)	0	1,755
Lake Champlain Byway (FY08 Byway LCSBC)	1,065	0
NWRPC- Grants-In-Aid Project	1,068	0
NR - WQ # 2016-604B-01	19,998	40,000
Chittenden County RPC - WQ FY2016	3,151	30,350
Chittenden County RPC - WQ FY2017	29,005	0
BCRPC-ACRPC (Regional Energy Planning)	16,000	0
NWRPC-ACRPC (Municipal Energy)	15,205	0
EM-Local Liason Agreement	0	437
EM-EMPG #2140-31024C-001	32,994	0
EM - EMPG - 2140-31023C-004	19,423	51,577
Two Rivers RC-HMEP Field Work	2,480	0
Chittenden County RPC-2016 HMGP-001	897	0
EM-HMGP #02140-34000C-106K	1,441	0
EM- HMPG State #02140-34000-106k	20,014	14,257
Other-(New Revenue) LEPC Admin	15,704	460
Urban Forestry Plans-Middlebury, Bristol & Vergennes	0	1,450
NR - Green Infrastructure & Forestry Leadership	0	1,323
Monkton Scenic Viewshed	0	7,653
Middlebury Environmental Restoration Project (ERP)	0	18,700
EM- EMPG-#02140-31022C-005	0	19,500
EM (RERP) Radiological Response	0	2,546
EM - HMEP - #02104-31297-008	0	851
EM- NWRPC - HMPG - 3 TOWNS	0	1,290
EM - HMGP State (#34000MC-106k)	0	745
Middlebury Flood Hazard Grant	0	2,658
TOTAL OPERATING REVENUES	\$ 681,827	\$ 709,223
 OPERATING EXPENSES		
Building and Occupancy Costs	49,823	50,896
General Office and Program Costs	59,411	60,077
Grant Expenditures	5,117	5,464
Staff Cost	480,529	465,289
Consultants	69,780	102,373
Depreciation	638	2,877
Capital Budget	0	0
TOTAL OPERATING EXPENSES	665,298	686,976
 OPERATING INCOME	 16,529	 22,247
 NON OPERATING REVENUES (EXPENSE)		
Interest Income	512	205
 Increase (decrease) in net assets	 17,041	 22,452
Net Assets: Beginning of year	301,173	278,721
Net Assets: End of year	\$ 318,214	\$ 301,173

See accompanying independent auditors' report and notes to the financial statements.

ADDISON COUNTY REGIONAL PLANNING COMMISSION

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
Operating Income	\$ 16,529	\$ 22,247
Adjustment to reconcile operating income to net cash from operating activities.		
Depreciation	638	2,877
Changes in operating assets and liabilities:		
(Increase) decrease in:		
Municipal Assessments receivable	(3,052)	(299)
Individual program receivables	(14,314)	(7,595)
Prepaid expenses	(92)	(2,683)
Utilities receivable	434	144
(Decrease) increase in:		
Accounts payable	(11,039)	15,296
Accrued and withheld payroll taxes	(1,171)	(20)
Employee benefits withheld and accrued (FSA)	(815)	10
Vacation wages payable	(3,206)	1,358
Deferred Town Assessments	<u>274</u>	<u>996</u>
Total adjustments	<u>(32,343)</u>	<u>10,084</u>
Net cash provided by (used in) Operations	<u>(15,814)</u>	<u>32,331</u>
INVESTING ACTIVITIES		
Interest Income	<u>512</u>	<u>205</u>
Net cash provided by (used in) investing activities	<u>512</u>	<u>205</u>
CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of property and equipment	<u>0</u>	<u>(3,192)</u>
Net cash provided by (used in) financing activities	<u>0</u>	<u>(3,192)</u>
Net increase (decrease) in cash and cash equivalents	(15,302)	29,344
Cash and cash equivalents at beginning of year	<u>279,368</u>	<u>250,024</u>
Cash and cash equivalents at end of year	\$ <u><u>264,066</u></u>	\$ <u><u>279,368</u></u>
Cash paid during the year for interest and taxes	\$ <u><u>0</u></u>	\$ <u><u>0</u></u>

See accompanying independent auditors' report and notes to the financial statements.

ADDISON COUNTY REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017 AND 2016

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Addison County Regional Planning Commission (ACRPC) was formed in April 1967. The Commission receives the support of twenty-one municipalities in Addison County. The activities of the Commission are governed largely by statute, namely Chapter 117 of Title 24 of the Vermont Statutes Annotated. One of the primary objectives of the Commission has been, and continues to be, providing local elected and appointed officials and the general public with information; training and technical assistance necessary to facilitate the ability of locally elected and controlled municipal government to serve the needs of its citizens. The Commission's work program reflects the needs expressed by its member municipalities and priorities of state or federal funding agencies. The Commission assists its members by preparing municipal plans and bylaws. It also addresses area-wide concerns such as land use planning, economic development, energy and transportation, housing, emergency management and natural resources planning.

As part of its assistance, ACRPC speaks for municipal interests in many forums involving state and federal agencies. The Commission is a clearinghouse for the Vermont Intergovernmental Coordination System (VICS). It reviews projects and programs specifically related to Addison County and the state as a whole. The Commission represents the region at Act 250 and Section 248 hearings and in various state and federal programs involving land use planning, transportation planning, natural resources planning, emergency planning, outdoor recreation, housing, energy planning and other programs. Assistance is available to municipalities and institutions for procurement of state and federal grants. The above activities demonstrate only a portion of the Commission's ongoing programs and projects.

1. Basis of accounting

The Organization prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Under the accrual basis of accounting, revenues are recorded as earned and expenses are recorded at the time liabilities are incurred.

2. Property and Equipment

Equipment purchases are recorded at cost and depreciation is calculated using straight-line and declining methods over the estimated useful lives of the assets, typically 5-10 years. It is the Commission's policy to expense items costing less than \$1,000. Assets acquired with project funds are recorded at cost and expensed fully in the year of acquisition. Upon the sale or retirement of the item, the costs and related accumulated depreciation are eliminated from the respective accounts, and the resulting gain or loss is included in the accompanying Statement of Revenues, Expenses and Changes in Net Assets.

See accompanying independent auditors' report.

ADDISON COUNTY REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017 AND 2016

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3. Estimates

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

4. Income Taxes

As determined by the Internal Revenue Service in 1970, Addison County Regional Planning Commission has been classified as an organization performing essential government functions for its members. ACRPC constitutes a political subdivision of the State of Vermont. Income earned by ACRPC is excluded from gross income under Section 115 (a) (1) of the Internal Revenue Code. The Commission is not required to file federal or state income tax returns.

5. Government Accounting

The financial transactions of the Commission have been received and reported as government type activities. The Commission uses fund accounting.

6. Concentration of Credit Risk

At various times during the fiscal year the Commission's cash accounts may have exceeded the Federal Deposit Insurance Corporation (FDIC) insured limit of \$250,000. The Commission's policy is to maintain funds for operating purposes in accounts where the balances are government secured.

B. TOWN ASSESSMENTS

The town assessments receivable and associated deferred revenue at June 30, 2017 and 2016 respectively are based on the Vermont Department of Health's estimated population figures excluding group quarters at a rate of \$1.23 per capita with a minimum of \$200 per town in both 2017 and 2016. Revenue for 2017 and 2016 was based on the 2010 US Census population figures, excluding institutional or group quarters' population as approved by the Commission.

See accompanying independent auditors' report.

ADDISON COUNTY REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017 AND 2016

C. CASH

Cash at June 30 consists of:

	<u>2017</u>	<u>2016</u>
Checking accounts	\$ 104,868	\$ 120,681
Money Market Account	46,239	46,229
Certificates of Deposit	<u>6,398</u>	<u>6,389</u>
Total Bank Accounts	<u>157,505</u>	<u>173,299</u>
 Vanguard Money Market	 <u>106,561</u>	 <u>106,069</u>
Total Cash	\$ <u>264,066</u>	\$ <u>279,368</u>

The Vanguard Money Market account is backed by U.S. Government Securities.

State statutes authorize investments in such securities as savings banks or securities that fiduciaries or trustees are allowed to hold.

D. COMPENSATED ABSENCES

It is the policy of Addison County Regional Planning Commission to accrue compensated absences based on the liability due on June 30. Vacation leave is available for full-time and regular part-time staff on a prorated basis. No vacation leave is granted for employees who work less than 19 hours per week. The vacation wage expense is the adjustment of the vacation wages payable as of June 30 of the prior year to the vacation wages payable as of June 30 of the current year as follows:

	<u>2017</u>	<u>2016</u>
Accrued vacation current year	\$ 46,062	\$ 49,268
Accrued vacation prior year	<u>49,268</u>	<u>47,910</u>
 Vacation wages expense	\$ <u>(3,206)</u>	\$ <u>1,358</u>

E. DEFERRED REVENUE AND MUNICIPAL ASSESSMENTS RECEIVABLE

Deferred Town Assessments of \$41,297 and \$41,023 at June 30, 2017 and 2016 represent the total fiscal year municipal assessments billed for the upcoming fiscal year. \$6,557 and \$9,335 of assessments were received by the Commission prior to the end of the fiscal years ending June 30, 2017 and 2016, resulting in municipal assessments receivable balances totaling \$34,740 and \$31,688 at June 30, 2017 and 2016. ACRPC expects the balance in Municipal Assessments receivable at 6/30/2017 to be fully collectible; accordingly no allowance for doubtful accounts is required.

See accompanying independent auditors' report.

ADDISON COUNTY REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017 AND 2016

F. PROGRAM RECEIVABLES

Receivables from individual programs as of June 30, relate to the following programs:

	<u>2017</u>	<u>2016</u>
Local TA Contracts (TP/ZB/SDR)	\$ 6,612	\$ 8,847
State of Vermont DCA	13,778	11,747
T21	30,229	21,484
LEPC-Admin	428	460
Middlebury-Exchange Street (STPBP(13)11)	1,397	2,221
HMGP State #3400-MC-106k	6,932	5,392
(NR) ACRPC WQ – 2016 604B-01	14,998	0
Charge Point	88	0
Middlebury-Seymour Street (STPBP (14)8)	3,505	0
NWRPC - Grants in Aid Project	1,068	0
CCRPC – 2016 HMGP-001	897	0
Two Rivers RC – HMEP Field Work	243	0
(EM) EMPG-02140-31024C-001	12,957	0
CCRPC – WQ – FY 2017	2,312	0
NWRPC – (Municipal Energy)	15,205	0
BCRPC– ACRPC Regional Energy Planning	6,000	0
Monkton Viewshed Project	0	589
WQ-LCRPC 2014-604-31	0	5,000
Middlebury-Enhancement	0	2,127
Middlebury-Pedestrian Path	0	690
Middlebury-ERP	0	10,750
EMPG-02140-31023C-004	0	14,437
CCRPC WQ-FY 2016	0	14,755
NWRPC PDMC Haz Mat	0	1,290
RERP 16	<u>0</u>	<u>2,546</u>
Totals	\$ <u>116,649</u>	\$ <u>102,335</u>

ACRPC expects the balance in Program receivables at 6/30/2017 to be fully collectible; accordingly, no allowance for doubtful accounts is required.

G. SINGLE AUDIT REQUIREMENT

For the years ended June 30, 2017 and June 30, 2016, the Commission is exempt for the Single Audit Act of 1996 as it expended less than \$750,000 in federal funds for each respective year.

See accompanying independent auditors' report.

ADDISON COUNTY REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017 AND 2016

H. EQUIPMENT

Activity for the years ended June 30, 2017 and 2016 are:

Activity for the year ended 6/30/2017	Cost	Accumulated Depreciation	Book Value
Balances at 6/30/2016	\$ 138,664	\$ 135,916	\$ 2,748
Acquisitions	0	0	0
Dispositions	0	0	0
Depreciation	0	638	(638)
Balance at 6/30/2017	\$ <u>138,664</u>	\$ <u>136,554</u>	\$ <u>2,110</u>
Activity for the year ended 6/30/2016	Cost	Accumulated Depreciation	Book Value
Balances at 6/30/2015	\$ 135,472	\$ 133,039	\$ 2,433
Acquisitions	3,192	0	3,192
Dispositions	0	0	0
Depreciation	0	2,877	(2,877)
Balance at 6/30/2016	\$ <u>138,664</u>	\$ <u>135,916</u>	\$ <u>2,748</u>

Depreciation has been allocated as follows for the years ending June 30, 2016 and 2015.

	2017	2016
Depreciation – Direct	\$ 638	\$ 2,877
Depreciation – Allocated to Grants	0	0
Total	\$ <u>638</u>	\$ <u>2,877</u>

I. FUND BALANCE TRANSFERS

Fund balance transfers for the year ended June 30, 2017 were as follows:

	Core Programs	Equipment Fund	Total
Transfers for new equipment	\$ 0	\$ 0	\$ 0
Transfer from Equip. fund to depreciation	638	(638)	0
Excess of resources over expenditures	17,041	0	17,041
Beginning Fund Balance	<u>298,425</u>	<u>2,748</u>	<u>301,173</u>
Ending Fund Balance	\$ <u>316,104</u>	\$ <u>2,110</u>	\$ <u>318,214</u>

See accompanying independent auditors' report.

ADDISON COUNTY REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017 AND 2016

I. FUND BALANCE TRANSFERS (Continued)

Fund balance transfers for the year ended June 30, 2016 were as follows:

	Core Programs	Equipment Fund	Total
Transfer for new equipment	\$ (3,192)	\$ 3,192	\$ 0
Transfer of equipment fund to depreciation	2,877	(2,877)	0
Excess of resources over expenditures	22,452	0	22,452
Beginning Fund Balance	<u>276,288</u>	<u>2,433</u>	<u>278,721</u>
Ending Fund Balance	\$ <u>298,425</u>	\$ <u>2,748</u>	\$ <u>301,173</u>

J. OPERATING LEASES

In October of 2014 and again in October of 2015, the Commission extended its operating lease for office space at 14 Seminary Street in Middlebury, Vermont. The previous lease expired at the end of June 2015. The second amendment to the lease agreement extended the period of the lease to June 30, 2018. Terms of the additional lease call for monthly lease payments of \$3,302 per month through June 30, 2018 with yearly increases or decreases based on the Consumer Price Index (CPI). Lease expense for the year ended June 30, 2017 was \$38,883. Future minimum lease payments are as follows:

Year ending June 30, 2018	\$ <u>39,624</u>
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In August of 2015, Addison County Regional Planning Commission signed a sixty month operating lease with Canon Solutions of America. Terms of the lease call for monthly payments of \$240.00 through August 2020. ACRPC has opted to pay for the copies it makes rather than pay a set fee for copies as it was determined this method was more cost efficient. Black and white copies are billed at .00490 per copy and color copies at .05500 per copy. The lease includes a full service maintenance agreement to include all parts, labor, travel and toner. The lease payments and copy expense was \$5,884 in 2017.

See accompanying independent auditors' report

ADDISON COUNTY REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017 AND 2016

J. OPERATING LEASES (CONTINUED)

Future minimum lease payments are as follows:

Year ending June 30, 2018	\$ 2,880
Year ending June 30, 2019	2,880
Year ending June 30, 2020	2,880
Year ending June 30, 2021	<u>480</u>
Totals	\$ <u>9,120</u>

K. NAMES OF PROGRAMS

ISTEA	- Transportation Planning Services Agreement
WQ	- Water Quality Funds
CPDP	- Community Planning Development Fund
EM	- Emergency Management

L. RETIREMENT PLAN

The Commission maintains a SEP-IRA from the Vanguard Funds Group for its employees. The Commission contributes 7% of each eligible employee's salary to a fund established for the employee. The employer may contribute up to 15% of compensation for each employee for an annual maximum of \$30,000. The amount contributed by the Commission is fully vested in each employee's name.

M. SUBSEQUENT EVENTS

Subsequent events were evaluated through November 29, 2017 which is the date the financial statements were available to be issued. There are no subsequent events that require disclosure under accounting principles generally accepted in the United States of America.

See accompanying independent auditors' report

ADDISON COUNTY REGIONAL PLANNING COMMISSION

BUDGETARY COMPARISON SCHEDULE-REQUIRED SUPPLEMENTAL INFORMATION

FOR THE YEAR ENDED JUNE 30, 2017

	Budgeted Amount	Actual Amount	Variance Over (Under)
<u>OPERATING REVENUES</u>			
State of Vermont: DCA	\$ 233,684	\$ 235,835	\$ 2,151
Municipal Assessments	40,000	41,023	1,023
TA MPG Contracts (TP/ZB/SDR)	25,000	27,925	2,925
Chargepoint (Charging Station)	0	398	398
Transportation - ISTE A	166,700	184,763	18,063
Middlebury Exchange Street Sidewalk (STPBP(13)11)	4,000	4,880	880
Middlebury PMB/Seymour St. Proj (STPBP 14(8)	4,000	8,558	4,558
Middlebury - Ped Path (Print Alley) (STPEH 09(5)	4,000	0	(4,000)
Lake Champlain Byway (FY08 Byway LCSBC)	0	1,065	1,065
NWRPC- Grants-In-Aid Project	0	1,068	1,068
NR - WQ # 2016-604B-01	40,000	19,998	(20,002)
Chittenden County RPC - WQ FY2016	10,000	3,151	(6,849)
Chittenden County RPC - WQ FY2017	20,000	29,005	9,005
BCRPC-ACRPC (Regional Energy Planning)	30,000	16,000	(14,000)
NWRPC-ACRPC (Municipal Energy)	0	15,205	15,205
EM-Local Liason Agreement	8,700	0	(8,700)
EM-EMPG #2140-31024C-001	27,000	32,994	5,994
EM - EMPG - 2140-31023C-004	18,000	19,423	1,423
Two Rivers RC-HMEP Field Work	0	2,480	2,480
Chittenden County RPC-2016 HMGP-001	5,250	897	(4,353)
EM-HMGP #02140-34000C-106K	0	1,441	1,441
EM- HMPG State #02140-34000-106k	54,000	20,014	(33,986)
Other-(New Revenue) LEPC Admin	5,500	15,704	10,204
Total Operating Revenues	\$ 695,834	\$ 681,827	\$ (14,007)
<u>OPERATING EXPENSES</u>			
<u>BUILDING/OCCUPATION COSTS</u>			
Rent	\$ 39,000	\$ 38,883	\$ (117)
Electricity	7,200	6,845	(355)
Insurance - Fire/Liability	900	930	30
Rubbish Removal	1,000	1,020	20
Repairs, Misc. Building Expense	100	0	(100)
Janitorial Expense	2,100	2,145	45
Propane	125	0	(125)
TOTALS	50,425	49,823	(602)
<u>GENERAL OFFICE/PROGRAM</u>			
Accounting	6,300	5,900	(400)
Advertising	100	27	(73)
Auto and Charging Station	3,000	2,228	(772)
Dues Government Relations	4,000	3,567	(433)
Dues/ Subscriptions/VSA/Library/Data	4,000	5,278	1,278
Insurance - Public Officials	8,400	8,169	(231)
Miscellaneous	1,000	150	(850)
Meeting Expense	4,000	3,259	(741)
Postage	2,000	1,424	(576)
Copy Machine Expense	5,000	5,884	884
Printing/ Publications	1,500	0	(1,500)
Office Supplies Expense	2,000	2,981	981
Software Upgrade/ Supplies	4,000	4,574	574
Telephone & Internet	5,000	7,280	2,280
Website Maintenance	3,600	5,199	1,599
Training/Travel & Conferences	4,000	2,760	(1,240)
Equipment Maintenance	1,000	731	(269)
TOTALS	\$ 58,900	\$ 59,411	\$ 511

See accompanying independent auditors' report and notes to the financial statements.

ADDISON COUNTY REGIONAL PLANNING COMMISSION

BUDGETARY COMPARISON SCHEDULE - REQUIRED SUPPLEMENTAL INFORMATION (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

		Budgeted	Actual	Variance
		Amount	Amount	Over (Under)
<u>GRANT EXPENSES</u>				
MPG TA Contracts (TP/ZB/SDR) Regional Energy Management	\$	500	\$ 61	\$ (439)
Transportation SAFTEA-LEU (General Program)		6,000	1,679	(4,321)
Middlebury Exchange Street Sidwalk		100	0	(100)
Middlebury Pulp Mill Bridge Enhancement		100	0	(100)
Middlebury Ped/Path Printers Alley		100	0	(100)
Chittenden County RPC-WQ-FY16		500	45	(455)
Chittenden County RPC-WQ-FY17		500	114	(386)
NR - WQ - 604B		500	0	(500)
Chittenden County HMPG Water Quality		250	0	(250)
BCRPC Regional Energy		0	233	233
NWRPC Municipal Energy		0	11	11
EM - EMPG		1,500	2,572	1,072
Vigilant Guard (#02140-31022C-045)		0	402	402
EM-HMPG		500	0	(500)
EM-Local Liason		500	0	(500)
TOTALS		<u>11,050</u>	<u>5,117</u>	<u>(5,933)</u>
Capital Budget Totals		<u>3,500</u>	<u>0</u>	<u>(3,500)</u>
<u>STAFF COSTS</u>				
Vacation wage adjustment		0	(3,205)	(3,205)
Salaries		370,000	375,925	5,925
Taxes - FICA/MED		28,120	27,964	(156)
Unemployment Compensation		1,400	1,350	(50)
Employee Life/ Disability Insurance		3,100	3,220	120
Health Insurance		50,000	44,856	(5,144)
Insurance - Delta Dental and Vision		3,500	3,022	(478)
Insurance - Workers Comp		1,300	1,187	(113)
Retirement		24,900	26,210	1,310
TOTALS		<u>482,320</u>	<u>480,529</u>	<u>(1,791)</u>
<u>CONSULTANTS</u>				
NR- ACRPC/ WQ2016-604B-01		36,000	18,180	(17,820)
CCPRC-WQ-FY16 (LEWIS CREEK ASSOCIATION)		3,000	334	(2,666)
CCPRC-WQ-FY17 (LEWIS CREEK ASSOCIATION)		3,000	2,308	(692)
TRANS SAFTER-LEU (GENERAL PROGRAM)		40,000	48,958	8,958
TOTALS		<u>82,000</u>	<u>69,780</u>	<u>(12,220)</u>
<u>OTHER (INCOME) EXPENSES</u>				
Contingency		7,739	0	(7,739)
Interest Income		(100)	(512)	(412)
Depreciation		0	638	638
TOTALS		<u>7,639</u>	<u>126</u>	<u>(7,513)</u>
TOTALS	\$	<u>695,834</u>	\$ <u>664,786</u>	\$ <u>(31,048)</u>

See accompanying independent auditors' report and notes to the financial statements.

ADDISON COUNTY REGIONAL PLANNING COMMISSION
SCHEDULE II - STATEMENT OF REVENUES AND EXPENSES

T21 STP-SPR PL- 1 (53) #GR0762

FOR THE YEAR ENDED JUNE 30, 2017

REVENUES

T21 STP-SPR PL- 1 (53) #GR0762	\$ <u>45,546</u>
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EXPENSES

Regular Salaries and Wages	16,337
Overhead/Fringe (140.48%)	22,949
Consultants	25,323
Training/Travel/Conference	319
Meetings/Supplies	397
Legal Advertising	<u> </u>

TOTAL EXPENSES	<u>65,325</u>
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EXCESS OF EXPENSES OVER REVENUES	
PROVIDED OUT OF LOCAL MATCH / CORE PROGRAM	\$ <u><u>(19,779)</u></u>

See accompanying independent auditors' report and notes to the financial statements.

ADDISON COUNTY REGIONAL PLANNING COMMISSION
SCHEDULE II - STATEMENT OF REVENUES AND EXPENSES

T21 STP-SPR PL- 1 (54) #GR1058
FOR THE YEAR ENDED JUNE 30, 2017

REVENUES

T21 STP-SPR PL- 1 (54) #GR1058	\$ <u>139,217</u>
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EXPENSES

Regular Salaries and Wages	53,736
Overhead/Fringe (140.48%)	75,489
Consultants	23,634
Training/Travel/Conference	888
Meetings/Supplies	<u>939</u>

TOTAL EXPENSES	<u>154,686</u>
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EXCESS OF EXPENSES OVER REVENUES	
PROVIDED OUT OF LOCAL MATCH / CORE PROGRAM	\$ <u><u>(15,469)</u></u>

See accompanying independent auditors' report and notes to the financial statements.

ADDISON COUNTY REGIONAL PLANNING COMMISSION

SCHEDULE III - INDIRECT OVERHEAD AND FRINGE RATE

FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

The indirect overhead / fringe rate charged to programs are calculated as follows:

	2017	2016
1- Total Direct Salary	\$ <u>248,932</u>	\$ <u>239,379</u>
2 - Overhead:		
Indirect salary expense	126,993	121,491
Fringe benefits: Vacation, payroll taxes, BCBS, Life & Disability Insurance, Dental, Workers Compensation and Retirement	107,809	103,061
Other Indirect Costs		
Building	\$ 49,823	\$ 50,896
Office Operations	50,261	53,769
Depreciation	<u>638</u>	<u>2,877</u>
	<u>100,722</u>	<u>107,542</u>
Total Indirect Costs	<u>335,524</u>	<u>332,094</u>
3 - Indirect Rate		
Total Indirect Costs	\$ <u>335,524</u>	\$ <u>332,094</u>
Total Direct Salary	\$ <u>248,932</u>	\$ <u>239,379</u>
Indirect Rate	<u>135%</u>	<u>139%</u>

See accompanying independent auditors' report and notes to the financial statements.

ADDISON COUNTY REGIONAL PLANNING COMMISSION

SCHEDULE IV EXPENDITURES OF FEDERAL AWARDS- INCLUDING VTRANS PASSTHROUGH

FOR THE YEAR ENDED JUNE 30, 2017

Federal Grantor/ Pass-through Program Title	Pass-through Grantors Number	Federal CFDA Number	Start Date	Federal Award Amount	FY 2017 Expenditures Federal Funds
Public Safety	02140-31024C-001 (EMPG17)	97.042	10/1/2016	50,160	32,994
Public Safety	02140-31023C-004 (EMPG-13) AMENDED	97.042	10/1/2015	71,000	19,423
Public Safety	02140-3102C-046	97.042	7/26/2016	5,720	5,606
Public Safety	02140-34000-106K	97.039	9/23/2016	216,000	20,014
Public Safety	02140-34000MC		9/23/2016	4,320	1,441
Agency of Transportation	08122-GR0158	20.205	10/1/2016	152,242	123,749
Agency of Transportation	08122-GR0762	20.205	10/1/2015	147,815	40,485
Agency of Environmental Conservation	06140-WQ2015-604B-01	66.454	7/1/2016	40,000	19,998
<u>Sub Grants</u>					
CCRPC/ACRPC	2016 HMGP-001	97.039	4/14/2016	5,250	897
Lake Champlain Scenic Byways Council	Byway 08 corridor Management Plan	81.128	12/16/2009	29,878	1,065
Two Rivers RPC/ACRPC	HMEP Field Work	20.703	3/15/2016	3,000	2,480
Town of Middlebury	Exchange Street Sidewalk STP BP (13) 11			Hourly Billing Rate	4,880
Town of Middlebury	Seymour Street/Pulp Mill Bridge Sidewalk Project STP BP 14(8)			Hourly Billing Rate	8,558
Total Federal Expenditures					281,590

Revenues and expenditures are on the accrual basis of accounting

See accompanying independent auditors' report and notes to the financial statements.

Vance P. DeBouter, CPA, PC

181 West College Street
Oberlin, Ohio 44074

INDEPENDENT AUDITORS REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT ACCOUNTING STANDARDS

To the Board of Commissioners
Addison County Regional Planning Commission
14 Seminary Street
Middlebury, VT 05753

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the Addison County Regional Planning Commission for the year ended June 30, 2017 and the related notes to the financial statements, which collectively comprise Addison County Regional Planning Commission's basic financial statements and have issued my report thereon dated November 29, 2017.

Internal Control over Financial Reporting

In planning and performing my audit, I considered Addison County Regional Planning Commission's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Addison County Regional Planning Commission's internal control. Accordingly, I do not express an opinion on the effectiveness of Addison County Regional Planning Commission's internal control.

A deficiency in control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

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



Vance P. DeBouter, CPA, PC
Oberlin, Ohio
November 29, 2017
Certified Public Accountant
VT Professional License # 624

Vance P. DeBouter, CPA, PC

181 West College Street
Oberlin, Ohio 44074

November 29, 2017

State of Vermont
Agency of Transportation (VTrans)
One National Life Drive
Montpelier, VT 05091

In connection with the audit of the financial statements of Addison County Regional Planning Commission for the year ended June 30, 2016, and the provisions of the existing grant agreements in place between VTrans and Addison County Regional Planning Commission, I offer the following:

- I am a duly licensed Vermont CPA Firm.
- I am independent in respects to auditing Addison County Regional Planning Commission.
- I have completed the June 30, 2017 annual independent audit of Addison County Regional Planning Commission and have issued my report dated November 29, 2017.
- As part of the annual independent audit I tested certain transactions associated with the establishment of the "Indirect Cost Rate" and in-kind match in accordance with the latest approved procedure for implementing the use of in-kind and non-federal matching funds.

Nothing came to my attention during the course of the audit that would result in material non-compliance.

Sincerely,



Vance P. DeBouter, CPA
Vance P. DeBouter, CPA, PC
Vermont Firm License # 624

ADDISON COUNTY REGIONAL PLANNING COMMISSION

FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2018 AND 2017

DRAFT

Addison County Regional Planning Commission

Financial Statements

June 30, 2018

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INDEPENDENT AUDITORS REPORT

Board of Commissioners
Addison County Regional Planning Commission
14 Seminary Street
Middlebury, VT 05753

I have audited the accompanying financial statements of Addison County Regional Planning Commission which comprise the statements of net assets as of June 30, 2018 and 2017, and the related statements of revenues, expenses, changes in net assets and cash flows for the year then ended, and the related notes to the financial statements which collectively comprise the Addison County Regional Planning Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Addison County Regional Planning Commission as of June 30, 2018 and 2017, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3-6 and 17-18 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. In addition, Schedules I, II, III, IV and the Agency of Transportation report are presented for purposes of additional analysis and are not a required part of the financial statements. I have applied certain limited procedures to the required supplementary information, Schedules and report listed above in accordance with auditing standards generally accepted in the United States of America which consisted of inquiries of management about the methods of preparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards I have also issued my report dated November 28, 2018 on my consideration of Addison County Regional Planning Commission's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Addison County Regional Planning Commission's internal control over financial reporting and compliance.

Vance P. DeBouter, CPA, PC
Oberlin, Ohio
November 28, 2018
VT Professional License # 624

Addison County Regional Planning Commission
Management's Discussion and Analysis
For the Year Ended June 30, 2018

Overview of the Financial Statements

This annual report consists of the following three parts; Management's Discussion and Analysis, Basic Financial Statements, and other required supplementary information. The financial statements include notes which explain in detail some of the information included in the basic financial statements.

Required Financial Statements

The financial statements of the Commission report information using the accrual basis of accounting. The financial statements conform to accounting principles which are generally accepted in the United States of America. The Statement of Net Assets includes information on the Commission's assets and liabilities and provides information about the nature and amounts of resources (assets) and their obligations to others (liabilities) at June 30, 2018 and 2017. The Statements of Revenues, Expenses and Changes in Net Assets identify the Commission's revenue and expenses for the fiscal years ended June 30, 2018 and 2017. This statement provides information on the Commission's operations over the past two fiscal years.

Financial Analysis of the Commission

The Statement of Net Assets and Statements of Revenues, Expenses and Changes in Net Assets provide an indication of the Commission's financial condition and indicate that the financial condition of the Commission remained strong and improved slightly during the last fiscal year.

Management's Discussion and Analysis

This section of the Addison County Regional Planning Commission's annual financial report constitutes management's analysis of the Commission's financial performance during the fiscal year ended June 30, 2018. This information is presented in conjunction with the audited basic financial statements which follow this section.

Financial Highlights for Fiscal Year 2018

- Total assets decreased \$2,360 from \$432,952 to \$430,592.
- Total liabilities decreased \$18,221 from \$114,738 to \$96,517.
- Total net assets increased \$15,861 from \$318,214 to \$334,075.
- Operating revenue decreased \$3,666 from \$681,827 to \$678,161.
- Operating expenses decreased \$1,641 from \$665,298 to \$663,657.

Addison County Regional Planning Commission
Management's Discussion and Analysis
For the Year Ended June 30, 2018

Management's Discussion and Analysis (continued)

ACRPC ended fiscal year 2018 with a positive fund balance. As the first bulleted item above notes, ACRPC's total assets decreased by \$2,360 and ACRPC's current liabilities decreased by \$18,221. Accordingly, the total net assets; which accounts for both assets and liabilities increased by \$15,861 during fiscal year 2018. The increase in net assets represents positive income for the current fiscal year and solidifies the continued overall financial health of the organization. ACRPC's financial position remains strong, with total net assets of \$334,075. Additionally, since most of ACRPC's current assets are composed of cash or other relatively easily liquidated securities, ACRPC will be able to control its cash flow for the foreseeable future.

Factors leading to the modest gain in net assets include the following:

Revenues: ACRPC operating revenues decreased by \$3,666 compared to the previous fiscal year and by about \$47,000 under ACRPC's projected budget. However, the revenues remained significantly higher than actual operating revenues in previous years. The decreases in projected revenues stemmed from several programs; however, two of those programs in particular also contained proportional decreases in project expenses. Therefore, while the total revenues dropped significantly below our projections, the net difference by which revenues exceeded expenses remained nearly the same as the previous year. The first program decrease involved NR-WQ2017-604B-01, a water quality testing program. The revenue for this program decreased by more than \$36,000 since ACRPC was no longer acting as the fiscal for all other RPC's. However, this also meant that expenses decreased by an equivalent amount. Therefore, while total projected revenue was lower, it had no impact on the net level between revenue and expenses. Similarly, ACRPC's revenues from its transportation program dropped by over \$16,000. However, since the decrease was largely due to consultants completing projects after the end of ACRPC's fiscal year, but before the federal fiscal year expires in September, expenses associated with this program fell by approximately the same \$16,000 resulting in a decrease in revenues compared to the budget projections but not significantly impacting ACRPC's net revenue. ACRPC also had a couple of other programs where actual revenues fell below revenue projections. The VTrans Back Roads Category A Program, by which ACRPC helps its member municipalities inventory roads for water quality, the Vergennes Stormwater Environmental Restoration Grant and the Hazard Mitigation Grant Program all ended the year under the total projected revenue. However, increases in other funding sources, like the Local Liason disaster response contract and the Grants in Aid Water Quality Program exceeded their revenue targets. The net of all these programs led to the small decrease in revenue from the previous year.

Expenditures: ACRPC'S expenditures generally tracked ACRPC's projections, except in the 604B2018 Water quality program and the Transportation program noted in the revenue section of this discussion, where the expenses dropped proportionately to the revenues. All other major categories of expenditures performed generally as anticipated. ACRPC's expenditures decreased \$1,641 or .25% from the previous year, which helped to offset the decrease in operating revenue of \$3,666 or .52%. The small decrease in expenditures contributed to ACRPC achieving a modest surplus for the fiscal year.

Addison County Regional Planning Commission
Management's Discussion and Analysis
For the Year Ended June 30, 2018

Management's Discussion and Analysis (continued)

As of June 30, 2018 the capital assets owned by the Commission had a carrying value of \$138,664 and accumulated depreciation of \$136,554 resulting in a net book value of \$3,369, an increase of \$1,259 from the previous year. The increase stems from the purchase of a computer costing \$2,276 less depreciation expense of \$1,017.

Overall management was relatively pleased with the financial results it achieved in 2018. 2018 represented the third consecutive year of a modest surplus. In order to continue providing planning services to the Addison County Region, ACRPC must maintain its current sound financial foundation. ACRPC will continue to forecast conservatively moving into the future and intends to operate with a modest projected fund balance in the coming year.

Charts summarizing the Commission's Consolidated Statement of Net Assets and the Commission's Revenues, Expenditures and Changes in Net Assets follow.

Table 1
Condensed Statement of Net Assets
June 30,

	<u>2018</u>	<u>2017</u>	<u>\$ Change</u>	<u>% Change</u>	<u>2016</u>	<u>\$ Change</u>	<u>% Change</u>
Current Assets	\$ 427,223	\$ 430,842	\$ (3,619)	(.84%)	\$ 429,120	\$ 1,722	\$.40%
Capital Assets, Net	<u>3,369</u>	<u>2,110</u>	<u>1,259</u>	<u>59.67%</u>	<u>2,748</u>	<u>(638)</u>	<u>(23.22%)</u>
Total Assets	430,592	432,952	(2,360)	(.55%)	431,868	1,084	.25%
Current Liabilities	<u>96,517</u>	<u>114,738</u>	<u>(18,221)</u>	<u>(15.88%)</u>	<u>130,695</u>	<u>(15,957)</u>	<u>(12.21%)</u>
Total Net Assets	<u>\$ 334,075</u>	<u>\$ 318,214</u>	<u>\$ 15,861</u>	<u>\$ 4.98%</u>	<u>\$ 301,173</u>	<u>\$ 17,041</u>	<u>\$ 5.66%</u>

Addison County Regional Planning Commission
Management's Discussion and Analysis
For the Year Ended June 30, 2018

Management's Discussion and Analysis (continued)

Table 2
Condensed Statement of Revenues, Expenses and Changes in Net Assets
For the years ended June 30,

	<u>2018</u>	<u>2017</u>	<u>\$ Change</u>	<u>% Change</u>	<u>2016</u>	<u>\$ Change</u>	<u>% Change</u>
Revenues	\$ 679,518	\$ 682,339	\$ (2,821)	(.41%)	\$ 709,428	\$ (27,089)	(3.82%)
Total Expenses	<u>663,657</u>	<u>665,298</u>	<u>(1,641)</u>	<u>(.25%)</u>	<u>686,976</u>	<u>(21,678)</u>	<u>(3.86%)</u>
Change in Net Assets	15,861	17,041	(1,180)	(6.92%)	22,452	(5,411)	(24.10%)
Beginning Net Assets	<u>318,214</u>	<u>301,173</u>	<u>17,041</u>	<u>5.66%</u>	<u>278,721</u>	<u>22,452</u>	<u>8.06 %</u>
Total Net Assets	<u>\$ 334,075</u>	<u>\$ 318,214</u>	<u>\$ 15,861</u>	<u>\$ 4.98%</u>	<u>\$ 301,173</u>	<u>\$ 17,041</u>	<u>\$ 5.66%</u>

Additional Financial Information

This financial report is designed to provide the Commission's interested parties with an overview of the Commission's financial operations and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional financial information, please contact the Addison County Regional Planning Commission at 14 Seminary Street, Middlebury, Vermont 05753.

ADDISON COUNTY REGIONAL PLANNING COMMISSION

STATEMENTS OF NET ASSETS

JUNE 30, 2018 AND 2017

ASSETS

	<u>2018</u>	<u>2017</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 284,245	\$ 264,066
Municipal Assessments receivable	24,847	34,740
Individual program receivables	102,513	116,649
Prepaid expenses	14,397	14,386
Utilities and miscellaneous receivables	1,221	1,001
TOTAL CURRENT ASSETS	<u>427,223</u>	<u>430,842</u>
CAPITAL ASSETS		
Equipment net of accumulated depreciation of \$137,571 in 2018 and \$136,554 in 2017	<u>3,369</u>	<u>2,110</u>
TOTAL ASSETS	<u>\$ 430,592</u>	<u>\$ 432,952</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable	\$ 9,345	\$ 26,779
Accrued and withheld payroll taxes	132	160
Employee benefits withheld and accrued (FSA)	0	440
Vacation wages payable	44,704	46,062
Deferred Town Assessments	42,336	41,297
	<u>96,517</u>	<u>114,738</u>
TOTAL CURRENT LIABILITIES		
NET ASSETS		
Invested in capital assets	3,369	2,110
Unrestricted net assets	<u>330,706</u>	<u>316,104</u>
Total net assets	<u>334,075</u>	<u>318,214</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 430,592</u>	<u>\$ 432,952</u>

See accompanying independent auditors' report and notes to the financial statements.

ADDISON COUNTY REGIONAL PLANNING COMMISSION
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

OPERATING REVENUES	<u>2018</u>	<u>2017</u>
State of Vermont: DCA	\$ 234,440	\$ 235,835
Municipal Assessments	41,297	41,023
TA MPG Contracts (TP/ZB/SDR)	17,659	27,925
Chargepoint (Charging Station)	474	398
Transportation - ISTE A	150,469	184,763
Middlebury Exchange Street Sidewalk (STPBP(13)11)	4,222	4,880
Middlebury PMB/Seymour St. Proj (STPBP 14(8)	7,897	8,558
VTRANS Back Roads - Cat A	29,333	0
NR ACRPC WQ2017 604B	3,636	1,065
NR - WQ # 2016-604B-01	20,002	1,068
Bristol ERP Project	454	19,998
NR Vergennes Stormwater ERP	2,450	3,151
Chittenden County RPC - WQ FY2017	795	29,005
CCRPC/ACRPC WQ 2018	30,325	16,000
BCRPC-ACRPC (Regional Energy Planning)	14,000	15,205
NWRPC-ACRPC (Municipal Energy)	6,895	0
NWRPC - Town Energy 2	11,800	32,994
NWRPC- Grants-In-Aid Project	13,009	19,423
EM-Local Liason Agreement	8,233	2,480
EM-EMPG #2140-31024C-001	14,779	897
EM - EMPG - 2140-31025C-001	33,801	1,441
Two Rivers RC-HMEP Field Work	520	20,014
Chittenden County RPC-2016 HMGP-001	1,588	15,704
EM- HMPG State #02140-34000-106k	19,557	0
Other-(New Revenue) LEPC Admin	10,526	0
TOTAL OPERATING REVENUES	\$ 678,161	\$ 681,827
 OPERATING EXPENSES		
Building and Occupancy Costs	50,229	49,823
General Office and Program Costs	62,221	59,411
Grant Expenditures	9,036	5,117
Staff Cost	492,064	480,529
Consultants	49,090	69,780
Depreciation	1,017	638
Capital Budget	0	0
TOTAL OPERATING EXPENSES	663,657	665,298
 OPERATING INCOME	 14,504	 16,529
 NON OPERATING REVENUES (EXPENSE)		
Interest Income	1,357	512
 Increase (decrease) in net assets	15,861	17,041
Net Assets: Beginning of year	318,214	301,173
Net Assets: End of year	\$ 334,075	\$ 318,214

See accompanying independent auditors' report and notes to the financial statements.

ADDISON COUNTY REGIONAL PLANNING COMMISSION

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
Operating Income	\$ 14,504	\$ 16,529
Adjustment to reconcile operating income to net cash from operating activities.		
Depreciation	1,017	638
Changes in operating assets and liabilities:		
(Increase) decrease in:		
Municipal Assessments receivable	9,893	(3,052)
Individual program receivables	14,136	(14,314)
Prepaid expenses	(11)	(92)
Utilities and miscellaneous receivables	(220)	434
(Decrease) increase in:		
Accounts payable	(17,434)	(11,039)
Accrued and withheld payroll taxes	(28)	(1,171)
Employee benefits withheld and accrued (FSA)	(440)	(815)
Vacation wages payable	(1,358)	(3,206)
Deferred Town Assessments	<u>1,039</u>	<u>274</u>
Total adjustments	<u>6,594</u>	<u>(32,343)</u>
Net cash provided by (used in) Operations	<u>21,098</u>	<u>(15,814)</u>
INVESTING ACTIVITIES		
Interest Income	<u>1,357</u>	<u>512</u>
Net cash provided by (used in) investing activities	<u>1,357</u>	<u>512</u>
CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of property and equipment	<u>(2,276)</u>	<u>0</u>
Net cash provided by (used in) financing activities	<u>(2,276)</u>	<u>0</u>
Net increase (decrease) in cash and cash equivalents	20,179	(15,302)
Cash and cash equivalents at beginning of year	<u>264,066</u>	<u>279,368</u>
Cash and cash equivalents at end of year	\$ <u><u>284,245</u></u>	\$ <u><u>264,066</u></u>
Cash paid during the year for interest and taxes	\$ <u><u>0</u></u>	\$ <u><u>0</u></u>

See accompanying independent auditors' report and notes to the financial statements.

ADDISON COUNTY REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018 AND 2017

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Addison County Regional Planning Commission (ACRPC) was formed in April 1967. The Commission receives the support of twenty-one municipalities in Addison County. The activities of the Commission are governed largely by statute, namely Chapter 117 of Title 24 of the Vermont Statutes Annotated. One of the primary objectives of the Commission has been, and continues to be, providing local elected and appointed officials and the general public with information; training and technical assistance necessary to facilitate the ability of locally elected and controlled municipal government to serve the needs of its citizens. The Commission's work program reflects the needs expressed by its member municipalities and priorities of state or federal funding agencies. The Commission assists its members by preparing municipal plans and bylaws. It also addresses area-wide concerns such as land use planning, economic development, energy and transportation, housing, emergency management and natural resources planning.

As part of its assistance, ACRPC speaks for municipal interests in many forums involving state and federal agencies. The Commission is a clearinghouse for the Vermont Intergovernmental Coordination System (VICS). It reviews projects and programs specifically related to Addison County and the state as a whole. The Commission represents the region at Act 250 and Section 248 hearings and in various state and federal programs involving land use planning, transportation planning, natural resources planning, emergency planning, outdoor recreation, housing, energy planning and other programs. Assistance is available to municipalities and institutions for procurement of state and federal grants. The above activities demonstrate only a portion of the Commission's ongoing programs and projects.

1. Basis of accounting

The Organization prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Under the accrual basis of accounting, revenues are recorded as earned and expenses are recorded at the time liabilities are incurred.

2. Property and Equipment

Equipment purchases are recorded at cost and depreciation is calculated using straight-line and declining methods over the estimated useful lives of the assets, typically 5-10 years. It is the Commission's policy to expense items costing less than \$1,000. Assets acquired with project funds are recorded at cost and expensed fully in the year of acquisition. Upon the sale or retirement of the item, the costs and related accumulated depreciation are eliminated from the respective accounts, and the resulting gain or loss is included in the accompanying Statement of Revenues, Expenses and Changes in Net Assets.

See accompanying independent auditors' report.

ADDISON COUNTY REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018 AND 2017

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3. Estimates

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

4. Income Taxes

As determined by the Internal Revenue Service in 1970, Addison County Regional Planning Commission has been classified as an organization performing essential government functions for its members. ACRPC constitutes a political subdivision of the State of Vermont. Income earned by ACRPC is excluded from gross income under Section 115 (a) (1) of the Internal Revenue Code. The Commission is not required to file federal or state income tax returns.

5. Government Accounting

The financial transactions of the Commission have been received and reported as government type activities. The Commission uses fund accounting.

6. Concentration of Credit Risk

At various times during the fiscal year the Commission's cash accounts may have exceeded the Federal Deposit Insurance Corporation (FDIC) insured limit of \$250,000. The Commission's policy is to maintain funds for operating purposes in accounts where the balances are government secured.

B. TOWN ASSESSMENTS

The town assessments receivable and associated deferred revenue at June 30, 2018 and 2017 respectively are based on the Vermont Department of Health's estimated population figures excluding group quarters at a rate of \$1.23 per capita with a minimum of \$200 per town in both 2018 and 2017. Revenue for 2018 and 2017 was based on the 2010 US Census population figures, excluding institutional or group quarters' population as approved by the Commission.

See accompanying independent auditors' report.

ADDISON COUNTY REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018 AND 2017

C. CASH

Cash at June 30 consists of:

	<u>2018</u>	<u>2017</u>
Checking accounts	\$ 123,690	\$ 104,868
Money Market Account	6,408	46,239
Certificates of Deposit	<u>46,248</u>	<u>6,398</u>
Total Bank Accounts	<u>176,346</u>	<u>157,505</u>
 Vanguard Money Market	 <u>107,899</u>	 <u>106,561</u>
Total Cash	\$ <u>284,245</u>	\$ <u>264,066</u>

The Vanguard Money Market account is backed by U.S. Government Securities.

State statutes authorize investments in such securities as savings banks or securities that fiduciaries or trustees are allowed to hold.

D. COMPENSATED ABSENCES

It is the policy of Addison County Regional Planning Commission to accrue compensated absences based on the liability due on June 30. Vacation leave is available for full-time and regular part-time staff on a prorated basis. No vacation leave is granted for employees who work less than 19 hours per week. The vacation wage expense is the adjustment of the vacation wages payable as of June 30 of the prior year to the vacation wages payable as of June 30 of the current year as follows:

	<u>2018</u>	<u>2017</u>
Accrued vacation current year	\$ 44,704	\$ 46,062
Accrued vacation prior year	<u>46,062</u>	<u>49,268</u>
 Vacation wages expense	\$ <u>(1,358)</u>	\$ <u>(3,026)</u>

E. DEFERRED REVENUE AND MUNICIPAL ASSESSMENTS RECEIVABLE

Deferred Town Assessments of \$42,336 and \$41,297 at June 30, 2018 and 2017 represent the total fiscal year municipal assessments billed for the upcoming fiscal year. \$17,489 and \$6,557 of assessments were received by the Commission prior to the end of the fiscal years ending June 30, 2018 and 2017, resulting in municipal assessments receivable balances totaling \$ 24,847 and \$34,740 at June 30, 2018 and 2017. ACRPC expects the balance in Municipal Assessments receivable at 6/30/2018 to be fully collectible; accordingly no allowance for doubtful accounts is required.

ADDISON COUNTY REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018 AND 2017

F. PROGRAM RECEIVABLES

Receivables from individual programs as of June 30, relate to the following programs:

	<u>2018</u>	<u>2017</u>
State of Vermont DCA	\$ 13,708	\$ 13,778
Local TA Contracts (TP/ZB/SDR)	10,263	6,612
Charge Point	40	88
T21	17,232	30,229
Middlebury-Seymour Street (STPBP (14)8)	663	3,505
VTrans Back Roads CAT A	29,333	0
Bristol ERP Assistance	454	0
CCRPC WQ-FY 2018	5,190	0
NWRPC – (Municipal Energy-2)	11,800	0
NWRPC - Grants in Aid Project	5,155	1,068
EM – Local Liaison Agreement	1,100	0
(EM) EMPG -02140-31025C-001	5,960	0
HMGP State #3400-MC-106k	897	6,932
LEPC-Admin	718	428
Middlebury-Exchange Street (STPBP(13)11)	0	1,397
(NR) ACRPC WQ – 2016 604B-01	0	14,998
CCRPC – 2016 HMGP-001	0	897
Two Rivers RC – HMEP Field Work	0	243
(EM) EMPG-02140-31024C-001	0	12,957
CCRPC – WQ – FY 2017	0	2,312
NWRPC – (Municipal Energy)	0	15,205
BCRPC– ACRPC Regional Energy Planning	<u>0</u>	<u>6,000</u>
Totals	\$ <u>102,513</u>	\$ <u>116,649</u>

ACRPC expects the balance in Program receivables at 6/30/2018 to be fully collectible; accordingly, no allowance for doubtful accounts is required.

G. SINGLE AUDIT REQUIREMENT

For the years ended June 30, 2018 and June 30, 2017, the Commission is exempt for the Single Audit Act of 1996 as it expended less than \$750,000 in federal funds for each respective year.

See accompanying independent auditors' report.

ADDISON COUNTY REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018 AND 2017

H. EQUIPMENT

Activity for the years ended June 30, 2018 and 2017 are:

Activity for the year ended 6/30/2018		Accumulated	Book
	Cost	Depreciation	Value
Balances at 6/30/2017	\$ 138,664	\$ 136,554	\$ 2,110
Acquisitions	2,476	0	2,276
Dispositions	0	0	0
Depreciation	0	1,017	(1,017)
Balance at 6/30/2018	\$ <u>141,140</u>	\$ <u>137,571</u>	\$ <u>3,369</u>
Activity for the year ended 6/30/2017		Accumulated	Book
	Cost	Depreciation	Value
Balances at 6/30/2016	\$ 138,664	\$ 135,916	\$ 2,748
Acquisitions	0	0	0
Dispositions	0	0	0
Depreciation	0	638	(638)
Balance at 6/30/2017	\$ <u>138,664</u>	\$ <u>136,554</u>	\$ <u>2,110</u>

Depreciation has been allocated as follows for the years ending June 30, 2016 and 2015.

	2018	2017
Depreciation – Direct	\$ 1,017	\$ 638
Depreciation – Allocated to Grants	0	0
Total	\$ <u>1,017</u>	\$ <u>638</u>

I. FUND BALANCE TRANSFERS

Fund balance transfers for the year ended June 30, 2018 were as follows:

	Core Programs	Equipment Fund	Total
Transfers for new equipment'	\$ (2,276)	\$ 2,276	\$ 0
Transfer from Equip. fund to depreciation	1,017	(1,017)	0
Excess of resources over expenditures	15,861	0	15,861
Beginning Fund Balance	<u>316,104</u>	<u>2,110</u>	<u>318,214</u>
Ending Fund Balance	\$ <u>330,706</u>	\$ <u>3,369</u>	\$ <u>334,075</u>

See accompanying independent auditors' report.

ADDISON COUNTY REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018 AND 2017

I. FUND BALANCE TRANSFERS (Continued)

Fund balance transfers for the year ended June 30, 2017 were as follows:

	Core <u>Programs</u>	Equipment <u>Fund</u>	<u>Total</u>
Transfer for new equipment	\$ 0	\$ 0	\$ 0
Transfer of equipment fund to depreciation	638	(638)	0
Excess of resources over expenditures	17,041	0	17,041
Beginning Fund Balance	<u>298,425</u>	<u>2,748</u>	<u>301,173</u>
Ending Fund Balance	\$ <u>316,104</u>	\$ <u>2,110</u>	\$ <u>318,214</u>

J. OPERATING LEASES

In October of 2015, the Commission entered into a three year extension of its operating lease for office space at 14 Seminary Street in Middlebury, Vermont. The previous lease expired at the end of June 2015. The second extension to the lease agreement extended the period of the lease to June 30, 2018. The current lease has been extended through June 30, 2019 with monthly lease payments of \$3,302 while the Commission negotiates a long term lease with the owner of the building. Lease expense for the year ended June 30, 2017 was \$38,883. Future minimum lease payments are as follows:

Year ending June 30, 2019	\$ <u>39,624</u>
---------------------------	------------------

In August of 2015, Addison County Regional Planning Commission signed a sixty month operating lease with Canon Solutions of America. Terms of the lease call for monthly payments of \$240.00 through August 2020. ACRPC has opted to pay for the copies it makes rather than pay a set fee for copies as it was determined this method was more cost efficient. Black and white copies are billed at .00490 per copy and color copies at .05500 per copy. The lease includes a full service maintenance agreement to include all parts, labor, travel and toner. The lease payments and copy expense was \$6,301 in 2018 and \$5,884 in 2017.

See accompanying independent auditors' report

ADDISON COUNTY REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018 AND 2017

J. OPERATING LEASES (CONTINUED)

Future minimum lease payments are as follows:

Year ending June 30, 2019	\$ 2,880
Year ending June 30, 2020	<u>480</u>
Totals	\$ <u>3,320</u>

K. NAMES OF PROGRAMS

ISTEA	- Transportation Planning Services Agreement
WQ	- Water Quality Funds
CPDP	- Community Planning Development Fund
EM	- Emergency Management

L. RETIREMENT PLAN

The Commission maintains a SEP-IRA from the Vanguard Funds Group for its employees. The Commission contributes 7% of each eligible employee's salary to a fund established for the employee. The employer may contribute up to 15% of compensation for each employee for an annual maximum of \$30,000. The amount contributed by the Commission is fully vested in each employee's name.

M. SUBSEQUENT EVENTS

Subsequent events were evaluated through November 28, 2018 which is the date the financial statements were available to be issued. There are no subsequent events that require disclosure under accounting principles generally accepted in the United States of America.

See accompanying independent auditors' report

ADDISON COUNTY REGIONAL PLANNING COMMISSION

BUDGETARY COMPARISON SCHEDULE-REQUIRED SUPPLEMENTAL INFORMATION

FOR THE YEAR ENDED JUNE 30, 2018

	Budgeted Amount	Actual Amount	Variance Over (Under)
OPERATING REVENUES			
State of Vermont: DCA	\$ 233,684	\$ 234,440	\$ 756
Municipal Assessments	41,297	41,297	0
TA MPG Contracts (TP/ZB/SDR)	20,000	17,659	(2,341)
Chargepoint (Charging Station)	300	474	174
Transportation - ISTE A	166,700	150,469	(16,231)
Middlebury Exchange Street Sidewalk (STPBP(13)11)	8,000	4,222	(3,778)
Middlebury PMB/Seymour St. Proj (STPBP 14(8)	6,000	7,897	1,897
VTRANS Back Roads - Cat A	36,000	29,333	(6,667)
NR ACRPC WQ2017 604B	40,000	3,636	(36,364)
NR - WQ # 2016-604B-01	0	20,002	20,002
Bristol ERP Project	0	454	454
NR Vergennes Stormwater ERP	8,000	2,450	(5,550)
Chittenden County RPC - WQ FY2017	0	795	795
CCRPC/ACRPC WQ 2018	30,000	30,325	325
BCRPC-ACRPC (Regional Energy Planning)	20,000	14,000	(6,000)
NWRPC-ACRPC (Municipal Energy)	20,000	6,895	(13,105)
NWRPC - Town Energy 2	0	11,800	11,800
NWRPC- Grants-In-Aid Project	10,000	13,009	3,009
EM-Local Liason Agreement	0	8,233	8,233
EM-EMPG #2140-31024C-001	0	14,779	14,779
EM - EMPG - 2140-31025C-001	50,000	33,801	(16,199)
Two Rivers RC-HMEP Field Work	0	520	520
Chittenden County RPC-2016 HMGP-001	2,625	1,588	(1,037)
EM- HMPG State #02140-34000-106k	30,000	19,557	(10,443)
Other-(New Revenue) LEPC Admin	4,000	10,526	6,526
TOTAL OPERATING REVENUES	\$ 726,606	\$ 678,161	\$ (48,445)
OPERATING EXPENSES			
<u>BUILDING/OCCUPANCY COSTS</u>			
Rent	\$ 39,622	\$ 39,621	\$ (1)
Electricity	8,000	6,508	(1,492)
Insurance - Fire/Liability	1,000	966	(34)
Rubbish Removal	1,100	1,109	9
Repairs, Misc. Building Expense	500	0	(500)
Janitorial Expense	3,000	2,025	(975)
Propane	100	0	(100)
TOTAL BUILDING/OCCUPANCY EXPENSES	53,322	50,229	(3,093)
<u>GENERAL OFFICE/PROGRAM</u>			
Accounting	8,000	5,900	(2,100)
Advertising	500	1,453	953
Auto and Charging Station	3,000	3,656	656
Data Expense	1,200	0	(1,200)
Dues Government Relations	4,000	3,455	(545)
Dues/ Subscriptions/VSA/Library/Data	5,000	3,430	(1,570)
Insurance - Public Officials	9,000	9,159	159
Miscellaneous	1,000	449	(551)
Meeting Expense	4,000	4,199	199
Postage	2,000	2,184	184
Copy Machine Expense	5,500	6,301	801
Printing/ Publications	1,500	0	(1,500)
Office Supplies Expense	2,000	2,063	63
Software Upgrade/ Supplies	4,000	4,303	303
Telephone & Internet	6,500	7,241	741
Training/Travel & Conferences	4,000	2,129	(1,871)
Website Maintenance	4,000	5,675	1,675
Equipment Maintenance	1,000	624	(376)
TOTAL GENERAL OFFICE/PROGRAM EXPENSES	\$ 66,200	\$ 62,221	\$ (3,979)

See accompanying independent auditors' report and notes to the financial statements.

ADDISON COUNTY REGIONAL PLANNING COMMISSION

BUDGETARY COMPARISON SCHEDULE - REQUIRED SUPPLEMENTAL INFORMATION (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

	Budgeted	Actual	Variance
	Amount	Amount	Over (Under)
<u>GRANT EXPENSES</u>			
MPG TA Contracts (TP/ZB/SDR) Regional Energy Management	\$ 500	\$ 0	\$ (500)
Transportation SAFTEA-LEU (General Program)	6,000	4,062	(1,938)
Middlebury Exchange Street Sidwalk	100	0	(100)
Middlebury Pulp Mill Bridge Enhancement	100	0	(100)
Vermont Back Roads CAT A	6,400	3,465	(2,935)
Chittenden County RPC-WQ-FY17	0	153	153
Chittenden County RPC-WQ-FY18	500	0	(500)
NR - WQ - 604B	100	0	(100)
Chittenden County HMPG Water Quality	100	0	(100)
NWRPC Municipal Energy Training	0	86	86
EM - EMPG	2,500	1,154	(1,346)
EM-Local Liason	0	116	116
TOTAL GRANT EXPENSES	<u>16,300</u>	<u>9,036</u>	<u>(7,264)</u>
Capital Budget Totals	<u>3,500</u>	<u>0</u>	<u>(3,500)</u>
<u>STAFF COSTS</u>			
Vacation wage adjustment	0	(1,358)	(1,358)
Salaries	382,500	381,907	(593)
Taxes - FICA/MED	29,644	28,773	(871)
Unemployment Compensation	1,400	1,180	(220)
Employee Life/ Disability Insurance	3,100	3,085	(15)
Health Insurance	48,000	47,866	(134)
Insurance - Delta Dental and Vision	3,500	2,900	(600)
Insurance - Workers Comp	1,300	1,152	(148)
Retirement	27,125	26,559	(566)
TOTAL STAFF EXPENSES	<u>496,569</u>	<u>492,064</u>	<u>(4,505)</u>
<u>CONSULTANTS</u>			
NR- ACRPC/ WQ2017-604B-01	36,363	0	(36,363)
NR- ACRPC/ WQ2016-604B-01	0	18,180	18,180
AMERICORP WATER	6,000	5,405	(595)
CCPRC-WQ-FY17 (LEWIS CREEK ASSOCIATION)	0	486	486
CCPRC-WQ-FY18 (LEWIS CREEK ASSOCIATION)	3,000	0	(3,000)
TRANS SAFTER-LEU (GENERAL PROGRAM)	40,000	25,019	(14,981)
TOTAL CONSULTANT EXPENSES	<u>85,363</u>	<u>49,090</u>	<u>(36,273)</u>
<u>OTHER (INCOME) EXPENSES</u>			
Contingency	0	0	0
Interest Income	0	(1,357)	(1,357)
Depreciation	200	1,017	817
TOTALS	<u>200</u>	<u>(340)</u>	<u>(540)</u>
TOTALS	\$ <u>721,454</u>	\$ <u>662,300</u>	\$ <u>(59,154)</u>

See accompanying independent auditors' report and notes to the financial statements.

DRAFT

ADDISON COUNTY REGIONAL PLANNING COMMISSION
SCHEDULE II - STATEMENT OF REVENUES AND EXPENSES

T21 STP-SPR PL- 1 (54) #GR1058
FOR THE YEAR ENDED JUNE 30, 2018

REVENUES

T21 STP-SPR PL- 1 (54) #GR1058	\$ <u>30,861</u>
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EXPENSES

Regular Salaries and Wages	12,287
Overhead/Fringe (135.26%)	16,619
Consultants	4,825
Training/Travel/Conference	286
Meetings/Supplies/Equipment	<u>273</u>

TOTAL EXPENSES	<u>34,290</u>
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EXCESS OF EXPENSES OVER REVENUES	
PROVIDED OUT OF LOCAL MATCH / CORE PROGRAM	\$ <u><u>(3,429)</u></u>

See accompanying independent auditors' report and notes to the financial statements.

ADDISON COUNTY REGIONAL PLANNING COMMISSION
SCHEDULE II - STATEMENT OF REVENUES AND EXPENSES

T21 STP-SPR PL- 1 (55) #GR 1145
FOR THE YEAR ENDED JUNE 30, 2018

REVENUES

T21 STP-SPR PL- 1 (55) #GR 1145	\$ <u>119,609</u>
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EXPENSES

Regular Salaries and Wages	46,016
Overhead/Fringe (135.26%)	62,244
Consultants	20,193
Meetings/Supplies/Equipment	2,747
Training/Travel/Conference	<u>1,699</u>

TOTAL EXPENSES	<u>132,899</u>
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EXCESS OF EXPENSES OVER REVENUES	
PROVIDED OUT OF LOCAL MATCH / CORE PROGRAM	\$ <u><u>(13,290)</u></u>

See accompanying independent auditors' report and notes to the financial statements.

ADDISON COUNTY REGIONAL PLANNING COMMISSION

SCHEDULE III - INDIRECT OVERHEAD AND FRINGE RATE

FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

The indirect overhead / fringe rate charged to programs are calculated as follows:

	<u>2018</u>	<u>2017</u>
1- Total Direct Salary	\$ <u>249,931</u>	\$ <u>248,932</u>
2 - Overhead:		
Indirect salary expense	131,976	126,993
Fringe benefits: Vacation, payroll taxes, BCBS, Life & Disability Insurance, Dental, Workers Compensation and Retirement	111,515	107,809
Other Indirect Costs		
Building	\$ 50,229	\$ 49,823
Office Operations	55,552	50,261
Depreciation	<u>1,017</u>	<u>638</u>
	<u>106,798</u>	<u>100,722</u>
Total Indirect Costs	<u>350,289</u>	<u>335,524</u>
3 - Indirect Rate		
Total Indirect Costs	\$ <u>350,289</u>	\$ <u>335,524</u>
Total Direct Salary	\$ <u>249,931</u>	\$ <u>248,932</u>
Indirect Rate	<u>140%</u>	<u>135%</u>

See accompanying independent auditors' report and notes to the financial statements.

ADDISON COUNTY REGIONAL PLANNING COMMISSION

SCHEDULE IV EXPENDITURES OF FEDERAL AWARDS- INCLUDING VTRANS PASSTHROUGH

FOR THE YEAR ENDED JUNE 30, 2018

Federal Grantor/ Pass-through Program Title	Pass-through Grantors Number	Federal CFDA Number	Start Date	Federal Award Amount	FY 2018 Expenditures Federal Funds
Public Safety	02140-31025C-001 (EMPG17)	97.042	10/1/2017	50,455	33,801
Public Safety	02140-31024C-004 (EMPG-13) AMENDED	97.042	10/1/2016	50,160	14,779
Public Safety	02140-34000-106K	97.039	9/23/2016	216,000	19,556
Public Safety	02140-34000MC		9/23/2016	4,320	0
Public Safety	Local Liason Agreement				8,233
Agency of Transportation	08122-GR0158	20.205	10/1/2016	152,242	27,432
Agency of Transportation	08122-GR1145	20.205	10/1/2017	172,242	106,319
Agency of Transportation	08126-BR0402 (BRPA018-071)	20.205	7/1/2017	8,000	5,333
Agency of Transportation	08126-BR0403 (BRPA018-072)	20.205	7/1/2017	8,000	5,333
Agency of Transportation	08126-BR0404 (BRPA018-073)	20.205	7/1/2017	8,000	2,667
Agency of Transportation	08126-BR0405 (BRPA018-074)	20.205	7/1/2017	8,000	5,333
Agency of Transportation	08126-BR0406 (BRPA018-075)	20.205	7/1/2017	8,000	2,667
Agency of Transportation	08126-BR0407 (BRPA018-076)	20.205	7/1/2017	8,000	2,667
Agency of Transportation	08126-BR0408 (BRPA018-077)	20.205	7/1/2017	8,000	2,667
Agency of Transportation	08126-BR0409 (BRPA018-078)	20.205	7/1/2017	8,000	2,667
Agency of Environmental Conservation	06140-WQ2016-604B-01	66.454	7//2016	40,000	20,002
DHCA	Parcel Mapping				1,673
<u>Sub Grants</u>					
CCRPC/ACRPC	2016 HMGP-001	97.039	4/14/2016	5,250	1,558
Two Rivers RPC/ACRPC	HMEP Field Work	20.703	3/15/2016	3,000	520
Two Rivers RPC/ACRPC	WQ2017-604B-01		2/16/2018	3,636	3,636
Town of Middlebury	Exchange Street Sidewalk STP BP (13) 11			Hourly Billing Rate	4,222
Town of Middlebury	Seymour Street/Pulp Mill Bridge Sidewalk Project STP BP 14(8)			Hourly Billing Rate	7,897
Total Federal Expenditures					278,962

Revenues and expenditures are on the accrual basis of accounting

See accompanying independent auditors' report and notes to the financial statements.

INDEPENDENT AUDITORS REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT ACCOUNTING STANDARDS

To the Board of Commissioners
Addison County Regional Planning Commission
14 Seminary Street
Middlebury, VT 05753

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the Addison County Regional Planning Commission for the year ended June 30, 2018 and the related notes to the financial statements, which collectively comprise Addison County Regional Planning Commission's basic financial statements and have issued my report thereon dated November 28, 2018.

Internal Control over Financial Reporting

In planning and performing my audit, I considered Addison County Regional Planning Commission's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Addison County Regional Planning Commission's internal control. Accordingly, I do not express an opinion on the effectiveness of Addison County Regional Planning Commission's internal control.

A deficiency in control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

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

Vance P. DeBouter, CPA, PC
Oberlin, Ohio
November 28, 2018
Certified Public Accountant
VT Professional License # 624

November 28, 2018

State of Vermont
Agency of Transportation (VTrans)
One National Life Drive
Montpelier, VT 05091

In connection with the audit of the financial statements of Addison County Regional Planning Commission for the year ended June 30, 2018, and the provisions of the existing grant agreements in place between VTrans and Addison County Regional Planning Commission, I offer the following:

- I am a duly licensed Vermont CPA Firm.
- I am independent in respects to auditing Addison County Regional Planning Commission.
- I have completed the June 30, 2018 annual independent audit of Addison County Regional Planning Commission and have issued my report dated November 28, 2018.
- As part of the annual independent audit I tested certain transactions associated with the establishment of the "Indirect Cost Rate" and in-kind match in accordance with the latest approved procedure for implementing the use of in-kind and non-federal matching funds.

Nothing came to my attention during the course of the audit that would result in material non-compliance.

Sincerely,

Vance P. DeBouter, CPA
Vance P. DeBouter, CPA, PC
Vermont Firm License # 624

ADDISON COUNTY REGIONAL PLANNING COMMISSION

FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2019 AND 2018

Addison County Regional Planning Commission

Financial Statements

June 30, 2019

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Vance P. DeBouter, CPA, PC

181 West College Street
Oberlin, Ohio 44074

INDEPENDENT AUDITORS REPORT

Board of Commissioners
Addison County Regional Planning Commission
14 Seminary Street
Middlebury, VT 05753

I have audited the accompanying financial statements of Addison County Regional Planning Commission which comprise the statements of net assets as of June 30, 2019 and 2018, and the related statements of revenues, expenses, changes in net assets and cash flows for the year then ended, and the related notes to the financial statements which collectively comprise the Addison County Regional Planning Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Addison County Regional Planning Commission as of June 30, 2019 and 2018, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3-6 and 17-18 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. In addition, Schedules I, II, III, IV and the Agency of Transportation report are presented for purposes of additional analysis and are not a required part of the financial statements. I have applied certain limited procedures to the required supplementary information, Schedules and report listed above in accordance with auditing standards generally accepted in the United States of America which consisted of inquiries of management about the methods of preparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards I have also issued my report dated December 20, 2019 on my consideration of Addison County Regional Planning Commission's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Addison County Regional Planning Commission's internal control over financial reporting and compliance.



Vance P. DeBouter, CPA, PC
Oberlin, Ohio
December 20, 2019
VT Professional License # 624

Addison County Regional Planning Commission
Management's Discussion and Analysis
For the Year Ended June 30, 2019

Overview of the Financial Statements

This annual report consists of the following three parts; Management's Discussion and Analysis, Basic Financial Statements, and other required supplementary information. The financial statements include notes which explain in detail some of the information included in the basic financial statements.

Required Financial Statements

The financial statements of the Commission report information using the accrual basis of accounting. The financial statements conform to accounting principles which are generally accepted in the United States of America. The Statement of Net Assets includes information on the Commission's assets and liabilities and provides information about the nature and amounts of resources (assets) and their obligations to others (liabilities) at June 30, 2019 and 2018. The Statements of Revenues, Expenses and Changes in Net Assets identify the Commission's revenue and expenses for the fiscal years ended June 30, 2019 and 2018. This statement provides information on the Commission's operations over the past two fiscal years.

Financial Analysis of the Commission

The Statement of Net Assets and Statements of Revenues, Expenses and Changes in Net Assets provide an indication of the Commission's financial condition and indicate that the financial condition of the Commission remained strong and improved slightly during the last fiscal year.

Management's Discussion and Analysis

This section of the Addison County Regional Planning Commission's annual financial report constitutes management's analysis of the Commission's financial performance during the fiscal year ended June 30, 2019. This information is presented in conjunction with the audited basic financial statements which follow this section.

Financial Highlights for Fiscal Year 2019

- Total assets increased \$4,526 from \$414,894 to \$419,420.
- Total liabilities increased \$10,482 from \$96,517 to \$106,999.
- Total net assets decreased \$5,956 from \$318,377 to \$312,421.
- Operating revenue increased \$54,553 from \$662,463 to \$717,016.
- Operating expenses increased \$61,762 from \$663,657 to \$725,419.

Addison County Regional Planning Commission
Management's Discussion and Analysis
For the Year Ended June 30, 2019

Management's Discussion and Analysis (continued)

ACRPC ended fiscal year 2019 with a negative fund balance. As the first bulleted item above notes, ACRPC's total assets increased by \$4,526 and ACRPC's current liabilities increased by \$10,482. Accordingly, the total net assets; which accounts for both assets and liabilities decreased by \$5,956 during fiscal year 2019. The decrease in net assets represents an operating loss but does not significantly impact the overall financial health of the organization. ACRPC's financial position remains strong, with total net assets of \$312,421. Additionally, since most of ACRPC's current assets are composed of cash or other relatively easily liquidated securities, ACRPC will be able to control its cash flow for the foreseeable future.

Factors leading to the decrease in net assets include the following:

Revenues: ACRPC operating revenues increased by \$54,553 compared to the previous fiscal year, but were about \$43,000 under ACRPC's projected budget. While the revenues were higher than operating revenues in previous years, the decrease in projected revenues was greater than the decrease in actual operating expenses. The decrease in projected revenues stemmed from several programs and events.

The biggest event contributing to ACRPC's failure to hit its revenue projections stemmed from the unprecedented turnover of nearly half of its staff (3 of 7) during this fiscal year. Over many years, ACRPC has been blessed with a very competent and stable staff. This year proved to be the exception as retirement and other outside life forces caused the turnover. Replacing and training new staff takes time. During the transitions, ACRPC's remaining staff completed the work that needed to be done, but was unable to bill several programs. The most significant of these included the Municipal Planning Grant (MPG) contracts, the NRPC Grant's in Aid Program, and the EMPG program. It also caused timing delays moving some work until the next fiscal year in the VTrans Back Roads Cat A program and the NRPC Municipal Energy 3 program. Increases in other funding sources, like the revenue generated from managing the Seymour Street Sidewalk Project, the general Transportation Program and LEPC administration were not significant enough to make up for the other revenue losses. The net of all these programs led to the decrease in revenue from the previous year.

Expenditures: ACRPC'S expenditures generally tracked ACRPC's projections. The largest change, again driven by the turnover discussed above, was in staff costs, which came in about \$16,000 lower than the projected budget. Other expenses also came in slightly under projects, so that total expenses were about \$26,000 under projections. However, the decrease in expenses were not significant enough to totally offset the drop in projected revenue, resulting in the small operating loss of roughly \$6,000 ACRPC experienced.

Addison County Regional Planning Commission
Management's Discussion and Analysis
For the Year Ended June 30, 2019

Management's Discussion and Analysis (continued)

As of June 30, 2019 the capital assets owned by the Commission had a carrying value of \$140,940 and accumulated depreciation of \$137,571 resulting in a net book value of \$2,276, a decrease of \$1,093 from the previous year. The decrease stems from depreciation expense of \$1,093.

Overall management was modestly disappointed with the financial results it achieved in 2019 after three consecutive years of small surpluses. Given that management believes most of the turnover was driven by external forces, and a significant portion of the lost revenue was delayed into the next fiscal year, management believes this constitutes a one-time issue that will not impact the next fiscal year. In the long run, management recognizes that in order to continue providing planning services to the Addison County Region, ACRPC must maintain its current sound financial foundation. ACRPC will continue to forecast conservatively moving into the future and intends to operate with a modest projected fund balance in the coming year.

Charts summarizing the Commission's Consolidated Statement of Net Assets and the Commission's Revenues, Expenditures and Changes in Net Assets follow.

Table 1
Condensed Statement of Net Assets
June 30,

	<u>2019</u>	<u>2018*</u>	<u>\$ Change</u>	<u>% Change</u>	<u>2017</u>	<u>\$ Change</u>	<u>% Change</u>
Current Assets	\$ 417,144	\$ 411,525	\$ 5,619	1.09%	\$ 430,842	\$ (19,317)	(4.48%)
Capital Assets, Net	<u>2,276</u>	<u>3,369</u>	<u>(1,093)</u>	<u>(32.44%)</u>	<u>2,110</u>	<u>1,259</u>	<u>59.67%</u>
Total Assets	419,420	414,894	4,526	1.09%	432,952	(18,058)	(4.0%)
Current Liabilities	<u>106,999</u>	<u>96,517</u>	<u>10,482</u>	<u>10.86%</u>	<u>114,738</u>	<u>(18,221)</u>	<u>(15.88%)</u>
Total Net Assets	\$ <u>312,421</u>	\$ <u>318,377</u>	\$ <u>(5,956)</u>	<u>(1.87%)</u>	\$ <u>318,214</u>	\$ <u>163</u>	<u>.05%</u>

Addison County Regional Planning Commission
Management's Discussion and Analysis
For the Year Ended June 30, 2019

Management's Discussion and Analysis (continued)

Table 2
Condensed Statement of Revenues, Expenses and Changes in Net Assets
For the years ended June 30,

	<u>2019</u>	<u>2018*</u>	<u>\$ Change</u>	<u>% Change</u>	<u>2017</u>	<u>\$ Change</u>	<u>% Change</u>
Revenues	\$ 719,463	\$ 663,820	\$ 55,643	8.38%	\$ 682,339	\$ (18,519)	(3.0%)
Total Expenses	<u>725,419</u>	<u>663,657</u>	<u>61,672</u>	<u>9.31%</u>	<u>665,298</u>	<u>(1,641)</u>	<u>(.25%)</u>
Change in Net Assets	(5,956)	163	(6,119)	3,753.9%	17,041	16,878	(6.92%)
Beginning Net Assets	<u>318,377</u>	<u>318,214</u>	<u>163</u>	<u>.05%</u>	<u>301,173</u>	<u>17,041</u>	<u>99.0 %</u>
Total Net Assets	\$ <u>312,421</u>	\$ <u>318,377</u>	\$ <u>(5,956)</u>	<u>(1.87%)</u>	\$ <u>318,214</u>	\$ <u>163</u>	<u>.05%</u>

Additional Financial Information

This financial report is designed to provide the Commission's interested parties with an overview of the Commission's financial operations and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional financial information, please contact the Addison County Regional Planning Commission at 14 Seminary Street, Middlebury, Vermont 05753.

ADDISON COUNTY REGIONAL PLANNING COMMISSION

STATEMENTS OF NET ASSETS

JUNE 30, 2019 AND 2018

ASSETS

	<u>2019</u>	<u>2018*</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 217,327	\$ 284,245
Municipal Assessments receivable	27,642	24,847
Individual program receivables	157,275	86,815
Prepaid expenses	13,315	14,397
Utilities and miscellaneous receivables	1,585	1,221
TOTAL CURRENT ASSETS	<u>417,144</u>	<u>411,525</u>
CAPITAL ASSETS		
Equipment net of accumulated depreciation of \$138,664 in 2019 and \$137,571, in 2018	<u>2,276</u>	<u>3,369</u>
TOTAL ASSETS	<u><u>\$ 419,420</u></u>	<u><u>\$ 414,894</u></u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable	\$ 15,717	\$ 9,345
Accrued and withheld payroll taxes	126	132
Employee benefits withheld and accrued (FSA)	1,157	0
Vacation wages payable	44,043	44,704
Deferred Town Assessments	43,237	42,336
Deferred Walk-Bike Summit	2,719	0
	<u>106,999</u>	<u>96,517</u>
TOTAL CURRENT LIABILITIES		
NET ASSETS		
Invested in capital assets	2,276	3,369
Unrestricted net assets	<u>310,145</u>	<u>315,008</u>
Total net assets	<u>312,421</u>	<u>318,377</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 419,420</u></u>	<u><u>\$ 414,894</u></u>

* Reclassified for comparative purposes

See accompanying independent auditors' report and notes to the financial statements.

ADDISON COUNTY REGIONAL PLANNING COMMISSION
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

OPERATING REVENUES	<u>2019</u>	<u>2018*</u>
State of Vermont: DCA	\$ 235,358	\$ 234,440
Municipal Assessments	42,336	41,297
TA MPG Contracts (TP/ZB/SDR)	10,197	17,659
Chargepoint (Charging Station)	443	474
Municipal Agreement FC APP	500	0
Transportation - ISTE A	252,304	150,469
Middlebury Exchange Street Sidewalk (STPBP(13)11)	4,897	4,222
Middlebury PMB/Seymour St. Proj (STPBP 14(8))	12,464	7,897
VTRANS Back Roads - Cat A	32,423	13,635
Town Contracts - Cat A	7,333	0
NR ACRPC WQ2017 604B	3,636	3,636
NR - WQ # 2016-604B-01	0	20,002
Bristol ERP Project	2,799	454
Chittenden County RPC - WQ FY2019	19,077	0
NR Vergennes Stormwater ERP	0	2,450
Chittenden County RPC - WQ FY2017	0	795
CCRPC/ACRPC WQ 2018	1,054	30,325
BCRPC-ACRPC (Regional Energy Planning)	0	14,000
NWRPC-ACRPC (Municipal Energy)	0	6,895
NWRPC- Municipal Energy 2	4,400	11,800
NWRPC- Municipal Energy 3	15,600	0
NWRPC- Grants-In-Aid Project	13,563	13,009
EM-Local Liason Agreement	3,514	8,233
EM-EMPG #2140-31026C-001	26,300	0
EM-EMPG #2140-31024C-004	0	14,779
EM - EMPG - 2140-31025C-001	10,290	33,801
Two Rivers RC-HMEP Field Work	0	520
Chittenden County RPC-2016 HMGP-001	0	1,588
Watershed Consultants - P3 Project	1,324	0
EM- HMPG State #02140-34000-106k	1,152	0
EM- HMPG State #02140-34000-106k	5,187	19,557
Other-(New Revenue) LEPC Admin	10,865	10,526
TOTAL OPERATING REVENUES	\$ <u>717,016</u>	\$ <u>662,463</u>
 OPERATING EXPENSES		
Building and Occupancy Costs	50,110	50,229
General Office and Program Costs	61,518	62,221
Grant Expenditures	10,408	9,036
Staff Cost	471,607	492,064
Consultants	130,683	49,090
Depreciation	1,093	1,017
Capital Budget	0	0
TOTAL OPERATING EXPENSES	<u>725,419</u>	<u>663,657</u>
 OPERATING INCOME	<u>(8,403)</u>	<u>(1,194)</u>
 NON OPERATING REVENUES (EXPENSE)		
Interest Income	<u>2,447</u>	<u>1,357</u>
 Increase (decrease) in net assets	(5,956)	163
Net Assets: Beginning of year	<u>318,377</u>	<u>318,214</u>
Net Assets: End of year	\$ <u>312,421</u>	\$ <u>318,377</u>

* Reclassified for comparative purposes
See accompanying independent auditors' report and notes to the financial statements.

ADDISON COUNTY REGIONAL PLANNING COMMISSION

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	<u>2019</u>	<u>2018*</u>
Operating Income	\$ (8,403)	\$ (1,194)
Adjustment to reconcile operating income to net cash from operating activities.		
Depreciation	1,093	1,017
Changes in operating assets and liabilities:		
(Increase) decrease in:		
Municipal Assessments receivable	(2,795)	9,893
Individual program receivables	(70,460)	29,834
Prepaid expenses	1,082	(11)
Utilities and miscellaneous receivables	(364)	(220)
(Decrease) increase in:		
Accounts payable	6,372	(17,434)
Accrued and withheld payroll taxes	(6)	(28)
Employee benefits withheld and accrued (FSA)	1,157	(440)
Vacation wages payable	(661)	(1,358)
Deferred Town Assessments	901	1,039
Deferred Walk-Bike Summit	<u>2,719</u>	<u>0</u>
Total adjustments	<u>(60,962)</u>	<u>22,292</u>
Net cash provided by (used in) Operations	<u>(69,365)</u>	<u>21,098</u>
INVESTING ACTIVITIES		
Interest Income	<u>2,447</u>	<u>1,357</u>
Net cash provided by (used in) investing activities	<u>2,447</u>	<u>1,357</u>
CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of property and equipment	<u>0</u>	<u>(2,276)</u>
Net cash provided by (used in) financing activities	<u>0</u>	<u>(2,276)</u>
Net increase (decrease) in cash and cash equivalents	(66,918)	20,179
Cash and cash equivalents at beginning of year	<u>284,245</u>	<u>264,066</u>
Cash and cash equivalents at end of year	\$ <u><u>217,327</u></u>	\$ <u><u>284,245</u></u>
Cash paid during the year for interest and taxes	\$ <u><u>0</u></u>	\$ <u><u>0</u></u>

* Reclassified for comparative purposes

See accompanying independent auditors' report and notes to the financial statements.

ADDISON COUNTY REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019 AND 2018

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Addison County Regional Planning Commission (ACRPC) was formed in April 1967. The Commission receives the support of twenty-one municipalities in Addison County. The activities of the Commission are governed largely by statute, namely Chapter 117 of Title 24 of the Vermont Statutes Annotated. One of the primary objectives of the Commission has been, and continues to be, providing local elected and appointed officials and the general public with information; training and technical assistance necessary to facilitate the ability of locally elected and controlled municipal government to serve the needs of its citizens. The Commission's work program reflects the needs expressed by its member municipalities and priorities of state or federal funding agencies. The Commission assists its members by preparing municipal plans and bylaws. It also addresses area-wide concerns such as land use planning, economic development, energy and transportation, housing, emergency management and natural resources planning.

As part of its assistance, ACRPC speaks for municipal interests in many forums involving state and federal agencies. The Commission is a clearinghouse for the Vermont Intergovernmental Coordination System (VICS). It reviews projects and programs specifically related to Addison County and the state as a whole. The Commission represents the region at Act 250 and Section 248 hearings and in various state and federal programs involving land use planning, transportation planning, natural resources planning, emergency planning, outdoor recreation, housing, energy planning and other programs. Assistance is available to municipalities and institutions for procurement of state and federal grants. The above activities demonstrate only a portion of the Commission's ongoing programs and projects.

1. Basis of accounting

The Organization prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Under the accrual basis of accounting, revenues are recorded as earned and expenses are recorded at the time liabilities are incurred.

2. Property and Equipment

Equipment purchases are recorded at cost and depreciation is calculated using straight-line and declining methods over the estimated useful lives of the assets, typically 5-10 years. It is the Commission's policy to expense items costing less than \$1,000. Assets acquired with project funds are recorded at cost and expensed fully in the year of acquisition. Upon the sale or retirement of the item, the costs and related accumulated depreciation are eliminated from the respective accounts, and the resulting gain or loss is included in the accompanying Statement of Revenues, Expenses and Changes in Net Assets.

See accompanying independent auditors' report.

ADDISON COUNTY REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019 AND 2018

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3. Estimates

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

4. Income Taxes

As determined by the Internal Revenue Service in 1970, Addison County Regional Planning Commission has been classified as an organization performing essential government functions for its members. ACRPC constitutes a political subdivision of the State of Vermont. Income earned by ACRPC is excluded from gross income under Section 115 (a) (1) of the Internal Revenue Code. The Commission is not required to file federal or state income tax returns.

5. Government Accounting

The financial transactions of the Commission have been received and reported as government type activities. The Commission uses fund accounting.

6. Concentration of Credit Risk

At various times during the fiscal year the Commission's cash accounts may have exceeded the Federal Deposit Insurance Corporation (FDIC) insured limit of \$250,000. The Commission's policy is to maintain funds for operating purposes in accounts where the balances are government secured.

B. TOWN ASSESSMENTS

The town assessments receivable and associated deferred revenue at June 30, 2019 and 2018 respectively are based on the Vermont Department of Health's estimated population figures excluding group quarters at a rate of \$1.29 per capita in 2019 and \$1.23 per capita in 2018 with a minimum of \$200 per town in both 2019 and 2018. Revenue for 2019 and 2018 was based on the 2010 US Census population figures, excluding institutional or group quarters' population as approved by the Commission.

See accompanying independent auditors' report.

ADDISON COUNTY REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019 AND 2018

C. CASH

Cash at June 30 consists of:

	<u>2019</u>	<u>2018</u>
Checking accounts	\$ 54,325	\$ 123,690
Money Market Account	46,274	6,408
Certificates of Deposit	<u>6,455</u>	<u>46,248</u>
Total Bank Accounts	<u>107,054</u>	<u>176,346</u>
 Vanguard Money Market	 <u>110,273</u>	 <u>107,899</u>
Total Cash	\$ <u>217,327</u>	\$ <u>284,245</u>

The Vanguard Money Market account is backed by U.S. Government Securities.

State statutes authorize investments in such securities as savings banks or securities that fiduciaries or trustees are allowed to hold.

D. COMPENSATED ABSENCES

It is the policy of Addison County Regional Planning Commission to accrue compensated absences based on the liability due on June 30. Vacation leave is available for full-time and regular part-time staff on a prorated basis. No vacation leave is granted for employees who work less than 19 hours per week. The vacation wage expense is the adjustment of the vacation wages payable as of June 30 of the prior year to the vacation wages payable as of June 30 of the current year as follows:

	<u>2019</u>	<u>2018</u>
Accrued vacation current year	\$ 44,043	\$ 44,704
Accrued vacation prior year	<u>44,704</u>	<u>46,062</u>
 Vacation wages expense	 \$ <u>(661)</u>	 \$ <u>(1,358)</u>

E. DEFERRED REVENUE AND MUNICIPAL ASSESSMENTS RECEIVABLE

Deferred Town Assessments of \$43,237 and \$42,336 at June 30, 2019 and 2018 represent the total fiscal year municipal assessments billed for the upcoming fiscal year. \$15,595 and \$17,489 of assessments were received by the Commission prior to the end of the fiscal years ending June 30, 2019 and 2018, resulting in municipal assessments receivable balances totaling \$ 27,642 and \$24,847 at June 30, 2019 and 2018. ACRPC expects the balance in Municipal Assessments receivable at 6/30/2019 to be fully collectible; accordingly no allowance for doubtful accounts is required.

See accompanying independent auditors' report.

ADDISON COUNTY REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019 AND 2018

F. PROGRAM RECEIVABLES

Receivables from individual programs as of June 30, relate to the following programs:

	<u>2019</u>	<u>2018*</u>
State of Vermont DCA	\$ 13,755	\$ 13,708
Local TA Contracts (TP/ZB/SDR)	3,101	10,263
Charge Point	32	40
T21	36,596	17,232
Middlebury-Seymour Street (STPBP (14)(8)	2,330	663
VTrans Back Roads CAT A	46,058	13,635
Watershed Consultants-P3 Project	1,324	454
CCRPC WQ-FY 2018	1,818	5,190
NWRPC – (Municipal Energy-3)	15,600	0
NWRPC - Grants in Aid Project	7,181	5,155
EM – Local Liaison Agreement	614	1,100
LEPC-Admin	415	718
(EM) HMGP #02140-34000-106K	725	897
Middlebury Exchange Street (STPBP (13)(11)	1,549	0
LEPC-Staff Assistance	1,345	0
CCRPC WQ-FY 2019	8,460	0
(EM) EMPG-H2140-31026C-001	8,090	0
(EM) HMGP #02140-34000C-106K	448	0
Town Contracts- CAT A	7,334	0
Municipal Assessments-Fulcrum App	500	0
NWRPC – (Municipal Energy-2)	0	11,800
(EM) EMPG -02140-31025C-001	<u>0</u>	<u>5,960</u>
Totals	\$ <u>157,275</u>	\$ <u>86,815</u>

ACRPC expects the balance in Program receivables at 6/30/2019 to be fully collectible; accordingly, no allowance for doubtful accounts is required.

G. SINGLE AUDIT REQUIREMENT

For the years ended June 30, 2019 and June 30, 2018, the Commission is exempt for the Single Audit Act of 1996 as it expended less than \$750,000 in federal funds for each respective year.

See accompanying independent auditors' report.

ADDISON COUNTY REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019 AND 2018

H. EQUIPMENT

Activity for the years ended June 30, 2019 and 2018 are:

Activity for the year ended 6/30/2019		Accumulated	Book
	<u>Cost</u>	<u>Depreciation</u>	<u>Value</u>
Balances at 6/30/2018	\$ 140,940	\$ 137,571	\$ 3,369
Acquisitions	0	0	0
Dispositions	0	0	0
Depreciation	0	1,093	(1,093)
Balance at 6/30/2019	\$ <u>140,940</u>	\$ <u>138,664</u>	\$ <u>2,276</u>
Activity for the year ended 6/30/2018		Accumulated	Book
	<u>Cost</u>	<u>Depreciation</u>	<u>Value</u>
Balances at 6/30/2016	\$ 138,664	\$ 135,554	\$ 2,110
Acquisitions	2,276	0	2,276
Dispositions	0	0	0
Depreciation	0	1,017	(1,017)
Balance at 6/30/2017	\$ <u>140,940</u>	\$ <u>137,571</u>	\$ <u>3,369</u>

Depreciation has been allocated as follows for the years ending June 30, 2016 and 2015.

	<u>2019</u>	<u>2018</u>
Depreciation – Direct	\$ 1,093	\$ 1,017
Depreciation – Allocated to Grants	0	0
Total	\$ <u>1,093</u>	\$ <u>1,017</u>

I. FUND BALANCE TRANSFERS

Fund balance transfers for the year ended June 30, 2019 were as follows:

	Core	Equipment	Total
	<u>Programs</u>	<u>Fund</u>	
Transfers for new equipment	\$ 0	\$ 0	\$ 0
Transfer from Equip. fund to depreciation	1,093	(1,093)	0
Excess of resources over expenditures	(5,956)	0	(5,956)
Beginning Fund Balance	<u>315,008</u>	<u>3,369</u>	<u>318,377</u>
Ending Fund Balance	\$ <u>310,145</u>	\$ <u>2,276</u>	\$ <u>312,421</u>

See accompanying independent auditors' report.

ADDISON COUNTY REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019 AND 2018

I. FUND BALANCE TRANSFERS (Continued)

Fund balance transfers for the year ended June 30, 2018 were as follows:

	Core Programs	Equipment Fund	Total
Transfer for new equipment	\$ (2,276)	\$ 2,276	\$ 0
Transfer of equipment fund to depreciation	1,017	(1,017)	0
Excess of resources over expenditures	15,861	0	163
Beginning Fund Balance	<u>316,104</u>	<u>2,110</u>	<u>318,214</u>
Ending Fund Balance	\$ <u>330,706</u>	\$ <u>3,369</u>	\$ <u>318,377</u>

J. OPERATING LEASES

In May of 2019 the Commission entered into a five year extension of its operating lease for office space at 14 Seminary Street in Middlebury, Vermont. The previous lease expired at the end of June 2019. The new lease has been extended through June 30, 2024 with monthly lease payments of \$3,700 and contains an option to extend the lease for an additional five years on all of the same terms and conditions set forth in the current extension. Lease expense for the years ended June 30, 2019 and 2018 was \$39,621. Future minimum lease payments are as follows:

Year ending June 30, 2020	\$ 44,400
Year ending June 30, 2021	44,400
Year ending June 30, 2022	45,240
Year ending June 30, 2023	45,240
Year ending June 30, 2024	<u>46,140</u>
Total	\$ <u>225,420</u>

In August of 2015, Addison County Regional Planning Commission signed a sixty month operating lease with Canon Solutions of America. Terms of the lease call for monthly payments of \$240.00 through August 2020. ACRPC has opted to pay for the copies it makes rather than pay a set fee for copies as it was determined this method was more cost efficient. Black and white copies are billed at .00490 per copy and color copies at .05500 per copy. The lease includes a full service maintenance agreement to include all parts, labor, travel and toner. The lease payments and copy expense was \$5,984 in 2019 and \$6,301 in 2018.

See accompanying independent auditors' report

ADDISON COUNTY REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019 AND 2018

J. OPERATING LEASES (CONTINUED)

Future minimum lease payments are as follows:

Year ending June 30, 2020	\$ 2,880
Year ending June 30, 2021	<u>480</u>
Totals	\$ <u>3,360</u>

K. NAMES OF PROGRAMS

ISTEA	- Transportation Planning Services Agreement
WQ	- Water Quality Funds
CPDP	- Community Planning Development Fund
EM	- Emergency Management

L. RETIREMENT PLAN

The Commission maintains a SEP-IRA from the Vanguard Funds Group for its employees. The Commission contributes 7% of each eligible employee's salary to a fund established for the employee. The employer may contribute up to 15% of compensation for each employee for an annual maximum of \$30,000. The amount contributed by the Commission is fully vested in each employee's name.

M. CORRECTION OF AN ERROR

During the year ended June 30, 2019, it was determined that certain expenditures related to one of the Commission's multi-fiscal year transportation projects were unable to be reimbursed as expected. This change resulted in a reduction of revenue for the Category A transportation program and the related program receivables for the prior fiscal year totaling \$15,698. The change has the following effect on revenues and net assets for the year ended June 30, 2018.

	As originally <u>Presented</u>	<u>After Correction</u>
Operating revenues at 6/30/2018	\$ <u>678,161</u>	\$ <u>662,463</u>
Net assets at 6/30/2018	\$ <u>334,075</u>	\$ <u>318,377</u>

See accompanying independent auditors' report

ADDISON COUNTY REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019 AND 2018

N. SUBSEQUENT EVENTS

Subsequent events were evaluated through December 20, 2019 which is the date the financial statements were available to be issued. There are no subsequent events that require disclosure under accounting principles generally accepted in the United States of America.

See accompanying independent auditors' report

ADDISON COUNTY REGIONAL PLANNING COMMISSION

BUDGETARY COMPARISON SCHEDULE-REQUIRED SUPPLEMENTAL INFORMATION

FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amount	Actual Amount	Variance Over (Under)
<u>OPERATING REVENUES</u>			
State of Vermont: DCA	\$ 233,142	\$ 235,358	\$ 2,216
Municipal Assessments	42,000	42,336	336
TA MPG Contracts (TP/ZB/SDR)	20,000	10,197	(9,803)
Chargepoint (Charging Station)	300	443	143
Municipal Agreement FC APP	0	500	500
Transportation - ISTE A	246,700	252,304	5,604
Middlebury Exchange Street Sidewalk (STPBP(13)11)	6,000	4,897	(1,103)
Middlebury PMB/Seymour St. Proj (STPBP 14(8))	1,000	12,464	11,464
VTRANS Back Roads - Cat A	42,000	32,423	(9,577)
Town Contracts - Cat A	0	7,333	7,333
NR ACRPC WQ2017 604B	3,636	3,636	0
Bristol ERP Project	5,200	2,799	(2,401)
Chittenden County RPC - WQ FY2019	25,000	19,077	(5,923)
Chittenden County RPC - WQ FY2018	0	1,054	1,054
NWRPC- Municipal Energy 2	0	4,400	4,400
NWRPC- Municipal Energy 3	30,000	15,600	(14,400)
NWRPC- Grants-In-Aid Project	28,000	13,563	(14,437)
EM-Local Liason Agreement	5,000	3,514	(1,486)
EM-EMPG #2140-31026C-001	50,000	26,300	(23,700)
EM - EMPG - 2140-31025C-001	0	10,290	10,290
Watershed Consultants - P3 Project	0	1,324	1,324
EM- HMPG State #02140-34000-106k	0	1,152	1,152
EM- HMPG State #02140-34000-106k	15,000	5,187	(9,813)
Other-(New Revenue) LEPC Admin	7,200	10,865	3,665
TOTAL OPERATING REVENUES	\$ 760,178	\$ 717,016	\$ (43,162)

OPERATING EXPENSES

BUILDING/OCCUPANCY COSTS

Rent	\$ 39,000	\$ 39,621	\$ 621
Electricity	7,000	6,029	(971)
Insurance - Fire/Liability	1,000	983	(17)
Rubbish Removal	1,100	1,229	129
Repairs, Misc. Building Expense	500	148	(352)
Janitorial Expense	2,500	2,100	(400)
Propane	100	0	(100)
TOTAL BUILDING/OCCUPANCY EXPENSES	51,200	50,110	(1,090)

GENERAL OFFICE/PROGRAM

Accounting	7,000	6,639	(361)
Advertising	1,000	2,393	1,393
Auto and Charging Station	4,500	2,648	(1,852)
Data Expense	1,200	0	(1,200)
Dues Government Relations	4,000	3,455	(545)
Dues/ Subscriptions/VSA/Library/Data	5,000	3,879	(1,121)
Insurance - Public Officials	9,000	6,481	(2,519)
Legal Expense	0	644	644
Miscellaneous	1,000	99	(901)
Meeting Expense	4,000	3,192	(808)
Postage	2,000	1,604	(396)
Copy Machine Expense	6,000	5,984	(16)
Printing/ Publications	1,000	2,185	1,185
Office Supplies Expense	2,200	2,391	191
Software Upgrade/ Supplies	4,000	5,367	1,367
Telephone & Internet	6,500	6,374	(126)
Training/Travel & Conferences	4,000	1,869	(2,131)
Website Maintenance	5,200	5,919	719
Equipment Maintenance	1,000	395	(605)
TOTAL GENERAL OFFICE/PROGRAM EXPENSES	\$ 68,600	\$ 61,518	\$ (7,082)

See accompanying independent auditors' report and notes to the financial statements.

ADDISON COUNTY REGIONAL PLANNING COMMISSION

BUDGETARY COMPARISON SCHEDULE - REQUIRED SUPPLEMENTAL INFORMATION (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted	Actual	Variance
	Amount	Amount	Over (Under)
<u>GRANT EXPENSES</u>			
MPG TA Contracts (TP/ZB/SDR) Regional Energy Management	\$ 500	\$ 0	\$ (500)
Transportation SAFTEA-LEU (General Program)	6,000	2,681	(3,319)
P3 Project	0	26	26
Middlebury Exchange Street Sidwalk	100	0	(100)
Middlebury Pulp Mill Bridge Enhancement	100	0	(100)
NR- Bristol Stormwater ERP	300	15	(285)
Vtrans Local Roads - Cat A	1,000	3,168	2,168
Ferrisburgh - Cat A	0	668	668
New Haven - Cat A	0	551	551
Waltham - Cat A	0	473	473
Chittenden County RPC-WQ-FY18	500	0	(500)
Grants - In - Aid	0	319	319
Municipal Agreement - FC App	0	190	190
NR - WQ - 604B	100	0	(100)
NWRPC Municipal Energy	300	35	(265)
EM - EMPG	2,000	2,232	232
EM-Local Liason	0	50	50
TOTAL GRANT EXPENSES	<u>10,900</u>	<u>10,408</u>	<u>(492)</u>
Capital Budget Totals	<u>3,500</u>	<u>0</u>	<u>(3,500)</u>
<u>STAFF COSTS</u>			
Vacation wage adjustment	0	(662)	(662)
Salaries	375,000	369,476	(5,524)
Taxes - FICA/MED	29,156	28,106	(1,050)
Unemployment Compensation	1,400	1,009	(391)
Employee Life/ Disability Insurance	3,400	2,825	(575)
Health Insurance	48,000	42,566	(5,434)
Insurance - Delta Dental and Vision	3,600	2,361	(1,239)
Insurance - Workers Comp	1,300	965	(335)
Retirement	26,250	24,961	(1,289)
TOTAL STAFF EXPENSES	<u>488,106</u>	<u>471,607</u>	<u>(16,499)</u>
<u>CONSULTANTS</u>			
AMERICORP HOST	6,500	6,929	429
TRANS SAFTEA-LEU (GENERAL PROGRAM)	120,000	123,754	3,754
TOTAL CONSULTANT EXPENSES	<u>126,500</u>	<u>130,683</u>	<u>4,183</u>
<u>OTHER (INCOME) EXPENSES</u>			
Contingency	0	0	0
Interest Income	(600)	(2,447)	(1,847)
Depreciation	0	1,093	1,093
TOTALS	<u>(600)</u>	<u>(1,354)</u>	<u>(754)</u>
TOTALS	\$ <u>748,206</u>	\$ <u>722,972</u>	\$ <u>(25,234)</u>

See accompanying independent auditors' report and notes to the financial statements.

ADDISON COUNTY REGIONAL PLANNING COMMISSION
SCHEDULE II - STATEMENT OF REVENUES AND EXPENSES

T21 STP-SPR PL- 1 (55) #GR 1145
FOR THE YEAR ENDED JUNE 30, 2019

REVENUES

T21 STP-SPR PL- 1 (55) #GR 1145	\$ <u>71,311</u>
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EXPENSES

Regular Salaries and Wages	13,847
Overhead/Fringe (131.35%)	18,189
Consultants	19,709
Training/Travel/Conference	137
Meetings/Supplies/Equipment	238
T7 Consultants-VTrans & Stantec	<u>24,403</u>

TOTAL EXPENSES	<u><u>76,523</u></u>
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EXCESS OF EXPENSES OVER REVENUES PROVIDED OUT OF LOCAL MATCH / CORE PROGRAM	\$ <u><u>(5,212)</u></u>
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See accompanying independent auditors' report and notes to the financial statements.

ADDISON COUNTY REGIONAL PLANNING COMMISSION
SCHEDULE II - STATEMENT OF REVENUES AND EXPENSES

T21 STP-SPR PL- 1 (56) #GR1342
FOR THE YEAR ENDED JUNE 30, 2019

REVENUES

T21 STP-SPR PL- 1 (56) #GR1342	\$ <u>180,993</u>
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EXPENSES

Regular Salaries and Wages	46,610
Overhead/Fringe (131.35%)	61,222
Consultants	16,368
Training/Travel/Conference	1,288
Meetings/Supplies/Equipment	1,439
T7 Consultant-Stantec	63,274
T8 Bike/Ped 2020 Summit	<u>3,485</u>

TOTAL EXPENSES	<u>193,686</u>
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EXCESS OF EXPENSES OVER REVENUES	
PROVIDED OUT OF LOCAL MATCH / CORE PROGRAM	\$ <u>(12,693)</u>

See accompanying independent auditors' report and notes to the financial statements.

ADDISON COUNTY REGIONAL PLANNING COMMISSION

SCHEDULE III - INDIRECT OVERHEAD AND FRINGE RATE

FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

The indirect overhead rate charged to programs are calculated as follows:

	<u>2019</u>	<u>2018*</u>
1- Total Direct Salary and Direct Fringe benefits	\$ <u>336,764</u>	\$ <u>361,446</u>
2 - Overhead:		
Indirect salary expense	135,504	131,976
Fringe benefits: Vacation, payroll taxes, BCBS, Life & Disability Insurance, Dental, Workers Compensation and Retirement		
Other Indirect Costs		
Building	\$ 50,110	\$ 50,229
Office Operations	56,589	55,552
Depreciation	<u>1,093</u>	<u>1,017</u>
	<u>107,792</u>	<u>106,798</u>
Total Indirect Costs	<u>243,296</u>	<u>238,774</u>
3 - Indirect Rate		
Total Indirect Costs	\$ <u>243,296</u>	\$ <u>238,774</u>
Total Direct Salary	\$ <u>336,764</u>	\$ <u>361,446</u>
Indirect Rate	<u>72%</u>	<u>66%</u>

* For the fiscal year ending June 30, 2019 the Commission changed the way it calculates the indirect rate to be consistent with the presentation of other Regional Planning Commissions by including direct fringe benefits with direct salaries instead of with indirect costs. The indirect rate for the fiscal year ending June 30, 2018 was reclassified for comparative purposes.

See accompanying independent auditors' report and notes to the financial statements.

ADDISON COUNTY REGIONAL PLANNING COMMISSION

SCHEDULE IV EXPENDITURES OF FEDERAL AWARDS- INCLUDING VTRANS PASSTHROUGH FOR THE YEAR ENDED JUNE 30, 2019

Federal Grantor/ Pass-through Program Title	Pass-through Grantors Number	Federal CFDA Number	Start Date	Federal Award Amount	FY 2019 Expenditures Federal Funds
Public Safety	02140-31026C-001 (EMPG18)	97.042	10/1/2018	45,105	26,300
Public Safety	02140-31025C-001 (EMPG17)	97.042	10/1/2017	50,455	10,290
Public Safety	02140-34000-106K	97.039	9/23/2016	216,000	5,187
Public Safety	02140-34000MC		9/23/2016	4,320	1,152
Public Safety	Local Liason Agreement				3,514
Agency of Transportation	08122-GR1145	20.205	10/1/2017	172,242	61,218
Agency of Transportation	08122-GR1342 (As Amended)	20.205	10/1/2018	241,544	154,949
Agency of Transportation	08126-BR0402 (BRPA018-071)	20.205	7/1/2017	8,000	963
Agency of Transportation	08126-BR0403 (BRPA018-072)	20.205	7/1/2017	8,000	2,667
Agency of Transportation	08126-BR0404 (BRPA018-073)	20.205	7/1/2017	8,000	4,579
Agency of Transportation	08126-BR0405 (BRPA018-074)	20.205	7/1/2017	8,000	2,657
Agency of Transportation	08126-BR0406 (BRPA018-075)	20.205	7/1/2017	8,000	2,619
Agency of Transportation	08126-BR0407 (BRPA018-076)	20.205	7/1/2017	8,000	5,333
Agency of Transportation	08126-BR0408 (BRPA018-077)	20.205	7/1/2017	8,000	1,795
Agency of Transportation	08126-BR0409 (BRPA018-078)	20.205	7/1/2017	8,000	2,885
DHCA	Parcel Mapping				1,673
<u>Sub Grants</u>					
Two Rivers RPC/ACRPC	WQ2018-604B-01		11/16/2018	3,636	3,636
Town of Middlebury	Exchange Street Sidewalk STP BP (13) 11			Hourly Billing Rate	4,407
Town of Middlebury	Seymour Street/Pulp Mill Bridge Sidewalk Project STP BP 14(8)			Hourly Billing Rate	9,891
Total Federal Expenditures					<u><u>305,715</u></u>

Revenues and expenditures are on the accrual basis of accounting

See accompanying independent auditors' report and notes to the financial statements.

Vance P. DeBouter, CPA, PC

181 West College Street
Oberlin, Ohio 44074

INDEPENDENT AUDITORS REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT ACCOUNTING STANDARDS

To the Board of Commissioners
Addison County Regional Planning Commission
14 Seminary Street
Middlebury, VT 05753

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the Addison County Regional Planning Commission for the year ended June 30, 2019 and the related notes to the financial statements, which collectively comprise Addison County Regional Planning Commission's basic financial statements and have issued my report thereon dated December 20, 2019.

Internal Control over Financial Reporting

In planning and performing my audit, I considered Addison County Regional Planning Commission's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Addison County Regional Planning Commission's internal control. Accordingly, I do not express an opinion on the effectiveness of Addison County Regional Planning Commission's internal control.

A deficiency in control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

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



Vance P. DeBouter, CPA, PC
Oberlin, Ohio
December 20, 2019
Certified Public Accountant
VT Professional License # 624

Vance P. DeBouter, CPA, PC

181 West College Street
Oberlin, Ohio 44074

December 20, 2019

State of Vermont
Agency of Transportation (VTrans)
One National Life Drive
Montpelier, VT 05091

In connection with the audit of the financial statements of Addison County Regional Planning Commission for the year ended June 30, 2019, and the provisions of the existing grant agreements in place between VTrans and Addison County Regional Planning Commission, I offer the following:

- I am a duly licensed Vermont CPA Firm.
- I am independent in respects to auditing Addison County Regional Planning Commission.
- I have completed the June 30, 2019 annual independent audit of Addison County Regional Planning Commission and have issued my report dated December 20, 2019.
- As part of the annual independent audit I tested certain transactions associated with the establishment of the "Indirect Cost Rate" and in-kind match in accordance with the latest approved procedure for implementing the use of in-kind and non-federal matching funds.

Nothing came to my attention during the course of the audit that would result in material non-compliance.

Sincerely,



Vance P. DeBouter, CPA
Vance P. DeBouter, CPA, PC
Vermont Firm License # 624

Attachment 6:

Certificate of Good Standing

Appendix 2
Act 154 Good Standing Certification

Applicant Name Addison County Regional Planning Commission
Address 14 Seminary Street Middlebury, Vermont 05753

As an authorized representative of the grant applicant and in accordance with Act 154 of 2016, Section 13*, I hereby certify on behalf of the Applicant that

(check one):



The Applicant is currently in "good standing" with the Agency of Natural Resources and the Agency of Agriculture, Food and Markets. The Applicant is not a named party in any administrative order, consent decree, or judicial order relating to Vermont water quality standards issued by the State or any of its agencies or departments and is in compliance with all federal and State water quality laws and regulations.

Further, the Applicant will notify the State agency or department administering this State-funded grant if no longer in good standing with the Agency of Natural Resources or the Agency of Agriculture, Food and Markets at any time prior to or during implementation of this State-funded award.



I am not able to certify that the Applicant is in "good standing" with the Agency of Natural Resources and the Agency of Agriculture, Food and Markets for the following reasons:

*A copy of Section 13 is on the opposite side of this Certificate or can be found at

http://finance.vermont.gov/sites/finance/files/documents/Forms/Grant_Recipients/FIN-Act_154_Section_13.pdf.

Any person should first review and understand applicable terms, instructions and potential consequences in Section 13, including the definition of "Applicant" for purposes of this Certificate.

Name <u>Adam Lougee</u>	Title <u>Executive Director</u>
Signature <u>[Signature]</u>	Date <u>5/21/2020</u>

This form must be completed and signed by an authorized official of the grant applicant organization.

Attachment 7:

Risk Assessment

Questionnaire

Appendix 3



RISK ASSESSMENT QUESTIONNAIRE

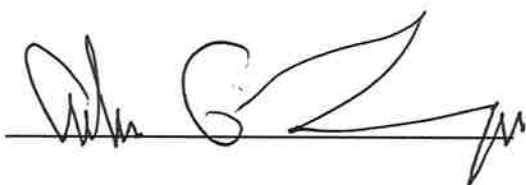
The purpose of the risk assessment is to determine whether or not a potential grantee is financially stable and if the agency uses accounting systems that are adequate to meet the State of Vermont administrative requirements. Please complete the following questionnaire and have it signed by the Executive Director and Fiscal Officer for your organization.

Name of Entity Completing Questionnaire: Addison County RPC

Question	Yes	No	N/A
1. Does your agency maintain documentation to substantiate the value of in-kind contributions?	X		
2. Does your agency use an electronic accounting software system (as opposed to manual)?		X	
3. Has your agency recently implemented any new or substantially changed systems, for example, financial management or accounting systems? (If yes, please explain.)		X	
4. Does the accounting system track receipts and disbursements by funding source	X		
5. Does your agency have a written Accounting and Financial Reporting policy?		X	
6. Does your agency have a written Personnel policy (to include travel reimbursement, fringe benefits, etc.)?	X		
7. Does your agency have a Financial Director, Financial Manager, Treasurer or equivalent? (If no, please identify the name and position of the employee(s) who is responsible for supervising the quality of accounting and financial reporting of an organization.	X		
8. Does your agency regularly monitor budgeted versus actual expenditures to ensure that cost categories aren't over-spent or under-spent?	X		

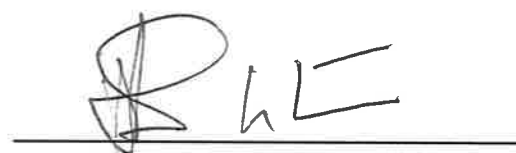
Question	Yes	No	N/A
9. Are all purchases made based on purchase requests/purchase orders which must first be approved by a responsible agency official? (If no, please explain.)	X		
10. Does your agency have written procurement procedures indicating which individuals are authorized to initiate a purchase request, the flow of documents, and the requested levels of approval?	X		
11. Does the agency have a system to track staff time spent on various grants/projects, for those employees whose salaries are allocated to more than one contract/grant?	X		
12. If your agency expended more than \$750,000 in federal funds during the previous fiscal year, did your agency have a Single Audit performed? If so, please include Single Audit Report with submittal of Risk Assessment Questionnaire.			X
13. If there were any findings in the report, has your agency implemented action plans to address all findings? (If no, please explain.)			X
14. Does your agency have a Policy and Procedures Manual that is made available and accessible to all employees?	X		
15. Has your agency executed any contracts or MOU's with any other governmental or non-governmental agencies in the past three years? (If yes, please describe.) ACRPC regularly enters contracts with federal and State agencies, including the Agency of Natural Resources.	X		

I hereby certify that to the best of my knowledge and belief, the information provided in response to the foregoing questions is true and accurate.



Chief Officer Signature

5/21/2020
Date



Chief Fiscal Officer Signature

5/28/2020
Date