

# 2009 Annual Report

Project 10 Site – Peaking Power Plant



# Village of Swanton

2009  
ANNUAL REPORT

VILLAGE OF



**SWANTON VILLAGE**  
VERMONT

For The Year Ending

DECEMBER 31, 2009

Printed By Authority

Please Bring This Report to the Village Meeting

## VILLAGE OF SWANTON VILLAGE ANNUAL WARNING

The legal voters of the Village of Swanton Village are hereby warned and notified to meet at the Swanton Village Complex, 120 First Street, Swanton, Vermont on Tuesday, March 2, 2010 at 7:00 a.m. to vote on the articles set forth. All articles are to be voted by Australian Ballot. The polls open at 7:00 a.m. and close at 7:00 p.m.

- Article 1: To elect from the legal voters of said Village the following officers:  
President for a 1 year term  
Trustee for a 3 year term  
Clerk for a 1 year term  
Collector of Delinquent Taxes for a 1 year term
- Article 2: Shall the voters of the Village of Swanton appropriate \$65,349 for the operation and maintenance of the General Fund for 2010?
- Article 3: Shall the voters of the Village of Swanton appropriate \$381,723 for the operation and maintenance of the Highway Department for 2010?
- Article 4: Shall the voters of the Village of Swanton appropriate \$47,681 for the operation and maintenance of the Fire Department for 2010?
- Article 5: Shall the voters of the Village of Swanton appropriate \$450,306 for the operation and maintenance of the Police Department for 2010?
- Article 6: Shall the voters of the Village of Swanton authorize the Trustees to place any surplus funds within individual departments into the capital fund of said department?
- Article 7: Shall the voters of the Village of Swanton approve a note not to exceed 5 years to purchase a new dump truck at a price not to exceed \$98,000? This amount is to be reduced by the capital reserve fund.
- Article 8: Shall the voters of the Village of Swanton approve the refinancing of the existing 1997 Revenue Bond in an amount not to exceed \$6,000,000, originally issued to upgrade the Orman Croft Generating Facility. (Anticipated to save the taxpayers approximately \$1,000,000 in interest payments.)

The legal voters of the Village of Swanton are further notified that an Informational Meeting will be held at the Swanton Village Complex on Monday, March 1, 2010 at 7:00 PM for the purpose of explaining all of the Budget items to the voters.

Dated at Swanton, Vermont this 25th day of January 2010.

Neal Speer, President

Neal A. Speer

Chris Leach, Trustee

Chris D. Leach

Suzanne Washburn, Trustee

Suzanne Washburn

Armand Messier, Trustee

Armand B. Messier

Received and filed this 25th day of January 2010.

Diane L. Day  
Diane L. Day, Village Clerk

# INDEX

Village Officers	2
Village Trustees' & Manager's Report	3
Fire Department Report	6
Police Department Report	12
Utility Rankings	16
Electric Fund	17
General Fund	23
General Department	24
Fire Department	26
Police Department	27
Highway Fund	28
Sewer Fund	31
Water Fund	34
Commercial Building Fund	38
Summary of Property Taxes	40
Basic Financial Statements	41
Swanton 2010 Resource Analysis Report	Appendix 1
SQRP Report	Appendix 2

# **VILLAGE OFFICERS**

## **PRESIDENT**

Neal Speer

Term Expires March 2010

## **CLERK/TREASURER**

Dianne Day

Term Expires March 2010

## **TRUSTEES**

Christopher Leach  
Suzanne Washburn  
Armand Messier

Term Expires March 2012  
Term Expires March 2011  
Term Expires March 2010

## **DELINQUENT TAX COLLECTOR**

Betty Cheney

Term Expires March 2010

## **APPOINTED BY TRUSTEES**

George H. Lague  
Peter Prouty  
Leonard Stell

Village Manager  
Fire Chief  
Police Chief

## **PAYROLL SUMMARY**

In 2009, the total payroll for all Departments amounted to \$1,882,793.20.

## VILLAGE TRUSTEES AND MANAGER'S REPORT

In 2009, as in the past, there were many new and some old challenges for the Village of Swanton. Our Water System needed an upgrade is at the top of our priority list. The completion of VPPSA's electrical power generation project (Project 10), to provide additional low cost electricity during peak usage periods is a positive. The controversy over the possible removal of the dam is being debated. The Town and Village rejoining the Solid Waste District is a positive. Our empty store fronts and other reminders of the recession keep our focus on keeping both our taxes, water and electric rates as low as we can.

Swanton Village is so fortunate to have a fantastic staff. They have the talents and the drive to be the best at what they do. They are flexible in that each department can support another as needed. This allows for a lean and efficient crew at a lower cost to us all. They work as a team and when one member of the team has issues we are all affected. In November we lost Shelly Wright, a 30 year employee, after a brief illness. She was the first police dispatcher for Swanton Village Police Department, and she is sadly missed.

One item on the ballot for the Annual Meeting is the refinancing of an existing electric system Bond. The interest rates are lower now than when the 1997 bond was taken out. There is an opportunity to refinance the existing electric bond and save close to 1 million dollars. The rules of the Vermont Public Service Board dictate that we must ask the voters permission to refinance even if it is to save money. We would appreciate your favorable response to this article.

The electric department has had several major changes this past year. The Village of Swanton purchased the substation that used to provide power for VT Fasteners. It was refurbished and placed into service during the year and now provides power for the industrial park as well as most other areas west of the river. Getting this substation into service will extend the life of the transformer that feeds power to the rest of the Village. The department also built a transmission line to Project 10, the peaking power plant located on land owned by the Village. Project 10 is a joint venture project owned by VT Public Power Supply Authority (VPPSA), with several VT municipal power companies including the Village of Swanton purchasing the output. This project will play an important role not only for the rest of New England but especially for Swanton Electric. It provides us income and additional power as needed. There are 2 twenty megawatt generators which can provide all the power needs for the entire Swanton Electric system. If there was a state wide blackout, Project 10 will play a major role in restoring power back to the rest of the state.

Fiber cable was strung between the power plant and the Village Municipal Complex and was placed into service. This allows us to run our SCADA (Supervisory Control And Data Acquisition) system over this fiber. It has improved communications with the SCADA system which helps us know if there is an outage going on in our system before any customers call in to report the outage. That helps us get the crews on their way to the problem sooner and restore power to our customers.

The power line that runs along Route 36 to the Water Treatment Plant was converted from single phase to a three phase circuit. When this was done it allowed us to remove 2 cross country lines that were both old and hard to maintain. This upgrade will improve the service to the customers along this circuit as well as the Water Treatment Plant itself.

The power plant continues to provide a very good value for the investment that was made many years ago. There was regular maintenance and inspections done throughout the year on all units. All the protection relays were tested and all generator breakers were inspected and tested. The total generation output for the last 5 years was:

2009	48,580,200 KWH
2008	52,392,100 KWH
2007	46,240,140 KWH
2006	58,563,415 KWH
2005	45,273,280 KWH

Each year we are required to report our SAIFI (Average Interruption Frequency Index) and CAIDI (Customer Average Interruption Duration Index). Our numbers for 2009 as compared to 2008 are as follows:

In 2009 our SAIFI number is 0.4 compared to 2008 number of 0.9

In 2009 our CAIDI number is 1.0 compared to 2008 number of 1.7

These numbers reflect our continued improvements have resulted in less outages to our customers.

The Water Plant continues to provide high quality water but as has been previously reported, the plant is at the end of its life. Two defeated bond votes for plant improvements, transmission and distribution line improvements, was very disappointing. Vermont water standards are driven by EPA to continue to make new demands on municipal water systems that require additional testing which continues to drive the cost of operations higher. There were 9 water leaks last year ranging from a ¾ inch line to a 16 inch line. The fire hydrants are used to flush the water system in the spring and in the fall and they all received a fresh coat of paint. There were two additional water lines installed that new customers paid for. Project 10 had 2,000 feet of 8 inch line installed with hydrants from an existing water line north along Lafar Street to the north side of their project. It was designed to be continued to Route 78 in the future which can provide water for the proposed Town Industrial Park in the future. Another upgrade was 500 feet of 8 inch line and a new fire hydrant on the north side of Blake Street that will feed the 16 unit housing complex called Blake Commons. This line was connected to our existing system to allow for looping of the existing system. This results in improved water flows in that area.

The Public Works crew continued replacing sections of sidewalks this year. Some of the sections replaced were on First Street, Church Street, Greenwich Street and at the Complex. Paving was done on Liberty Street and on Church Street and new catch basins were installed on Church Street.

In addition to these jobs they assisted the Agency of Natural Resources and Stone Environmental in testing for illicit discharges. An issue was found and has been resolved.

There is an article on the warning to be voted on to replace an existing dump truck. This truck is 13 years old and has begun to give us maintenance issues. The truck, plow and sander are at the end of their life span and we have historically replaced these large items every 10 years. Because of the past economy we have postponed its replacement and feel it is time to ask the voters to replace it. We would appreciate your favorable response to this article.

The Waste Water Treatment Plant successfully completed the EPA DMR-QA laboratory compliance testing. They also land applied 224 cubic yards of bio-solids on land that the Village owns. The plant processed 240,000 gallons of sludge that was produced at the Water Treatment Plant. Operations continue to go well but as that plant continues to age many repairs were made to the equipment. This plant requires continuous maintenance because of the caustic nature of the waste stream.

Last year the Village and the Town voted to rejoin the Solid Waste District. We have a representative sitting on the Solid Waste District board looking out for our interests. The major problem the District is facing today is the falling income due to the decreased demand around the world for recycled paper and plastics. The expectation that the demand will return is strong, however, it will be slow. One of the benefits of belonging is that as members of the District we have the right to bring our trash, discarded electronics, bulky items, etc. to any of the district transfer sites and any special events for disposal. Unfortunately there will be a reasonable fee charged. The goal is to provide this service at a reduced cost as soon as recycle incomes rise.

For the past two years the Board of Trustees have been re-writing the Village's Charter. The final version was submitted to the legislature and it was approved.

The last time the Electric Department filed for a rate increase was in 1993. It appears that during 2010 we will be filing for one because of no load growth and because of an increased cost in purchasing power. Besides that the Village is in good shape however we face challenges. We rely on our voters to fully understand the issues, investigate them and form their opinions based on facts not speculation. Most importantly please make an effort to get out and vote. Thank you.

**Respectfully Submitted,**

**George H. Lague, Village Manager**

**Neal Speer, Village President**

**Chris Leach, Trustee**

**Armand Messier, Trustee**

**Suzanne Washburn, Trustee**



# SWANTON VILLAGE FIRE DEPARTMENT

Est. 1889  
P.O. Box 279  
Swanton, VT 05488  
Non-emergency Station (802)-868-3363  
Village Fax (802)-868-3930

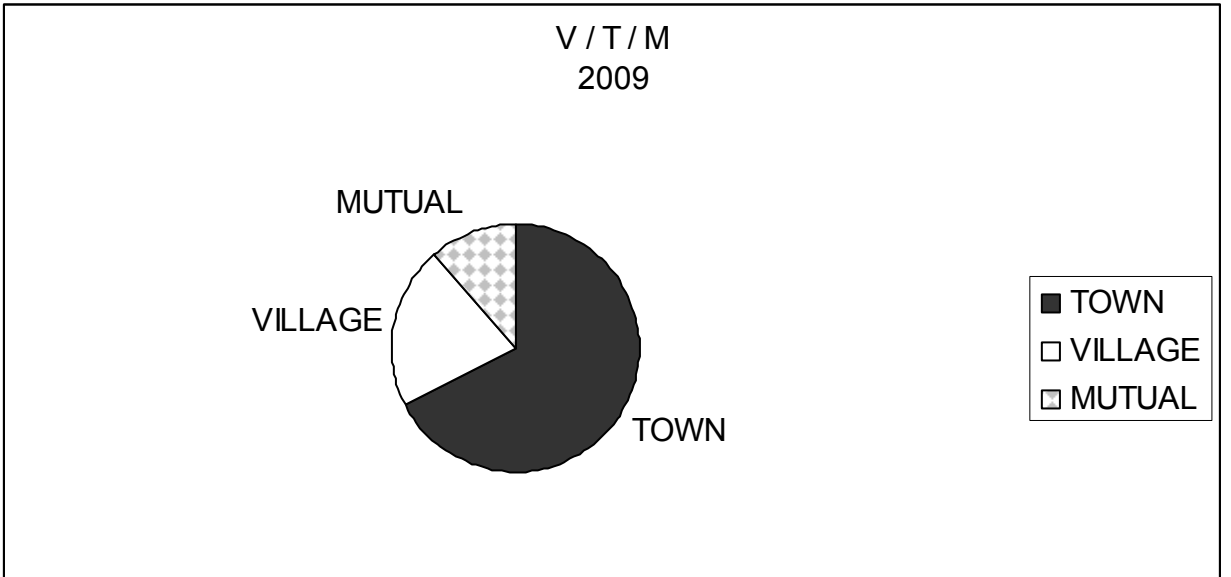
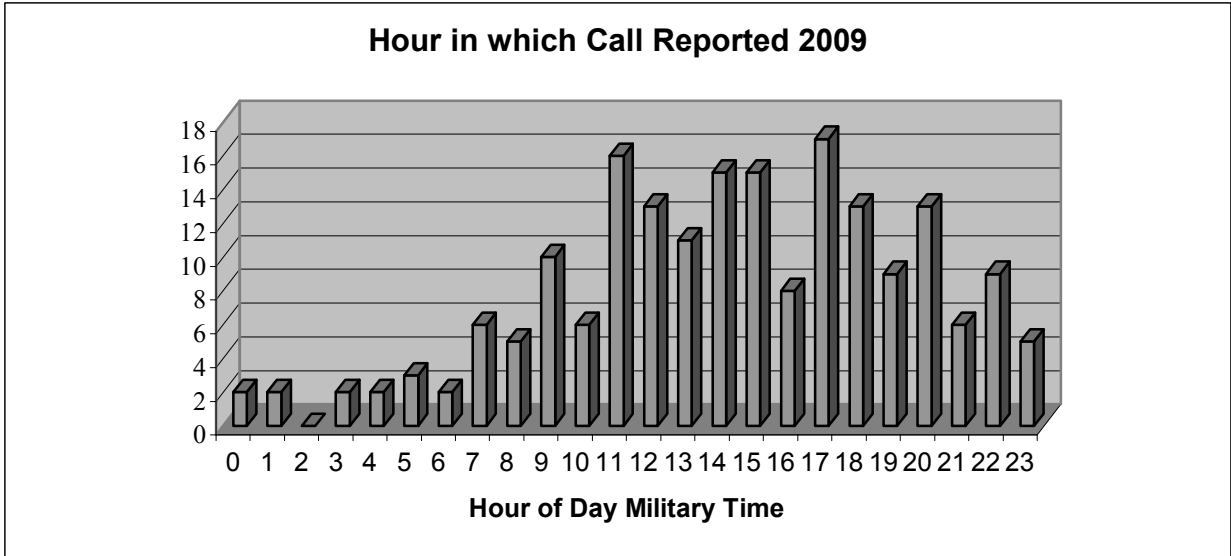
The year 2009 saw call volumes increase slightly to levels we had seen in 2003. **In 2009 a \$150,000 assessed property paid \$45.42 for Fire Taxes. We are requesting \$46.16 from the same \$150,000.00 assessed value property in 2010. (Up \$0.74 or 0.93%) (This should be very similar whether your property is in the Town or Village.)**

Our call numbers for 2009 are as follows:

YEAR	MVA	Alarm	Structure	Hazmat	Grass	Garbage	No Pay	MVR	WATER	G.I.	CO	Vehicle	Combined Total
2009	83	17	26	4	9	3	0	6	6	23	9	5	191 - 2009
2008	56	32	24	2	13	6	0	9	2	26	12	4	186 - 2008
2007	70	15	27	12	13	3	0	5	*	21	21	14	202 - 2007
2006	85	17	37	8	18	8	3	3	*	27	7	5	216 - 2006
2005	88	22	27	12	18	8	6	3	*	39	19	4	246 - 2005
2004	64	19	31	8	6	13	3	2	*	27	8	9	190 - 2004
2003	75	7	33	3	17	5	3	7	*	26	3	11	190 - 2003
2002	74	12	24	5	10	4	6	4	*	24	3	14	179 - 2002
2001	46	31	35	13	32	7	8	4	*	12	5	4	197 - 2001
2000	55	28	35	5	13	11	11	0	*	15	4	8	185 - 2000
1999	37	30	48	8	24	12	4	1	*	0	3	11	178 - 1999

We responded to: 83- Motor Vehicle Accidents, 17- Fire Alarms, 26- Structure Fires (Anything in, on, or attached to a building.), 4-Hazardous Materials Incidents, 9- Grass Fires, 3 - Garbage Burning, 0-No Pay Documentations, 6 – MVR Assists, 6 – Water / Ice Rescue, 23- Good Intent, 9 –Carbon Monoxide Alarms, 5- Vehicle fires. This totals 191 calls. Twenty-two (22) of these were Mutual Aide Responses to assist other town’s usually larger structure fires. We received mutual aide on five (5) occasions.

I have plotted the hour that the tones sounded for our response in a graph to see when the majority of our calls are coming in. In the graph below you will find that 144 of the 191 calls occurred between the hours of 7 am and 7 pm. The majority of our incidents occur when people are up and more active. This also brings to light that we have some dedicated responders that have made themselves available during these same hours. We need to thank them for choosing to work nights and weekends so that people are available to respond to our incidents.



Above is a pie chart showing whether the calls were in the Town, Village or requests for Mutual Aide to another town in 2009.

**As proposed the Fire Department Budget has an increase of \$1,743.00 over 2009. It will increase a tax bill on an assessed value property of \$150,000.00 by \$0.74 over the bill received in 2009. In 2009 the \$150,000 assessed property paid \$45.42 for Fire Department Taxes in 2010 we are requesting \$46.16. The total Fire Department funding request is one of the smallest portions of your total property tax bill. (It was 1.9% of my own total 2009 Tax Bill.)**

The line item descriptions on the budget are changing in 2010 due to the new accounting software that the Village is now using. Please understand that this transition may have changed

the descriptions but has not significantly changed the bottom line amount that is being spent. Line items that one year were once thousands and are now zero (or vice versa) are now under a different label.

The challenging economic times are continuing in 2010. We have chosen to not pursue a truck purchase in 2010 even though a strong case can be made that long term it is the correct thing to do. This was just one of the hard choices that were made to come up with the budget. I still believe it would be irresponsible to not plan for events we already know are coming our way. (The truck purchase I mentioned.) I am also aware that layoffs, pay cuts and increases to personal expenses are still on everyone's mind. These concerns have had to be weighed against needs and supporting our Firefighters. Our Firefighters are dealing with the same concerns but are also responding to our collective emergencies. We have to find the right balance to keep our firefighters safe and still supply high quality service to the taxpayers and visitors of Swanton now and in the future.

I will try to highlight the changes and explain the reasoning for the items in the budget and how they were arrived at.

**Item: Dispatching / Communications:** We were asked to investigate the possibility of having our dispatching done by the Sheriff's Department instead of Central by the Selectboard. This is one of, if not the most important item, we have to make sure works. The possibility will be looked into, but any changes will not happen in 2010. The investigation, planning and coordination will take months even after an apples to apples comparison is completed. We already know that the up to the minute updates from a person calling 911 will not happen with the Sheriff Department option because they do not receive the 911 calls. The "potential" cost difference would have to be weighed against the benefits to safety that the 911 calls and dispatch happening in the same room bring the situation.

The Town and Village of Swanton are one of the largest populations in Franklin County, second to only St Albans City. We have a large portion of the User costs of dispatch. As proposed, Swanton's share of Dispatching will be about \$43,000.00. This is further split between Missisquoi Valley Rescue and the Fire Department based on call volumes of which MVR has more.

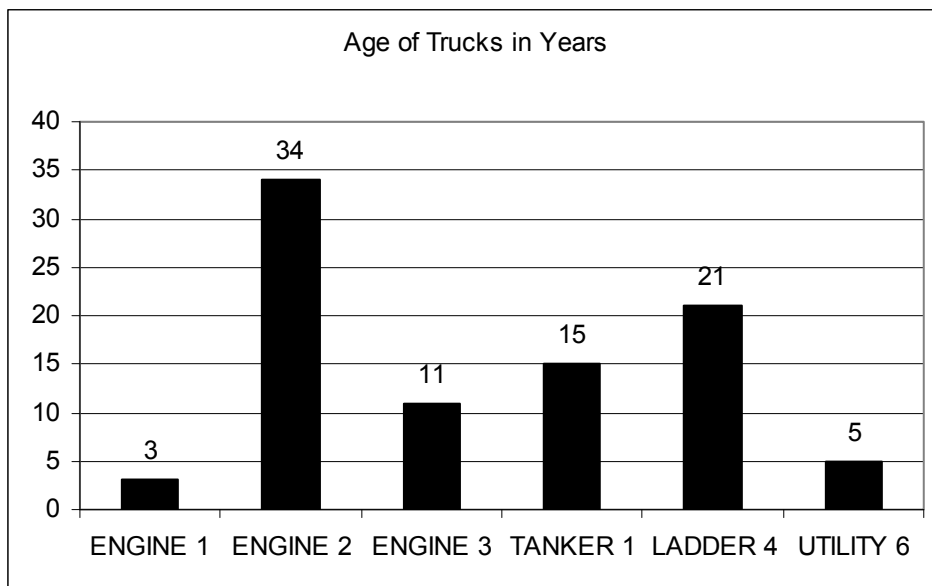
**Item: Personal Protective Equipment:** We purchased a number of PPE items in 2009 and were able to have some repaired that could be. We are poised to be able to reduce this line item in 2010 due to the purchases in 2009 and redirect those funds elsewhere.

**Item: Capital Truck Fund:** In the 2010 proposed budget we would put approximately \$48,000.00 into a Capital Truck Fund for a future purchase. This line item is actually up from the former truck payment. Due to the economic situation the country is in and the pressure we all feel, we are NOT proposing to purchase a new fire truck in 2010. We are delaying this even though a strong argument can be made to replace the 34 year old Engine 2. The cost of such a purchase will only increase over time but we are hoping that the economy will improve in 2010.

Our oldest truck is thirty-four (34) years old and should be replaced. We had an operational surplus in 2009 due to billing for services we supplied mainly at three tractor trailer accidents. (Services supplied to Non- Property Taxpaying Residents or Businesses in Swanton as directed by the Boards) This was put into the Capital Fund instead of spending it on equipment purchases. The Voters approve placing any operating surplus funds into that Department's Capital Reserve Fund each year during voting.

My objective is to save money where ever we can and put some amount of money into that Fund. It was not budgeted to put money into this fund while paying for the last truck purchase. Any amount we can put into the fund is less we have to finance and pay interest on later. This has been a long-standing practice from the 1980's with prior Boards of Trustees starting what has been a good process.

Below is a graph that shows the age of each of the trucks the fire department has. It visually shows the age of our vehicles. Engine 1 is three (3) years old. Engine 2 is thirty-four (34) years old and showing its age. To keep the age of the fleet reasonable, it makes sense to replace vehicles on a schedule. This has more than one advantage. One being the older the vehicle is the harder it is to maintain it and the other is that advances in safety and technology are incorporated into the newer vehicles. As I type, our Tanker, which just turned 15 years old, is in for major pump repairs. The piping and pump casing rusted from the inside out. The Tanker is key to our operation and will have cost us over \$6,000.00 on this one repair. We will pay one way or another when you look at the age of the fleet. Newer trucks mean truck payments; older trucks mean higher repair bills. Very much like your own situations with your personal cars or trucks.



In 2009, new NFPA standards changed requirements for all apparatus built after January 1, 2009. In 2010, new EPA regulations require diesel engine emissions to be stricter. (All trucks not just Fire Trucks). Both of these will drive price increases to apparatus. These are just a few of the

items to be taken into account when planning for the next fire apparatus purchase.

The following are issues that I want to bring to your attention. Issues that we are working on for you over and above the budget line items.

As many of you have seen in the news, our neighbors to the South are working through very serious changes to their Fire Department. They are sharing resources and manpower between the two St Albans Fire Departments. We have fortunately been utilizing the same ideas they are exploring for years in Swanton. Past Boards in Swanton realized that duplication of resources costs more and does not properly fund either stand-alone department to the levels truly needed.

**Fire Prevention:** We participated in the Second Annual National Night Out that the Village Police organized on the Village Green. It was an excellent effort by all agencies involved to get the Public Safety message out to our community.

Along with the efforts mentioned above, we continued with our annual visit to the Elementary schools again in 2009. We saw over 600 students' preschool to 6th grade in 2009. Our visits were shifted away from the Official Fire Prevention Week so to not interfere with the NECAP testing that the students were required to take. We continued having The Annual Fire Prevention Week Pizza Party. We invited random families of the children to the fire station to visit and have a family night out. The Firefighters Association paid for the pizza and Shaggy's once again, gave them a deal.

**Please remember that everyone must have TWO ways out of every room and ONE meeting place for the entire family.**

**Development Review and Access:** The economic down turn has slowed growth but previously approved projects on Blake Street and Bushey Road have been built in 2009.

**Inspections:** I continue to receive calls from people requesting inspections. The Fire Department does not do inspections of buildings, chimneys or fire alarm systems. We would not be able to do this type of activity without being a full time paid department. The time needed to do these and certifications would be prohibitive.

**E911:** Since July 2008, Central Dispatch has been the Primary Answer Point for E911 calls from Franklin County. This means that when you call 911 a person in St Albans will answer the phone unless all the call takers in St Albans are busy. Then another 911 operator, but still in Vermont, will answer your call.

**Burning:** Please think before you burn. It is illegal to burn anything but untreated wood, leaves or grass. You should also think of your neighbors and any health issues they may have. The saying do unto others as you would have done to you is appropriate. Before burning, you need to get a burn permit by contacting the Town Fire Warden Jon Barrette. If you don't follow these rules, we will be forced to contact our Town Health Officer. Dan Billado has worked with us and has investigated situations multiple times regarding burning complaints. There are ordinances in place to deal with these and possibly fine the person or business involved that the

Health Officer has at his disposal.

In closing, the country is in another year of financial crisis that is affecting everyone. For the second year in a row, I focused on the most critical assets -- our firefighters. Giving them the tools to work with and the personal protective gear needed to respond to "our" emergencies was the mission.

I would like to take this opportunity to thank the Town and Village employees, especially the Police Department, Public Works, Electric Department and Office personnel, for their assistance over the last year. Without their cooperation, our job would be harder and likely more expensive to accomplish.

On behalf of the members of the fire department, I would like to thank you for your support and ask that everyone be FIRE SAFE. We are YOUR fire department whether you live in the Town or Village; We are the **SWANTON FIRE DEPARTMENT**.

Sincerely,



Peter W. Prouty  
Chief S.V.F.D.

**Fire Department Roster as of January 13, 2010:**

Chief Peter Prouty, 1<sup>st</sup> Asst. Chief Rick King, 2<sup>nd</sup> Asst. Chief. Travis Greeno, Captain Jason Butler, Lieutenant Edward Ferguson, Lieutenant John Greer, Jon Barrette, Reginald Beliveau Jr, Chris Billado, Daniel Billado, Derek Billado, Alex Bourdeau, Micheal Bourdeau, Christian Conger, CJ Constantine, Jason Corbiere, Mark Chaplin, Dan Chevalier, Jason Cross, Mike Farrar, Greg Gaudette, Donald Gilbert, Timothy Girard, William Girard, David Godin, Ronald Greeno, James Hull, Jason Jutras, Albert Kinzinger, Jason Marchand, Josh Ramsdell, Brian Savage, Jodie Schuster, Nick Schuster, Neal Speer, Robert Sweeney, Russ Walters, Bruce Whalen, Ronald Young Jr.

## **SWANTON VILLAGE POLICE DEPARTMENT**

The Swanton Village Police Department suffered the loss of Dispatcher Shelly Wright on November 4, 2009. Dispatcher Wright was a dedicated employee for the past 30 years; and she was well liked by the members of the department and the community at large.

The Department, which comprises of a team of six full time personnel and four part time officers, has made great strides to reduce crime and apprehend those responsible.

The Swanton Village Police Department received a COPS grant which allowed us to form a partnership with Missisquoi Valley Union High School. This partnership provides for a fulltime School Resource Officer. This is Swanton Village's first year in overseeing the SRO program at MVU. The SRO program is working with the school administration and looking at new ways to improve the program. This relationship has allowed Swanton Village Police Department to manage some of our juvenile complaints with greater efficiency.

The Police Department responded to 1,353 calls for service in 2009, issued 157 motor vehicle tickets and also handled 27 additional parking problems. Over the course of the year we conducted 3 Search Warrants as the result of Drug Investigations. The investigations were done under the leadership of Lt. Begnoche and these search warrants lead to the arrest of several people.

The Department has been working to integrate a full Community Oriented Policing Strategy and we're here to serve the community. We strongly believe that in this day and age crime control must be augmented with community-based strategies that help prevent neighborhood crime, reduce fear, and enhance the quality of life in Swanton, Vermont. When the community members' work together in partnership with law enforcement, we can identify underlying causes and search for the best ways to solve our local problems. Crime can seep into our community--changing our neighborhoods, frightening our senior citizens, and influencing our children. We need to take action to find the best ways to address these concerns before serious problems begin. By working together we can establish a lasting partnership that will benefit everyone.

A National Night Out event in the Village Green was organized and held on August 4, 2009. National Night Out would not have been possible without the support of all of the participants. This years National Night Out will be held on August 3, 2010. We hope to make this one bigger and better and will be working closely with the Swanton Chamber of Commerce to make this upcoming National Night Out the best ever for our community.

Sergeant Rich has established a partnership with the Swanton Elementary School. This school partnership has helped to reduce vandalism to the school and provides a positive working relationship between the school and the Police Department. This partnership also allows for a positive relationship between police and the students. This positive relationship has been established by visiting students' classrooms as guest speakers, by reading books to the kids and having lunch with them.

We continue to work with the Swanton Teen Center to build a partnership that will help reduce quality of life issues that have been centered on and around the Teen Center. The partnership will also provide for the police and the teens to have positive interaction. Officer Dubois has provided the Teen Center with DUI related training along with working with the teens on DUI prevention.

The Swanton Village Police Department has established a Village wide Neighbor Hood Watch Program. The meetings are held at the Village Complex and the next meeting date can be learned by contacting the Police Department. The meetings are open to the public and offer a combination of education and community togetherness. The Neighbor Hood Watch program is being run by Officer Dubois.

Some minor changes have been made to the scheduling in the Police Department to have more coverage available. Members of the Police Department can be reached by calling 868-4100. As always if you have any questions please call us, we are here to help you.

**Respectfully Submitted,  
Leonard Stell  
Chief of Police**



**RECAP OF POLICE ACTIVITIES FOR THE YEAR 2009  
VILLAGE OF SWANTON**

<b>Offense Code</b>	<b>Total Incidents</b>	<b>Offense Code</b>	<b>Total Incidents</b>
Aggravated Assault w/Other Weapon	2	Runaway Juvenile	1
Assault Simple, Not Aggravated	27	Dom. Abuse Order Violation	1
Ag Assault Police w/Other Weapon	0	LSA Motor Vehicle	3
Assault Police, Not Aggravated	1	Illegal Possession by a Minor	4
Assault Intimidation	12	Liquor Law Violations Local Ord.	3
Stalking	2	Other Liquor Law Violations	3
Burglary Force Residence	4	Disturbing the Peace	8
Burglary Force Non-Residence	3	Family Disturbance	32
Burglary No Force Residence	6	Disorderly Conduct Other	15
DLS Criminal	24	Conditions of Release Viol.	6
Larceny Purse Snatching	0	Impeding Police Officer	0
Larceny Shoplifting	15	Annoying, Harrass, Susp. Phone	8
Larceny From Motor Vehicle	4	Arrest on Warrant	7
Larceny Auto Parts/Accessories	1	Accident – Fatal	0
Larceny Bicycles	3	Accident - Injury	0
Larceny From Building	8	Trespassing Violation	17
Larceny All Other	43	Fireworks	2
Theft Other Vehicle	1	Accident – Damage	0
Theft Automobile	1	Obstructing Justice	0
Motor Vehicle Disturbances	30	Littering	2
Fraud, Other	6	Accident – Injury-DMV Report	4
Fraud, Insufficient Funds Check	8	Accident – Damage – DMV Report	35
Fraud, Checks Closed Accounts	4	Abandoned Vehicle	1
Attempting to Elude Police	0	Alarm	33
Fraud, False Pretenses/Swindle	2	Ambulance or Medical Assist	14
Embezzlement	0	Animal Problem	4
Stolen Property Possession	0	Agency Assist	150
Stolen Property Recovering	1	Attempt to Locate	5
Vandalism of Motor Vehicles	18	ATV Incident	2
Vandalism, Commercial Building	2	Background Investigation	3
Not Defined	0	Burglary Alarm	3
Vandalism of Residence	7	Citizen Dispute	57
Vandalism – Misc	13	Citizen Assist	28
Attempted Vandalism	0	Communications Offense	13
Dead Body	2	E911 Hangup	35
All Other Offenses	1	Escort	0
Cont Substance/Drug Equip Viol	1	False Alarm	12
Cont Subst/Possess Marijuana	2	Intoxicated Person	10
Contributing to Minors	1		

## RECAP OF POLICE ACTIVITIES CONTINUED....

<b>Offense Code</b>	<b>Total Incidents</b>	<b>Offense Code</b>	<b>Total Incidents</b>
Juvenile Problem	44	Lost or Found Property	20
Residence or Vehicle Lockout	43	Motorist Assist	7
Consent Search	4	Sex Offense, Forcible Fondling	0
Missing Person	5	Not Classified	27
Noise Disturbance	20	Sex Offender Registry Check	1
DLS – Civil	22	Parking Problem	2
Property Damage, Non Vand.	3	Passing School Bus	2
Suspicious Person/Circumstances	170	Robbery, Comm. w/Knife	1
Suicide	1	Snowmobile Incident	1
Search Warrant	1	Traffic Hazard	4
Traffic Crash Non Reportable	2	Agg. Assault w/Firearm	1
Unsecure Premises	12	Vehicle Serial # Inspection	51
Welfare Check	27	Burglary Attempt Non-Residence	1
Natural Death	1	Burglary Attempt Residence	2
Forgery, Check	3	Counterfeit Coins, Bonds, Etc.	4
Poss of Regulated Drugs	3	Mistreatment of a Child	2
Driving Under Influence	6	Quarrels	1
Threatening Phone Calls	3	False Info. To Police	1
Kidnapping	1	Probation-Parole Violation	2
Careless Negligent Motor Veh	1	Curfew or Loitering	2
Condition of Vehicle	1	Fire	1
Manslaughter-Negligent	1	Loitering	7
Robbery Bank w/Knife	1	Threatening	1
Lewd, Immoral Practices	4	Tobacco Problem	1
Obscene Letters	1	Prescription Fraud	1
Cont Subst/Possess Cocaine	1	Cultivation of Marijuana	1
Obscene Phone Calls	1	LSA Motor Vehicle	2
Accessory	1	Boating Incident	1
Mental Health Assistance	3	Message Delivered	2

## Vermont Public Power Supply Authority

### Vermont Utility Rankings----- Based on Average Monthly Residential Bills

Effective January 2010

Utility Ranking	200 KWH	Utility Ranking	600 KWH	Utility Ranking	1000 KWH
Vermont Electric Coop	\$42.99	Vermont Electric Coop	\$113.13	Hardwick	\$186.81
Central VT Public Service	\$40.04	Hardwick	\$112.18	Vermont Electric Coop	\$183.26
Green Mountain Power	\$39.80	Stowe	\$106.68	Jacksonville	\$182.59
Hardwick	\$37.55	Jacksonville	\$105.14	Stowe	\$175.91
Stowe	\$37.45	Burlington Electric	\$99.86	Washington Electric Coop	\$165.81
Hyde Park	\$36.90	Hyde Park	\$98.44	Burlington Electric	\$163.50
Burlington Electric	\$36.21	Green Mountain Power	\$98.25	Barton	\$161.10
Johnson	\$34.48	Washington Electric Coop	\$97.89	Hyde Park	\$159.98
Barton	\$32.32	Barton	\$96.71	Enosburg Falls	\$158.32
Morrisville	\$31.87	Central VT Public Service	\$95.23	Green Mountain Power	\$156.71
Enosburg Falls	\$31.69	Enosburg Falls	\$95.01	Morrisville	\$153.15
Lyndonville	\$31.32	Morrisville	\$92.51	Johnson	\$150.50
Washington Electric Coop	\$29.97	Johnson	\$92.49	Central VT Public Service	\$150.42
Northfield	\$28.53	Lyndonville	\$88.79	Lyndonville	\$146.25
Orleans	\$28.38	Northfield	\$84.34	Northfield	\$140.15
Jacksonville	\$27.69	Readsboro	\$79.83	Readsboro	\$133.28
Readsboro	\$26.38	Orleans	\$75.10	Orleans	\$121.82
Ludlow	\$23.42	Ludlow	\$69.59	Ludlow	\$115.76
<b>Swanton</b>	<b>\$21.90</b>	<b>Swanton</b>	<b>\$63.28</b>	<b>Swanton</b>	<b>\$104.65</b>
Vermont Marble	\$21.85	Vermont Marble	\$60.90	Vermont Marble	\$99.95

**ELECTRIC ENERGY DATA**  
**YEAR ENDED DECEMBER 31**

	<b>2007 KWH</b>	<b>2008 KWH</b>	<b>2009 KWH</b>
Generation:	46,581,100	52,714,170	48,923,500
Less Station Service	340,960	322,070	343,300
Net Generation	<u>46,240,140</u>	<u>52,392,100</u>	<u>48,580,200</u>
Purchases ( H-12 +SV-41)	<u>21,838,900</u>	<u>17,034,400</u>	<u>19,620,000</u>
Sales (H-12 +Gus Bell)	<u>(7,616,700)</u>	<u>(8,028,200)</u>	<u>(7,428,900)</u>
Total Available for Distrib.	60,462,340	61,398,300	60,771,300
Billed to Customers:	54,888,615	55,725,982	55,232,854
Sales for Resale	2,532,660	2,460,180	2,321,400
Sub-Station Use	<u>6,263</u>	<u>4,600</u>	<u>3,120</u>
Total Accounted For	57,427,538	58,190,762	57,557,374
Line Loss	3,034,802	3,207,538	3,213,926
Percent of Line Loss	5.02%	4.60%	4.69%

Swanton Winter Peak: 10,190 KW on December 17, 2009 @ 6:00 P.M

Swanton Summer Peak: 11,050 KW on August 18, 2009 @ 3:00 P.M.

**ELECTRIC DEPARTMENT**  
**UTILITY PLANT IN SERVICE**  
**YEAR ENDED DECEMBER 31**

	<b>2008</b>	<b>Additions/ (Deletions)</b>	<b>2009</b>
Production Plant	24,472,780	11,309	24,484,089
Transmission Plant	854,976	28,278	883,254
Distribution Plant	5,306,917	291,357	5,598,274
General Plant	<u>2,004,146</u>	<u>108,822</u>	<u>2,112,968</u>
Total Plant In Service	32,638,819	439,766	33,078,585
Accum. Depreciation	12,636,647	542,383	13,179,030
Net Plant In Service	20,002,172		19,899,555

**ELECTRIC DEPARTMENT**  
**SALES OF KWH AND REVENUE**  
**YEAR ENDED DECEMBER 31, 2009**

	<b>KWH</b>	<b>REVENUE</b>	<b>CUSTOMERS</b>
Residential (A)	22,016,111	2,164,745	2,960
Residential Demand (A-D)	1,792,179	217,601	104
Rural (C)	2,169,361	202,568	57
Commercial (B)	4,544,460	512,198	336
Industrial (D)	24,393,166	2,546,522	80
Municipal Street Lighting	317,577	77,141	3
Total Sales to Ultimate Consumers	<u>55,232,854</u>	<u>5,720,775</u>	<u>3,540</u>
Sales for Resale	2,321,400	40,554	
Other Sales			
<b>Sales of Electricity</b>	<u>57,554,254</u>	<u>5,761,329</u>	

**Swanton Village  
Electric Fund  
For The Twelve Months Ending December 31, 2009**

<b>ASSETS</b>	<b>2008</b>	<b>2009</b>
UTILITY PLANT	\$32,638,820	\$33,078,585
CWIP	128,177	68,268
Accumulated Depr.	<u>(12,636,647)</u>	<u>(13,179,030)</u>
<b>NET UTILITY PLANT</b>	<b>\$20,130,350</b>	<b>\$19,967,823</b>
<b>OTHER PROPERTY &amp; INVESTMENTS</b>		
Investment in Others	\$917,238	\$987,448
Bond R/C Fund (93)	228,775	228,788
Bond D/R Fund (93)	697,389	697,431
Bond R/C Fund (89)	509,076	509,107
Cash -- Bond Funds	<u>127,234</u>	<u>131,033</u>
<b>OTHER PROPERTY &amp; INVESTMENTS</b>	<b>\$2,479,712</b>	<b>\$2,553,807</b>
<b>CURRENT ASSETS</b>		
A/R - Customers	\$731,726	\$697,073
Unbilled Revenue	167,772	158,548
A/R - Other	173,348	31,386
Note Receivable -- Fire Department	36,552	0
Allow. For Uncollect.	(108,266)	(34,000)
Due from Other Funds	3,749,111	2,447,432
Inventory	318,089	268,673
Prepaid Expenses	11,276	11,479
Accrued Interest Receivable	7,146	7,146
Bond Issuance Costs	<u>593,517</u>	<u>554,940</u>
<b>TOTAL CURRENT ASSETS</b>	<b><u>\$5,680,271</u></b>	<b><u>\$4,142,677</u></b>
<b>TOTAL ASSETS</b>	<b><u>\$28,290,333</u></b>	<b><u>\$26,664,307</u></b>
<b>LIABILITIES &amp; RETAINED EARNINGS</b>		
<b>RETAINED EARNINGS</b>		
Retained Earnings	<u>\$13,754,676</u>	<u>\$12,793,041</u>
<b>TOTAL RETAINED EARNINGS</b>	<b><u>\$13,754,676</u></b>	<b><u>\$12,793,041</u></b>
<b>LONG TERM DEBT</b>		
Bonds Payable	<u>\$13,837,947</u>	<u>\$13,023,594</u>
<b>TOTAL LONG TERM DEBT</b>	<b>\$13,837,947</b>	<b>\$13,023,594</b>
<b>CURRENT LIABILITIES</b>		
A/P - Other	\$87,597	\$277,039
Customer Deposits	16,427	23,675
Sales Tax Payable	0	8,840
EEC Tax Payable	0	30,101
Accrued Bond Interest Payable	96,536	93,460
Accrued Time and Payroll	<u>116,084</u>	<u>134,516</u>
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$316,644</b>	<b>\$567,631</b>
<b>DEFERRED CREDITS</b>		
Customer Estimate Payable	\$72,446	\$9,999
Deferred Gain - Refinancing	<u>308,620</u>	<u>270,042</u>
<b>TOTAL DEFERRED CREDITS</b>	<b><u>\$381,066</u></b>	<b><u>\$280,041</u></b>
<b>TOTAL LIABILITIES</b>	<b><u>\$14,535,657</u></b>	<b><u>\$13,871,266</u></b>
<b>TOTAL LIAB &amp; RETAINED EARNINGS</b>	<b><u>\$28,290,333</u></b>	<b><u>\$26,664,307</u></b>

**Swanton Village  
Electric Fund  
Income Statement  
For The Twelve Months Ending December 31, 2009**

	BUDGET	YTD	2010 BUDGET
<b>OPERATING REVENUES</b>			
<b>SALES OF ELECTRICITY</b>			
Utility Sales	\$5,466,781	\$5,435,968	\$5,481,101
Security Lighting	16,148	16,812	16,800
Public Street and Highway Lighting	77,083	77,141	77,083
Sales for Resale (GB)	43,038	40,554	43,038
Interdepartmental Sales	<u>178,287</u>	<u>181,630</u>	<u>125,630</u>
<b>TOTAL SALES OF ELECTRICITY</b>	<b>\$5,781,337</b>	<b>\$5,752,105</b>	<b>\$5,743,652</b>
<b>OTHER OPERATING REVENUES</b>			
Miscellaneous Service Revenues	\$12,000	\$11,648	\$12,000
Rent from Electric Property	7,292	7,382	7,292
Other Revenues	0	739	0
Gains from Disposition of Allowances	<u>0</u>	<u>8,570</u>	<u>0</u>
<b>TOTAL OTHER OPERATING REVENUES</b>	<b><u>\$19,292</u></b>	<b><u>\$28,339</u></b>	<b><u>\$19,292</u></b>
<b>TOTAL OPERATING REVENUE</b>	<b>\$5,800,629</b>	<b>\$5,780,444</b>	<b>\$5,762,944</b>
<b>OPERATING EXPENSES</b>			
<b>HYDRO POWER GENERATION</b>			
<b>HYDRO OPERATION EXPENSES</b>			
Operation Supervision and Engineering Labor	\$225,395	\$260,501	\$257,140
Operation Supplies and Expenses	9,000	11,187	10,400
Uniforms	4,500	3,366	3,500
Telephone	3,075	3,200	4,080
Office Supplies	1,500	133	1,000
Heat	<u>3,500</u>	<u>3,379</u>	<u>3,500</u>
<b>TOTAL HYDRO OPERATION EXPENSES</b>	<b>\$246,970</b>	<b>\$281,766</b>	<b>\$279,620</b>
<b>HYDRO MAINTENANCE EXPENSES</b>			
Maintenance of Hydraulic Production Plant	\$31,000	\$34,878	\$34,000
Maintenance of Hydraulic Production Plant - Labor	<u>67,899</u>	<u>39,720</u>	<u>69,255</u>
<b>TOTAL HYDRO MAINT EXPENSES</b>	<b>\$98,899</b>	<b>\$74,598</b>	<b>\$103,255</b>
<b>OTHER POWER SUPPLY EXPENSES</b>			
Purchased Power	<u>\$2,611,293</u>	<u>\$2,851,078</u>	<u>\$3,170,201</u>
<b>TOTAL POWER PRODUCTION EXPENSES</b>	<b>\$2,957,162</b>	<b>\$3,207,442</b>	<b>\$3,553,076</b>
<b>TRANSMISSION EXPENSES</b>			
<b>TRANSMISSION OPERATING EXPENSES</b>			
Operation Supervision and Engineering - Labor	<u>\$0</u>	<u>\$210</u>	<u>\$0</u>
<b>TOTAL TRANS OPERATING EXPENSES</b>	<b>\$0</b>	<b>\$210</b>	<b>\$0</b>
<b>TRANSMISSION MAINTENANCE EXPENSES</b>			
Maintenance of Transmission Plant	\$0	\$299	\$0
Maintenance of Rights of Way	5,000	6,829	5,000
Maintenance of Transmission Plant - Labor	<u>0</u>	<u>2,980</u>	<u>0</u>
<b>TOTAL TRANS MAINT EXPENSES</b>	<b><u>\$5,000</u></b>	<b><u>\$10,108</u></b>	<b><u>\$5,000</u></b>
<b>TOTAL TRANSMISSION EXPENSES</b>	<b>\$5,000</b>	<b>\$10,318</b>	<b>\$5,000</b>
<b>DISTRIBUTION EXPENSES</b>			
<b>DISTRIBUTION OPERATING EXPENSES</b>			
Operation Supervision and Engineering - Labor	\$77,297	\$104,492	\$78,846
Line and Station Expenses	20 10,000	2,723	5,000

**Swanton Village  
Electric Fund  
Income Statement  
For The Twelve Months Ending December 31, 2009**

	BUDGET	YTD	2010 BUDGET
Tools Expense	1,500	2,656	2,600
Uniforms	9,540	9,714	9,540
Operating Supplies	5,000	112	4,440
Line and Station Expenses - Labor	0	14	0
Electricity	0	249	260
Street Lighting and Signal System Expenses	500	76	500
Street Lighting and Signal System Expenses - Labor	500	4,141	500
Meter Expenses	250	0	250
Miscellaneous Distribution Expenses	<u>600</u>	<u>610</u>	<u>600</u>
<b>TOTAL DISTRIB OPERATING EXPENSES</b>	<b>\$105,187</b>	<b>\$124,787</b>	<b>\$102,536</b>
<b>DISTRIBUTION MAINTENANCE EXPENSES</b>			
Maintenance of Structures and Equipment	\$0	\$138	\$0
Maintenance of Lines	82,460	44,221	82,000
Maintenance of Lines - Labor	308,602	279,837	315,148
Maintenance of Rights of Way	60,000	76,240	60,000
Maintenance of Rights of Way - Labor	14,000	14,504	14,000
Maintenance of Line Transformers	3,000	2,318	3,000
Maintenance of Streetlighting and Signal Systems	325	828	325
Maint of Streetlighting & Signal Systems - Labor	750	802	750
Maintenance of Meters	1,000	475	1,000
Maintenance of Meters - Labor	3,000	2,109	3,000
Maintenance of Miscellaneous Distribution Plant	<u>750</u>	<u>1,083</u>	<u>1,000</u>
<b>TOTAL DISTRIB MAINT EXPENSES</b>	<b><u>\$473,887</u></b>	<b><u>\$422,555</u></b>	<b><u>\$480,223</u></b>
<b>TOTAL DISTRIBUTION EXPENSES</b>	<b>\$579,074</b>	<b>\$547,342</b>	<b>\$582,759</b>
<b>CUSTOMER ACCOUNTS EXPENSES</b>			
Meter Reading Expenses - Labor	\$27,802	\$30,555	\$18,908
Uniforms	735	755	735
Meter Transportation	1,500	0	1,500
Customer Records and Collection Expenses - Labor	96,363	62,583	79,161
Customer Records and Collection Expenses	1,500	0	0
Postage	14,036	17,269	17,000
Supplies & Expenses	600	2,417	2,500
Collection Costs	0	1,650	1,500
Uncollectible Accounts	<u>7,500</u>	<u>65,681</u>	<u>7,500</u>
<b>TOTAL CUSTOMER ACCOUNTS EXPENSE</b>	<b>\$150,036</b>	<b>\$180,910</b>	<b>\$128,804</b>
<b>CUSTOMER SERVICE EXPENSE</b>			
<b>ADMIN &amp; GENERAL EXPENSES</b>			
Administrative and General Salaries	\$139,193	\$180,160	\$154,015
Office Supplies	21,600	18,980	20,000
Telephone & Internet	6,650	6,746	6,750
Postage	5,100	7,194	7,200
Bank Charges	5,150	4,393	5,150
Subscriptions	0	101	75
Travel & Meals	18,695	8,625	10,000
Outside Services Employed	47,000	59,650	47,000
Accounting	13,200	13,775	13,200



**Swanton Village  
Electric Fund  
Income Statement  
For The Twelve Months Ending December 31, 2009**

	BUDGET	YTD	2010 BUDGET
Legal	40,000	26,059	40,000
Engineering	5,000	11,915	15,000
VPPSA	146,797	127,615	140,940
Property Insurance	63,315	59,884	63,315
Workers Compensation	24,150	24,990	26,100
Employee's Retirement	52,501	54,734	55,522
Employee's Health and Insurance	313,632	302,947	275,755
Employee's Dental Insurance	0	19,852	17,137
Life and Disability Insurance	0	6,439	6,175
Regulatory Commission Expenses	19,000	16,624	18,000
General Advertising Expenses	7,400	455	1,500
Miscellaneous General Expenses	0	6,637	5,000
Dues	1,100	8,561	8,600
Trustees Salary	4,375	5,425	5,425
Conventions and Meetings	8,110	9,144	9,100
Annual Report	400	442	400
Rent	28,221	28,571	29,851
Transportation Expenses	51,500	30,077	40,000
Transportation Expenses - Labor	1,000	0	1,000
Shop Tools	1,500	1,383	1,500
Plant Supplies and Expense	<u>0</u>	<u>759</u>	<u>0</u>
<b>TOTAL ADMIN &amp; GENERAL EXPENSES</b>	<b>\$1,024,589</b>	<b>\$1,042,137</b>	<b>\$1,023,710</b>
Depreciation Expense	\$723,000	\$735,661	\$760,000
Amortization Expense	38,578	38,578	38,578
Fuel Tax	28,691	28,604	28,691
Gross Revenue Tax	28,691	28,793	28,691
Property Taxes	370,000	437,469	438,000
Payment in Lieu of Taxes	15,253	15,253	15,253
Social Security Taxes	73,913	75,784	76,282
Unemployment Compensation	<u>2,090</u>	<u>1,715</u>	<u>2,259</u>
<b>TOTAL OPERATING EXPENSES</b>	<b>\$5,996,077</b>	<b>\$6,350,006</b>	<b>\$6,681,103</b>
<b>NET OPERATING INCOME</b>	<b>(\$195,448)</b>	<b>(\$569,562)</b>	<b>(\$918,159)</b>
<b>OTHER INCOME</b>			
Rev. from Merchandising, Jobbing & Contract Work	\$70,000	\$171,736	\$50,000
Costs & Exp of Merch, Jobbing & Contract Work	0	49	0
Non Operating Rental Income	1,300	1,300	1,300
Interest & Dividend Income	220,000	232,410	200,000
Misc. Non Operating Revenue	102,100	72,685	102,100
Gain on Bond Refinance	<u>38,578</u>	<u>38,578</u>	<u>38,578</u>
<b>TOTAL OTHER INCOME</b>	<b>\$431,978</b>	<b>\$516,758</b>	<b>\$391,978</b>
<b>INTEREST CHARGES</b>			
Interest on Long-Term Debt	\$906,726	\$908,204	\$849,950
Other Interest Expense	<u>500</u>	<u>530</u>	<u>500</u>
<b>TOTAL INTEREST CHARGES</b>	<b>\$907,226</b>	<b>\$908,734</b>	<b>\$850,450</b>
<b>NET INCOME</b>	<b>(\$670,696)</b>	<b>(\$961,538)</b>	<b>(\$1,376,631)</b>

**Swanton Village  
General Fund  
For The Twelve Months Ending December 31, 2009**

	2008	2009
<b>ASSETS</b>		
Cash - Operating	\$4,352,476	\$3,279,021
Cash - SWAN	3,949	4,106
Cash - Fire	12,423	34,286
Cash - General	34,749	186,934
Cash - Police	<u>30,312</u>	<u>39,384</u>
<b>TOTAL CASH</b>	<b>\$4,433,909</b>	<b>\$3,543,731</b>
<b>OTHER ASSETS</b>		
Taxes Receivable	\$35,333	\$37,881
A/R - Other	9,910	6,117
Grants Receivable	3,850	2,245
Accrued Interest Receivable	38,316	0
Unallocated Payroll Taxes	0	(15)
Prepaid Expenses	<u>3,575</u>	<u>3,937</u>
<b>TOTAL OTHER ASSETS</b>	<b><u>\$90,984</u></b>	<b><u>\$50,165</u></b>
<b>TOTAL ASSETS</b>	<b><u>\$4,524,893</u></b>	<b><u>\$3,593,896</u></b>
<b>LIABILITIES &amp; FUND BALANCE</b>		
<b>LIABILITIES</b>		
A/P - Other	\$6,405	\$28,265
Due to Other Funds	4,434,971	3,298,242
Other Payables	55,320	58,024
Note Payable - Fire Department	36,552	0
Deferred Income - Restricted Assets	5,321	5,512
Prepaid Rent	<u>0</u>	<u>148,485</u>
<b>TOTAL LIABILITIES</b>	<b>\$4,538,569</b>	<b>\$3,538,528</b>
<b>FUND BALANCE</b>		
Fund Balance	<u>(\$13,676)</u>	<u>\$55,368</u>
<b>TOTAL FUND BALANCE</b>	<b><u>(\$13,676)</u></b>	<b><u>\$55,368</u></b>
<b>TOTAL LIAB &amp; FUND BALANCE</b>	<b><u>\$4,524,893</u></b>	<b><u>\$3,593,896</u></b>

**Swanton Village  
General Fund  
Income Statement  
For The Twelve Months Ending December 31, 2009**

	BUDGET	YTD	2010 BUDGET
<b>GENERAL DEPARTMENT</b>			
<b>PROPERTY TAXES</b>			
Property Taxes	\$55,174	\$54,853	\$65,349
PILOT	966	966	966
Delinquent Tax Collector Fees	<u>3,200</u>	<u>4,499</u>	<u>3,200</u>
<b>TOTAL PROPERTY TAXES</b>	<b>\$59,340</b>	<b>\$60,318</b>	<b>\$69,515</b>
<b>OTHER OPERATING REVENUES</b>			
Rent	81,436	82,951	86,139
Other Revenues	1,800	2,687	1,800
Interest & Dividend Income	900	2,079	1,000
Transfer from Commercial Building	<u>4,200</u>	<u>4,200</u>	<u>5,588</u>
<b>TOTAL OTHER REVENUES</b>	<b><u>\$88,336</u></b>	<b><u>\$91,917</u></b>	<b><u>\$94,527</u></b>
<b>TOTAL OPERATING REVENUES</b>	<b>\$147,676</b>	<b>\$152,235</b>	<b>\$164,042</b>
<b>OPERATING MAINT EXPENSES</b>			
Uniforms	<u>1,228</u>	<u>1,185</u>	<u>1,228</u>
<b>TOTAL OPERATING MAINT EXPENSES</b>	<b>\$1,228</b>	<b>\$1,185</b>	<b>\$1,228</b>
<b>ADMIN &amp; GENERAL EXPENSES</b>			
Administrative and General Salaries	4,278	4,837	8,472
Delinquent Tax Collector	3,200	4,499	3,200
Office Supplies	2,000	612	1,590
Telephone & Internet	400	351	400
Postage	75	195	250
Subscriptions	0	114	115
Travel & Meals	0	71	0
Outside Services Employed	1,920	2,191	1,920
Accounting	320	876	800
Legal	500	5,937	4,000
Property Insurance	13,915	12,458	12,600
Workers Compensation	1,155	1,143	1,175
Employee's Retirement	1,610	1,602	1,872
Employee's Health and Insurance	12,570	11,705	13,475
Employee's Dental Insurance	0	703	900
Life and Disability Insurance	0	177	240
General Advertising Expenses	0	120	120
Miscellaneous General Expenses	300	4	150
Dues	170	84	100
Trustees Salary	313	388	388
Annual Report	400	687	400
Transportation Expenses	2,500	820	2,000
Transportation Expenses - Labor	<u>500</u>	<u>0</u>	<u>500</u>
<b>TOTAL ADMIN &amp; GENERAL EXPENSES</b>	<b>\$46,126</b>	<b>\$49,571</b>	<b>\$54,667</b>

**Swanton Village  
General Fund  
Income Statement  
For The Twelve Months Ending December 31, 2009**

	BUDGET	YTD	2010 BUDGET
<b>BUILDING &amp; PARKS MAINTENANCE</b>			
Heating Fuel	26,780	13,459	18,000
Electricity	18,380	18,099	18,380
Plant Maintenance	6,600	14,674	25,995
Plant Supplies and Expense	17,700	13,385	14,000
Maintenance of Building - Labor	3,200	2,185	2,500
Maintenance of Lawns & Parks	2,000	268	2,000
Maintenance of Lawns & Parks - Labor	<u>22,633</u>	<u>23,747</u>	<u>23,845</u>
<b>TOTAL BLDG &amp; PARK MAINTENANCE</b>	<b>\$97,293</b>	<b>\$85,818</b>	<b>\$104,720</b>
Social Security Taxes	2,611	3,358	2,976
Unemployment Compensation	418	343	451
<b>CAPITAL EXPENDITURES</b>			
Equipment	<u>0</u>	<u>3,200</u>	<u>0</u>
<b>TOTAL CAPITAL EXPENDITURES</b>	<b><u>0</u></b>	<b><u>3,200</u></b>	<b><u>0</u></b>
<b>TOTAL EXPENDITURES</b>	<b><u>\$147,676</u></b>	<b><u>\$143,475</u></b>	<b><u>\$164,042</u></b>
<b>NET INCOME</b>	<b>0</b>	<b>8,760</b>	<b>0</b>

**Swanton Village  
General Fund -- Fire Department  
Income Statement  
For The Twelve Months Ending December 31, 2009**

<b>FIRE DEPARTMENT</b>	<b>BUDGET</b>	<b>YTD</b>	<b>2010 BUDGET</b>
<b>PROPERTY TAXES</b>			
Property Taxes	\$47,228	\$46,950	\$47,681
PILOT	<u>743</u>	<u>743</u>	<u>743</u>
<b>TOTAL PROPERTY TAXES</b>	\$47,971	\$47,693	\$48,424
<b>OTHER OPERATING REVENUES</b>			
Other Revenues	\$5,000	\$755	\$0
Town Fire Assessment	102,598	102,598	99,938
Town Fire Truck Payment	31,820	31,820	35,770
Revenues from Merch. Jobbing & Contract Work	0	16,880	5,000
Interest & Dividend Income	<u>430</u>	<u>775</u>	<u>430</u>
<b>TOTAL OTHER OPERATING REVENUES</b>	<u>\$139,848</u>	<u>\$152,828</u>	<u>\$141,138</u>
<b>TOTAL OPERATING REVENUES</b>	\$187,819	\$200,521	\$189,562
<b>OPERATING MAINT EXPENSES</b>			
Fire Salaries	\$30,750	\$26,591	\$30,750
Tools Expense	0	10	0
Department Supplies	3,800	2,134	3,800
Chemicals	<u>750</u>	<u>0</u>	<u>750</u>
<b>TOTAL OPERATING MAINT EXPENSES</b>	\$35,300	\$28,735	\$35,300
<b>ADMIN &amp; GENERAL EXPENSES</b>			
Office Supplies	\$985	\$449	\$985
Telephone & Internet	1,670	2,399	2,500
Postage	160	11	160
Outside Services Employed	1,920	2,259	2,200
Accounting	320	377	320
Dispatching	9,835	8,029	8,800
Property Insurance	6,510	5,464	5,800
Workers Compensation	2,573	1,259	1,120
General Advertising Expenses	0	25	30
Miscellaneous General Expenses	900	331	500
Dues	100	769	775
Conventions and Meetings	3,500	980	3,500
Annual Report	400	687	400
Rent	20,555	20,555	21,743
Transportation Expenses	23,500	29,824	23,500
Transportation Expenses - Labor	<u>500</u>	<u>0</u>	<u>500</u>
<b>TOTAL ADMIN &amp; GENERAL EXPENSES</b>	\$73,428	\$73,418	\$72,833
Social Security Taxes	2,391	2,081	2,391
Interest on Long-Term Debt	0	1,091	0
<b>CAPITAL EXPENDITURES</b>			
Equipment	11,500	22,083	11,500
Equipment Replacement Fund	43,000	41,909	48,338
Radio Equipment	6,700	6,680	6,700
Personal Protective Equipment	<u>15,500</u>	<u>17,010</u>	<u>12,500</u>
<b>TOTAL CAPITAL EXPENDITURES</b>	<u>\$76,700</u>	<u>\$87,682</u>	<u>\$79,038</u>
<b>TOTAL EXPENDITURES</b>	<u>\$187,819</u>	<u>\$193,007</u>	<u>\$189,562</u>
<b>NET INCOME</b>	\$0	\$7,514	\$0

**Swanton Village  
General Fund -- Police Department  
Income Statement  
For The Twelve Months Ending December 31, 2009**

<b>POLICE DEPARTMENT</b>	BUDGET	YTD	2010 BUDGET
<b>PROPERTY TAXES</b>			
Property Taxes	\$452,940	\$449,979	\$450,306
PILOT	<u>7,017</u>	<u>7,017</u>	<u>7,017</u>
<b>TOTAL PROPERTY TAXES</b>	\$459,957	\$456,996	\$457,323
<b>OTHER OPERATING REVENUES</b>			
Miscellaneous Income	\$2,000	\$14,875	\$2,000
Fines	6,000	10,213	2,000
Fingerprint Center	9,300	9,724	9,300
Interest & Dividend Income	2,800	2,457	2,800
Transfer from Commercial Building	2,300	2,300	3,347
Grant Income	<u>0</u>	<u>3,895</u>	<u>43,700</u>
<b>TOTAL OTHER OPERATING REVENUES</b>	<u>22,400</u>	<u>43,464</u>	<u>63,147</u>
<b>TOTAL OPERATING REVENUES</b>	\$482,357	\$500,460	\$520,470
<b>OPERATING MAINT EXPENSES</b>			
Police Salaries	\$301,033	\$320,209	\$336,725
Uniforms	1,500	3,962	1,500
Electricity	0	227	250
Department Supplies	1,740	1,810	1,490
Electricity	<u>0</u>	<u>22</u>	<u>0</u>
<b>TOTAL OPERATING MAINT EXPENSES</b>	\$304,273	\$326,228	\$339,965
<b>ADMIN &amp; GENERAL EXPENSES</b>			
Office Supplies	\$2,500	\$990	\$2,500
Telephone & Internet	9,500	5,757	9,500
Postage	160	32	160
Subscriptions	500	0	300
Travel & Meals	0	473	600
Outside Services Employed	1,920	2,795	1,920
Accounting	800	445	800
Legal	0	226	0
Property Insurance	4,785	4,012	4,785
Workers Compensation	10,500	8,570	10,500
Employee's Retirement	14,941	14,926	17,315
Employee's Health and Insurance	78,455	71,718	66,910
Employee's Dental Insurance	0	4,993	5,895
Life and Disability Insurance	0	1,992	2,011
General Advertising Expenses	0	25	30
Miscellaneous General Expenses	600	194	200
Dues	110	574	600
Conventions and Meetings	1,500	503	1,500
Annual Report	400	687	400
Rent	6,966	6,966	7,368
Transportation Expenses	<u>13,000</u>	<u>10,063</u>	<u>13,000</u>
<b>TOTAL ADMIN &amp; GENERAL EXPENSES</b>	\$146,637	\$135,940	\$146,294
Social Security Taxes	23,029	23,886	25,760
Unemployment Compensation	418	343	451
<b>CAPITAL EXPENDITURES</b>			
Equipment	<u>8,000</u>	<u>11,200</u>	<u>8,000</u>
<b>TOTAL CAPITAL EXPENDITURES</b>	<u>\$8,000</u>	<u>\$11,200</u>	<u>\$8,000</u>
<b>TOTAL EXPENDITURES</b>	<u>\$482,357</u>	<u>\$497,597</u>	<u>\$520,470</u>
<b>NET INCOME</b>	\$0	\$2,863	\$0

**Swanton Village  
Highway Fund  
For The Twelve Months Ending December 31, 2009**

	2008	2009
<b>ASSETS</b>		
Cash	<u>\$32,469</u>	<u>\$33,690</u>
<b>TOTAL CASH</b>	\$32,469	\$33,690
<b>OTHER ASSETS</b>		
Taxes Receivable	\$25,349	\$27,089
Prepaid Expenses	<u>677</u>	<u>645</u>
<b>TOTAL OTHER ASSETS</b>	<u>\$26,026</u>	<u>\$27,734</u>
<b>TOTAL ASSETS</b>	<u>\$58,495</u>	<u>\$61,424</u>
<b>LIAB &amp; FUND BALANCE</b>		
<b>LIABILITIES</b>		
A/P - Other	\$695	\$3,792
Due to Other Funds	62,116	24,573
Accrued Payroll	<u>2,942</u>	<u>5,032</u>
<b>TOTAL LIABILITIES</b>	\$65,753	\$33,397
<b>FUND BALANCE</b>		
Fund Balance	(\$7,258)	\$28,027
<b>TOTAL FUND BALANCE</b>	<u>(7,258)</u>	<u>28,027</u>
<b>TOTAL LIAB. &amp; FUND BALANCE</b>	<u>\$58,495</u>	<u>\$61,424</u>

**Swanton Village  
Highway Fund  
Income Statement  
For The Twelve Months Ending December 31, 2009**

	BUDGET	YTD	2010 BUDGET
<b>PROPERTY TAXES</b>			
Property Taxes	\$380,494	\$377,927	\$381,723
PILOT	<u>6,527</u>	<u>6,527</u>	<u>6,527</u>
<b>TOTAL PROPERTY TAXES</b>	<b>\$387,021</b>	<b>\$384,454</b>	<b>\$388,250</b>
<b>OTHER REVENUES</b>			
State Aid	\$41,310	\$43,668	\$43,000
Other Revenues	1,400	3,053	1,400
Interest & Dividend Income	<u>2,500</u>	<u>2,704</u>	<u>2,500</u>
<b>TOTAL OTHER REVENUES</b>	<b>\$45,210</b>	<b>\$49,425</b>	<b>\$46,900</b>
<b>TOTAL OPERATING REVENUES</b>	<b>\$432,231</b>	<b>\$433,879</b>	<b>\$435,150</b>
<b>DISTRIBUTION OPERATION EXPENSES</b>			
Tools Expense	\$0	\$35	\$0
Uniforms	3,400	3,098	3,400
Streetlighting	56,000	55,616	56,000
Department Supplies	<u>1,000</u>	<u>1,501</u>	<u>1,200</u>
<b>TOTAL DISTR OPERATION EXPENSES</b>	<b>\$60,400</b>	<b>\$60,250</b>	<b>\$60,600</b>
<b>DISTRIBUTION MAINT EXPENSES</b>			
Maintenance of Summer Streets	\$8,175	\$4,195	\$8,650
Maintenance of Summer Streets - Labor	43,503	73,005	60,000
Maintenance of Winter Streets	15,000	4,788	15,000
Maintennace of Winter Streets - Labor	101,542	69,928	88,380
Maintenance of Sidewalks	9,500	4,498	9,500
Maintenance of Sidewalks - Labor	<u>9,322</u>	<u>4,136</u>	<u>9,000</u>
<b>TOTAL DISTRIB MAINT EXPENSES</b>	<b>\$187,042</b>	<b>\$160,550</b>	<b>\$190,530</b>
<b>TOTAL DISTRIBUTION EXPENSES</b>	<b>\$247,442</b>	<b>\$220,800</b>	<b>\$251,130</b>
<b>ADMIN &amp; GENERAL EXPENSES</b>			
Administrative and General Salaries	\$15,634	\$20,492	\$15,800
Office Supplies	1,390	509	1,000
Telephone & Internet	455	619	620
Postage	155	0	155
Travel & Meals	0	90	100
Outside Services Employed	2,230	2,191	2,200
Accounting	700	755	700
Legal	0	414	400
Property Insurance	3,900	3,382	3,900
Workers Compensation	9,250	7,457	7,500
Employee's Retirement	9,109	8,994	9,427
Employee's Health and Insurance	72,033	65,360	65,218
Employee's Dental Insurance	0	4,506	4,400
Life and Disabiltiy Insurance	0	1,161	1,115
General Advertising Expenses	0	38	30
Miscellaneous General Expenses	450	300	250
Dues	0	104	105
Trustees Salary	313	388	388
Conventions and Meetings	60	745	750



**Swanton Village  
Highway Fund  
Income Statement  
For The Twelve Months Ending December 31, 2009**

	BUDGET	YTD	2010 BUDGET
Annual Report	400	686	400
Rent	9,867	9,866	10,436
Transportation Expenses	16,000	11,552	16,000
Transportation Expenses - Labor	1,000	127	1,000
Shop Tools	<u>400</u>	<u>114</u>	<u>400</u>
<b>TOTAL ADMIN &amp; GENERAL EXPENSES</b>	<b>\$143,346</b>	<b>\$139,850</b>	<b>\$142,294</b>
Social Security Taxes	13,105	12,786	13,355
Unemployment Compensation	418	343	451
<b>CAPITAL EXPENDITURES</b>			
Equipment	\$420	\$3,705	\$420
Paving	<u>27,500</u>	<u>21,110</u>	<u>27,500</u>
<b>TOTAL CAPITAL EXPENDITURES</b>	<b><u>\$27,920</u></b>	<b><u>\$24,815</u></b>	<b><u>\$27,920</u></b>
<b>TOTAL EXPENSES</b>	<b>\$432,231</b>	<b>\$398,594</b>	<b>\$435,150</b>
<b>NET INCOME</b>	<b>\$0</b>	<b>\$35,285</b>	<b>\$0</b>

**Swanton Village  
Sewer Fund  
For The Twelve Months Ending December 31, 2009**

<b>ASSETS</b>	<b>2008</b>	<b>2009</b>
<b>CURRENT ASSETS</b>		
Cash - Savings	\$116,127	\$126,520
A/R - Customers	87,433	172,648
Allow. For Uncollect.	(2,740)	(1,125)
Due to Other Funds	170,545	251,261
Prepaid Expenses	<u>1,750</u>	<u>1,977</u>
<b>TOTAL CURRENT ASSETS</b>	<b>\$373,115</b>	<b>\$551,281</b>
<b>FIXED ASSETS</b>		
Utility Plant In Service	\$11,915,485	\$11,933,935
Accumulated Depr.	<u>(7,023,155)</u>	<u>(7,463,932)</u>
<b>NET FIXED ASSETS</b>	<b><u>\$4,892,330</u></b>	<b><u>\$4,470,003</u></b>
<b>TOTAL ASSETS</b>	<b><u>\$5,265,445</u></b>	<b><u>\$5,021,284</u></b>
<b>LIABILITIES &amp; RETAINED EARNINGS</b>		
<b>CURRENT LIABILITIES</b>		
A/P - Other	\$6,151	\$8,002
Accrued Bond Interest Payable	15,680	14,468
Accrued Payroll	21,823	25,718
Deferred Gain - Refinancing	<u>14,566</u>	<u>9,616</u>
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$58,220</b>	<b>\$57,804</b>
<b>NONCURRENT LIABILITIES</b>		
Bonds Payable	<u>\$2,003,107</u>	<u>\$1,817,929</u>
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>\$2,003,107</b>	<b>\$1,817,929</b>
<b>RETAINED EARNINGS</b>		
Retained Earnings	\$3,204,118	\$3,145,551
<b>TOTAL RETAINED EARNINGS</b>	<b><u>\$3,204,118</u></b>	<b><u>\$3,145,551</u></b>
<b>TOTAL LIAB &amp; RETAINED EARNINGS</b>	<b><u>\$5,265,445</u></b>	<b><u>\$5,021,284</u></b>

**Swanton Village  
Sewer Fund  
Income Statement  
For The Twelve Months Ending December 31, 2009**

	BUDGET	YTD	2010 BUDGET
<b>OPERATING REVENUES</b>			
Sewer Sales	<u>871,146</u>	<u>905,774</u>	<u>871,146</u>
<b>OTHER OPERATING REVENUES</b>			
Other Revenues	<u>2,000</u>	<u>594</u>	<u>2,000</u>
<b>OTHER OPERATING REVENUES</b>	<u>2,000</u>	<u>594</u>	<u>2,000</u>
<b>TOTAL OPERATING REVENUE</b>	\$873,146	\$906,368	\$873,146
<b>OPERATING EXPENSES</b>			
<b>PLANT OPERATION</b>			
Plant Operators Labor	\$108,472	\$108,917	\$110,845
Operation Supplies and Expenses	9,000	8,202	9,000
Uniforms	3,200	2,540	2,600
Telephone	0	1,054	1,125
Office Supplies	0	123	115
Heat	9,050	7,619	7,600
Electricity	<u>63,000</u>	<u>65,031</u>	<u>65,000</u>
<b>PLANT OPERATION EXPENSE</b>	\$192,722	\$193,486	\$196,285
<b>PLANT MAINTENANCE</b>			
Maintenance of Sewer Plant	\$12,978	\$9,496	\$12,978
Maintenance of Sewer Plant - Labor	<u>35,345</u>	<u>38,901</u>	<u>34,950</u>
<b>PLANT MAINTENANCE EXPENSE</b>	\$48,323	\$48,397	\$47,928
<b>DISTRIBUTION OPERATING</b>			
Uniforms	\$0	\$51	\$0
Department Supplies	<u>0</u>	<u>82</u>	<u>0</u>
<b>TOTAL DISTRIBUTION OPER EXPENSES</b>	\$0	\$133	\$0
<b>DISTRIBUTION MAINTENANCE</b>			
Maintenance of Structures and Equipment	\$0	\$1,178	\$1,180
Chemicals	68,500	60,490	68,500
Testing	5,485	2,796	5,485
Sludge Removal	3,000	1,786	3,000
Maintenance of Lines	6,000	587	6,000
Maintenance of Lines - Labor	27,967	11,483	28,530
Maintenance of Storm Drain	0	2,441	6,000
Maintenance of Services	500	0	500
Maintenance of Services - Labor	<u>1,000</u>	<u>296</u>	<u>1,000</u>
<b>TOTAL DISTRIBUTION MAINTENANCE</b>	\$112,452	\$81,057	\$120,195
<b>CUSTOMER ACCOUNTS EXPENSES</b>			
Meter Reading Expenses - Labor	\$5,149	\$5,774	\$10,504
Uniforms	315	108	315
Meter Transportation	2,000	0	2,000
Customer Records and Collection Expenses	100	35	100
Postage	550	1,136	1,150
Supplies & Expenses	250	575	750
Collection Costs	<u>0</u>	<u>170</u>	<u>500</u>
<b>TOTAL CUSTOMER ACCOUNTS EXPENSES</b>	\$8,364	\$7,798	\$15,319
<b>CUSTOMER SERVICE EXPENSES</b>			
<b>ADMIN &amp; GENERAL EXPENSES</b>			
Administrative and General Salaries	\$25,431	\$26,375	\$25,666
Office Supplies	2,000	413	2,000

**Swanton Village  
Sewer Fund  
Income Statement  
For The Twelve Months Ending December 31, 2009**

	BUDGET	YTD	2010 BUDGET
Telephone & Internet	1,330	201	250
Postage	1,175	61	575
Travel & Meals	0	147	100
Outside Services Employed	3,700	2,384	2,300
Accounting	800	1,698	1,500
Legal	0	414	400
Engineering	0	720	1,000
Property Insurance	11,025	10,749	11,000
Workers Compensation	5,360	4,084	5,000
Employee's Retirement	10,990	10,734	11,677
Employee's Health and Insurance	68,862	62,353	66,560
Employee's Dental Insurance	0	3,928	4,010
Life and Disability Insurance	0	1,360	1,450
State of VT Fees	0	1,467	0
Miscellaneous General Expenses	400	368	400
Dues	240	124	240
Trustees Salary	625	775	775
Conventions and Meetings	200	626	600
Annual Report	400	443	400
Rent	3,083	3,083	3,261
Transportation Expenses	6,500	7,639	6,500
Transportation Expenses - Labor	100	802	1,000
Shop Tools	<u>0</u>	<u>959</u>	<u>1,000</u>
<b>TOTAL ADMIN &amp; GENERAL EXP</b>	<b>\$142,221</b>	<b>\$141,907</b>	<b>\$147,664</b>
Depreciation Expense	97,641	440,777	73,702
Social Security Taxes	15,613	15,001	16,316
Unemployment Compensation	<u>418</u>	<u>343</u>	<u>451</u>
<b>TOTAL OPERATING EXPENSES</b>	<b><u>\$617,754</u></b>	<b><u>\$928,899</u></b>	<b><u>\$617,860</u></b>
<b>INCOME FROM OPERATIONS</b>	<b>\$255,392</b>	<b>(\$22,531)</b>	<b>\$255,286</b>
<b>OTHER INCOME</b>			
Revenues from Merch. Jobbing & Contract Work	\$0	\$2,101	\$2,200
Interest & Dividend Income	1,850	4,394	2,000
New Service Connection Fees	32,000	6,000	9,000
Gain on Bond Refinance	<u>4,950</u>	<u>4,949</u>	<u>4,950</u>
<b>TOTAL OTHER INCOME</b>	<b>\$38,800</b>	<b>\$17,444</b>	<b>\$18,150</b>
<b>INTEREST CHARGES</b>			
Interest on Long-Term Debt	\$54,372	\$52,811	\$51,605
Bond Reduction	<u>184,620</u>	<u>185,178</u>	<u>189,631</u>
<b>TOTAL INTEREST CHARGES</b>	<b>\$238,992</b>	<b>\$237,989</b>	<b>\$241,236</b>
<b>CAPITAL EXPENDITURES</b>			
Equipment	\$23,200	\$17,489	\$23,200
Equipment Replacement Fund	<u>32,000</u>	<u>6,000</u>	<u>9,000</u>
<b>TOTAL CAPITAL EXPENDITURES</b>	<b><u>\$55,200</u></b>	<b><u>\$23,489</u></b>	<b><u>\$32,200</u></b>
<b>NET INCOME</b>	<b>\$0</b>	<b>(\$266,565)</b>	<b>\$0</b>

**Swanton Village  
Sewer Fund  
Income Statement  
For The Twelve Months Ending December 31, 2009**

**Swanton Village  
Water Fund  
For The Twelve Months Ending December 31, 2009**

<b>ASSETS</b>	<b>2008</b>	<b>2009</b>
<b>CURRENT ASSETS</b>		
Cash - Savings	\$33,269	\$45,054
A/R - Customers	37,350	63,756
A/R - Other	417	173
Allow. For Uncollect.	(2,642)	(94)
Due to Other Funds	326,673	368,831
Inventory	13,947	15,551
Prepaid Expenses	<u>1,699</u>	<u>1,812</u>
<b>TOTAL CURRENT ASSETS</b>	<b>\$410,713</b>	<b>\$495,083</b>
<b>FIXED ASSETS</b>		
Utility Plant In Service	\$3,660,364	\$3,693,972
Const. Work in Progress	16,866	23,187
Accumulated Depr.	<u>(3,357,012)</u>	<u>(3,507,808)</u>
<b>NET FIXED ASSETS</b>	<b><u>\$320,218</u></b>	<b><u>\$186,164</u></b>
<b>TOTAL ASSETS</b>	<b><u>\$730,931</u></b>	<b><u>\$681,247</u></b>
<b>LIABILITIES AND RETAINED EARNINGS</b>		
<b>CURRENT LIABILITIES</b>		
A/P - Other	\$8,658	\$9,223
Accrued Payroll	18,496	21,511
Deferred Bond Refinancing Gain	1,586	0
Accrued Interest Payable	<u>106</u>	<u>0</u>
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$28,846</b>	<b>\$30,734</b>
<b>NONCURRENT LIABILITIES</b>		
Bonds Payable	<u>\$7,445</u>	<u>\$0</u>
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>\$7,445</b>	<b>\$0</b>
<b>RETAINED EARNINGS</b>		
Retained Earnings	\$694,640	\$650,513
<b>TOTAL RETAINED EARNINGS</b>	<b><u>\$694,640</u></b>	<b><u>\$650,513</u></b>
<b>TOTAL LIAB &amp; RETAINED EARNINGS</b>	<b><u>\$730,931</u></b>	<b><u>\$681,247</u></b>

**Swanton Village  
Water Fund  
Income Statement  
For The Twelve Months Ending December 31, 2009**

<b>OPERATING REVENUES</b>	<b>BUDGET</b>	<b>YTD</b>	<b>2010 BUDGET</b>
Water Sales	<u>\$465,621</u>	<u>\$488,347</u>	<u>\$465,621</u>
<b>OTHER OPERATING REVENUES</b>			
Other Revenues	<u>2,000</u>	<u>2,129</u>	<u>2,000</u>
<b>OTHER OPERATING REVENUES</b>	<u>2,000</u>	<u>2,129</u>	<u>2,000</u>
<b>TOTAL OPERATING REVENUES</b>	\$467,621	\$490,476	\$467,621
<b>OPERATING EXPENSES</b>			
<b>PLANT OPERATION</b>			
Plant Operators Labor	\$61,371	\$67,105	\$62,604
Operation Supplies and Expenses	10,875	5,592	4,000
Uniforms	4,750	2,540	2,500
Telephone	0	1,295	1,200
Office Supplies	0	166	200
Heat	19,000	14,833	17,000
Electricity	<u>41,500</u>	<u>42,388</u>	<u>42,000</u>
<b>PLANT OPERATING EXPENSES</b>	\$137,496	\$133,919	\$129,504
<b>PLANT MAINTENANCE</b>			
Maintenance of Water Plant	\$5,627	\$6,159	\$7,000
Maintenance of Water Plant - Labor	<u>12,473</u>	<u>8,337</u>	<u>12,730</u>
<b>PLANT MAINTENANCE EXPENSES</b>	\$18,100	\$14,496	\$19,730
<b>RESERVOIR MAINTENANCE</b>			
Maintenance of Reservoir	\$500	\$0	\$500
Maintenance of Reservoir - Labor	<u>3,500</u>	<u>2,171</u>	<u>3,500</u>
<b>TOTAL RESERVOIR MAINTENANCE</b>	\$4,000	\$2,171	\$4,000
<b>DISTRIBUTION OPERATING EXPENSES</b>			
Unifoms	\$0	\$51	\$75
Meter Expenses	0	23	50
Department Supplies	<u>0</u>	<u>398</u>	<u>0</u>
<b>TOTAL DISTR OPERATING EXPENSES</b>	\$0	\$472	\$125
<b>DISTRIBUTION MAINTENANCE EXPENSES</b>			
Chemicals	\$35,000	\$54,191	\$55,000
Testing	7,600	3,154	7,600
Sludge Removal	2,650	2,795	2,650
Maintenance of Lines	6,600	4,214	6,600
Maintenance of Lines - Labor	44,167	20,065	44,190
Maintenance of Services	800	424	800
Maintenance of Services - Labor	4,000	6,212	6,000
Maintenance of Meters	1,000	296	1,000
Maintenance of Meters - Labor	<u>1,000</u>	<u>0</u>	<u>0</u>
<b>TOTAL DISTRIB MAINTENANCE</b>	\$102,817	\$91,351	\$123,840
<b>CUSTOMER ACCOUNTS EXPENSE</b>			
Meter Reading Expenses - Labor	\$5,149	\$5,936	\$10,505
Uniforms	315	108	315

**Swanton Village  
Water Fund  
Income Statement  
For The Twelve Months Ending December 31, 2009**



**Swanton Village  
Water Fund  
Income Statement  
For The Twelve Months Ending December 31, 2009**

	BUDGET	YTD	2010 BUDGET
Meter Transportation	2,000	0	2,000
Customer Records and Collection Expenses	100	35	100
Postage	550	1,513	1,125
Supplies & Expenses	250	574	550
Collection Costs	<u>0</u>	<u>170</u>	<u>500</u>
<b>TOTAL CUSTOMER ACCOUNTS EXP</b>	<b><u>\$8,364</u></b>	<b><u>\$8,336</u></b>	<b><u>\$15,095</u></b>
<b>CUSTOMER SERVICE EXPENSES</b>			
<b>ADMIN &amp; GENERAL EXP OPERATION</b>			
Administrative and General Salaries	\$25,431	\$26,375	\$25,666
Office Supplies	2,800	357	1,500
Telephone & Internet	506	225	506
Postage	425	23	425
Travel & Meals	0	103	25
Outside Services Employed	1,524	2,379	2,500
Accounting	800	944	850
Legal	5,000	414	5,000
Engineering	9,000	1,493	9,000
Property Insurance	10,200	9,323	9,350
Workers Compensation	4,850	3,944	4,250
Employee's Retirement	8,147	6,982	8,640
Employee's Health and Insurance	59,342	56,180	56,890
Employee's Dental Insurance	0	3,765	3,660
Life and Disability Insurance	0	1,112	1,105
Water Supply Operating Fees	6,825	4,966	6,825
General Advertising Expenses	145	301	145
Miscellaneous General Expenses	500	210	250
Dues	0	684	700
Trustees Salary	625	775	775
Conventions and Meetings	0	400	500
Annual Report	400	443	400
Rent	8,300	8,450	8,740
Transportation Expenses	6,000	4,467	6,000
Transportation Expenses - Labor	250	25	250
Shop Tools	<u>500</u>	<u>0</u>	<u>500</u>
<b>TOTAL ADMIN &amp; GEN EXPENSES</b>	<b><u>\$151,570</u></b>	<b><u>\$134,340</u></b>	<b><u>\$154,452</u></b>
Depreciation Expense	\$0	\$150,796	\$0
Property Taxes	1,700	1,679	1,700
Social Security Taxes	12,084	9,961	12,716
Unemployment Compensation	<u>418</u>	<u>343</u>	<u>451</u>
<b>TOTAL OPERATING EXPENSES</b>	<b><u>\$436,549</u></b>	<b><u>\$547,864</u></b>	<b><u>\$461,613</u></b>
<b>INCOME FROM OPERATIONS</b>	<b><u>\$31,072</u></b>	<b><u>(\$57,388)</u></b>	<b><u>\$6,008</u></b>
<b>OTHER INCOME</b>			
Revenues from Merch. Jobbing & Contract Wk	\$750	\$354	\$750
Interest & Dividend Income	500	1,286	700
New Service Connection Fees	32,000	10,500	9,000

**Swanton Village  
Water Fund  
Income Statement  
For The Twelve Months Ending December 31, 2009**

	BUDGET	YTD	2010 BUDGET
Gain on Bond Refinance	<u>1,587</u>	<u>1,586</u>	<u>0</u>
<b>TOTAL OTHER INCOME</b>	\$34,837	\$13,726	\$10,450
<b>INTEREST CHARGES</b>			
Interest on Long-Term Debt	\$464	\$464	\$0
Bond Reduction	<u>7,445</u>	<u>7,445</u>	<u>0</u>
<b>TOTAL INTEREST CHARGES</b>	\$7,909	\$7,909	\$0
<b>CAPITAL EXPENDITURES</b>			
Equipment	\$6,000	\$10,421	\$6,000
Equipment Replacement Fund	32,000	10,500	9,000
Line Replacement	<u>20,000</u>	<u>0</u>	<u>20,000</u>
<b>TOTAL CAPITAL EXPENDITURES</b>	<u>\$58,000</u>	<u>\$20,921</u>	<u>\$35,000</u>
<b>NET INCOME</b>	<u>\$0</u>	<u>(\$72,492)</u>	<u>(\$18,542)</u>

**Swanton Village  
Commercial Building Fund  
For The Twelve Months Ending December 31, 2009**

<b>ASSETS</b>	<b>2008</b>	<b>2009</b>
Cash - Savings	\$56,892	\$79,077
Cash - Restricted	<u>34,031</u>	<u>40,256</u>
<b>TOTAL CASH</b>	<b>\$90,923</b>	<b>\$119,333</b>
 N/R	 \$362,800	 \$350,800
Allow. For Uncollect.	(220,000)	(220,000)
Prepaid Expenses	1,772	1,858
Due from Other Funds	<u>250,757</u>	<u>255,392</u>
<b>TOTAL OTHER ASSETS</b>	<b>\$395,329</b>	<b>\$388,050</b>
 <b>FIXED ASSETS</b>		
Plant In Service	\$412,380	\$413,331
Accumulated Depr.	<u>(303,293)</u>	<u>(310,894)</u>
	<u>\$109,087</u>	<u>\$102,437</u>
<b>TOTAL ASSETS</b>	<b><u>\$595,339</u></b>	<b><u>\$609,820</u></b>
 <b>LIAB &amp; RETAINED EARNING</b>		
 <b>LIABILITIES</b>		
A/P - Other	<u>\$1,200</u>	<u>\$1,200</u>
	\$1,200	\$1,200
 <b>RETAINED EARNINGS</b>		
Retained Earnings	<u>\$594,139</u>	<u>\$608,620</u>
	<u>\$594,139</u>	<u>\$608,620</u>
<b>TOTAL LIAB &amp; RETAINED EARNING</b>	<b><u>\$595,339</u></b>	<b><u>\$609,820</u></b>

**Swanton Village  
Commercial Building Fund  
Income Statement  
For The Twelve Months Ending December 31, 2009**

	BUDGET	YTD	2010 BUDGET
<b>OTHER OPERATING REVENUES</b>			
Rental Income	<u>\$45,000</u>	<u>\$45,000</u>	<u>\$45,000</u>
<b>OTHER OPERATING REVENUES</b>	<u>\$45,000</u>	<u>\$45,000</u>	<u>\$45,000</u>
<b>ADMIN &amp; GENERAL EXPENSES</b>			
<b>OPERATION</b>			
Bank Charges	\$0	\$10	\$0
Property Insurance	<u>9,700</u>	<u>8,866</u>	<u>9,700</u>
<b>ADMIN &amp; GENERAL EXP OPERATION</b>	<u>\$9,700</u>	<u>\$8,876</u>	<u>\$9,700</u>
<b>MAINTENANCE</b>			
Maintenance of General Plant	\$14,700	\$8,274	\$17,700
Water	0	189	475
Sewer	0	490	490
Plant Maintenance	4,000	0	0
Plant Supplies and Expense	2,000	54	2,000
Maintenance of General Plant - Labor	<u>0</u>	<u>1,201</u>	<u>0</u>
<b>ADMIN &amp; GENERAL EXP MAINT</b>	<u>\$20,700</u>	<u>\$10,208</u>	<u>\$20,665</u>
Depreciation Expense	\$7,500	\$7,601	\$7,500
Transfer to General Fund	4,200	4,200	5,588
Transfer to Police Fund	<u>2,300</u>	<u>2,300</u>	<u>3,347</u>
<b>TOTAL OPERATING EXPENSES</b>	<u>\$44,400</u>	<u>\$33,185</u>	<u>\$46,800</u>
<b>NET OPERATING INCOME</b>	\$600	\$11,815	(\$1,800)
<b>OTHER INCOME</b>			
Interest & Dividend Income	<u>\$2,500</u>	<u>\$3,866</u>	<u>\$3,000</u>
<b>OTHER EXPENSES</b>			
State of Vermont Recapture	<u>\$1,200</u>	<u>\$1,200</u>	<u>\$1,200</u>
<b>NET INCOME</b>	<u>\$1,900</u>	<u>\$14,481</u>	<u>\$0</u>



**BASIC FINANCIAL STATEMENTS  
INDEPENDENT AUDITOR'S REPORT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
December 31, 2009**

The Village of Swanton was audited by Kittell, Branagan & Sargent, an independent auditing firm, for the year ending December 31, 2009. To view this report in full stop by the Swanton Village Office, Monday thru Friday, 7:30 a.m. to 4:00 p.m. or call 868-3397 to request a copy.

Thank You  
Village of Swanton Management

# Swanton 2010 Resource Report

Swanton Village, Inc. Electric Department

PO Box 279

Swanton, VT 05488

Phone (802) 868-3397

Fax (802) 868-3930

Date: January 20, 2010

## 1) Executive Summary

The Swanton Village, Inc. Electric Department (Swanton) submits the following report to the Vermont Public Service Board and the Department of Public Service in compliance with Rule 5.206 (B), *Reporting Power Supply Transactions*. The information contained within this report summarizes Swanton's power supply needs and acquisition strategy. This report also summarizes resource transactions the utility expects to enter into during the next 5 years.

Swanton relies on the Vermont Public Power Supply Authority (VPPSA) for its interactions with the ISO-NE and New England power markets. In addition to managing resources in the New England markets, VPPSA also explores new generation sources for its members. Examples of generation resources being reviewed include East Mountain wind facilities in East Haven, Vermont, and proposals for biomass plants in Ludlow, Vermont and Berlin, New Hampshire. Additionally the Swanton peaking generation plant has completed construction and is currently in preparations for testing for synchronization to the ISO-NE grid. VPPSA is also participating in contract negotiations for power from Hydro Quebec and other long term sources of power.

## 2) Utility Information

In 2009, Swanton's load requirements in the New England markets were 57,611,983 kWh. It reached a peak of 11,024 kw on 8/18/2009 at hour ending 12:00. Over the past several years, Swanton's load has fluctuated and is summarized in the following table.

Year	Load Obligation in New England Market (kwh)	Percent Increase (Decrease)
2005	56,667,153	
2006	54,454,350	-4.06%
2007	58,116,713	6.30%
2008	58,486,773	0.63%
2009	57,611,983	-1.52%

Swanton's energy needs are projected into the future based on past load trends, weather, and known customer changes. An updated load forecast was run in an effort to refine Swanton's future energy need estimates. To follow is a summary of Swanton's forecasted energy requirements from 2010 to 2014.

Year	Load Obligation in New England Market (kwh)	Percent Increase (Decrease)
2010	58,274,200	1.14%
2011	58,192,462	-0.14%
2012	57,806,014	-0.67%
2013	57,069,929	-1.29%
2014	57,029,968	-0.07%

## 3) Market Conditions and New England Wholesale Price of Electricity

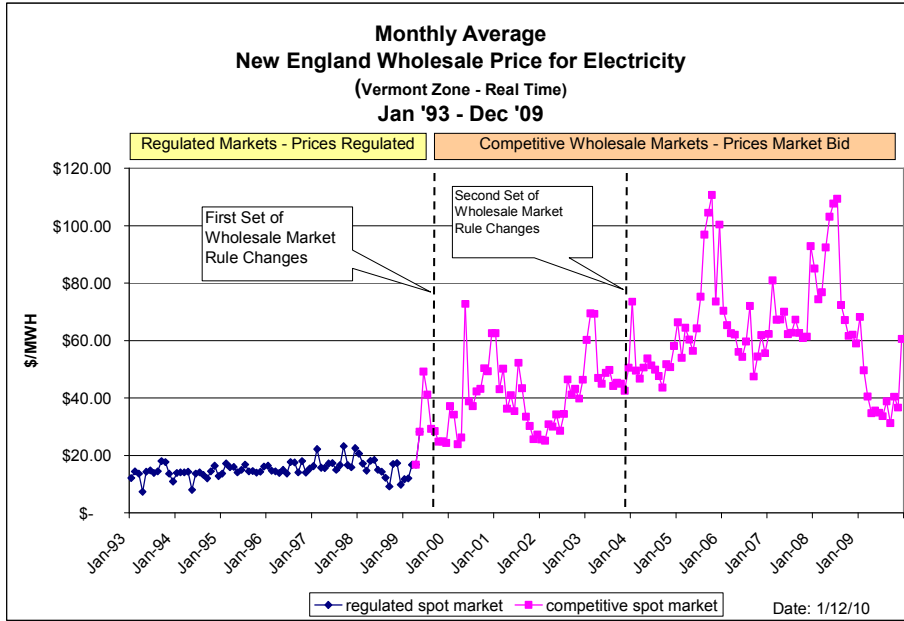
### Wholesale Markets



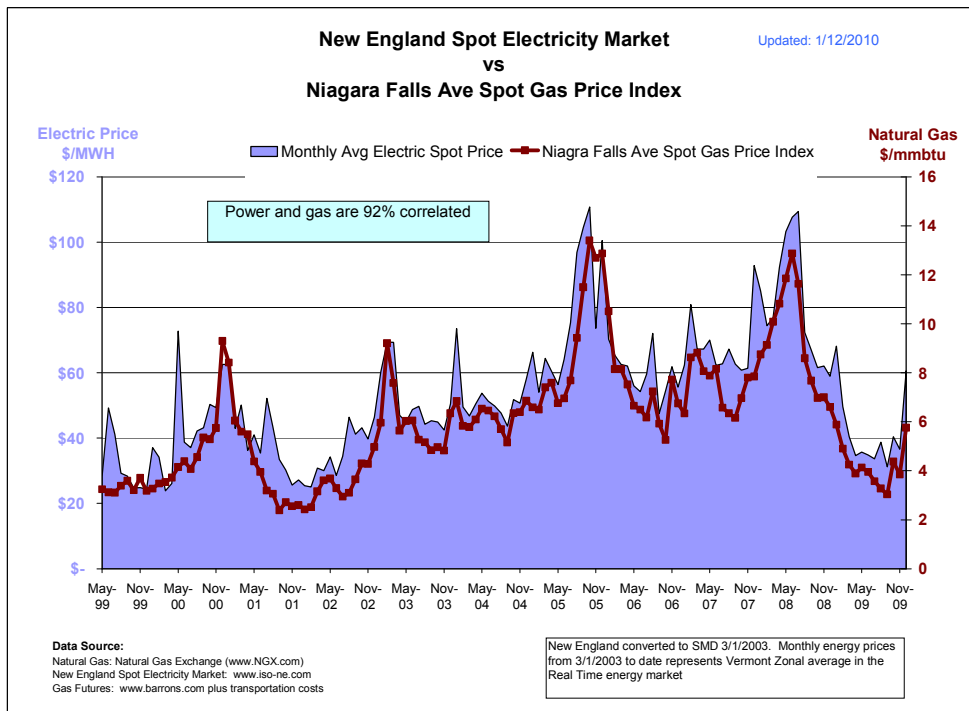
Wholesale electricity costs have become extremely volatile with the advent of restructured wholesale energy markets. In addition, market prices for electricity have risen substantially. The first significant change to the power markets began in May, 1999 with the advent of the “First Effective Date”. Changes to the power market included implementation of competitive bidding practices for electric power plants in the New England system. Prior to 1999, power plant offers were fully regulated and the rules required power plants to bid into the system based on fuel costs alone. Beginning in May, 1999 restrictions on power plant bid structure were lifted allowing plants to submit figures based on true total costs and market demand. Plants are selected to run in economic order, from lowest bid to highest. Today, competitive market forces set wholesale prices based on equilibrium between supply and demand.

In March, 2003 additional changes occurred; these changes are referred to as “Standard Market Design”. This set of rules established various clearing price points on the New England grid with a principle to send accurate price signals regarding supply and demand. This represents an effort to implement price signals at different location throughout Vermont and New England.

The following chart displays Vermont’s real time wholesale monthly average energy costs over the last several years. Significant changes to market rules are identified by dashed vertical lines in the chart. After the implementation of new market rules wholesale power market prices have experienced substantial rises and considerable volatility. The rise in wholesale energy costs and volatility has created instability and lack of predictability in utility power portfolios and power costs.

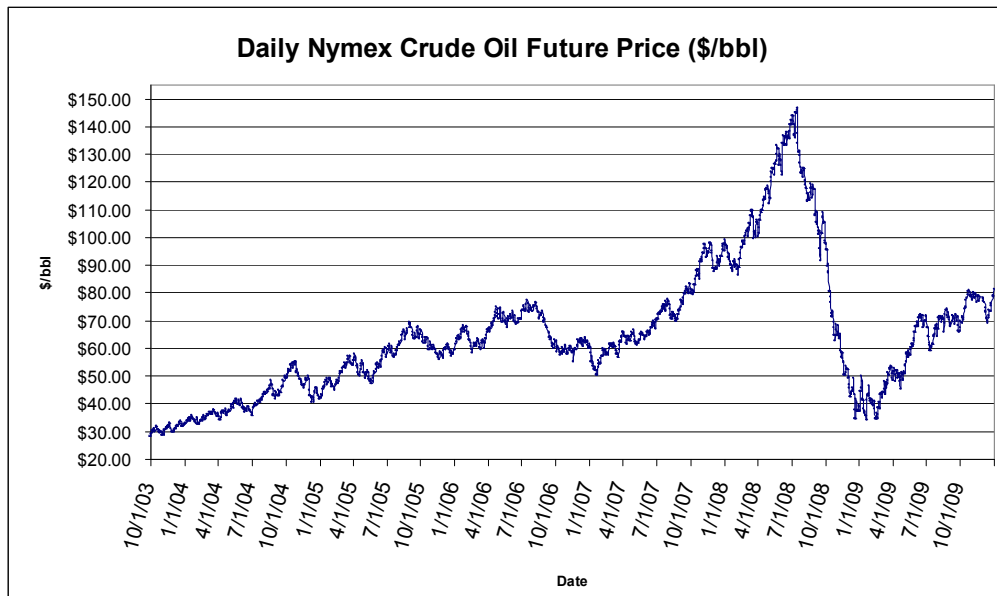


The next chart shows the relationship between spot market electricity prices in New England and wholesale natural gas prices. Over the past year gas and electricity price have fallen substantially. The recent decline in price is due to the global economic recession of 2008/2009.



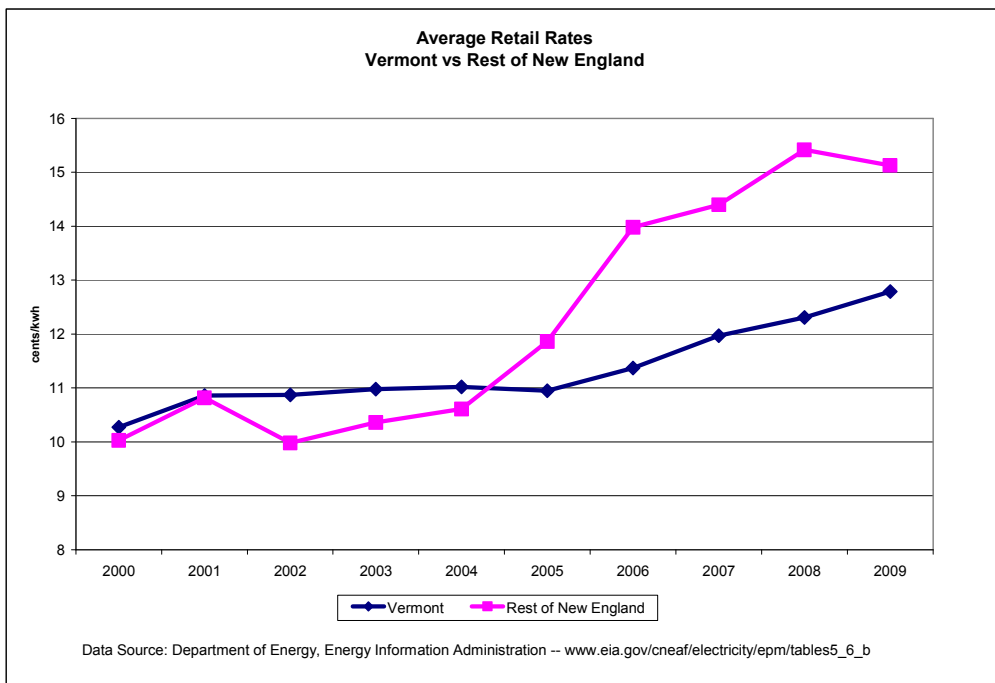
As shown in the chart, a close relationship exists between electricity and natural gas prices. The historical data indicates there is a 92% correlation between electricity and natural gas prices. This association requires power planners to consider underlying fuels (natural gas, oil, etc) as well as electricity markets in an effort to project future wholesale power prices.

Crude oil averaged \$59.89/barrel in 2009 (as compared to \$99.77/barrel in 2008). Prices have exhibited substantial upward momentum since the spectacular lows reached at the end of 2008. Low prices carried into 2009 reaching a 58 month low on January 20th but ending the year up nearly \$47 from that price at \$81.25/barrel. The dramatic fall of prices culminating in January is attributed to demand destruction for fossil fuels caused by the wider economic recession. Subsequent increases can be attributed to introductory economic recovery which has led to increasing fuel demand and a return to market speculation.



The above chart graphically displays oil's wholesale price as posted by NYMEX from 2003 through 2009. The data shows a high was reached on July 15, 2008 at a price of \$146.58/barrel and a low was reached on January 20, 2009 at a price of \$34.28/barrel.

The rate chart below shows the average retail electric rates in Vermont as compared to other New England states. For the state as a whole, Vermont's rates are lower than average retail rates for the rest of New England. This trend began in 2004. One of the reasons for the growing gap in recent years is Vermont's decision not to deregulate its electric industry though in the most recent year the gap has narrowed somewhat. Customers in Vermont receive significant portions of their power from long term stably priced contracts whereas customers in the rest of New England are much more exposed to wholesale market price changes.



#### 4) Existing Resources

Swanton's power supply portfolio is made up of generation resources, long-term contracts, and short-term contracts. The diversified portfolio acts as means to financially hedge the cost of serving load at the Vermont Zone in the ISO-NE market system. Swanton's current supply mix is summarized in the following table. Following the table is a brief description of each resource.

<b>Resource</b>	<b>2009 UCAP</b>	<b>2009 Kwh</b>	<b>Type</b>	<b>Description</b>	<b>Fuel</b>	<b>Location</b>	<b>Expiration</b>
McNeil	1,947	8,240,167	On Peak	Wood Unit	Wood	Essex Node	Life of Unit
NYPA	476	3,372,000	ATC	Block Power	Hydro	Roseton Interface	Varies
VEPPI	562	3,315,482	ATC	PURPA Units	Wood/Hydro	Various VT nodes	Varies
Stonybrook	1,190	410,050	Peaker	Dispatched	Natural Gas or Fuel Oil	Stonybrk115	Life of Unit
Highgate Hydro	8,562	48,580,402	Run of River	Hydro	Hydro	Highgate48	Life of Unit
Entergy-VY	N/A	13,157,608	ATC-Unit contingent	ISO-NE bilateral	Nuclear	UN.VT_YK 20.9VTYA	2010
Entergy Capacity-Only	1,400	N/A	Unforced Capacity	ISO-NE bilateral	Nuclear	NEPOOL Rest of Pool	12/31/2009
Market Contracts	N/A	0	Daily	ISO-NE bilateral	System Mix	Mass hub	Varies from 2009-2015

McNeil

The McNeil wood-fired generating facility is located in Burlington, Vermont. The facility has a maximum generating capability of 53 MW. Swanton's entitlement to McNeil is provided through an agreement with the Vermont Public Power Supply Authority for the life of the power plant. Swanton expects the generation to be mostly composed of wood, but natural gas is used periodically as an alternate fuel source and for start up. Oil is also available and is used primarily as a start up fuel source.

New York Power Authority (NYPA)

The New York Power Authority provides inexpensive, hydroelectric power to the utilities in Vermont under two contracts. The first contract is a 1,000 kW entitlement to the Robert Moses Project (a.k.a. "St. Lawrence") located in Massena, New York. The

second contract, known as the “Niagara Contract,” is for a 14,300 kW entitlement to the Niagara Project located at Niagara Falls, New York. The contract for St. Lawrence has been extended through April 30, 2017. The Niagara Contract has been extended through September 1, 2025.

*Vermont Electric Power Producers, Inc. (VEPPI)*

Swanton receives power from several independent power projects (IPP) through a state mandated arrangement administered by the Rule 4.100 appointed purchasing agent. There are currently twenty IPP generation resources in Vermont of which nineteen are hydro and one is wood fired. Vermont Electric Power Producers, Inc. (VEPPI) assigns power to all Vermont utilities under Vermont Public Service Board (“PSB”) Rule 4.100 based on a pro-rata share of electric sales which is updated annually. Contracts between VEPPI and its constituent power producers began to terminate in 2008 while the last VEPPI contract is scheduled to end in 2020.

*Stony Brook Combined Cycle Facility*

Swanton holds an entitlement in Stony Brook. The Stony Brook facility is a dual fuel facility located in Massachusetts which is comprised of three generating units. This facility has the capability of generating electricity from either natural gas or fuel oil, while natural gas is the primary source of fuel. The Stony Brook owners completed construction of a gas pipeline extension which enables the facility to operate multiple units on natural gas. However, during the winter the facility’s generation is a mix of natural gas and oil. This is due to the fact that natural gas is not fully available during winter peak periods. Except during peak periods, the units predominately generate on natural gas.

*Swanton Hydro (Highgate Fall Hydro)*

Swanton’s “run-of-the-river” hydroelectric facility is located in Swanton, Vermont. Swanton owns the facility and utilizes all of its output. In 2009, the hydro facility produced 48,580 mWh with an annual capacity factor of approximately 58%. In a normal year the hydro unit typically produces about 44,895 mWh.

### Entergy – Vermont Yankee Unit Contingent Contract

A two year contract with Entergy was negotiated for energy output tied to the Vermont Yankee plant. The contract began January 1, 2009 and ends December 30, 2010. Swanton’s allotment from this contract is 1,526 kW.

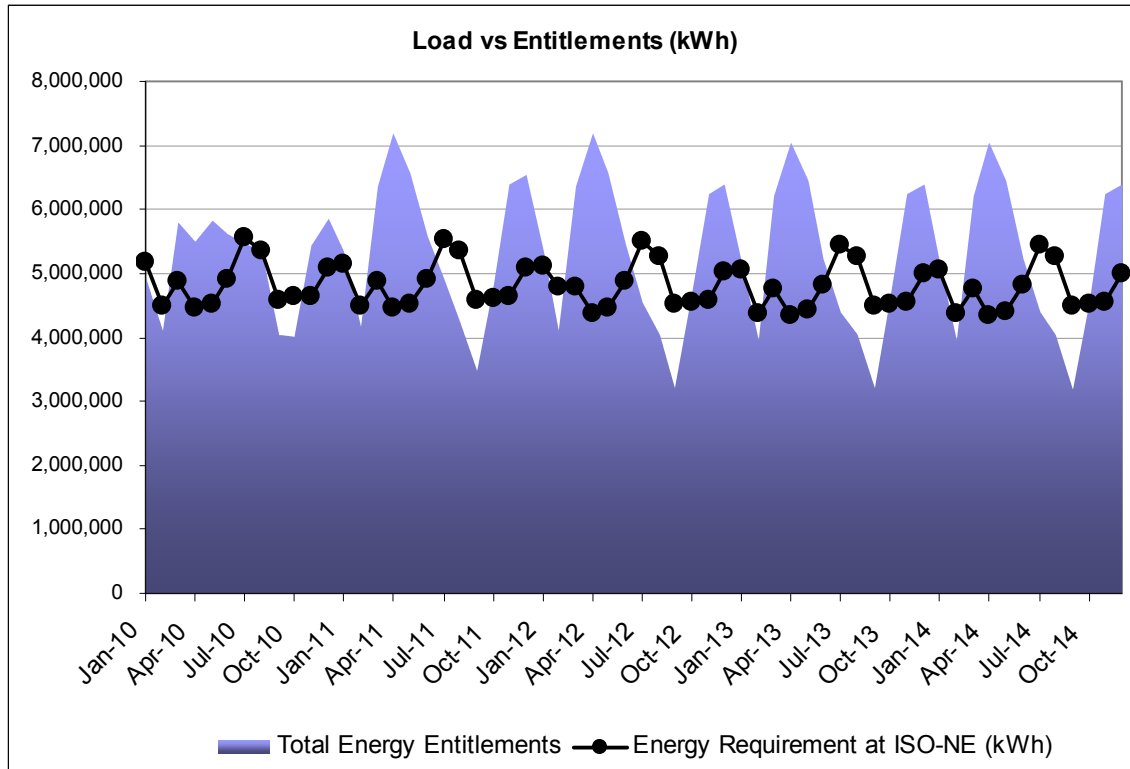
### Market Purchases

Swanton meets the remainder of its load obligations through the ISO-NE and bilateral transactions. Swanton automatically participates in the wholesale markets through its ISO-NE settlement. In addition, short term transactions are made seasonally to adjust the portfolio in an effort to match resources to Swanton’s load obligations. Market purchases range in size, duration, and by provider. These purchases can be for small amounts (1 MW) and sellers allow “odd lot” sales which are defined as sales other than whole MW increments. It should be noted that if purchases are longer than five years the transaction requires Vermont Public Service Board approval. At this time all market purchase contracts have been less than five years in duration.

## **5) Market Position**

### Energy

Presented below is a graph of Swanton’s projected energy resources, available from existing contracts and generating plants, from 2010 through 2014. On the same graph is a forecast of load that Swanton expects to serve over the same 5 year period. It should be noted that energy is the largest component of a utility’s power costs. Below the chart is a summary of major milestones that occur related to Swanton’s sources of power.



Major Energy Milestones

- No major effects; some small Market Contracts expiring in the first one to five years

Notice in the graph the relationship between forecasted energy needs and Swanton’s power supply resources. Gaps represent an under (or over) commitment of power resources as compared to projected load. As supply falls below load, Swanton will acquire new resources that meet the utility’s decision making criteria. It should be noted that a growing gap between these two lines is a normal part of the utility business with expirations of existing contracts occurring over time and a continuing search for economical ways to provide energy. Swanton continues to look for opportunities to address energy needs resulting from future contract expirations.

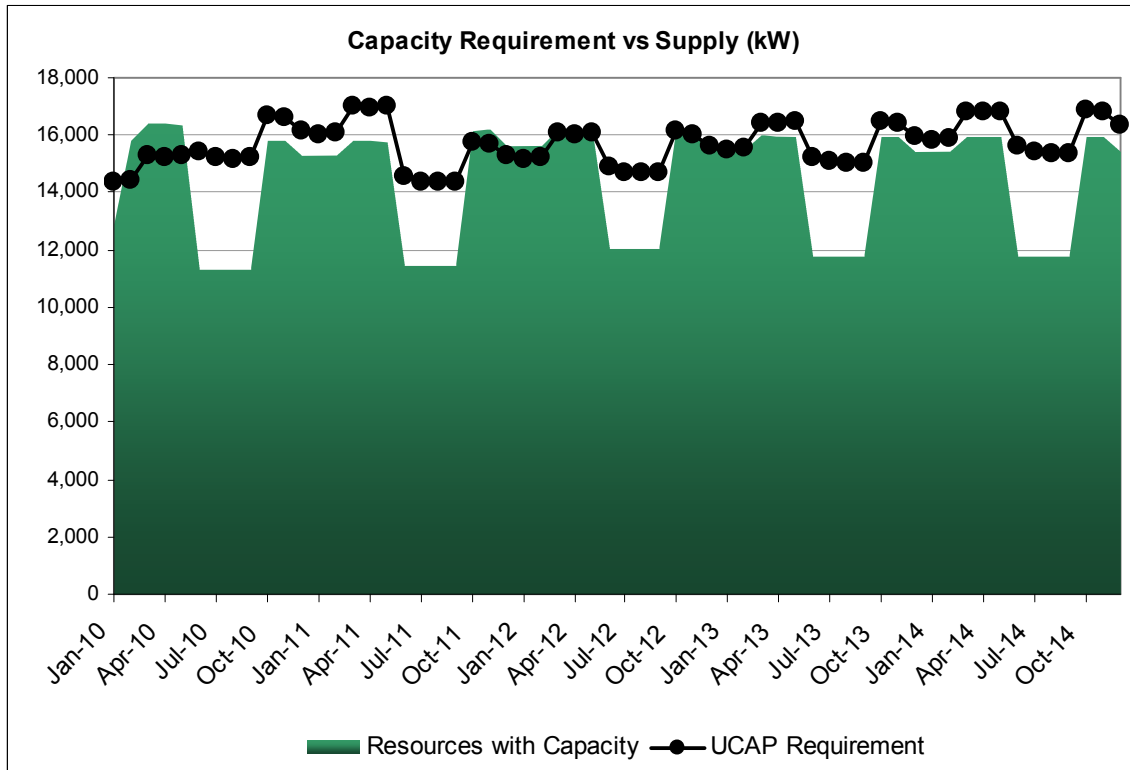
**6) Capacity Position**

Capacity



Capacity is the second largest cost driver in a utility’s power costs. Capacity represents the capability to generate electricity. In broad terms, capacity is important in providing reliability and avoiding price spikes during peak demand periods.

The graph below shows the utility’s capacity available from existing resources as compared to its projected capacity need. Note the peaking facility (Project 10) is included in Swanton’s estimates as it is expected to come on line during 2010. Below the chart is a summary of major milestones that occur related to Swanton’s sources of power.



Major Capacity Milestones

- Market Capacity Contract expired in 2009 - 1,400 kW
- Addition of Project 10 in 2010 - 4,677 kW
- New Forward Capacity Market Rules starts in 2010

Forward Capacity Market

Forward Capacity Market is a new market for capacity that will take affect in June 2010. Swanton’s generation will be paid at the auction price and conversely Swanton will be charged based on its load obligation relative to New England’s peak. As of printing, the price of capacity has been set via FERC approved agreement and will range from

\$3.05 per kW per month in December 2006 to \$4.10 by May 2010. After that time, an auction process will set the price. The first auction took place in February, 2008. The results from this auction set a new price for capacity for the period June, 2010 to May, 2011 (capacity cleared at \$4.50 kw-mo in the first auction). A second auction was held and set a new price for capacity for June, 2011 to May, 2012 (capacity cleared at \$3.60 kw-mo in the second auction). A third auction was held for June, 2012 to May 2013 (capacity cleared at \$2.91 kw-mo).

Swanton voted to participate in the VPPSA peaking generating facility (Project 10) which has an anticipated in-service date in the second quarter of 2010. This project is forecasted to come on line at prices below current market expectations for equivalent products that the project can produce. Swanton's capacity graph shows Swanton's capacity obligations and resources including the peaking facility.

## **7) Future Long-Term Resources**

### *Future Resources*

VPPSA assists Swanton in seeking resources to replace existing long-term resources. At this time VPPSA has negotiated for the purchase of output from several power projects that are in the planning and development stages as well as for other long term contractual opportunities. To follow is a summary of long term sources of power.

### *Project 10*

Swanton has held a municipal vote to authorize the execution of a Power Sales Agreement (PSA) with the Vermont Public Power Supply Authority for 11.94% of the output from a 40 MW peaking facility constructed in Swanton, Vermont. Eleven municipal utilities have signed Purchase Sales Agreements for the project which is currently under final testing.

The project constructed 40 MW of peaking generating capacity. This generating capacity is designed to provide reliability services to the participating municipal utilities at prices below projected market prices for the Forward Capacity Market, Forward Reserve Markets, and Black Start. In addition, the units will run during peak price times

to mitigate price spikes that occur when New England loads reach peak levels in the summer and winter. The Power Sales Agreement was filed with the Vermont PSB for Rule 5.200 notice in February 2007.

#### Hydro Quebec

Negotiations with Hydro Quebec began in early 2008 and have continued intermittently for a new contract to begin when the existing contracts with Vermont utilities start to expire. The goal of such long-term resource options is to reduce future price volatility and market uncertainty by reducing reliance on short duration market purchases.

#### Entergy/Vermont Yankee

Discussions are being held with the owner of the Vermont Yankee nuclear power plant (Entergy) and the state's two largest utilities for the ability to purchase power after 2012. VPPSA is exploring with the Vermont regulators assistance the potential to offer power to the VPPSA systems if a deal is put forward.

#### East Mountain

VPPSA continues to explore the financial and practical feasibility of siting a wind project on East Mountain in East Haven, Vermont. The estimated size of the project is between 8 and 12 MW.

#### Berlin Biomass Facility

Negotiations are underway with a developer of a biomass generating facility in Berlin, New Hampshire. The project is proposed to combine base load power generation and steam heat for a nearby customer. The estimated size of the project is between 10 and 27 MW.

## **8) Anticipated Resource Transactions**

#### Planned Purchasing

In order to make its members' power costs more predictable, VPPSA implemented a plan to purchase power using a systematic power purchasing technique. In order to avoid uncertainty and volatile swings of market purchases, Swanton currently participates in the Planned Purchasing structure through its membership in the Vermont Public Power Supply Authority. Under the Planned Purchasing approach, VPPSA reviews Swanton's future market exposure (defined as its forecasted need for power, less amounts available through previously secured long-term contracts and generation) every six months.

Twice a year, in the spring and fall, Swanton has the opportunity to purchase one quarter of its energy needs for future periods. By staggering the purchases, at any given point the market needs of Swanton are met by contracts purchased at different times resulting in less volatile power market prices. This is very similar to the concept of dollar cost averaging which is used in investing. As a result of always looking forward and contracting in even intervals, Swanton's unfilled power portfolio needs are created with a laddering effect. Contracts are small and layered at different intervals of time. The benefit of this approach is portfolios which will not have large breaks in coverage in the future.

The implementation of Planned Purchasing is structured and systematic but it does not remove the need for continual market monitoring and judgment. The goal is to use market monitoring and judgment to give the municipal systems the benefit of more favorable resource prices. In the event that market prices are below prices that will cause rates to be stable, additional or longer purchase may be made instead of the normal duration. In the event that unusually high prices prevail at the time of a planned purchase, that purchase may be delayed. In general the intent is to avoid trying to "time the market" and so the pre-disposition will be to make bi-annual purchase unless the prices depart noticeably from expected ranges.

The following table is a summary of anticipated resource transactions for 2010 through 2014:

Transaction	Volume	Term	Product	Explanation
McNeil Outage	0-2 mW	Up to 1 month	Energy	Purchases and/or sales to hedge load exposure during maintenance outage at prevailing market prices
Stony Brook displacement purchase	0-2 mW	Up to 1 month	Energy	Purchases and/or sales to displace Stony Brook if prevailing market conditions permit
Daily Transactions	0-6 mW	1-3 Days	Energy	Optimizing / hedging purchases and/or sales at prevailing market prices
Weekly Transactions	0-6 mW	1-2 Weeks	Energy	Optimizing / hedging purchases and/or sales at prevailing market prices
Monthly / Season Transactions	0-6 mW	1-3 Months	Energy	Optimizing / hedging purchases and/or sales at prevailing market prices
Planned Purchasing	0-6 mW	2-5 Years	Base Load Energy	Prevailing market price purchases and/or sales to hedge long-term energy needs not met by long term resources
Planned Purchasing	0-6 mW	2-5 Years	Peak Period Energy	Prevailing market price purchases and/or sales to hedge long-term energy needs not met by long term resources
Financial Transmission Rights	0-12 mW	Monthly and one year	FTR	Purchases and/or sales of FTR's to minimize congestion exposure or provide revenues to offset congestion charges
Capacity	Excess or short position	Monthly	Capacity	Excess or deficient capacity obligations will be settled at FCM transition price
Phase 1	0-3 mW	Up to 1 Year	Transmission	Short-term purchases and/or sales of unused transmission space to reduce costs
Renewable Energy Credits	Variable	Up to 5 Years	REC's	Purchases and/or sales of Renewable Energy Credits (RECs) to minimize generation costs
System Hydro Outage	0-10 mW	Up to 1 month	Energy	Purchase and/or sales to hedge load exposure during hydro maintenance outage at prevailing market prices
Financial Options	See Above	See Above	See Above	Financial options may be substituted for any of the above physical products

**Swanton Village**  
**Municipal Utility Service Quality & Reliability Plan Reporting Form**  
**Report Period: January 1, 2009 - December 31, 2009**

Performance area		4th Quarter	3rd Quarter	2nd Quarter	1st Quarter	Annual Rolling Average	Baseline
<b>1</b>	Call Answer Performance						
<b>2a</b>	Percent of bills not rendered within 7 days of monthly billing cycle						
<b>A</b>	Bills not rendered within 7 days of scheduled billing cycle	-	-	-	-	0	
<b>B</b>	Total bills scheduled to be rendered	3,582	10,850	10,794	10,649	8,969	
<b>C</b>	(A/B)	0.0%	0.0%	0.0%	0.0%	0.0%	<=1.0%
<b>2b</b>	Bills found inaccurate						
<b>A</b>	Number of bills rendered inaccurate	-	1	5	5	3	
<b>B</b>	Total number of bills rendered	3,582	10,850	10,794	10,649	8,969	
<b>C</b>	(A/B)	0.0%	0.0%	0.0%	0.0%	0.0%	<=1.0%
<b>2c</b>	Payment posting complaints						
<b>A</b>	Number of customers complaining about payment posting	-	2	-	1	1	
<b>B</b>	Total Number of Customers	3,582	10,850	10,794	10,629	8,964	
<b>C</b>	(A/B)	0.0%	0.0%	0.0%	0.0%	0.0%	<=0.05%
<b>3</b>	Percent of actual meter readings per month						
<b>A</b>	Number of meter readings not read	-	-	1	2	1	
<b>B</b>	Number of meter readings scheduled	3,564	10,850	10,783	10,629	8,957	
<b>C</b>	(A/B)	0.0%	0.0%	0.0%	0.0%	0.0%	<=10.0%
<b>4a</b>	Percent of customer requested work not completed on or before promised delivery date						
<b>A</b>	Number of jobs not completed on or before promised delivery date	-	-	-	-	0	
<b>B</b>	Total number of jobs promised complete in reporting month	103	433	465	382	346	
<b>C</b>	(A/B)	0.0%	0.0%	0.0%	0.0%	0.0%	<=5.0%
<b>4b</b>	Average number of days after the missed delivery date						
<b>A</b>	Total days of delay	-	-	-	-	0	
<b>B</b>	Total number of delayed jobs in the reporting month	-	-	-	-	0	
<b>C</b>	(A/B)	-	-	-	0.0%	-	<=5 days
<b>5</b>	Rates of complaints to DPS/Consumer Affairs as reported to Utility						
<b>A</b>	Number of escalations to DPS/Consumer affairs	-	-	1	-	0	
<b>B</b>	Total number of customers	-	10,850	10,794	10,649	8,073.25	
<b>C</b>	(A/B)	-	0.0%	0.0%	0.0%	0.00	<= .07%, minimum 2
<b>6a</b>	Lost time incidents (report annually in January)						
<b>A</b>	Total incidents that cause injury to an employee, occur while employee is working for utility and result in missed work beyond day of injury					0	<=3
<b>6b</b>	Lost time severity (reported annually in January)						
<b>A</b>	Cumulative number of work days missed by utility employees in calendar year as a result of injuries sustained while performing work for utility					0	<=24
<b>7a</b>	System average interruption frequency (reported annually in January)						
<b>A</b>	SAIFI as defined in PSB Rule 4.901 with the exception of Major Storms					0.40	2.40
<b>7b</b>	Customer average interruption duration (reported annually in January)						
<b>A</b>	CAIDI as defined in PSB Rule 4.901 with the exception of Major Storms					1.00	2.50
<b>7c</b>	Worst performing areas: Attach worst performing areas analysis (reported annually in January)						

**Service guarantees**

List service guarantees provided by utility and indicate number of times each guarantee was provided to customers during the month and quarter

Guarantee	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
<b>1a) Line Crew Appointments</b>	0	0	0	0
<b>1b) Meter Work</b>				
Customer requested Meter Readings	0	0	0	0
Meter Accuracy Verification	0	0	0	0
Final / Initial Meter Readings	0	0	0	0
<b>1c) Delay Days</b>	0	0	0	0

# NOTES

---

# SWANTON VILLAGE

120 First Street  
PO Box 279  
Swanton, VT 05488

INCORPORATED 1888

GRAND LIST \$1,582,084  
(April 1, 2009)

E-Mail  
Web Address

[village@swanton.net](mailto:village@swanton.net)  
<http://www.swanton.net>

OFFICE HOURS: MONDAY – FRIDAY 7:30 A.M. – 4:00 P.M.  
(Tel. 802-868-3397)  
(Fax. 802-868-3930)

EMERGENCY PHONE NUMBER -- 911

Missisquoi Valley Rescue	911
Fire	911
Police	911
Village Police Business Office	802-868-4100

PUBLIC UTILITIES – AFTER NORMAL OFFICE HOURS  
CALL HIGHGATE POWER PLANT – 802-868-4200



**Village of Swanton  
120 First Street  
Swanton, Vermont 05488**

Bulk Rate  
U.S. Postage  
PAID  
Swanton, Vt. 05488  
PERMIT NO. 28

**Please Bring This Report to the Annual Meeting**