

2015 Annual Report



Celebrating Six Years of Investigative Journalism in Vermont

3,587
ARTICLES

33,966
COMMENTS

6,083,263
PAGE VIEWS

132,055
MONTHLY READERS

*Vermont's Online
Nonprofit News Daily*



WHO WE ARE

VTDigger is a nonprofit online news daily dedicated to public-service journalism. We cover Vermont politics, consumer affairs, business, education, energy, the environment and other matters of public concern.

VTDigger was founded in 2009 and merged with the Vermont Journalism Trust in 2011, becoming a 501(c)(3) nonprofit organization.

The mission of Vermont Journalism Trust and VTDigger is to produce rigorous journalism that explains complex issues, holds the government accountable to the public, and engages Vermonters in the democratic process.

2015 Board of Directors

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2015 Staff and Interns

Executive Director & Editor: Anne Galloway
Publisher: Diane Zeigler
Associate Publisher: Phayvanh Luekhamhan
Director of Underwriting: Theresa Murray-Clasen
Assignment Editor: Tom Brown
Senior Editor and Reporter: Mark Johnson
Copy Editor: Cate Chant
Reporters: Jasper Craven, Mike Faher, John Herrick, Elizabeth Hewitt, Laura Krantz, Erin Mansfield, Amy Ash Nixon, Tiffany Danitz Pache, Mike Polhamus, Morgan True, Jess Wisloski
Interns: Flynn Aldrich, George Aldrich, Laura Greshin, Sam Heller, Emma Murphy, Clare Neal, Sarah Olsen, Nell Sather, Phoebe Sheehan, Kayla Woodman

2015 Media Partners

Addison Independent
Bennington Banner
Berkshire Eagle
Brattleboro Reformer
The Commons News

County Courier
Manchester Journal
Mountain Times
St. Albans Messenger
Stowe Reporter

Valley News
Waterbury Record
WDEV Radio
Williston Observer



FROM THE EXECUTIVE DIRECTOR



Anne Galloway
Executive Director & Editor

2015 SURVEY

55%
IDENTIFY AS NEITHER
DEMOCRAT OR REPUBLICAN

57%
DON'T SUBSCRIBE TO A PRINT
NEWSPAPER

50%
LIVE OUTSIDE VERMONT

86%
HAVE COLLEGE DEGREE

97%

READERS VOTE IN
EVERY ELECTION

VTDigger Thriving in Vermont

Named Top-10 in National Survey

For the past six years, VTDigger has been the go-to source for in-depth reporting about politics, government and the Legislature. In 2015, we had more reporters in the Statehouse – five – than any other news outlet in the state.

In 2015, we deepened our commitment to accountability news coverage by expanding our reporting to two geographic areas: Chittenden and Windham counties.

At the same time, we broke major investigative stories. We covered allegations of fraud at Jay Peak, the rise in hospital CEO salaries, racial discrimination at the Rutland City Police Department and questions about the finances of Burlington College.

As a nonprofit news organization, VTDigger is committed to digging deep on issues that have an impact on Vermonters' quality of life. We approach reporting with integrity and fairness. We strive to provide readers with insightful news that goes beyond conventional wisdom.

Our mission-driven approach is paying off. In 2015, the business staff increased donations by 106 percent and overall revenue by 32 percent. Because this remarkable show of support from readers and underwriters, we increased our

newsroom from a staff of eight full-time reporters and editors in 2014 to 12 in 2015.

"In 2015, we had more reporters in the Statehouse than any other news outlet in the state."

We invest in reporters and technology in order to produce as much news as possible for readers.

VTDigger depends on a wide range of support and our highly diversified model has captured the attention of national media watchers.

In July 2015, [VTDigger was named one of the top 10 of the most promising local online-only news sites nationally](#) because of our underwriting support and sustainable giving from readers.

We are grateful to the individuals, underwriters and foundations who support VTDigger. Our work wouldn't be possible without you.



VERMONT JOURNALISM TRUST, LTD.

January 1, 2015-December 31, 2015

Statement of Financial Position

for the years ended December 31, 2015 (Audited) and 2014 (Reviewed)

	2015	2014
ASSETS		
Current Assets	\$ 396,540	\$ 237,480
Fixed Assets	8,047	6,313
Other Assets	1,500	1,500
TOTAL ASSETS	\$ 406,087	\$ 245,293
LIABILITIES & NET ASSETS		
Current Liabilities	\$ 46,879	\$ 49,937
Net Assets	359,208	195,356
TOTAL LIABILITIES & NET ASSETS	\$ 406,087	\$ 245,293

Statement of Activities

for the years ended December 31, 2015 (Audited) and 2014 (Reviewed)

	2015	2014
REVENUE AND SUPPORT		
Grants	\$ 101,410	\$ 121,100
Underwriting	365,309	283,057
Contributions	338,923	166,038
News and other revenue	56,853	29,542
Events	16,750	11,060
	879,245	610,797
Net assets released from restrictions	60,501	99,754
TOTAL INCOME	\$ 939,746	\$ 710,551
EXPENSES		
Program expense	\$ 601,985	\$ 477,609
General and administrative	42,406	49,159
Fundraising expense	179,002	114,852
TOTAL EXPENSES	\$ 823,393	\$ 641,620

This financial summary is excerpted from VTDigger's audited financial statements.

2015 HIGHLIGHTS

106%

GROWTH IN DONATIONS

29%

GROWTH IN UNDERWRITING

32%

GROWTH IN REVENUE

50%

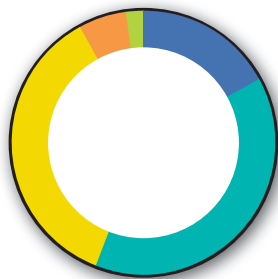
DONOR RENEWAL RATE

1706

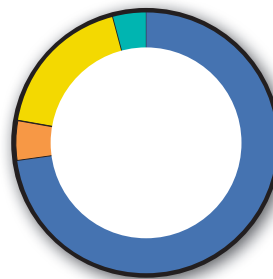
DONORS

73%

SAY THEY READ
VTDIGGER EVERY DAY



2015 REVENUE SOURCES



2015 EXPENSES

EB-5: ALLEGED FRAUD IN THE NORTHEAST KINGDOM

VTDigger Exclusive: State Suspends Approval For EB-5 Biotech Company

by Anne Galloway

3/22/15

Gov. Peter Shumlin has asked the state's chief financial regulator to investigate the finances of a multimillion dollar biomedical project in Newport.

The Vermont Department of Financial Regulation will determine whether AnC Bio Vermont, a proposed \$118 million biomedical facility, complies with state and federal securities laws. The state had suspended the developers of AnC Bio Vermont from soliciting new investors in August 2014.

But just weeks into the investigation, Shumlin asked the department to lift the suspension and [partially approve the project](#). This allowed the developers, Bill Stenger and Ariel Quiros (pictured at left), to find more investors in AnC Bio Vermont who were willing to put up \$500,000 each through the EB-5 visa program.



In an email exchange, [Shumlin negotiated directly with the developers](#) and agreed to let them move ahead with the biomedical facility

with state oversight. Investors later questioned Shumlin's connection to Quiros and Stenger. The governor was [featured in a promotional video](#) for Jay Peak that was distributed to potential investors. Shumlin also received more than \$20,000 in campaign contributions from the developers and others associated with the project.

VTDigger Exclusive: State Raises Questions About AnC Bio Finances

by Anne Galloway

3/30/15

The court auction of a biotech company headquarters in Seoul spurred state inquiries into a Vermont project with close ties to the South Korean-based research and development firm.

The state hired a securities firm to analyze the liquidation sale of the AnC Bio Korea stem cell research facility in Seoul and what impact the auction could have on AnC Bio Vermont, a related biomedical project in Newport.

The Vermont Regional Center, which provides oversight of the state's EB-5 program, raised questions about the financial stability of the two companies. Stenger and Quiros refused to provide financial information and eventually the Department of Financial Regulation was asked to investigate. In April 2016, the SEC alleged the project was "nearly a complete fraud."

EXCLUSIVE

Jay Peak Projects Under SEC Investigation

by Anne Galloway

6/24/15

State documents show that the developers of Jay Peak Resort have been under investigation by the Securities and Exchange Commission.

Ariel Quiros, the owner of Jay Peak, and Bill Stenger, the CEO and president of the ski area, were required, as part of a state investigation, to disclose the federal inquiry in documents provided to EB-5 immigrant investors.

In June 2015, the SEC would not confirm or deny that a probe of the Jay Peak projects was underway.

The state required Quiros and Stenger to tell investors about the investigation as part of amended offering documents for AnC Bio Vermont, a proposed biomedical facility in Newport, and Q Burke, a ski resort in East Burke.

Ten months later, the SEC and the Vermont Department of Financial Regulation announced fraud charges against Stenger and Quiros, alleging that the two men misused \$200 million in investor funds.

TOP 2015 INVESTIGATIVE STORIES

SPECIAL REPORT: Pepperspray, Pornography, And Two Bad Apples

by **Elizabeth Hewitt**

9/17/15

Andy Todd had been at the Rutland City Police Department for six years when he filed a formal written complaint with his supervisor.



Five years later, Todd's allegations of racial discrimination resulted [in a nearly \\$1 million settlement](#).

His lawsuit exposed a police culture rife with misconduct and aggressive racial bias during the time that Todd, served as the only black officer with the department from 2004 to 2011.

Todd said he was subject to racial slurs and insults from his coworkers. He charged that two officers engaged in racial profiling, had sexual relations with unofficial informants, and that their superiors knowingly allowed the behavior to continue.

Jane Sanders Overstated Donation Amounts In Loan Application For Burlington College

by **Morgan True**

9/13/15

Former Burlington College president Jane Sanders overstated donation amounts in a bank application for a \$6.7 million loan that was used by the college to purchase a prime 33-acre property on Lake Champlain in 2010.

Sanders told People's United Bank that the college had \$2.6 million in pledged donations to support the purchase of the former Roman Catholic Diocese of Burlington property on North Avenue. The college, however, received only \$676,000 in actual donations from 2010 through 2014, according to figures provided by Burlington College.



That's far less than the \$5 million Sanders listed as likely pledges in the loan agreement, and less than a third of the \$2.14 million Sanders had promised

People's Bank the college would collect in cash over the four-year period.



SPECIAL REPORT

VT Hospital CEOs Average \$500K A Year

by Erin Mansfield
12/13/15

Reporter Erin Mansfield analyzed the salaries of top administrators at Vermont's 14 hospitals and Dartmouth Hitchcock Medical Center in New Hampshire.

The average salary and compensation package was more than \$500,000.

Data from 2013 showed that hospital CEO pay is more than double what CEOs in other industries in Vermont make each year. The average CEO compensation was \$162,210 in 2013, and the median was \$141,050 that year, according to data from the Vermont Department of Labor.

Many of Vermont's top-paid administrators are at the state's largest hospital, the University of Vermont Medical Center in Burlington, formerly Fletcher Allen Health Care.

The medical center had 15 administrators listed in 2013 who were collectively paid more than \$9 million. The chief executive officer of UVM Medical Center, Dr. John Brumsted (pictured above) made \$1.9 million.



THE BEAT

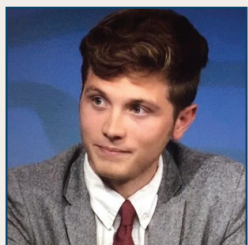
THE BERNIE BEAT

In 2015, VTDigger hired reporter Jasper Craven to cover Sen. Bernie Sanders' run for president. Sanders, who sought the Democratic nomination, drew a huge following, raised \$227 million in campaign donations, and won 21 primary contests.

VTDigger published more than 100 stories about the race, which were aggregated in [a special section called Bernie's Bid](#).

Here's one of the defining stories of the campaign:

Betting On Bernie In First Presidential Primary Debate
by **Jasper Craven**



Former Vermont political rivals said Sanders' pointed style and relentless messaging could give him advantage in the first face off with Hillary Clinton. And they were right.

Sanders' approach resonated with disenfranchised lefties and many young, mostly white college-age voters. Avid Sanderistas famously donated \$27 each on average and buoyed the Vermont senator's candidacy with an aggressive social media campaign. While Sanders ultimately lost, his message resonated with millions of voters and has had an impact on the Democratic party platform.

2015 BEAT REPORTING

The BTV Beat

Reporter **Morgan True** began covering the Burlington area in September 2015 for VTDigger. True's beat includes municipal government, crime and school districts. He attends city hall meetings, keeps an eye on police activities and writes about major trends in business and politics in Chittenden County. Here is one of the stories that gained traction in BTV.

Burlington Landlords Challenge Reassessed Property Values by **Morgan True**



Eight major landlords questioned the city's reassessment of properties, and said a tax hike in Burlington would be felt most by renters. Attorneys representing the property owners said 31 properties were gerrymandered into two commercial tax districts.

The Windham County Beat

The overarching mission of VTDigger is to fill gaps in media coverage. Last year when four local newspapers announced layoffs in Southern Vermont, we hired a reporter in Windham County to maintain coverage of key issues in the region, including the decommissioning of Vermont Yankee, school district mergers, a proposed gas plant and the Brattleboro Retreat, the state's largest psychiatric facility.

The hire is part of a collaboration with The Commons newspaper. Reporter Mike Faher wrote many stories in 2015 about the negotiations between the state and Entergy, the owner of Vermont Yankee, over how to decommission the nuclear power plant. The following story explains how Entergy has said it plans to deal with tons of spent nuclear waste at the facility.

Vermont Yankee Heading For 'Cold And Dark' by **Mike Faher**

Vermont Yankee is heading into SAFSTOR, a period of extended dormancy that precedes the bulk of actual decommissioning work. In essence, the plant is being mothballed, and officials have removed power service so that some sections of the property are "cold and dark." Reporter Mike Faher gives readers a tour of the defunct plant and explains how Entergy plans to move nuclear waste into long term storage.





BUDGET

State IT Projects Could Reach \$1.3 Billion

by **Erin Mansfield**

One hundred thirty-two projects worth \$1.3 billion. That's the latest inventory of the information technology projects underway across Vermont state government, according to public documents from the department that provides oversight.



CRIMINAL JUSTICE

Jody Herring Accused In Shooting Death Of Social Worker

by **Elizabeth Hewitt**

For the first time in Vermont history, a state worker was allegedly shot and killed. Lara Sobel, a social worker, was leaving the Barre offices of the Department for Children and Families and was shot in the parking lot by Jody Herring, a disgruntled parent. Police allege that Herring also killed three relatives who filed complaints with DCF.



EDUCATION

Legislature Passes Sweeping Education Governance Reform

by **Amy Ash Nixon**

The 2015 Legislature approved a historic education governance bill that seeks to reconcile the decline in student enrollment in Vermont's schools with rising property taxes. The bill calls on the state's 277 school districts to merge into larger, 900-pupil Pre-K through 12th grade education districts.



ENERGY

Vermont Gas Pulls Plug On Pipeline To New York

by **John Herrick**

Vermont Gas Systems abandoned its plan to bring natural gas under Lake Champlain to a New York paper mill after the plant withdrew its financial support. Vermont Gas had proposed building a pipeline from Middlebury to the International Paper facility in Ticonderoga, New York.



ENVIRONMENT

Farmers Hit Hard By New EPA Phosphorus Limits

by **Mike Polhamu**

State and federal officials say farmers in the Missisquoi Bay watershed will be responsible for cutting phosphorus pollution into Lake Champlain by 82.6 percent. Meeting the targets won't be easy, officials said. Of the 12 areas of the lake that have been impacted by the pollution, Missisquoi Bay must undergo the greatest rate of improvement.



PEOPLE AND PLACES

Barbara Snelling, A Power In Her Own Right, Dies At 87

by **Kevin O'Connor**

The tenacious woman who once waited tables to earn college money often was known for the man she married. But the former Barbara Tuttle Weil was a respected force in her own right, going on to win election as lieutenant governor and Chittenden County state senator, all while battling back from two life-threatening strokes.



POLITICS

Gov. Peter Shumlin Says He Will Not Seek Re-election

by **Anne Galloway**

Vermont Gov. Peter Shumlin announced Monday that he will not seek a fourth term. Flanked by his girlfriend and current and former members of his cabinet, Shumlin told reporters that after much thought and consideration he wanted to return to private life.



2015 LEGISLATURE

VTDigger launched a legislative tracker that organizes Statehouse stories by policy area -- budget, health care, education, judiciary, the economy, energy and environment. [The landing page](#) also featured a lawmaker database with bios, sponsored bills and stories.

VTDigger had five reporters in the Statehouse who covered a range of issues including the passage of a school district merger bill, a \$30 million increase in taxes, and oversight hearings on Vermont Health Connect, the state's health insurance website. VHC cost more than \$200 million to build and did not function properly.

The biggest story of the 2015 legislative session was the arrest of Sen. Norman McAllister on Statehouse grounds. McAllister pleaded not guilty to charges of sexual assault. The Franklin County senator was suspended from his seat in January 2016. It was the first time a lawmaker had ever been suspended by his peers.

Read the story:

[McAllister Pleads Not Guilty To Sex Charges](#)

2015 DATA PROJECTS

VTDigger Interns

VTDigger employed 10 college and high school student interns in 2015, all of whom performed research and data cleaning for the development of our campaign finance database (see below).



Some of VTDigger's 2015 interns:

Laura Greshin, Nell Sather, George Aldrich and Flynn Aldrich

Statewide Digger Dialogues

VTDigger hosted Digger Dialogue informational panels in Bennington, Washington, and Chittenden counties, which drew upwards of 400 people per event to discuss the state's economic future. Archived videos of Digger Dialogues events in [Burlington](#) and [Manchester](#) are available on our website.



Digger Dialogue on Economic Development in Burlington:

Matt Dunne, Bruce Iisman, Sue Minter, Phil Scott - November 2015

2015 FINANCIAL SUPPORTERS

FOUNDATIONS 1000+

Bay Area Video Coalition, Inc.
Boatwright Foundation, Inc.
Fidelity Charitable Gift Fund
Fountain Fund
High Meadows Fund
Hinda and Joel Miller Fund
H.M. Lowd Gifts Fund
J. Warren and Lois McClure Foundation
John S. and James L. Knight Foundation
Johnson Family Foundation
Keelan Family Foundation
Larsen Fund
Lintilhac Foundation, Inc.
Loring Wolcott & Coolidge Trust
Marro Family Private Foundation
Miami Foundation
Morris and Bessie Altman Foundation
Norman J. and Doris Fisher Foundation
Schwab Charitable Fund
Simon Gannon Family Fund
Tulgey Wood Foundation
Vermont Community Foundation
Wayne and Deborah Granquist Fund

BENEFACTORS CIRCLE \$5000

Kevin Ellis and Kimberly Hackett
Mary and Tom Evslin
Mark Johnson
John Kern and Valerie Hurley
Mathew Rubin
Dr. Peter Swift and Diana McCargo

LEADING UNDERWRITERS

Blue Cross Blue Shield of Vermont
Central Vermont Medical Center
Dartmouth Hitchcock
Downs Rachlin Martin PLLC
Fairpoint
First Light Fiber
Gifford Medical Center
Green Mountain Power
Onion River Sports
Rutland Regional Medical Center
Sovernet
UVM Health Network
VT Economic Development Authority

VT Energy Investment Corp
VT Housing Finance Agency
VT State Employees Association
VT Student Assistance Corp

UNDERWRITERS & SPONSORS

American Association of Pediatrics VT
Action Circles
American Heart Association
AT&T
Berkshire Bank
Bull Rock Corp
Burlington Telecom
Capital Connections
CarShare VT
CCTV Channel 17
Chandler Center for the Arts
City Market
Clute Wealth Management
Comcast
Compassion and Choices
Davis & Hodgdon Associates CPAs
Echo Lake Aquarium and Science Center
Edgewater Gallery
Ellis Mills
Every Town for Gun Safety
Farrell Distributing
Fletcher Allen Health Care
Greater Burlington Industrial Corporation
Goss Dodge
Green Mountain Compost
Green Up Day
GroSolar
GunSense VT
GVH Studio
Howard Center
Hunger Mountain Coop
JB Kennedy & Associates
Jet Service
KSE Partners
Let's Grow Kids
Middlebury New Filmmakers Festival
Montpelier Alive
Montpelier Property Management
National Life Group
Necrason Group
Northfield Savings Bank
Northwestern Medical Center
Optum

Orleans County Restorative Justice Center
Otis & Kennedy
PayData
People's United Bank
Pepsi
Preservation Trust of VT
REM Development
Renewable Energy Vermont
rKMiles
Saint Michael's College
Score Montpelier
SBCA Vermont
Snelling Center
Southwestern VT Healthcare
Sugarbush Resort
TD Bank
TIAA CREF
VT Alliance for Ethical Healthcare
VT Auto Dealers
VT Business Roundtable
VT Child Care Industry & Careers Council
VT Democratic Party
VT Dental Society
VT Fresh Network
VT Historical Society
VT Environmental Consortium
VT Foodbank
VT Fuel Dealers Association
VT Gas
VT Information Technology Leaders
VT Progressive Party
VT Society of Association Executives
VT Renewable Fuels
VSECU
VT PBS
VT Veterans Home
Voices for Vermont's Children
White + Burke
William Shouldice & Associates
Wake Up to Dying Project
Woodstock Digital Media

For a complete list of all 2015 supporters, please visit our website or contact us to receive a digital copy of our full annual report.

2015 SURVEY

1,706
DONORS

42
FOUNDATIONS

99
UNDERWRITERS

32%
REVENUE INCREASE

*Vermont's Online
Nonprofit News Daily*

57%

SAY THEY DON'T SUBSCRIBE
TO A PRINT NEWSPAPER

Thank you for your support!

