



Specialized Purchasing Consultants

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www.spccopypro.com

2009-10 Annual Report

Year - End Photocopier Analysis

With projected costs for 2010-11

John Stewart
SD 16 South Burlington SD
550 Dorset Street
South Burlington, VT 05403



Specialized Purchasing Consultants Corp.
Serving Maine & New Hampshire since 1988

September 2010

Skip Tilton
President

Corporate Office:
PO Box 190
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(800) 750-1538
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John Stewart
SD 16 South Burlington SD
550 Dorset Street
South Burlington, VT 05403

VISIT US ON THE WEB:
www.spccopypro.com

Dear John:

Once again the staff at SPC would like to extend our appreciation for being of service to you and your organization for the past *3 years*. Though each year seems to pose unique challenges, we are thrilled with all that we have been able to accomplish on behalf of our clients for the past *22 years*.

In these difficult economic times, our staff continues to be fully committed to assisting your organization in achieving goals and objectives relative to new technologies and related costs. In relation to new services, we are excited to bring to your attention *new cost-savings initiatives* that will continue to meet our mutual goal of improving the quality of service and equipment while reducing your overall cost.

I hope you find the enclosed annual report useful. We are providing you an overview of your current equipment situation, reports associated with copying and printing costs and, if needed, recommendations for addressing situations posing a problem now or could become a problem in the near future.

Thank you again for allowing SPC the opportunity to be of service. If you have any questions or are in need of more information, please let us know.

Sincerely,

Skip Tilton
President

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The SPC Team

would like to personally thank you for your continued trust and confidence!



Skip Tilton, President
Billie Jo Tilton, Vice President

As co-founders of SPC, Billie Jo and I are very proud of our team of professionals. The concept of group purchasing to save millions has grown since 1988 into providing over 16 different managerial services that increase reliability and extend the life of your equipment. However, none of this would have been possible without the loyalty of over 117 clients (3200+ machines with 1.7 billion prints over five years). Together, we have realized the lowest prices possible while improving the quality of your service and equipment.



Joyce Cutts
Finance Director & Equipment Complaint Coordinator

I am committed to making the partnership between SPC and its clients unparalleled. I have taken pleasure in getting to know many of you over the phone. Thank you for the opportunity to serve you, and I look forward to continuing our partnership!

Glen Fortier
Auditor, Electronic Specialist & Equipment Implementation

With 24 years of experience in the electrical field, I look forward to continually meeting and helping all of you with your reprographic needs. It is my sincere commitment to ensure all machine changes are as smooth as possible.



Sarah Allbee
Administration & Marketing

I find it greatly satisfying to work for a company dedicated to cutting costs for our education systems. I am truly happy to be a part of the SPC staff in their commitment and focus on you and your individual needs. I look forward to serving all of you in the coming year!

Anne Arbore
Administration

Since many of our clients are educational systems, I find it satisfying to know that my co-workers and I have made a contribution toward their success by assisting them in saving on their budgets for reprographic equipment, providing better quality equipment to work with and freeing their resources for other needs.



Pam Weed
Client-Vendor Relations

SPC's clients are my Number One priority. When you have a question, concern, need, or problem related to equipment, service or billing, I am available to assist you in getting it resolved promptly. I am pleased to be able to act as liaison between our clients and vendors to ensure smooth transitions or quick resolutions.

Equipment Health Status

Total Number of Machines:	31
Total Removed from Service:	5
Total Black Photocopiers	20
Total Low Cost of Operation Black Network Printers	0
Total High-Speed Duplicators	0
Total Color Photocopiers (including MFP) and/or Network Printers	6
# of Problematic Units:	0
# of Units OFF Warranty:	0
# of Units Approaching End of Warranty:	0
# of Units Overused:	1
# of Units Underused:	0
# of Units Connected to Network with Print and/or Scan	25
Commencement Date:	1/15/2008
# of Annual Payments Left on Lease	2
All Warranties and Service Contracts Expire:	6/30/2013
Print Management Software Loaded	Yes
LENP Contract Signed	Yes

NOTE: When a machine goes off warranty, it does not mean that the service contract expires. It simply means that if a replacement machine becomes necessary, it may not be at "no charge."

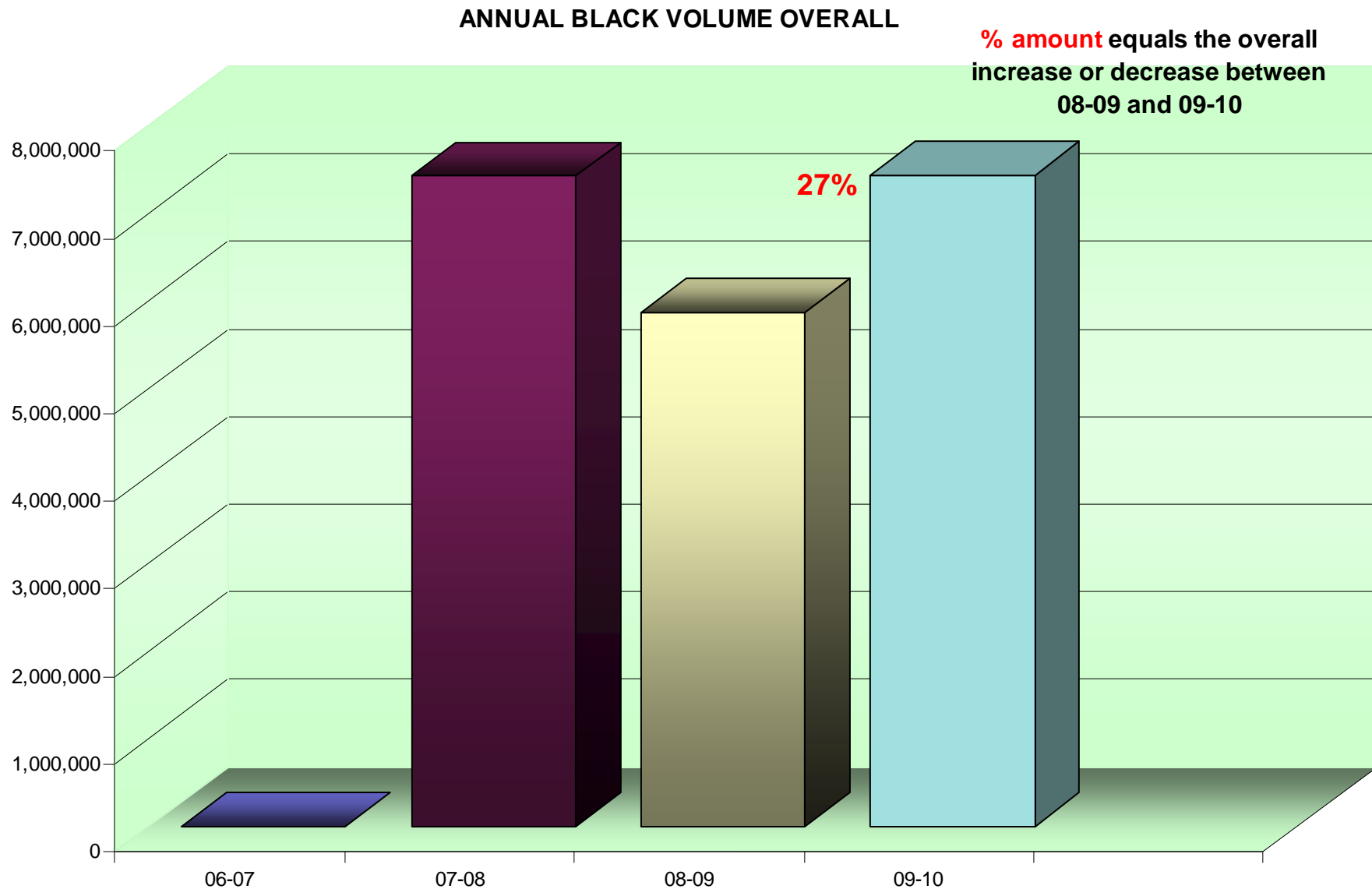
John,

- Color HP's are being heavily used in most locations with a High CPC
- One smaller print engine is being pounded and needs immediate attention! Check meter for accuracy

You could financially benefit from a small upgrade and lower your cost and improve some of your equipment.

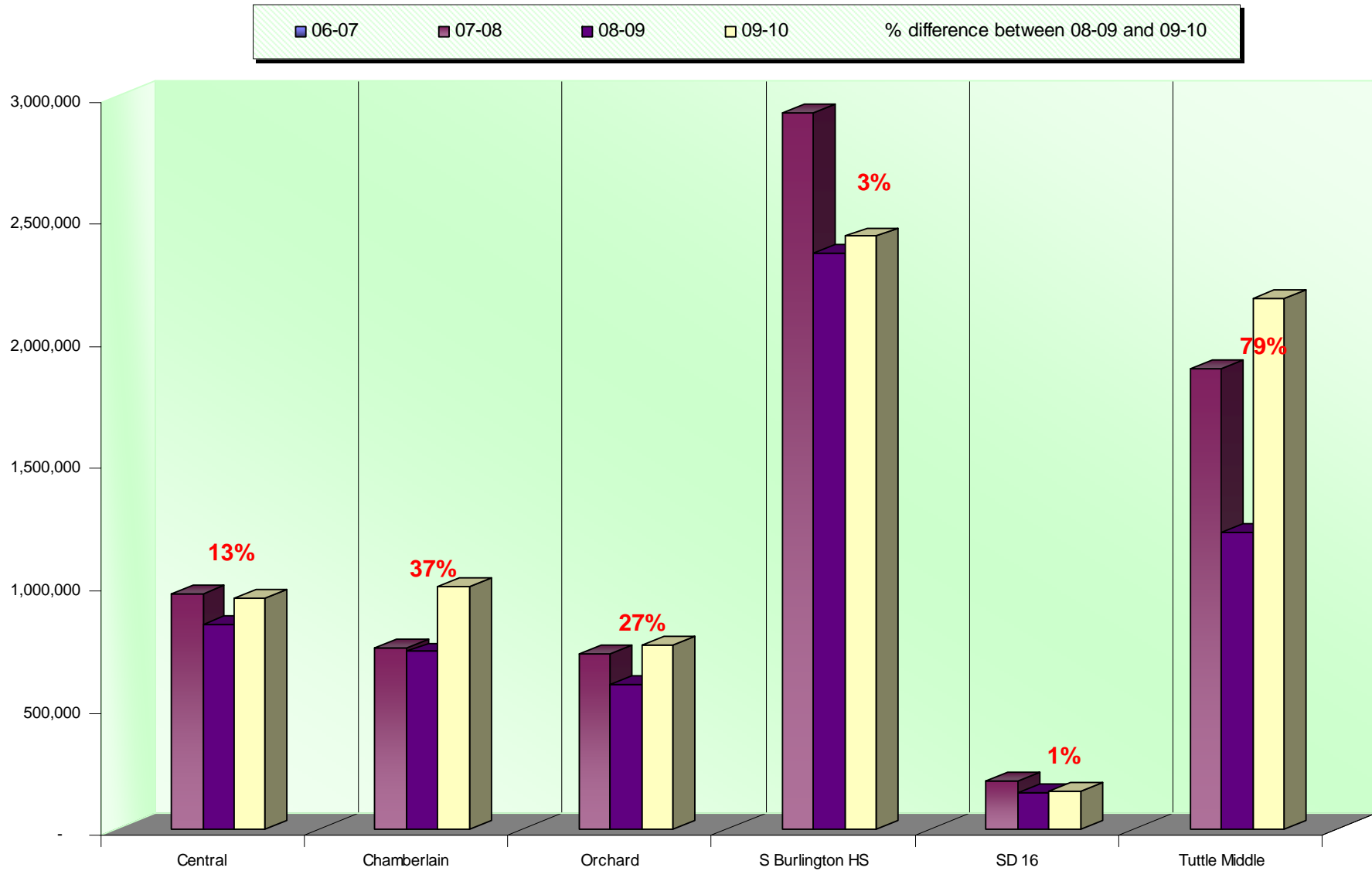
Skip

This report uses current trends for black volume to project future costs and potential equipment needs on an overall basis.



This report uses current trends for *black volume* to project future costs and potential equipment needs by building.

ANNUAL BLACK VOLUME BY BUILDING



Average Student to Copy Usage – Black Only

Using the projected costs by building as the basis, this table represents the projected average usage and cost per student for each building.

<i>Building Name</i>	<i>Student Population</i>	<i>Annual Volume</i>	<i>Total School Cost*</i>	<i>Annual Copies Per Student</i>	<i>Annual Cost Per Student</i>
Central School SD 16	400	944,968	\$15,166.18	2,362	\$37.92
Chamberlin School	250	992,686	\$16,128.82	3,971	\$64.52
Orchard School	350	750,360	\$12,061.93	2,144	\$34.46
S Burlington High	960	2,424,414	\$38,759.68	2,525	\$40.37
SD 16 District Office	0	151,217	\$2,609.50	0	\$0.00
Tuttle Middle	550	2,167,446	\$34,724.33	3,941	\$63.14
Totals	2,510	7,431,091	\$119,450.44	2,961	\$47.59

*Total School Cost refers to the cost of Service, Supplies, Paper, and Equipment.

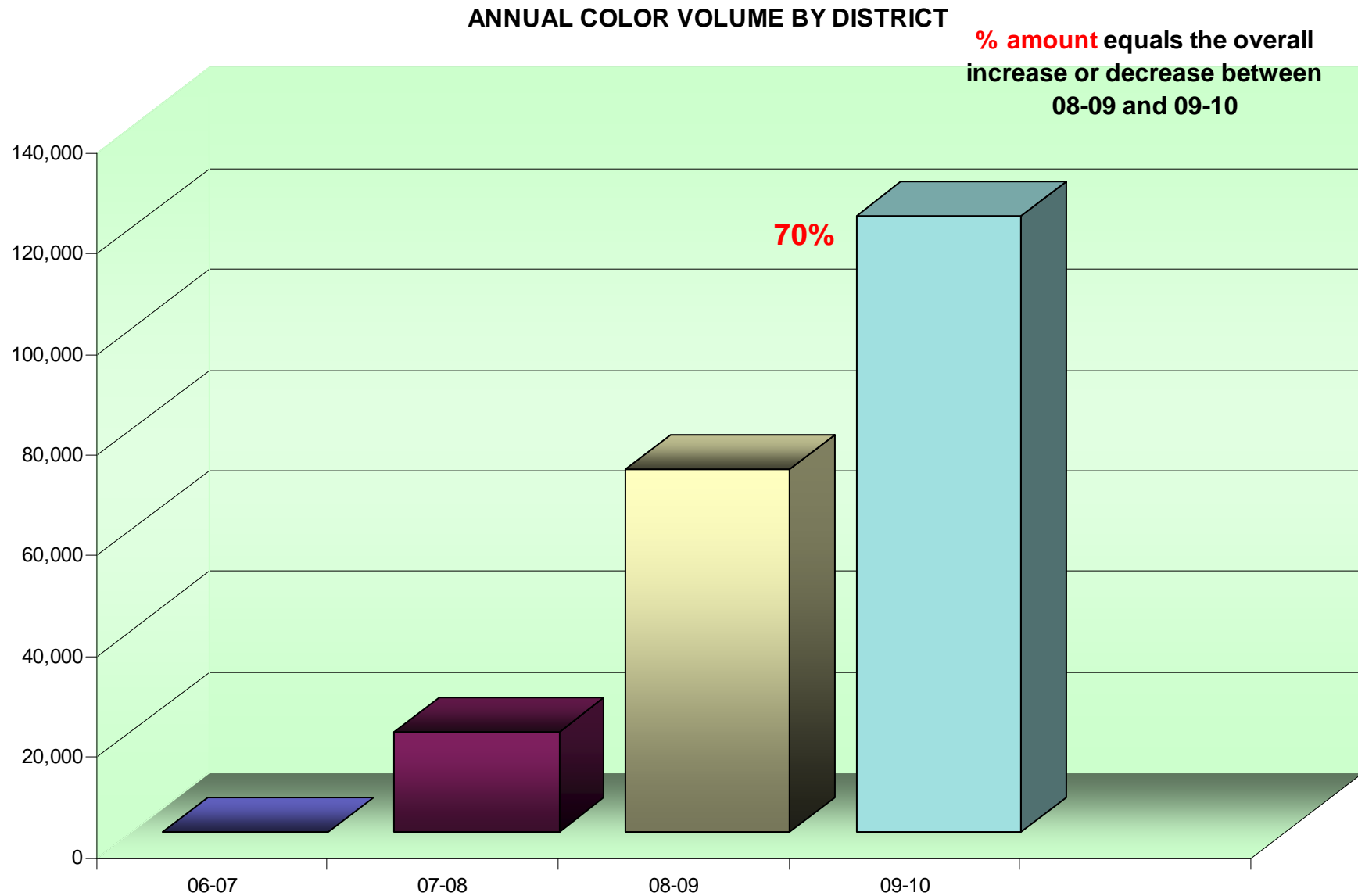
Cost Comparison Black Only

This is an SPC Comparison contrasting your district with 84 client school districts throughout the states of Maine, New Hampshire, and Vermont. By comparing to the Average Student to Copy Usage, this will help you to set up future budgets if student populations increase or decrease within the district or if you plan to build an addition or a new school.

	<i>Total Student Population</i>	<i>Total Annual Volume</i>	<i>Total District Cost*</i>	<i>Annual Copies Per Student</i>	<i>Annual Cost Per Student</i>
All Schools w/student populations	144,119	323,064,309	\$6,237,660.65	2,242	\$43.28

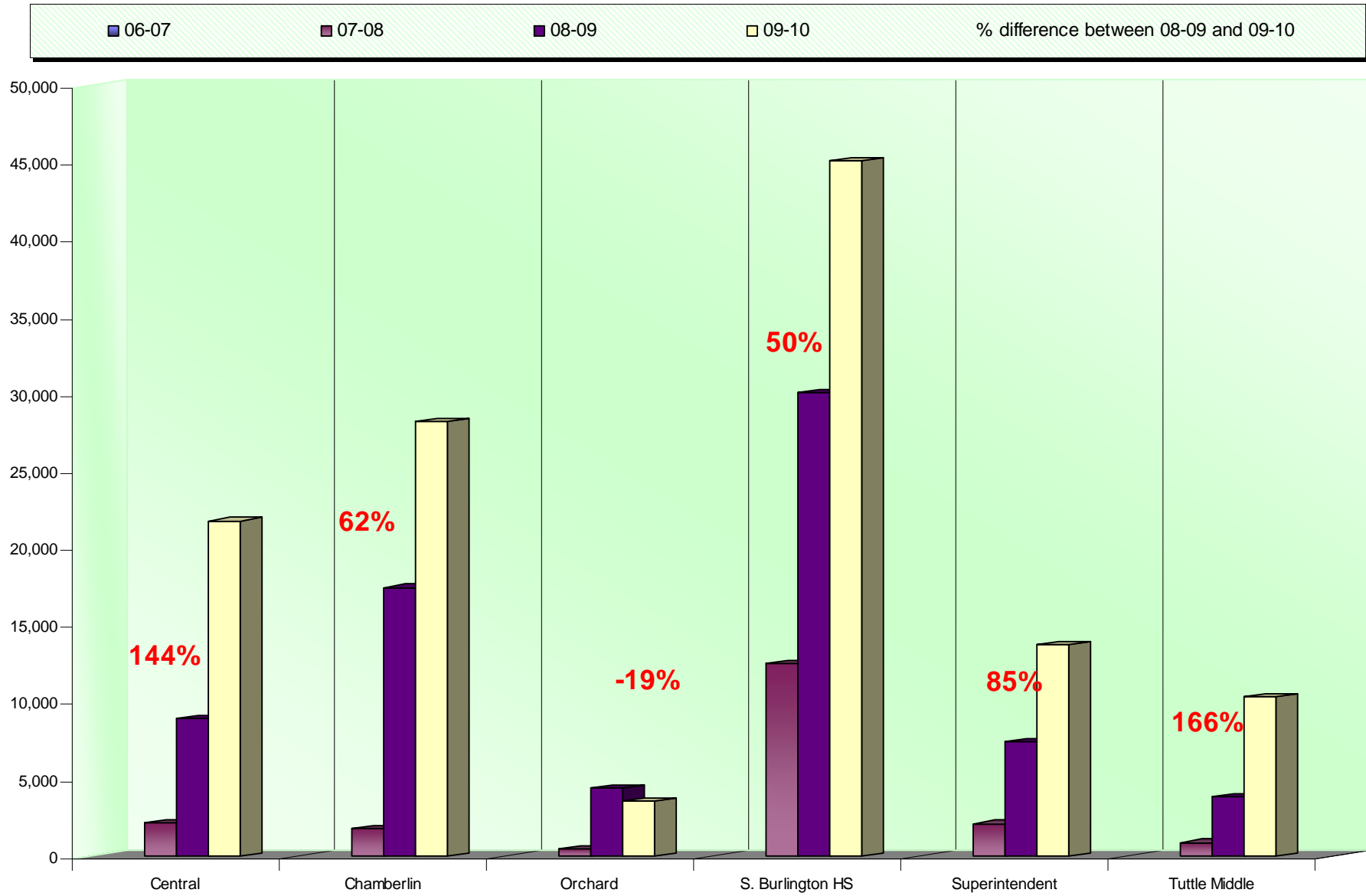
*Total District Cost refers to the cost of Service, Supplies, Paper, and Equipment.

This report uses current trends for color volume to project future costs and potential equipment needs on an overall basis.



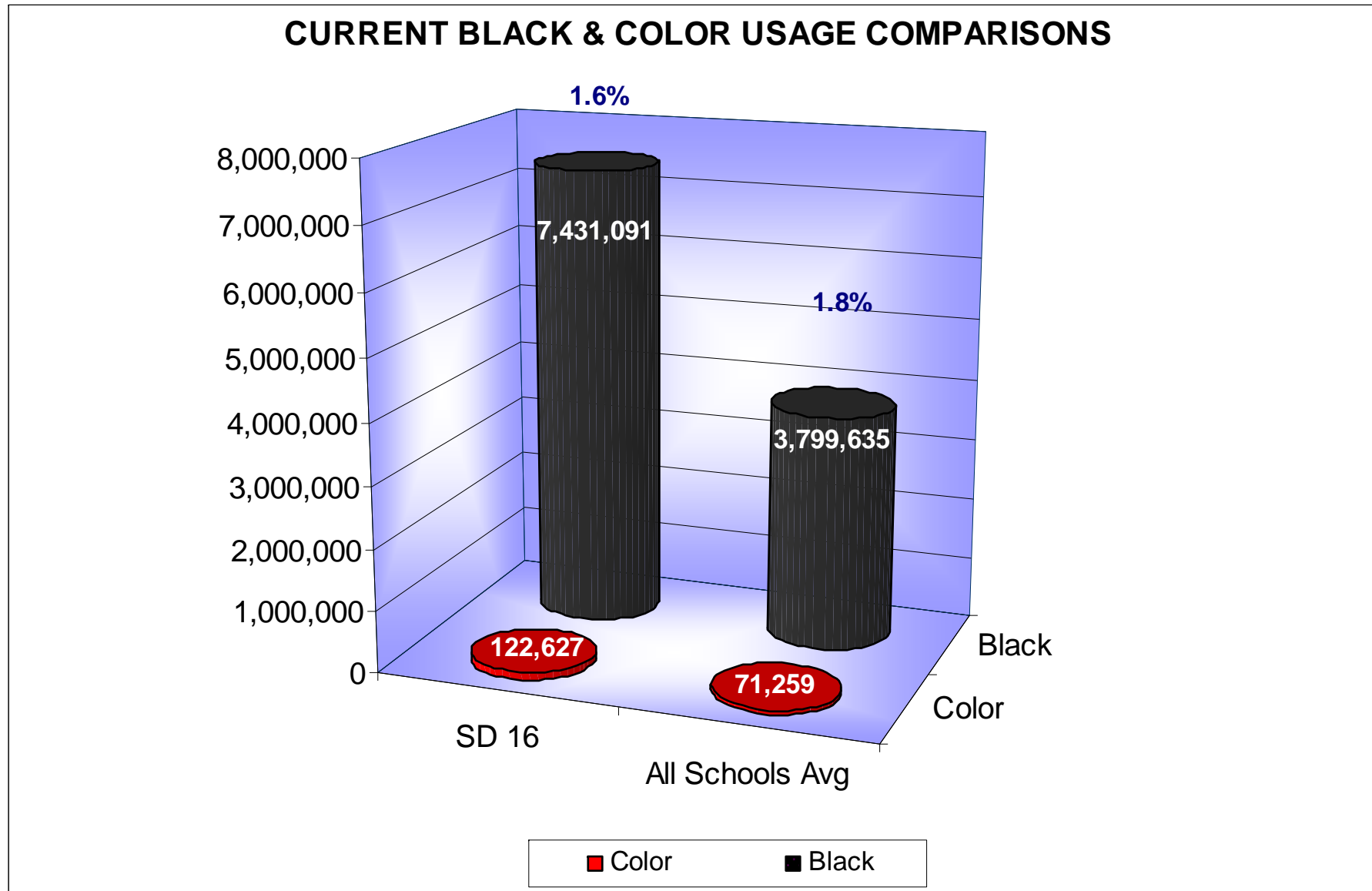
This report uses current trends for color volume to project future costs and potential equipment needs by building.

ANNUAL COLOR VOLUME BY BUILDING



Black & Color Usage Comparisons

This chart compares your current usage ratios to the average of all SPC client school districts.



Average Student to Copy Usage – Color Only

Using the projected costs by building as the basis, this table represents the projected average usage and cost per student for each building.

<i>Building Name</i>	<i>Student Population</i>	<i>Annual Volume</i>	<i>Total School Cost*</i>	<i>Annual Copies Per Student</i>	<i>Annual Cost Per Student</i>
Central School SD 16	400	21,768	\$4,326.28	54	\$10.82
Chamberlin School	250	28,176	\$5,219.56	113	\$20.88
Orchard School	350	3,572	\$602.05	10	\$1.72
S Burlington High	960	45,092	\$2,726.35	47	\$2.84
SD 16 District Office	0	13,687	\$2,661.91	0	\$0.00
Tuttle Middle	550	10,332	\$2,019.93	19	\$3.67
Totals	2,510	122,627	\$17,556.10	49	\$6.99

*Total School Cost refers to the cost of Service, Supplies, and Paper; Equipment Lease costs are not figured into color averages.

Cost Comparison – Color Only

This is an SPC Comparison contrasting your district with 84 client school districts throughout the states of Maine, New Hampshire, and Vermont. By comparing to the Average Student to Copy Usage, this will help you to set up future budgets if student populations increase or decrease within the district or if you plan to build an addition or a new school.

	<i>Total Student Population</i>	<i>Total Annual Volume</i>	<i>Total District Cost*</i>	<i>Annual Copies Per Student</i>	<i>Annual Cost Per Student</i>
All Schools w/student populations	144,119	6,056,994	\$522,910.90	42	\$3.63

*Total District Cost refers to the cost of Service, Supplies and Paper. Equipment is calculated only into the Black Volume.

Usage Profile for Service & Supplies

The usage analysis shown here provides an overview of the usage of each piece of equipment currently under contract and monitored by SPC. Projected Volume comparison is based on projected volume figured on your most recent Five-Year Equipment Replacement Schedule.

Date of Last Upgrade: 1/15/2008

<i>Make-Model / Speed Serial Number / Vendor ID Life / Intro Date Connectivity / Printer Exp Date Vendor</i>	<i>7/1/2009 Meter</i>	<i>6/30/2010 Meter</i>	<i>2009/10 Annual Volume</i>	<i>2010/11 Projected Volume</i>	<i>Volume Difference</i>	<i>Cost/Copy Annual Cost</i>	<i>Recommendations</i>
Central School SD 16							
Custodian Closet							
Oce im6030 60 CPM	379,280	700,069	320,789	281,600	39,189	\$0.004500	None at this time.
7110427 / GW0IJ						\$1,443.55	
3,000,000 / 07/2006	0	0	0	0	0	\$0.00000	
Black Photocopier						\$0.00	
Connected							
OCE VT							
Library							
Xerox 8560MFP 30 CPM Black & Color	4,442	4,715	273	0	273	\$0.004900	Traded
CXF333297a /						\$1.34	
750,000 / 02/2007	11,062	12,138	1,076	0	1,076	\$0.08769	
Color Photocopier						\$94.35	
Connected 3/6/2013							
XEROX							
HP CM4730MFP	0	6,182	6,182	0	6,182	\$0.01530	High Color CPC
SJPLH02252						\$94.58	
750,000 / 11/2005	0	20,692	20,692	0	20,692	\$0.1993	
Color Photocopier						\$4,123.92	
Connected							
VARY							

SD 16 South Burlington SD

Date of Last Upgrade: 1/15/2008

Make-Model / Speed Serial Number / Vendor ID Life / Intro Date Connectivity / Printer Exp Date Vendor	7/1/2009 Meter	6/30/2010 Meter	2009/10 Annual Volume	2010/11 Projected Volume	Volume Difference	Cost/Copy Annual Cost	Recommendations
Central School SD 16							
Main Office							
Oce fx3000 30 CPM	21,621	42,076	20,455	0	20,455	\$0.004500	None at this time.
7100013 / GW0IU						\$92.05	
750,000 / 09/2006	0	0	0	0	0	\$0.00000	
Black Photocopier						\$0.00	
Connected							
OCE VT							
Riso Closet							
Oce im6030 60 CPM	147,503	362,301	214,798	262,055	-47,257	\$0.004500	None at this time.
7110393 / GW0IG						\$966.59	
3,000,000 / 07/2006	0	0	0	0	0	\$0.00000	
Black Photocopier						\$0.00	
Connected							
OCE VT							
Staff Room Library							
Oce im6030 60 CPM	540,502	922,973	382,471	337,487	44,984	\$0.004500	None at this time.
8010030 / GW0IL						\$1,721.12	
3,000,000 / 07/2006	0	0	0	0	0	\$0.00000	
Black Photocopier						\$0.00	
Connected							
OCE VT							
	Subtotals B&W		944,968	881,142		\$4,319.23	
	Subtotals Color		21,768	0		\$4,218.27	

SD 16 South Burlington SD

Date of Last Upgrade: 1/15/2008

Make-Model / Speed Serial Number / Vendor ID Life / Intro Date Connectivity / Printer Exp Date Vendor	7/1/2009 Meter	6/30/2010 Meter	2009/10 Annual Volume	2010/11 Projected Volume	Volume Difference	Cost/Copy Annual Cost	Recommendations
Chamberlin School Office							
Xerox 8560MFP 30 CPM Black & Color CXF332647a / 750,000 / 02/2007 Color Photocopier Connected 3/6/2013 XEROX	18,596	23,245	4,649	0	4,649	\$0.004900 \$22.78 \$0.08769 \$420.91	Traded
HP CM4730MFP SJPDLJ12030 750,000 / 11/2005 Color Photocopier Connected VARY	0	24,555	24,555	0	24,555	\$0.01530 \$375.69 \$0.1993 \$4,658.84	High Color CPC
Special Services							
Oce im3530 35 CPM 8010023 / GW0II 750,000 / 01/2006 Black Photocopier Connected OCE VT	239,911	503,976	264,065	70,000	194,065	\$0.004500 \$1,188.29 \$0.00000 \$0.00	None at this time.

SD 16 South Burlington SD

Date of Last Upgrade: 1/15/2008

Make-Model / Speed Serial Number / Vendor ID Life / Intro Date Connectivity / Printer Exp Date Vendor	7/1/2009 Meter	6/30/2010 Meter	2009/10 Annual Volume	2010/11 Projected Volume	Volume Difference	Cost/Copy Annual Cost	Recommendations
Chamberlin School							
Staff Room							
Oce im6030 60 CPM	252,432	536,854	284,422	325,126	-40,704	\$0.004500	None at this time.
7110398 / GW0IH						\$1,279.90	
3,000,000 / 07/2006	0	0	0	0	0	\$0.00000	
Black Photocopier						\$0.00	
Connected							
OCE VT							
Oce im6030 60 CPM	412,581	827,576	414,995	295,640	119,355	\$0.004500	None at this time.
7090160 / GW0IO						\$1,867.48	
3,000,000 / 07/2006	0	0	0	0	0	\$0.00000	
Black Photocopier						\$0.00	
Connected							
OCE VT							
	Subtotals B&W		992,686	690,766		\$4,734.14	
	Subtotals Color		28,176	0		\$5,079.75	

SD 16 South Burlington SD

Date of Last Upgrade: 1/15/2008

Make-Model / Speed Serial Number / Vendor ID Life / Intro Date Connectivity / Printer Exp Date Vendor	7/1/2009 Meter	6/30/2010 Meter	2009/10 Annual Volume	2010/11 Projected Volume	Volume Difference	Cost/Copy Annual Cost	Recommendations
Orchard School Office							
Oce im6030 60 CPM 7110381 / GW0IM 3,000,000 / 07/2006 Black Photocopier Connected OCE VT	476,298	884,887	408,589	356,698	51,891	\$0.004500 \$1,838.65 \$0.00000 \$0.00	None at this time.
Oce im6030 60 CPM 8010007 / GW0IQ 3,000,000 / 07/2006 Black Photocopier Connected OCE VT	258,832	592,378	333,546	287,983	45,563	\$0.004500 \$1,500.96 \$0.00000 \$0.00	None at this time.
Xerox 8560MFP 30 CPM Black & Color CXF332872a / 750,000 / 02/2007 Color Photocopier Connected 3/6/2013 XEROX	11,652	13,251	1,599	0	1,599	\$0.004900 \$7.84 \$0.08769 \$100.23	Traded
HP CM4730MFP SJP6LH06033 750,000 / 11/2005 Color Photocopier Connected VARY	0	6,626	6,626	0	6,626	\$0.01530 \$101.38 \$0.1993 \$484.10	None at this time.
	Subtotals B&W		750,360	644,681		\$3,448.82	
	Subtotals Color		3,572	0		\$584.33	

SD 16 South Burlington SD

Date of Last Upgrade: 1/15/2008

Make-Model / Speed Serial Number / Vendor ID Life / Intro Date Connectivity / Printer Exp Date Vendor	7/1/2009 Meter	6/30/2010 Meter	2009/10 Annual Volume	2010/11 Projected Volume	Volume Difference	Cost/Copy Annual Cost	Recommendations
S Burlington High							
A/V Lab							
Oce cm3521 35 CPM Black & Color	11,129	25,024	13,895	195,840	-181,945	\$0.006000	None at this time.
7060001 / GT1TP						\$83.37	
750,000 / 02/2007	42,646	87,738	45,092	0	45,092	\$0.05550	
Color Photocopier						\$2,502.61	
Connected							
OCE VT							
Oce im8530 85 CPM	630,281	1,158,210	527,929	401,898	126,031	\$0.004500	None at this time.
6100067 / GW0FE						\$2,375.68	
4,000,000 / 07/2006	0	0	0	0	0	\$0.00000	
Black Photocopier						\$0.00	
Connected							
OCE VT							
Business Hall							
Oce im8530 85 CPM	553,481	982,277	428,796	645,341	-216,545	\$0.004500	None at this time.
7110025 / GW0IK						\$1,929.58	
4,000,000 / 07/2006	0	0	0	0	0	\$0.00000	
Black Photocopier						\$0.00	
Connected							
OCE VT							

SD 16 South Burlington SD

Date of Last Upgrade: 1/15/2008

Make-Model / Speed Serial Number / Vendor ID Life / Intro Date Connectivity / Printer Exp Date Vendor	7/1/2009 Meter	6/30/2010 Meter	2009/10 Annual Volume	2010/11 Projected Volume	Volume Difference	Cost/Copy Annual Cost	Recommendations
S Burlington High							
Business Office (Christa)							
Oce Imagistics im2520 25 CPM	152,827	182,471	29,644	17,883	11,761	\$0.004500	None at this time.
4080171 / GW46N						\$133.40	
500,000 / 03/2004	0	0	0	0	0	\$0.00000	
Black Photocopier						\$0.00	
Connected							
OCE VT							
Main Office							
Oce im8530 85 CPM	804,803	1,386,111	581,308	847,615	-266,307	\$0.004500	None at this time.
8010031 / GW0IF						\$2,615.89	
4,000,000 / 07/2006	0	0	0	0	0	\$0.00000	
Black Photocopier						\$0.00	
Connected							
OCE VT							
Science PC Room 2nd Floor							
Oce im8530 85 CPM	992,066	1,834,908	842,842	819,790	23,052	\$0.004500	None at this time.
8010021 / GW0IE						\$3,792.79	
4,000,000 / 07/2006	0	0	0	0	0	\$0.00000	
Black Photocopier						\$0.00	
Connected							
OCE VT							
Subtotals B&W			2,424,414	2,928,367		\$10,930.71	
Subtotals Color			45,092	0		\$2,502.61	

SD 16 South Burlington SD

Date of Last Upgrade: 1/15/2008

Make-Model / Speed Serial Number / Vendor ID Life / Intro Date Connectivity / Printer Exp Date Vendor	7/1/2009 Meter	6/30/2010 Meter	2009/10 Annual Volume	2010/11 Projected Volume	Volume Difference	Cost/Copy Annual Cost	Recommendations
SD 16 District Office							
Office							
Oce im6030 60 CPM 7110024 / GW0IS 3,000,000 / 07/2006 Black Photocopier Connected OCE VT	167,931	298,948	131,017	139,519	-8,502	\$0.004500 \$589.58 \$0.00000 \$0.00	None at this time.
Xerox 8560MFP 30 CPM Black & Color CXF300727a / 750,000 / 02/2007 Color Photocopier Connected 3/6/2013 XEROX	12,078	14,473	2,395	0	2,395	\$0.004900 \$11.74 \$0.08769 \$105.14	Traded
HP CM4730MFP SJP6LH05168 750,000 / 11/2005 Color Photocopier Connected VARY	0	17,805	17,805	0	17,805	\$0.01530 \$272.42 \$0.1993 \$2,488.86	High Color CPC
	Subtotals B&W		151,217	139,519		\$873.73	
	Subtotals Color		13,687	0		\$2,594.00	

SD 16 South Burlington SD

Date of Last Upgrade: 1/15/2008

Make-Model / Speed Serial Number / Vendor ID Life / Intro Date Connectivity / Printer Exp Date Vendor	7/1/2009 Meter	6/30/2010 Meter	2009/10 Annual Volume	2010/11 Projected Volume	Volume Difference	Cost/Copy Annual Cost	Recommendations
Tuttle Middle							
Conference Room 2nd Fl							
Oce im8530 85 CPM	624,069	1,202,841	578,772	530,967	47,805	\$0.004500	None at this time.
8010030a / GW0IP						\$2,604.47	
4,000,000 / 07/2006	0	0	0	0	0	\$0.00000	
Black Photocopier						\$0.00	
Connected							
OCE VT							
Conference Room Library							
Oce im8530 85 CPM	503,515	893,596	390,081	547,130	-157,049	\$0.004500	None at this time.
8010029 / GW0IR						\$1,755.36	
4,000,000 / 07/2006	0	0	0	0	0	\$0.00000	
Black Photocopier						\$0.00	
Connected							
OCE VT							
Food Service							
Oce im4530 45 CPM	55,700	717,798	662,098	45,072	617,026	\$0.004500	Way Overused!
8010179 / GW0IY						\$2,979.44	
1,000,000 / 10/2006	0	0	0	0	0	\$0.00000	Check Meter for Accuracy
Black Photocopier						\$0.00	
Not Connected							
OCE VT							

SD 16 South Burlington SD

Date of Last Upgrade: 1/15/2008

Make-Model / Speed Serial Number / Vendor ID Life / Intro Date Connectivity / Printer Exp Date Vendor	7/1/2009 Meter	6/30/2010 Meter	2009/10 Annual Volume	2010/11 Projected Volume	Volume Difference	Cost/Copy Annual Cost	Recommendations
Tuttle Middle							
Main Office							
Oce im8530 85 CPM 7110028 / GW0IT 4,000,000 / 07/2006 Black Photocopier Connected	307,909	672,804	364,895	500,000	-135,105	\$0.004500 \$1,642.03 \$0.00000 \$0.00	None at this time.
OCE VT							
Xerox 8560MFP 30 CPM Black & Color CXF332565a / 750,000 / 02/2007 Color Photocopier Connected 3/6/2013	10,895	12,070	1,175	0	1,175	\$0.004900 \$5.76 \$0.08769 \$71.12	Traded
XEROX							
HP CM4730MFP SJP6LH05593 750,000 / 11/2005 Color Photocopier Connected	0	8,428	8,428	0	8,428	\$0.01530 \$128.95 \$0.1993 \$1,897.54	High Color CPC
VARY							
Special Education							
Oce im4530 45 CPM 8010141 / GW0IN 1,000,000 / 10/2006 Black Photocopier Connected	136,841	298,838	161,997	147,138	14,859	\$0.004500 \$728.99 \$0.00000 \$0.00	None at this time.
OCE VT							
	Subtotals B&W		2,167,446	1,770,307		\$9,845.00	
	Subtotals Color		10,332	0		\$1,968.66	
District Wide Black Totals			7,431,091	7,054,782		\$34,151.63	
District Wide Color Totals			122,627	0		\$16,947.62	

SPC Service & Supply Cost Savings

This table compares your equipment cost per copy for service and supplies (black prints or copies only) before becoming an SPC client with your projected cost per copy through SPC presently. Annual Volume represents actual projected volume when you first became an SPC client on 1/15/2008. If all things remained the same, this table demonstrates your average annual and five-year savings.

<i>Annual Volume</i>	<i>Before SPC CPC</i>	<i>After SPC CPC</i>	<i>SPC's CPC Savings</i>	<i>SPC's Annual Cost Savings</i>	<i>SPC's 5-year Cost Savings</i>
7,424,587	\$0.01621	\$0.00460	\$0.01160	\$86,125.21	\$430,626.05

Projected Equipment Costs by Building - Black

This table represents projected expenses for BLACK prints or copies by building based on recent activity. Approximate current paper case costs and averaged current annual lease payment are figured in to provide budget information for the upcoming fiscal year.

Building Name	Projected Volume	Service & Supply Cost	Paper Cost \$24.81/Case	Equipment Cost	Total Cost
Central School SD 16	944,968	\$4,319.23	\$4,688.93	\$6,158.02	\$15,166.18
Chamberlin School	992,686	\$4,734.14	\$4,925.71	\$6,468.98	\$16,128.82
Orchard School	730,360	\$3,448.82	\$3,723.29	\$4,889.83	\$12,061.93
S Burlington High	2,424,414	\$10,930.71	\$12,029.94	\$15,799.03	\$38,759.68
SD 16 District Office	151,217	\$873.73	\$750.34	\$985.43	\$2,609.50
Tuttle Middle	2,167,446	\$9,845.00	\$10,754.87	\$14,124.46	\$34,724.33
Totals	7,431,091	\$34,151.63	\$36,873.07	\$48,425.74	\$119,450.44

Service & Supply Usage Profile by Vendor - Black

This table represents actual expenses for BLACK prints or copies by vendor for the current year along with projected service & supply expenses for the upcoming fiscal year. Vendor typically invoices 80% of projected costs annually in advance. Cost per copy typically increases by 5% or CPI annually, whichever is less. This year's increase was **2.3%**. Projected Savings represents approximate annual cost savings realized by upgrading current service and supply contracts based on current bids of **\$0.0039 - \$0.0049** per print or lower! Savings here are calculated at **\$0.0042**.

<i>Vendor</i>	<i>Equipment Type</i>	<i>2009/10 Annual Volume</i>	<i>2009/10 Cost Per Copy</i>	<i>2009/10 Total Cost</i>	<i>2010/11 Cost Per Copy</i>	<i>2010/11 Projected Cost</i>	<i>Projected Savings</i>
Oce Vermont	Color Photocopier	13,895	\$0.00600	\$83.37	\$0.00614	\$85.32	
Oce Vermont	Black Photocopier	7,343,509	\$0.00450	\$33,045.79	\$0.00460	\$33,780.14	
Xerox	Color Photocopier	10,091	\$0.00490	\$49.45	\$0.00501	\$50.56	
Vary	Color Photocopier	63,596	\$0.01530	\$973.02	\$0.0153	\$973.02	
<i>Totals and Averages</i>		<i>7,431,091</i>	<i>\$0.004596</i>	<i>\$34,151.63</i>	<i>\$0.004695</i>	<i>\$34,889.04</i>	<i>\$3,678.46</i>

Projected Equipment Costs by Building - Color

This table represents projected expenses for COLOR prints or copies by building based on recent activity. Approximate current paper costs are figured in to provide budget information for the upcoming fiscal year. Equipment cost is not calculated with color usage.

Building Name	Projected Volume	Service & Supply Cost	Paper Cost \$24.81/Case	Total Cost
Central School SD 16	21,768	\$4,218.27	\$108.01	\$4,326.28
Chamberlin School	28,176	\$5,079.75	\$139.81	\$5,219.56
Orchard School	3,572	\$584.33	\$17.72	\$602.05
S Burlington High	45,092	\$2,502.61	\$223.75	\$2,726.35
SD 16 District Office	13,687	\$2,594.00	\$67.91	\$2,661.91
Tuttle Middle	10,332	\$1,968.66	\$51.27	\$2,019.93
Totals	122,627	\$16,947.62	\$608.48	\$17,556.10

Service & Supply Usage Profile by Vendor - Color

This table represents actual and projected expenses for COLOR prints or copies by vendor for the current and next fiscal year. Color copies are typically billed in arrears quarterly or semi-annually. Projected Cost Savings represents approximate annual cost savings realized by upgrading current service and supply contracts based on current bids of **\$0.05105** per print or lower.

<i>Vendor</i>	<i>Equipment Type</i>	<i>2009/10 Annual Volume</i>	<i>2009/10 Cost Per Copy</i>	<i>2009/10 Actual Cost</i>	<i>2010/11 Cost Per Copy</i>	<i>2010/11 Projected Cost</i>	<i>Projected Savings</i>
Oce Vermont	Color Photocopier	45,092	\$0.05550	\$2,502.61	\$0.05550	\$2,502.61	
Xerox	Color Photocopier	9,029	\$0.08769	\$791.75	\$0.08769	\$791.75	
Vary	Color Photocopier	68,506	\$0.19930	\$13,653.26	\$0.19930	\$13,653.26	
<i>Totals and Averages</i>		<i>122,627</i>	<i>\$0.13820</i>	<i>\$16,947.62</i>	<i>\$0.013820</i>	<i>\$16,947.62</i>	<i>\$10,687.51</i>

Equipment Problems – Quality Equipment Survey Report

The list below represents problems and/or complaints on equipment reliability, copy quality, and vendor service. It also outlines the comment provided to SPC as well as the resolution, if any, by the vendor or SPC.

No Quality Surveys were completed and sent to SPC, so we can only assume your equipment is running satisfactorily. Because this equipment is covered under a Five-Year Equipment Replacement Warranty, any problem units could be replaced at no charge provided they have not gone beyond their warranty.

Reprographic Equipment Assessment

This chart provides the status of your equipment and details of your current lease, if any. *

Total # of Units	26
# of Units on Lease	25
# of Units Owned	1
Lease Company	Northway Bank
Lease Start Date	1/15/2008
Lease End Date	8/1/2012
Term	5 Annual
Annual Payment usually due on 8/1	\$48,425.74
Remaining Payments	2

**The determination on the lease has no bearing on Service & Supply and Warranty Contracts.*

Leased Equipment

Equipment currently held as collateral under SPC-monitored or private lease.

Building	Make	Model	Serial #
Central School	Oce	fx3000	7100013
Central School	Oce	im6030	8010030
Central School	Oce	im6030	7110393
Central School	Oce	im6030	7110427
Central School	HP	CM4730MFP	SJPGLH02252
Chamberlin School	Oce	im3530	8010023
Chamberlin School	Oce	im6030	7090160
Chamberlin School	Oce	im6030	7110398
Chamberlin School	HP	CM4730MFP	SJPD LJ12030
Orchard School	Oce	im6030	7110381
Orchard School	Oce	im6030	8010007
Orchard School	HP	CM4730MFP	SJP6LH06033
S Burlington High	Oce	im8530	6100067
S Burlington High	Oce	im8530	7110025
S Burlington High	Oce	im8530	8010021
S Burlington High	Oce	cm3521	7060001
S Burlington High	Oce	im8530	8010031
SD 16 District Office	Oce	im6030	7110024
SD 16 District Office	HP	CM4730MFP	SJP6LH05168
Tuttle Middle	Oce	im4530	8010141
Tuttle Middle	Oce	im8530	8010030a
Tuttle Middle	Oce	im4530	8010179
Tuttle Middle	Oce	im8530	7110028
Tuttle Middle	Oce	im8530	8010029
Tuttle Middle	HP	CM4730MFP	SJP6H05593

Owned Equipment

Equipment currently owned by client.

Building	Make	Model	Serial #
S Burlington High	Oce Imagistics	im2520	4080171

NOTE: With your next upgrade, your current Leased Equipment would be listed as Owned, and any new equipment would be listed as Leased. Your current Owned Equipment would be traded out.

Your Municipal Lease

When should you upgrade your municipal lease?

After you make your **third payment**, it is worth testing the market since your service & supply costs have been progressively dropping. Since you have a 30-day cancellation clause built into your Service & Supply contracts, after the third lease payment you have built up enough capital to buy your next generation of copiers. Note the example below:

Example: If the initial principal starting May 1, 2008 was **\$100,000.00**, the lease payment would be **\$21,770.78** at **3.9%** interest for five payments, with the first payment being made August 1, 2008. By August 2, 2010, you would have made three (3) payments totaling **\$65,312.34** with interest, making approximately **\$58,879.35** in capital available to use for your next upgrade without increasing your annual payment. Since there is simply an amortization buyout, you could acquire additional equipment without increasing your annual capital lease. Ownership of the existing fleet of machines would be turned over to the District and only the new equipment would be held as collateral.

Next upgrade mirroring your existing payment schedule: 8/1/2010.

SAMPLE Amortization for Evaluation with Upgrade taking place on 8/1/2010

Compound Period: Annual

Nominal Annual Rate: 3.900%

AMORTIZATION SCHEDULE – Normal Amortization

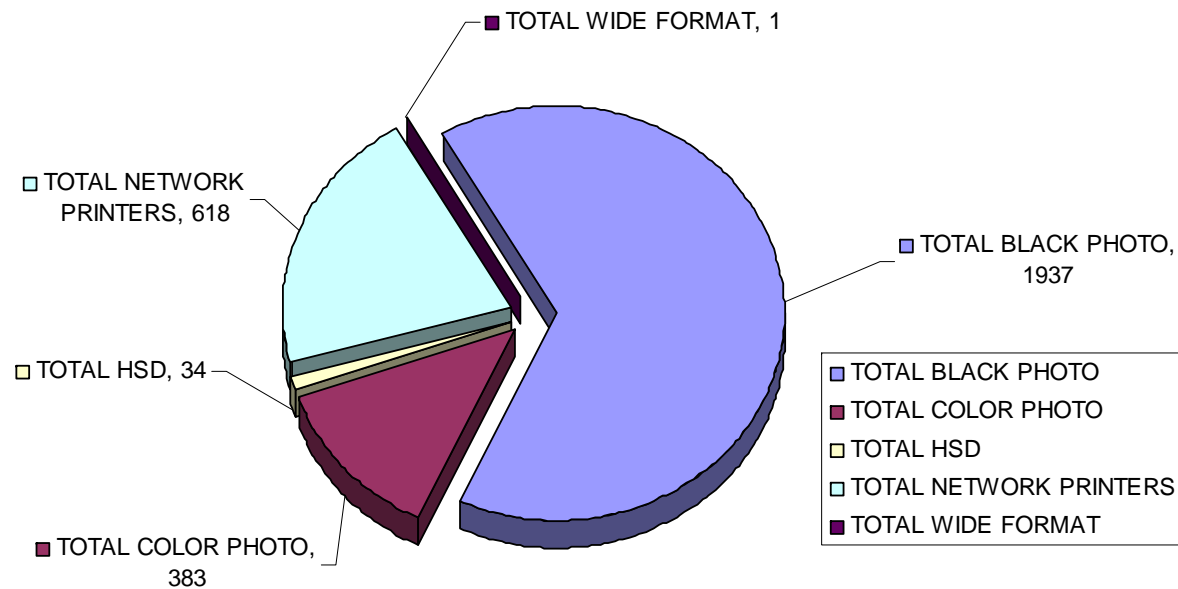
	Date	Payment	Interest	Principal	Balance
Loan	05/01/2008				\$100,000.00
1	08/01/2008	21,770.78	983.01	20,787.77	79,212.23
2	08/01/2009	21,770.78	3,089.28	18,681.50	60,530.73
3	08/01/2010	21,770.78	2,360.70	19,410.08	41,120.65
4	08/01/2011	21,770.78	1,603.71	20,167.07	20,953.58
5	08/01/2012	21,770.78	817.20	20,953.58	0.00
Grand Totals		108,853.90	8,853.90	100,000.00	

Please NOTE: This is a SAMPLE Amortization for representation purposes only. This is not your current amortization schedule.

Active Reprographic Equipment & Manufacturers

SPC currently maintains 3,267 high-end production reprographic units across the tri-state region. They are currently running 345,000,000 annual prints, culminating into over 1.7+ billion prints over five years!

SPC Total Active Equipment



Total Number of Active Equipment is 2,973

Current Manufacturers Represented (12):

- Canon
- Copystar
- Gestetner
- Konica-Minolta
- Kyocera
- Océ
- Ricoh
- Risograph
- Savin
- Sharp
- Toshiba
- Xerox

Current Vendors Represented (18):

- **A-COPI**
- BEU
- Catamount/Lockrows
- Conway
- **Ikon**
- **KMBS**
- **Levesque**
- Lyndonville
- **Océ**
- Offtech New England
- Seacoast
- Spillers
- SymQuest
- **Synnex**
- Toshiba
- UBM
- **Vary Tech**
- Xerox

Those marked in bold have won bids in the last 12 months.

Improved SPC Services

Print Management Software with its Benefits

In 2007 we initiated what is called **Print Management Software**. It was designed to capture meter reads and order supplies electronically on most, if not all, of your networked printing devices automatically. This software offers the following benefits:

Collect meter reads daily. Benefits...

- IT staff can isolate problem volume locations
- Monitor over use or under use locations and make the adjustments sooner
- Know when to shift from expensive laser and inkjet printers to low-cost-of-operation reprographic units
- Project cost on both black and color prints before the invoice arrives

Automatic ordering of consumable items. Benefits...

- Eliminate the need of valuable time spent ordering supplies manually

Automatic service alert sent to service provider. Benefit...

- E-mail sent out to both IT staff and service provider. Provider will then call to verify service need with IT staff to qualify the issue and send out a technician.

Cost per print plan for networking printing devices such as HP and Lexmark network printers. Benefits...

- Instead of individual expensive purchase of supply items, a cost-per-print quarterly in arrears at about half what you are currently paying will be offered.

In 2009 we have contracted with Vary Technologies who will offer to personally install this Print Management Software for free (MAC or PC environment). In addition, they are able to service, on a cost-per-print basis, all of your legacy printers including HP, Lexmark and Brother. Vary Technologies was first contacted by Xerox on behalf of SPC clients to service all of the solid ink color units as a local service provider in an effort to improve the overall response time and reliability. As a side benefit, Vary will be able to fill a void for servicing all of our low-volume legacy printers on a cost-per-print basis that includes...

- Service
- Supplies
- Equipment

Vary Technologies will be able to provide this service at a lower cost than what most clients are paying just for supplies. This should improve the quality of service and equipment at thousands of dollars less each year!

Insurance Fund with Greater SPC Installation Monitoring

In an effort to eliminate any and all unforeseen costs incurred due to an installation, SPC is now covering the cost of shipping any equipment back to the leasing companies, electrical upgrades, computer ports and drops, and ESP surge protectors that filter out noise and protect your equipment from power surges. Based on a minimal cost per unit, SPC insures that there are no unforeseen costs after board approval.

In addition, SPC performs a Digital Needs Analysis (DNA) after board approval. We follow up with a vendor meeting and are there to manage the install. Finally, SPC audits the installation after all the dust settles to make sure all key operators have been fully trained and are happy with the install.

Our goal is to make sure that the install is a complete success without any additional cost.

SPC's Service & Supply Contract – Purpose & Sample

In an effort to serve our clients better, at our own expense, SPC hired Bond Counsel to set up your Service & Supply Contract to ensure accuracy and protection to our Clients. Integrated into and tailored to mirror the Lease-Purchase Agreement, this contract protects equipment held as collateral under the Lease-Purchase Agreement or for equipment already owned and purchased outright. Please note that it provides you with the option to upgrade your service contract with a 30-day termination notice. This provides you tremendous flexibility.

CONTRACT SAMPLE:

SERVICE AND SUPPLY CONTRACT (LEASED EQUIPMENT)

The Vendor identified below of the equipment described at Exhibit A to Property Schedule No. 1 (the "Equipment") to a Master Lease-Purchase Agreement between M.S.T. Government Leasing, LLC, as lessor (the "Lessor") and Client, as lessee (the "Lessee"), dated beginning date, (the "Lease-Purchase") hereby contracts with Lessee for the term of the Lease-Purchase (terminating on ending date) to provide comprehensive services, supplies, and maintenance to such Equipment, excluding only the cost of paper, transparencies, and staples, at a cost per copy per item of Equipment as shown on Schedule A attached hereto. In addition, for high-speed duplicators, Vendor may charge the cost shown on Schedule A attached hereto for masters used when the number of copies made by use of such masters is, on an annual average, fewer than 100. Vendor shall provide a four-hour response time to all service calls.

On July 1 of each calendar year during the term of the Lease-Purchase, Vendor, at its option, may increase such costs per copy under this Service and Supply Contract (the "Contract") by 5% or by a percentage equal to the increase during the immediately preceding 12-month period of "The Consumer Price Index for All Urban Consumers (CPI-U) for the U.S. City Average for All Items, 1982-84 = 100," whichever is less.

On July 1 of each calendar year during the term of the Lease-Purchase, Vendor shall credit to Lessee any cost of this Contract prepaid by Lessee and unused by Lessee because fewer copies were made by Lessee during the Contract period ending on such July 1 than were originally estimated under this Contract to be made by Lessee during such period. *If the Lease-Purchase is terminated prior to the end of its term, Vendor shall prorate and return to Lessee, within 30 days of such termination, any cost of this Contract prepaid by Lessee and unused by Lessee because of such early termination of the Lease-Purchase.*

Vendor: _____
 Street Address: _____
 City/State/Zip: _____
 By (signature): _____
 Name: _____
 Title: _____

Lessee: _____
 Street Address: _____
 City/State/Zip: _____
 By (signature): _____
 Name: _____
 Title: _____

SPC's Dual-Layered Warranty – Purpose & Explanation

Reprographic equipment is expensive and does not hold its value. Therefore, it is crucial for you and the banking industry holding the collateral to secure this asset.

Our unique Dual-Layered Warranty guarantees a like-for-like no-charge replacement unit in the event of equipment not performing satisfactorily.

1. **Servicing Vendor;** implemented in 1988
2. **ESP Electrical;** implemented in 2007, all photocopiers with such units will be warranted from electrical damage by ESP.

SPC works into the bid with your servicing vendor a five-year warranty. As long as SPC is under contract, we will do our best to enforce these warranties even if a vendor goes into bankruptcy, gets sold, or refuses to honor the warranty. Vendor examples showing the volatility of the industry are...

1. BEU & Transco acquired by Global (Sharp, Riso and Minolta eliminated)
2. Global acquired by Xerox (Savin eliminated, with Konica Minolta hanging in the balance)
3. Offtech acquired by Toshiba (Ricoh eliminated)
4. Pitney-Bowes acquired by Imagistics (multiple lines eliminated)
5. Imagistics acquired by Océ (multiple lines eliminated)
6. Danka acquired by Konica Minolta (Canon & Toshiba eliminated)
7. Ikon acquired by Ricoh (Canon line eliminated)
8. Océ acquired by Canon (multiple lines eliminated)

All eight corporations were sold off within recent years. When this occurs, the old equipment lines are usually discarded over time, then service problems develop and warranty issues surface. In each case, SPC, at their own expense, renegotiated warranties with new entity, arranged for replacement equipment, and/or arranged for other vendors to manage the accounts, if necessary, thus re-establishing warranty coverage and stabilizing any price increases. In summary, we protect your interest and your equipment.

ESPs (Electronic Surge Protectors) with our most recent upgrades are being installed by SPC on 40 CPM units and faster in order to cut down on approximately 30% of all service calls. These units will not only protect from electrical surges but will also filter out electronic noise that creates havoc with boards and the operation of your equipment.

WARRANTY SAMPLE:

***WARRANTY
(LEASED EQUIPMENT)***

The Vendor identified below of the equipment described on Schedule A(P) attached hereto (the "Equipment") sold by Vendor to _____ (the "Owner") hereby warrants to Owner that, if any such Equipment malfunctions through no fault of Owner during a term commencing on _____ and terminating on _____ and such Equipment cannot be repaired promptly, Vendor promptly will replace such Equipment with equipment which is equal to or superior in quality and capabilities to the Equipment being replaced, at no cost to Owner.

The only exclusions to this Warranty are as follows:

1. This Warranty will expire for an item of Equipment when the life expectancy of such item of Equipment in number of copies, as shown on Schedule A(P) attached hereto, is exceeded;
2. This Warranty will expire for an item of Equipment at the date which is ten years after such Equipment was first offered for sale or lease by the manufacturer as shown on Schedule A(P) attached hereto.

Vendor: _____
Street Address: _____
City/State/Zip: _____
By (signature): _____
Name: _____
Title: _____