

**VILLAGE OF ESSEX JUNCTION
ANNUAL MEETING MINUTES
April 6, 2011**

Moderator Steve Eustis welcomed the assemblage to the 119th Annual Meeting of the Village of Essex Junction and led the assemblage in the Pledge of Allegiance. The Essex Junction High School Select Chorus sang the Star Spangled Banner. Deb Billado, Village President, introduced members of the Board of Trustees: George Tyler, Peter Gustafson, John Lajza (Trustee Steve Atwood was absent); and members of the Village administration in attendance: Dave Crawford, Manager; Susan McNamara-Hill, Clerk/Treasurer; Lauren Morrisseau, Finance/MIS Director; Robin Pierce, Development Director; Rick Jones, Public Works Superintendent; Jim Jutras, Water Quality Superintendent; Rick Hamlin, Consulting Engineer; Chris Gaboriault, Fire Chief; Penny Pillsbury, Library Director; Christine Packard, Library Board Chairwoman; Marianne Riordan, Recording Secretary.

RECOGNITIONS

There was a moment of silence in memory and recognition of Larry Yandow and his 27 years of dedicated public service to the Village of Essex Junction including as Village Trustee and President.

Village staff was recognized for wearing sneakers to signify participation in National Start Walking Day as part of a 12-week heart healthy program. Essex Junction received \$3,600 from the Vermont League of Cities and Towns for participating in the program.

Volunteer groups were recognized, including Railroad Avenue Events Planning and the Farmers Market.

State representatives, Tim Jerman and Linda Waite-Simpson, and Essex Selectboard members, Irene Wrenner and Max Levy, were recognized.

Moderator Eustis called the meeting to order at 7:10 PM and explained the procedure to be followed, noting a public hearing on bond votes for upgrades to pump stations and the waste water treatment facility will be held concurrent with Article 6 (transact other business).

ARTICLE 1: Shall the voters act upon the report of the auditor?

MOTION by Chuck Barry, **SECOND** by Alison Wermer, to approve Article 1 as read.

DISCUSSION: There was an inquiry on the fund balance in the land acquisition capital reserve account (\$381,000 balance). Detailed information on the account is in the audit report. There was an inquiry on the paving cost in the Street Dept. budget.

Further information was provided during the budget discussion (Article 2). There were no further comments/questions.

VOTING: unanimous; motion carried. Article 1 is adopted.

ARTICLE 2: Shall the voters approve the annual General Fund budget in the amount of \$3,168,456 for fiscal year July 1, 2011 to June 30, 2012 of which \$2,519,354 is to be levied in taxes against the Village Grand List?

MOTION by Peter Gustafson, **SECOND** by Chuck Barry, to approve Article 2 as read.

DISCUSSION: A presentation on the FY12 budget was given. The budget represents a 3.85% increase over the FY11 budget. Expenditure increases include electricity, fuel, insurance, and road repairs. Impact of the budget increase on a village residence assessed at \$266,000 is \$28 per year of which \$15 is due to the decrease in the subsidy paid by IBM. There was discussion of the Brownell Library budget and acknowledgement of the library being a wonderful resource for the village with programs and services being well used by the public, especially the children's programs. Concern was expressed about the library budget increase in the current economy. There were individuals who spoke in support of the proposed library budget, citing other items in the village budget that show an increase (salaries, legal fees, professional training/conferences, pay classification study) and other individuals who felt the budget and increase are not justified because some services are beyond the scope of the library (daycare, community center, Wii) or available electronically (e-books or books on tape). There was mention of other area libraries available to the citizenry (Essex Free Library in the Town of Essex and the libraries in the schools).

AMENDMENT TO ARTICLE 2 by George Dunbar, III, **SECOND** by Deb MacAdoo, to reduce the FY12 budget by \$141,420.

DISCUSSION ON AMENDMENT: Mr. Dunbar, Juniper Ridge Road, explained justification for the reduction includes the proposed budget exceeds the cap of \$500,000 allowed in the Rolling Stock Fund. Also, review of the audit for the past seven years shows Planning and Economic Development line items have consistently been underspent making a combined opportunity to reduce the budget by \$25,000. The library is important, continued Mr. Dunbar, but the community needs to optimize delivery of services across all departments and presently village taxpayers pay close to \$1 million in support of the Brownell Library (chartered to serve 9,000 residents on a \$640,000 budget) and the Essex Free Library (chartered to serve 19,000 residents on a \$360,000 budget). Mr. Dunbar suggested the library budget be capped at the FY11 level and the Trustees work with the Essex Selectboard to reduce by 31% the amount paid by village residents for the Essex Free Library. Deb MacAdoo, Kiloran Drive, cited her income reduction of 51% and increased expenses as reasons to support the budget amendment. Ed Cashman, Lamoille Street, spoke in support of the library as a resource to be encouraged especially in a world with so much competition for information without value; the library stimulates intellectual and cultural growth and adds to the quality of life in the village. Ed von Sitas, Jackson Street, stated the library is the best investment on the docket for the village taxpayers.

CALL THE QUESTION by Chuck Barry, **SECOND** by Ray Weed. **VOTING TO CEASE DEBATE ON THE AMENDMENT TO ARTICLE 2:** majority of ayes; motion carried. Discussion of the amendment to Article 2 ceased.

VOTING ON THE AMENDMENT TO ARTICLE 2 (decrease FY12 budget by \$141,420): by standing vote – 50 ayes, 102 nays; motion to amend Article 2 does not carry.

CONTINUED DISCUSSION ON ARTICLE 2 AS PRESENTED: Concern was expressed for the number of village employees receiving salary increases when many village residents are seeing a reduction in their paycheck. There were no further comments.

VOTING: by standing vote – 113 ayes, 44 nays; motion carried. Article 2 is adopted.

ARTICLE 3: Shall the voters authorize the village to maintain and administer a fund balance of up to 15% of the current year General Fund Operating budget (as reported in the audit for the prior fiscal year) and require amounts over 15% be used to reduce subsequent tax rates?

MOTION by George Tyler, **SECOND** by Chuck Barry, to approve Article 3 as read.

DISCUSSION: There was discussion and explanation of the proposed amount to be held in the fund balance (the auditors are recommending per National Governmental Finance Board guidelines to hold approximately two months of operating expenditures or \$450,000 to cover unanticipated overruns).

AMENDMENT TO ARTICLE 3 by George Dunbar, III, **SECOND** by Richard Smith, to allow 10% of the current year General Fund Operating budget maintained in the fund balance.

DISCUSSION ON AMENDMENT: There was mention of having input from the electorate prior to transferring any excess money in the fund balance to other funds. Dave Crawford said according to legal opinion the Board of Trustees can decide how to use the fund balance.

FRIENDLY AMENDMENT by George Dunbar, III, **SECOND** by Chuck Barry, to amend the wording in the article to read as follows: *"Shall the voters authorize the village to maintain and administer a fund balance of up to 10% of the current year General Fund Operating budget (as reported in the audit for the prior fiscal year) to be expended for current year operating expenses and require amounts over 10% be used to reduce subsequent tax rates?"*

DISCUSSION ON FRIENDLY AMENDMENT: It was clarified the fund balance is a safety net that can be used to cover overages in village department budgets. Once deficits are covered any remaining amount over the 10% fund balance will be applied to lower taxes.

CALL THE QUESTION by Chuck Barry, **SECOND** by Bob Chaffe. **VOTING TO CEASE DEBATE ON THE FRIENDLY AMENDMENT TO ARTICLE 3:** by standing vote – 107 ayes, 43 nays; motion carried. Discussion on the friendly amendment to Article 3 ceased.

VOTING ON FRIENDLY AMENDMENT (10% and requirement to expend on current year operating expenses): unanimous; motion carried. Article 3 is amended.

VOTING ON ARTICLE 3 AS AMENDED (to read: *"Shall the voters authorize the village to maintain and administer a fund balance of up to 10% of the current year General Fund Operating budget (as reported in the audit for the prior fiscal year) to be expended for current year operating expenses and require amounts over 10% be used to reduce subsequent tax rates?"*): majority of ayes; motion carried. Article 3 as amended is adopted.

ARTICLE 4: Shall the voters increase the "not-to-exceed" balance of the Rolling Stock Reserve Fund to \$750,000 in recognition of the increased costs of equipment since the fund's inception in 1990?

MOTION by George Tyler, **SECOND** by Chuck Barry, to approve Article 4 as read.

DISCUSSION: George Dunbar, Sr. spoke in support of the voters having the right to decide where the money will be spent, recalling a five year plan was developed for the rolling stock fund and voter approval was needed if there was a change in the plan.

AMENDMENT TO ARTICLE 4 by George Dunbar, III, **SECOND** by Bryan Plant, to set the cap on the Rolling Stock Reserve Fund at \$600,000 rather than \$750,000.

DISCUSSION ON AMENDMENT: George Dunbar, III calculated that 90% of the fleet is covered by the current cap on the fund and voter approval should be sought to exceed the cap. Dan Kerin, Southview Drive, spoke in support of increasing the cap due to the cost and amount of required equipment. There was mention of the ladder truck for the Fire Dept. being covered by the Rolling Stock Reserve Fund or borrowing the money. Fire Chief Chris Gaboriault explained the need for the 100' ladder truck (to be able to reach all the structures in the community) and that the cost of fire apparatus is

dictated by the National Fire Academy, not the consumer price index. Dave Crawford explained the purpose of the rolling stock fund (to cover replacement of vehicles and associated equipment), noting each piece of equipment is carefully reviewed to solidify if replacement is needed. Money is transferred from the General Fund into the Rolling Stock Reserve Fund each year. The funds accrue and are used to purchase rolling stock vehicles/equipment for the village. The amount currently in the fund is \$584,000 which is above the current cap of \$500,000. Increasing the cap will eliminate the current violation and prepare for the next purchase without the need to borrow money.

CALL THE QUESTION by George Boucher, **SECOND** by Ray Weed. **VOTING TO CEASE DEBATE ON THE AMENDMENT TO ARTICLE 4:** unanimous; motion carried. Discussion on the amendment to Article 4 ceased.

VOTING ON AMENDMENT (set cap at \$600,000): majority of nays; motion did not carry. The amendment to Article 4 is not adopted.

CONTINUED DISCUSSION OF ARTICLE 4 AS PRESENTED: Dan Kerin pointed out equipment on hand is greater than in 1990 so a larger fund is needed to avoid borrowing for purchases. The situation is similar to house insurance which must be increased as the value of the house increases. There were no further comments.

VOTING: majority of ayes; motion carried. Article 4 is adopted.

ARTICLE 5: Shall the voters approve holding the 2012 Annual Meeting on Wednesday, April 4, 2012 to act upon any articles not involving voting by Australian ballot and to reconvene on Tuesday, April 10, 2012 to vote for the village officers and transact any business involving voting by Australian ballot?

MOTION by Ray Weed, **SECOND** by Chuck Barry, to approve Article 5 as read.

DISCUSSION: Raj Chawla, Warner Ave., suggested the Trustees consider voting all articles, especially the budget article, by Australian ballot so more people are involved in the decision making. Jennifer McClintock, Maple Street, urged making it easier for parents with young children to be able to attend the annual meeting. There were no further comments.

VOTING: majority of ayes; motion carried. Article 5 is adopted.

ARTICLE 6: To transact any other business that may lawfully come before the meeting.

Public Hearing on Sewer Bond Votes

The public hearing was opened at 9:14 PM. Upgrades to the sewer pump stations (\$1,257,000) and waste water treatment facility (\$15,230,000) were briefly reviewed. The cost will be covered by user fees (sewer rates will increase by \$115 to \$130 per year per user). Cost of the waste water treatment facility project is shared by the tri-town users (Essex Junction, Essex Town, and Williston). The pump station project will use ARRA stimulus funds. The upgrades and improvements will avoid greater costs in the future and increase capacity at the treatment plant as well as meet stringent state regulations. The upgrades should be adequate for the next 20 years. There will not be an increase in operating costs or water bills. There were no further comments. The public hearing was closed at 9:38 PM.

Announcements

Candidates for Moderator - Steve Eustis agreed to be a write-in candidate.

Candidates for Village Trustee (three vacancies) - Peter Gustafson, George Tyler, George Dunbar, Sr., Tim Allard, Lori Houghton, Dan Kerin,

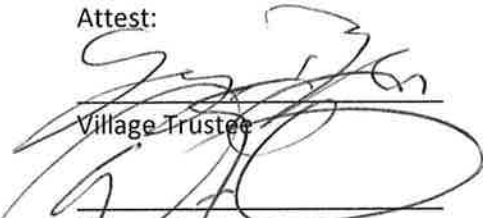

Candidates for Library Trustee (three vacancies) – Jackie Hooker, Mark Weston, Nick. Lemon.

Adjournment

MOTION by Chuck Barry, SECOND by Richard Smith, to adjourn the 119th Annual Meeting of the Village of Essex Junction. VOTING: unanimous; motion carried.

The meeting was adjourned at 9:40 PM. Voting by Australian ballot will take place on April 12, 2011 from 7 AM to 7 PM at Essex Community Educational Center.

Attest:


Village Trustee

Village Trustee


Village Clerk