



TRUSTEES MEETING NOTICE & AGENDA
TUESDAY, FEBRUARY 11, 2014 at 6:30 PM
LINCOLN HALL MEETING ROOM, 2 LINCOLN STREET

1. **CALL TO ORDER/PLEDGE OF ALLEGIANCE TO FLAG** [6:30 PM]
2. **AGENDA ADDITIONS/CHANGES** [6:30 PM]
3. **GUESTS, PRESENTATIONS AND PUBLIC HEARINGS** [6:35 PM]
 - a. Comments from Public on Items Not on Agenda
 - b. Presentation on FYE 13 audit by Fred Duplessis
 - c. Discussion with Police Chief Brad LaRose and Edith Klimoski on issue of human trafficking/massage parlors [6:50 PM]
4. **OLD BUSINESS** [7:15 PM]
 - a. Adopt FYE 15 Budgets and Capital Programs
 - b. Adopt Resolutions to Bond for Capital Projects at a Special Village Election
 - c. Draft Scope of Services for Village Center Redevelopment
5. **NEW BUSINESS** [7:40 PM]
 - a. Approve and Sign Resolution of Appreciation for Heart and Soul of Essex
 - b. Approve and Sign Certificate of Highway Mileage
 - c. Approve and Sign Town Road and Bridge Standards
 - d. Approve and Sign Certification of Compliance for Road and Bridge Standards
 - e. Discuss Draft Annual Meeting Warning
 - f. Discuss Community Message Board at Amtrak Station
6. **VILLAGE MANAGER'S REPORT** [8:05 PM]
 - Meeting with Mary Morris and Jeff Carr
 - Meeting with Joint Stormwater Policy Coordination Committee
 - Trustees meeting schedule
7. **TRUSTEES' COMMENTS & CONCERNS/READING FILE** [8:20 PM]
 - a. Board Member Comments
 - b. Minutes from other boards/committees:
 1. Bike/Walk Advisory Committee 1/13/14
 2. Tree Advisory Committee 1/22/14
 3. Block Party Committee 1/27/14
 - c. Notice of Act 250 Application for 4 Pearl Street
 - d. Notice from DEC about updating WWTF Operator Certification Regulations
8. **CONSENT AGENDA** [8:25 PM]
 - a. Approve Minutes of Previous Meeting 1/28/14
 - b. Approve Warrants including check #10048683 through #10048765 totaling \$ 157,350.89.
 - c. Approve banner application for VT Home and Garden Show 4/11-4/13/14
9. **ADJOURN** [8:30 PM]

Meetings of the Trustees are accessible to people with disabilities. For information on access or this agenda, call the Village Manager's office at 878-6944. Times on the agenda are approximate.

Introduction



Edith Klimoski, Director



Our Organization

- ❖ Give Way to Freedom Inc. is a private foundation that promotes awareness of Human Trafficking and supports projects that provide care and empowerment for people who have been trafficked. Edith Klimoski helped incorporate and has been the Director of Give Way to Freedom since 2009.
- ❖ We have participated on the Vermont Human Trafficking Task Force since its inception



Human Trafficking Defined

Human Trafficking is recruitment by...

deception

force

fraud

coercion

... for the purposes of exploitation.

Human Trafficking Facts

- ❖ Worldwide at least 20.9 million people are victims of slavery/forced labor today. – International Labor Organization 2012
- ❖ The United Nations estimates that at any given time, 2.5 million are victims of human trafficking.
- ❖ The International Labor Organization estimates that today, there are 1.2 million child victims of human trafficking.
- ❖ Approximately 800,000 men, women, and children are trafficked across international borders each year.
- ❖ 14,500- 17,500 people are estimated to be trafficked into the US each year. – US Department Of State, Trafficking in Persons Report

Smuggling Vs. Trafficking

Trafficking ≠ Smuggling



Federal Law Definition - Severe Trafficking in Persons

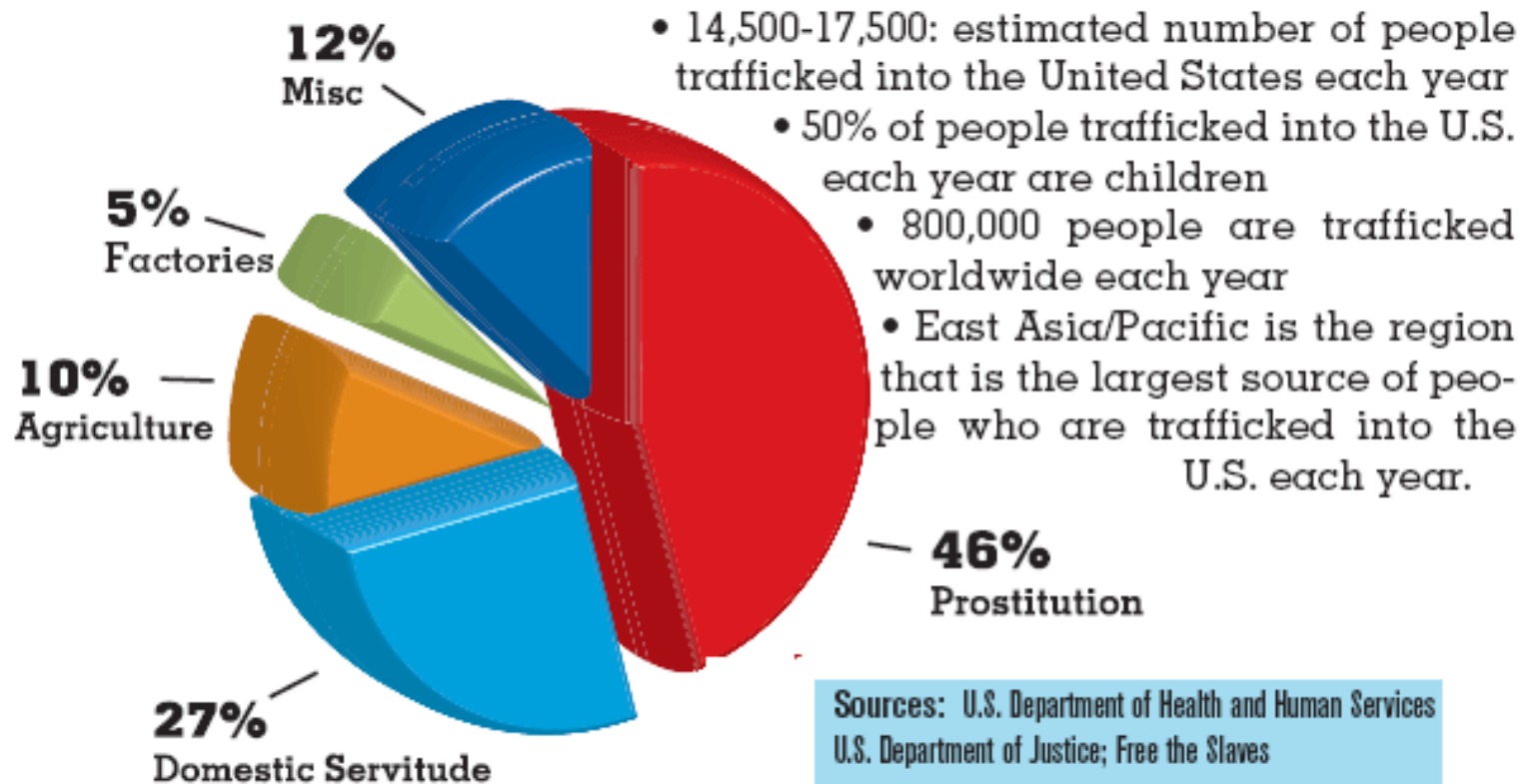
-
- ❖ The recruitment, harboring, transportation, provision or obtaining of a person,
 - ❖ for labor services
 - ❖ through the use of force, fraud or coercion,
 - ❖ for the purpose of subjugation to involuntary servitude, peonage, debt bondage, or slavery.
 - domestic servitude - agriculture - hair/nail salons
 - construction - restaurants - hotels/cruises
 - sales/begging - forestry - factories



Federal Law Definition - Severe Trafficking in Persons

- ❖ The recruitment, harboring, transportation, provision or obtaining of a person,
- ❖ for a commercial sex act,
- ❖ that is induced by force, fraud or coercion,
- ❖ OR in which the person induced to perform such act has not attained the age of 18.
 - domestic brothels
 - massage parlors
 - dancing/strip clubs
 - escort services
 - street/pimp controlled prostitution
 - truck stop prostitution
 - pornography

Human Trafficking Statistics





Key Things to Know & Remember

- ❖ No force, fraud, or coercion necessary to constitute sex trafficking for victims under the age of 18
- ❖ No movement is necessary
- ❖ Trafficking ≠ Smuggling

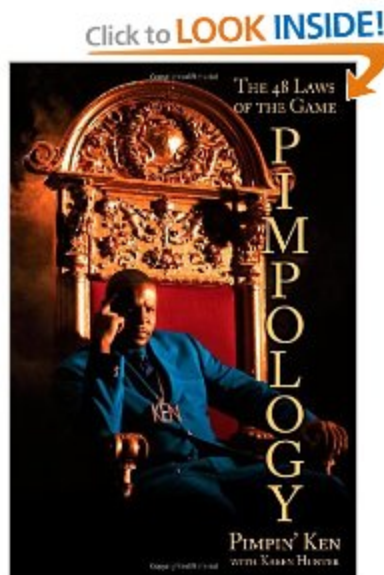
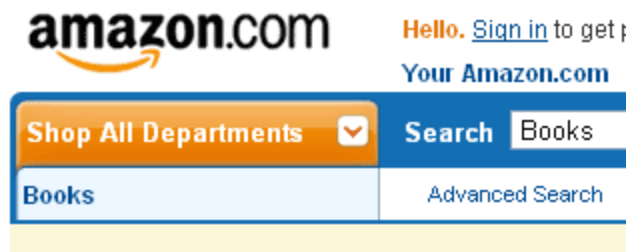


What to Know about Traffickers

- ❖ Male or female
- ❖ Any race or religion
- ❖ Foreign national or U.S. citizen
- ❖ Working individually or in organized crime

- ❖ Gain trust and/or leverage over a victim
- ❖ Make a profit

Mindset of a Trafficker:



THE ISM

Most hoes have low self-esteem for a reason. A pimp looks for that weakness, and if it isn't on the surface, he brings that motherfucker out of them. It doesn't matter to a pimp what hoes' weaknesses are, so long as they have them. Then he uses those weaknesses to his advantage.

Weakness is the best trait a person can find in someone they want to control. If you can't find a weakness, you have to create one. You have to tear someone's ego down to nothing before they will start looking to you for salvation. Then you have a chance to build them back up, showing them that it's your program that takes them from darkness to hope. While you want them to feel good about themselves eventually, you want them to feel that it's because of *you*. They begin to see you as their champion, their hero—even if the weakness you rescue them from is one you created.

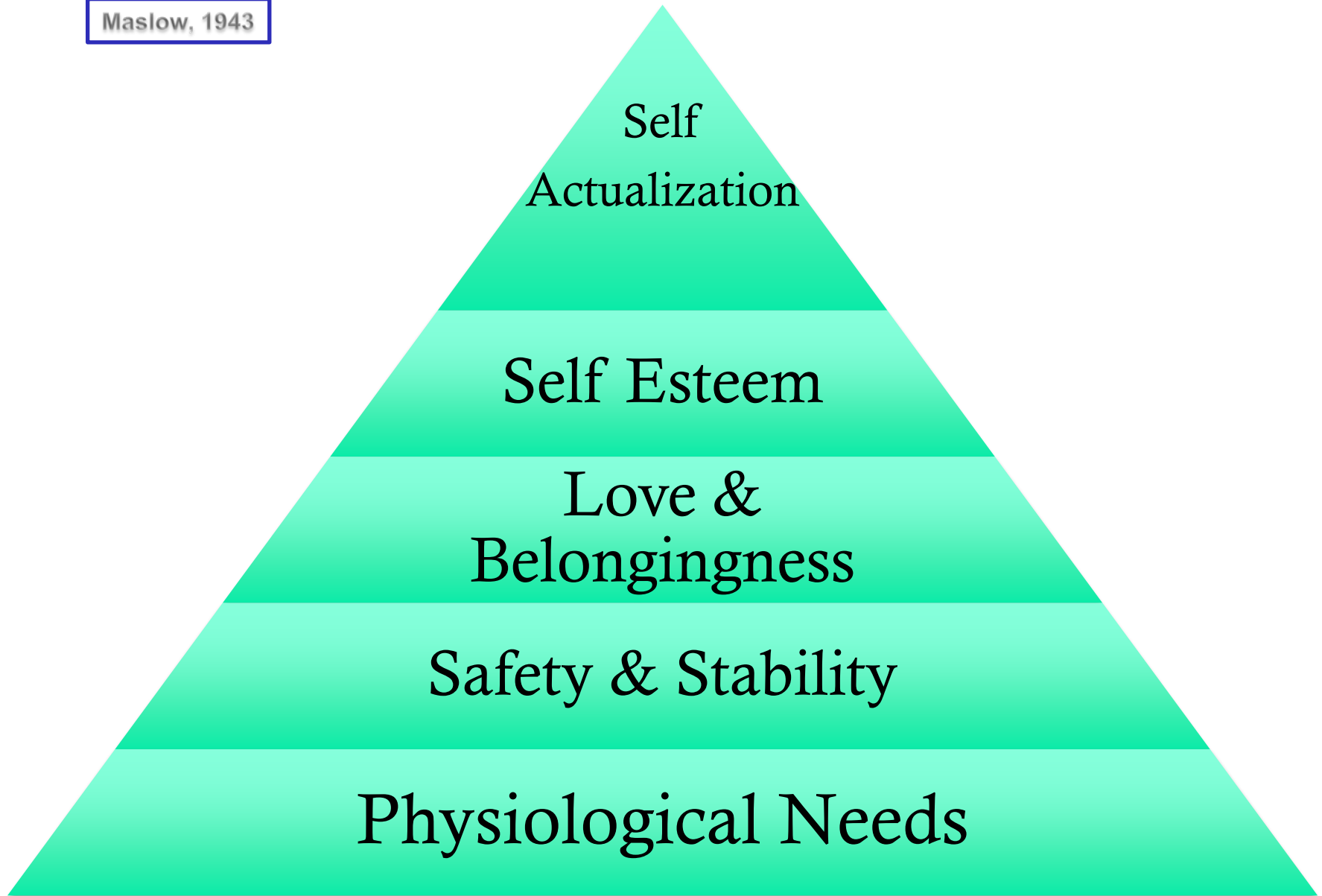
Toll of Exploitation

"Grace"





Maslow, 1943





Challenges in Identifying Victims And Red Flags

- ❖ Captivity/confinement
- ❖ Frequent if not constant accompaniment
- ❖ Use of and/or threat of violence
- ❖ Fear of physical retaliation, death, arrest, harm to themselves or to loved ones
- ❖ Shame and self-blame
- ❖ Traumatic bonding to the trafficker
- ❖ Normalization of the exploitation
- ❖ Language and social barriers

Challenges in Identifying Victims And Red Flags (cont.)

- ❖ Distrust of law enforcement and/or service providers
- ❖ Lack of awareness of available resources
- ❖ Facilitated drug addiction
- ❖ Frequent movement of victims
- ❖ Victim is not doing the job they agreed to
- ❖ Victims may be trained to tell lies
- ❖ A belief that no one can help them – hopelessness & resignation

Indicators Specific to Sex Trafficking

- ❖ Tattoos, brands, signs of “ownership”
- ❖ Inappropriate clothing for setting or weather
- ❖ Older boyfriend/close companion
- ❖ Possessions that seem “off” for the situation-
clothing, phone, jewelry, cash
- ❖ Age-inappropriate sexual behavior
- ❖ Sexually transmitted infections



Prosecution & Protection

□ Federal and Vermont State Laws to

❖ Prosecute the offenders

- Trafficking Victim's Protection Act - 22 USC § 7101-7112
- An Act Relating to Human Trafficking - starting at VSA § 2651
- Vermont Safe Harbor Provision

❖ Protect victim's identity and privacy, offer services

- Shelter, medical, food, counseling, visas
- Emergency Services - Rapid Response Support System

To: Village Trustees
Pat Scheidel, Municipal Manager

From: Elaine Sopchak, Trustee

Date: February 11, 2014

RE: Proposal for Village and Town Land Development Code changes regarding
massage parlors

This is a proposal for suggested changes to the Village Land Development Code (proposed changes to the Town Zoning Regulations are also included). The purpose of these changes is to put in place regulations designed to prevent the establishment of illegal massage parlors within Village and Town boundaries, and to provide guidance for Village and Town staff when such illegal activities are determined to be occurring.

Change of Use

Currently in both codes there are categories for Personal Service Establishments, which are allowed in several zones with some designated as conditional use. Instead of changing all of these uses to conditional, I propose that we add a new category called Massage Establishment. This business type would be allowed to exist in the same zones as the current Personal Services Establishments, but all uses would be conditional. This would require all new massage therapist establishments opening to meet with the Village or the Town to register, and to comply with regulations particular to this type of business that would be outlined in a new section in the LDC. (A quick review of both charters did not reveal any limitations on either municipality's ability to register businesses.)

Legal Review

When discussing the matter with Essex Police they expressed concern that whatever changes are put in place must contain solid procedures for upholding the regulations, including an appeals process and procedures for inspections. They also recommended thorough documentation of all individuals involved in the business at the point of permit application. The proposed new LDC section contains references to hearing and appeal processes already established in the existing codes. Regarding inspections there is nothing specific and it is assumed that, as with other LDC code violations, inspection would follow a complaint made to the Village/Town office, or upon Village/Town staff noticing a violation while on site for regular business purposes. The Village and Town attorneys should give this proposed section a very close review to ensure we are operating within legal boundaries.

Suggested Location of New LDC Section

Attached is a new section that I propose be added to both the Village Land Development Code and Town Zoning Regulations. In the Village LDC a suitable place for this section would be in Section 502 between I and J. In the Town Zoning Regulations it could become Article 4.17.

Future Legislative Action

You will recall that Tim Jerman has co-sponsored a bill in the state house to require licensure for massage therapists. The future of this bill is uncertain, but regardless of the outcome I do not think it will have much bearing on what we are trying to do. If the state requires licensure we could add that as a requirement for issuing a permit, but I would not repeal a new LDC section on massage establishments as attached and replace it with solely the licensure requirement. We are hoping to prevent the opening of illegal massage parlors and the spread of the illicit activity they bring with them; licensure could be a helpful tool for law enforcement but would not prevent the businesses from opening.

Remaining Work

After the Board's discussion of this proposed LDC section, it needs to go before the Village attorney, and will most likely return to the Board on a future agenda for further discussion before we vote on adopting it. Issues that still need to be explored are permitting fees, establishing the actual application process and storage of the documents, and determining exactly which existing businesses may be affected by the new section.

Massage Establishment

1. DEFINITIONS

The following words, terms, and phrases, when used in these regulations, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Landlord means an individual or business where any individual, partnership, firm, association, joint-stock company, corporation, or combination of individuals, being the owner of a building or buildings, has leased the same for a specified term to another individual or business, called the “tenant.”

Law enforcement means an appropriate local law enforcement agency in charge of investigation and enforcement of criminal laws.

Regulatory agency means a local department or agency that is designated to administer and enforce this regulation and can include Village and Town staff and/or the Town Health Officers.

Employee means any person other than massage practitioners who renders any service in a massage establishment, but who has no physical contact with customers or clients.

Manager means the person or persons designated by the owner of the massage establishment to act as the representative or agent of the owner in managing day-to-day operations with the same liabilities and responsibilities. Evidence of management includes, but is not limited to, evidence that the individual has power to direct or hire and dismiss massage practitioners and employees, control hours of operation, create policy or rules or purchase supplies. A manager may also be an owner.

Massage means the performance of manipulative exercises upon the human body of another by rubbing, kneading, stroking, adjusting, compressing, or tapping with the hand or hands or other parts of the body, or with any instrument, whether electric, magnetic, mechanical, or otherwise,

or bathing device, with or without supplementary aids, using techniques that include but are not limited to Swedish massage, acupressure, reflexology or deep tissue therapy.

Massage establishment means any business where any individual, partnership, firm, association, joint-stock company, corporation, or combination of individuals engages in, conducts, carries on or permits to be conducted or carried on, for money or any other consideration, administration to another person of a massage. The term “massage establishment” is intended to include any enterprise which has or purports to have as a principle business activity the providing of massage services, regardless of its trade name.

Massage practitioner means any person, male or female, who administers to another person a massage, for any form of consideration or expectation of gratuity. The terms “massage therapist” and “massage technician” are included within this definition for purposes of this ordinance.

Owner means any person having any ownership interest in the massage establishment.

Person means any individual, partnership, firm, association, joint-stock company, corporation or combination of individuals of whatever form or character.

Tenant means an individual, partnership, firm, association, joint-stock company, corporation, or combination of individuals, occupying or entitled to occupy a rental premises who is a party to the lease or rental agreement for such premises.

2. PURPOSE

The purpose of this section is to establish regulations for the safe and legal operation of massage establishments, and to prevent commercial sexual exploitation, sex trafficking in persons, and prostitution within the Village/Town.

4. MESSAGE ESTABLISHMENT PERMIT REQUIREMENT

- a. *Permit required* – No person shall own, operate, control or manage a massage establishment within the Village of Essex Junction/Town of Essex without first obtaining a massage establishment permit pursuant to these regulations. The permit required by these regulations shall be in addition to any other permit or license required by the Village of Essex Junction/Town of Essex or the State of Vermont.
- b. *Fees* – The Board of Trustees/Select Board shall establish, and from time to time may amend, the fees for the administration of these regulations. Fees required by this section shall be in addition to any required under any other provision of these regulations.
- c. *Renewal* –
 - i. A permit to operate a massage establishment shall be valid, unless revoked or suspended, for one year from the date of issuance;
 - ii. Application for renewal shall be made at least sixty (60) days before expiration and shall be in the form and manner as required for the original permit;
 - iii. Before renewal or denial, Village/Town staff shall review findings as required for issuance of the original permit;
 - iv. If renewal of the permit is denied, Village/Town staff shall notify the holder of the permit in writing, informing of the facts and specific section or sections of these regulations upon which this determination was made.
- d. *Public hearing for renewal* –
 - i. Before Village/Town staff acts upon a renewal application, if any violation of these regulations, or of state or federal law, was found for the massage establishment or an owner of the massage establishment during the current permit period, or any complaint against the massage establishment by anyone is reported to Village/Town staff during the current permit period, then Village/Town staff shall schedule a public hearing to consider the application.

- ii. Village/Town staff shall notify the applicant in writing of the time and place of the hearing, not less than fourteen (14) days prior to the scheduled date. Village/ Town staff shall cause a notice of the hearing to be published on its website and in one newspaper of record at least two times in two successive weeks, the last publication of which shall be not less than seven (7) nor more than thirty (30) days prior to the scheduled date of the hearing. The published notice shall specify the name of all applicants, the kind of permit for which application is made, the location of the place for the massage establishment proposed to be permitted, and the time and place fixed by Village/Town staff for the hearing. The applicant shall bear the expense of publication of the notice and shall deposit with the application, either in cash or by a certified, treasurer's or cashier's check or money order made payable to the Village of Essex Junction/Town of Essex, the sum of \$500 to cover publication and hearing costs.
- iii. At the public hearing, the hearing officer shall first hear the applicant and any other person in support of the application. The hearing officer shall then hear any person opposing the application. After the close of all evidence, the hearing officer shall make a written report to Village/Town staff of his or her findings of fact and recommend action with respect to the application.
- iv. Village/Town staff shall act upon the application within sixty (60) days after the public hearing. Village/Town staff shall give notice of its decision to the applicant in writing.

5. APPLICATION FOR MASSAGE ESTABLISHMENT PERMIT

- a. Any person desiring a massage establishment permit shall file a written application with Village/Town staff. The applicant shall submit a tender of the permit fee required by these regulations, and shall, in addition, furnish the following:
 - i. The type of ownership of the business, whether individual, partnership, corporation or otherwise;
 - ii. The name and designation under which the business or practice is to be conducted;

- iii. The business address and all telephone numbers where the business is to be conducted;
- iv. The following personal information concerning the applicant, if an individual; and concerning each stockholder holding more than ten (10) percent of the stock of the corporation; each officer and director, if the applicant is a corporation; and concerning each partner, including limited partners, if the applicant is a partnership; and the holder of any lien, of any nature, upon the business and/or the equipment used therein; and concerning the manager or other person principally in charge of the operation of the business; and concerning all massage practitioners and employees in the business:
 - (1) The names, complete residence addresses and residence telephone numbers;
 - (2) The two (2) previous addresses immediately prior to the present residence address;
 - (3) Written proof of age 18 or over;
 - (4) Height, weight, color of hair and eyes, and gender;
 - (5) Two (2) front face portrait photographs taken within thirty (30) days of the date of application and at least two (2) by two (2) inches in size;
 - (6) The massage or similar business history and experience ten (10) years prior to the date of application, including but not limited to whether or not such person in previously operating in Vermont or another state under license or permit has had such license or permit denied, revoked or suspended and the reason therefor, and the business activities or occupations subsequent to such action of denial, suspension or revocation;
 - (7) All criminal convictions, including pleas of *nolo contendere*, within the last ten (10) years, excluding minor traffic infractions, and the date and place of each such conviction and reason and sentence therefor;
 - (8) A complete set of fingerprints for applicant and all massage practitioners and employees taken and to be retained on file by Village/Town staff, the cost for which must be borne by the applicant;

- (9) Such other information and identification of the person as shall be deemed necessary by law enforcement to discover the truth of the matters hereinabove required to be set forth in the application;
 - (10) Authorization for the Village of Essex Junction/Town of Essex, its agents and employees to seek information and conduct an investigation into the truth of the statements set forth in the application and the qualifications of the applicant for the permit;
 - (11) The names and addresses of two (2) adult residents of Chittenden County who will serve as character references. The references must be persons other than relatives and business associates;
 - (12) A statement in writing, and dated, by the applicant that he or she certifies under penalty of perjury that all information contained in the application is true and correct.
- b. If, during the term of a permit, any of the information submitted on the original or renewal application changes, the permit holder shall notify Village/Town staff of such change within ten (10) business days thereafter, in writing.

6. NON-TRANSFERABILITY OF PERMIT

- a. No permit shall be transferable except with the written consent of Village/Town staff, provided, however, that upon the death or incapacity of the permittee the massage establishment may continue in business for a reasonable period of time to allow for an orderly transfer of the permit.
- b. A change of location of a massage establishment may be approved by Village/Town staff, provided that all regulations of the Village of Essex Junction/Town of Essex are followed and a proper fee is paid to the Village/Town.

7. ISSUANCE OF PERMIT

Village/Town staff shall issue a massage establishment permit in compliance with sections 502 A and C of the Village LDC / section 702 of the Town zoning regulations unless the staff or law enforcement find that:

- a. The correct permit fee has not been tendered to the Village of Essex Junction/Town of Essex, and in the case of check or bank draft, honored with payment upon presentation;
- b. The operation, as proposed by the applicant, if permitted, would not comply with all applicable laws, including but not limited to the local building, zoning and health regulations;
- c. The applicant if an individual; or any of the stockholders holding more than ten (10) percent of the stock of the corporation; or any of the officers and directors if the applicant is a corporation; or any of the partners including limited partners if the applicant is a partnership; or the manager or other person principally in charge of the operation of the business; or any of the employees of the business have been convicted of a felony or misdemeanor involving sexual misconduct with minors, human trafficking, keeping or residing in a house of ill-fame, solicitation of a lewd or unlawful act, public indecency, prostitution or pandering, unless such conviction occurred at least five (5) years prior to the date of the application;
- d. The applicant has knowingly made any false, misleading or fraudulent statements of fact in the permit application or in any document required by the Village of Essex Junction/Town of Essex in conjunction therewith;
- e. The applicant has had a massage business, massage practitioner or other similar permit or license denied, revoked or suspended by the Village of Essex Junction/Town of Essex or any other state or local agency within five (5) years prior to the date of application.

8. DISPLAY OF PERMIT

The permit for a massage establishment shall be displayed in a conspicuous place within the business premises. A recent photograph of the owner or owners of the massage establishment shall be attached to the permit.

9. REVOCATION OR SUSPENSION, APPEAL

- a. *Grounds for suspension and revocation* – Violation of any provisions of these regulations through acts or omissions constitutes grounds for suspension or revocation of a permit issued under these regulations. Any interested person may appeal a decision of staff regarding a permit by filing an appeal in accordance with section 1702 of the Village LDC / section 7.4 of the Town zoning regulations.
- b. *Notice of hearing*
 - i. No permit issued under these regulations may be suspended or revoked until after due notice and hearing to determine if grounds for such suspension or revocation exist. Notice of such hearing shall be in writing and served at least fourteen (14) days prior to the date of hearing by registered mail or personal service or by posting on the interior of the massage establishment.
 - ii. The notice shall state the grounds of the complaint against the massage establishment and shall designate the time and place where the hearing will be held. The massage establishment representative shall have the right to appear at such hearing and to produce evidence.
- c. *Waiver of hearing* – The massage establishment or its owner may waive the hearing and avoid the suspension of the permit, if the grounds for the hearing do not include the violations of sections 3.a., or 10.d., or 10.e., and the massage establishment or its owner rectifies the violating condition(s) within three (3) calendar days of the notification of hearing to full compliance of these regulations.
- d. *Discretionary action by Village/Town staff* -- If, after holding the hearing, Village/Town staff determines that the massage establishment was being operated as charged in the complaint, then Village/Town staff may either:
 - i. Suspend the permit for a period not to exceed ninety (90) days if it is charged and proved that the massage establishment has violated any of the provisions of these regulations; or
 - ii. Revoke the permit if it is charged and proved that the massage establishment has violated sections 3.a., 10.d., or 10.e., or for any grounds that would warrant the denial of issuance of the permit in the first place.

- e. *Surrender of permit and security* -- When a permit is suspended or revoked, Village/Town staff must take custody of the suspended or revoked license:
 - i. Upon receiving the notice of permit revocation or suspension, unless otherwise directed, the massage establishment must, within forty-eight (48) hours:
 - (a) Place the permit in the mail, postage prepaid, addressed to the Village/Town;
 - or
 - (b) Physically deliver the permit to the Village/Town.
 - ii. If Village/Town staff does not receive the suspended or revoked permit within five (5) business days after notification, the massage establishment violates this section. In addition to any other penalties that may be imposed, the Village/Town may:
 - (a) Remove the revoked or suspended permit from the business location; and
 - (b) Close the place of business until the massage establishment obtains a permit.

10. EXEMPTIONS

- a. The provisions of these regulations shall not apply to the following while they are engaged in the performance of the duties of their respective professions:
 - i. Physicians, surgeons, chiropractors, osteopaths, or physical therapy practitioners who are duly licensed to practice their respective professions in this state;
 - ii. Nurses who are registered under the laws of this state;
 - iii. Barbers and beauticians who are duly licensed under the laws of this state, except that this exemption shall apply solely to the massaging of the neck, face, scalp and hair of the customer or client for cosmetic or beautifying purposes;
 - iv. Trainers of any professional sports franchise or educational institution athletic team;
 - v. Any organization which is exempt from taxation as a bona fide fraternal, charitable, religious, benevolent or nonprofit organization under the internal revenue laws of the United States.
- b. The exemption under subsection (a) of this section applies to an individual, and not to the establishment in which the individual works.

11. OPERATIONAL REQUIREMENTS

- a. *Hours* -- No massage establishment shall operate or provide massage services during the hours between 10:00 p.m. and 7:00 a.m.
- b. *No-lock requirement for massage rooms* -- Any cubicle, room, booth, or any area within a massage establishment in which massage services take place may not be fitted with a door capable of being locked.
- c. *Unlawful to admit intoxicated persons* -- It shall be unlawful for the owner, proprietor, manager or person in charge of a massage establishment to harbor, admit, receive or permit to be or remain in or about any such place, any drunken person or any person under the influence of intoxicating liquor or narcotic drugs.
- d. *Indecent conduct* --
 - i. It shall be unlawful for any person, in a massage establishment, to place his or her hand or hands upon, to touch with any part of his or her body, to fondle in any manner, or to massage, a sexual or genital part of any other person.
 - ii. It shall be unlawful for any person, in a massage establishment, to expose his or her sexual or genital parts, or any portion thereof, to any other person. It shall also be unlawful for any person, in a massage establishment, to expose the sexual or genital parts, or any portions thereof, of any other person.
 - iii. It shall be unlawful for any person, while in the presence of any other person in a massage establishment, to fail to conceal with a fully opaque covering, the sexual or genital parts of his or her body.
 - iv. It shall be unlawful for any person owning, operating or managing a massage establishment, knowingly to cause, allow or permit in or about such massage establishment, any agent, massage practitioner, employee, or any other person under his or her control or supervision to perform such acts prohibited in subsections i, ii, or iii of this section. A claim that a person in violation of this section is an independent contractor is not a valid defense.
- e. *Unlawful advertisement* -- A massage establishment that has not obtained a permit under these regulations may not use the word “massage” on any form of advertising unless the person or the organization is expressly exempt from these regulations.

f. *Entrances and exits*

- i. A massage establishment may not have any entrance or exit way providing a direct passageway to any other type of business, residence or living quarters.
- ii. Entrance to and exit from the massage establishment must be through the front of the building on the side of the building facing the public street.

g. *Signage* -- A massage establishment shall affix an exterior sign stating its trade or business name as appears on its permit application near its main entrance. The sign shall be erected facing a street or highway that is not a private lane, in a conspicuous location within ten (10) feet of the property line. The sign shall be visible from the nearest public street or highway and clearly indicate that the said premise is a massage establishment.

h. *Windows* -- A massage establishment may not cause complete obstruction of the passage of light through any windows of the massage establishment premise by means including but not limited to affixing plywood, paper, or taping other opaque materials over the windows. This restriction does not apply to the standard use of curtains or blinds.



2 Lincoln Street
Essex Junction, VT 05452
www.essexjunction.org

MEMORANDUM

TO: Village Trustees and Patrick Scheidel, Village Manager
FROM: Lauren Morrisseau, Finance Director *LM*
DATE: 2/11/14
SUBJECT: FYE15 Budgets Corrected Memo

Issue

The issue is whether or not the Trustees will adopt the proposed FYE15 Budgets.

Discussion

The amounts of the proposed FYE15 Village Operating Budgets are as follows:

General Fund	\$3,468,826
Water Fund	\$3,223,451
Wastewater Treatment Fund	\$1,797,996
Sanitation Fund	\$462,990

The amounts of the proposed FYE15 Capital Funds budgets are as follows:

General Fund Capital Reserve	\$957,520
Rolling Stock Fund	\$345,375
Water Fund Capital Reserve	\$84,222
WWTF Capital Reserve	\$70,457
Sanitation Fund Capital Reserve	\$414,359

Cost

The estimated tax rate to support the General Fund budget is \$0.2771, an increase of 3.9%. The utility rates to support the enterprise funds budgets are estimated to increase by 5%.

Recommendation

Staff recommends the Trustees adopt the various FYE15 budgets in the amounts listed above.



, Heart and Soul of Essex, the Town of Essex and the Village of Essex Junction completed a two-year community planning grant through the Orton Foundation; and

extensive public discussion and input was solicited in the course of public events, activities, neighborhood conversations and meetings between 2012 and 2014; and

this public engagement resulted in a clear set of shared values – LOCAL ECONOMY, HEALTH AND RECREATION, COMMUNITY CONNECTIONS, EDUCATION, THOUGHTFUL GROWTH AND SAFETY; now therefore be it,

by the Village of Essex Junction Trustees and the Town of Essex Selectboard that:

We recognize and thank community members for participating in Heart & Soul of Essex and for contributing to the identification of shared values; and be it further

, that municipal officials will consider these community values when making community decisions and endeavor to make decisions that will preserve or strengthen these values.

Dated at Essex Junction, Vermont, this 11th day of February, 2014.

George A. Tyler, Village President

Daniel S. Kerin, Vice President

Elaine H. Sopchak, Trustee

Lori A. Houghton, Trustee

Andrew P. Brown, Trustee

Sullivan, Powers & Co., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

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Chad A. Hewitt, CPA
Wendy C. Gilwee, CPA
VT Lic. #92-000180

February 5, 2014

Board of Trustees
Village of Essex Junction
2 Lincoln Street
Essex Junction, VT 05452-3685

We have audited the financial statements of the Village of Essex Junction, Vermont as of and for the year ended June 30, 2013 and have issued our report thereon dated February 5, 2014. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in "Government Auditing Standards", issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

In planning and performing our audit, we considered the Village of Essex Junction, Vermont's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village of Essex Junction, Vermont's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Village of Essex Junction, Vermont's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Village of Essex Junction, Vermont's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the second paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

This communication is intended solely for the information and use of management, the Board of Trustees and others within the Village of Essex Junction, Vermont and is not intended to be and should not be used by anyone other than these specified parties.

We would like to take this opportunity to thank the staff of the Village of Essex, Junction for their assistance and cooperativeness throughout our audit. It has been a pleasure working with you.

Respectfully submitted,

A handwritten signature in cursive script that reads "Sullivan, Powers & Company". The signature is written in dark ink and is positioned above the printed name of the firm.

SULLIVAN, POWERS & CO.
Certified Public Accountant

Sullivan, Powers & Co., P.C.
CERTIFIED PUBLIC ACCOUNTANTS

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Fred Duplessis, CPA
Richard J. Bringham, CPA
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February 5, 2014

Board of Trustees
Village of Essex Junction
2 Lincoln Street
Essex Junction, VT 05452-3685

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Essex Junction, Vermont as of and for the year ended June 30, 2013 and have issued our report thereon dated February 5, 2014. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, Government Auditing Standards and OMB Circular A-133, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated June 20, 2013. Professional standards also require that we communicate to you the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards, Government Auditing Standards and OMB Circular A-133

As stated in our engagement letter, our responsibility, as described by professional standards, is to express opinions about whether the financial statements, prepared or approved by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we considered the Village of Essex Junction, Vermont's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. We also considered internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

As part of obtaining reasonable assurance about whether the Village of Essex Junction, Vermont's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit. Also, in accordance with OMB A-133, we examined, on a test basis, evidence about the Village of Essex Junction, Vermont's compliance with the types of compliance requirements described in the "U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement" that are applicable to its major federal program for the purpose of expressing an opinion on the Village of Essex Junction, Vermont's compliance with those requirements. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on the Village of Essex Junction, Vermont's compliance with those requirements.

Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement. We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Our responsibility for the Schedule of Expenditures of Federal Awards which accompanies the financial statements, as described by professional standards, is to evaluate the presentation of the schedule in relation to the financial statements as a whole and to report on whether the schedule is fairly stated, in all material respects, in relation to the financial statements as a whole.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our engagement letter.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Village of Essex Junction, Vermont are described in Note I to the financial statements. The Village of Essex Junction, Vermont adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 63 "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position". No other new accounting policies were adopted and the application of existing policies was not changed during the year.

We noted no transactions entered into by the Village of Essex Junction, Vermont during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were the allowance for uncollectible receivables, the allowance for uncollectible notes receivable, the original cost of capital assets for which original documents are not available, the fair value of donated assets and the useful lives of property, plant and equipment used to compute depreciation.

Management's estimate of the allowance for uncollectible receivables, the allowance for uncollectible notes receivable, the original cost of capital assets for which original documents are not available, the fair value of donated assets and the useful lives of property, plant and equipment used to compute depreciation are based on an analysis of the aging of receivables, the likelihood the note will be repaid, the estimated current replacement cost of capital assets discounted to the year of acquisition, the estimated current fair value and the nature of the items. We evaluated the key factors and assumptions used to develop the allowance for uncollectible notes and receivables, the original cost of capital assets, the fair value of donated capital assets and the useful lives of property, plant and equipment in determining that they are reasonable in relation to the financial statements taken as a whole.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. We did not identify any misstatements during the course of our audit.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated February 5, 2014.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Village's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

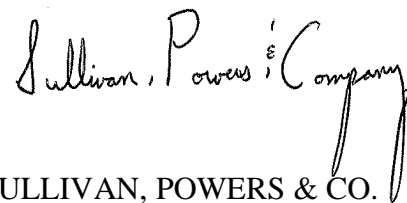
We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to our retention as the Village's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the required supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the required supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Board of Trustees and management of the Village of Essex Junction, Vermont and is not intended to be, and should not be, used by anyone other than these specified parties.

Respectfully submitted,



SULLIVAN, POWERS & CO.
Certified Public Accountants

VILLAGE OF ESSEX JUNCTION, VERMONT

AUDIT REPORT

JUNE 30, 2013

VILLAGE OF ESSEX JUNCTION, VERMONT
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Independent Auditor's Report

Board of Trustees
Village of Essex Junction
2 Lincoln Street
Essex Junction, VT 05452-3685

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Essex Junction, Vermont as of and for the year ended June 30, 2013 and the related notes to the financial statements, which collectively comprise the Village of Essex Junction, Vermont's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, the business-activities, each major fund, and the aggregate remaining fund information of the Village of Essex Junction, Vermont as of June 30, 2013 and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 4 through 15 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

As described in Note I.F. to the financial statements, effective June 30, 2013, the Village of Essex Junction, Vermont implemented Governmental Accounting Standards Board (GASB) Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position".

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Essex Junction, Vermont's basic financial statements. The combining fund financial statements and budgetary schedules for the enterprise funds are presented for purposes of additional analysis and are not a required part of the basic financial statements. These schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by "Government Auditing Standards"

In accordance with "Government Auditing Standards", we have also issued our report dated February 5, 2014 on our consideration of the Village of Essex Junction, Vermont's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with "Government Auditing Standards" in considering the Village of Essex Junction, Vermont's internal control over financial reporting and compliance.

February 5, 2014
Montpelier, Vermont
VT Lic. #92-000180

Sullivan, Powers & Company

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Village of Essex Junction (the "Village") herein sets forth an overview and analysis of its financial operations for the fiscal year ended June 30, 2013.

Financial Highlights

- Assets exceeded liabilities and deferred inflows of resources on June 30, 2013 by \$24,596,920 (*net position*). Of this amount, \$731,099 (*unrestricted net position*) may be used by the various funds of the Village to meet the Village's ongoing obligations.
- The Village's total net position increased by \$1,454,918. Of this amount, net position attributable to governmental activities increased by \$538,459. Net position attributable to business-type activities increased by \$916,459.
- Fund balances of governmental funds decreased by \$169,189 in fiscal FY13. The General Fund had \$346,008 of unassigned fund balance at 6/30/13. This is equal to 10.3% of the approved FY14 General Fund Budget. \$35,000 of fund balance will be used to reduce the tax rate in FY15 which will bring the percentage of the FY14 budget down to 9.3%. As of 6/30/12 the General Fund had \$238,187 of unassigned fund balance.

Overview of the Village's Financial Statements

The annual financial report consists of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the Village of Essex Junction's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Village of Essex Junction's assets and liabilities with the difference between the two reported as net position.

The *statement of activities* presents information showing how the Village's net position changed during the past fiscal year. The *statement of activities* is on the full accrual basis (i.e. all changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows) whereas the *statement of revenues, expenditures and changes in fund balances of governmental funds* is on the modified accrual basis (i.e. revenue is recognized when it becomes measurable and available as net current position and expenditures are recognized when the related liability is incurred). Thus in the *statement of activities* revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements combine information from governmental funds (which are supported primarily by tax dollars) with information from enterprise funds which are supported by user fees and charges (*business type activities*). The governmental activities of the Village of Essex Junction include general government, public works, community development, public safety, and culture and recreation. The business-type activities of the Village include water operations, wastewater treatment, and sanitation lines maintenance. The government-wide financial statements can be found in Exhibits A and B of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village has three types of funds: governmental funds, proprietary funds, and fiduciary funds. The proprietary funds of the Village are all Enterprise Funds. Fund financial statements can be found in Exhibits C through J of this report.

Notes to the financial statements. The notes provide additional information that is necessary for an understanding of the information in the government-wide and fund financial statements. The Notes to the Financial Statements follow the basic financial statements in this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain *supplementar information*. This supplementary information includes combining statements for various funds and budgetary comparison statements for funds other than the Village's general fund. The supplementary information can be found immediately following the notes to the financial statements.

Government-wide Financial Analysis

Village of Essex Junction, Vermont's Statement of Net Position

	Governmental Activities		Business-Type Activities		Total	
	FY 2013	FY 2012	FY 2013	FY 2012	FY 2013	FY 2012
Current and Other Assets	\$ 1,663,910	\$ 1,704,351	\$ 3,322,385	\$ 3,522,220	\$ 4,986,295	\$ 5,226,571
Capital Assets	11,973,621	11,105,872	20,526,750	10,594,699	32,500,371	21,700,571
Total Assets	13,637,531	12,810,223	23,849,135	14,116,919	37,486,666	26,927,142
Current Liabilities	182,479	106,953	2,232,587	494,162	2,415,066	601,115
Non-Current Liabilities	389,824	178,159	10,083,198	3,005,866	10,473,022	3,184,025
Total Liabilities	572,303	285,112	12,315,785	3,500,028	12,888,088	3,785,140
Deferred Inflows of Resources	1,658	0	0	0	1,658	0
Net Position						
Net Investment in capital assets	11,723,620	11,083,872	12,136,777	9,386,384	23,860,397	20,470,256
Restricted	5,424	4,784	0	0	5,424	4,784
Unrestricted	1,334,526	1,436,455	(603,427)	1,230,507	731,099	2,666,962
Total Net Position	\$ 13,063,570	\$ 12,525,111	\$ 11,533,350	\$ 10,616,891	\$ 24,596,920	\$ 23,142,002

As stated above, assets exceeded liabilities and deferred inflows of resources by \$24,596,920 at the end of fiscal year 2013. Assets at the end of fiscal year 2012 exceeded liabilities by \$23,142,002.

The largest portion of the Village's net position is in its investment in capital assets (97%). These assets are used to provide services to its citizens (e.g. land, buildings, equipment, infrastructure). Therefore these assets are not available for future spending.

\$5,424 of the Village's net position are subject to restrictions on how they may be used. Unrestricted net assets (\$731,099) may be used to meet the government's ongoing obligations to citizens and creditors. Some of the amounts included in unrestricted net position are committed by the Village or assigned by the Board of Trustees for particular purposes (e.g. capital projects).

Statement of Activities						
	Governmental Activities		Business-Type Activities		Total	
	FY 2013	FY 2012	FY 2013	FY 2012	FY 2013	FY 2012
Revenues						
Program Revenues						
Charges for Services	\$ 131,213	\$ 120,923	\$ 5,344,853	\$ 5,073,014	\$ 5,476,066	\$ 5,193,937
Operating Grants and Contributions	149,721	132,937	350	0	150,071	132,937
Capital Grants and Contributions	396,597	68,191	745,833	206,790	1,142,430	274,981
General Revenues						
Property Taxes	2,731,909	2,644,086	0	0	2,731,909	2,644,086
Unrestricted Investment Earnings	3,051	3,412	5,189	8,693	8,240	12,105
Other Revenues	17,406	16,239	0	0	17,406	16,239
Total Revenues	3,429,897	2,985,788	6,096,225	5,288,497	9,526,122	8,274,285
Expenses						
Governmental Activities:						
General Government	351,276	601,735	0	0	351,276	601,735
Public Safety	352,888	318,691	0	0	352,888	318,691
Public Works	1,153,369	1,105,751	0	0	1,153,369	1,105,751
Community Development	304,947	46,341	0	0	304,947	46,341
Culture and Recreation	728,958	707,659	0	0	728,958	707,659
Business-Type Activities:						
Water	0	0	2,953,998	2,902,945	2,953,998	2,902,945
Sanitation	0	0	490,995	465,532	490,995	465,532
Wastewater	0	0	1,734,773	1,720,958	1,734,773	1,720,958
Total Expenses	2,891,438	2,780,177	5,179,766	5,089,435	8,071,204	7,869,612
Changes in Net Position	538,459	205,611	916,459	199,062	1,454,918	404,673
Net Position - Beginning of Year	12,525,111	12,319,500	10,616,891	10,417,829	23,142,002	22,737,329
Net Position - End of Year	\$ 13,063,570	\$ 12,525,111	\$ 11,533,350	\$ 10,616,891	\$ 24,596,920	\$ 23,142,002

At the end of FY13, the Village of Essex Junction has positive balances in all three categories of net position for governmental activities. Unrestricted net position was negative in the Wastewater Treatment Fund. This was because of a timing issue between the payment of construction costs for the Refurbishment Project and the actual receipt of State Clean Water Revolving Loan dollars. Shortly after the end of the year, the 4th and final loan was approved for the project and reimbursement was received for amounts spent in FY13.

Governmental activities. Governmental activities increased the Village's net position by \$538,459 in FY13. Expenditures in governmental funds exceeded revenues by \$419,189. A loan of \$250,000 for a Fire ladder truck was received which reduced the change in fund balances from a \$419,189 loss to a \$169,189 loss. The Village increased its investment in capital assets by \$639,748 and unrestricted net position decreased by \$101,929. Restricted net position increased by \$640.

Business-type activities. Business-type activities increased the Village's net position by \$916,459.

Water Fund

The Water Fund had budgetary net income of \$50,484 in FY13. Disregarding IBM pass through revenues and expenses, Water Fund revenues were \$28,778 more than budget while expenditures were \$21,707 less than budgeted. Most of the surplus revenues came from residential sales (+\$23,346) due to a hot dry summer. The Water Fund spent less on employee insurances because the plan the employees were on did not have a premium increase in 2013 saving \$7,527. Water Lines Maintenance-Breaks was under-spent by \$2,102 but CWD water purchases for Village Residents was over-budget \$3,694. Meters and Parts line item was underspent \$4,175 due to the encompassing meter replacement project covering what would normally be paid for through this line item. Distribution Materials (supplies for maintenance of the Village's water distribution system like hydrants, gate valves and pipes) was under-spent by \$7,110 due to the not replacing a few old hydrants because of time restraints. A Utility Rate study was completed for \$7,209. Out of this study, a new utility rate structure was implemented in FY14. The new structure consists of a per-unit fixed charge plus a rate for all usage. The Village increased its water/sewer/sanitation billing from semi-annual billing to quarterly. The Water Fund finished the Algonquin Water Loop Extension project to complete the loop between Abnaki Ave. and Iroquois Ave. for \$41,460, and replaced a pickup truck and backhoe for \$35,409 and \$73,865 respectfully. The Meter Replacement project was continued at a cost of \$14,216 in FY13.

Sanitation Fund

The Sanitation Fund had budgetary net income of \$106,433. Sanitation revenues were \$165,311 more than budgeted while expenditures were \$58,878 more than budgeted. Tap on fees were \$87,000 more than budgeted, and this surplus was transferred to the Sanitation Capital Reserve per the "Trustees Policy Regarding Water/Sewer Fees Collected in Excess of Budgeted Amounts". Village customer charges were higher than budgeted in part because \$56,000 was included in the rate for the WWTF Refurbishment Bond payment, and \$27,000 of surplus was generated due to higher than anticipated water use. If the excess tap on fees had not been transferred to the Sanitation Capital Reserve, the Sanitation expense budget would have been under-spent by \$28,122. Sanitation personnel costs were lower than budgeted by \$12,460 in part due to the replacement of a long time employee. Pump station (both Village and those shared with the Town of Essex) expenses were lower than anticipated by \$9,526. As in the Water Fund, the Meters and Parts line item was not spent due to the Meter Replacement Program. The Sanitation Fund participates by paying 2/3 of the cost of the Meter Replacement Program as it funds the costs for both the Sanitation Fund (underground piping) and the Wastewater Treatment Fund (wastewater treatment). Meter replacement costs totaled \$28,433 in FY13. The High School Pump Station upgrade project was completed at a cost of \$789,739 in FY13. The total cost of this project was \$1,071,915. The High School Pump Station Upgrade was funded by a Clean Water State Revolving Loan. The Sanitation Fund shared in the cost of the utility rate study for \$7,209 and an Infiltration and Inflow Study was begun with an FY13 cost of \$2,712.

Wastewater Treatment Fund

The Wastewater Treatment Facility had budgetary net income of \$179,258 in FY13. Revenues were over-budget by \$51,048 while expenditures were less than budget by \$108,210. The goal of this budget was to produce a \$20,000 surplus which was well surpassed. At year end, a reconciliation was done of revenues versus expenses and it was found that each of the Tri-Town communities was responsible for a portion of the surplus. Each community in the Tri-town was designated a portion of the surplus to be a buffer against future losses. The amounts designated to each community are: Essex Junction, \$109,731; Town of Essex, \$645; Town of Williston, \$35,101. Accounts that contributed significantly to the surplus are Sludge Management, \$60,571; Maintenance Other, \$13,694; and Health Insurance and Other Benefits, \$30,033. The Health Insurance surplus is due to the stable price of the health insurance most Facility employees were enrolled in. As for the other surpluses, the Wastewater Treatment Facility is undergoing a major renovation, and significant swings in budgeted line items can be attributed to contract schedule variables. The project has been authorized to bond for \$15,230,000. A majority of the funding for this project will be from the State Clean Water Revolving Fund. This funding has a 2% admin fee and is subject to reduction by subsidies. Other capital projects undertaken by the Wastewater Treatment Facility in FY13 were: the Utility Rate Study, \$7,209; Two Variable Speed Drives for Blowers 1 & 2, \$15,308; Control Building Instrument Upgrades, \$12,035; Digester Cleaning, \$39,776; and Final Design of a Co-Generation System to replace the existing one, \$24,558. Radios were purchased with a Homeland Security grant for \$6,184.

Financial Analysis of Major Governmental Funds

The General Fund

The General Fund had a surplus of \$58,444 in FY13. It was budgeted to have a deficit of \$35,000 but instead added to fund balance. The General Fund fund balance increased from \$495,620 at the end of fiscal year 2012 to \$554,064 at the end of fiscal year 2013. Of the \$554,064 fund balance, \$89,997 is nonspendable (inventories and prepaid expenses), \$118,059 is assigned (see page 49 of notes for breakdown). This leaves \$346,008 of unassigned fund balance in the General Fund. The unassigned fund balance is 10.3% of the FY14 Budget. The Trustees plan to allocate another \$35,000 to reduce the tax rate in FY15 which will bring the percentage down below 10% as required by Village policy. To comply with the Governmental Accounting Standards Board Statement 54, the Village has adopted a fund balance policy. Basically this fund balance policy states that net position of governmental fund type financial statements are classified as nonspendable (not in spendable form or legally required to remain intact); restricted (constraints on the use of resources are either externally imposed by creditors, grantors, or donors, or imposed by law through enabling legislation); committed (constraints on the use of resources are imposed by formal action of the voters); assigned (reflecting the Board of Trustees intended use of the resources); and unassigned. The Village General Fund has no restricted net assets.

- Excluding grants and donations received and expended in FY13, revenues were higher than budgeted by \$43,344. Revenues that were significantly higher than anticipated were License and Zoning Fees (+\$30,199) due to higher than anticipated zoning permit activity; State Highway Aid (+\$13,128).
- Expenditures excluding those for grants and donations received in FY12 and Expense designated from prior years were \$98,621 less than budgeted. The following departmental analysis will identify amounts varying substantially from budget and give an explanation of what transpired during the year.

- A) The Administration Budget ended the year with a surplus of \$38,862. Salaries were under-spent because the Village Manager resigned in October and was not replaced during the fiscal year. Lauren Morrisseau, Finance Director and Susan McNamara-Hill, Village Clerk/Treasurer were Acting Co-Managers for the balance of the fiscal year. Due to the change in personnel, other line items such as Health Insurance and other Benefits, Training and Conferences, Village Promotion and Vehicle Maintenance/Travel were also under-spent.
- B) Lincoln Hall Budget was over-spent by \$14,083. The majority of the over-expenditure was for Village Office Renovations (-\$11,754). Due to a leak, the Water and Sewer Charges line item was also over-spent by \$1,007. The Trustees voted on 5/28/13 to use surplus funds in the FY13 Administration, Street, Planning, and Economic Development budgets to cover deficits in other General Fund budgets.
- C) The Fire Department was over-spent by \$10,479. The most significant line item over-expenditures were Workers Compensation (-\$12,034), and Vehicle Maintenance (-\$11,217). A change in our Workers Compensation calculation for firefighters was unanticipated. The Vehicle Maintenance was high as we maintained an aging ladder truck until its replacement was delivered. The Fire Department, as is customary, balanced unexpected needs by spending less in other areas. The deficit was covered by other surpluses in other departmental budgets as noted in B).
- D) The Street Department ended FY13 with a surplus of \$34,920. Regular Salaries was under-spent by \$24,934. The Department did not replace a full-time employee who left Village employment but relied on a part-time worker to help with plowing. Due to the uncharacteristically mild winter, this arrangement did not give a realistic picture of whether it would work or not. The Street Department is relying on part-time and contract help again in FY14 to see if the department can function with one less full-time employee. Other personnel related line items were under-spent for the same reason. Gas, Grease and Oil was over-spent by \$9,766. Engineering was over-spent by \$16,616 as the Village worked to find reasons for flooding on Mansfield Ave. and Shawn's Way. A storm drain was sliplined on Athens Drive which caused an over-expenditure in the Storm Sewer Maintenance line item (-\$10,342).
- E) The Brownell Library budget ended the year with a surplus of \$5,724. A surplus in the Health Insurance and Other Benefits of \$6,493 helped to cover over-expenditures in Training and Conferences (-\$1,362), Maintenance of Building Grounds (-\$1,546) and Collections Line items of (-\$2,608). Other smaller surpluses in a number of line items resulted in the overall surplus for the year.
- F) The Planning and Zoning budget was under-spent by \$35,642. Health Insurance and Other Benefits was under-spent by \$15,802 due to a change in coverage by an employee. Legal Services was under-spent by \$7,239 in part due to the negotiating skills of our Planning Department Staff and fewer than anticipated appeals. Other Professional Services had a surplus because the Comprehensive Plan update wasn't begun until May 2013 partly because of the desire to include input from the Heart and Soul process (+\$5,551). Other accounts were under-spent by smaller amounts producing the surplus.
- G) The Economic Development Budget was underspent by \$8,035. Most of this can be attributed to Matching Grant Funds which were not used (\$7,317). This budget was amended prior to the fiscal year to convert a part-time position to a full-time position.

H) Grants received and expended were received for the Library, Fire Department, Community Development Department, and the Street Department. The Library received from the State of Vermont a grant for the 1st Wednesdays program (\$500), a Performer Grant of \$100 and an LSTA (Library Services and Technology Act) grant for \$963. The Library also received donations from the Friends of the Brownell Library for books and equipment totaling \$5,957. Three benches were donated and installed on Library grounds. One bench was in honor of the Bill and Lorraine Currier, one in honor of Kay Helfrich and one in honor of Carlotta Raine. The Fire Department purchased 6 radios with a Homeland Security grant and shared in the purchase of 15 Portable radios, 15 mobile radios and 2 base radios with the Street Department and the Wastewater Treatment Facility from another Homeland Security Grant. The Economic Development Department continued in the use of a Federal Grant for "Building Healthy Communities". The money was used for a walkability, bikeability assessment of the Village. As a result the Village was awarded a bronze award for walkability from Walk Friendly Communities and an honorable mention from the American Bicyclists Association. In FY12 the Town of Essex and the Village of Essex Junction were awarded a Planning Grant from the Orton Foundation for \$100,000. The Heart and Soul of Essex project has developed shared values for our communities and is in the process of wrapping up.

Capital Reserve Fund

The Capital Reserve Fund had a fund balance of \$346,940 as of June 30, 2012 and a fund balance of \$455,938 as of June 30, 2013. During the year, Algonquin Roadway Reconstruction was completed (\$98,168). This project also included water line work which was paid for out of the Water Fund. Other projects completed in FY13 were a Byway Sign (\$7,612) and a fence on the Main St. bike path (\$8,304). The Crescent Connector Project progressed for \$187,259 with reimbursement in the year of \$155,349. This project is funded by a grant from the US Department of Transportation through the State of Vermont Agency of Transportation and does not require matching funds. Village Office Conference room improvements were made for \$16,051 and Village Office Renovations were begun for \$14,825. Road resurfacing was done costing \$96,016. Roads resurfaced were portions of Brickyard Rd. and portions of Beech St. Work was begun on Lincoln St. Sidewalk Extension project partially funded by a US Department of Transportation Grant. The cost incurred was \$56,138. Woods End Reconstruction project engineering was begun with a cost of \$1,584. The following new grants were awarded: from the US Department of Transportation passed through the Vermont Agency of Transportation \$250,000 for the Multi-Use Safety Path along the rail tracks between North and Central Streets. An additional grant from Chittenden County Regional Planning Commission was also awarded for the Multi-Use Safety Path (\$139,835), and work began in FY13 with a cost of \$8,189.

Whitcomb Terrace Loan Fund

In April of 2004 the Village received a grant of up to \$275,000 from the Vermont Agency of Commerce and Community Development. This grant was used in FY05 to construct Whitcomb Terrace, 19 new barrier-free units of affordable housing at 128 West Street in Essex Junction. The grant money was used to provide a deferred loan to Whitcomb Terrace Housing Limited Partnership for the purpose of constructing Whitcomb Terrace. The interest free loan is due to be paid back to the Village on December 17, 2034. The Village has a note receivable that is not likely to be paid back and so is carrying a \$-0- balance for this note.

Rolling Stock Reserve Fund

The Rolling Stock Reserve Fund had fund balance of \$618,013 at the beginning of FY13 and \$280,542 as of the end of FY13. Expenditures in the Rolling Stock Fund in FY13 totaled \$981,653. The Village purchased a Pierce Arrow XT Ladder Truck for \$802,736 and a Freightliner Diesel Dump truck for \$129,177 plus trade in. The Rolling Stock Fund also made a payment of \$22,000 plus interest on the State Municipal Equipment Loan for the 2008 Fire Department KME Rescue/Pumper. The principal balance on the loan is currently \$-0-. The fund received \$80,000 for the sale of the old Ladder Truck and \$100,000 was contributed to the fund by the Town of Essex for the new Ladder Truck.

Capital Assets

The Village of Essex Junction's investment in capital assets for its governmental and business-type activities as of June 30, 2013 totaled \$32,500,371 (net of accumulated depreciation). These assets include buildings, roads and bridges, land, machinery and equipment, library books, park facilities, vehicles and distribution and collection systems.

The major capital asset transactions during the year for the Governmental Activities were as follows:

- Paving on Brickyard Rd. and Beech St.
- Algonquin Road Reconstruction
- Conference Room Improvements
- Work progressed on Lincoln St. Sidewalk Extension
- Work progressed on Crescent Connector Rd.
- A fire ladder truck was purchased
- A fire ladder truck was sold
- A dump truck was purchased
- A dump truck was traded in

The major capital assets transactions during the year for the business-type activities were as follows:

- Algonquin water line to complete loop between Abnaki & Iroquois was completed
- 420 New meters installed
- High School Pump Station Upgrade was completed
- Wastewater Treatment Facility Upgrade was continued

A table that shows the values of the Village's capital assets net of depreciation is shown below. Additional information can be found in Note IV.D. of this report.

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land	55,742	55,742	118,077	118,077	173,819	173,819
Construction in Progress	421,930	151,404	10,286,596	1,327,124	10,708,526	1,478,528
Antiques and Works of Art	7,550	12,000	0	0	7,550	12,000
Buildings and Building Improvements	1,870,964	1,870,964	8,343,215	8,343,215	10,214,179	10,214,179
Vehicles, Machinery, Equipment, Furniture & Traffic Signals	5,590,111	5,029,223	3,029,079	2,990,692	8,619,190	8,019,915
Library Books	833,475	857,943	0	0	833,475	857,943
Parks	210,984	210,984	0	0	210,984	210,984
Roads, Curbs, Sidewalks and Storm Sewers	7,428,521	7,214,379	45,539	45,539	7,474,060	7,259,918
Distribution and Collection Systems	0	0	16,248,495	14,941,337	16,248,495	14,941,337
Accumulated Depreciation	(4,445,656)	(4,296,767)	(17,544,251)	(17,171,285)	(21,989,907)	(21,468,052)
Total	11,973,621	11,105,872	20,526,750	10,594,699	32,500,371	21,700,571

Long Term Debt

The Village received a loan of \$110,000 from the Vermont Municipal Equipment Loan Fund for the purchase of the KME Rescue/Pumper in FY08. The interest rate on this loan is 2% with a 5 year pay back provision. As of 6/30/13 this loan is retired.

In FY13 the Village received a loan of \$250,000 from the Merchants Bank for the purchase of the Fire Ladder Truck. The interest rate is 1.31% and the note is due July 30, 2013. The Village renewed the note on July 30, 2013 and paid down \$50,000 of the principal.

The Wastewater Treatment Facility took out a \$250,000 note from the People's United Bank in FY09 to cover the deficit in that fund created primarily by the cleaning of the digester and the drop in member-town revenues. The terms of this note are a yearly payment of \$50,000 plus 3.25% interest for 5 years. As of 6/30/13 there was a \$50,000 principal balance on this loan.

In FY11 the Village began 2 long term projects in the Wastewater Treatment Fund and the Sanitation Fund. In a special meeting on April 12, 2011, the Village voters authorized the Village to issue bonds for \$15,230,000 for improvements to the Wastewater Treatment Facility and \$1,287,000 for the upgrade of Village pump stations. As of 6/30/13, the High School Pump Station project was complete and the Village had borrowed \$1,093,596 and received a subsidy of \$114,800 from the State Clean Water Revolving Fund in the Sanitation Fund. Payments on this loan are scheduled to begin February 2014. As of 6/30/13 the Village had borrowed \$7,036,474 for the Wastewater Treatment Refurbishment Project from the State Clean Water Revolving Fund and received a subsidy of \$466,870. The first payment on this loan is due in FY17. A bond payable for the Wastewater Treatment Refurbishment Project for \$1,705,000 has been assumed from the Town of Bradford. Principal and interest payments were started in FY12. As of June 30, 2013, the principal outstanding on this bond was \$1,585,000. The Wastewater Treatment Facility, while owned by the Village of Essex Junction serves 3 towns, the Village of Essex Junction, the Town of Essex and the Town of Williston. The debt payments for the Wastewater Treatment Facility are distributed to the Tri-town members according to capacity owned in the Facility.

Economic Factors and Next Year's Budgets and Rates

- As of January 2014 the economy continues to improve slowly although many people are still out of work. The national unemployment rate was at 6.7 % in December 2013, down from 7.8% in December 2012 according to the US Dept. of Labor Bureau of Labor Statics. According to the same source, Vermont unemployment was at 4.4% in November 2013, down from 5.2% in November 2012.
- The CPI index for Northeast urban communities was 1.3% from December 2012 to December 2013. The national city average CPI index was 1.5% from December 2012 to December 2013.
- Unrest in the Middle East is on-going. The housing market is improving. Gasoline prices in New England and the Nation are a little lower this December than they were last January according to the US Energy Information Administration. The US average was \$3.296/gallon on 1/20/14 and the New England average was \$3.49/ gallon. The national debt has passed the \$17 Trillion mark, and we have nearly reached the debt ceiling again.
- A requirement to purchase the Village's health insurance from the Vermont Health Connect Exchange went into effect as of January 1, 2014. It is not known what effect "Obamacare" will have on the nation but as of January 2014, it has not met its enrollment goals particularly with the "Millennials" (young adults). The rollout of the National Exchange website did not go well, but the program continues to implement improvements.
- Susan McNamara-Hill, Village Clerk/Treasurer/Tax Collector, and Lauren Morrisseau, Finance Director, were acting interim Co-managers from October 2012 to June 30, 2013. On July 1, 2013 Patrick Scheidel, Town of Essex Manager, became a shared manager for the Village and the Town. The Village Trustees and Town Selectboard are working to find areas where shared services make sense in order to save taxpayer dollars.
- FY13 was the last year of the IBM M&E Subsidy payment.
- Planning applications in the Village remain strong with a preference for one and two bedroom apartments to meet market demand. The IBM Master Plan was approved and the Police Facility commenced construction.
 - The Autumn Pond development, which will see the construction of 300 apartments while at the same time improving the ecology of an existing pond, received final approval from the Planning Commission and the Zoning Board of Adjustment.
 - The old Peoples United Bank site at the Five Corners received approval for the demolition of the existing structure and the erection of a new four story building with retail and commercial spaces on the ground level, apartments above, and underground parking.
 - Work on the planning of the Crescent Connector Road continued and it is scheduled to commence construction in 2015. Grant funding was received for a new Multiuse path that will connect the High School to the Village Center. The path is scheduled for construction summer 2014.
 - A Tree Advisory Board to increase awareness of the benefits of trees and to give advice on trees in the public ROW was created. A Bike/Walk Committee was also formed. They will develop a best practice strategy for the provision and use of bike and pedestrian facilities in the Village.
 - The Village is looking at the potential to reduce through truck traffic in the Village Center and make the core of our community more welcoming to pedestrians and cyclists while accommodating vehicular traffic, and enhancing economic and social opportunity.

- The Village continues to seek grant money to supplement tax revenues. The Village has received a grant from the Chittenden County Regional Planning Commission (CCRPC) for \$139,000 for a path from Central Street to North Street along the rail path (called the Multi-use Safety Path). We have also been awarded an additional grant for \$250,000 from the Vermont Transportation Agency (VTrans) for this project. The project is in the design phase. The Crescent Connector Road project is progressing with the State of Vermont committing \$4,500,000 with no match to this project. We are also, through the Circ Alternative task force, optimistic that we will receive funds for the "Missing Link" project which will improve transportation and lighting from Post Office Square to the Five Corners. The Lincoln St. Sidewalk Extension Project which is funded by two grants, one from CCRPC for \$118,640 and one from VTrans for \$220,000, was completed in the fall of 2013. The Orton Heart and Soul Grant which is a community planning grant awarded to the Town of Essex and the Village of Essex Junction will be wrapping up very soon.
- The FY14 General Fund budget increased by 2.71% from the FY13 budget. The tax rate increased by 4.3% from \$0.2554 to \$0.2666. At this time in January 2014, the Trustees are formulating the FY15 budget. The draft FY15 budget proposes a 3.7% increase at this time which will necessitate approximately a 3.9% increase in the tax rate. The Trustees are also considering placing a bond vote on the Village Meeting ballot to fund some pressing infrastructure maintenance projects.
- Capital projects being undertaken or continued in FY14 and their budgeted or actual amounts, if available, include:
 - Multi-Use Safety Path - \$550,527 budget.
 - Crescent Connector Road - budget \$4,500,000 to be funded by Vt. Dept. of Transportation
 - Lincoln St. Sidewalk Extension - budget \$376,576 to be funded 80% by grants from CCRPC and VTrans. Project is nearly complete.
 - Village Office Renovations \$34,212 (actual from Capital Reserve)
 - Fire House Roof - \$23,555 (actual)
 - Woods End Reconstruction - \$730,377 (budget)
 - Paving - \$125,000 budget - Warner Ave., Willeys Court, Grandview Ave., Jones Ave., and Williams St. and a portion of Beech St.

In FY14 the rate structure for water/sewer/sanitation billing changed from semi-annual billing based on water usage with a minimum of 1500 cubic feet to quarterly billing with quarterly fixed charges per unit plus usage. Residential dwellings are classified as 1 unit while commercial buildings are assessed a number of units based on prior year's water usage. The rate structure had minimal effect on average users. Minimum users saw their water/sewer/sanitation bills increase while higher users' bills were reduced a small amount. The reason for this effect was that minimum users had not been paying enough to cover the fixed costs of providing water/sewer service. The FY14 water/sewer/sanitation rates are as follows:

	Quarterly Fixed Charges	Usage Charges
Water	\$21.05/unit	\$0.0140/cubic foot water usage
Wastewater Treatment	\$24.42/unit	\$0.0089/cubic foot water usage
Sanitation	<u>\$21.00/unit</u>	<u>\$0.0047/cubic foot water usage</u>
Total	\$66.47/unit	\$0.0276/cubic foot water usage

This financial report is designed to provide a general overview of the Village of Essex Junction, Vermont's financial condition. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Village Finance Director, Village of Essex Junction, 2 Lincoln Street, Essex Junction, Vermont 05452.

VILLAGE OF ESSEX JUNCTION, VERMONT
STATEMENT OF NET POSITION
JUNE 30, 2013

	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 1,441,033	\$ 2,471,864	\$ 3,912,897
Receivables (Net of Allowance for Uncollectibles)	132,858	812,790	945,648
Inventories	59,728	17,014	76,742
Internal Balances	22	(22)	0
Prepaid Expenses	30,269	20,739	51,008
Capital Assets			
Land	55,742	118,077	173,819
Construction in Progress	421,930	10,286,596	10,708,526
Antiques and Works of Art	7,550	0	7,550
Other Capital Assets, (Net of Accumulated Depreciation)	<u>11,488,399</u>	<u>10,122,077</u>	<u>21,610,476</u>
Total Assets	<u>13,637,531</u>	<u>23,849,135</u>	<u>37,486,666</u>
<u>LIABILITIES</u>			
Accounts Payable	152,297	2,216,337	2,368,634
Accrued Payroll and Benefits Payable	28,754	12,016	40,770
Unearned Revenue	1,428	0	1,428
Accrued Interest	0	4,234	4,234
Noncurrent Liabilities:			
Due Within One Year	50,000	122,138	172,138
Due in More than One Year	<u>339,824</u>	<u>9,961,060</u>	<u>10,300,884</u>
Total Liabilities	<u>572,303</u>	<u>12,315,785</u>	<u>12,888,088</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Prepaid Property Taxes	<u>1,658</u>	<u>0</u>	<u>1,658</u>
Total Deferred Inflows of Resources	<u>1,658</u>	<u>0</u>	<u>1,658</u>
<u>NET POSITION</u>			
Net Investment in Capital Assets	11,723,620	12,136,777	23,860,397
Restricted	5,424	0	5,424
Unrestricted/(Deficit)	<u>1,334,526</u>	<u>(603,427)</u>	<u>731,099</u>
Total Net Position	<u>\$ 13,063,570</u>	<u>\$ 11,533,350</u>	<u>\$ 24,596,920</u>

The accompanying notes are an integral part of this financial statement.

VILLAGE OF ESSEX JUNCTION, VERMONT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Functions/Programs:							
Governmental Activities:							
General Government	\$ 351,276	\$ 108,155	\$ 0	\$ 1,550	\$ (241,571)	\$ 0	\$ (241,571)
Public Safety	352,888	6,231	0	114,895	(231,762)	0	(231,762)
Public Works	1,153,369	9,782	113,128	256,671	(773,788)	0	(773,788)
Community Development	304,947	2,481	15,997	15,000	(271,469)	0	(271,469)
Culture and Recreation	728,958	4,564	20,596	8,481	(695,317)	0	(695,317)
Total Governmental Activities	2,891,438	131,213	149,721	396,597	(2,213,907)	0	(2,213,907)
Business-Type Activities:							
Water	2,953,998	3,006,319	0	0	0	52,321	52,321
Sanitation	490,995	614,335	0	202,690	0	326,030	326,030
Wastewater	1,734,773	1,724,199	350	543,143	0	532,919	532,919
Total Business-Type Activities	5,179,766	5,344,853	350	745,833	0	911,270	911,270
Total	\$ 8,071,204	\$ 5,476,066	\$ 150,071	\$ 1,142,430	(2,213,907)	911,270	(1,302,637)
General Revenues:							
Property Taxes					2,667,252	0	2,667,252
Payment in Lieu of Taxes					64,657	0	64,657
Interest and Penalties on Delinquent Taxes					10,855	0	10,855
Unrestricted Investment Earnings					3,051	5,189	8,240
Other Revenues					6,051	0	6,051
Gain on Sale of Capital Asset					500	0	500
Total General Revenues					2,752,366	5,189	2,757,555
Change in Net Position					538,459	916,459	1,454,918
Net Position - July 1, 2012					12,525,111	10,616,891	23,142,002
Net Position - June 30, 2013					\$ 13,063,570	\$ 11,533,350	\$ 24,596,920

The accompanying notes are an integral part of this financial statement.

VILLAGE OF ESSEX JUNCTION, VERMONT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2013

	General Fund	Capital Reserve Fund	Rolling Stock Reserve Fund	Other Governmental Funds	Total Governmental Funds
<u>ASSETS</u>					
Cash	\$ 567,127	\$ 487,695	\$ 280,542	\$ 105,669	\$ 1,441,033
Receivables (Net of Allowance for Uncollectibles)	48,284	84,574	0	0	132,858
Due from Other Funds	22	0	0	0	22
Inventories	59,728	0	0	0	59,728
Prepaid Expenses	30,269	0	0	0	30,269
Total Assets	<u>\$ 705,430</u>	<u>\$ 572,269</u>	<u>\$ 280,542</u>	<u>\$ 105,669</u>	<u>\$ 1,663,910</u>
<u>LIABILITIES</u>					
Accounts Payable	\$ 83,110	\$ 69,187	\$ 0	\$ 0	\$ 152,297
Accrued Payroll and Benefits Payable	27,001	0	0	0	27,001
Due to Others	1,753	0	0	0	1,753
Unearned Revenue	1,428	0	0	0	1,428
Total Liabilities	<u>113,292</u>	<u>69,187</u>	<u>0</u>	<u>0</u>	<u>182,479</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Prepaid Property Taxes	1,658	0	0	0	1,658
Unavailable Property Taxes	28,400	0	0	0	28,400
Unavailable Grant Revenue	2,273	47,144	0	0	49,417
Unavailable Other Revenues	5,743	0	0	0	5,743
Total Deferred Inflows of Resources	<u>38,074</u>	<u>47,144</u>	<u>0</u>	<u>0</u>	<u>85,218</u>
<u>FUND BALANCES</u>					
Nonspendable	89,997	0	0	0	89,997
Restricted	0	0	0	5,424	5,424
Committed	0	455,938	280,542	100,245	836,725
Assigned	118,059	0	0	0	118,059
Unassigned	346,008	0	0	0	346,008
Total Fund Balances	<u>554,064</u>	<u>455,938</u>	<u>280,542</u>	<u>105,669</u>	<u>1,396,213</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 705,430</u>	<u>\$ 572,269</u>	<u>\$ 280,542</u>	<u>\$ 105,669</u>	
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:					
Capital Assets Used in Governmental Activities are not Financial Resources and, Therefore, are not Reported in the Funds.					11,973,621
Other Assets are not Available to Pay for Current-Period Expenditures, and, Therefore, are Deferred in the Funds.					83,560
Long-Term and Accrued Liabilities are not Due or Payable in the Current Period and, Therefore, are Not Reported in the Funds.					(389,824)
Net Position of Governmental Activities					<u>\$ 13,063,570</u>

The accompanying notes are an integral part of this financial statement.

VILLAGE OF ESSEX JUNCTION, VERMONT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	General Fund	Capital Reserve Fund	Rolling Stock Reserve Fund	Other Governmental Funds	Total Governmental Funds
Revenues:					
Property Taxes	\$ 2,652,852	\$ 0	\$ 0	\$ 0	\$ 2,652,852
Payment in Lieu of Taxes	64,657	0	0	0	64,657
Penalties and Interest	10,855	0	0	0	10,855
Intergovernmental Revenues	163,441	202,718	100,000	0	466,159
Charges for Services	332,866	0	0	0	332,866
Investment Income	1,644	639	558	210	3,051
Fines and Forfeits	3,708	0	0	0	3,708
Licenses and Permits	60,199	0	0	0	60,199
Contributions	18,828	27,000	0	630	46,458
Other Revenue	5,901	0	0	0	5,901
Total Revenues	<u>3,314,951</u>	<u>230,357</u>	<u>100,558</u>	<u>840</u>	<u>3,646,706</u>
Expenditures:					
Current:					
General Government	635,036	705	0	0	635,741
Public Safety	284,929	0	300	0	285,229
Public Works	732,327	3,742	0	0	736,069
Community Development	285,580	0	0	0	285,580
Culture & Recreation	611,739	0	0	0	611,739
Debt Service:					
Principal	0	0	22,000	0	22,000
Interest	0	0	440	0	440
Capital Outlay:					
General Government	28,575	30,172	0	0	58,747
Public Safety	8,790	0	829,736	0	838,526
Public Works	22,220	451,916	129,177	0	603,313
Community Development	0	7,612	0	0	7,612
Culture & Recreation	61,399	0	0	0	61,399
Total Expenditures	<u>2,670,595</u>	<u>494,147</u>	<u>981,653</u>	<u>0</u>	<u>4,146,395</u>
Excess/(Deficiency) of Revenues Over Expenditures	<u>644,356</u>	<u>(263,790)</u>	<u>(881,095)</u>	<u>840</u>	<u>(499,689)</u>
Other Financing Sources/(Uses):					
Proceeds of Long-Term Debt	0	0	250,000	0	250,000
Proceeds from the Sale of Capital Assets	500	0	80,000	0	80,500
Transfers In	0	372,788	213,624	0	586,412
Transfers Out	(586,412)	0	0	0	(586,412)
Total Other Financing Sources/(Uses)	<u>(585,912)</u>	<u>372,788</u>	<u>543,624</u>	<u>0</u>	<u>330,500</u>
Net Change in Fund Balances	58,444	108,998	(337,471)	840	(169,189)
Fund Balances - July 1, 2012	<u>495,620</u>	<u>346,940</u>	<u>618,013</u>	<u>104,829</u>	<u>1,565,402</u>
Fund Balances - June 30, 2013	<u>\$ 554,064</u>	<u>\$ 455,938</u>	<u>\$ 280,542</u>	<u>\$ 105,669</u>	<u>\$ 1,396,213</u>

The accompanying notes are an integral part of this financial statement.

VILLAGE OF ESSEX JUNCTION, VERMONT
 RECONCILIATION OF THE STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND BALANCES OF
 GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2013

Amounts reported for governmental activities in the statement of activities (Exhibit B) are different because:

Net change in fund balances - total government funds (Exhibit D)	\$ (169,189)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets (\$1,569,596) is allocated over their estimated useful lives and reported as depreciation expense (\$620,289). This is the amount by which capital outlays exceeded depreciation in the current period.	949,307
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, gain/(loss) on disposals, trade-ins and donations) is to decrease net assets.	(81,558)
The issuance of long-term debt (\$250,000) (e.g., bond, notes and capital leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt (\$22,000) consumes the current financial resources of governmental funds. Neither transaction, however has any effect on net assets. This amount is the net effect of those differences in the treatment of long-term debt and related items.	(228,000)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This amount reflects the decrease in deferred revenues from the prior year.	51,565
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	<u>16,334</u>
Change in net position of governmental activities (Exhibit B)	<u>\$ 538,459</u>

The accompanying notes are an integral part of this financial statement.

VILLAGE OF ESSEX JUNCTION, VERMONT
STATEMENT OF REVENUE AND EXPENDITURES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Approved Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Revenue:				
Current Property Taxes	\$ 2,666,989	\$ 2,666,989	\$ 2,652,852	\$ (14,137)
State of VT PILOT & Current Use	2,000	2,000	4,079	2,079
Penalties and Interest On Delinquent Taxes	7,000	7,000	10,855	3,855
IBM Subsidy	60,578	60,578	60,578	0
Licenses & Zoning Fees	30,000	30,000	60,199	30,199
Water Department Service Fees	110,169	110,169	110,169	0
Wastewater Service Fees	55,085	55,085	55,085	0
Sanitation Service Fees	110,169	110,169	110,169	0
State District Court Fines	2,000	2,000	3,709	1,709
State Highway Aid	100,000	100,000	113,128	13,128
Essex Junction School District				
Tax Collection Fees	47,000	47,000	47,956	956
Lincoln Hall Rentals	0	0	1	1
Parking Space Fees	4,800	4,800	4,400	(400)
Miscellaneous Fire Receipts	0	0	1,231	1,231
Miscellaneous Street Receipts	3,000	3,000	2,850	(150)
Miscellaneous Library Receipts	450	450	708	258
Brownell Library Grants	0	0	1,937	1,937
Donation to Brownell Library	0	0	7,329	7,329
Donations to Block Party	1,500	1,500	1,550	50
Essex Town Library Contribution	15,000	15,000	15,000	0
Investment Interest	1,000	1,000	1,644	644
Miscellaneous State Grants	0	0	8,408	8,408
Miscellaneous Grants and Donations	0	0	9,790	9,790
Miscellaneous Unclassified Receipts	4,600	4,600	2,343	(2,257)
Library Replacement Receipts	0	0	3,855	3,855
Homeland Security Grant 02140-79152-542	0	0	16,609	16,609
Homeland Security Grant 02140-70164V-126	0	0	8,517	8,517
Sale of Capital Asset	0	0	500	500
Total Revenue	3,221,340	3,221,340	3,315,451	94,111
Expenditures:				
Administration:				
Salaries - Regular	334,477	334,477	311,912	22,565
Salaries - Overtime	1,000	1,000	1,365	(365)
Salaries - Part-Time	7,250	7,250	13,207	(5,957)
Social Security	26,923	26,923	25,342	1,581
Unemployment Insurance	1,186	1,186	962	224
Workers Compensation Insurance	1,166	1,166	1,210	(44)
Health Insurance and Other Benefits	66,340	66,340	59,436	6,904
Retirement	38,506	38,506	38,648	(142)
Liability and Property Insurance	5,857	5,857	5,720	137
Public Officials Liability Insurance	6,075	6,075	5,981	94
Health Improvement Programs	1,600	1,600	1,775	(175)
Board Member Fees	2,500	2,500	2,500	0
Supplies	6,700	6,700	4,624	2,076
Postage	4,600	4,600	3,986	614
Computer Expenses	16,915	16,915	17,552	(637)
Training & Conferences	13,304	13,304	6,602	6,702
Telephone Services	4,392	4,392	2,621	1,771

The accompanying notes are an integral part of this financial statement.

VILLAGE OF ESSEX JUNCTION, VERMONT
STATEMENT OF REVENUE AND EXPENDITURES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Approved Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Expenditures:				
Administration/(Cont'd):				
Communications	\$ 13,700	\$ 13,700	\$ 12,203	\$ 1,497
Vehicle Maintenance - Travel	3,600	3,600	900	2,700
Village Promotion	1,000	1,000	268	732
Interview Costs	0	0	155	(155)
Leased Services	4,540	4,540	4,298	242
Legal Fees	15,000	15,000	14,026	974
Other Professional Services	2,000	2,000	0	2,000
Audit Service	5,275	5,275	5,352	(77)
Printing and Advertising	5,800	5,800	4,777	1,023
Pay & Classification Study	200	200	0	200
Elections	2,200	2,200	1,578	622
Holiday Expense	1,280	1,280	1,135	145
Trustees Expenditures	4,000	4,000	5,472	(1,472)
Capital Outlay	3,000	0	4,917	(4,917)
Total Administration	600,386	597,386	558,524	38,862
Lincoln Hall:				
Liability and Property Insurance	5,510	5,510	4,469	1,041
Supplies	1,800	1,800	2,475	(675)
Water and Sewer Charges	1,000	1,000	2,007	(1,007)
Telephone Services	480	480	496	(16)
Electrical Service	6,510	6,510	7,997	(1,487)
Heating	7,000	7,000	5,507	1,493
Maintenance - Buildings/Grounds	6,500	6,500	7,559	(1,059)
Rubbish Removal	1,750	1,750	1,785	(35)
Contractual Services	7,503	7,503	8,087	(584)
Capital Outlay	0	0	11,754	(11,754)
Total Lincoln Hall	38,053	38,053	52,136	(14,083)
Fire Department:				
Salaries - Part-time Firefighters	126,000	126,000	126,818	(818)
Social Security	9,639	9,639	9,662	(23)
Worker's Compensation Insurance	12,000	12,000	24,034	(12,034)
Accident & Disability Insurance	3,600	3,600	3,600	0
Liability and Property Insurance	8,600	8,600	7,326	1,274

The accompanying notes are an integral part of this financial statement.

VILLAGE OF ESSEX JUNCTION, VERMONT
STATEMENT OF REVENUE AND EXPENDITURES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Approved Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Fire Department/(Cont'd):				
Supplies	\$ 2,400	\$ 2,400	\$ 1,637	\$ 763
EMS Supplies	1,800	1,800	1,061	739
Gas, Oil and Grease	5,400	5,400	7,112	(1,712)
Water and Sewer Charges	900	900	888	12
Training and Conferences	5,000	5,000	2,900	2,100
Telephone Services	4,000	4,000	3,433	567
Electrical Service	6,600	6,600	6,283	317
Heating	6,000	6,000	4,817	1,183
Maintenance - Buildings/Grounds	5,000	5,000	1,806	3,194
Radio Maintenance	2,000	2,000	6,295	(4,295)
Maintenance - Other	10,000	10,000	12,795	(2,795)
Vehicle Maintenance - Travel	10,000	10,000	21,217	(11,217)
Emergency Generator Maintenance	750	750	375	375
Uniforms and Boots	18,000	18,000	16,079	1,921
Fire Prevention	1,800	1,800	1,652	148
Physical Exams	6,000	6,000	4,197	1,803
Employee Assistance Program	900	900	864	36
Hydrant Rental	5,000	5,000	5,000	0
New Equipment - Radios	4,300	4,300	0	4,300
Routine Equipment Purchases	14,500	14,500	10,817	3,683
Total Fire Department	270,189	270,189	280,668	(10,479)
Street Department:				
Salaries - Regular	190,875	186,875	161,941	24,934
Salaries - Overtime	15,000	15,000	14,383	617
Salaries - Part-time	17,018	17,018	17,335	(317)
Social Security	17,249	17,249	14,274	2,975
Unemployment Insurance	1,086	1,086	865	221
Worker's Compensation Insurance	11,628	11,628	9,798	1,830
Health Insurance and Other Benefits	77,761	77,761	63,337	14,424
Employee Retirement	19,088	19,088	16,141	2,947
Liability and Property Insurance	14,100	14,100	12,057	2,043
Supplies	21,100	16,100	10,129	5,971
Winter Maintenance	75,000	75,000	83,243	(8,243)
Pavement Maintenance	15,000	15,000	14,804	196
Gravel and Topsoil	4,500	4,500	5,830	(1,330)
Signs and Posts	5,500	5,500	2,668	2,832
Gas, Grease and Oil	22,000	22,000	31,766	(9,766)
Water and Sewer Charge	1,500	1,500	1,197	303
Training and Conferences	500	500	250	250
Telephone Services	1,800	1,800	1,725	75
Electrical Service	4,900	4,900	3,752	1,148
Street Lights	131,840	131,840	121,730	10,110

The accompanying notes are an integral part of this financial statement.

VILLAGE OF ESSEX JUNCTION, VERMONT
STATEMENT OF REVENUE AND EXPENDITURES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Approved Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Street Department/(Cont'd):				
Traffic Lights	\$ 5,700	\$ 5,700	\$ 6,170	\$ (470)
Heating	4,000	4,000	3,184	816
Maintenance - Buildings/Grounds	2,500	2,500	3,596	(1,096)
Radio Maintenance	200	200	65	135
Maintenance - Other	1,000	1,000	1,545	(545)
Vehicle Maintenance - Travel	32,000	32,000	17,716	14,284
Streetscape Maintenance/ Improvements	7,500	7,500	4,377	3,123
Village Garden Spots	2,500	2,500	2,343	157
Traffic/Street Light Maintenance	6,500	6,500	11,360	(4,860)
Memorial Park	3,000	3,000	2,816	184
Street Markings	5,000	5,000	8,205	(3,205)
Uniforms, Boots, Etc.	4,500	4,500	2,544	1,956
Rubbish Removal	6,200	6,200	5,290	910
Contract Services	10,000	10,000	10,726	(726)
Equipment Rentals	3,800	3,800	3,693	107
Engineering Services	15,000	15,000	31,616	(16,616)
Traffic Calming	1,000	1,000	232	768
Capital Outlay	2,000	2,000	1,735	265
Sidewalk and Curb Maintenance	3,000	3,000	5,135	(2,135)
Storm Sewer Maintenance	8,500	8,500	18,842	(10,342)
Storm Sewer Permit Fees	3,000	3,000	4,697	(1,697)
Storm Sewer Public Education	10,000	10,000	7,313	2,687
Total Street Department	784,345	775,345	740,425	34,920
Library:				
Salaries - Regular	292,359	292,359	292,591	(232)
Salaries - Part-Time	88,282	88,282	86,567	1,715
Social Security	29,551	29,551	28,826	725
Unemployment Insurance	2,384	2,384	2,235	149
Workers Compensation Insurance	1,285	1,285	1,389	(104)
Health Insurance and Other Benefits	55,586	55,586	49,093	6,493
Retirement	29,236	29,236	29,089	147
Liability and Property Insurance	10,269	10,269	9,390	879
Supplies	13,500	13,500	13,274	226
Postage	2,500	2,500	3,452	(952)
Computer Expenses	3,500	3,500	3,641	(141)
Water and Sewer Charge	525	525	870	(345)
Training and Conferences	2,000	2,000	3,362	(1,362)
Telephone Services	2,000	2,000	1,092	908
Technology Access	5,810	5,810	5,059	751
Electrical Services	14,850	14,850	14,553	297
Heating	7,500	7,500	7,335	165

The accompanying notes are an integral part of this financial statement.

VILLAGE OF ESSEX JUNCTION, VERMONT
STATEMENT OF REVENUE AND EXPENDITURES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Approved Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Library/(Cont'd):				
Maintenance - Building/Grounds	\$ 13,000	\$ 13,000	\$ 14,546	\$ (1,546)
Alarm System Maintenance	800	800	292	508
Interview Costs	300	300	249	51
Contract Services	22,548	22,548	22,469	79
Adult Programs	300	300	322	(22)
Childrens Programs	3,000	3,000	3,061	(61)
Computer Replacement	8,000	5,200	5,196	4
Adult Collection - Print & Electronic	31,000	31,000	32,706	(1,706)
Juvenile Collection - Print & Electronic	15,500	15,500	16,402	(902)
Total Library	655,585	652,785	647,061	5,724
Planning and Zoning:				
Salaries -Regular	119,296	119,296	124,235	(4,939)
Salaries - Overtime	2,000	2,000	218	1,782
Social Security	9,560	9,560	9,666	(106)
Unemployment Insurance	435	435	399	36
Workers Compensation Insurance	399	399	439	(40)
Health Insurance and Other Benefits	40,972	40,972	25,170	15,802
Retirement	11,930	11,930	11,978	(48)
Liability Insurance and Property Insurance	2,038	2,038	2,006	32
Public Officials Liability Insurance	6,075	6,075	5,981	94
Boardmember Fee	3,600	3,600	3,525	75
Supplies	2,000	2,000	1,340	660
Postage	1,000	1,000	438	562
Computer Expenses	4,705	4,705	3,748	957
Training and Conferences	5,450	5,450	2,395	3,055
Telephone Services	1,392	1,392	1,597	(205)
Communications	2,000	2,000	1,020	980
Vehicle Maintenance - Travel	3,000	3,000	2,400	600
Legal Services	9,500	9,500	2,261	7,239
Other Professional Services	10,000	10,000	4,449	5,551
Printing and Advertising	5,000	5,000	2,045	2,955
Recording Fees	2,500	2,500	1,900	600
Capital Outlay	1,500	0	0	0
Total Planning and Zoning	244,352	242,852	207,210	35,642
Economic Development:				
Salaries Regular	0	32,573	28,781	3,792
Salaries Overtime	0	0	70	(70)
Salaries Part Time	23,400	0	3,553	(3,553)
Social Security	1,790	2,491	2,678	(187)
Unemployment Insurance	217	250	247	3
Workers Comp Insurance	111	120	108	12
Health Ins & Other Benefits	0	3,127	2,858	269
Retirement	0	3,257	3,058	199
Block Party Expenses	7,000	7,000	7,057	(57)

The accompanying notes are an integral part of this financial statement.

VILLAGE OF ESSEX JUNCTION, VERMONT
STATEMENT OF REVENUE AND EXPENDITURES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Approved Budget	Amended Budget	Actual	Favorable (Unfavorable)
Economic Development/(Cont'd):				
Community Events & Programs	\$ 7,000	\$ 7,000	\$ 8,155	\$ (1,155)
Annual Support of Organizations	8,000	8,000	7,443	557
Community Forum	7,500	7,500	7,500	0
New Programs	2,000	2,000	1,092	908
Matching Grant Funds	<u>10,000</u>	<u>10,000</u>	<u>2,683</u>	<u>7,317</u>
Total Economic Development	<u>67,018</u>	<u>83,318</u>	<u>75,283</u>	<u>8,035</u>
Miscellaneous Transfers and Expenditures:				
Rolling Stock Fund	163,624	163,624	163,624	0
Capital Reserve Fund	372,788	372,788	372,788	0
Half Penny for Ladder Truck Note	50,000	50,000	50,000	0
Termination Benefits	<u>10,000</u>	<u>10,000</u>	<u>0</u>	<u>10,000</u>
Total Miscellaneous Transfers and Expenditures	<u>596,412</u>	<u>596,412</u>	<u>586,412</u>	<u>10,000</u>
Grant and Other Unanticipated Expenditures:				
Tax Abatement	0	0	2,141	(2,141)
Library Replacement Expenditures	0	0	4,017	(4,017)
Library Grant Expenditures	0	0	1,937	(1,937)
Library Donation Expenditures	0	0	5,957	(5,957)
Fire Department Grant Expenditures	0	0	13,051	(13,051)
Street Department Grant Expenditures	0	0	14,348	(14,348)
Other Donations Expenditures	0	0	4,219	(4,219)
Other Grants Expenditures	0	0	6,085	(6,085)
Termination Benefits	0	0	36,000	(36,000)
FY12 Designated Expense	<u>0</u>	<u>0</u>	<u>21,533</u>	<u>(21,533)</u>
Total Grant and Other Unanticipated Expenditures	<u>0</u>	<u>0</u>	<u>109,288</u>	<u>(109,288)</u>
Total Expenditures	<u>3,256,340</u>	<u>3,256,340</u>	<u>3,257,007</u>	<u>(667)</u>
Excess/(Deficiency) of Revenue Over Expenditures	<u>\$ (35,000)</u>	<u>\$ (35,000)</u>	58,444	<u>\$ 93,444</u>
Fund Balance - July 1, 2012			<u>495,620</u>	
Fund Balance - June 30, 2013			<u>\$ 554,064</u>	

The amended budgets are approved by the Board of Trustees

The accompanying notes are an integral part of this financial statement.

VILLAGE OF ESSEX JUNCTION, VERMONT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2013

	Water Fund	Sanitation Fund	Wastewater Fund	Total
<u>ASSETS</u>				
Current Assets:				
Cash	\$ 138,096	\$ 1,009,672	\$ 1,324,096	\$ 2,471,864
Receivables (Net of Allowance for Uncollectible Accounts)	18,348	17,968	65,346	101,662
Estimated Unbilled Revenues	397,462	137,178	176,488	711,128
Due from Other Funds	0	13,841	0	13,841
Inventories	771	0	16,243	17,014
Other Current Assets	3,756	8,562	8,421	20,739
Total Current Assets	<u>558,433</u>	<u>1,187,221</u>	<u>1,590,594</u>	<u>3,336,248</u>
Noncurrent Assets:				
Capital Assets				
Land	0	0	118,077	118,077
Construction in Progress	0	0	10,286,596	10,286,596
Buildings and Building Improvements	40,000	0	8,303,215	8,343,215
Vehicles, Machinery and Equipment	327,099	430,554	2,271,423	3,029,076
Infrastructure	0	0	45,539	45,539
Transmission and Distribution Plant	8,022,882	8,225,614	0	16,248,496
Less Accumulated Depreciation	<u>(6,752,883)</u>	<u>(5,217,673)</u>	<u>(5,573,693)</u>	<u>(17,544,249)</u>
Total Noncurrent Assets	<u>1,637,098</u>	<u>3,438,495</u>	<u>15,451,157</u>	<u>20,526,750</u>
Total Assets	<u>\$ 2,195,531</u>	<u>\$ 4,625,716</u>	<u>\$ 17,041,751</u>	<u>\$ 23,862,998</u>
<u>LIABILITIES</u>				
Current Liabilities:				
Accounts Payable	\$ 228,549	\$ 8,104	\$ 1,979,684	\$ 2,216,337
Accrued Payroll and Benefits Payable	2,759	2,283	6,974	12,016
Due to Other Funds	0	0	13,863	13,863
Interest Payable	0	0	4,234	4,234
Notes Payable - Current Portion	<u>0</u>	<u>10,418</u>	<u>111,720</u>	<u>122,138</u>
Total Current Liabilities	<u>231,308</u>	<u>20,805</u>	<u>2,116,475</u>	<u>2,368,588</u>
Noncurrent Liabilities				
Accrued Compensated Absences Payable	8,713	6,045	43,467	58,225
Notes Payable - Noncurrent Portion	<u>0</u>	<u>1,306,248</u>	<u>8,596,587</u>	<u>9,902,835</u>
Total Noncurrent Liabilities	<u>8,713</u>	<u>1,312,293</u>	<u>8,640,054</u>	<u>9,961,060</u>
Total Liabilities	<u>240,021</u>	<u>1,333,098</u>	<u>10,756,529</u>	<u>12,329,648</u>
<u>NET POSITION</u>				
Net Investment in Capital Assets	1,637,098	2,121,829	8,377,850	12,136,777
Unrestricted/(Deficit)	<u>318,412</u>	<u>1,170,789</u>	<u>(2,092,628)</u>	<u>(603,427)</u>
Total Net Position	<u>1,955,510</u>	<u>3,292,618</u>	<u>6,285,222</u>	<u>11,533,350</u>
Total Liabilities and Net Position	<u>\$ 2,195,531</u>	<u>\$ 4,625,716</u>	<u>\$ 17,041,751</u>	<u>\$ 23,862,998</u>

The accompanying notes are an integral part of this financial statement.

VILLAGE ESSEX JUNCTION, VERMONT
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Water Fund	Sanitation Fund	Wastewater Fund	Total
Operating Revenues:				
Charges for Services	\$ 2,987,373	\$ 503,103	\$ 955	\$ 3,491,431
Miscellaneous	<u>18,946</u>	<u>107,731</u>	<u>1,723,595</u>	<u>1,850,272</u>
Total Operating Revenues	<u>3,006,319</u>	<u>610,834</u>	<u>1,724,550</u>	<u>5,341,703</u>
Operating Expenses:				
Operating, Maintenance, and General and Administrative Expenses	2,859,520	352,520	1,381,763	4,593,803
Depreciation	<u>94,477</u>	<u>133,809</u>	<u>292,081</u>	<u>520,367</u>
Total Operating Expenses	<u>2,953,997</u>	<u>486,329</u>	<u>1,673,844</u>	<u>5,114,170</u>
Operating Income	<u>52,322</u>	<u>124,505</u>	<u>50,706</u>	<u>227,533</u>
Nonoperating Revenues (Expenses):				
Investment Income	157	1,564	3,468	5,189
Net Loss on Disposal of Capital Assets	0	0	(7,040)	(7,040)
Net Gain on Sale of Capital Assets	0	3,500	0	3,500
Interest Expense	<u>0</u>	<u>(4,666)</u>	<u>(53,890)</u>	<u>(58,556)</u>
Total Nonoperating Revenues (Expenses)	<u>157</u>	<u>398</u>	<u>(57,462)</u>	<u>(56,907)</u>
Income/(Loss) Before Capital Contributions and Transfers	52,479	124,903	(6,756)	170,626
Capital Contributions	0	202,690	543,143	745,833
Transfer In	0	13,780	40,062	53,842
Transfers Out	<u>0</u>	<u>(40,062)</u>	<u>(13,780)</u>	<u>(53,842)</u>
Change in Net Position	52,479	301,311	562,669	916,459
Net Position - July 1, 2012	<u>1,903,031</u>	<u>2,991,307</u>	<u>5,722,553</u>	<u>10,616,891</u>
Net Position - June 30, 2013	<u>\$ 1,955,510</u>	<u>\$ 3,292,618</u>	<u>\$ 6,285,222</u>	<u>\$ 11,533,350</u>

The accompanying notes are an integral part of this financial statement.

VILLAGE OF ESSEX JUNCTION, VERMONT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Water Fund	Sanitation Fund	Wastewater Fund	Total
Cash Flows From Operating Activities:				
Receipts from Customers and Users	\$ 3,047,477	\$ 610,474	\$ 1,676,097	\$ 5,334,048
Receipts for Interfund Services	5,000	0	24,800	29,800
Other Receipts	366	0	604	970
Payments to Suppliers	(2,598,633)	(64,189)	(753,419)	(3,416,241)
Payments for Interfund Services	(110,169)	(135,111)	(55,085)	(300,365)
Payments for Wages and Benefits	(169,397)	(143,826)	(478,524)	(791,747)
Net Cash Provided by Operating Activities	<u>174,644</u>	<u>267,348</u>	<u>414,473</u>	<u>856,465</u>
Cash Flows From Noncapital Financing Activities:				
Principal Paid on Note Payable	0	0	(50,000)	(50,000)
Interest Paid on Note Payable	0	0	(3,023)	(3,023)
Interest Paid on Pooled Cash	(48)	0	(160)	(208)
Increase/(Decrease) in Due to/from Other Funds	<u>0</u>	<u>(10,094)</u>	<u>10,094</u>	<u>0</u>
Net Cash Provided/(Used) by Noncapital Financing Activities	<u>(48)</u>	<u>(10,094)</u>	<u>(43,089)</u>	<u>(53,231)</u>
Cash Flows From Capital and Related Financing Activities:				
Proceeds from Capital Grants	0	102,690	473,054	575,744
Contributed Capital	0	0	70,089	70,089
Proceeds from Sale of Capital Asset	0	3,500	0	3,500
Proceeds from Sale of WWTF Capacity	0	100,000	0	100,000
Proceeds from Long-Term Debt	0	977,696	6,215,861	7,193,557
Acquisition and Construction of Capital Assets	(166,294)	(978,602)	(7,654,211)	(8,799,107)
Principal Paid on Long-Term Debt	0	(10,213)	(61,687)	(71,900)
Interest Paid on Long-Term Debt	0	(4,666)	(51,157)	(55,823)
Interfund transfers for Capital Purposes	0	(40,062)	40,062	0
Increase/(Decrease) in Due To/From Other Funds for Capital Purposes	<u>0</u>	<u>(61)</u>	<u>61</u>	<u>0</u>
Net Cash Provided/(Used) by Capital and Related Financing Activities	<u>(166,294)</u>	<u>150,282</u>	<u>(967,928)</u>	<u>(983,940)</u>
Cash Flows From Investing Activities:				
Receipt of Interest & Dividends	<u>206</u>	<u>1,563</u>	<u>3,628</u>	<u>5,397</u>
Net Cash Provided by Investing Activities	<u>206</u>	<u>1,563</u>	<u>3,628</u>	<u>5,397</u>
Net Increase/(Decrease) in Cash	8,508	409,099	(592,916)	(175,309)
Cash - July 1, 2012	<u>129,588</u>	<u>600,573</u>	<u>1,917,012</u>	<u>2,647,173</u>
Cash - June 30, 2013	<u>\$ 138,096</u>	<u>\$ 1,009,672</u>	<u>\$ 1,324,096</u>	<u>\$ 2,471,864</u>
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided by Operating Activities:				
Operating Income	\$ 52,322	\$ 124,505	\$ 50,706	\$ 227,533
Depreciation	94,477	133,809	292,081	520,367
(Increase)/Decrease in Other Receivables	3,604	(2,507)	(45,231)	(44,134)
(Increase)/Decrease in Unbilled Revenues	42,919	2,147	22,183	67,249
(Increase)/Decrease in Inventory	(257)	0	7,476	7,219
Increase/(Decrease) in Accounts Payable	(18,735)	6,425	91,569	79,259
Increase/(Decrease) in Accrued Payroll and Compensated Absences	281	3,467	(3,947)	(199)
Increase/(Decrease) in Other Operating Assets/Liabilities	<u>33</u>	<u>(498)</u>	<u>(364)</u>	<u>(829)</u>
Net Cash Provided by Operating Activities	<u>\$ 174,644</u>	<u>\$ 267,348</u>	<u>\$ 414,473</u>	<u>\$ 856,465</u>

Supplemental Information:

Vehicles with a cost of \$85,840 and accumulated depreciation of \$53,869 in the Water Fund were traded in during the year.

Equipment with a cost of \$100,572 and accumulated depreciation of \$93,532 in the Wastewater Fund was disposed of during the year.

\$1,839,463 and \$179,111 of capital assets purchases are included in accounts payable at June 30, 2013 and 2012, respectively.

The accompanying notes are an integral part of this financial statement.

VILLAGE OF ESSEX JUNCTION, VERMONT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2013

	<u>Agency Fund</u>
	Exposition Noise Escrow Account Fund
	<u> </u>
<u>ASSETS</u>	
Cash	\$ <u>2,001</u>
Total Assets	<u>2,001</u>
<u>LIABILITIES</u>	
Due to Other Organizations	<u>2,001</u>
Total Liabilities	<u>2,001</u>
<u>NET POSITION</u>	\$ <u><u>0</u></u>

The accompanying notes are an integral part of this financial statement.

VILLAGE OF ESSEX JUNCTION, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

The Village of Essex Junction, Vermont, (herein the "Village") operates under a Board of Trustees-Manager form of government and provides the following services as authorized by its charter: public safety, library, highways and streets, sanitation, health and social services, culture and recreation, community/economic development, public improvements, planning and zoning, water, sanitation, wastewater treatment and general administrative services.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted by the Village of Essex Junction (the "Village") conform to generally accepted accounting principles (GAAP) as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing accounting and financial reporting principles. The following is a summary of the more significant accounting policies employed in the preparation of these financial statements.

A. The Financial Reporting Entity

This report includes all of the funds of the Village of Essex Junction, Vermont. The reporting entity consists of the primary government; organizations for which the primary government is financially accountable; and other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government. Based on these criteria, there are no other entities that should be combined with the financial statements of the Village.

B. Basis of Presentation

The accounts of the Village are organized and operated on the basis of fund accounting. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are spent and the means by which spending activities are controlled.

The basic financial statements of the Village include both government-wide statements and fund financial statements. The focus of the government-wide statements is on reporting the operating results and financial position of the Village as a whole and present a longer-term view of the Village's finances. The focus of the fund financial statements is on reporting on the operating results and financial position of the most significant funds of the Village and present a shorter-term view of how operations were financed and what remains available for future spending.

VILLAGE OF ESSEX JUNCTION, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

Government-wide Statements: The statement of net position and the statement of activities display information about the primary government, the Village. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of activities between funds. These statements distinguish between the governmental and business-type activities of the Village. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Village's governmental activities and for each segment of the Village's business-type activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular program or function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the Village's funds, including fiduciary funds. Separate statements for each fund category of governmental, proprietary, and fiduciary are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

The Village reports on the following major governmental funds:

General Fund ó This is the Village's main operating fund. It accounts for all financial resources of the Village except those accounted for in another fund.

Capital Reserve Fund ó This fund accounts for the general capital expenditures of the Village.

Rolling Stock Reserve Fund ó This fund accounts for general rolling stock (vehicles) purchases of the Village.

The Village reports on the following major enterprise funds:

Water Fund ó This fund accounts for the operations of the Water Department.

Sanitation Fund ó This fund accounts for the operations of the Sanitation Department.

Wastewater Fund ó This fund accounts for the operations of the Wastewater Department.

VILLAGE OF ESSEX JUNCTION, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

Additionally, the Village reports the following fund type:

Agency Fund ó This fund accounts for monies maintained for Exposition Escrow deposits.

C. Measurement Focus

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. This means that all assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of these funds (whether current or noncurrent) are included on the balance sheet (or statement of net position). Equity (i.e., net total net position) is segregated into net investment in capital assets; restricted net position; and unrestricted net position. Operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total net position.

Governmental fund financial statements are reported using the current financial resources measurement focus. This means that only current assets, deferred outflows of resources, current liabilities and deferred inflows of resources are generally reported on their balance sheets. Their reported fund balances (net current position) are considered a measure of available spendable resources, and are segregated into nonspendable; restricted; committed; assigned and unassigned amounts. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current position. Accordingly, they are said to present a summary of sources and uses of available spendable resources during a period.

D. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred, regardless of when the related cash flow takes place. Nonexchange transactions, in which the Village gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

VILLAGE OF ESSEX JUNCTION, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

Governmental funds are reported using the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transaction can be determined, and "available" means the amount is collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Village considers all revenues reported in governmental funds to be available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, certain compensated absences and other long-term liabilities which are recognized when the obligations are expected to be liquidated or are funded with expendable available financial resources.

General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the Village funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the Village's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenues. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and other grant requirements have been met.

E. Use of Estimates

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

F. New Pronouncement – Deferred Outflows/Inflows of Resources

Effective June 30, 2013, the Village implemented GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position". GASB Statement No 63 provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources, introduced and defined in GASB Concepts Statement No. 4. This statement amends the net asset reporting requirements in Statement No. 34, "Basic Financial Statements – and Management's Discussion and Analysis" for State and Local Governments, and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets.

VILLAGE OF ESSEX JUNCTION, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statements element, "deferred outflows of resources", represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditures) until then. The Village did not have any items that qualified for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, "deferred inflows of resources", represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Village has four (4) types of items which arise under the modified accrual basis of accounting and one type which arises under the accrual basis of accounting that qualify for reporting in this category. Accordingly, the item, "unavailable revenue", is reported in the statement of net position and governmental funds balance sheet. The statement of net position reports unavailable revenues from one source; prepaid property taxes. The governmental funds report unavailable revenues from four (4) sources; prepaid property taxes, unavailable property taxes, penalties and interest, unavailable grant revenue and other unavailable revenues. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

G. Assets, Liabilities and Equity

1. Cash

Cash balances of most Village funds are deposited with and invested by the Village Treasurer. The Village considers all short-term investments of ninety (90) days or less to be cash equivalents.

2. Investments

The Village invests in investments as allowed by State Statute. Investments with readily determinable fair values are reported at their fair values on the balance sheet. Unrealized gains and losses are included in revenue.

3. Receivables

Receivables are shown net of an allowance for uncollectible accounts for the estimated losses that will be incurred in the collection of the receivables. The estimated losses are based on the judgment of management and a review of the current status of existing receivables.

Unbilled revenues consist of revenues earned as of June 30, but not yet billed as of that date.

VILLAGE OF ESSEX JUNCTION, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

4. Internal Balances

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "interfund loan receivable/payable." All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

5. Inventories and Prepaid Expenses

Inventory quantities are determined by physical count and are valued at the lower of cost or market. Inventories in the Proprietary Funds consist of chemicals and materials. Inventory in the General Fund consists of salt and calcium chloride.

Certain payments to vendors reflect costs that are applicable to future accounting periods and are recorded as prepaid expenses.

Inventories and prepaid expenses of governmental funds in the fund financial statements are offset by a nonspendable fund balance as these are not in spendable form.

6. Capital Assets

Capital assets are reported at actual cost or estimated historical cost based on appraisals or deflated current replacement cost if purchased or constructed. Contributed assets are recorded at their estimated fair value at the time received. Major outlays for capital assets and improvements are capitalized as constructed. Interest incurred during the construction phase for proprietary fund capital assets is reflected in the capitalized value of the asset constructed, net of any interest earned on the invested proceeds during the same period. Interest is not capitalized during the construction phase of capital assets used in governmental activities. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not capitalized. The Village has elected to report major general infrastructure assets constructed since 1990.

Capital assets reported in the government-wide and proprietary fund financial statements are depreciated in order that the cost of these assets will be charged to expenses over their estimated service lives, generally using the straight-line method of calculating depreciation.

VILLAGE OF ESSEX JUNCTION, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

Capitalization thresholds (the dollar values above which asset acquisitions are added to the capital asset accounts) and estimated useful lives of capital assets are as follows:

	<u>Capitalization Threshold</u>	<u>Estimated Service Life</u>
Land	\$ 1,000	Not Depreciated
Antiques and Works of Art	\$ 1,000	Not Depreciated
Buildings and Building Improvements	\$ 5,000	40 Years
Vehicles, Machinery, Equipment , Furniture and Traffic Signals	\$ 1,000	8-20 Years
Library Books	\$ 1	7 Years
Parks	\$ 5,000	20-100 Years
Roads, Curbs, Sidewalks and Storm Sewers	\$ 5,000	30-50 Years
Water, Sanitation and Wastewater Distribution and Collection Systems	\$ 5,000	60-100 Years

Capital assets are not reported in the governmental fund financial statements. Capital outlays in these funds are recorded as expenditures in the year they are incurred.

7. Compensated Absences

It is the Village's policy to permit employees to accumulate earned but unused vacation and comp time benefits. The Village also pays 50% of accumulated sick time over 800 hours at retirement if the employee has 15 years of service. The maximum payout amount is limited to 500 hours. The Village evaluates all employees who have reached ten (10) years of service and, depending on accrued leave time at that point, determines if they will likely meet the eligibility threshold. The accrual for unused compensated absences time, based on current pay rates, is recorded in the government-wide and proprietary fund financial statements. The liability for unused compensated absences is not reported in the governmental fund type financial statements.

Payments for unused compensated absences are recorded as expenditures in the year they are paid.

8. Noncurrent Liabilities

Noncurrent liabilities are comprised of notes payable and compensated absences. Noncurrent liabilities are reported in the government-wide and proprietary fund financial statements. Governmental fund type financial statements do not include any noncurrent liabilities as those statements use the current financial resources measurement focus and only include current assets and liabilities on their balance sheets.

VILLAGE OF ESSEX JUNCTION, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

9. Fund Equity

Fund Balances and Net Position are classified based upon any restrictions that have been placed on those balances or any tentative plans management may have made for those balances. Restrictions of net position in the government-wide and proprietary fund type financial statements represent amounts that cannot be appropriated or are legally restricted for a specific purpose by a grant, contract, or other binding agreement. Fund Balances of governmental funds are classified as nonspendable (not in spendable form or legally required to remain intact); restricted (constraints on the use of resources are either externally imposed by creditors, grantors, or donors, or imposed by law through enabling legislation); committed (constraints on the use of resources are imposed by formal action of the voters); assigned (reflecting the Board of Trustees' intended use of the resources); and unassigned.

**II. EXPLANATION OF DIFFERENCES BETWEEN GOVERNMENTAL FUND
AND GOVERNMENT-WIDE STATEMENTS**

Governmental Fund financial statements are presented using the current financial resources measurement focus and the modified accrual basis of accounting, while government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. These differences in the measurement focus and basis of accounting lead to differences between the governmental fund financial statements and the government-wide financial statements as follows:

Long-term revenue differences arise because governmental funds report revenues only when they are considered "available", whereas government-wide statements report revenues when they are earned. Long-term expense differences arise because governmental funds report expenditures (including interest) using the modified accrual basis of accounting, whereas government-wide statements report expenses using the accrual basis of accounting.

Capital-related differences arise because governmental funds report capital outlays as current period expenditures, whereas government-wide statements report depreciation as an expense. Further, governmental funds report the proceeds from the sale of capital assets as an other financing source, whereas government-wide statements report the gain or loss from the sale of capital assets as revenue or expense.

Long-term debt transaction differences arise because governmental funds report proceeds of long-term debt as an other financing source and principal payments as expenditures, whereas government-wide statements report those transactions as increases and decreases in liabilities.

III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

The General Fund Budget is approved at the annual Village Meeting in April. Budget transfers between departments can be made upon the approval of the Trustees during the last three (3) months of the year without increasing the total appropriated amount.

Enterprise fund budgets are approved by the Board of Trustees.

VILLAGE OF ESSEX JUNCTION, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

B. Budgeted Deficit

The Village budgeted a current year's deficiency of revenues over expenditures in the amount of \$35,000 in the General Fund in order to utilize a portion of previous years surplus. This amount is reflected as a budgeted deficiency of revenue over expenditures in Exhibit F.

C. Excess of Expenditures Over Appropriations

For the year ended June 30, 2013, expenditures in the General Fund exceeded appropriations by \$667. This was funded by unbudgeted grant revenues.

D. Fund Balance Policy

At the April, 2011 annual meeting, the Voters approved maintaining an unassigned fund balance of no more than ten percent (10%) of the prior year's budget.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

The Village's Trustees have established an investment policy which indicates which types of investments the Village can own. There are no outside restrictions on the types of investments the Village may invest in.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of failure of the counter-party (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investments or collateral securities that are in possession of another party. The Village's policy only allows deposits in banks that are FDIC insured and agree to collateralize amounts in excess of FDIC limits.

	<u>Book Balance</u>	<u>Bank Balance</u>
FDIC Insured	\$ 353,390	\$ 353,390
Uninsured, Collateralized by U.S. Government Securities, Federal Agency Issued Mortgage Backed Securities and/or General Obligation Vermont Municipal Notes and Bonds Held by the Bank's Trust Department with a Security Interest Granted to the Village	3,561,283	3,834,597
Petty Cash	225	
	<u>\$ 3,914,898</u>	<u>\$ 4,187,987</u>

VILLAGE OF ESSEX JUNCTION, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

The difference between the book and the bank balance is due to reconciling items such as deposits in transit and outstanding checks.

Interest Rate Risk

Interest rate risk is the risk that changes in market rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As of June 30, 2013, the Village is not exposed to interest rate risk.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Village's policy does not allow investment in securities that are subject to credit risk unless issued by the Federal Government. As of June 30, 2013, the Village is not exposed to credit risk.

Concentration of Credit Risk

The Village has no limit on the amount that they may invest with any one issuer. As of June 30, 2013, the Village is not exposed to concentration of credit risk.

B. Receivables

Receivables at June 30, 2013, as reported in the statement of net position, net of applicable allowances for uncollectible accounts, are as follows:

	Governmental Activities	Business-Type Activities	Total
Current Taxes	\$ 17,607	\$ 0	\$ 17,607
Delinquent Taxes	8,555	0	8,555
Penalties and Interest	5,548	0	5,548
Billed Services	995	56,635	57,630
Unbilled Services	14,090	711,128	725,218
Grants	87,063	350	87,413
Other Governments	0	44,677	44,677
Allowance for Doubtful Accounts	(1,000)	0	(1,000)
	\$ 132,858	\$ 812,790	\$ 945,648

VILLAGE OF ESSEX JUNCTION, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

C. Note Receivable

The Village has a note receivable as follows:

Note Receivable 6 Whitcomb Terrace Housing Limited Partnership, Principal Deferred Until December 17, 2034, at Which Time the Note is Due, Interest at 0%, Secured by a 2 nd Position on Building	\$ 260,000
Allowance for Receivable	<u>(260,000)</u>
Net Note Receivable	\$ <u>0</u>

D. Capital Assets

Capital asset activity for the year ended June 30, 2013 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 55,742	\$ 0	\$ 0	\$ 55,742
Construction in Progress	151,404	291,853	21,327	421,930
Antiques and Works of Art	12,000	1,550	6,000	7,550
Total Capital Assets, Not Being Depreciated	<u>219,146</u>	<u>293,403</u>	<u>27,327</u>	<u>485,222</u>
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	1,870,964	0	0	1,870,964
Vehicles, Machinery, Equipment, Furniture, and Traffic Signals	5,029,223	1,035,532	474,644	5,590,111
Library Books	857,943	57,396	81,864	833,475
Parks	210,984	0	0	210,984
Roads, Curbs, Sidewalks and Storm Sewers	7,214,379	214,142	0	7,428,521
Totals	<u>15,183,493</u>	<u>1,307,070</u>	<u>556,508</u>	<u>15,934,055</u>
Less accumulated depreciation for:				
Buildings and Building Improvements	589,413	43,994	0	633,407
Vehicles, Machinery, Equipment, Furniture, and Traffic Signals	1,899,194	234,189	389,536	1,743,847
Library Books	613,826	71,689	81,864	603,651
Parks	16,613	2,578	0	19,191
Roads, Curbs, Sidewalks and Storm Sewers	1,177,721	267,839	0	1,445,560
Totals	<u>4,296,767</u>	<u>620,289</u>	<u>471,400</u>	<u>4,445,656</u>
Total Capital Assets, Being Depreciated	<u>10,886,726</u>	<u>686,781</u>	<u>85,108</u>	<u>11,488,399</u>
Governmental Activities Capital Assets, Net	<u>\$ 11,105,872</u>	<u>\$ 980,184</u>	<u>\$ 112,435</u>	<u>\$ 11,973,621</u>

VILLAGE OF ESSEX JUNCTION, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 118,077	\$ 0	\$ 0	\$ 118,077
Construction in Progress	1,327,124	9,435,431	475,959	10,286,596
Total Capital Assets, Not Being Depreciated	<u>1,445,201</u>	<u>9,435,431</u>	<u>475,959</u>	<u>10,404,673</u>
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	8,343,215	0	0	8,343,215
Vehicles, Machinery, Equipment and Furniture	2,990,692	224,799	186,412	3,029,079
Infrastructure	45,539	0	0	45,539
Distribution and Collection Systems	14,941,337	1,307,158	0	16,248,495
Totals	<u>26,320,783</u>	<u>1,531,957</u>	<u>186,412</u>	<u>27,666,328</u>
Less Accumulated Depreciation for:				
Buildings and Building Improvements	4,259,151	168,047	0	4,427,198
Vehicles, Machinery, Equipment and Furniture	1,346,388	163,672	147,401	1,362,659
Infrastructure	17,077	2,277	0	19,354
Distribution and Collection Systems	11,548,669	186,371	0	11,735,040
Totals	<u>17,171,285</u>	<u>520,367</u>	<u>147,401</u>	<u>17,544,251</u>
Total Capital Assets, Being Depreciated	<u>9,149,498</u>	<u>1,011,590</u>	<u>39,011</u>	<u>10,122,077</u>
Business-Type Activities Capital Assets, Net	<u>\$ 10,594,699</u>	<u>\$ 10,447,021</u>	<u>\$ 514,970</u>	<u>\$ 20,526,750</u>

Depreciation was charged as follows:

Governmental Activities:		Business - Type Activities:	
General Government	\$ 19,618	Water	\$ 94,477
Public Safety	67,057	Sanitation	133,809
Community Development	642	Wastewater	<u>292,081</u>
Public Works	417,730		
Culture and Recreation	<u>115,242</u>		
Total Depreciation		Total Depreciation Expense	
Expense - Governmental		- Business-Type Activities	
Activities	<u>\$ 620,289</u>		<u>\$ 520,367</u>

VILLAGE OF ESSEX JUNCTION, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

E. Interfund Balances and Activity

The composition of interfund balances at June 30, 2013 are as follows:

<u>Fund</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ 22	\$ 0
Sanitation Fund	13,841	0
Wastewater Fund	<u>0</u>	<u>13,863</u>
Total	\$ <u>13,863</u>	\$ <u>13,863</u>

The Interfund transfers during the year ended June 30, 2013 were as follows:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Rolling Stock Reserve Fund	\$ 163,624	Annual Appropriation
General Fund	Rolling Stock Reserve Fund	50,000	Half Penny for Ladder Truck Note
General Fund	Capital Reserve Fund	372,788	Annual Appropriation
Wastewater Fund	Sanitation Fund	13,780	Fund WWTF Future Capital Projects
Sanitation Fund	Wastewater Fund	<u>40,062</u>	Pay Bond Debt Service
Total		\$ <u>640,254</u>	

F. Unearned Revenue

Unearned revenue in the General Fund consists of \$1,428 of grant revenue received in advance.

G. Deferred Inflows of Resources

Deferred inflows of resources in the General Fund consists of \$28,400 of delinquent property taxes, penalties and interest on those taxes and \$8,016 of other revenues that were not collected within sixty (60) days after year-end as these would not be available to liquidate current liabilities. It also includes \$1,658 of prepaid property taxes. Total deferred inflows of resources in the General Fund is \$38,074.

VILLAGE OF ESSEX JUNCTION, VERMONT
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Deferred inflows of resources in the Capital Reserve Fund consist of \$47,144 of grant revenue not collected within sixty (60) days after year-end as these would not be available to liquidate current liabilities.

H. Long-term Liabilities

General Obligation Bonds - The Village issues general obligation bonds to provide resources for the acquisition and construction of major capital facilities and to refund prior issues. General obligation bonds have been issued for proprietary activities. Bonds are reported in governmental activities if the debt is expected to be repaid from general governmental revenues and in business-type (proprietary) activities if the debt is expected to be repaid from proprietary fund revenues.

General obligation bonds are direct obligations and pledge the full faith and credit of the Village. New bonds generally are issued as 10 to 30 year bonds. Refunding bonds are issued for various terms based on the debt service of the debt refunded.

Notes Payable - The Village has notes payable to finance various capital projects and purchases through local banks and the State of Vermont Municipal Equipment Loan Fund.

No-Interest Revolving Loans - The State of Vermont offers a number of no and low interest revolving loan programs to utilize for predetermined purposes. The Village has borrowed money from the Vermont Special Environmental Revolving Fund for sanitation and wastewater projects.

Compensated Absences - Unused vacation time can be accumulated up to 240 hours as of an employee's anniversary date. Compensatory time for hourly employees can be accrued up to 160 hours and for salaried employees up to 120 hours at any time. Employees with more than 15 years of service to the Village will be paid for half of their accumulated sick hours in excess of 800 hours at their current rate of pay upon retirement, termination or death.

Long-term liabilities outstanding as of June 30, 2013 were as follows:

Governmental Activities:

	Beginning Balance <u>July 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	Ending Balance <u>June 30, 2013</u>
Note Payable - State of Vermont Municipal Equipment Loan Fund, Fire truck Purchase, Interest at 2%, \$22,000 Due Annually Plus Interest, Due and Paid June, 2013	\$ 22,000	\$ 0	\$22,000	\$ 0

VILLAGE OF ESSEX JUNCTION, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

	Beginning Balance <u>July 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	Ending Balance <u>June 30, 2013</u>
Note Payable ó Merchants Bank, Current Expense Note, Fire Ladder Truck Purchase, Interest at 1.31%, \$250,000 Due July 30, 2013, the Village Intends to Renew the Note Annually and Pay \$50,000 Plus Interest Annually	\$ <u>0</u>	<u>\$250,000</u>	\$ <u>0</u>	<u>\$250,000</u>
Total Governmental Activities	\$ <u>22,000</u>	<u>\$250,000</u>	<u>\$22,000</u>	<u>\$250,000</u>

	Beginning Balance <u>July 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	Ending Balance <u>June 30, 2013</u>
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Business-Type Activities

Note Payable ó Peoples United Bank, Wastewater Deficit Funding Note, Interest at 3.25%, \$50,000 Plus Interest Due Annually, Due June, 2014	\$ 100,000	\$ 0	\$50,000	\$ 50,000
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Note Payable ó State of Vermont Special Environmental Revolving Fund, Sanitation and Wastewater Improvements, Authorized to \$566,938 but was Eligible for 50% Forgiveness, Interest at 0%, an Administration fee of 2% is Assessed Annually, Annual Payments of \$17,336, Due October, 2030	271,802	0	11,900	259,902
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Note Payable ó State of Vermont Special Environmental Revolving Fund, Wastewater Improvements, Authorized to \$8,828,200, Interest at 0%, Payments of \$55,213 Begin February, 2017, Due February, 2031	820,613	6,215,861	0	7,036,474
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VILLAGE OF ESSEX JUNCTION, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

	Beginning Balance <u>July 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	Ending Balance <u>June 30, 2013</u>
Note Payable ó State of Vermont Special Environmental Revolving Fund, Sanitation Pump Station Im- provements, Authorized to \$1,212,300 But Eligible for \$114,800 Subsidy Leaving a Total Repayment Amount of \$1,097,500, Interest at 0%, an Administration Fee of 2% is Assessed Annually, Payments of \$67,120 Begin February, 2014, Due November, 2033	\$ 115,900	\$ 977,696	\$ 0	\$ 1,093,596
Bond Payable ó Vermont Municipal Bond Bank Series 2010-5 New Money (Recovery Zone Economic Development Bond) Wastewater Improvements, Annual Principal Payments Ranging from \$55,000 to \$60,000 Due December 1, Semi-Annual Interest Payments Due June 1 and December 1, Net Interest Cost of 3.345%, 30 Year Bond Assumed from the Town of Bradford, Due, December, 2040	<u>1,645,000</u>	<u>0</u>	<u>60,000</u>	<u>1,585,000</u>
Total Business-Type Activities	<u>\$2,953,315</u>	<u>\$7,193,557</u>	<u>\$121,900</u>	<u>\$10,024,972</u>

Compensated Absences are paid by the applicable fund where the employee is charged.

Changes in all long-term liabilities during the year were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
Notes Payable	\$ 22,000	\$ 250,000	\$ 22,000	\$ 250,000	\$ 50,000
Compensated Absences	<u>156,159</u>	<u>0</u>	<u>16,335</u>	<u>139,824</u>	<u>0</u>
Total Governmental Activities Long-Term Liabilities	<u>178,159</u>	<u>250,000</u>	<u>38,335</u>	<u>389,824</u>	<u>\$ 50,000</u>
Business-type Activities					
Notes Payable	1,308,315	7,193,557	61,900	8,439,972	62,138
Bonds Payable	1,645,000	0	60,000	1,585,000	60,000
Compensated Absences	<u>52,551</u>	<u>5,674</u>	<u>0</u>	<u>58,225</u>	<u>0</u>
Total Business-type Activities Long-Term Liabilities	<u>\$ 3,005,866</u>	<u>\$ 7,199,231</u>	<u>\$ 121,900</u>	<u>\$ 10,083,197</u>	<u>\$ 122,138</u>

VILLAGE OF ESSEX JUNCTION, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
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Maturities of notes and bonds payable are anticipated to be as follows:

Year Ending June 30	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2014	\$ 50,000	\$ 3,255	\$ 122,138	\$ 54,741
2015	50,000	2,620	117,390	73,907
2016	50,000	1,965	408,135	212,513
2017	50,000	1,310	415,098	204,451
2018	50,000	655	422,201	194,657
2019-2023	0	0	2,217,602	845,386
2024-2028	0	0	2,397,711	601,596
2029-2033	0	0	2,583,622	332,966
2034-2038	0	0	1,176,075	81,143
2039-2042	0	0	165,000	8,982
Total	\$ <u>250,000</u>	\$ <u>9,805</u>	\$ <u>10,024,972</u>	\$ <u>2,610,342</u>

I. Fund Balances

GASB Statement No. 34, as amended by GASB Statement No. 54, requires fund balances reported on the governmental fund balance sheet to be classified using a hierarchy based primarily on the extent to which a government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Governmental fund balances are to be classified as: nonspendable (not in spendable form or legally required to remain intact); restricted (constraints on the use of resources are either externally imposed by creditors, grantors or donors, or imposed by law through enabling legislation); committed (constraints on the use of resources are imposed by formal action of the voters); assigned (reflecting the Board of Trustees' intended use of the resources); and unassigned.

Special revenue funds are created only to report a revenue source (or sources) that is restricted or committed to a specified purpose, and that the revenue source should constitute a substantial portion of the resources reported in that fund. Special revenue funds cannot be used to accumulate funds that are not restricted or committed. These amounts will have to be reflected in the General Fund.

VILLAGE OF ESSEX JUNCTION, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
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Amounts constrained to stabilization will be reported as restricted or committed fund balance in the General Fund if they meet the other criteria for those classifications. However, stabilization is regarded as a specified purpose only if the circumstances or conditions that signal the need for stabilization (a) are identified in sufficient detail and (b) are not expected to occur routinely. Governments are required to disclose in the notes key information about their stabilization arrangements, including the authority by which they were established, provisions for additions to the stabilization amount, and circumstances under which those amounts may be spent. The Village does not have any stabilization arrangements.

Some governments create stabilization-like arrangements by establishing formal minimum fund balance policies. Because users are interested in information about those minimum fund balance policies and how governments comply with them, governments are required to explain their minimum fund balance policies, if they have them, in notes to the financial statements. The Village does have a minimum fund balance policy which is to maintain an unassigned fund balance which is no greater than ten percent (10%) of the prior year's budget.

When expenditures are incurred for purposes for which both restricted and unrestricted amounts are available, it is the Village's policy to first consider restricted amounts to have been spent, followed by committed, assigned, and finally unassigned amounts.

The purpose for each major special revenue fund including which specific revenues and other resources are authorized to be reported in each are described in the following section.

The fund balances in the following fund are nonspendable as follows:

Major Funds

General Fund:

Nonspendable Inventories	\$ 59,728
Nonspendable Prepaid Expenses	<u>30,269</u>
Total General Fund	<u>\$ 89,997</u>

The fund balance in the following fund is restricted as follows:

Restricted for Veterans Memorial Park by Donation (Source of Revenue is Donations)	<u>\$ 5,424</u>
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VILLAGE OF ESSEX JUNCTION, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

The fund balances in the following funds are committed as follows:

Capital Projects Funds

Committed for Capital Projects	\$455,938
Committed for Rolling Stock	280,542
Committed for Land Acquisition	<u>100,245</u>
Total Committed Fund Balances	<u>\$836,725</u>

The fund balance in the following fund is assigned as follows:

Major Funds:

General Fund

Assigned to Reduce Property Taxes Raised in Fiscal Year 2014	\$ 35,000
Assigned for Library Book Replacement	2,494
Assigned for Termination Benefits	66,965
Assigned for Landscaping	3,600
Assigned for Health Reimbursement Arrangement Expenses	<u>10,000</u>
Total General Fund	<u>118,059</u>
Total Assigned Fund Balance	<u>\$118,059</u>

J. Restricted Net Position

The restricted net position as of June 30, 2013 is as follows:

Governmental Activities:

Restricted for Veterans Memorial Park by Donation	<u>\$ 5,424</u>
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VILLAGE OF ESSEX JUNCTION, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

K. Designated Net Position

The designated net position of the Village as of June 30, 2013 are as follows:

Water Fund

Designated for Water Fund Expenditures	\$ 292,248
Designated for Water Fund Capital Expenditures	<u>26,164</u>
Total Water Fund	<u>318,412</u>

Sanitation Fund

Designated for Sanitation Fund Expenditures	220,781
Designated for Sanitation Fund Capital Expenditures	585,585
Designated for Wastewater Treatment Facility Upgrades	<u>364,423</u>
Total Sanitation Fund	<u>1,170,789</u>

Wastewater Fund

Designated for Wastewater Fund Capital Expenditures	372,190
Designated for Wastewater Fund Expenditures	290,062
Amount Designated in Excess of Available Net Position for Refurbishment Project	<u>(2,754,880)</u>
Total Wastewater Fund	<u>(2,092,628)</u>
Total Designated Net Assets	\$ <u>(603,427)</u>

The \$2,754,880 designated deficit in the Wastewater Fund will be funded by reimbursements from the State Clean Water Revolving Loan Fund.

V. OTHER INFORMATION

A. BENEFIT PLANS

The Village offers a 401(a) pension plan to all full time employees with 100% vesting after three (3) years of service. This plan qualifies, according to the Internal Revenue Service, as a defined contribution pension plan for governmental organizations exempt from income taxes. The plan requires a 5% contribution of base pay from the employee with a 10% match of base pay by the Village for all employees except the former Village Manager who received 15% of base pay for period he was employed by the Village in FY13. The International City/County Management Association "ICMA" Retirement Corporation administers the Plan. All of the investments are self-directed by each employee. The total payroll for the year was \$1,705,264 while the covered payroll was \$1,490,349. Pension expenses for the years ended June 30, 2013, 2012 and 2011 were \$159,765, \$133,348, and \$128,031 respectively.

VILLAGE OF ESSEX JUNCTION, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
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The Village also offers its employees a deferred compensation plan through the International City/County Management Association "ICMA" Retirement Corporation in accordance with Internal Revenue Code Section 457. The plan permits employees to defer a portion of their salary until future years. Deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The Village has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. All of the investments are self-directed by each employee. The balance of the assets in the plan, at fair market value, as of June 30, 2013 was \$666,763.

The Village also offers its employees a Cafeteria Plan in accordance with Internal Revenue Code Section 125. This allows employees to pay for health benefits and dependent care pre-tax and pre-social security.

All Village employees receive a \$50,000 group life insurance policy.

B. CONCENTRATION OF REVENUE/EXPENSES

The Village receives a major portion of its revenue from International Business Machines "IBM". For the year ended June 30, 2013, the Village received 12.3% of total property taxes from IBM and received 72.9% of total water sales from IBM.

The Village purchased a major portion of their water from Champlain Water District "CWD" for the year ended June 30, 2013. The Village purchased \$2,537,051 in water from CWD.

C. PROPERTY TAXES

The Village is responsible for assessing and collecting its own property taxes, as well as education property taxes for the State and recreation property taxes for the School District. Property taxes are assessed based on property valuations as of April 1, the approved budgets and the State education property tax liability. Taxes are collected two (2) times per year. During the tax year ended June 30, 2013, taxes became due and payable on September 17, 2012 and March 15, 2013. The Village assesses an 8% penalty on delinquent taxes and interest is assessed at 1% per month. Unpaid taxes become an enforceable lien on the property, and such properties are subject to tax sale. The tax rates for fiscal year 2013 are as follows:

	<u>Residential</u>	<u>Non-Residential</u>
Village	.2554	.2554
Education	1.3276	1.3665
Recreation	<u>.0651</u>	<u>.0651</u>
Total	<u>\$1.6481</u>	<u>\$1.6870</u>

VILLAGE OF ESSEX JUNCTION, VERMONT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

D. RISK MANAGEMENT

The Village of Essex Junction is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Village of Essex Junction maintains insurance coverage through the Vermont League of Cities and Towns Property and Casualty Intermunicipal Fund, Inc. covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Village of Essex Junction. Settled claims have not exceeded this coverage in any of the past three fiscal years. The Village must remain a member for a minimum of one year and may withdraw from the Fund after that time by giving sixty days notice. Fund underwriting and ratesetting policies have been established after consultation with actuaries. Fund members are subject to a supplemental assessment in the event of deficiencies. If the assets of the Fund were to be exhausted, members would be responsible for the Fund's liabilities.

The Village of Essex Junction is also a member of the Vermont League of Cities and Towns Unemployment Insurance Trust. The Unemployment Trust is a nonprofit corporation formed to provide unemployment coverage for Vermont municipalities and is owned by the participating members. The agreement does not permit the Unemployment Trust to make additional assessments to its members.

E. CONTINGENT LIABILITIES

The Village is a participating member in the Chittenden Solid Waste District (CSWD) and Champlain Water District (CWD). The Village could be subject to a portion of the two district's debt if the districts experience financial problems.

F. OTHER

The Village is in the process of refurbishing its Wastewater Treatment Facility. The Village owns the facility, however, the facility serves three municipalities; the Village of Essex Junction, the Town of Essex and the Town of Williston. The Village has an agreement with the Towns to provide capacity and treatment rights in exchange for an annual fee and for their share of the improvements. The cost of the project, estimated to be around \$15,230,000, will be paid for with borrowed funds from the State of Vermont Special Environmental Loan Fund, a general obligation bond and from capital reserves. The debt service cost will be shared amongst all three municipalities based upon the capacity owned by each. Currently, the Village owns 36.06%, the Town of Essex owns 33.33% and the Town of Williston owns 30.61%. The Village also has an agreement with the Town of Williston to sell them an additional 10,000 gallons per day of capacity for \$100,000 per year for the next three (3) years which will increase the Town of Williston's capacity and decrease the Village's capacity. The Town of Williston has already paid \$200,000 for 20,000 gallons over the past two years. The sale of this capacity will also change the debt service percentages as noted previously. After the 2016 final sale, the Village's percentage will be 35.46% and the Town of Williston's will be 31.21%.

The Village purchased a fire ladder truck during the year costing in excess of \$800,000. The Town of Essex voters approved giving the Village of Essex \$300,000 toward this truck. \$100,000 was received during fiscal year 2013 and the other \$200,000 will be received over the next three (3) years.

VILLAGE OF ESSEX JUNCTION, VERMONT
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JUNE 30, 2013

G. AUTHORIZED BORROWING

In June, 2011, the Village voters authorized the borrowing of up to \$3,200,000 contingent upon other Federal and State aid for the purpose of making public improvements to the Village highways and sidewalks. The total estimated cost of such improvements is \$11,531,000. No action has taken place as of June 30, 2013.

In April, 2013, the Village Voters authorized the financing of \$15,230,000 in wastewater upgrades and \$1,287,000 in sanitation upgrades.

H. SUBSEQUENT EVENTS

As of February 15, 2014, an additional \$4,717,399 in Clean Water State Revolving Loan funds had been borrowed for the refurbishment of the wastewater treatment facility.

VILLAGE OF ESSEX JUNCTION, VERMONT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2013

	Special Revenue Fund	Capital Project Fund	
	Veterans Memorial Park Fund	Land Acquisition Capital Reserve Fund	Total
<u>ASSETS</u>			
Cash	\$ 5,424	\$ 100,245	\$ 105,669
Total Assets	\$ 5,424	\$ 100,245	\$ 105,669
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Total Liabilities	\$ 0	\$ 0	\$ 0
Fund Balances:			
Restricted	5,424	0	5,424
Committed	0	100,245	100,245
Total Fund Balances	5,424	100,245	105,669
Total Liabilities and Fund Balances	\$ 5,424	\$ 100,245	\$ 105,669

See Disclaimer in Accompanying Independent Auditor's Report.

VILLAGE OF ESSEX JUNCTION, VERMONT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2013

	Special Revenue Fund	Capital Project Fund	
	Veterans Memorial Park Fund	Land Acquisition Capital Reserve Fund	Total
Revenues:			
Contributions	\$ 630	\$ 0	\$ 630
Interest	<u>10</u>	<u>200</u>	<u>210</u>
Total Revenues	<u>640</u>	<u>200</u>	<u>840</u>
Expenditures:	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over Expenditures	<u>640</u>	<u>200</u>	<u>840</u>
Net Change in Fund Balances	640	200	840
Fund Balances - July 1, 2012	<u>4,784</u>	<u>100,045</u>	<u>104,829</u>
Fund Balances - June 30, 2013	<u><u>\$ 5,424</u></u>	<u><u>\$ 100,245</u></u>	<u><u>\$ 105,669</u></u>

See Disclaimer in Accompanying Independent Auditor's Report.

VILLAGE OF ESSEX JUNCTION, VERMONT
STATEMENT OF REVENUE AND EXPENSES
BUDGET (NON GAAP BUDGETARY BASIS) AND ACTUAL
WATER FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Budget	Actual	Variance Favorable (Unfavorable)
Revenue:			
Water Sales - Village	\$ 761,109	\$ 784,455	\$ 23,346
Water Sales - IBM	2,081,376	2,068,461	(12,915)
Water Sales - IBM Vermont Tax	41,931	50,947	9,016
Water Sales - Large Users	73,628	74,305	677
Hydrant Rentals	5,000	5,000	0
Penalties	3,500	4,129	629
Miscellaneous	15,000	19,022	4,022
Interest Earnings	0	104	104
Total Revenue	2,981,544	3,006,423	24,879
Expenses:			
Salaries - Regular	94,843	95,449	(606)
Salaries - Overtime	13,843	13,090	753
Salaries - Part-time	6,311	4,365	1,946
Social Security	8,843	8,420	423
Unemployment Insurance	564	482	82
Workers Compensation Insurance	4,243	4,667	(424)
Health Insurance and Other Benefits	41,332	33,805	7,527
Retirement	9,484	9,400	84
Liability and Property Insurance	2,748	2,549	199
Interest Expense	100	49	51
Supplies	6,000	2,092	3,908
Postage	750	824	(74)
Gas, Oil and Grease	2,800	1,776	1,024
Meters and Parts	3,960	(215)	4,175
Distribution Materials	8,000	890	7,110
Computer Expenses	600	1,198	(598)
Water & Sewer Charges	300	270	30
Training and Conferences	2,000	926	1,074
Electrical Service	650	665	(15)
Heat	3,500	2,908	592
Maintenance - Other	1,500	1,107	393
Water Line Maintenance - Breaks	16,000	13,898	2,102
Uniforms and Boots	1,000	1,113	(113)
Contract Services	110,169	110,169	0
Other Professional Services	1,500	704	796
Audit Services	3,151	3,197	(46)
Water Purchases - Village	403,909	407,603	(3,694)
Water Purchases - IBM	2,081,376	2,068,461	12,915
Printing and Advertising	2,000	1,509	491
Transfer to Capital Reserve	100,000	103,581	(3,581)
State Water Tax - Village	8,137	10,040	(1,903)
State Water Tax - IBM	41,931	50,947	(9,016)
Total Expenses	2,981,544	2,955,939	25,605
Net Income	\$ 0	50,484	\$ 50,484
Adjustments to Reconcile to GAAP Basis Statements:			
Non-budgetary Operating Expenses		(7,211)	
Capital Reserve Fund Transfer		103,581	
Interest Earned on Capital Reserve Fund		102	
Depreciation		(94,477)	
Change in Net Position - Exhibit H		\$ 52,479	

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VILLAGE OF ESSEX JUNCTION, VERMONT
STATEMENT OF REVENUE AND EXPENSES
BUDGET (NON GAAP BUDGETARY BASIS) AND ACTUAL
SANITATION FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Budget	Actual	Variance Favorable (Unfavorable)
Revenue:			
Sanitation Billing	\$ 383,846	\$ 467,414	\$ 83,568
Sanitation Penalty	1,800	2,351	551
Essex Pump Station Fees	25,075	18,339	(6,736)
2 Party Agreement Revenue	15,000	15,000	0
Miscellaneous	20,000	107,731	87,731
Interest Earnings	0	197	197
Total Revenue	<u>445,721</u>	<u>611,032</u>	<u>165,311</u>
Expenses:			
Salaries - Regular	89,579	82,611	6,968
Salaries - Overtime	14,100	7,834	6,266
Salaries - Part Time	9,461	5,068	4,393
Social Security	8,701	6,830	1,871
Unemployment Insurance	564	540	24
Workers Compensation Insurance	4,047	3,828	219
Health Insurance and Other Benefits	25,235	32,272	(7,037)
Retirement	8,958	8,309	649
Liability and Property Insurance	6,091	5,255	836
Supplies	500	435	65
Postage	1,500	1,633	(133)
Gas, Grease and Oil	3,000	2,817	183
Meters and Parts	8,040	0	8,040
Computer Expenses	1,000	2,397	(1,397)
Water and Sewer Charge	1,000	142	858
Training and Conferences	500	0	500
Electrical Service	8,200	9,422	(1,222)
Heating/Natural Gas	0	1,733	(1,733)
Maintenance - Other	1,500	404	1,096
Pump Station Maintenance	5,500	3,223	2,277
Sanitation Lines Maintenance	5,000	6,710	(1,710)
Susie Wilson Pump Station Costs	8,000	5,805	2,195
West St. Pump Station Costs	13,500	8,445	5,055
Uniforms, Boots, Etc.	1,000	584	416
Contractual Services	134,969	134,969	0
Right-Of-Way Agreements	8,200	7,902	298
Sanitation Line Backup Cleaning	0	1,654	(1,654)
Other Professional Services	1,000	179	821
Audit Services	1,576	1,598	(22)
Capital Reserve Fund Contributions	<u>75,000</u>	<u>162,000</u>	<u>(87,000)</u>
Total Expenses	<u>445,721</u>	<u>504,599</u>	<u>(58,878)</u>
Net Income	<u>\$ 0</u>	106,433	<u>\$ 106,433</u>
Adjustments to Reconcile to GAAP Basis Statements:			
Non-budgetary Operating Expenses		(9,921)	
Sale of Asset		3,500	
Admin Fee on ARRA Loan		(4,666)	
Interest Earned on Capital Reserve Fund		1,366	
Sale of WWTF Capacity		100,000	
Capital Grants and Contributions received		102,690	
Transfers from WWTF Fund		13,780	
Transfers to WWTF Fund		(40,062)	
Capital Reserve Fund Transfer		162,000	
Depreciation		(133,809)	
Change in Net Position - Exhibit H		<u>\$ 301,311</u>	

See Disclaimer in Accompanying Independent Auditor's Report.

VILLAGE OF ESSEX JUNCTION, VERMONT
STATEMENT OF REVENUE AND EXPENSES
BUDGET (NON GAAP BUDGETARY BASIS) AND ACTUAL
WASTEWATER FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Budget	Actual	Variance Favorable (Unfavorable)
Revenue:			
Village User Charges	\$ 636,542	\$ 664,392	\$ 27,850
Village User Penalties	2,800	3,402	602
Wastewater Charge - Essex	406,156	406,156	0
Wastewater Charge - Williston	536,126	536,126	0
Pump Station Maintenance Fee	24,800	24,800	0
Village Septage Discharge Income	25,000	34,714	9,714
Shared Septage Revenue	14,000	19,527	5,527
Village Leachate Revenues	18,000	22,066	4,066
Shared Leachate Revenues	10,125	12,412	2,287
Interest	0	47	47
Miscellaneous	0	955	955
Total Revenue	1,673,549	1,724,597	51,048
Expenses:			
Salaries - Regular	281,639	265,911	15,728
Salaries - Overtime	29,187	38,454	(9,267)
Salaries - Part-Time	30,000	9,724	20,276
Social Security	26,203	23,076	3,127
Unemployment Insurance	1,364	1,116	248
Workers Compensation Insurance	12,350	11,597	753
Health Insurance and Other Benefits	129,319	99,286	30,033
Retirement	28,164	25,412	2,752
Liability and Property Insurance	22,174	18,934	3,240
Interest Expense	300	160	140
Supplies	15,000	19,570	(4,570)
Chemicals	185,000	184,638	362
Gas, Grease and Oil	6,000	5,209	791
Water and Sewer Charge	4,000	4,150	(150)
Training and Conferences	5,000	4,455	545
Telephone Services	4,300	3,689	611
Electrical Service	144,129	183,506	(39,377)
Heating	6,000	10,833	(4,833)
Maintenance - Other	76,000	62,306	13,694
Vehicles Maintenance - Travel	3,500	1,128	2,372
Uniforms, Boots, Etc.	3,500	2,916	584
Contract Laboratory Service	8,000	4,965	3,035
Contract Services	55,085	55,085	0
Legal Services	2,000	1,007	993
Grit Disposal	7,000	9,185	(2,185)

See Disclaimer in Accompanying Independent Auditor's Report.

VILLAGE OF ESSEX JUNCTION, VERMONT
STATEMENT OF REVENUE AND EXPENSES
BUDGET (NON GAAP BUDGETARY BASIS) AND ACTUAL
WASTEWATER FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Budget	Actual	Variance Favorable (Unfavorable)
Expenses:			
(Cont'd)			
Sludge Dewatering	\$ 179,000	\$ 170,647	\$ 8,353
Sludge Management	170,400	109,829	60,571
Other Professional Services	5,000	264	4,736
Audit Services	3,685	3,753	(68)
WWTF Annual Permit Fee	7,000	5,129	1,871
Capital Reserve Fund Contributions	150,000	150,000	0
Loan Payment	53,250	53,023	227
Capital Outlay	0	6,382	(6,382)
Total Expenses	1,653,549	1,545,339	108,210
Net Income	\$ 20,000	179,258	\$ 159,258
Adjustments to Reconcile to GAAP Basis Statements:			
Transfer from Sanitation Fund		40,062	
Transfer to Sanitation Fund		(13,780)	
Purchases of Equipment		7,379	
Non-budgetary Operating Expenses		(46,986)	
Paydown of Loan Principal		50,000	
Admin Fee on ARRA Loan		(770)	
Interest Payment on RZEDB Bond		(50,097)	
Loss on Disposal of Capital Asset		(7,040)	
Capital Reserve Fund Transfer		150,000	
Capital Contributions Received		543,143	
Interest Earned on Capital Reserve Fund		3,581	
Depreciation		(292,081)	
Change in Net Position - Exhibit H		\$ 562,669	

See Disclaimer in Accompanying Independent Auditor's Report.

Sullivan, Powers & Co., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

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Fred Duplessis, CPA
Richard J. Brigham, CPA
Chad A. Hewitt, CPA
Wendy C. Gilwee, CPA
[VT Lic. #92-000180](#)

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Board of Trustees
Village of Essex Junction
2 Lincoln Street
Essex Junction, VT 05452-3685

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Essex Junction, Vermont as of and for the year ended June 30, 2013 and the related notes to the financial statements, which collectively comprise the Village of Essex Junction, Vermont's basic financial statements, and have issued our report thereon dated February 5, 2014

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village of Essex Junction, Vermont's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village of Essex Junction, Vermont's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village of Essex Junction, Vermont's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section, and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error, or fraud may occur and not be detected by such controls. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

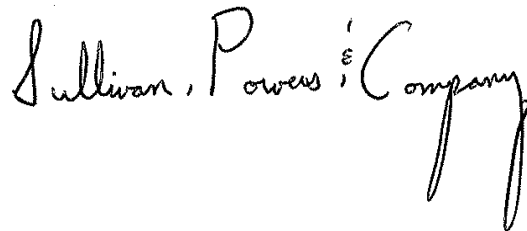
Compliance and Other Matters

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

Purpose of this Report

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

February 5, 2014
Montpelier, Vermont
VT Lic. #92-000180

A handwritten signature in black ink that reads "Sullivan, Powers & Company". The signature is written in a cursive, flowing style with a large, stylized 'S' at the beginning and a long, sweeping underline.

EDITH KLIMOSKI

Edith Klimoski, the director of Give Way to Freedom since its founding, has earned a Bachelor of Arts degree in Biology with a concentration in Women's Studies, College of the Holy Cross, and a Master of Science degree in Environmental Science, University of Wisconsin — Green Bay. Edith composed and was awarded four grants: one from the State of Wisconsin for a recycling/Habitat for Humanity project, and three from Rotary International for various global initiatives to assist disadvantaged youth. She is also currently Chair of the International Committee for the Rotary Club of Essex, Vermont and was a member of the Town of Essex Zoning Board for four years.

What We Do

Give Way To Freedom provides victim care services to the survivors of human trafficking and increases awareness of human trafficking through education, training and research.

We work with other charities and organizations to provide safe and supportive environments where victims of trafficking can receive services and the support and advocacy needed to re-enter mainstream society in a healthy and productive way. Our projects are culturally relevant to the specific communities they serve.

We are an efficient, dynamic and practical organization partnering with like-minded groups within the United States as well as other parts of the world. These associations foster long-term relationships which maximize our projects' success rates.

We provide training and outreach programs to victim service providers, social workers, law enforcement, the medical and legal communities, service organizations, secondary schools, universities and colleges. We enhance victim care services such as safe housing, physical and mental healthcare and access to education and vocational training.

Give Way to Freedom strategizes for its work by participating in several notable conferences and symposiums each year, either by our president being a speaker or a panel member, assisting in organizing the event, or simply attending. Through engagement and collaboration with other non-profit organizations, federal & state victim services agencies, and federal & state law enforcement our work remains on the forefront.

It is the policy of Give Way to Freedom to give funding priority to projects in which no more than 5% of the monies contributed go to the overhead of the recipient organization.

www.givewaytofreedom.org



2 Lincoln Street
Essex Junction, VT 05452
www.essexjunction.org

MEMORANDUM

TO: Village Trustees and Patrick Scheidel, Village Manager
FROM: Lauren Morrisseau, Finance Director *LM*
DATE: 2/11/14
SUBJECT: FYE15 Budgets

Issue

The issue is whether or not the Trustees will adopt the proposed FYE15 Budgets.

Discussion

The amounts of the proposed FYE15 Village Operating Budgets are as follows:

General Fund	\$3,468,826
Water Fund	\$3,223,451
Wastewater Treatment Fund	\$1,797,996
Sanitation Fund	\$462,990

The amounts of the proposed FYE15 Capital Funds budgets are as follows:

General Fund Capital Reserve	\$957,520
Rolling Stock Fund	\$345,375
Water Fund Capital Reserve	\$98,164
WWTF Capital Reserve	\$70,457
Sanitation Fund Capital Reserve	\$420,277

Cost

The estimated tax rate to support the General Fund budget is \$0.2771, an increase of 3.9%. The utility rates to support the enterprise funds budgets are estimated to increase by 5%.

Recommendation

Staff recommends the Trustees adopt the various FYE15 budgets in the amounts listed above.

VILLAGE OF ESSEX JUNCTION
GENERAL FUND BUDGET SUMMARY

01/28/14
8:21 AM

	FY12 Actual	FY13 Amended Budget	FY 13 Actual	FY14 Budget	FY15 Proposed Budget	% Change 15 vs 14
	-----	-----	-----	-----	-----	-----
GENERAL GOVERNMENT:						
Administration	588,180	597,386	558,526	598,797	561,784	-6.2%
Transfers & Misc Expenditures	556,412	596,412	546,412	620,051	649,623	4.8%
Grant & Non-Budgetary Expenditures	39,107	0	109,294	0	0	0.0%
Seniors Support	0	0	0	0	7,960	110.0%
Fire Department	263,181	270,189	280,668	287,208	298,075	3.8%
Library	629,689	652,785	647,053	684,479	736,207	7.6%
Lincoln Hall	46,505	38,053	52,136	38,452	55,057	43.2%
Community Development	215,576	242,852	207,210	244,740	250,678	2.4%
Economic Development/Community Events	53,994	50,745	46,431	79,628	94,838	19.1%
Street Department	707,953	775,345	740,423	791,358	814,603	2.9%
	=====	=====	=====	=====	=====	=====
GENERAL FUND TOTAL	3,100,597	3,223,767	3,188,153	3,344,711	3,468,826	3.71%
	=====	=====	=====	=====	=====	=====

GENERAL FUND REVENUES

01/28/14
8:30 AM

Acct. #	Account	FY12 Actual	FY13 Budget	FY13 Actual	FY14 Budget	FY15 Proposed Budget	% Change 15 vs 14
	Unrestricted Fund Balance		35,000		35,000	35,000	0%
401.000	Property Taxes	2,520,386	2,666,989	2,652,852	2,806,463	2,942,914	5%
402.000	State for Pilot & Current Use	2,577	2,000	4,079	2,500	2,500	0%
404.000	IBM Subsidy	121,123	60,578	60,578	0	0	0%
403.000	Penalties/Interest Delinq. Taxes	7,346	7,000	10,855	7,000	8,000	14%
410.000	License & Zoning Fees	61,060	30,000	60,199	35,000	35,000	0%
411.010	Service Fee - Water	112,993	110,169	110,169	111,336	106,840	-4%
411.020	Service Fee - WWTP	56,497	55,085	55,085	55,668	53,420	-4%
411.030	Service Fee - Sanitation	112,993	110,169	110,169	111,336	106,840	-4%
420.010	State District Court Fines	1,929	2,000	3,708	2,000	2,000	0%
420.020	State Highway Aid	109,059	100,000	113,128	100,000	100,000	0%
420.030	EJSD Tax Collection Fee	46,569	47,000	47,956	47,000	48,000	2%
432.020	Lincoln Hall Rentals	0	0	1	0	1	0%
432.015	Parking Space Fees	4,800	4,800	4,400	4,800	4,800	0%
432.030	Miscellaneous Fire Receipts	25	0	1,231	10	10	100%
432.051	Block Party Donations	1,790	1,500	1,550	1,500	1,500	0%
432.070	Miscellaneous Street Receipts	3,701	3,000	2,850	3,500	3,000	-14%
432.080	Miscellaneous Library Receipts	641	450	708	600	500	-17%
410.150	Lost Book Revenue	0	0	3,855	0	0	0%
434.010	Essex Town Contribution to Library	15,000	15,000	15,000	15,000	15,000	0%
440.000	Interest Earnings	1,421	1,000	1,644	1,000	1,500	50%
441.000	Miscellaneous Grants	24,992	0	52,391	0	0	0%
445.000	Misc. Receipts	6,964	4,600	2,343	5,000	2,000	-60%
445.100	Sale of Asset	0	0	500	0	0	0%
	TOTALS	3,211,865	3,256,340	3,315,251	3,344,713	3,468,826	3.71%

ADMINISTRATION BUDGET

01/28/14

Acct. #	Account	FY13		FY 13 Actual	FY14 Budget	FY15 Proposed Budget	% Change 15 vs 14
		FY12 Actual	Amended Budget				
720.000	Salaries - Regular	325,863	334,477	311,912	325,729	255,978	-21.4%
720.004	Manager Contract	0	0	0	0	55,995	100.0%
720.010	Salaries - Overtime	1,453	1,000	1,365	1,500	1,500	0.0%
720.020	Salaries - Part-time	5,632	7,250	13,207	7,974	15,057	88.8%
720.022	Social Security	26,008	26,923	25,342	26,568	21,109	-20.5%
720.024	Unemployment Insurance	1,090	1,186	962	1,186	1,067	-10.0%
720.026	Workers Compensation Insurance	1,341	1,166	1,210	1,431	1,047	-26.8%
720.028	Health Insurance & Other Benefits	67,137	66,340	59,436	75,626	72,355	-4.3%
720.030	Retirement	37,216	38,506	38,648	32,573	25,598	-21.4%
720.032	Liability & Property Ins.	6,934	5,857	5,720	7,696	6,218	-19.2%
720.034	Public Officials Liability Ins.	6,778	6,075	5,981	5,601	5,800	3.6%
720.035	Health Improvement Programs	2,433	1,600	1,775	1,600	1,600	0.0%
720.050	Boardmember fees	2,458	2,500	2,500	2,500	2,500	0.0%
723.000	Supplies	6,478	6,700	4,624	6,700	6,700	0.0%
723.001	Postage	2,973	4,600	3,986	4,200	4,200	0.0%
723.055	Computer Expenses	11,753	16,915	17,552	16,915	16,937	0.1%
724.000	Training, Conferences, Dues	11,332	13,304	6,602	10,734	10,384	-3.3%
725.000	Telephone Services	4,247	4,392	2,621	3,960	2,600	-34.3%
725.025	Communications	12,927	13,700	12,203	13,331	13,806	3.6%
728.030	Vehicle Maintenance - Travel	3,600	3,600	900	2,400	0	-100.0%
728.035	Village Promotion	1,174	1,000	268	0	0	0.0%
735.000	Interview Costs	173	0	155	0	0	0.0%
745.020	Leased Services	4,127	4,540	4,298	4,840	4,800	-0.8%
745.031	Legal Services	18,835	15,000	14,027	15,000	15,000	0.0%
745.041	Audit Services	5,121	5,275	5,352	5,433	5,433	0.0%
745.039	Other Professional Services	0	2,000	0	1,000	1,000	0.0%
745.050	Printing and Advertising	5,523	5,800	4,777	5,800	5,800	0.0%
745.055	Pay & Classification Study	1,557	200	0	3,500	200	-94.3%
745.057	Elections	1,401	2,200	1,579	1,500	1,600	6.7%
747.000	Holiday Expense	1,438	1,280	1,135	1,500	1,500	0.0%
749.000	Trustees Expenditures	2,930	4,000	5,472	4,000	4,000	0.0%
755.023	Capital Outlay	8,252	0	4,917	8,000	2,000	-75.0%
TOTALS		588,180	597,386	558,526	598,797	561,784	-6.2%

TRANSFERS & MISC EXPENDITURES

01/28/14
8:14 AM

Acct. #	Account	FY12 Actual	FY13 Budget	FY13 Actual	FY14 Budget	FY15 Proposed Budget	% Change 15 vs 14
750.021	Rolling Stock Fund Contribution	163,624	163,624	163,624	173,624	183,624	6%
750.027	Half Penny for Ladder Truck Note	0	50,000	0	50,000	50,000	0%
750.022	Capital Fund Contribution	372,788	372,788	372,788	391,427	410,999	5%
750.023	Land Acquisition Fund Contribution	15,000	0	0	0	0	0%
750.026	Employee Termination Benefits	5,000	10,000	10,000	5,000	5,000	0%
765.074	Metropolitan Planning Org. (MPO)	0	0	0			0%
	Contingency				0	0	
	TOTALS	556,412	596,412	546,412	620,051	649,623	5%

GRANTS AND OTHER NON-BUDGETARY EXPENDITURES

01/28/14
8:14 AM

Acct. #	Account	FY12 Actual	FY13 Budget	FY13 Actual	FY14 Budget	FY15 Proposed Budget	% Change 15 vs 14
755.020	Library Replacement Expenses	3,995	0	4,017	0	0	0%
759.090	Designated Expenses from prior years	8,276	0	57,533	0	0	0%
750.011	Tax Abatement	0	0	2,140	0	0	0%
759.010	Grants & Donations Expenses	26,836	0	45,604	0	0	0%
TOTALS		39,107	0	109,294	0	0	0%

SENIORS SUPPORT

01/28/14

8:14 AM

Acct. #	Account	FY15				
		FY12 Actual	FY13 Budget	FY13 Actual	FY14 Budget	Proposed Budget 15 vs 14 % Change
745.014	Part time Director Contract	0	0	0	0	7,500 100%
725.000	Telephone	0	0	0	0	460 100%
TOTALS		0	0	0	0	7,960 100%

FIRE DEPARTMENT BUDGET

01/28/14
8:14 AM

Acct. #	Account	FY12 Actual	FY13 Budget	FY13 Actual	FY14 Budget	FY15 Proposed Budget	% Change 15 vs 14
720.021	Salaries - Firefighters	127,440	126,000	126,818	134,400	138,000	3%
720.022	Social Security	9,749	9,639	9,662	10,282	10,590	3%
720.026	Workers Compensation Insurance	12,506	12,000	24,034	25,685	27,334	6%
720.029	Accident & Disability Ins.	3,599	3,600	3,600	3,600	3,600	0%
720.032	Liability & Property Ins.	8,194	8,600	7,326	6,675	7,301	9%
723.000	Supplies	2,060	2,400	1,637	2,400	2,400	0%
723.016	EMS Supplies	645	1,800	1,061	1,500	1,500	0%
723.020	Gas, Grease and Oil	7,270	5,400	7,112	6,000	7,200	20%
723.065	Water and Sewer Charges	495	900	888	900	900	0%
724.000	Training, Conferences, Dues	4,629	5,000	2,900	5,000	5,000	0%
725.000	Telephone Services	3,507	4,000	3,433	3,800	3,800	0%
726.000	Electrical Service	5,994	6,600	6,283	6,400	7,000	9%
727.000	Heating	4,530	6,000	4,817	6,000	5,200	-13%
728.000	Maintenance - Building/Grounds	6,801	5,000	1,806	6,000	6,000	0%
728.010	Radio Maintenance	1,575	2,000	6,295	2,000	2,000	0%
728.020	Maintenance - Other	10,268	10,000	12,795	11,916	13,000	9%
728.030	Vehicle Maintenance - Travel	14,117	10,000	21,217	9,000	9,000	0%
728.038	Emergency Generator Maintenance	574	750	375	650	650	0%
729.000	Uniforms, Boots, Etc.	14,054	18,000	16,079	18,500	19,200	4%
729.052	Fire Prevention	1,867	1,800	1,652	2,000	2,000	0%
743.051	Physical Exams	5,097	6,000	4,197	6,000	7,000	17%
743.058	Employee Assistance Program	864	900	864	900	900	0%
745.013	Hydrant Rental	5,000	5,000	5,000	0	0	0%
755.022	New Equipment - Radios	0	4,300	0	3,100	4,000	29%
755.025	Routine Equipment Purchases	12,347	14,500	10,817	14,500	14,500	0%
755.023	Capital Outlay	0	0	0	0	0	0%
TOTALS		263,181	270,189	280,668	287,208	298,075	3.8%

BROWNELL LIBRARY BUDGET

01/28/14
8:15 AM

Acct. #	Account	FY12 Actual	FY13 Amended Budget	FY13 Actual	FY14 Budget	FY15 Proposed Budget	% Change 15 vs 14
720.000	Salaries - Regular	283,916	292,359	292,591	305,811	315,379	3.1%
720.020	Salaries - Part-time	78,979	88,282	86,567	89,012	89,219	0.2%
720.022	Social Security	27,851	29,551	28,826	30,365	31,089	2.4%
720.024	Unemployment Insurance	2,154	2,384	2,235	2,384	2,390	0.3%
720.026	Workers Compensation Insurance	1,459	1,285	1,389	1,588	1,567	-1.3%
720.028	Health Insurance & Other Benefits	47,934	55,586	49,093	70,891	103,020	45.3%
720.030	Retirement	28,049	29,236	29,089	30,581	31,537	3.1%
720.032	Liability & Property Ins.	11,113	10,269	9,390	9,972	10,481	5.1%
723.000	Supplies	13,174	13,500	13,274	12,000	13,000	8.3%
723.001	Postage	2,936	2,500	3,452	2,500	3,500	40.0%
723.055	Computer Expenses	3,293	3,500	3,641	3,000	3,500	16.7%
723.065	Water and Sewer Charges	563	525	870	500	1,000	100.0%
724.000	Training, Conferences, Dues	2,062	2,000	3,362	5,000	4,000	-20.0%
725.000	Telephone Services	1,271	2,000	1,092	1,200	1,100	-8.3%
725.030	Technology Access	4,347	5,810	5,059	6,000	5,500	-8.3%
726.000	Electrical Service	14,041	14,850	14,553	14,250	14,500	1.8%
727.000	Heating	7,486	7,500	7,335	7,400	7,400	0.0%
728.000	Maintenance - Buildings/Grounds	12,492	13,000	14,546	12,000	14,500	20.8%
728.050	Alarm System Maintenance	488	800	292	700	500	-28.6%
735.000	Interview Costs	240	300	249	100	2,000	1900.0%
745.014	Contractual Services	22,548	22,548	22,467	23,225	23,225	0.0%
745.021	Adult Programs	468	300	322	0	300	100.0%
745.022	Childrens' Programs	1,980	3,000	3,061	3,000	3,000	0.0%
755.020	Adult Collection-Print&Electronic	32,277	31,000	32,706	31,000	31,000	0.0%
755.021	Juvenile Collection-Prnt&Electronic	15,548	15,500	16,396	15,500	15,500	0.0%
755.014	Computer Replacement	5,741	5,200	5,196	6,500	8,000	23.1%
755.023	Capital Outlay	7,277	0	0	0	0	0.0%
TOTALS		629,689	652,785	647,053	684,479	736,207	7.6%

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If Health Insurance were a 10% increase, budget would be 3.9% increase
or \$26,683 instead of \$51,723

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LINCOLN HALL BUDGET

01/28/14
8:14 AM

FY15

Acct. #	Account	FY12 Actual	FY13 Budget	FY13 Actual	FY14 Budget	FY15 Proposed Budget	% Change 15 vs 14
720.032	Liability & Property Ins.	5,443	5,510	4,469	5,404	5,658	5%
723.000	Supplies	1,733	1,800	2,475	1,800	2,500	39%
723.065	Water and Sewer Charges	1,262	1,000	2,007	1,500	1,500	0%
725.000	Telephone Services	458	480	496	460	0	-100%
726.000	Electrical Service	5,920	6,510	7,997	6,000	7,500	25%
727.000	Heating	6,581	7,000	5,507	7,000	6,000	-14%
728.000	Maintenance - Building/Grounds	8,688	6,500	7,559	7,000	7,500	7%
745.005	Rubbish Removal	1,785	1,750	1,785	1,785	1,838	3%
745.014	Contractual Services	7,083	7,503	8,087	7,503	9,021	20%
755.023	Capital Outlay	7,551	0	11,754	0	13,540	0%
TOTALS		46,505	38,053	52,136	38,452	55,057	43%

COMMUNITY DEVELOPMENT

01/28/14
8:30 AM

Acct. #	Account	FY12 Actual	FY13 Amended Budget	FY13 Actual	FY14 Budget	FY15 Proposed Budget	% Change 15 vs 14
720.000	Salaries - Regular	117,287	119,296	124,235	129,436	129,612	0.1%
720.010	Salaries - Overtime	162	2,000	217	2,000	2,000	0.0%
720.022	Social Security	9,202	9,560	9,666	10,305	10,390	0.8%
720.024	Unemployment Insurance	408	435	399	435	432	-0.7%
720.026	Workers Compensation Insurance	474	399	440	506	504	-0.4%
720.028	Health Insurance & Other Benefits	34,929	40,972	25,170	33,038	36,177	9.5%
720.030	Retirement	11,529	11,930	11,978	12,944	12,961	0.1%
720.032	Liability & Property Ins.	2,395	2,038	2,006	2,147	2,232	4.0%
720.034	Public Officials Liability Ins.	6,778	6,075	5,981	5,600	5,800	3.6%
720.050	Board Member Fees	3,600	3,600	3,525	3,600	3,600	0.0%
723.000	Supplies	3,191	2,000	1,340	2,500	2,800	12.0%
723.001	Postage	813	1,000	438	1,000	1,120	12.0%
723.055	Computer Expenses	1,287	4,705	3,748	4,705	4,000	-15.0%
724.000	Training, Conferences, Dues	2,395	5,450	2,395	4,500	4,500	0.0%
725.000	Telephone Services	1,221	1,392	1,597	1,524	1,550	1.7%
725.025	Communications	890	2,000	1,020	2,000	2,500	25.0%
728.030	Vehicle Maintenance - Travel	2,400	3,000	2,400	3,000	3,500	16.7%
745.031	Legal Services	10,973	9,500	2,261	14,000	14,000	0.0%
745.039	Other Professional Services	604	10,000	4,449	4,000	4,000	0.0%
745.050	Printing and Advertising	1,494	5,000	2,045	5,000	5,000	0.0%
745.051	Recording Fees	2,180	2,500	1,900	2,500	2,500	0.0%
755.023	Capital Outlay	1,365	0	0	0	1,500	100.0%
TOTAL		215,576	242,852	207,210	244,740	250,678	2.4%

ECONOMIC DEVELOPMENT/COMMUNITY EVENTS

01/28/14

8:14 AM

Acct. #	Account	FY12 Actual	FY13 Amended Budget	FY13 Actual	FY14 Budget	FY15 Proposed Budget	% Change 15 vs 14
720.000	Salaries - Regular	0	32,573	28,851	35,196	36,604	4%
720.020	Salaries - Part-time	21,274	0	3,553	0	0	0%
720.022	Social Security	1,593	2,491	2,678	2,696	2,823	5%
720.024	Unemployment	235	250	247	250	216	-14%
720.026	Workers Comp	73	120	108	149	141	-5%
720.032	Liability & Property Ins.	0	0	0	0	105	100%
720.028	Health Insurance & Other Benefits	0	3,127	2,858	4,967	18,089	264%
720.030	Retirement	0	3,257	3,058	3,520	3,660	4%
745.025	Block Party Expense	5,475	7,000	7,057	7,000	7,000	0%
745.040	Community Events & Programs	5,755	7,000	8,155	5,850	6,000	3%
748.000	New Programs	4,982	2,000	1,091	2,000	2,000	0%
745.054	Annual Support of Organizations	7,562	8,000	7,443	9,000	9,200	2%
745.056	Community Forum	5,000	7,500	7,500	0	0	0%
748.010	Matching Grant Funds	2,044	10,000	2,683	9,000	9,000	0%
TOTALS		53,994	50,745	46,431	79,628	94,838	19%

STREET DEPARTMENT BUDGET

01/28/14
8:15 AM

Acct. #	Account	FY12 Actual	FY13 Amended Budget	FY13 Actual	FY14 Budget	FY15 Proposed Budget	% Change 15 vs 14
720.000	Salaries - Regular	160,082	186,875	161,941	197,160	205,654	4.3%
720.010	Salaries - Overtime	13,158	15,000	14,383	15,000	15,000	0.0%
720.020	Salaries - Part-time	22,744	17,018	17,335	18,590	11,907	-35.9%
720.022	Social Security	14,416	17,249	14,274	17,867	17,819	-0.3%
720.024	Unemployment Insurance	907	1,086	864	1,086	1,169	7.6%
720.026	Workers Compensation Insurance	10,362	11,628	9,798	12,182	13,970	14.7%
720.028	Health Insurance & Other Benefits	69,005	77,761	63,337	82,729	76,515	-7.5%
720.030	Retirement	16,382	19,088	16,141	19,716	20,565	4.3%
720.032	Liability & Property Ins.	14,418	14,100	12,057	13,878	15,104	8.8%
723.000	Supplies	27,252	16,100	10,128	20,000	20,000	0.0%
723.010	Winter Maintenance	48,409	75,000	83,243	75,000	75,000	0.0%
723.012	Pavement Maintenance	15,443	15,000	14,804	15,000	15,000	0.0%
723.014	Gravel & Topsoil	3,157	4,500	5,830	4,000	4,000	0.0%
723.015	Signs and Posts	6,215	5,500	2,668	5,500	4,000	-27.3%
723.020	Gas, Grease and Oil	20,849	22,000	31,766	22,000	26,000	18.2%
723.065	Water and Sewer Charges	2,572	1,500	1,197	2,500	2,500	0.0%
724.000	Training, Conferences, Dues	81	500	250	500	500	0.0%
725.000	Telephone Services	1,839	1,800	1,725	1,900	2,000	5.3%
726.000	Electrical Service	3,997	4,900	3,752	4,500	4,000	-11.1%
726.035	Street Lights (rental/electrical)	125,292	131,840	121,730	127,000	127,000	0.0%
726.037	Traffic Lights (electrical)	5,529	5,700	6,170	5,700	6,000	5.3%
727.000	Heating	2,865	4,000	3,184	4,000	4,000	0.0%
728.000	Maintenance - Buildings/Grounds	6,725	2,500	3,596	2,500	2,500	0.0%
728.010	Radio Maintenance	965	200	65	200	200	0.0%
728.020	Maintenance - Other	874	1,000	1,545	1,000	1,000	0.0%
728.030	Vehicle Maintenance - Travel	27,889	32,000	17,716	32,000	20,000	-37.5%
728.033	Streetscape Maint./Imp.	5,005	7,500	4,377	6,000	16,000	166.7%
728.036	Village Garden Spots	1,753	2,500	2,343	3,650	3,000	-17.8%
728.037	Traffic/Street Light Maintenance	13,641	6,500	11,360	8,000	8,000	0.0%
728.041	Memorial Park Maintenance	3,239	3,000	2,816	3,500	3,000	-14.3%
728.043	Street Marking	10,644	5,000	8,205	5,000	7,000	40.0%
729.000	Uniforms, Boots, Etc.	3,855	4,500	2,544	4,500	4,500	0.0%
735.000	Interview Costs	185	0	0	0	0	0.0%
745.005	Rubbish Removal	5,963	6,200	5,290	6,200	6,200	0.0%
745.014	Contractual Services	1,079	10,000	10,726	0	0	0.0%
745.016	Accident Claims	500	0	0	0	0	0.0%
745.030	Equipment Rentals	1,692	3,800	3,693	1,000	1,000	0.0%
745.038	Traffic Light System Improvements	2,128	0	0	0	0	0.0%
745.044	Engineering Services	8,342	15,000	31,616	15,000	15,000	0.0%
760.032	Sidewalk and Curb Maintenance	2,627	3,000	5,135	3,000	3,000	0.0%
760.033	Storm Sewer Maintenance	10,012	8,500	18,842	8,500	9,000	5.9%
760.034	Storm Sewer Permit Fees	1,988	3,000	4,697	3,000	3,000	0.0%
760.035	Storm Sewer Public Education	9,008	10,000	7,313	9,500	9,500	0.0%
760.036	Stream Flow Monitoring	0	0	0	0	30,000	100.0%
755.011	Traffic Calming	618	1,000	232	4,000	1,500	-62.5%
755.023	Capital Outlay	4,250	2,000	1,735	9,000	3,500	-61.1%
TOTALS		707,953	775,345	740,423	791,358	814,603	2.9%

WATER FUND BUDGET

01/28/14
8:15 AM

Acct. #	Account	FY12 Actual	FY13 Budget	FY13 Actual	FY14 Budget	FY15 Proposed Budget	% Change 15 vs 14
720.000	Salaries - Regular	94,700	94,843	95,449	102,349	107,890	5.4%
720.010	Salaries - Overtime	9,171	13,843	13,090	12,300	14,000	13.8%
720.020	Salaries - Part-time	6,089	6,311	4,365	4,729	8,798	86.0%
720.022	Social Security	7,964	8,843	8,420	9,239	9,447	2.3%
720.024	Unemployment Insurance	502	564	482	564	616	9.2%
720.026	Workers Compensation Insurance	3,891	4,243	4,667	4,447	5,277	18.7%
720.028	Health Insurance & Other Benefits	35,568	41,332	33,805	42,180	41,604	-1.4%
720.030	Retirement	8,988	9,484	9,400	10,235	10,789	5.4%
720.032	Liability & Property Ins.	3,198	2,748	2,549	3,305	3,402	2.9%
720.040	Interest Expense	75	100	49	100	50	-50.0%
723.000	Supplies	2,179	6,000	2,092	5,000	5,000	0.0%
723.001	Postage	715	750	824	1,500	1,500	0.0%
723.020	Gas, Grease and Oil	2,124	2,800	1,776	2,800	2,000	-28.6%
723.041	Meters and Parts	5,753	3,960	(215)	2,000	1,000	-50.0%
723.042	Distribution Materials	3,021	8,000	890	8,000	5,700	-28.8%
723.055	Computer Expenses	605	600	1,198	600	1,200	100.0%
723.065	Water & Sewer Charges	291	300	270	350	350	0.0%
724.000	Training, Conferences, Dues	1,094	2,000	926	2,000	2,000	0.0%
726.000	Electricity	614	650	665	650	700	7.7%
727.000	Heating	2,428	3,500	2,908	3,500	3,500	0.0%
728.020	Maintenance - Other	876	1,500	1,107	1,000	1,000	0.0%
728.034	Water Lines Maintenance - Breaks	1,624	16,000	13,898	16,000	16,000	0.0%
729.000	Uniforms, Boots, Etc.	519	1,000	1,113	1,000	1,000	0.0%
745.014	Contractual Services	112,993	110,169	110,169	111,336	106,840	-4.0%
745.041	Audit Services	3,059	3,151	3,197	3,293	3,500	6.3%
745.039	Other Professional Services	0	1,500	704	1,000	1,000	0.0%
745.050	Printing and Advertising	1,462	2,000	1,509	1,700	1,700	0.0%
750.020	Capital Reserve Fund Contribution	96,960	100,000	103,581	110,000	120,000	9.1%
755.023	Capital Outlay	0	0	0	0	3,850	0.0%
760.060							
	SUB TOTALS	406,461	446,191	418,888	461,177	479,713	4%
770.510	State Water Tax	8,609	8,137	10,040	8,278	10,371	25%
745.042	CWD Water Purchase	410,782	403,909	407,602	424,297	451,212	6%
	SUBTOTAL VILLAGE EXPENSE	825,852	858,237	836,530	893,752	941,296	5%
770.511	State Water Tax - IBM	42,917	41,931	50,947	41,931	51,275	22%
745.043	CWD Water Purchase - IBM	2,047,870	2,081,376	2,068,461	2,149,120	2,230,880	4%
	TOTALS	2,916,639	2,981,544	2,955,938	3,084,803	3,223,451	4%

WATER FUND REVENUES

01/28/14
8:15 AM

Account	FY12 Actual	FY13 Budget	FY13 Actual	FY14 Budget	FY15 Proposed Budget	% Change 13 vs 12
Unrestricted Fund Balance				0	0	0.0%
465.010 Sale of Water Residential	726,537	761,109	784,455	787,839	826,553	4.9%
465.015 Sale of Water - IBM	2,047,870	2,081,376	2,068,461	2,149,120	2,230,880	3.8%
465.017 Sale of Water - IBM VT Tax	42,917	41,931	50,947	41,931	51,275	22.3%
465.020 Sale of Water - Large User	96,703	73,628	74,305	87,413	96,243	10.1%
465.030 Hydrant Rentals	5,000	5,000	5,000	0	0	0.0%
465.040 Penalties	3,980	3,500	4,129	3,500	3,500	0.0%
465.050 Miscellaneous	22,317	15,000	18,581	15,000	15,000	0.0%
441.019 Fed Stag Grant	0	0		0		0.0%
440.000 Interest on Investments	51	0		0		0.0%
TOTALS	2,945,375	2,981,544	3,005,878	3,084,803	3,223,451	4%

SANITATION BUDGET

01/28/14
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Acct. #	Account	FY15					
		FY12 Actual	FY13 Budget	FY13 Actual	FY14 Budget	Proposed Budget	% Change 14 vs 13
720.000	Salaries - Regular	68,565	89,579	82,611	85,049	80,190	-6%
720.010	Salaries - Overtime	6,584	14,100	7,834	10,865	8,000	-26%
720.020	Salaries - Part-time	19,710	9,461	5,068	4,729	12,683	168%
720.022	Social Security	7,394	8,701	6,830	7,822	7,839	0%
720.024	Unemployment Insurance	653	564	540	564	668	18%
720.026	Workers Compensation Insurance	3,861	4,047	3,828	4,285	4,177	-3%
720.028	Health Insurance & Other Benefits	25,088	25,235	32,272	39,416	41,604	6%
720.030	Retirement	7,269	8,958	8,309	8,505	8,019	-6%
720.032	Liability & Property Ins.	5,771	6,091	5,255	5,628	6,800	21%
723.000	Supplies	1,962	500	435	1,000	1,000	0%
723.001	Postage	1,432	1,500	1,633	3,000	3,000	0%
723.020	Gas, Grease and Oil	2,767	3,000	2,817	3,000	3,000	0%
723.041	Meters and Parts	6,110	8,040	0	4,000	2,000	-50%
723.055	Computer Expenses	1,210	1,000	2,397	1,200	2,800	133%
723.065	Water & Sewer Charge	1,269	1,000	142	1,500	1,500	0%
724.000	Training, Conferences, Dues	0	500	0	500	500	0%
726.000	Electrical Service	7,797	8,200	9,422	8,200	8,500	4%
727.000	Heating/Natural Gas	0	0	1,733	1,800	1,800	100%
728.020	Maintenance - Other	503	1,500	404	1,500	1,500	0%
728.040	Pump Station Maintenance	8,893	5,500	3,223	5,500	4,000	-27%
728.060	Sanitation Lines Maintenance	2,097	5,000	6,710	5,000	10,000	100%
728.063	Susie Wilson Pump Station Costs	6,813	8,000	5,805	8,000	7,000	-13%
728.064	West St. Pump Station Costs	10,732	13,500	8,445	13,500	10,000	-26%
729.000	Uniforms, Boots, Etc.	976	1,000	584	1,000	1,000	0%
735.000	Interview Costs	16	0	0	0	0	0%
745.014	Contractual Services	137,193	134,969	134,969	141,636	137,140	-3%
745.015	Right-of-Way Agreements	7,611	8,200	7,902	8,700	8,400	-3%
745.017	Sanitation Line Backup Cleaning	0	0	1,654	0	1,500	0%
745.041	Audit Services	1,530	1,576	1,599	1,646	1,700	3%
745.039	Other Professional Services	601	1,000	179	1,000	1,000	0%
750.020	Contribution to Sanitation Cap Rese	156,356	75,000	162,000	75,000	85,000	13%
755.023	Capital Outlay	9,670	0	0	0	670	0%
TOTALS		510,434	445,721	504,600	453,545	462,990	2.1%

SANITATION FUND REVENUES

01/28/14
8:34 AM

Account	FY12 Actual	FY13 Budget	FY13 Actual	FY14 Budget	FY15 Proposed Budget	% Change 13 vs 12
500.000 Annual Customer Charge	400,698	383,846	467,414	391,670	403,915	3%
500.001 Penalties	1,995	1,800	2,351	1,800	2,000	11%
441.019 Fed Stag Grant	4,565	0	0	0	0	0%
432.040 Miscellaneous	98,356	20,000	107,731	20,000	20,000	0%
440.000 Interest on Investments	83	0	197	0	0	0%
442.010 2 Party Agreement Revenue	15,000	15,000	15,000	15,000	15,000	0%
442.000 Essex Pump Station Fees	20,912	25,075	18,338	25,075	22,075	-12%
	=====	=====	=====	=====	=====	=====
TOTALS	541,609	445,721	611,031	453,545	462,990	2.1%
	=====	=====	=====	=====	=====	=====

WWTF OPERATIONS & MAINTENANCE BUDGET

DRAFT

01/28/14

Wholesale Rate

2.6294

per 1000 gal

Increase = 4.02%

8:20 AM

Acct. #	Account	FY12 Actual	FY13 Budget	FY13 Actual	FY14 Budget	FY15 Proposed Budget	% Change 15 vs 14
720.000	Salaries - Regular	234,206	281,639	265,911	286,000	308,467	7.9%
720.010	Salaries - Overtime	37,242	29,187	38,454	42,000	45,000	7.1%
720.020	Salaries - Part-time	16,505	30,000	9,724	12,000	15,000	25.0%
720.022	Social Security	21,333	26,203	23,076	26,492	28,612	8.0%
720.024	Unemployment Insurance	1,245	1,364	1,116	1,637	1,535	-6.2%
720.026	Workers Compensation Insurance	12,802	12,350	11,597	16,055	16,530	3.0%
720.028	Health Insurance & Other Benefits	91,390	129,319	99,286	124,767	107,085	-14.2%
720.030	Retirement	23,915	28,164	25,412	28,600	30,847	7.9%
720.032	Liability & Property Ins.	23,148	22,174	18,934	25,000	25,000	0.0%
720.040	Interest Expense	98	300	160	500	500	0.0%
723.000	Supplies	13,438	15,000	19,570	17,000	9,000	-47.1%
723.005	Supplies - Laboratory	0	0	0	0	10,000	100.0%
723.013	Chemicals	200,381	185,000	184,638	185,000	195,000	5.4%
723.020	Gas, Grease and Oil	4,770	6,000	5,209	6,000	6,000	0.0%
723.065	Water & Sewer Charge	5,053	4,000	4,150	6,000	7,000	16.7%
724.000	Training, Conferences, Dues	4,157	5,000	4,455	6,500	6,500	0.0%
725.000	Telephone Services	3,174	4,300	3,689	4,300	4,500	4.7%
726.000	Electrical Service	165,181	144,129	183,505	200,000	200,000	0.0%
727.000	Heating	5,501	6,000	10,833	11,000	20,000	81.8%
728.020	Maintenance - Other	81,361	76,000	62,306	70,000	70,000	0.0%
728.030	Vehicle Maintenance - Travel	495	3,500	1,128	3,500	2,500	-28.6%
729.000	Uniforms, Boots, Etc.	4,003	3,500	2,916	4,500	4,000	-11.1%
735.000	Interview Costs	1,716	0	0	0	0	0.0%
745.000	Contract Laboratory Service	7,680	8,000	4,965	8,000	7,000	-12.5%
745.014	Contractual Services	56,497	55,085	55,085	55,668	53,420	-4.0%
745.031	Legal Services	33	2,000	1,007	1,000	1,000	0.0%
745.033	Grit Disposal	5,888	7,000	9,185	7,000	10,000	42.9%
745.034	Sludge Dewatering	203,018	179,000	170,647	150,000	150,000	0.0%
745.035	Sludge Management	140,845	170,400	109,809	170,400	178,000	4.5%
745.041	Audit Services	3,591	3,685	3,753	3,866	4,000	3.5%
745.039	Other Professional Services	3,384	5,000	264	4,000	4,000	0.0%
745.052	WWTF Annual Permit Fee	6,931	7,000	5,129	7,500	7,500	0.0%
750.020	Contribution to WWTF Cap Reserve	130,000	150,000	150,000	170,000	260,000	52.9%
755.023	Capital Outlay	15,861	0	6,382	4,000	10,000	150.0%
	*Budgeted Fund Balance Replenish		20,000	20,000	20,000	0	-100.0%
755.013	**Loan Payment for Deficit (Prin&Int)	54,652	53,250	53,023	51,625	0	-100.0%
TOTAL WWTF BUDGET		1,579,493	1,673,549	1,565,318	1,729,910	1,797,996	3.9%

WWTF OPERATION & MAINTENANCE REVENUES

01/28/14
8:20 AM

Acct. #	FY12 Actual	FY13 Budget	FY13 Actual	FY14 Budget	FY15 Proposed Budget	% Change 13 vs 12
-----	-----	-----	-----	-----	-----	-----
460.012 Village Wastewater Revenue	660,614	682,342	724,574	692,009	726,876	5%
460.013 Wastewater Charge - Essex	383,529	406,156	406,156	434,242	465,440	7%
460.014 Wastewater Charge - Williston	503,684	536,126	536,126	567,359	569,380	0%
460.031 Interest Income	42	0	0	0	0	0%
460.016 Misc. Pump Station Fees	24,200	24,800	24,800	30,300	30,300	0%
460.026 Shared Septage Revenues	19,254	14,000	19,527	6,000	6,000	0%
460.028 Shared Leachate Revenue	8,031	10,125	12,412	0	0	0%
445.000 Miscellaneous	139	0	1,002	0	0	0%
	=====	=====	=====	=====	=====	=====
TOTAL WWTF REVENUE	1,599,493	1,673,549	1,724,597	1,729,910	1,797,996	4%
	=====	=====	=====	=====	=====	=====

01/28/14
8:20 AM

	FY12 Actual	FY13 Budget	FY13 Actual	FY14 Budget	FY15 Proposed Budget	% Change 13 vs 12
-----	-----	-----	-----	-----	-----	-----
Breakdown of Village Revenues						
460.012 Village User Charge	605,620	636,542	664,392	677,209	711,876	5%
460.011 Village Users Penalties	2,999	2,800	3,402	2,800	3,000	7%
460.025 Village Septage Revenues	35,545	25,000	34,714	12,000	12,000	0%
460.027 Village Leachate Revenues	16,450	18,000	22,066	0	0	0%
460.020 Sewer Capacity Lease Agreement	0	0	0	0	0	0%
	=====	=====	=====	=====	=====	=====
Total Village Revenues	660,614	682,342	724,574	692,009	726,876	5%
	=====	=====	=====	=====	=====	=====

GENERAL FUND CAPITAL RESERVE PLAN											
Rev.											
PROJECTS FUNDED BY VILLAGE \$ ONLY	Ref. #	Project Total	Prior	FY14	FY15	FY16	FY17	FY18	FY19	Future	
Fire House Fire Escape Replacement		15,000		15,000							
Fire House - Replace Roof		24,000		24,000							
Woods End Reconstruction		730,377	1,584	728,793							
Village Office Renovations		19,387		19,387							
Library Surveillance Cameras		10,000		10,000							
Algonquin Ave. Waterline Installation/Roadway Reconstr.	W	151,642		12,082	139,560						
Railroad Ave. Waterline Main St. to Central Ave.	W	89,574		7,138	82,436						
Village Server Replacement		20,000					20,000				
Central St. Waterline Lincoln St. to Main St. (FY22)	W,S	1,055,645								1,055,645	
Brownell Library Asphalt Shingle Roofs replace (FY23)		35,439								35,439	
Paving		1,375,000		125,000	150,000	175,000	200,000	225,000	250,000	250,000	
Totals Project Funded by Village \$ Only				912,180	179,220	396,996	220,000	225,000	250,000	1,341,084	
PROJECTS FUNDED BY GRANTS											
Lincoln St. Sidewalks		356,970	66,463	290,507							
Fed Grant through CCRPC & VT Trans Enhance Gmt	1	(287,976)									
Handy's Hotels & Rentals Donation		(12,000)									
Lincoln St. Sidewalks Net Cost to Village		56,994									
Crescent Connector Park St. to Maple St.		4,550,000	187,259	284,345	284,345	3,794,051					
Fed & State Grants	2	(4,500,000)									
Crescent Connector Net Cost to Village		50,000									
Multiuse Path North	3	550,527	12,572	44,000	493,955						
Federal & State Grants through CCRPC		(389,835)									
Multiuse Path North Net Cost to Village		160,692									
Totals Project Funded by Grants Awarded				618,852	778,300	3,794,051	0	0		0	
Total Cost of all Projects Funded by Village \$ Only and Grants				1,531,032	957,520	4,191,047	220,000	225,000	250,000	1,341,084	
GENERAL FUND CAPITAL RESERVE FUNDING & FUND BALANCE											
Beginning Fund Balance				455,938	(92,180)	6,479	37,941	286,067	551,849		
Planned Spending				(1,531,032)	(957,520)	(4,191,047)	(220,000)	(225,000)	(250,000)		
Funding Sources											
Lincoln St. Sidewalks Federal Grant through CCRPC	1	287,976	39,834	248,142							
Donation for Lincoln St. Sdwk (Handy's Hotels)	1	12,000	12,000								
Crescent Connector Grant	2	4,500,000	155,350	284,345	284,345	3,775,960					
Multiuse Path North Grants	3	389,835		43,999	345,836						
CVE Annual Contribution		135,000	60,000	15,000	15,000	15,000	15,000	15,000			
General Fund Transfer In				391,427	410,999	431,549	453,126	475,782	499,572		
Total Revenues				982,914	1,056,180	4,222,509	468,126	490,782	499,572		
Ending Fund Balance				(92,180)	6,479	37,941	286,067	551,849	801,421		

W, S - The project involves water line or sanitary sewer line work in addition to street/sidewalk work. Additional funds have been set aside in the Water and or Sanitation Capital Reserve for the water line or sanitary sewer line work.

ROLLING STOCK FUND

DEPT VEHICLE MAKE YEAR VALUE REPLACEMENT TRADE IN VALUE FY14 FY15 FY16 FY17 FY18 FY19

STREET	4WD PICK UP	CHEVY SILVERAD	2009	39,500	10,000	29,500				33,163						
STREET	PICKUP	CHEVY SILVERAD	2013	31,000	1,000	30,000	30,285									
STREET	DUMPTRUCK -DIESEL	FREIGHTLINER	2013	163,500	20,000	143,500										
STREET	DUMPTRUCK -DIESEL	INTERNATIONAL	2002	163,500	20,000	143,500			148,405							
STREET	DUMPTRUCK -DIESEL	INTERNATIONAL	2012	163,500	20,000	143,500										
STREET	JETTER VAC TRUCK	VAC-ON	2010	84,500	15,000	69,500										
STREET	LOADER	JOHN DEERE	2001	121,500	25,000	96,500	96,500									
STREET	SIDEWALK PLOW	HOLDER	2004	145,000	5,000	140,000			144,350							
STREET	SKID STEER SIDEWALK PLOW	CAT	2001	51,000	5,000	46,000									54,123	
STREET	SIDEWALK PLOW	BELOS	2008	140,500	4,000	136,500								154,134		
STREET	ROLLER	ROSCOE	1979	15,000												
STREET	PICKUP 4WD 1 TON	CHEVY SILVERAD	2011	35,000	10,000	25,000									30,575	
STREET	4WD PICKUP	CHEVY SILVERAD	2011	35,000	10,000	25,000									30,575	
STREET	COMPRESSOR	SULLAIR	1992	19,000	0	19,000								20,762		
STREET	DUMP TRUCK - not replacing	INTERNATIONAL	2000	135,000												
STREET	VACUUM SWEEPER	JOHNSTON	2013	225,000	10,000	215,000	211,205									
STREET	TRAILER MOUNTED BOOM LIFT			31,800	5,000	26,800									31,069	
FIRE	PICKUP 8U61	GMC	2004	53,600	3,500	50,100									58,637	
FIRE	1250 PUMPER 8E21	E-ONE	1997	486,000	30,000	456,000								560,736		
FIRE	105' AERIAL 8L3	PIERCE ARROW	1991	830,000	80,000	750,000										
FIRE	COMBINATION RESCUE/PUMPER	KME PREDATOR	2008	564,202	50,000	392,202										
TOTAL				3,533,102			337,990	292,755	0	53,925	714,870	204,978				

Rolling Stock Fund Funding and Fund Balance

Beginning Cash Balance	280,542	212,901	151,150	392,809	541,198	(10,703)
Payment of Note for Ladder Truck	(53,275)	(52,620)	(51,965)	(51,310)	(50,655)	
Planned Spending	(337,990)	(292,755)	0	(53,925)	(714,870)	(204,978)
General Fund Contribution	173,624	183,624	193,624	203,624	213,624	223,624
Additional Half Penny on the tax rate to fund fire truck	50,000	50,000	50,000	50,000	50,000	
Town Contribution for Ladder Truck	100,000	50,000	50,000			
Ending Balance	212,901	151,150	392,809	541,198	(10,703)	7,944

Sanitation Fund Capital Reserve Plan

Project or Equipment	FY14	FY15	FY16	FY17	FY19	FY20	FY21
Vactor Truck Partial Share (Place Holder)							207,303
Miscellaneous Pump Station Work (alarms, etc.)	10,000						
Water Meter upgrades to radio reads	76,000	116,667	116,666				
Infiltration and Inflow Study	36,678						
Manhole Rehab (Infiltration Repair)		20,000	20,000	20000			
River Street PS Control Panel, anodes	16,000						
School St.Rd Reconstr. Waterline, Sanitary Sewer		126,612					
Main St. Drainage,Bridge, Curb project		5,918					
South Street PS Replace pump #1, 2 and valves, vent, anodes		33,000					
Trailer Pump		30,000					
HS Pump Station Upgrade Bond Payment		73,200	73,200	73,200	73,200	73,200	73,200
ARRA Stimulus Loan Repayment	14,880	14,880	14,880	14,880	14,880	14,880	14,880
Capital reserve annual expense	153,558	420,277	224,746	108,080	88,080	88,080	295,383

Sanitation Capital Reserve Funding and Fund Balance

Beginning Fund Balance	585,585	507,027	171,750	42,004	65,844	102,764	149,684
Planned Spending	(153,558)	(420,277)	(224,746)	(108,080)	(88,080)	(88,080)	(295,383)
Transfer in From Sanit. Operating Budget	75,000	85,000	95,000	105,000	125,000	135,000	145,000
Projected Ending Fund Balance	507,027	171,750	42,004	38,924	102,764	149,684	(699)

WWTF Capital Reserve Plan

Project or Equipment	FY14	FY15	FY16	FY17	FY18
Arc Flash Analysis	14,490				
Digester Cleaning	30,000				
Server and SCADA software/network upgrades	75,000				
RAS Pumps	100,000				
CoGen CHP design	26,000				
Utility Vehicle	15,000				
Gas Compressor		18,000			
Front End Loader		50,000			
Capital Planning - 20 Year				30,000	
RAS Pump				20,000	
Primary Digester Cleaning					50,000
Headworks Screen					200,000
Short Term Interest	31,500				
Contingency	17,000				
ARRA Stimulus Loan Payback	2,457	2,457	2,457	2,457	2,457
Capital reserve annual expense	311,447	70,457	2,457	52,457	252,457

WWTF Capital Reserve Funding and Fund Balance					
Beginning Fund Balance	372,190	230,743	420,286	687,829	915,372
Planned Spending	(311,447)	(70,457)	(2,457)	(52,457)	(252,457)
Transfer in From WWTF Operating Budget	170,000	260,000	270,000	280,000	290,000
Projected Ending Fund Balance	230,743	420,286	687,829	915,372	952,915

*Does not include WWTF Refurbishment Project costs or revenues

1/28/14 8:45 AM

0.03
0.05

Water Fund Capital Reserve Plan

PROJECT or Equipment	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Vector Truck (partial share)										17,275		
Algonquin complete loop between Cherokee & Iroquois				4,848	55,992							
Railroad Ave. Waterline Main St. to Central Ave.				7,797	90,061							
Pearl St. Water Line Rehabilitation-235 Pearl to Susie Wilson							30,843	339,262				
Water meter upgrades to Radio Reads	28,801	29,665	38,000	58,334	58,335							
Central St. Waterline Lincoln St. to Main St											553,970	
Backhoe Replacement		73,700										114,333
Water Pickup Truck		31,827										41,527
Bond Payment				11,116	34,355	34,355	34,355	34,355	34,355	34,355	34,355	34,355
Capital reserve annual expense	28,801	135,192	38,000	82,095	204,388	0	30,843	339,262	0	17,275	553,970	155,860

Water Fund Capital Reserve Funding and Fund Balance

Beginning Fund Balance		95,986	26,164	98,164	136,069	61,682	201,682	320,839	141,577	311,577	474,301	110,331
Planned Spending		(135,192)	(38,000)	(82,095)	(204,388)	0	(30,843)	(339,262)	-	(17,275)	(553,970)	(155,860)
Transfer in From Water. Operating Budget		100,000	110,000	120,000	130,000	140,000	150,000	160,000	170,000	180,000	190,000	200,000
Projected Ending Fund Balance		60,794		98,164	136,069	61,682	320,839	141,577	311,577	474,301	110,331	154,471

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1/28/14

PROJECTS FUNDED BY BONDING	General Fund	Water Fund	Sanitation Fund
School St. Road Reconstruction, Waterline, Sanitary Sewer	386,010	212,477	126,612
Main St. Drainage, Curb, Sidewalk, Bridge to Crestview, Enclose Drainage to Top of Hill	1,458,694	0	5,918
Hillcrest Drainage, N Hillcrest Water & Drainage	208,953	66,324	0
Briar Lane Road Reconstruction, Waterline and Sidewalk	1,042,050	143,734	0
Maple St. Replace Drainage Pipe that Crosses Maple St	175,337	0	0
Total Projects to Bond For	3,271,044	422,535	132,530



MEMORANDUM

TO: Village Trustees and Pat Scheidel, Village Manager
FROM: Susan McNamara-Hill, Assistant Manager/Clerk/Treasurer/HR
DATE: February 6, 2014
SUBJECT: Bond Resolutions

SMH

Issue

The issue is whether or not the Trustees should adopt the two resolutions presented in order to proceed with a Special Village Election to bond for capital projects.

Discussion

There are two resolutions presented for adoption by the Trustees. The first, "Resolution of Intent" is to meet the statutory requirement in order to proceed with a bond vote. The second, "Declaration of Official Intent ... to Reimburse Certain Expenditures from Proceeds of Indebtedness" is suggested by bond counsel, J. Paul Giuliani. The purpose of the second resolution is to allow the Trustees to use tax exempt bond proceeds to reimburse Village accounts for project costs that are advanced prior to Village bonds or notes being issued. Mr. Giuliani said that "Even if there is no present intention to advance project cost with an expectation of being reimbursed, I think it would be a good idea to adopt the resolution in case there is an unexpected need to make a project advance."

Cost

There is no direct cost associated with the adoption of the two resolutions.

Recommendation

It is recommended that the Trustees adopt the "Resolution of Intent" and "Declaration of Official Intent of Village of Essex Junction to Reimburse Certain Expenditures from Proceeds of Indebtedness."

VILLAGE OF ESSEX JUNCTION
RESOLUTION OF INTENT

WHEREAS, the Board of Trustees of the Village of Essex Junction has determined that public interest and necessity require making certain public improvements, namely, road reconstruction, water and sanitary sewer improvements, sidewalk replacement, drainage improvements and curb installation on various streets in the Village; and

WHEREAS, the Board of Trustees estimate the cost of such improvements not to exceed three million two hundred twenty-six thousand nine hundred seventy-three dollars (\$3,226,973); and

WHEREAS, the cost for completing said public improvements will be too great to be paid out of the ordinary annual income and revenue of the Village of Essex Junction; and

WHEREAS, general obligation bonds or notes of the Village of Essex Junction in an amount not to exceed three million one hundred thousand dollars (\$3,100,000) should be issued for the purpose of financing this project.

NOW THEREFORE BE IT RESOLVED, that the issuance of general obligation bonds of the Village of Essex Junction for the purpose of financing such improvements within the corporate limits of the Village, in accordance with the provisions of No. 120 of the Acts of 1892, as amended, and Chapters 53, 97, 101 and 120, of Title 24, Vermont Statutes Annotated, in an aggregate amount not to exceed three million one hundred thousand dollars (\$3,100,000) should be submitted to the voters of the Village of Essex Junction at a duly warned Special Village Meeting on April 8, 2014 (to be held in conjunction with the adjourned Annual Village meeting).

BE IT FURTHER RESOLVED by the Board of Trustees of the Village of Essex Junction that the proposition of incurring bonded debt for this purpose should be submitted to the qualified voters of the Village of Essex Junction as follows:

Article I: Shall general obligation bonds of the Village of Essex Junction in amount not to exceed three million one hundred thousand dollars (\$3,100,000), be issued for the purpose of making certain public improvements, viz:; road reconstruction, water and sanitary sewer improvements, sidewalk replacement, drainage improvements and curb installation on various streets in the Village; such improvements estimated to cost three million two hundred twenty-six thousand nine hundred seventy-three dollars (\$3,226,973)?

BE IT FURTHER RESOLVED, that a vote on said proposition be conducted by Australian ballot, at the April 14, 2014 Special Village Meeting to be held at Essex High School at which meeting the polls will be open at 7:00 A.M. and close at 7:00 P.M; and a public hearing will be held on April 2, 2014 at 7:00 P.M. (during the Annual Village Meeting) at the Essex High School Auditorium to receive input on the proposed bond vote article.

Dated: February 11, 2014

ESSEX JUNCTION BOARD OF TRUSTEES

George A. Tyler, Village President

Daniel S. Kerin, Vice President

Andrew P. Brown, Trustee

Lori A. Houghton, Trustee

Elaine H. Sopchak, Trustee

Received for record this ____ day of February, 2014 in the records of the Village of Essex Junction.

Village Clerk

DECLARATION OF OFFICIAL INTENT
OF VILLAGE OF ESSEX JUNCTION
TO REIMBURSE CERTAIN EXPENDITURES
FROM PROCEEDS OF INDEBTEDNESS

WHEREAS, the Village of Essex Junction, Vermont, (the "Issuer") intends to make public infrastructure improvements to be considered by the Issuer at a special meeting thereof to be held on April 8, 2014 (the "Project"); and

WHEREAS, the Issuer expects to pay certain capital expenditures (the "Reimbursement Expenditures") in connection with the Project prior to the issuance of indebtedness for the purpose of financing costs associated with the Project on a long-term basis;

WHEREAS, the Issuer reasonably expects that for that part of the Project consisting of design and construction costs, debt obligations in an amount not expected to exceed \$3,100,000 will be issued and that certain of the proceeds of such debt obligations will be used to reimburse the Reimbursement Expenditures; and

WHEREAS, the Issuer declares its reasonable official intent to reimburse prior expenditures for the above-described part of the Project with proceeds of a subsequent borrowing;

NOW THEREFORE, the Issuer declares:

Section 1. The Issuer finds and determines that the foregoing recitals are true and correct, and that all of the capital expenditures covered by this Resolution were or will be made not earlier than 60 days prior to the date of this Resolution.

Section 2. This declaration is made solely for the purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations. This declaration does not bind the Issuer to make any expenditure, incur any indebtedness, or proceed with the Project.

Section 3. The Issuer hereby declares its official intent to use proceeds of indebtedness to reimburse itself for Reimbursement Expenditures, within 18 months of either the date of the first expenditure of funds by Issuer for such Project or the date that such Project is placed in service, whichever is later (but in no event more than three years after the date of the original expenditure of Issuer funds for such Project), and to allocate an amount not to exceed \$3,100,000 of the proceeds thereof to reimburse itself for its expenditures in connection with the Project.

Section 4. The Issuer's debt obligations for the aforementioned purpose will not be "private activity bonds" within the meaning of Section 141 of the Internal Revenue Code of 1986.

Section 5. All prior actions of the officials and agents of Issuer that are in conformity with the purpose and intent of this Resolution and in furtherance of the Project shall be and the same hereby are in all respects ratified, approved and confirmed.

Section 6. All other resolutions of the legislative body of the Issuer, or parts of resolutions, inconsistent with this Resolution are hereby repealed to the extent of such inconsistency.

Section 7. It is hereby found that all discussions and deliberations of the legislative body of the Issuer leading to the adoption of this Resolution occurred at one or more meetings of the legislative body conducted pursuant to public notice and open to public attendance.

Section 8. This declaration shall take effect from and after its adoption.

The undersigned, Village Clerk of the Issuer, hereby certifies that the foregoing is a full, true and correct copy of the declaration of the legislative body of said Issuer duly made at a meeting thereof held on the date, specified below, and that said declaration has not been amended, modified or revoked.

Village Clerk

February 11, 2014

Essex Junction's Village Center Redevelopment Project: Thoughtful Growth Through Partnerships

Summary: The recent Heart & Soul project in Essex Junction and Essex Town identified Thoughtful Growth as a key community value. Citizens expressed concern at the pace and direction of some development initiatives in the community and expressed the desire for the Village and Town governments to adopt a more holistic approach to development that balances design, scale, pedestrian access, vehicular flow, and economic vitality. At the same time, pending large-scale development projects in the Village Center, such as the Crescent Connector and construction of a multistory mixed residential/commercial building at Five Corners will likely have a significant impact on the aesthetics and accessibility in the Five Corners area which could, in turn, affect the quality and direction of subsequent redevelopment. To address the citizen concerns for thoughtful growth, and to ensure that development follows a balanced, sustainable path the Essex Junction government is seeking the services of an independent consultant to work with Village staff to help plan a direction for Village Center redevelopment.

Scope of Services:

I. Bring Property Owners and Potential Developers into the Planning Process: As an initial step in the planning process, meet one-on-one or collectively with property owners, developers, brokers, Village Trustees and planners to solicit and assess their views on development in the Village Center.

The goal of this service is to:

- Help the Village leadership understand the concerns and financial challenges that property owners and developers face as the cost of doing business or owning commercial property in the Village center.
- Give assurance to property owners and developers that the Village considers them to be partners in Village Center redevelopment efforts.
- When possible, and with sensitivity to the inherently competitive nature of the business environment, identify opportunities for property owners and potential developers to collaborate on prospective projects to achieve mutually desirable goals.

II. Help Envision a Redeveloped Village Center: Create an idealized streetscape, traffic flow, and building design plan which property owners, developers, and Village planners can use as a guide for redevelopment projects. The intent is not to generate a precise blueprint which must be followed, but to inspire property owners, developers, Village officials, and citizens with the possibilities for how new development, based on the criteria listed below, could be integrated with significant existing buildings and infrastructure, such as the Brownell Block and Veterans Memorial Park, to create a balanced, economically vital community center that benefits all stakeholders.

The goal of this service is to:

- Streamline the application review process by ensuring that applications for new construction and infrastructure are harmonious with existing, landmark buildings in the Village core such as Lincoln Hall, the Brownell Library, the Brownell Block, and the recently approved, yet-to-be constructed multistory,

DRAFT

Version 3: 2/6/14

mixed use building on the former People's Bank Property.

- Streamline the application review process by helping developers envision the kind of design standards and construction that are compatible with the Village's Land Development Code for the Village Center District.
- Streamline the application review process by increasing certainty in investment decisions. Ensure new construction and infrastructure reflects the community values identified by the recent Heart & Soul Project as a means to achieving a robust and vibrant community.
- Compare the Village's existing application review process (planning commission) with other possible models (DRB). Recommend changes to the existing process that might improve application review and encourage development that is more compatible with the Village government's goals and community values.
- Illustrate how possible long-term changes in traffic flow, such as re-routing tractor trailer truck traffic away from Five Corners, and/or "pedestrianizing" a short section of Main Street might enhance the aesthetics, pedestrian accessibility, air quality, and economic vitality of the Village Center.

III. Recommend Achievable Economic Development Steps: Within the context of redevelopment of existing public infrastructure or incentives for redevelopment for private infrastructure, recommend steps the Village government can take that would stimulate further economic growth and vitality in the Village core. **The Village government has identified several questions to be addressed within this context:**

- What types of new businesses should the Village encourage, or recommend to developers, that would complement existing businesses?
- Considering the high volume of commuter traffic through Five Corners, would local businesses benefit by the availability of more easily accessible public parking? Should the Village invest in a municipal parking lot?
- Relative to surrounding communities and commercial/retail centers, does the Village core have unique features which might be improved to help stimulate economic growth?
- Should the Village consider rezoning the existing Village core and abutting zones to improve economic development potential?
- Considering recent and pending construction of multi-unit rental housing in the Village and Town centers should the Village encourage construction of more rental housing within the Village core? If so, what types of housing would complement existing housing (affordable vs. senior vs. luxury)?
- Would businesses in the core benefit from higher speed/greater capacity Internet availability? Should the Village consider investing in a business "incubator" space with free or low cost high speed Internet service?
- Should the Village consider tax-free or reduced tax zones within the core as an economic development incentive?

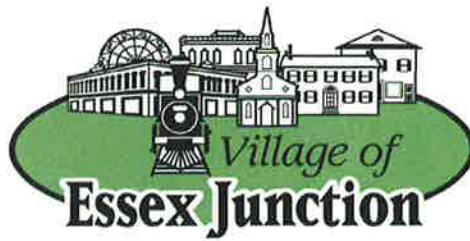
DRAFT

Version 3: 2/6/14

IV. Bring Community members into the Planning Process: Hold a Charrette that allows community members to express their desires and opinions regarding redevelopment of the Village Center. The Charrette should inform the previously described streetscape and building design plan and help the Village leadership and business community align their planning efforts with the desires of the community.

The goal of this service is to:

- Help community members understand the planning process
- Describe for Village residents how properties currently in the Village Center District and new opportunities adjacent to the Crescent Connector might be redeveloped to maximize the economic, social, and ecological potential of the Village Core.
- Help community members gain a realistic understanding of the financial, legal, and physical constraints and challenges of redeveloping the Village Center, and within the framework of those constraints obtain a sense of the Village community's aspirations for the Village Center, and the kinds of architectural themes that might align with community values



RESOLUTION OF APPRECIATION

WHEREAS, Heart and Soul of Essex, the Town of Essex and the Village of Essex Junction completed a two-year community planning grant through the Orton Foundation; and

WHEREAS, extensive public discussion and input was solicited in the course of public events, activities, neighborhood conversations and meetings between 2012 and 2014; and

WHEREAS, this public engagement resulted in a clear set of shared values – EDUCATION, COMMUNITY, COMMUNITY CONNECTIONS, SAFETY, THOUGHTFUL GROWTH, HEALTH AND RECREATION, AND LOCAL GOVERNMENT; now therefore be it,

RESOLVED by the Village of Essex Junction Trustees and the Town of Essex Selectboard that:

We recognize and thank community members for participating in Heart & Soul of Essex and for contributing to the identification of shared values; and be it further

RESOLVED, that municipal officials will consider these community values when making community decisions and endeavor to make decisions that will preserve or strengthen these values.

Dated at Essex Junction, Vermont, this 11th day of February, 2014.

VILLAGE OF ESSEX JUNCTION BOARD OF TRUSTEES

George A. Tyler, Village President

Daniel S. Kerin, Vice President

Elaine H. Sopchak, Trustee

Lori A. Houghton, Trustee

Andrew P. Brown, Trustee

CERTIFICATE OF HIGHWAY MILEAGE **YEAR ENDING FEBRUARY 10, 2014**

Fill out form, make and file copy with the Town Clerk, and mail **ORIGINAL**, before February 20, 2014 to:
 Vermont Agency of Transportation, Division of Policy, Planning and Intermodal Development,
 One National Life Drive, Montpelier, VT 05633.

We, the members of the legislative body of **ESSEX JCT. VILLAGE** in **CHITTENDEN** County
 on an oath state that the mileage of highways, according to Vermont Statutes Annotated, Title 19, Section 305,
 added 1985, is as follows:

PART I - CHANGES TOTALS - Please fill in and calculate totals.

Town Highways	Previous Mileage	Added Mileage	Subtracted Mileage	Total	Scenic Highways
Class 1	5.013				0.000
Class 2	2.006				0.000
Class 3	27.64				0.000
State Highway	0.600				0.000
Total	35.259				0.000
* Class 1 Lane	1.289				0.000
* Class 4	0.00				
* Legal Trail	0.00				
* Unidentified Corridor	0.00				

* Mileage for Class 1 Lane, Class 4, Legal Trail, and Unidentified Corridor classifications are NOT included in total.

PART II - INFORMATION AND DESCRIPTION OF CHANGES SHOWN ABOVE.

- 1. NEW HIGHWAYS:** Please attach Selectmen's "Certificate of Completion and Opening".
- 2. DISCONTINUED:** Please attach SIGNED copy of proceedings (minutes of meeting).
- 3. RECLASSIFIED/REMEASURED:** Please attach SIGNED copy of proceedings (minutes of meeting).
- 4. SCENIC HIGHWAYS:** Please attach a copy of order designating/discontinuing Scenic Highways.

IF THERE ARE NO CHANGES IN MILEAGE: Check box and sign below. ☒

PART III - SIGNATURES - PLEASE SIGN.

Selectmen/ Aldermen/ Trustees Signatures: _____

T/C/V Clerk Signature: _____

Date Filed: _____

Please sign **ORIGINAL** and return it for Transportation signature.

AGENCY OF TRANSPORTATION APPROVAL: Signed copy will be returned to T/C/V Clerk.

APPROVED: _____

Representative, Agency of Transportation

DATE: _____



MEMORANDUM

TO: Village Trustees and Pat Scheidel, Village Manager
FROM: Rick Jones, Public Works Superintendent *RJ*
DATE: February 6, 2014
SUBJECT: Town Road and Bridge Standards

Issue

The issue is whether or not the Trustees should approve the State-approved Town Road and Bridge Standards and certify compliance.

Discussion

The State of Vermont encourages municipalities to follow the State-approved Standards for several reasons:

- ✓ Adherence to these Standards increases the likelihood that town roads and bridges will hold up during flooding or heavy rain events.
- ✓ When a federally declared disaster occurs, FEMA will use a municipality's duly adopted "codes and standards" when determining eligible repair work under the FEMA Public Assistance program.
- ✓ The State-approved Standards address water quality associated with roadway run-off.
- ✓ Municipalities who certify adoption of these Standards benefit from a 10% instead of 20% local match requirement for the total costs of a project funded under the Town Highway Structures and Class 2 Roadway grant programs.
- ✓ Beginning in October 2014, municipalities who certify adoption of the State-approved Standards, as part of a basic set of flood damage mitigation measures, will be eligible to receive a 12.5% instead of 7.5% state share of the FEMA-approved total project cost.

However, the State Standards are the recommended minimum only. The Village of Essex Junction's Land Development Code is more detailed and stringent.

Cost

There is no direct cost associated with this issue.

Recommendation

It is recommended that the Trustees approve the Town Road and Bridge Standards and sign the Certification of Compliance.

TOWN ROAD AND BRIDGE STANDARDS VILLAGE OF ESSEX JUNCTION, VERMONT

The Village of Essex Junction hereby adopts the following Town Road and Bridge Standards which shall apply to the construction, repair, and maintenance of all Village roads and bridges.

The standards listed here are considered minimum and apply to construction projects and repair and maintenance activities. The standards include management practices and are designed to: ensure the safety of the traveling public, minimize damage to road infrastructure during flood events, and enhance water quality protections by minimizing sediment delivery to surface waters and/or wetlands.

The Village Trustees reserves the right to modify the standards for a particular project or repair or maintenance activities where, because of unique physical circumstances or conditions, there is no possibility that the project or activities can be completed in strict conformance with these provisions. Any modifications to the standards must be done in a manner that serves the underlying intent of the management practice, be it public safety, flood hazard avoidance, or water quality protection. Fiscal reasons are not a basis for modification of the standards. Questions about modifications to the standards should be directed to the VTrans District Office.

Municipalities must comply with all applicable state and federal approvals, permits and duly adopted standards when undertaking road and bridge activities and projects.

Any new road regulated by and/or to be conveyed to the municipality shall be constructed according to the minimums of these standards. If any federal and/or state funding is involved in a project, the VTrans district office must be notified prior to any field changes taking place that would alter the original scope of work.

Roadways

- All new or substantially reconstructed gravel roads shall have at least a 12-inches thick processed gravel sub-base, with an additional 3 inches (minimum) top course of crushed gravel.
- All new or substantially reconstructed paved roads shall have at least a 15 inches thick processed gravel sub-base.
- All roadways shall be graded so water does not remain on the road surface. For roadways that are not super-elevated, this generally means a 2-4% ($\frac{1}{4}$ " - $\frac{1}{2}$ " per ft) crown for gravel roads and a 1-2% ($\frac{1}{8}$ " - $\frac{1}{4}$ " per ft) crown for paved roads to promote sheeting of water.
- Proper grading techniques for gravel roadways must be used to avoid creating a ridge or berm between the crown and the ditch.
- Any berm along the roadway shoulder that prevents the proper sheeting of water must be removed.

Ditches and Slopes

Soil exposed during ditch and slope construction, repair or maintenance must be treated immediately following the operation and temporary erosion prevention and sediment control practices must be installed and maintained during construction activities and until the ditch or slope is permanently stabilized.

The following are minimum erosion control measures. Careful attention must be given to areas vulnerable to erosion and immediately adjacent or discharging to surface waters and/or roadway drainage facilities:

- Seed and mulch all ditches with grades less than 5% when undertaking projects or repairs or maintenance activities that result in exposed soil. Vegetation must be established and monitored. If vegetation is not established within 10 days of placement, install biodegradable non-welded matting with seed.
- Stone line all new or reconstructed ditches or whenever soils are disturbed by maintenance activities with grades equal to and greater than 5%; alternatively, install stone check dams. The check dams must meet criteria outlined in the *"Standards and Specifications for Check Dams,"* from the *Vermont Standards and Specifications for Erosion Prevention and Sediment Control*. Specifically, dams must be placed so that the crest of the downstream check dam is at the same elevation as the base of the upstream dam.
- Create parabolic (wide "U" shaped) ditches when constructing new or substantially reconstructing ditches, rather than narrow "V" shaped ditches wherever lateral space allows. Ditches with gradual side slopes (maximum of 1:2, vertical to horizontal ratio) and a wide bottom (at least 2 feet) are preferred. Use biodegradable, non-welded matting to stabilize side-slopes where slopes are greater than 1:2 and less than 1:1 ½; apply seed and mulch to any raw or exposed side-slope if slopes are less than 1:2.
- All ditches must be turned out to avoid direct outlet into surface waters. There must be adequate outlet protection at the end of the turnout, either a structural (rock) or vegetative filtering area.
- If in the best professional engineering judgment of the VTrans Operations Division, there is a cost effective ditch treatment that will meet the intent of the management practices described above, but represents a departure from these standards, the municipality may implement the more cost effective ditch treatment alternative with the professional recommendation submitted in written form by VTrans prior to the municipality executing the work.
- When constructing new or substantially reconstructing side slopes, use appropriately sized stone armament on slopes that are 1:1½ or greater. If perennial streams are affected by the toe of slope the project must conform to the statewide Stream Alteration standards.

Culverts and Bridges

- Replacement of existing culverts and any new culvert must have a minimum culvert diameter of 18 inches.
- Replacement of existing bridges and culverts and any new bridges and culverts must be designed in accordance with the VTrans Hydraulics Manual, and, in the case of perennial streams, conform to the statewide Stream Alteration standards.
- All new driveway culverts must have a minimum diameter of 15 inches.
- When installing or replacing culverts, use appropriate techniques such as headwalls and wingwalls, where there is erosion or undermining or where it is expected to occur.
- Install a splash pad or plunge pool at the outlet of new or repaired drainage culverts where there is erosion or where erosion may occur. Splash pads and plunge pools are not appropriate for use in streams supporting aquatic life.

Guardrails

When roadway, culvert, bridge, or retaining wall construction or reconstruction projects result in hazards such as foreslopes, drop offs, or fixed obstacles within the designated clear-zone, a roadside barrier such as guardrail must be installed. The most current version of the AASHTO Roadside Design Guide will govern the analysis of the hazard and the subsequent treatment of that hazard.

Access Management

The Village must have a process in place, formal or informal, to review all new drive accesses and development roads where they intersect Village roads, as authorized under 19 V.S.A. Section 1111. The Village may reference VTrans A-76 Standards for Town & Development Roads and B-71 Standards for Residential and Commercial Drives; and the VTrans Access Management Program Guidelines for other design standards and specifications.

Training

Village highway maintenance crews must collectively attend a minimum total of 6 hours of training per year on best road management practices. The Village must keep documentation of their attendance for a period of three years.

**Passed and adopted by the Board Of Trustees of the Village of Essex Junction, State of Vermont
on February 11, 2014 .**

Board of Trustees: _____

**Certification of Compliance
for
Town Road and Bridge Standards**

We, the Legislative Body of the Municipality of Essex Junction, certify that we have reviewed, understand and comply with the Town Road and Bridge Standards / Public Works Specifications and Standards passed and adopted by the Village Board of Trustees on February 11, 2014.

We further certify that our adopted standards ☒ do ☐ do not meet or exceed the minimum requirements included in the January 23, 2013 VTrans template.

Date: February 11, 2014

George A. Tyler, Village President

Daniel S. Kerin, Vice President

Lori A. Houghton, Trustee

Elaine H. Sopchak, Trustee

Andrew P. Brown, Trustee

WARNING
VILLAGE OF ESSEX JUNCTION ANNUAL MEETING
APRIL 2 & 8, 2014

The legal voters of the Village of Essex Junction are hereby notified and warned to meet at the Essex Community Educational Center on Educational Drive in the Village of Essex Junction on Wednesday, April 2, 2014 at 7:00 PM to act upon any of the following articles not involving voting by Australian ballot, said meeting to be adjourned to reconvene at the Essex Community Educational Center, on Tuesday, April 8, 2014 to vote for Village officers and transact any business involving voting by Australian ballot, said voting by Australian ballot to begin at 7:00 AM and close at 7:00 PM.

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

ARTICLE 2. Shall the voters approve an annual General Fund Budget in the amount of \$3,468,826 for fiscal year July 1, 2014 to June 30, 2015, \$2,942,914 of which is to be levied in taxes against the Village Grand List?

ARTICLE 3. Shall the voters approve holding the 2015 Annual Meeting on Wednesday, April 1, 2015 to act upon any articles not involving voting by Australian ballot and to reconvene on Tuesday, April 7, 2015 to vote for the Village officers and transact any business involving voting by Australian ballot?

ARTICLE 4. To transact any other business that may lawfully come before the meeting?

BALLOT QUESTIONS

ARTICLE 5. To elect Village officers required by law including: Moderator (one year term); two Village Trustees (three year terms); one Library Trustees (five year term)?

Dated this 25th day of February, 2014

VILLAGE OF ESSEX JUNCTION
BOARD OF TRUSTEES

By:

George A. Tyler, President

Dan Kerin, Vice President

Lori Houghton, Trustee

Andrew Brown, Trustee

Elaine Sopchak, Trustee

ATTEST:

Susan McNamara-Hill, Village Clerk



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MEMORANDUM

TO: Village Trustees
FROM: Pat Scheidel, Village Manager
DATE: February 11, 2014
SUBJECT: Trustees Meeting Schedule

TRUSTEES MEETING SCHEDULE/EVENTS

Note: We need to schedule a special meeting to adopt the Warning for a Special Village Election.

February 25 at 6:30 – Regular Trustees Meeting

- Public hearing on Multiuse Safety Path
- Adopt Annual Meeting Warning

March 11 at 6:30 – Regular Trustees Meeting

- Annual Meeting preparation

March 25 at 6:30 – Regular Trustees Meeting

- Annual Meeting preparation

April 2 at 6:00 PM – Community Supper

April 2 at 7:00 – Annual Meeting

April 8, 7 AM to 7 PM – Australian Ballot Voting

April 8 at 6:30 – Regular Trustees Meeting

April 22 at 6:30 – Regular Trustees Meeting

- Board reorganization

May 13 at 6:30 – Regular Trustees Meeting

May 24 at 10 AM – Memorial Day Parade

May 27 at 6:30 – Regular Trustees Meeting

MINUTES SUBJECT TO CORRECTION BY THE ESSEX JUNCTION BIKE/WALK ADVISORY COMMITTEE. CHANGES, IF ANY, WILL BE RECORDED IN THE MINUTES OF THE NEXT MEETING OF THE COMMITTEE.

**VILLAGE OF ESSEX JUNCTION
BIKE/WALK ADVISORY COMMITTEE
MINUTES OF MEETING
JANUARY 13, 2014**

MEMBERS PRESENT: Rick Hamlin, Andrew Van Liew, Rowena Albert, Jud Lawrie, Eric Bowker, Jeff Frolik, Rosalind Hutton

ADMINISTRATION: Darby Mayville, Community Relations and Economic Development Assistant

1. CALL TO ORDER

Rick Hamlin called the meeting to order at 6 PM. He informed the committee that the advertisement of the Road Rules began today.

2. AGENDA ADDITIONS

The presentation by Eric on Chapel Hill, NC was corrected to Charaboro NC.

Darby asked that the committee please add to the agenda a request to write a letter of recommendation for the Village of Essex Junction for the Municipal Effort Award at the statewide Bike/Walk Summit.

MOTION by JUD, SECOND by ERIC, to amend the agenda. VOTING: unanimous; motion carried.

3. MUNICIPAL EFFORT AWARDS

Darby informed the committee that the Village is interested in applying for the Municipal Effort Award at the upcoming Vermont Bike/Walk Summit. This is the first year that this award is available, and it is being sponsored by a variety of leaders in the field, such as Local Motion, CCRPC, and the UVM Transportation Research Center.

Rick asked Darby to confirm that the committee would only be writing a letter of recommendation, and not completing the entire application. Darby said that this was correct. Rick said that he would draft a letter and send it to the rest of the committee.

Andrea asked if the committee would be able to attend, and Darby said that she thought that they would be.

4. MINUTES REVIEW

Rick asked to clarify that it was the Bike/Walk Advisory Committee, not Hamlin Engineering, that was given permission to paint the bicycle trigger points.

Jud mentioned that his name was spelled incorrectly in section six, and asked that the minutes be corrected to state that he was presenting on Davidson, NC.

Rosalind said that she would like to state that one hour did not seem to be a long enough time for the committee to accomplish all of their work. Rick said that he disagreed, and thought that an hour was the perfect amount of time for an efficient meeting. He reminded the group how much they had accomplished in the past few months, and said that they could reevaluate the meeting length this in the spring if need be. Andrea said that she was fine with going a few minutes over the time limit if an important discussion was occurring. Rowena told Rick that she appreciated how respectful he was of their time in starting and ending the meeting promptly.

MOTION by ROWENA, SECOND by ANDREA, to accept the minutes of the December meeting with corrections. VOTING: unanimous; motion carried.

5. PROJECT UPDATES

Andrea stated that the committee's entry in the Front Porch Forum "Seven Words" contest was not a winner.

Rick said that he would be meeting with UVM Senior engineering students regarding the potential of them assisting with a scoping study of a bike/pedestrian path to connect Pearl and West Streets.

Eric will be connecting with the police regarding enforcement concerns.

6. PRESENTATION FROM ERIC BOWKER ON THE BIKE/WALK CONDITIONS IN CHARABORO, NC

Eric stated that Charaboro is a small city west of Chapel Hill NC, with a population of 19,000. He choose to study this community due to its similarities to Essex Junction. It is considered to be one of the most liberal cities in the South. They have received a variety of state grants for transportation planning, as well as a grant from the NC Health Department to study the impact of active transportation on health.

The population of this city is very young, and the median family income is \$45,000. Charaboro is home to a very popular farmer's market, and all items sold are required to be made within a fifty (50) mile radius of the city. The city was awarded silver level status from the League of American Bicyclists. Charaboro developed a greenway to connect itself with neighboring Chapel Hill. The city has a residential traffic management plan, and is considering the idea of pedestrianizing areas of their downtown. Bus service is free.

Andrea asked if the greenway had separate bike and pedestrian lanes?

Eric said that it did.

Andrea said that, in many multi-use lanes, walkers end up in the bike lane due to the fact that this is more room, which can be a safety issue.

Rick stated that physical dividers between the sections can be helpful to avoid this problem.

7. WORK ON COMMUNITY VISION STATEMENT

Prior to the meeting, Jud sent out samples of other community vision statements. Rick showed the committee the Bike/Walk Advisory Committee mission statement, and reminded them that they are working on developing a vision statement for the community as a whole, not just the committee. Andrea stated that she believes that the vision statement should reflect the community's goals, rather than its current status. She noted that she preferred broader statements. She contrasted this to the mission statement, which she felt should reflect the purpose of the committee. The following are keywords/points that various committee members felt were important to include:

- A mention of Essex Junction's history as a transportation hub.
- Several committee members liked the fact that Maryland's goal is to be the best state in the nation for biking and walking.
- Neighborhoods are connected safely.
- Joyful for people of all ages and abilities.
- A cleaner environment.
- Contributing to economic vitality.
- Seamless, balanced, and barrier-free network.
- Year-round.
- Provided and maintained.
- Vibrant commercial districts.
- Convenient and practical options for everyone.
- Contribute to our identity

Andrea suggested using some of the Heart & Soul terms in the vision statement. Rick added that he felt that we should focus on biking and walking as a method of transportation, rather than the health or exercise benefits gained from it. He believes that this may help some individuals take biking and walking more seriously.

Eric noted that he disagreed, and that he felt that the health benefits of non-motorized transportation are very important.

Jud stated that he felt that the vision statement should be kept short, and that other elements can be listed as committee or community goals.

Rick offered to draft a vision statement that incorporated as many of these ideas as possible and share it with the group.

Rosalind suggested that all members of the group work on writing a vision statement, and compare the results. Rick suggested that all brainstormers be submitted by February 5th in time for them to be compiled prior to the next meeting.

8. PUBLIC INPUT

None.

9. MEETING SCHEDULE

Next meeting

- January 10th, at 6 PM.

Agenda Items

- Minutes Review;
- Review & Edit Bike/Walk Vision Statement for Village;
- Project Update from Andrea Van Liew on Keene, NH;
- Public Input.

10. ADJOURNMENT

MOTION by JEFF, SECOND by ANDREA to adjourn the meeting. VOTING: unanimous; motion carried.

The meeting was adjourned at 7:01 PM.

**VILLAGE OF ESSEX JUNCTION
TREE ADVISORY COMMITTEE
MINUTES OF MEETING
JANUARY 22, 2014**

MEMBERS PRESENT: Nick Meyer, Rich Boyers, Paula DeMichele

ADMINISTRATION: Darby Mayville, Community Relations and Economic Development
Assistant

1. CALL TO ORDER

The meeting was called to order at 6:08 PM by Darby Mayville.

2. ETHICS POLICY

Rich Boyers and Nick Meyer gave Darby their signed Ethics Policy. Paula DeMichele said that she would drop it off tomorrow. She also explained to the committee that the best way to contact her was through the phone, and that she was a little hard of hearing, so to make sure to speak up when speaking to her.

3. TERM LENGTHS

- Nick: Three years;
- Rich: Two years;
- Paula: One year;
- Warren: One year.

Nick said that he spoke with the Village Manager, and he felt that it was important for all committees to have an odd number of members. As a result, the committee charter will soon be changed to state that the Tree Committee is a five-member organization.

4. CHAIR/VICE CHAIR ELECTIONS

Nick was elected chair, and Rich was elected interim vice-chair.

5. GENERAL COMMITTEE BUSINESS

Nick passed out a list that he developed of potential committee priorities to the group. They discussed the following:

I. Caring for Canopy Grant

Nick informed the group that the Village was awarded a Caring for Canopy Grant through the state of Vermont last fall. This grant will pay to hire arborists to prune

Village trees. He said that Warren has a good knowledge of the Village trees, and that he would ask him to do a ride around with Rick Jones, Public Works Superintendent, to determine which trees most need pruning. Nick also mentioned that some of the pruning may be able to be done by Public Works staff, which will reduce the cost.

Rich asked what the process of finding an arborist entailed?

Nick said that he thought that there needed to be at least three quotes for the work before a contractor was selected.

Paula asked when the money from this grant would run out?

Nick said that the grant period was technically over this summer, but that we could get an extension if needed.

Nick stated that another thing that they hoped to be accomplished with grant funding would be the development of a tree management plan. He hoped that the CCRPC could assist with this, and said that they may have a generic plan on file that the committee could use as a starting point.

II. Tree Care Workshop

Nick said that a staff person from the state Forest, Parks & Recreation could run a workshop sometime this spring. He said that Branch Out Burlington successfully runs these workshops. The group approved of this idea.

III. Arbor Day Planning

The group determined that Arbor Day is April 25th, which is a Friday. Nick said that last Arbor Day the Village got a free tree from a nursery in Charlotte. This was planted at Summit Street School. Rich said that it might be nice to try for multiple plantings this year, and also proposed the idea of having the tree care workshop on Arbor Day.

IV. Tree Planting in the Village

Nick informed the committee that there is roughly \$1,100 available for tree planting in this year's budget.

Paula asked if there were any specific Village planting priorities?

Nick said that it is important to focus on the downtown area. He said that trees have been planted in previous years at Brownell Library, the federal building, and on private property on Pearl Street.

Nick added that, due to the requirements of the grant funds that have been paying for recent plantings, Essex Junction has been buying 2.5 inch trees. In other circumstances,

smaller trees could be purchased for much less. He mentioned that Branch Out Burlington does a tree sale every year and sells trees for as low as \$50.

Nick mentioned that Essex Junction used to offer a fund to incentive private planting in the Village right of way, and that he thinks that it would be a good idea to bring this program back. He said that could also be used as a method of ensuring that homeowners are knowledgeable about trees before they plant them. The committee agreed that this is a good idea.

V. Defining the Tree Committee's Relationship with the PW Department and the Planning Department

Darby confirmed that the Planning Department would be staffing the committee. Nick said that he hoped to encourage the Village Public Works Department to spend more money on planting and tree care in the future.

VI. Outreach to the Community

The group began to brainstorm on potential outreach ideas. Darby said that the Bike/Walk Advisory Committee had been doing weekly informational posts, and that this seemed successful in getting the word out about their activities. Nick said that he hoped that the Reporter would be interested in doing press releases on their work. Paula suggested doing some type of education through the schools. Rich suggested a possible collaboration with the CVE Forestry program. Nick suggested that the committee could train the students to teach landowners how to care for their trees. Rich asked to have a table at the upcoming Village meeting, which all members of the committee agreed upon.

VII. Other Items

The committee decided to meet once a month, on the third Tuesday of the month, at 6 PM.

Nick suggested that all committee members review the website for the Urban & Community Forestry program, since there is a considerable amount of helpful information there. He informed the group that Essex Junction had recently won a tree steward award from this organization. He mentioned that the Urban & Community Forestry Program may also assist the group with workshop planning.

The committee started to discuss why some members of the public do not value trees. Nick said that since Vermont is 85% wooded, many people do not think of the benefits of urban trees. Paula said that she wished that the role that trees played in improving air quality was better regarded.

The committee then discussed their role in regard to the Village Planning Commission. Nick said that he thinks that current landscaping requirements are very weak, and he intends to suggest to the Commission that this board have a role in reviewing plans.

Paula suggested that master gardeners have a role in informing the Planning Commission, and Nick said that he would also suggest this to them. Nick said that he believes that the Tree Advisory Committee will become a very valuable resource to both the Planning Commission and Community Development Department.

Rich asked how Essex Junction differed from other communities regarding landscaping.

Nick told him that Essex Junction required that projects above a certain cost spend at least 2% of their budget on landscaping, however this also included hardscaping. Rich asked if there was a specific requirement to plant certain trees. Nick said only for new developments.

6. MEETING SCHEDULE

Next meeting

- February 18th at 6 PM

Agenda Items

- Minutes Review;
- Planning for Tree Care Workshop;
- Follow Up on Tree Management Plan;
- Report from Warren Spinner on Pruning Plans;
- Public Comments.

7. ADJOURNMENT

MOTION by RICH, SECOND by PAULA, to adjourn the meeting. VOTING: unanimous; motion carried.

The meeting was adjourned at 7:10 PM.

**Village of Essex Junction
2014 Block Party Committee Meeting Minutes
January 27 at 3:30 PM**

Present: Sam Jackson, Joanie Maclay, Darby Brazoski and Patty Benoit.

Guest: Nicole Fields, Essex Jct. Recreation & Parks

The 2014 Block Party and Street Dance will be held on Saturday, July 19th. Nicole explained that they would like to discontinue the morning Fun Run for the block party because attendance was low last year (39), making it not worthwhile. She proposed a 5K "glow run" at 9 PM the night of the block party. Nicole said that theme runs are very popular and their first one at Halloween went very well. She indicated it would be very safe because they wear night clothing and carry glow sticks, the streets all have street lights and the police and fire departments would be involved. The route would be from Ivy Lane up to the high school skating rink and back.

The glow run would end around 9:45 PM, so the committee discussed changing the time of the block party from 4-9 to 5-10 PM to accommodate this new event. Nicole said their 4th of July festivities run from 6-10 PM so we didn't think it would be too late. We'd ask the band to play until 10 PM, which would make some people happy who said they'd like the music to play later than 9 PM. Patty will check with Public Works to make sure that will work for them in terms of the breakdown and re-opening of the street. Sam thought we should notify the affected business owners (A.J.'s, Murray's). Nicole will touch base with the police and fire departments.

In terms of this year's music, we heard from the X-Rays, Dave Keller and Dave Contois, all wanting to come back. The committee felt they should hire the Dave Keller Blues Band because he really helped us out last year when the day was changed. He would be the main event and the Contois School of Music would play first from 5-6:30 PM.

Everyone agreed asking the Roaming Railroad to return was a must. It will be expensive for the whole 5 hours - \$1,500. We'll check with the VT National Guard to see if they can bring any inflatables this year, which helps the budget. We didn't quite make budget last year from sponsors so Darby offered to make some personal visits. She asked about reaching out to town businesses too for sponsorships.

The issue of towing cars off Railroad Ave. was discussed. We had to tow four cars last and even though Mike Bushey gives us a break, it was a hit to the budget. The committee would like to discuss further the idea of charging people because of the number of people who ignore the street closing signs, etc.

The meeting adjourned at 4:30 PM. The next meeting will be February 24 at 3:30 PM.


Respectfully submitted,
Patty Benoit

Schedule F - Notice

Notice of Act 250 Application

By application dated 01/23/2014, 4 Pearl Street Investments LLC filed an application pursuant to 10 V.S.A. § 6001 *et seq.* ("Act 250") to: This project is located at 4 Pearl Street in the Village of Essex Junction. This project will consist of the demolition of the existing bank that is located on the property, and the construction of a new 4 story building with parking below. The entry level will be commercial space, and the upper 3 stories will be residential. The commercial portion will have approximately 15,000 square feet of leasable area, and each residential story is approximately 17,000 square feet. The residential portion of the building will include 51 dwelling units. In addition to the parking below the building, surface parking will be located at the rear of the building. No actual roads are located on the site, as access to the site is directly from Park Terrace and Route 15.

A copy of this application may be reviewed at the Village Offices, Village of Essex Junction, Vermont (contact the Village Clerk or Administrator).

Signature 
Date 1/23/2014

In the event you wish to receive further notice concerning this application, please contact the district office for your area:

Environmental Comm.
Districts #1 and 8
440 Asa Bloomer State
Office Building
4th Floor 88 Merchants Row
Rutland, VT 05701
(Tel. 786-5920)

Environmental Comm.
Districts #4, 6 and 9
111 West St.
Essex Jct., VT 05452
(Tel. 879-5614)

Environmental Comm.
District #7
1229 Portland St.
Suite 201
St. Johnsbury, VT 05819
(Tel. 751-0120)

Environmental Comm.
Districts #2 and 3
100 Mineral Street
Suite #305
Springfield, VT 05156
(Tel. 885-8855)

Environmental Comm.
District #5
5 Perry Street, Suite 60
Barre, VT 05641
(Tel. 476-0185)



RECEIVED

JAN 29 2014

State of Vermont
Department of Environmental Conservation
Watershed Management Division (WsMD)
One National Life Drive, Main Building, 2nd Floor
Montpelier VT 05620-3522
<http://www.watershedmanagement.vt.gov/>

Village of Essex Junction

Agency of Natural Resources

802-828-1535 Phone
802-828-1544 FAX

IMPORTANT ANNOUNCEMENT**January 28, 2014**

A group of Department of Environmental Conservation (DEC) state officials and wastewater treatment facility professionals have been working for two years to improve and **update 1985 Wastewater Treatment Facility Operator Certification Regulations**. Through these efforts, a DRAFT proposed regulation has been developed for comment and consideration.

The two most significant changes are the formation of an Advisory Board that will support DEC staff in defined ways and the development of a Matrix for points rating of wastewater treatment facilities. The **Advisory Board** was developed at the request of the DEC to address wastewater operator certification issues including but not limited to regulatory and policy revisions, training requirements, determinations of training contact hours, application and examination reviews, and reciprocity of licensing across state borders. It is proposed that the Board members be appointed and serve for a limited number of years. The **Matrix** was developed to better represent the changing water quality environment. Rankings are based on a point system for each component of the technology used for treating wastewater. It provides a fair and consistent way to determine the grade of a facility now and after facility improvements.

We would like to take the opportunity to thank everyone for their participation in completing the matrix survey. Almost all of the facilities polled responded and did so quickly. The data collected was extremely valuable in developing the new regulation facility point system (Section 7). Thank you.

During the past two years the Board has also reviewed all the Categories and Grades of wastewater operator certification exams (approximately 15 exams with 100 questions each). They have reviewed several applications for operators' certifications and made recommendations for how the existing regulations may be applied. There has also been extensive work in evaluating the regulations from numerous other state regulations in developing the DRAFT Matrix and other the proposed regulatory changes.

A summary of proposed changes to the 1985 regulations include: updates to definitions, minor changes to issuance of certificates, a new point system for facility classification, changes to operator training to include web-based training, addition of a limited grace period for renewal of existing certificates, operators no longer employed at a facility could maintain their certification for two renewal cycles, and update Section 8 for transition of existing certificates.

To obtain a copy of the proposed regulations, you may:

- 1- Visit the website: <http://www.anr.state.vt.us/dec/waterq/www/htm/opcert.htm>
- 2- E-mail carole.fowler@state.vt.us and in the Subject line type "Comments on Regs"
- 3- Call Carole Fowler at 802-490-6106.

Please provide your written input by **March 1, 2014**, to the address indicated in the letterhead of this announcement or by e-mail to Carole Fowler. Thank you for participating in the review of the proposed Wastewater Treatment Facility Operator Certification Regulations.



**VILLAGE OF ESSEX JUNCTION
BOARD OF TRUSTEES
MINUTES OF MEETING
January 28, 2014**

BOARD OF TRUSTEES: George Tyler (Village President); Dan Kerin, Elaine Sopchak, Andrew Brown, Lori Houghton.

ADMINISTRATION: Patrick Scheidel, Village Manager; Lauren Morrisseau, Co-Manager & Finance Director; Susan McNamara-Hill, Co-Manager & Village Clerk/Treasurer/HR Director; Robin Pierce, Community Development Director; Jim Jutras, Water Quality Superintendent.

OTHERS PRESENT: Representative Linda Waite-Simpson, Representative Tim Jerman, Peggy Pearson.

I. CALL TO ORDER and PLEDGE OF ALLEGIANCE

Village President, George Tyler, called the meeting to order at 6:30 PM and led the assemblage in the Pledge of Allegiance.

II. AGENDA ADDITIONS/CHANGES

Add:

- Correspondence from the law office of Fred V. Peet, dated 1/23/14, re: impacts of the crescent connector on a property owner adjacent to the planned roadway.
- Letter to Martha Reid, State Librarian, re: statewide delivery system.
- CVE Agreement

III. GUESTS AND PRESENTATION

1. Comments from Public on Items Not on Agenda
None.

2. Public Hearing: FY15 Proposed Budgets
Lauren Morrisseau reported:

- Proposed FY15 Budget total is \$8,953,263 (3.95% increase over last year). The budgets are:
 - General Fund \$3,468,826
 - Water \$3,223,451
 - Waste Water \$1,797,996
 - Sanitation \$ 462,990
- Other proposed spending includes payment into reserve funds, capital projects, rolling stock, and bonded projects. Total other proposed spending is \$5,398,552.
- Increases in the General Fund are due to a new line item for the shared village manager (which is offset by a reduction in personnel costs), funding for the tree advisory committee, funding for stream flow monitoring, capital contributions, and Lincoln Hall maintenance.
- Decreases in the General Fund occurred in salaries and health insurance, reductions related to the shared manager, and miscellaneous small items.

- The non-IBM grand list is projected to increase 1% per year.
- Challenges include a bond issue to fund needed capital projects, funding for new services such as stream flow monitoring, the tree advisory committee, and support for senior citizens. Outside maintenance is needed on Lincoln Hall.
- Cost saving measures include a shared manager with the town, delay of hire in the Street Department, procurement of grants.
- Capital projects paid by the capital reserve fund include security cameras at the library, engineering work for water line and road work on Algonquin Ave. and Railroad Ave., and paving.
- The crescent connector road is 100% grant funded and the multi-use path north is funded with a grant (80%) and local match (20%).
- Proposed bond issue will cover School Street reconstruction, Maple Street drainage, Briar Lane reconstruction, Hillcrest drainage, and Main Street drainage, curb, and sidewalk. Total cost of projects is \$3,693,579.
- Diesel dump truck and sidewalk plow will be purchased with funds from the Rolling Stock Fund.
- Water and sanitation projects funded by capital reserves and bonds include meter upgrade, water and sewer line reconstruction, pump station work, drainage, and repair/maintenance work.

COMMENTS

Tim Jerman mentioned the slip lining process that was done on Algonquin in the past. Lauren Morrisseau explained slip lining is done on sewer lines, not water lines. The section of Algonquin proposed to be done is from Cherokee to Iroquois (Abnaki to Iroquois was done last year).

There were no further comments. The hearing was closed at 6:40 PM.

3. Discuss 2014 Legislative Priorities with State Representatives

Representatives Linda Waite-Simpson and Tim Jerman were in attendance. George Tyler explained the Trustees would like to focus discussion on the community relative to legislative priorities and get feedback on discussion/activity in the legislature where the village can be of assistance. The list of legislative priorities identified by the Trustees includes:

- Water quality and ensuring legislation is fair. Communities with treatment plants have been carrying the burden for those communities without treatment plants that may be a larger contributor to the problem.
- Paving and urging the state to help with paving and road resurfacing in the village.
- State licensing of massage therapists to safeguard against illicit businesses. Changes to the village code are proposed as well.

Rep. Jerman reported he is sponsoring a bill to license massage therapists. There is opposition, but the bill is gaining support and will be substantially discussed. Licensing has been tried before. The Office of Professional Regulation (OPR) regulates the profession, but does not look for criminal activity. The current proposal is to license

through the Department of Public Safety. Professional therapists favor the bill, but some who have been practicing for years do not want to pay a fee.

Regarding H.586, the water quality bill (distinct from the Shoreline Protection Act), Rep. Jerman said significant federal regulations are anticipated. George Tyler stressed the bill needs to be science based, not emotional based. Jim Jutras noted his staff is monitoring the regulations as they come out and is staying in touch with VLCT. Other issues being debated by the legislature include the education tax rate, decrease in the statewide grand list, decrease in student enrollment, increase in spending, and school consolidation. The Commissioner of Education is now part of the Governor's cabinet. Balancing the budget will be a challenge. Federal money (ARRA) is no longer available. Needs are increasing. The opiate addition situation is also an issue. Regarding health reform, ACA (Affordable Care Act) and rollout has not been smooth. The Administration is looking now how single payer would be funded and the process. There are many questions to be answered.

The legislature has also been discussing IBM's serious energy issue and \$38 million electric bill. IBM has indicated their plants outside the state have lower electric costs, some as much as half the cost of the electric bill in Vermont, which is a significant consideration given IBM's hardware group suffered a 50% loss the last quarter. Legislative intervention may be necessary to provide some relief. Ratepayers will have to absorb the costs. Of note is that IBM uses over three million gallons of water which is huge for the village and Champlain Water District. The legislature is discussing short term revenue loss versus long term consequences and jobs remaining in the state. The community has made concessions for IBM in the past because the positives outweigh the negatives.

The recent passing of Sen. Sally Fox was mentioned.

IV. OLD BUSINESS

1. Adopt 2014 Legislative Priorities

MOTION by Dan Kerin, SECOND by Lori Houghton, to adopt the 2014 legislative priorities as presented.

DISCUSSION: There was discussion of removing massage therapist licensure from the list. No change was made.

VOTING: unanimous (5-0); motion carried.

2. Scope of Services for Village Center Redevelopment

The following comments were made relative to the draft scope of services:

- The focus of the scope is to help developers and property owners visualize what the village code is trying to achieve and to make it easier to get through the permit process.
- Community involvement is key.
- Elaine Sopchak suggested including in the scope a consultant to provide guidelines on the governance structure that would be most useful for the area and the way the village plans.

- Form based code was mentioned. Robin Pierce explained form based code is not a new idea. Form based code needs to have context, massing, and architecture because if the design is to a set of rules the results can be bland. The design should be specific to Essex Junction.
- Lori Houghton suggested planners and the consultant explain to the Trustees the options and how best to accomplish the plan that is developed. The village is a walking community and a pass-through community. The plan needs to find a way to get people passing through to stop in the downtown area to shop or dine plus there must be a way for people to walk to places as well.
- Dan Kerin stated sufficient parking is needed so people can stop and shop in the downtown area.
- The village cannot compete with the “box stores” in neighboring towns so the plan should focus on specialty shops, cafes, and places that give a “downtown feel”.
- Assessing what the community will support would be helpful so developers will know what to build. The development should complement existing businesses.
- Elaine Sopchak stated there is already data on what village residents want in the village from the Heart & Soul exercises so the RFP should not request community research on what businesses should be in the downtown area. Better information on the nature of the entire village center and kinds of development people want to see there versus the kinds of businesses (i.e. more office space) is needed.
- Lori Houghton said knowing the types of businesses the community will support in the downtown, such as professional services, restaurants, or coffee shops for example, would be helpful because that will influence what will be built.
- Dan Kerin commented businesses do their own market research before locating in an area. The village should focus on potentially rezoning certain areas to promote the desired types of development.
- Robin Pierce said local brokers look at demographics and other data to determine what will do well in a location.
- A charette to help determine what the community will support is a useful exercise.
- Information that would be useful includes:
 - Where is the demand for apartments in the village and where are the people finding jobs.
 - What other sustainable development could be built in the village.
 - What is the mix of affordable housing, elderly housing, and middle income/market rate housing that fits for the downtown.
- Andrew Brown stated the village should plan for the day if/when IBM is no longer solvent in the present location and provide incentives to attract similar type employers.
- Pat Scheidel added tax breaks could be offered for encouraging certain employment numbers of kinds of businesses the village is seeking.
- Information on existing incentives that the village offers now needs to be provided to businesses and property owners. The information should be included in the village newsletter, posted on the website, and on a flyer that is distributed.

3. Discuss/Approve Renewal of CSWD Biosolids Participation Agreement

MOTION by Dan Kerin, SECOND by Andrew Brown, to amend the order of the agenda to address the CSWD item immediately. VOTING: unanimous (5-0); motion carried.

Jim Jutras explained the new contract that continues the agreement with CSWD regarding biosolids disposal and includes the Grasslands option in Chateaugay, New York. Preferred choices for disposal are first recycling nutrients with local farms, secondly composting in New York, and lastly landfilling the material. The agreement renewal includes the five year extension of the contract and the option to continue land application regardless of the contract. Wet ton and processing cost for the village is \$85-\$95 per wet ton disposed.

MOTION by Dan Kerin, SECOND by Elaine Sopchak, to authorize the Village Manager to sign the proposed renewal to the Chittenden Solid Waste District (CSWD) Management Participation Agreement. VOTING: unanimous (5-0); motion carried.

4. Amend FY14 Capital

Lauren Morrisseau reported reconstruction of Woods End is ready to go out to bid. The work can be done in the spring. Contractors are likely to give a good price on the bid now. The project can be moved from FY15 to FY14 capital plan. The deficit in the FY14 capital reserve fund will be made up by the contribution in fiscal year 2015. The FY15 budget will be decreased because the project will be complete and no longer in the budget.

MOTION by Lori Houghton, SECOND by Andrew Brown, to amend the FY14 General Fund Capital Reserve Plan to include Woods End reconstruction. VOTING: unanimous (5-0); motion carried.

5. Discuss Funding of Capital Projects

The five top priority projects identified by the Capital Project Committee and scenarios for completing the projects were discussed. The voters must support a bond or the projects will be reincorporated into the capital project list (the projects will be at the top of the list) and done as funding allows. The infrastructure is aging and continuing to deteriorate so failures will continue to occur. There was mention of the anticipated increase in town taxes due to the new police facility. Elaine Sopchak mentioned asking the town to share in the cost of the projects on Main Street and Maple Street which are major roads used by residents of the village and residents of the town. Pat Scheidel pointed out the people who have the ability to vote are the ones who pay. There was mention of having the village and town do a bond issue together. Pat Scheidel said the matter can be discussed and legal advice should be sought.

MOTION by Lori Houghton, SECOND by Dan Kerin, that Scenario 3 (School Street, Maple Street, Briar Lane, Hillcrest, Main Street) at a cost of \$3.1 million as noted in the memo from Lauren Morrisseau, dated 1/28/14, be put on the Australian ballot for vote by village residents.

DISCUSSION: George Tyler stated over the next three years the village can “tighten its belt” and transfer money from the general fund to capital projects. Dan Kerin pointed out there are many unknown costs, such as health insurance, water quality treatment, storm water. Andrew Brown stated a water main break is a health concern. Residents need clean water. Any breaks must be addressed regardless of whether the bond is approved. Pat Scheidel said staff will develop a fallback plan should the bond not pass. Lauren Morrisseau noted the last bond in the village for roads was 20 years ago. There were no further comments.

VOTING: unanimous (5-0); motion carried.

6. Discuss/Approve Renewal of Financial Agreement with CVE

Pat Scheidel reported the CVE board approved extending the agreement at the same rate until 2019 with the caveat the agreement is reviewed if state law changes the tax exempt status.

MOTION by George Tyler, **SECOND** by Dan Kerin, to authorize the Village Manager to execute the agreement with CVE subject to legal review by the Village Attorney and with additional language stating further review of the agreement will occur if state law is passed revoking the tax exempt status. **VOTING:** unanimous (5-0); motion carried.

7. Amend Tree Advisory Committee Description

MOTION by Elaine Sopchak, **SECOND** by Dan Kerin, to approve five members on the Tree Advisory Committee. **VOTING:** unanimous (5-0); motion carried.

V. NEW BUSINESS

None.

VI. VILLAGE MANAGER’S REPORT

1. Meeting Schedule

- February 11, 2014 @ 6:30 – Regular Trustees Meeting
- February 25, 2014 @ 6:30 – Regular Trustees Meeting
- March 11, 2014 @ 6:30 – Regular Trustees Meeting
- March 25, 2014 @ 6:30 – Regular Trustees Meeting
- April 8, 2014 @ 6:30 – Regular Trustees Meeting
- April 22, 2014 @ 6:30 – Regular Trustees Meeting

Special Meetings/Events:

- February 10, 2014 @ 5-7 PM – Heart and Soul Final Presentation at EHS
- April 2, 2014 @ 6 PM – Community Supper before Annual Meeting
- April 8, 2014 7 AM – 7 PM – Australian ballot voting

2. Police Facility

Investment in the public safety building by the community is a good investment and sends a positive message about the community and taking care of infrastructure.

3. Budgets

Staff has been focused on preparing the budget for the annual meeting.

4. Bond Vote

Staff will confirm the advertising dates for the bond vote.

VII. TRUSTEES COMMENTS/CONCERNS & READING FILE

1. Board Member Comments

- Lori Houghton mentioned the public hearing on the multi-use path is scheduled during school vacation. Many people may be out of town and unable to attend. Staff will research legal requirements for warning and holding the public hearing.
- Elaine Sopchak said the language drafted for the Land Development Code to address massage parlors has been reviewed by the Village Attorney and the advice is to incorporate regulations in the code rather than have an ordinance. George Tyler suggested making the use a conditional use which will require a public hearing. The Zoning Board can place conditions on the approval. Ms. Sopchak said there should be language in the code and an involved registration process that must be renewed annually and conditions of no living quarters, no locked doors, and entry in the front of the establishment. One issue is that the village does not have a regular inspection process and cannot target a single business for inspection. Staff will invite Edith Klimoski and Police Chief LaRose to the next meeting.
- Andrew Brown clarified the Trustees did not make any requests or mandates relative to the potential cost cutting measure of using the basement of the library for meeting space. George Tyler added the Kolvoord Room in the library was specifically donated as a meeting room.
- Dan Kerin referred to the letter regarding the impact of the crescent connector on the ability to rent the apartments at 15-17 Maple Street and pointed out there are many buildings located close to the road in the village, for example buildings on Railroad Street. Lori Houghton noted the property owner invested in his property and his concerns need to be recognized. Dan Kerin suggested noise and view of the road could be buffered with a hedge in the right-of-way. Elaine Sopchak confirmed the public comment period on the environmental assessment for the road has been held.

2. Reading file:

- Minutes of Planning Commission (1/2/14 & 1/16/14)
- Minutes of Capital Program Review Committee (1/7/14)
- Correspondence from resident re: traffic light on Park Street at South Street
- Correspondence from resident re: crescent connector
- Correspondence re: Whitcomb Farm

VIII. CONSENT AGENDA & READING FILE

MOTION by Lori Houghton, SECOND by Elaine Sopchak, to approve the consent agenda as presented:

1. Approve Minutes of Previous Meetings (1/14/14)
2. Approve Warrants including check #10048603 through #10048682 totaling \$477,312.87.

VOTING: unanimous (5-0); motion carried.

IX. EXECUTIVE SESSION and/or ADJOURNMENT

MOTION by George Tyler, SECOND by Dan Kerin, to go into Executive Session to discuss contract/real estate issues, and invite the Village Manager and Co-Managers to attend. VOTING: unanimous (5-0); motion carried.

Executive Session was convened at 8:45 PM.

MOTION by George Tyler, SECOND by Dan Kerin, to adjourn Executive Session and reconvene the regular meeting. VOTING: unanimous (5-0); motion carried.


Executive Session was adjourned and the regular meeting reconvened at 9:22 PM.

ACTION FOLLOWING EXECUTIVE SESSION

MOTION by George Tyler, SECOND by Lori Houghton, to approve the letter to Martha Reid, State Librarian, for signature by the Village President, George Tyler, on behalf of the Board of Trustees. VOTING: unanimous (5-0); motion carried.

MOTION by George Tyler, SECOND by Andrew Brown, to adjourn the meeting. VOTING: unanimous (5-0); motion carried.

The meeting was adjourned at 9:24 PM.

RScty: M.E.Riordan 

Check Register Report

BL 2/11/14

Date: 02/07/2014

Time: 12:23 pm

Page: 1

Village of Essex Junction

BANK:

Check Number	Check Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amount
Checks							
10048683	01/31/2014	Printed		1817	POSTMASTER	MAIL WATER BILLS-WATER/SANI	940.16
10048684	01/31/2014	Printed		1817	POSTMASTER	MAIL POSTCARDS	58.76
10048685	01/31/2014	Printed		0268	BRODART CO.	ADD'L-WTR/SAN CIRCULATION	670.01
10048686	02/11/2014	Printed		10508	ADVANCED DISPOSAL	MATERIALS-LIBRARY	134.10
10048687	02/11/2014	Printed		0025	ESSEX AGWAY	GRIT REMOVAL-WWTF	51.98
10048688	02/11/2014	Printed		1000396	ALDERMAN JEFFREY	LP TANK & REFILL-WATER	90.98
10048689	02/11/2014	Printed		10290	ALDRICH + ELLIOT, PC	REFUND LATE FILING PENALTY	32,210.26
10048690	02/11/2014	Printed		9975	AMERICAN ROCK SALT CO, LLC	ENGINEERING -WWTF	7,690.33
10048691	02/11/2014	Printed		0115	AUTO ELECTRIC INC.	SALT-STREET	36.00
10048692	02/11/2014	Printed		10521	BATTERY'S PLUS	WIPER MOTOR REPAIR-STREET	99.95
10048694	02/11/2014	Printed		10249	BATTERY'S PLUS	BATTERY CABLE -STREET	329.81
10048696	02/11/2014	Printed		10600	BLUETARP FINANCIAL INC.	SUPPLIES-VARIOUS	1,112.41
10048698	02/11/2014	Printed		0268	BRODART CO.	CIRCULATION	660.06
10048699	02/11/2014	Printed		0305	BURLINGTON FREE PRESS	MATERIALS-LIBRARY	22.00
10048700	02/11/2014	Printed		0347	RON BUSHEY'S AUTO INC.	CIRCULATION	65.00
10048701	02/11/2014	Printed		9515	C&H DISTRIBUTORS, LLC	NEWSPAPERS-WWTF	751.40
10048702	02/11/2014	Printed		0400	C&H DISTRIBUTORS, LLC	PALETTE TRK -WWTF	158.94
10048703	02/11/2014	Printed		0455	CABELA'S MKTG & BRAND MGT INC	BOOTS-WATER	141.30
10048704	02/11/2014	Printed		0457	CANON SOLUTIONS AMERICA	COPIES-ADMIN	15,163.52
10048706	02/11/2014	Printed		9743	CARGILL, INC SALT DIVISION	DEICER SALT-STREET	1,113.56
10048707	02/11/2014	Printed		0503	CARQUEST AUTO PARTS	SUPPLIES-STREET	5,642.62
10048708	02/11/2014	Printed		05070	CHAMPLAIN OIL COMPANY, INC.	VEHICLE FUEL-VARIOUS DEPTS	114.21
10048709	02/11/2014	Printed		0525	CHARLEBOIS TRUCK PARTS INC.	SPINNER MOTOR	13,054.36
10048710	02/11/2014	Printed		10207	CHITTENDEN SOLID WASTE	FITTINGS-STREET	30.00
10048711	02/11/2014	Printed		10353	DISTRIC	BIOSOLIDS-WWTF	108.56
10048712	02/11/2014	Printed		10613	CHOICE CARE CARD	ADMIN COBRA FEE-ADMIN	2.71
10048713	02/11/2014	Printed		9788	CIVES CORP	SUPPLIES-STREET	58.22
10048714	02/11/2014	Printed		10401	LESLIE ANN COBLER	REFUND INTEREST ON TAX DUE	249.52
10048715	02/11/2014	Printed		0636	COMCAST	CABLE-STREET	38.96
10048716	02/11/2014	Printed		0700	DE LAGE LANDEN FINANCIAL INC	COPIER LEASE-ADMIN	247.00
10048717	02/11/2014	Printed		10261	DESORCIE EMERGENCY PRODUCTS	TOGGLE SWITCH-FIRE	26.38
10048718	02/11/2014	Printed		10576	EAST COAST PRINTERS	UNIFORMS-WWTF/STREET	99.00
10048719	02/11/2014	Printed		0770	EASTERN INDUSTRIAL	SPROCKETS-STREET	2,065.78
10048720	02/11/2014	Printed		9885	ECOPIXEL LLC	WEBSITE HOSTING-ADMIN	504.79
10048721	02/11/2014	Printed		0795	ESSEX JUNCTION SCHOOL	REFUND	170.00
10048722	02/11/2014	Printed		0797	DISTRICT	OVERBILLING-SEWER/SANIT	149.00
10048723	02/11/2014	Printed		0899	ESSEX RESCUE, INC.	EMERGENCY EQUIP-FIRE	600.00
10048724	02/11/2014	Printed		9366	TOWN OF ESSEX	RECORDINGS-PLAN	154.00
10048725	02/11/2014	Printed		9347	FALCON PLUMBING SERVICE, INC.	BOILER RESET-LH	96.00
10048726	02/11/2014	Printed		10598	GAUTHIER TRUCKING CO., INC	CHRISTMAS TREE PICK-UP	17,276.04
10048727	02/11/2014	Printed		0965	GEMPLER'S	BOOTS-WATER	2,978.80
10048728	02/11/2014	Printed		1000403	GREEN MOUNTAIN ELECTRIC	ELECTRICITY- VARIOUS DEPTS	105.83
10048729	02/11/2014	Printed		1035	SUPPLY	ELECTRICITY- VARIOUS DEPTS	1,349.70
10048730	02/11/2014	Printed		10129	GREEN MOUNTAIN POWER	CORP #2	42.78
10048731	02/11/2014	Printed		9625	GREEN MOUNTAIN POWER	CORP.	15.76
10048732	02/11/2014	Printed		11631	GUILLETTE RALPH	MATERIALS-LIBRARY	113.88
10048733	02/11/2014	Printed		1210	DONALD L. HAMLIN	CREDIT CARD EQUIP	313.86
					WENDY HYSKO	SET-UP-ADMIN	
					INGRAM LIBRARY SERVICES	TRAVEL EXP	
						REIMB-WWTF/STREET	

Check Register Report

BL 2/11/14

Date: 02/07/2014

Time: 12:23 pm

Page: 2

Village of Essex Junction

BANK:

Check Number	Check Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amount
Checks							
10048734	02/11/2014	Printed		1000308	LAMPMAN GARY	REFUND LATE FILING PENALTY	119.50
10048735	02/11/2014	Printed		9454	LENNY'S SHOE & APP	PANTS-WATER	513.00
10048736	02/11/2014	Printed		10612	JOHN LILIEDAHL	TAX OVERPAYMENT REFUND	30.41
10048737	02/11/2014	Printed		1539	LAUREN MORRISSEAU	MILEAGE REIMBURSE-ADMIN	64.96
10048738	02/11/2014	Printed		1550	MUNICIPAL EMERGENCY SERVICES	INTAKE VALVES-FIRE	497.99
10048739	02/11/2014	Printed		97100	NEBRA	NEBRA RENEWAL-WWTF	600.00
10048740	02/11/2014	Printed		10269	NEW ENGLAND CENTRAL RR	ROW LEASE-SANI	1,775.00
10048741	02/11/2014	Printed		10132	NOCO DISTRIBUTION LLC	HYDRAULIC OIL-STREET	98.98
10048742	02/11/2014	Printed		9657	OCCUPATIONAL HEALTH CENTERS	HEP B SERIES-FIRE	94.00
10048743	02/11/2014	Printed		10059	ROBERT PIERCE	MEAL&MILEAGE REIMBURSE-PLAN	41.45
10048744	02/11/2014	Printed		1789	PIKE INDUSTRIES, INC.	ASPHALT-STREET	786.25
10048745	02/11/2014	Printed		18298	POWERPLAN OIB	VEHICLE MAINT-ST/WATER	119.58
10048746	02/11/2014	Printed		1843	PROFESSIONAL WRITING SVCS	MTG MINUTES-ADMIN/PLAN	530.00
10048747	02/11/2014	Printed		1955	REYNOLDS & SON, INC.	UNIFORM SUPPLIES-FIRE	2,962.95
10048748	02/11/2014	Printed		9481	SAFETY SYSTEMS OF VERMONT, LLC	FIRE ALARM SERVICE-LH	162.90
10048749	02/11/2014	Printed		2093	SLACK CHEMICAL COMPANY INC.	CALCIUM CHLORIDE FLAKE-STREET	698.85
10048750	02/11/2014	Printed		2115	SOUTHWORTH-MILTON, INC.	GENERATOR EMERG SVC-SANI	330.86
10048751	02/11/2014	Printed		21153	SOVERNET COMMUNICATIONS	PH/INTERNET-STR/FIRE	249.82
10048752	02/11/2014	Printed		2124	STAPLES ADVANTAGE	SUPPLIES-VARIOUS	729.80
10048753	02/11/2014	Printed		9499	TENCO NEW ENGLAND, INC.	PARTS -STREET	187.53
10048754	02/11/2014	Printed		2227	TI-SALES, INC.	WATER METERS-WATER/SANI	33,180.00
10048755	02/11/2014	Printed		9226	ULINE	STEP LADDER -WWTF	771.50
10048756	02/11/2014	Printed		2330	UNIFIRST CORPORATION	WEATHER MATS-LH	81.40
10048757	02/11/2014	Printed		23415	VERIZON WIRELESS	CELL PHONES-VARIOUS	294.49
10048758	02/11/2014	Printed		2366	VERMONT GAS SYSTEMS, INC.	NAT GAS-VARIOUS	2,452.03
10048759	02/11/2014	Printed		2403	VERMONT TENT COMPANY	DEPOSIT/PARADE & BLK PTY-ADM	837.00
10048760	02/11/2014	Printed		2343	VILLAGE COPY & PRINT	BUSINESS CARDS-PLAN	87.00
10048761	02/11/2014	Printed		1000206	VILLAGE OF ESSEX JCT.	WATER & SEWER-VARIOUS	950.20
10048762	02/11/2014	Printed		9968	VISION SERVICE PLAN-CONNECTICU	INS PREMIUMS-VARIOUS DEPTS	458.31
10048763	02/11/2014	Printed		0811	F.W. WEBB COMPANY	BISULFITE ALT FEED PARTS-WWTF	20.49
10048764	02/11/2014	Printed		10319	WILLISTON WORKWEAR	JACKET-SANI	221.35
10048765	02/11/2014	Printed		2525	H.W. WILSON COMPANY	CIRCULATION MATERIALS-LIBRARY	295.00

Total Checks: 79

Checks Total (excluding void checks):

157,350.89

Total Payments: 79

Bank Total (excluding void checks):

157,350.89

Total Payments: 79

Grand Total (excluding void checks):

157,350.89

JUN 3 2014

APPLICATION TO HANG STREET BANNERS, GAS LAMP BANNERS OR EVENT FLAGS IN THE VILLAGE OF ESSEX JUNCTION

Applicant's Name: Meaghan Cormier

Tax Exempt #: 03-0225913 Non-Profit: ☒ Yes ☐ No

Address: PO Box 934 - 202 Commerce St. Williston VT 05495

Phone: (802) 876-6200 Email: mcormier@homebuildersvt.com

Application for: Street Banner X Gas Lamp Banners _____ Event Flags _____

Message and dimensions: At Home + Garden Show with our logo
at the Champlain Valley Fairgrounds 3'5" height 28'9" length

Locations you would like the event flags displayed: Village of
Essex Junction

I certify that the above-described banner(s) or event flags have been constructed in accordance with the specifications noted.

Signed: _____ Date: 1/30/14

**Please return completed application to the Manager, Village of Essex Junction,
2 Lincoln Street, Essex Junction, VT 05452.**

OFFICE USE ONLY

Insurance Certificate received: ☒ Yes ☐ No

Liability Waiver received: ✓ Yes No

\$250 fee received: ✓ Yes No

Application complete: ✓ Yes No

Waiver signed: Yes ☒ No ☐

Trustees' approval (date):