



BOARD OF TRUSTEES
REGULAR MEETING AGENDA
Tuesday, March 12, 2019 at 6:30 PM
2 Lincoln St., Essex Junction, VT 05452

1. **CALL TO ORDER/PLEDGE OF ALLEGIANCE TO FLAG** [6:30 PM]
2. **AGENDA ADDITIONS/CHANGES**
3. **APPROVE AGENDA**
4. **PUBLIC TO BE HEARD**
 - a. Comments from Public on Items Not on Agenda
5. **PUBLIC HEARING** [6:35 PM]
 - a. Public Hearing on VT Housing Data Community Profile Report—Leslie Black-Plumeau
6. **BUSINESS ITEMS**
 - a. Presentation of FYE18 Audit—Casey Scandore
 - b. Presentation on Parking Study—Rick Bryant from Stantec
 - c. Presentation about potential Green Mountain Transit route changes—Jon Moore
 - d. Update on school resource officer and program—Evan Teich
 - e. Annual Meeting Preparation
7. **CONSENT ITEMS**
 - a. Approval of minutes: February 26, 2019
 - b. Check Warrants #17137—03/01/19;
8. **READING FILE**
 - a. Board Member Comments
 - b. Agency of Transportation Proposed FY20 Budget
 - c. Memo re: Information about Communications Team and Website Questionnaire
 - d. Chittenden Regional Planning Commission Newsletter
 - e. Upcoming Meeting Schedule
9. **EXECUTIVE SESSION**
 - a. An executive session not anticipated
10. **ADJOURN**

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Certification: 03/08/2019
Date Posted

AM Mitchell
Initials

Village of Essex Junction, Vermont

BASIC FINANCIAL STATEMENTS

June 30, 2018

Village of Essex Junction, Vermont
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Kittell Branagan & Sargent

Certified Public Accountants

Vermont License # 167

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Village of Essex Junction, Vermont
Essex Junction, Vermont

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 Village of Essex Junction, Vermont, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Village'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. 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 entity'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 entity'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 above present fairly, in all material respects, the respective financial position 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 June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance 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 the management's discussion and analysis and budgetary comparison information on page 34 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

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 nonmajor fund financial statements and budgetary comparison schedules of the enterprise funds are presented for the purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining nonmajor fund financial statements and schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The budgetary comparisons schedules for the enterprise funds 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 January 14, 2019, 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 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.

Kittel Brangan & Sugint

St. Albans, Vermont
January 14, 2019

Village of Essex Junction, Vermont
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2018

Management of 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, 2018.

FINANCIAL HIGHLIGHTS

- Assets exceeded liabilities and deferred inflows of resources on June 30, 2018 by \$31,729,319 (*net position*). Of this amount, \$1,672,734 (*unrestricted net position – governmental activities*) 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 \$3,722,530. Of this amount, net position attributable to governmental activities increased by \$3,373,100. Net position attributable to business-type activities increased by \$349,430.
- Fund balances of total governmental funds increased by \$261,006 in FY18. The General Fund had \$495,469 of unassigned fund balance at June 30, 2018 which is equal to 10% of the approved FY19 General Fund Budget. As of June 30, 2017, the General Fund had \$458,492 of unassigned fund balance.
- The largest change in the FY18 Financial Statements is that on July 1, 2017 Essex Junction Recreation and Parks (EJRP) became a department of the Village. There is a General Fund component of the EJRP budget to cover administrative costs as well as a Recreation Programs Enterprise Fund specific to EJRP programs including youth activities, pool programming, and childcare. The addition of EJRP increased the General Fund budget by \$674,728 and the Recreation Programs Fund budget added \$1,609,847.

OVERVIEW OF THE 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).

Village of Essex Junction, Vermont
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2018

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 on pages 1 & 2 of the Financial Statements.

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 on pages 3 through 10 of the Financial Statements.

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 *supplementary 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

Summary Statement of Net Position

	Governmental Activities		Business-type Activities		Total Government	
	2018	2017	2018	2017	2018	2017
Assets:						
Cash	\$ 1,452	\$ 451	\$ 1,018,689	\$ -	\$ 1,020,141	\$ 451
Other Assets	4,417,489	5,343,380	4,316,107	3,974,948	8,733,596	9,318,328
Capital Assets	21,548,633	17,680,729	2,260,871	23,119,316	23,809,504	40,800,045
Total Assets	<u>25,967,574</u>	<u>23,024,560</u>	<u>7,595,667</u>	<u>27,094,264</u>	<u>33,563,241</u>	<u>50,118,824</u>
Liabilities:						
Other Liabilities	3,053,808	3,577,716	2,291,849	1,104,720	5,345,657	4,682,436
Noncurrent Liabilities	<u>2,634,450</u>	<u>2,540,628</u>	<u>14,201,661</u>	<u>14,888,971</u>	<u>16,836,111</u>	<u>17,429,599</u>
Total Liabilities	<u>5,688,258</u>	<u>6,118,344</u>	<u>16,493,510</u>	<u>15,993,691</u>	<u>22,181,768</u>	<u>22,112,035</u>
Net Position:						
Net Investment in Capital Assets	18,921,172	15,198,133	7,801,672	7,674,726	26,722,844	22,872,859
Restricted	29,115	35,349	-	-	29,115	35,349
Unrestricted	<u>1,329,029</u>	<u>1,672,734</u>	<u>3,648,331</u>	<u>3,425,847</u>	<u>4,977,360</u>	<u>5,098,581</u>
Total Net Position	<u>\$ 20,279,316</u>	<u>\$ 16,906,216</u>	<u>\$ 11,450,003</u>	<u>\$ 11,100,573</u>	<u>\$ 31,729,319</u>	<u>\$ 28,006,789</u>

As stated above, assets exceeded liabilities by \$31,729,319 at the end of fiscal year 2018. Assets at the end of fiscal year 2017 exceeded liabilities by \$28,006,789.

Village of Essex Junction, Vermont
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2018

The largest portion of the Village's net position is in its investment in capital assets (84%). These assets are used to provide services to its citizens (e.g. land, buildings, equipment, and infrastructure). Therefore, these assets are not available for future spending.

An amount of \$29,115 of the Village's net position is subject to restrictions on how it may be used. These funds are restricted for Veterans Memorial Park and for the Senior Center. Unrestricted net assets (\$4,977,360) 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).

Summary of the Statement of Activities

	Governmental Activities		Business-type Activities		Total Government	
	2018	2017	2018	2017	2018	2017
Revenues:						
Program Revenues:						
Charges for Services	\$ 305,788	\$ 381,507	\$ 8,136,868	\$ 6,124,861	\$ 8,442,656	\$ 6,506,368
Operating Grants & Revenues	1,212,758	1,155,216	-	-	1,212,758	1,155,216
Capital Grants & Revenues	3,166,020	2,025,428	1,058,799	682,377	4,224,819	2,707,805
General Revenues:						
Property Taxes	3,405,225	2,598,816	-	-	3,405,225	2,598,816
Unrestricted investment earnings	4,690	4,219	11,355	8,914	16,045	13,133
Loss on disposal of equipment	(555)	-	(404)	-	(959)	-
Other	3,996	4,394	-	-	3,996	4,394
Total Revenues	<u>8,097,922</u>	<u>6,169,580</u>	<u>9,206,618</u>	<u>6,816,152</u>	<u>17,304,540</u>	<u>12,985,732</u>
Expenses:						
General Government	882,991	932,246	-	-	882,991	932,246
Public Safety	460,856	404,523	-	-	460,856	404,523
Highways and Streets	1,560,605	1,600,344	-	-	1,560,605	1,600,344
Culture and Recreation	1,743,053	824,722	-	-	1,743,053	824,722
Interest on Long-Term Debt	77,317	70,968	-	-	77,317	70,968
Other Expenses	-	27,950	-	35,463	-	63,413
Water	-	-	3,714,315	3,477,042	3,714,315	3,477,042
Sanitation	-	-	576,516	567,948	576,516	567,948
Wastewater	-	-	2,736,852	2,761,898	2,736,852	2,761,898
Recreation	-	-	1,829,505	-	1,829,505	-
Total Expenses	<u>4,724,822</u>	<u>3,860,753</u>	<u>8,857,188</u>	<u>6,842,351</u>	<u>13,582,010</u>	<u>10,703,104</u>
Increase (Decrease) in Net Position	3,373,100	2,308,827	349,430	(26,199)	3,722,530	2,282,628
Beginning Net Position, as restated	<u>16,906,216</u>	<u>14,597,389</u>	<u>11,100,573</u>	<u>11,126,772</u>	<u>28,006,789</u>	<u>25,724,161</u>
Ending Net Position	<u>\$ 20,279,316</u>	<u>\$ 16,906,216</u>	<u>\$ 11,450,003</u>	<u>\$ 11,100,573</u>	<u>\$ 31,729,319</u>	<u>\$ 28,006,789</u>

Governmental activities. Governmental activities increased the Village's net position by \$3,373,100 in FY18. The Village increased its investment in capital assets by \$3,723,039 and unrestricted net position decreased by \$343,705. Restricted net position decreased by \$6,234.

Business-type activities. Business-type activities increased the Village's net position by \$349,430.

Village of Essex Junction, Vermont
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2018

Water Fund

The Water Fund had a budgetary net loss of \$41,660 in FY18. Disregarding GlobalFoundries pass through revenues and expenses, Water Fund revenues were \$11,907 more than budget while expenses were \$32,497 more than budgeted. Revenue items that were over budget were Residential Water Sales, Penalties, and Miscellaneous Unclassified Revenue. Miscellaneous Unclassified Revenue consisted of income for replacement meters and water shut offs for maintenance. Driving the overage in the Water Fund was a \$91,875 overspend in Water Line Maintenance – Breaks as a result of a large, unexpected water main break during the year. This was offset by underspending particularly in Health Insurance and Other Benefits and Water Purchases - Village. The Water Fund continued work on the Water Meter Replacement Program (\$16,847), accepted \$195,000 in water systems infrastructure, and continued work on the Railroad Ave. Waterline project (\$1,040).

Sanitation Fund

The Sanitation Fund had a budgetary net income of \$147,339 against a budget of \$161,000 in net income. Sanitation revenues were \$4,352 less than budgeted while expenses were \$9,309 more than budgeted. Hook-on fees were \$25,000 less than budgeted, driving the revenue shortage. Village customer charges included \$161,000 for the WWTF Refurbishment Bond payment. 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 \$25,637 in FY18. The Sanitation Fund also accepted \$180,000 in infrastructure during the year.

Wastewater Treatment Fund

The Wastewater Treatment Fund had budgetary net income of \$53,712 in FY18. Revenues were over budget by \$18,748 while expenses were less than budget by \$34,964. At yearend 2014, 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. These funds have been set aside for each community. This reconciliation has continued annually and the amounts designated to each community as of June 30, 2018 are: Essex Junction \$282,436; Town of Essex \$140,062; and Town of Williston \$38,786. Each community determines how much it wants to leave in this rate stabilization fund. Capital projects continued in FY18 consisted of Headworks Screen (\$120,172) and Alkalinity Control Installation (\$18,050). Capital projects completed in FY18 were the purchase of a Wheel Loader (\$62,469), and completion of the multi-year Automatic Samplers (\$2,032 in FY18 and previously work in progress of \$22,220).

Recreation Programs Fund

On July 1, 2017 the Essex Junction Recreation and Parks (EJRP) became a department of the Village. EJRP had previously been a department of the school district. EJRP operates the Recreation Programs enterprise fund. The Recreation Programs Fund ended the year with net position of \$106,502. As an enterprise fund it is expected that program revenues generated will cover the costs of programing. Program revenues came in over budget by \$326,160 driven primarily by an unanticipated \$171,678 in Youth Programs – Recreation Programs and the unbudgeted transfer of residual equity from the Essex Westford School District which had previously included EJRP. Program expenses were over budget by \$203,992 driven by overages in Recreation Programs – Other Professional Services where the cost of contract program instructors is recorded. This is in line with the increase in Recreation Programs Revenue and the increased demand for programs drove and increase in the costs to contract for instructors and an increase in the registration fee revenues.

Village of Essex Junction, Vermont
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2018

FINANCIAL ANALYSIS OF MAJOR GOVERNMENTAL FUNDS

The General Fund

The General Fund is the chief operating fund of the Village. The General Fund had a net decrease in fund balance of \$27,504 for the year ended June 30, 2018. The fund balance of the General Fund decreased from \$55,805 at the end of FY17 to \$828,301 at the end of FY18. Of the \$828,301 fund balance, \$149,991 is nonspendable (inventories and prepaid expenses), \$182,841 is assigned (see Note 13 for additional detail) and \$495,469 is unassigned. The unassigned fund balance is equal to 10% of the FY19 Budget. 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 the 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. As of June 30, 2018 the Village General Fund has no committed or restricted fund balance. In addition, the Village has a policy limiting unassigned fund balance to 10% of the current budget.

The Village budget for the year ended June 30, 2018 passed on the first vote at Village Meeting in April of 2017 and there were no amendments made to the budget during the year.

On the revenue side, the Village recorded revenues less than budget by \$6,068. This was driven by a \$28,075 shortage in license and zoning fees offset by \$17,491 in unbudgeted revenues (grants and donations) and payments in lieu of taxes (PILOT) revenues coming in over budget.

- General government expenditures were under budget by \$19,909. General government departments include Administration and Lincoln Hall. Administration was under budget in training, conferences and dues, postage and printing and advertising. Lincoln Hall was over budget as a result of the costs of Park Street School not being budgeted.
- Public safety (Fire Department) expenditures were over budget by \$26,695 which was almost entirely caused by overages in vehicle maintenance which was \$25,530 over budget. Overages in salaries and uniforms were offset by underspending in routine equipment purchases.
- Public works current expenditures were over budget by \$32,519 and capital expenditures were under budget by \$52,982. Paving maintenance was underspent by \$38,447, winter maintenance was overspent by \$26,246, and traffic light maintenance was overspent by \$10,608. Other savings were realized in health insurance and other benefits, equipment rentals, and liability and property insurance.
- Community development expenditures were under budget by \$38,583. This was driven by legal services being underspent by \$10,673, other professional services underspent by \$6,000, and economic development being underspent by \$10,479.
- Culture and recreation expenditures were under budget by \$27,942. The Brownell Library and EJRP are the two departments that make up culture and recreation in the Village. The Brownell Library ended the year under budget by \$53,975. The Library had vacancy savings of almost \$42,000 coupled with contract services, heating costs, juvenile collection expenditures and children programs all being under budget. Building maintenance has continued to pose some problems and that is reflected in that account being overspent for the year. FY18 was EJRP's first year as a department of the Village with its administration and parks and facilities components in the General Fund. EJRP's General Fund components were over budget by \$6,297 which is less than 1% of their General Fund budget.

Village of Essex Junction, Vermont
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2018

Capital Reserve Fund

The Capital Reserve Fund had a fund balance of \$439,623 as of June 30, 2018 and a fund balance of \$268,201 as of June 30, 2017. The Crescent Connector Project progressed for a cost of \$151,217 with reimbursement in the year of \$209,259, some of which funded expenditures from the prior year. 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. The Pearl St. Linking Sidewalk project was continued at a cost of \$1,538,584. The Pearl St. Linking Sidewalk is a "Circ-Alternative" project and will be fully funded by Federal grant funds. Additional projects during the year included: the Hillcrest Sidewalk (\$208,694), the Main Street Pedestrian Bridge (\$65,386 funded 80% with grant funds), Greenwood Drainage project (\$46,413), South Street Drainage project (\$5,101) and Stormwater work done on Brickyard/Mansfield and Fairview/Main.

Whitcomb Terrace Loan Fund

In April of 2004, the Village received a grant of up to \$270,000 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 \$509,225 as of June 30, 2017 and \$43,336 as of June 30, 2018. This significant reduction is a result of expenditures totaling \$829,513 offset by debt proceeds and transfers in to the fund of \$363,624. The Village purchased a new fire truck for \$591,480 funded partially by \$150,000 with debt proceeds. This fund also purchased a compressor for \$12,380 and a new sidewalk plow for \$142,887. Additionally, the final debt payment of \$50,000 was made on the 2012 Pierce Arrow Ladder Truck and a first debt payment of \$30,000 was made on the new truck purchased in FY18.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Village of Essex Junction's investment in capital assets for its governmental and business-type activities as of June 30, 2018 totaled \$44,157,350 (net of accumulated depreciation). This is an increase of \$3,357,305 from June 30, 2017 when the total was \$40,800,045. These assets include buildings, roads and bridges, land, machinery and equipment, library books, park facilities, vehicles and distribution and collection systems. The primary factor driving the increase is the addition of all assets that belong to the Essex Junction Recreation and Parks department including items in construction in progress, buildings and improvements, machinery vehicles and equipment, and parks. Assets with historical cost totaling \$3,851,887 and accumulated depreciation totaling \$1,398,259 were added to the Village's investment in capital assets from Essex Junction Recreation and Parks.

The major capital asset transactions during the year, in addition to the acquisition of Essex Junction Recreation and Parks assets, for the Governmental Activities were as follows:

- Paving on Brickyard Rd., Roscoe Ct., Upland Rd., Meadow Terr., Mason Rd., Kiln Rd., Crestview Rd., and Brookside Ave.
- Sidewalk work done on Hillcrest
- Work progressed on Crescent Connector Rd.

Village of Essex Junction, Vermont
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2018

- Work continued on the Pearl St. Linking Project
- Work done on the wood, masonry and chimneys at the Brownell Library
- Purchase of a new sidewalk plow
- Work on Athens Drive Storm drain
- At the end of the year the Village had a Fire Ladder Truck in work in process which will be placed in service in FY19

The major capital assets transactions during the year for the enterprise activities were as follows:

- Automatic Sampler was purchased
- Wheel Loader was purchased
- Water meter purchase and installation is ongoing
- Water distributions system, sewer manholes, and pump station were assumed from a developer for a total value of \$375,000

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 7 of this report.

Summary of Capital Assets

	Governmental Activities		Business-type Activities		Total Government	
	2018	2017	2018	2017	2018	2017
Capital Assets:						
Land	\$ 55,742	\$ 55,742	\$ 118,077	\$ 118,077	\$ 173,819	\$ 173,819
Construction in Progress	4,293,487	1,987,090	151,849	34,808	4,445,336	2,021,898
Antiques and Works of Art	7,550	7,550	-	-	7,550	7,550
Buildings and Improvements	4,620,014	3,166,980	15,171,807	15,171,806	19,791,821	18,338,786
Machinery, equipment, and vehicles	6,635,912	6,369,394	5,299,726	5,057,788	11,935,638	11,427,182
Library Books	788,022	812,735	-	-	788,022	812,735
Parks	1,669,114	210,984	-	-	1,669,114	210,984
Roads, Curbs, Sidewalks, and Storm Sewers	12,318,879	11,758,599	164,182	164,182	12,483,061	11,922,781
Water and sewer infrastructure	-	-	22,241,737	21,866,737	22,241,737	21,866,737
	30,388,720	24,369,074	43,147,378	42,413,398	73,536,098	66,782,472
Less: Accumulated Depreciation	(8,840,087)	(6,688,345)	(20,538,661)	(19,294,082)	(29,378,748)	(25,982,427)
Total Assets, Net	<u>\$ 21,548,633</u>	<u>\$ 17,680,729</u>	<u>\$ 22,608,717</u>	<u>\$ 23,119,316</u>	<u>\$ 44,157,350</u>	<u>\$ 40,800,045</u>

Long Term Debt

Summary of Long Term Debt

	June 30, 2017	Additions	Deletions	June 30, 2018
Governmental Activities	\$ 2,482,596	\$ 465,000	\$ 320,135	\$ 2,627,461
Business-type Activities	15,444,590	-	693,528	14,751,062
Total Government	<u>\$ 17,927,186</u>	<u>\$ 465,000</u>	<u>\$ 1,013,663</u>	<u>\$ 17,378,523</u>

Village of Essex Junction, Vermont
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2018

In FY12 the Village received a loan of \$250,000 from the Merchants Bank for the purchase of the Fire Ladder Truck. The Village renews the note each July. The interest rate is 1.65% and the note was due July 28, 2017. The Village paid \$50,000 in principal in FY18 bringing the balance on the note to zero at June 30, 2018. In FY18 a new loan from People's United Bank for a new Fire Ladder Truck was issued for \$150,000 with interest of 1.5% and \$30,000 of principal was paid during the first year. The Village intends to pay \$30,000 a year plus interest and renew the note annually.

On April 8, 2014 the Village voters agreed to issue general obligation bonds in an amount not to exceed \$3,300,000. In July 2015 \$3,300,000 was received from the Vermont Municipal Bond Bank for the purpose of performing five infrastructure projects. In FY15 the School St. south Roadway/Water/Sewer line project was completed. In FY16 the Hillcrest Drainage project, the Main St. Drainage, the Maple St. Culvert/Water line were completed and the Briar Lane Roadway/Sidewalk/Water Line projects were continued. The last project, Briar Lane Roadway/Sidewalk and Water Line was completed in FY17. At June 30, 2018 the outstanding principal on this bond is \$2,805,000; with \$2,297,461 in governmental activities and \$507,539 in business-type activities.

As part of Essex Junction Recreation and Parks becoming a department of the Village, the Village acquired a bond with the Vermont Municipal Bond Bank for the pool at Maple Street Park. The outstanding principal due on the bond was \$315,000 and \$105,000 was paid during the year. The interest is 5.35% and the final payment will be made in November 2019.

In FY10 the Village was awarded a loan of \$566,938 under the American Recovery and Reinvestment Act (ARRA) to fund two projects. The projects funded were for a high efficiency blower for the Wastewater Treatment Facility and a comprehensive rehabilitation of the Village's sanitary sewers. Under the ARRA program half of the loan was forgiven in the form of a grant. Interest is at 0% but there is a 2% administrative fee. The loan was for 20 years and the principal balance due at June 30, 2018 is \$196,734.

In FY11 the Village began two 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 June 30, 2016, the High School Pump Station project was complete and the Village had borrowed \$1,212,300 and received a subsidy of \$114,800 from the State Clean Water Revolving Fund in the Sanitation Fund. The principal due on the loan as of June 30, 2018 is \$911,329. As of June 30, 2015 the Village had borrowed \$13,525,000 for the Wastewater Treatment Refurbishment Project from the State Clean Water Revolving Fund and received a subsidy of \$600,000 making the amount due \$12,925,000. The first payment on this loan of was made in FY17 and the principal due on the loan as of June 30, 2018 is \$11,850,460. A bond payable for the Wastewater Treatment Refurbishment Project for \$1,705,000 was assumed from the Town of Bradford. Principal and interest payments were started in FY12. As of June 30, 2018, the principal outstanding on this bond was \$1,285,000. The Wastewater Treatment Facility, while owned by the Village of Essex Junction serves three 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 BUDGET

Consolidation of Service Delivery Systems

- Starting in FY15 the Town of Essex entered into an agreement with the Village of Essex Junction and the Essex Junction School District to bill and collect their property taxes. This action was an effort to reduce the duplication of services that existed. As part of the agreement the Town assumed the delinquent taxes of the Village and Village School District. The Town of Essex will continue to do the school tax billing for the Essex Westford School District for all residents that reside in the Town of Essex.

Village of Essex Junction, Vermont
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2018

- In FY14 the Village and Town entered into an agreement to share the services of the Town Manager as the Municipal Manager for both entities. This arrangement led to the Village sharing the salary costs of the Manager with the Town, thereby reducing the cost to all taxpayers. In FY15 it was determined that this cost sharing was beneficial and efforts should continue to find more areas to cooperate in the delivery of services to be more efficient. This arrangement has resulted in total savings through FY18 of \$302,000 for the Town and \$496,000 for the Village. In FY18 the current Unified Municipal Manager, Pat Scheidel, who has been Town Manager for 27 retired. A new Unified Municipal Manager, Evan Teich, began employment on February 26, 2018. The decision to hire Mr. Teich was unanimous by both the Village of Essex Junction Trustees and the Town Selectboard.
- FY16 was the first of a three-year commitment to combine the Street budget with the Town of Essex. The Village Trustees adopted the Village Street budget and the Town of Essex voters approved the funding for this budget as part of the Town budget. A Committee was formed in the spring of 2017 to evaluate how successful this arrangement has been so far and whether it should be continued. The Public Works Consolidation Committee came to the following conclusions:
 - Maintain the MOU until June 2018 and do the studies outlined in the report.
 - Extend the MOU from July 1, 2018 until the studies are complete or well underway. The goal is full consolidation eventually.
 - Benchmarks will be established as a result of the studies
 - Cross-train staff in the village and town and identify common best practices
 - Consolidate rolling stock and equipment budgets as well as capital planning.
 - Practice resources management with assets, administration, processes, services.
 - Both the Trustees and the Selectboard approved the report.
- In FY16 the Village and the Town combined accounts payable, accounts receivable, cash receipts and general ledger. Two Village employees were relocated to the Town offices to share this work.
- In FY17 the Village Clerk/Treasurer became the combined Town and Village Clerk/Treasurer when the Town Clerk/Treasurer position became vacant through retirement.
- In FY18 a Human Resources Director was hired as the combined Town and Village Human Resource Director.
- In FY19 the pay rates and practices of both Fire Departments will be aligned.
- Services that have been combined to this point are: Tax Billing, shared Manager, Finance Departments, Highways & Streets, Stormwater, Clerk/Treasurer offices and Human Resources.

FY19 Budgets

- The FY19 General Fund budget increased by 2.87% from the FY18 budget. The reason for the large increase was the addition of the EJRP department to the municipality. The tax rate increased by 3.4% from \$0.2996 to \$0.3098. In addition to the General Fund rate there is a 1 cent tax for Economic Development that was added in FY17.
- Capital projects being undertaken or continued in FY19 and their budgeted or actual amounts, if available, include:
 - Railroad Ave Waterline \$ 203,115
 - Facilities Assessment \$ 10,000
 - West Street/West Street Ext. Intersection \$ 100,616

Village of Essex Junction, Vermont
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2018

○ Crescent Connector	\$	1,795,774
○ Vactor Truck	\$	110,000
○ Sidewalk Plow	\$	52,401
○ Two 4WD Pickup Trucks	\$	58,786
○ Trailer Mounted Boom Lift	\$	30,164
○ Fire Department Pickup Truck	\$	56,827
○ Meter Upgrades	\$	86,163
○ South Street Pump Station Pump Replacement	\$	40,000

The FY19 Water, Wastewater and Sanitation rates are as follows:

	Quarterly Fixed Charges	Usage Charges
Water	\$25.03/unit	\$0.0175/cubic foot water usage
Wastewater Treatment	\$23.56/unit	\$0.0088/cubic foot water usage
Sanitation	<u>\$22.86/unit</u>	<u>\$0.0053/cubic foot water usage</u>
Total	<u>\$71.45/unit</u>	<u>\$0.0316/cubic foot water usage</u>

REQUESTS FOR INFORMATION

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, VT 05452. The report is available online at www.essexjunction.org.

Village of Essex Junction, Vermont
GOVERNMENT-WIDE FINANCIAL STATEMENTS
STATEMENT OF NET POSITION
June 30, 2018

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash	\$ 1,452	\$ 1,018,689	\$ 1,020,141
Other accounts receivable	260,382	899,957	1,160,339
Due from other funds	-	2,467,847	2,467,847
Due from Town of Essex	4,005,107	-	4,005,107
Inventory	95,331	37,956	133,287
Prepaid expenses	56,669	52,130	108,799
Total Current Assets	<u>4,418,941</u>	<u>4,476,579</u>	<u>8,895,520</u>
Capital assets not being depreciated:			
Land	55,742	118,077	173,819
Construction in progress	4,293,487	151,849	4,445,336
Antiques and works of art	7,550	-	7,550
Capital assets			
Buildings	4,620,014	15,171,807	19,791,821
Infrastructure	12,318,879	164,182	12,483,061
Machinery, equipment, and vehicles	9,093,048	5,299,726	14,392,774
Water and sewer infrastructure	-	22,241,737	22,241,737
Accumulated depreciation	<u>(8,840,087)</u>	<u>(20,538,661)</u>	<u>(29,378,748)</u>
Capital assets, net	<u>21,548,633</u>	<u>22,608,717</u>	<u>44,157,350</u>
Total Assets	<u>\$ 25,967,574</u>	<u>\$ 27,085,296</u>	<u>\$ 53,052,870</u>
CURRENT LIABILITIES			
Accounts payable	\$ 260,380	\$ 638,109	\$ 898,489
Due to other funds	2,467,847	-	2,467,847
Accrued payroll and benefits payable	34,876	61,279	96,155
Unearned revenue	10,814	-	10,814
Accrued interest	9,756	7,076	16,832
Current portion lease payable	-	21,568	21,568
Current portion notes and bonds payable	270,135	705,600	975,735
Total Current Liabilities	<u>3,053,808</u>	<u>1,433,632</u>	<u>4,487,440</u>
NONCURRENT LIABILITIES			
Accrued compensated absences	277,124	121,784	398,908
Lease payable	-	34,415	34,415
Notes and bonds payable	2,357,326	14,045,462	16,402,788
Total Noncurrent Liabilities	<u>2,634,450</u>	<u>14,201,661</u>	<u>16,836,111</u>
Total Liabilities	<u>5,688,258</u>	<u>15,635,293</u>	<u>21,323,551</u>
NET POSITION			
Net investment in capital assets	18,921,172	7,801,672	26,722,844
Restricted	29,115	-	29,115
Unrestricted - designated	-	3,648,331	3,648,331
Unrestricted	<u>1,329,029</u>	<u>-</u>	<u>1,329,029</u>
Total Net Position	<u>\$ 20,279,316</u>	<u>\$ 11,450,003</u>	<u>\$ 31,729,319</u>

See Accompanying Notes to Basic Financial Statements.

Village of Essex Junction, Vermont
GOVERNMENT-WIDE FINANCIAL STATEMENTS
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2018

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		Total
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
Functions/Programs							
Governmental activities							
General government	\$ 882,991	\$ 267,095	\$ 63,720	\$ 15,000	\$ (537,176)	\$ -	\$ (537,176)
Public safety	460,856	-	-	-	(460,856)	-	(460,856)
Highways and Streets	1,560,605	5,722	1,122,099	1,909,139	1,476,355	-	1,476,355
Culture and Recreation	1,743,053	32,971	26,939	8,659	(1,674,484)	-	(1,674,484)
Interest on long-term debt	77,317	-	-	-	(77,317)	-	(77,317)
Total governmental activities	<u>4,724,822</u>	<u>305,788</u>	<u>1,212,758</u>	<u>1,932,798</u>	<u>(1,273,478)</u>	<u>-</u>	<u>(1,273,478)</u>
Business-type activities:							
Water	3,714,315	3,698,853	-	195,000	-	179,538	179,538
Sanitation	576,516	628,010	-	280,000	-	331,494	331,494
Wastewater	2,736,852	1,873,998	-	583,799	-	(279,055)	(279,055)
Recreation	1,829,505	1,936,007	-	-	-	106,502	106,502
Total business-type activities	<u>\$ 8,857,188</u>	<u>\$ 8,136,868</u>	<u>\$ -</u>	<u>\$ 1,058,799</u>	<u>-</u>	<u>338,479</u>	<u>231,977</u>
General Revenues:							
Property taxes, levied for general purposes					3,405,225	-	3,405,225
Unrestricted investment earnings					4,690	11,355	16,045
Loss on disposal of equipment					(555)	(404)	(959)
Other revenues					3,998	-	3,998
Total general revenues and transfers					<u>3,413,358</u>	<u>10,951</u>	<u>3,424,309</u>
Change in Net Position					2,139,880	349,430	2,382,808
Net position, beginning					16,906,216	11,100,573	28,006,789
Transfer of operations					<u>1,233,220</u>	<u>-</u>	<u>1,233,220</u>
Net position, ending					<u>\$ 20,279,316</u>	<u>\$ 11,450,003</u>	<u>\$ 31,729,319</u>

See Accompanying Notes to Basic Financial Statements.

Village of Essex Junction, Vermont
FUND FINANCIAL STATEMENTS
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2018

	General Fund	Capital Projects Fund	Rolling Stock Reserve Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS					
Cash	\$ 1,352	\$ -	\$ -	\$ 100	\$ 1,452
Other receivables	30,250	230,132	-	-	260,382
Inventory	95,331	-	-	-	95,331
Due from Town of Essex	4,005,107	-	-	-	4,005,107
Due from other funds	-	366,363	94,682	350,851	811,896
Prepaid expenses	<u>54,660</u>	<u>-</u>	<u>-</u>	<u>2,009</u>	<u>56,669</u>
Total Assets	<u>\$ 4,186,700</u>	<u>\$ 596,495</u>	<u>\$ 94,682</u>	<u>\$ 352,960</u>	<u>\$ 5,230,837</u>
LIABILITIES					
Accounts payable	\$ 81,387	\$ 110,666	\$ 51,346	\$ 16,981	\$ 260,380
Accrued payroll and benefits	34,876	-	-	-	34,876
Due to other funds	3,238,534	-	-	41,209	3,279,743
Unearned Revenue	<u>3,602</u>	<u>46,206</u>	<u>-</u>	<u>7,212</u>	<u>57,020</u>
Total Liabilities	<u>3,358,399</u>	<u>156,872</u>	<u>51,346</u>	<u>65,402</u>	<u>3,632,019</u>
FUND BALANCE					
Nonspendable	149,991	-	-	-	149,991
Restricted	-	-	-	29,115	29,115
Committed	-	439,623	43,336	29,026	511,985
Assigned	182,841	-	-	229,417	412,258
Unassigned	<u>495,469</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>495,469</u>
Total Fund Balances	<u>828,301</u>	<u>439,623</u>	<u>43,336</u>	<u>287,558</u>	<u>1,598,818</u>
Total Liabilities and Fund Balances	<u>\$ 4,186,700</u>	<u>\$ 596,495</u>	<u>\$ 94,682</u>	<u>\$ 352,960</u>	<u>\$ 5,230,837</u>

See Accompanying Notes to Basic Financial Statements.

Village of Essex Junction, Vermont
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
June 30, 2018

Total fund balances - governmental funds	\$ 1,598,818
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Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	21,548,633
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Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds

Deferred grant revenue	46,206
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Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds:

Accrued compensated absences	(277,124)
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Accrued interest on long-term debt	(9,756)
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Notes payable	<u>(2,627,461)</u>
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Total net position - governmental activities	<u>\$ 20,279,316</u>
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See Accompanying Notes to Basic Financial Statements.

Village of Essex Junction, Vermont
FUND FINANCIAL STATEMENTS
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
For the Year Ended June 30, 2018

	General Fund	Capital Projects Fund	Rolling Stock Reserve Fund	Non-Major Governmental Funds	Total Governmental Funds
REVENUES					
Property tax	\$ 3,283,591	\$ -	\$ -	\$ 109,540	\$ 3,393,131
Licenses and permits	29,925	-	-	-	29,925
Intergovernmental revenues	1,202,961	-	-	-	1,202,961
Charges for services	256,898	-	-	12,549	269,447
Fines and forfeits	1,020	-	-	-	1,020
Interest income	2,805	547	234	1,103	4,689
Grant income	-	1,810,901	-	3,145	1,814,046
Donations	14,607	157,500	-	-	172,107
Miscellaneous income	18,435	11,269	-	3,757	33,461
Total Revenues	<u>4,810,242</u>	<u>1,980,217</u>	<u>234</u>	<u>130,094</u>	<u>6,920,787</u>
EXPENDITURES					
Current expenditures:					
General government	539,467	-	-	-	539,467
Public safety	358,860	-	19,134	-	377,994
Public works	919,793	1,088	-	-	920,881
Community development	307,593	-	-	26,827	334,420
Culture and recreation	1,390,327	-	-	57,198	1,447,525
Grant expenditures	-	-	-	-	-
Capital Outlay					
Public safety	-	-	572,347	-	572,347
Public works	181,193	2,199,289	155,267	-	2,535,749
Culture and recreation	60,646	-	-	144,756	205,402
Debt Service					
Principal	240,135	-	80,000	-	320,135
Interest expense	74,874	-	2,999	-	77,873
Total Expenditures	<u>4,072,888</u>	<u>2,200,377</u>	<u>829,747</u>	<u>228,781</u>	<u>7,331,793</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>737,354</u>	<u>(220,160)</u>	<u>(829,513)</u>	<u>(98,687)</u>	<u>(411,006)</u>
OTHER FINANCING SOURCES (USES)					
Proceeds from long term debt	-	-	150,000	-	150,000
Operating transfers in	-	391,582	213,624	159,652	764,858
Operating transfers out	(764,858)	-	-	-	(764,858)
Total Other Financing Sources (Uses)	<u>(764,858)</u>	<u>391,582</u>	<u>363,624</u>	<u>159,652</u>	<u>150,000</u>
Net Change in Fund Balance	(27,504)	171,422	(465,889)	60,965	(261,006)
Fund Balance - July 1, 2017	<u>855,805</u>	<u>268,201</u>	<u>509,225</u>	<u>226,593</u>	<u>1,859,824</u>
Fund Balance - June 30, 2018	<u>\$ 828,301</u>	<u>\$ 439,623</u>	<u>\$ 43,336</u>	<u>\$ 287,558</u>	<u>\$ 1,598,818</u>

See Accompanying Notes to Basic Financial Statements.

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, 2018

Net change in fund balances - governmental funds **\$ (261,006)**

Amounts reported for governmental activities in the Statement of
Activities are different because:

Governmental funds report capital outlays as expenditures. However,
in the statement of activities, the cost of those assets is allocated
over their estimated useful lives and reported as depreciation expense.

Depreciation Expense	(989,308)
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Capital Outlay	3,313,497
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Loss on Disposal/Abandonment	(4,507)
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Revenues in the statement of activities that do not provide current financial
resources are not reported as revenues in the funds.

Decrease in unearned and other unavailable revenue	(55,532)
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Issuance and repayment of long-term debt are revenue and expenditures in
the governmental funds, but the Issuance and repayment increase and
decrease long-term liabilities in the statement of net assets.

Proceeds from issuance of long-term debt	(150,000)
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Repayment of long-term debt	320,135
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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.

Accrued interest on long-term debt	556
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Accrued compensated absences	<u>(33,957)</u>
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Change in net position of governmental activities	<u>\$ 2,139,878</u>
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See Accompanying Notes to Basic Financial Statements.

Village of Essex Junction, Vermont
FUND FINANCIAL STATEMENTS
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
June 30, 2018

	Water Fund	Sanitation Fund	Wastewater Fund	Rec Programs Fund	Total
ASSETS					
Current Assets:					
Cash	\$ -	\$ -	\$ -	\$ 1,018,689	\$ 1,018,689
Accounts receivable, net of allowance	520,274	169,129	192,482	18,072	899,957
Inventory	643	-	37,313	-	37,956
Due from other funds	107,636	1,698,239	1,520,189	-	3,326,064
Prepaid expenses	3,952	4,277	9,588	34,313	52,130
Total Current Assets	632,505	1,871,645	1,759,572	1,071,074	5,334,796
Noncurrent Assets:					
Capital assets not being depreciated:					
Land	-	-	118,077	-	118,077
Construction in progress	9,227	-	142,622	-	151,849
Capital assets					
Machinery, equipment, and vehicles	461,641	695,728	4,032,698	109,659	5,299,726
Water and sewer infrastructure	9,242,643	8,488,941	19,846,142	-	37,577,726
Accumulated depreciation	(7,294,241)	(5,973,076)	(7,232,619)	(38,725)	(20,538,661)
Capital assets, net	2,419,270	3,211,593	16,906,920	70,934	22,608,717
Total Noncurrent Assets	2,419,270	3,211,593	16,906,920	70,934	22,608,717
Total Assets	\$ 3,051,775	\$ 5,083,238	\$ 18,666,492	\$ 1,142,008	\$ 27,943,513
LIABILITIES					
Current Liabilities:					
Accounts payable	\$ 362,976	\$ 9,973	\$ 204,592	\$ 60,568	\$ 638,109
Accrued payroll	2,659	1,806	9,074	47,740	61,279
Accrued interest	2,097	-	3,701	1,278	7,076
Due to other funds	-	-	-	858,217	858,217
Current portion lease payable	-	-	-	21,568	21,568
Current portion long-term debt	29,865	60,395	615,340	-	705,600
Total Current Liabilities	397,597	72,174	832,707	989,371	2,291,849
Noncurrent Liabilities:					
Accrued compensated absences	13,142	12,298	84,624	11,720	121,784
Lease Payable	-	-	-	34,415	34,415
Notes and bonds payable	477,674	1,019,788	12,548,000	-	14,045,462
Total Noncurrent Liabilities	490,816	1,032,086	12,632,624	46,135	14,201,661
Total Liabilities	888,413	1,104,260	13,465,331	1,035,506	16,493,510
NET POSITION					
Net investment in capital assets	1,911,731	2,131,410	3,743,580	14,951	7,801,672
Unrestricted - designated	251,631	1,847,568	1,457,581	91,551	3,648,331
Total Net Position	2,163,362	3,978,978	5,201,161	106,502	11,450,003
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 3,051,775	\$ 5,083,238	\$ 18,666,492	\$ 1,142,008	\$ 27,943,513

See Accompanying Notes to Basic Financial Statements.

Village of Essex Junction, Vermont
FUND FINANCIAL STATEMENTS
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - PROPRIETARY FUNDS
For the Year Ended June 30, 2018

	Water Fund	Sanitation Fund	Wastewater Fund	Rec Programs Fund	Total
OPERATING REVENUES					
Charges for services	\$ 3,698,255	\$ 624,072	\$ 1,873,641	\$ 1,934,157	\$ 8,130,125
Other income	<u>598</u>	<u>3,938</u>	<u>357</u>	<u>1,850</u>	<u>6,743</u>
Total Operating Revenues	<u>3,698,853</u>	<u>628,010</u>	<u>1,873,998</u>	<u>1,936,007</u>	<u>8,136,868</u>
OPERATING EXPENSES					
Operating, maintenance and general and administrative expenses	3,580,513	392,059	1,753,044	1,808,331	7,533,947
Depreciation	<u>117,008</u>	<u>161,669</u>	<u>937,047</u>	<u>15,666</u>	<u>1,231,390</u>
Total Operating Expenses	<u>3,697,521</u>	<u>553,728</u>	<u>2,690,091</u>	<u>1,823,997</u>	<u>8,765,337</u>
Operating Income (Loss)	<u>1,332</u>	<u>74,282</u>	<u>(816,093)</u>	<u>112,010</u>	<u>(628,469)</u>
NONOPERATING REVENUES (EXPENSES)					
Investment income	70	6,388	4,897	-	11,355
Interest expense	(16,794)	(22,788)	(46,761)	(2,099)	(88,442)
Capital contributions	195,000	280,000	583,799	(3,409)	1,055,390
Loss on asset disposal	<u>-</u>	<u>-</u>	<u>(404)</u>	<u>-</u>	<u>(404)</u>
Total Nonoperating Revenues (Expenses)	<u>178,276</u>	<u>263,600</u>	<u>541,531</u>	<u>(5,508)</u>	<u>977,899</u>
Net Income (Loss) Before Transfers	<u>179,608</u>	<u>337,882</u>	<u>(274,562)</u>	<u>106,502</u>	<u>349,430</u>
Transfers	<u>-</u>	<u>(312,457)</u>	<u>312,457</u>	<u>-</u>	<u>-</u>
Change in Net Position	179,608	25,425	37,895	106,502	349,430
Net Position - July 1, 2017	<u>1,983,754</u>	<u>3,953,553</u>	<u>5,163,266</u>	<u>-</u>	<u>11,100,573</u>
Net Position - June 30, 2018	<u>\$ 2,163,362</u>	<u>\$ 3,978,978</u>	<u>\$ 5,201,161</u>	<u>\$ 106,502</u>	<u>\$11,450,003</u>

See Accompanying Notes to Basic Financial Statements.

Village of Essex Junction, Vermont
FUND FINANCIAL STATEMENTS
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
For the Year Ended 30, 2018

	Water Fund	Sanitation Fund	Wastewater Fund	Rec Programs Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 3,680,814	\$ 624,955	\$ 1,901,823	\$ 1,917,935	\$ 8,125,527
Payments to suppliers	(3,441,503)	(149,466)	(1,358,614)	317,807	(4,631,776)
Payments for employees and benefits	(174,835)	(161,784)	(577,078)	(1,182,206)	(2,095,903)
Net Cash Provided/(Used) by Operating Activities	64,476	313,705	(33,869)	1,053,536	1,397,848
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchases of property, plant and equipment	(17,887)	(25,637)	(216,071)	-	(259,595)
Capital Contributions	-	100,000	583,799	-	683,799
Interest payments on debt	(16,794)	(22,788)	(46,761)	-	(86,343)
Principal payments on debt	(29,865)	(59,211)	(604,452)	-	(693,528)
Interest payment on capital lease	-	-	-	(821)	(821)
Principal payment on capital lease	-	-	-	(34,026)	(34,026)
Net Cash Used by Capital and Related Financing Activities	(64,546)	(7,636)	(283,485)	(34,847)	(390,514)
CASH FLOWS FROM INVESTING ACTIVITIES					
Operating transfers in/(out)	-	(312,457)	312,457	-	-
Interest income	70	6,388	4,897	-	11,355
Net Cash Provided/(Used) by Investing Activities	70	(306,069)	317,354	-	11,355
Net Increase in Cash	-	-	-	1,018,689	1,018,689
Cash - July 1, 2017	-	-	-	-	-
Cash - June 30, 2018	\$ -	\$ -	\$ -	\$ 1,018,689	\$ 1,018,689
Reconciliation of operating income to net cash provided by operating activities:					
Operating income (loss)	\$ 1,332	\$ 74,282	\$ (816,093)	\$ 112,010	\$ (628,469)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:					
Depreciation	117,008	161,669	937,047	15,666	1,231,390
Change in net assets and liabilities:					
Receivables, net	(18,039)	(3,055)	27,825	(18,072)	(11,341)
Inventory	-	-	(3,366)	-	(3,366)
Due from Town	-	-	28,037	-	28,037
Due from other funds	(94,254)	72,995	(292,280)	858,217	544,678
Prepaid expenses	(2,265)	(1,405)	(2,967)	(34,313)	(40,950)
Accounts payable	55,865	8,747	119,220	60,568	244,400
Accrued payroll	1,390	691	(227)	47,740	49,594
Accrued compensated absences	3,439	(219)	(31,065)	11,720	(16,125)
Net cash provided (used) by operating activities	\$ 64,476	\$ 313,705	\$ (33,869)	\$ 1,053,536	\$ 1,397,848

See Accompanying Notes to Basic Financial Statements.

Village of Essex Junction, Vermont
FUND FINANCIAL STATEMENTS
STATEMENT OF NET POSITION - FIDUCIARY FUND
June 30, 2018

	<u>Agency Funds</u>
ASSETS	
Cash	<u>\$ 2,005</u>
LIABILITIES	
Due to Other Organizations	<u>\$ 2,005</u>
Total Liabilities and Net Position	<u>\$ 2,005</u>

See Accompanying Notes to Basic Financial Statements.

Village of Essex Junction, Vermont
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

The accounting policies adopted by 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.

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 is financially accountable if an organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government regardless of whether the organization has a separately elected governing board; a governing board appointed by a higher level of government; or a jointly appointed board. Based on these criteria, there are no other entities that should be combined with the financial statements of the Village.

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 presents a longer-term view of the Village's finances. The focus of the fund financial statements is on reporting the operating results and financial position of the most significant funds of the Village and presents 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, 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Government-wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information of the Village as a whole. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and Village general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), and the acquisition or construction of general fixed assets (capital projects). The general fund is used to account for all activities of the general government not accounted for in some other fund.

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis is to be financed or recovered primarily through user charges.

Fiduciary Funds are used to account for assets held by the Village as an agent for individuals, private organizations, other governments and/or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes, sewer usage fees and water usage fees are recognized under the susceptible to accrual concept in accordance with Governmental Accounting Standards Board ("GASB") pronouncements. Revenues received from the State of Vermont are also recognized when susceptible to accrual. Miscellaneous revenues and fees are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available.

Village of Essex Junction, Vermont
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

Operating income reported in proprietary fund financial statements includes revenues and expenses related to the primary, continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for sales or services. Principal operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

The Village reports the following major governmental funds:

General Fund - 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 - This fund accounts for the general capital expenditures of the Village.

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

The Village reports on the following major enterprise funds:

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

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

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

Recreation Programs Fund – This fund accounts for the operations of the recreation programs.

Additionally, the Village reports the following fund type:

Agency Funds - These funds account for monies maintained for the Champlain Valley Exposition Noise Escrow.

Amounts reported as program revenues include:

- 1) charges to individuals and business for fees, rental, material, supplies, or services, provided
- 2) operating grants and contributions
- 3) capital grants and contributions

Village of Essex Junction, Vermont
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property taxes, licenses, ordinance violation fees and interest associated with the current fiscal period are all considered susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within sixty (60) days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the Village.

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 positions 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.

Deposits and Investments

The Village's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. The Village utilizes one cash account maintained by the Town general fund to collect money and pay bills for all funds. When money is collected and expended, the Village records a corresponding payable or receivable to the Town. This helps manage cash and eases administrative burdens.

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.

Internal Balances

Activities between funds that is representative of lending/borrowing arrangements that are outstanding at the end of the fiscal year are referred to as Advances to/from Other Funds. 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".

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.

Village of Essex Junction, Vermont
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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.

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	\$ 5,000	8-20 Years
Wastewater Treatment Facility Equipment	\$ 5,000	8-20 Years
Library Books	\$ 1	7 Years
Parks	\$ 5,000	20-100 Years
Infrastructure	\$ 5,000	30-50 Years
Water, Sanitation and Wastewater Distribution and Collection System	\$ 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.

Village of Essex Junction, Vermont
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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. If an employee terminates after age 62, or if they die sooner, the Village will pay up to 800 hours of accumulated sick leave regardless of years of service. The Village evaluates all employees who have reached ten (10) years of service or age 57 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.

Long-term Obligations

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 liabilities on their balance sheets.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement 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 one (1) type of item which qualifies under the modified accrual basis of accounting. The governmental funds report deferred inflows of resources from one (1) source: unavailable grant revenue. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Government-Wide and Proprietary Fund Net Position

Government-wide and Proprietary Fund Net Position are divided into three components:

Net Investment in Capital Assets – consist of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.

Restricted – consists of net position that is restricted by the Village's creditors, by enabling legislation, by grantors (both federal and state) and/or by contributors.

Village of Essex Junction, Vermont
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Unrestricted – all other net position reported in this category

Governmental Fund Balances

In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable – Amounts that cannot be spent because they are not spendable in form or are legally or contractually required to be maintained intact.

Restricted – Amounts that can be spent only for specific purposes because of laws, regulations or externally imposed conditions by grantors or creditors.

Committed – Amounts that can be used only for specific purposes determined by a formal action by the Village.

Assigned – Amounts that are designated by management for a particular purpose

Unassigned – All amounts not included in other classifications.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Operating Transfers

Operating transfers are legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended.

NOTE 2 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.

Village of Essex Junction, Vermont
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

NOTE 2 EXPLANATION OF DIFFERENCES BETWEEN GOVERNMENTAL FUND AND GOVERNMENT-WIDE STATEMENTS (continued)

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 another 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 another financing source and principal payments as expenditures, whereas government-wide statements report those transactions as increases and decreases in liabilities.

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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.

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.

NOTE 4 CASH AND CASH EQUIVALENTS

Cash and cash equivalents at June 30, 2018 consisted of the following:

	<u>Book Balance</u>	<u>Bank Balance</u>
Insured by the FDIC	\$ 250,000	\$ 250,000
Uninsured	771,692	763,793
Petty Cash	<u>454</u>	<u>27</u>
Total Deposits	<u>\$ 1,022,146</u>	<u>\$ 1,013,820</u>

Village of Essex Junction, Vermont
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

NOTE 4 CASH AND CASH EQUIVALENTS (continued)

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

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. The Village has investments subject to credit risk in fiscal year 2018.

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. The Village has no investments subject to interest rate risk disclosure

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.

Concentration of Credit Risk

The Village has no limit on the amount that they may invest with any one issuer. As of June 30, 2018, the Village is not exposed to concentration of credit risk.

Village of Essex Junction, Vermont
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

NOTE 5 RECEIVABLES

Receivables at June 30, 2018, as reported in the statement of net position, net of applicable allowances for uncollectible accounts, are as follows:

	Governmental Activities	Business-Type Activities	Total
Billed Services	\$ -	\$ 65,917	\$ 65,917
Unbilled Services	-	834,040	834,040
Grants	230,132	-	230,132
Other	30,250	-	30,250
	<u>\$ 260,382</u>	<u>\$ 899,957</u>	<u>\$ 1,160,339</u>

Management has evaluated all receivables and believes all are collectible, so no allowance for doubtful accounts has been recorded.

NOTE 6 NOTE RECEIVABLE

The Village has a note receivable as follows:

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

NOTE 7 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2018 was as follows:

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Transfer from EJRP</u>	<u>Ending Balance</u>
Capital assets not being depreciated:					
Land	\$ 55,742	\$ -	\$ -	\$ -	\$ 55,742
Construction in Progress	1,987,090	2,640,485	(334,088)	-	4,293,487
Antiques and Works of Art	7,550	-	-	-	7,550
Total capital assets not being depreciated	<u>2,050,382</u>	<u>2,640,485</u>	<u>(334,088)</u>	<u>-</u>	<u>4,356,779</u>

Village of Essex Junction, Vermont
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

NOTE 7 CAPITAL ASSETS (continued)

<u>Governmental Activities (cont'd)</u>	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Transfer from EJRP</u>	<u>Ending Balance</u>
Other capital assets:					
Buildings and Improvements	3,166,980	221,856	-	1,231,178	4,620,014
Vehicles, Machinery, Equipment, Furniture and Traffic Signals	6,369,394	178,188	(161,044)	249,374	6,635,912
Library Books	812,735	60,646	(85,359)	-	788,022
Parks	210,984	-	-	1,458,130	1,669,114
Roads, Curbs, Sidewalks, and Storm Sewers	<u>11,758,599</u>	<u>560,280</u>	<u>-</u>	<u>-</u>	<u>12,318,879</u>
Total other capital assets	<u>22,318,692</u>	<u>1,020,970</u>	<u>(246,403)</u>	<u>2,938,682</u>	<u>26,031,941</u>
Less accumulated depreciation for:					
Buildings and Improvements	(843,276)	(112,586)	-	(339,424)	(1,295,286)
Vehicles, Machinery, Equipment, Furniture and Traffic Signals	(2,413,744)	(310,931)	142,667	(133,026)	(2,715,034)
Library Books	(621,628)	(56,858)	85,359	-	(593,127)
Parks	(29,505)	(75,755)	-	(918,012)	(1,023,272)
Roads, Curbs, Sidewalks, and Storm Sewers	<u>(2,780,190)</u>	<u>(433,178)</u>	<u>-</u>	<u>-</u>	<u>(3,213,368)</u>
Total accumulated depreciation	<u>(6,688,343)</u>	<u>(989,308)</u>	<u>228,026</u>	<u>(1,390,462)</u>	<u>(8,840,087)</u>
Total capital assets being depreciated, net	<u>15,630,349</u>	<u>31,662</u>	<u>(18,377)</u>	<u>1,548,220</u>	<u>17,191,854</u>
Governmental Activities - Capital Assets, Net	<u>\$17,680,731</u>	<u>\$2,672,147</u>	<u>\$ (352,465)</u>	<u>\$ 1,548,220</u>	<u>\$ 21,548,633</u>

Depreciation expense was charged to functions, as follows:

General Government	\$ 25,075
Public Safety	82,863
Highways and Streets	633,819
Culture and Recreation	246,375
Community Development	<u>1,176</u>
TOTAL	<u>\$ 989,308</u>

Village of Essex Junction, Vermont
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

NOTE 7 CAPITAL ASSETS (continued)

<u>Business-Type Activities</u>	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>
Capital assets not being depreciated:				
Land	\$ 118,077	\$ -	\$ -	\$ 118,077
Construction in progress	34,808	139,261	(22,220)	151,849
Total capital assets not being depreciated	152,885	139,261	(22,220)	269,926
Capital assets being depreciated:				
Buildings and Improvements	15,171,807	-	-	15,171,807
Vehicles, Machinery, Equipment and Furniture	5,057,788	252,212	(10,274)	5,299,726
Infrastructure	164,182	-	-	164,182
Distribution and Collection Systems	21,866,737	375,000	-	22,241,737
Total Capital assets being depreciated	42,260,514	627,212	(10,274)	42,877,452
Less accumulated depreciation for:				
Buildings and Improvements	(4,132,415)	(511,780)	-	(4,644,195)
Vehicles, Machinery, Equipment and Furniture	(2,013,132)	(324,738)	9,870	(2,328,000)
Infrastructure	(49,153)	(8,209)	-	(57,362)
Distribution and Collection Systems	(13,122,441)	(386,663)	-	(13,509,104)
Total accumulated depreciation	(19,317,141)	(1,231,390)	9,870	(20,538,661)
Total capital assets being depreciated, net	22,943,373	(604,178)	(404)	22,338,791
Business-Type Activities - Capital Assets, Net	<u>\$ 23,096,258</u>	<u>\$ (464,917)</u>	<u>\$ (22,624)</u>	<u>\$ 22,608,717</u>

Depreciation expense was charged as follows:

Water Fund	\$ 117,008
Sanitation Fund	161,669
Wastewater Fund	937,047
Recreation Fund	<u>15,666</u>
TOTAL	<u>\$1,231,390</u>

Village of Essex Junction, Vermont
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

NOTE 8 INTERFUND BALANCES AND ACTIVITY

The composition of interfund balances at June 30, 2018 is as follows:

<u>Fund</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ -	\$ 3,238,534
Capital Projects Fund	366,363	-
Rolling Stock Reserve Fund	94,682	-
Water Fund	107,636	-
Sanitation Fund	1,698,239	-
Wastewater Fund	1,520,189	-
Recreation Fund	-	858,217
Memorial Park Fund	3,612	-
Senior Center Fund	31,275	-
EJRP Capital Reserve Fund	-	41,209
Building Maintenance Fund	22,470	-
Economic Development Fund	212,202	-
Land Acquisition Reserve Fund	<u>81,292</u>	<u>-</u>
	<u>\$ 4,137,960</u>	<u>\$ 4,137,960</u>

NOTE 9 TRANSFERS

The interfund transfers during the year ended June 30, 2018 were as follows:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Rolling Stock Reserve Fund	\$ 213,624	Annual Appropriation
General Fund	Capital Reserve	391,582	Annual Appropriation
General Fund	Building Maintenance Fund	50,000	Special Transfer
General Fund	EJRP Capital Reserve Fund	<u>109,652</u>	Special Transfer
	Total Governmental Activities	<u>\$ 764,858</u>	
<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>	<u>Purpose</u>
Sanitation Fund	Wastewater Fund	<u>\$ 312,457</u>	Bond Debt Service
	Total Proprietary Funds	<u>\$ 312,457</u>	

Village of Essex Junction, Vermont
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

NOTE 10 UNEARNED REVENUE

Deferred Inflows of Resources in the General Fund consists of \$3,602 of grant and donation revenue received in advance.

NOTE 11 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.

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 200 hours. 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 up to 500 hours and employees that terminate after age 62 will be paid up to 800 hours of accumulated sick leave at their current rate of pay upon retirement, termination or death.

Long-term liabilities outstanding as of June 30, 2018 were as follows:

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Transfer from EJRP</u>	<u>Principal Reduction</u>	<u>Ending Balance</u>
<u>Notes Payable</u>					
Note Payable- Community Bank, Fire Ladder Truck					
Purchase, Interest at 1.65%, \$50,000					
Due July 28, 2017, the Village Intends to					
Renew the Note Annually and Pay down					
\$50,000 Plus Interest Annually	\$ 50,000	\$ -	\$ -	\$ (50,000)	\$ -

Village of Essex Junction, Vermont
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

NOTE 11 LONG-TERM LIABILITIES (continued)

<u>Governmental Activities (continued)</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Transfer from EJRP</u>	<u>Principal Reduction</u>	<u>Ending Balance</u>
<u>Notes Payable</u>					
Note Payable- People's United Bank, Fire Ladder Truck Purchase, Interest at 1.5%, \$150,000 Due July 26, 2018, the Village Intends to Renew the Note Annually and Pay down \$30,000 Plus Interest Annually	-	150,000	-	(30,000)	120,000
Bond Payable - Vermont Municipal Bond Bank, Infrastructure Projects, Net Interest cost of 3.403% semi-annual Interest Payments Due June 1, and Dec 1, Due in full December 2035.	2,432,596	-	-	(135,135)	2,297,461
Bond Payable- Vermont Municipal Bond Bank, Pool, Interest at 5.35%, \$105,000 plus interest due May and November 15 Due in full November 2019.	-	-	315,000	(105,000)	210,000
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 2,482,596</u>	<u>\$ 150,000</u>	<u>\$ 315,000</u>	<u>\$ (320,135)</u>	<u>\$ 2,627,461</u>

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 270,135	\$ 81,208	\$ 351,343
2020	270,135	75,945	346,080
2021	165,135	69,279	234,414
2022	165,135	65,030	230,165
2023	135,135	60,415	195,550
2024-2028	675,675	237,530	913,205
2029-2033	675,675	117,834	793,509
2034-2037	<u>270,436</u>	<u>10,758</u>	<u>281,194</u>
TOTAL	<u>\$ 2,627,461</u>	<u>\$ 717,999</u>	<u>\$ 3,345,460</u>

Village of Essex Junction, Vermont
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

NOTE 11 LONG-TERM LIABILITIES (continued)

<u>Business-Type Funds</u>	<u>Balance</u>	<u>Additions</u>	<u>Reduction</u>	<u>Balance</u>
Note Payable- 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.	\$ 209,874	\$ -	\$ (13,140)	\$ 196,734
Note Payable- State of Vermont Special Environmental Revolving Fund, Wastewater Improvements, Authorized to \$13,525,000 but Eligible for \$600,000 Subsidy. Interest at 0%, Administration Fee of 2% is Assessed Annually; Payments of \$790,451, Due February 2036.	12,393,049	-	(542,589)	11,850,460
Note Payable- State of Vermont Special Environmental Revolving Fund, Sanitation Pump Station Improvements, Authorized \$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 Due November 2035.	959,263	-	(47,934)	911,329
Bond Payable- Vermont Municipal Bond Bank, Water Improvements, Net Interest Cost of 3.403%, \$30,031 due Annually on December 1, Semi-Annual Interest Payments Due June and December 1, Due December 2035.	537,404	-	(29,865)	507,539
Bond Payable- 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>1,345,000</u>	<u>-</u>	<u>(60,000)</u>	<u>1,285,000</u>
	<u>\$ 15,444,590</u>	<u>\$ -</u>	<u>\$ (693,528)</u>	<u>\$14,751,062</u>

Village of Essex Junction, Vermont
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

NOTE 11 LONG-TERM LIABILITIES (continued)

<u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 705,600	\$ 317,629	\$ 1,023,229
2020	717,915	303,226	1,021,141
2021	730,476	288,384	1,018,860
2022	743,289	273,072	1,016,361
2023	751,357	257,394	1,008,751
2024-2028	3,962,146	1,037,790	4,999,936
2029-2033	4,295,346	598,418	4,893,764
2034-2038	2,679,933	150,162	2,830,095
2039-2043	<u>165,000</u>	<u>8,982</u>	<u>173,982</u>
	<u>\$ 14,751,062</u>	<u>\$ 3,235,057</u>	<u>\$ 17,986,119</u>

NOTE 12 CAPITAL LEASE

The village has entered into lease agreements as lessee for financing the acquisition of a bus and a van valued at \$51,753 and \$57,908, respectively. The vehicles have a useful life of seven years. At June 30, 2018, \$15,667 was included in depreciation expense. This lease qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of its future minimum lease payments as of the inception date.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2018 were as follows:

<u>Year Ending June 30,</u>	<u>Future Minimum Payments</u>	<u>Net Present Value</u>	<u>Interest</u>
2019	\$ 23,845	\$ 21,568	\$ 2,277
2020	23,845	22,515	1,330
2021	<u>12,238</u>	<u>11,900</u>	<u>337</u>
Total minimum lease payments	<u>\$ 59,928</u>	<u>\$ 55,983</u>	<u>\$ 3,944</u>

The total interest paid for the year ended June 30, 2018 was \$3,179 in the business-type funds.

NOTE 13 NET POSITION/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.

Village of Essex Junction, Vermont
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

NOTE 13 NET POSITION/FUND BALANCES (continued)

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 Trustee's 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.

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 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 not have a minimum fund balance policy. The Village does have a maximum 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.

Fund Balance and Net Position classifications at June 30, 2018 are as follows:

GENERAL FUND

Nonspendable for:

Inventories	\$ 95,331
Prepaid Expenses	<u>54,660</u>
 Total Nonspendable Fund Balance	 <u><u>\$ 149,991</u></u>

Village of Essex Junction, Vermont
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

NOTE 13 NET POSITION/FUND BALANCES (continued)

Assigned for:

Reduce Property Taxes in FY19	\$ 35,000
Friends of the Library Donations	1,552
Library Book Replacement	4,625
Termination Benefits	91,965
Health Reimbursement Arrangement Expenses	10,000
Governance	11,000
Building Maintenance	<u>28,699</u>

Total Assigned Fund Balance \$ 182,841

CAPITAL RESERVE FUND

Committed for:

Capital Reserve Fund Expenditures	<u>\$ 439,623</u>
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ROLLING STOCK RESERVE FUND

Committed for:

Rolling Stock Reserve Fund Expenditures	<u>\$ 43,336</u>
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NON MAJOR FUNDS

Restricted for:

Veterans Memorial Park by Donation	\$ 3,612
Senior Center	<u>25,503</u>

Total Restricted Fund Balance \$ 29,115

Committed for:

Land Acquisition Capital Reserve Fund Expenditures	\$ 81,292
EJRP Capital Reserve	<u>(52,266)</u>

Total Committed Fund Balance \$ 29,026

Assigned for:

Economic Development	\$ 212,202
Building Maintenance	<u>17,215</u>

Total Assigned Fund Balance \$ 229,417

Village of Essex Junction, Vermont
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

NOTE 13 NET POSITION/FUND BALANCES (continued)

WATER, SANITATION, WASTEWATER AND RECREATION PROGRAMS FUNDS

Designated for:	
Water Fund Expenses	\$ 241,255
Water Fund Capital Expenses	<u>10,376</u>
 Total Water Designated Fund Balance	 <u><u>\$ 251,631</u></u>
 Sanitation Fund Expenses	 \$ 292,083
Sanitation Fund Capital Expenses	697,392
Sanitation Wastewater Treatment Facility Upgrades	<u>858,093</u>
 Total Sanitation Designated Fund Balance	 <u><u>\$ 1,847,568</u></u>
 Wastewater Fund Capital Expenses	 \$ 839,482
Wastewater Expenses- Attributable to the Village of Essex Junction	282,436
Wastewater Expenses- Attributable to the Town of Essex	140,062
Wastewater Expenses- Attributable to the Town of Williston	38,786
Wastewater Fund Expenses- General	<u>156,815</u>
 Total Wastewater Designated Fund Balance	 <u><u>\$ 1,457,581</u></u>
 Recreation Programs Fund - General	 <u><u>\$ 91,551</u></u>

NOTE 14 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. 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 \$3,082,122 while the covered payroll was \$2,106,107. Pension expenses for the years ended June 30, 2018, 2017 and 2016 were \$211,234 \$137,614 and \$137,509 respectively.

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, 2018 was \$595,255.

Village of Essex Junction, Vermont
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

NOTE 14 BENEFIT PLANS (continued)

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 full-time Village employees receive a group life insurance policy for two and a half their annual salary up to a maximum of \$100,000.

NOTE 15 CONCENTRATION OF REVENUE/EXPENSES

The Village receives a major portion of its revenue from GlobalFoundries. For the year ended June 30, 2018, the Village received 7.28% of total property taxes from GlobalFoundries and received 74.3% of total water sales from GlobalFoundries.

The Village purchased a major portion of their water from Champlain Water District "CWD" for the year ended June 30, 2018. The Village purchased \$3,051,707 in water from CWD.

NOTE 16 PROPERTY TAXES

The Town of Essex is responsible for assessing and collecting Village 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. The Town remits 100% of the taxes billed to the Village in two (2) installments in October and April. Any delinquencies are absorbed by the Town. The tax rate for fiscal year 2018 was .2996.

NOTE 17 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.

Village of Essex Junction, Vermont
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

NOTE 18 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.

NOTE 19 OTHER INFORMATION

The Village finished 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 was \$15,230,000 paid for with borrowed funds from the State of Vermont Special Environmental Revolving Fund, a general obligation bond and from capital reserves. The debt service cost is shared amongst all three municipalities based upon the capacity owned by each. At the end of fiscal year 2018, the Village owns 34.8%, the Town of Essex owns 33.29% and the Town of Williston owns 31.82%. The Village 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 four more years which will increase the Town of Williston's capacity. The Town of Williston has already paid \$600,000 for 60,000 gallons over the past six years. The sale of this capacity will change the debt service percentages as noted previously. After the fiscal year end 2021 final sale, the Village's percentage will be 33.94% and the Town of Williston's will be 32.73%.

NOTE 20 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, 2018.

NOTE 21 RELATED PARTY

In July 2014 the Village entered into an agreement with the Town of Essex to bill and collect property taxes. Under the terms of the agreements, the Town purchased the outstanding delinquent taxes, penalty and interest receivables as of July 1, 2014, and assumes liability for the collection of those balances due and future taxes. All penalties and interest that accrues on delinquent balances shall belong to the Town. Effective July 2015, the accounting departments of the Village the Town of Essex merged and operate under one accounting system and maintain one operating cash account; the operating account balance is reported entirely on the financial statements of the Town of Essex. At June 30, 2018 \$4,005,107 of the balance in the operating account belonged to the Village, this is reported as Due from Town of Essex in the accompanying financial statements. At June 30, 2018 the Town also owed the Village \$14,056 for expenses.

Village of Essex Junction, Vermont
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

NOTE 22 TAX ABATEMENT

The Village has one tax stabilization agreement that qualifies as a tax abatement per GASB Statement No. 77 Tax Abatement Disclosures. The Village, under the authority of the Board of Trustees, has agreed to exclude the value of two structures on the Whitcomb Family Farm, parcel 1005001000 in exchange for the land to continue to be open to residents for non-motorized recreational purposes. In FY2018 the amount of taxes abated totaled \$2,001. This agreement applies to Village taxes only and has no impact on Town of Essex property taxes or Educational property taxes.

NOTE 23 ACQUISITION OF ESSEX JUNCTION RECREATION PROGRAM

On July 1, 2017 the Essex Junction Recreation and Parks transferred ownership of all its physical and financial assets from the school district to the Village of Essex Junction as a means of keeping the existing programs available to members. The amounts received are as follows:

Capital Assets, net of depreciation	\$ 1,548,220
Long-term debt	<u>315,000</u>
Net Assets	<u><u>\$ 1,233,220</u></u>

NOTE 24 DISCLOSURE OF SUBSEQUENT EVENTS

On July 25, 2018 the Village acquired a note payable with People's United Bank in the amount of \$120,000 with an interest rate of 2.8%, due July 24, 2019.

In accordance with professional accounting standards, the Village has evaluated subsequent events through January 14, 2019, which is the date the financial statements were available to be issued. All subsequent events requiring recognition as of June 30, 2018, have been incorporated into the financial statements herein.

REQUIRED SUPPLEMENTARY INFORMATION

Village of Essex Junction, Vermont
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
BUDGETARY BASIS - GENERAL FUND
For the Year Ended June 30, 2018

	<u>Original Budget</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Property tax	\$ 3,285,170	\$ 3,285,170	\$ 3,283,591	\$ (1,579)
Licenses and permits	58,000	58,000	29,925	(28,075)
Intergovernmental revenues	1,198,449	1,198,449	1,202,961	4,512
Charges for services	259,170	259,170	256,898	(2,272)
Fines and forfeits	1,000	1,000	1,020	20
Interest income	1,500	1,500	2,805	1,305
Donations	1,500	1,500	14,607	13,107
Other income	11,520	11,520	18,435	6,915
Total Revenues	<u>4,816,309</u>	<u>4,816,309</u>	<u>4,810,242</u>	<u>(6,067)</u>
EXPENDITURES				
Current:				
General government	559,376	559,376	539,467	19,909
Public safety	332,165	332,165	358,860	(26,695)
Public works	887,274	887,274	919,793	(32,519)
Community development	346,176	346,176	307,593	38,583
Culture and recreation	1,418,269	1,418,269	1,390,327	27,942
Grant expenditures	-	-	-	-
Capital Outlay:				
Public works	234,175	234,175	181,193	52,982
Culture and recreation	54,750	54,750	60,646	(5,896)
Debt Service:				
Principal	240,300	240,300	240,135	165
Interest expense	74,966	74,966	74,874	92
Total Expenditures	<u>4,147,451</u>	<u>4,147,451</u>	<u>4,072,888</u>	<u>74,563</u>
Excess of Revenues Over(Under) Expenditure:	668,858	668,858	737,354	(80,630)
OTHER FINANCING SOURCES (USES)				
Operating transfers out	<u>(668,858)</u>	<u>(668,858)</u>	<u>(764,858)</u>	<u>(96,000)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (27,504)</u>	<u>\$ (176,630)</u>

See Accompanying Notes to Basic Financial Statements.

OTHER SUPPLEMENTARY INFORMATION

Village of Essex Junction, Vermont
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2018

	Special Revenue Fund		Capital Project Fund				
	Veteran Memorial Park Fund	Senior Center Fund	Land Acquisition Capital Reserve Fund	Economic Development	EJRP Capital Reserve Fund	Building Maintenance	Total
ASSETS							
Cash	\$ -	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ 100
Prepaid expenses	-	2,009	-	-	-	-	2,009
Due from other funds	3,612	31,275	81,292	212,202	-	22,470	350,851
Total Assets	<u>\$ 3,612</u>	<u>\$ 33,384</u>	<u>\$ 81,292</u>	<u>\$ 212,202</u>	<u>\$ -</u>	<u>\$ 22,470</u>	<u>\$ 352,960</u>
LIABILITIES							
Accounts Payable	\$ -	\$ 669	\$ -	\$ -	\$ 11,057	\$ 5,255	\$ 16,981
Unearned Revenue	-	7,212	-	-	-	-	7,212
Due to other funds	-	-	-	-	41,209	-	41,209
Total Liabilities	<u>-</u>	<u>7,881</u>	<u>-</u>	<u>-</u>	<u>52,266</u>	<u>5,255</u>	<u>65,402</u>
FUND BALANCE							
Restricted	3,612	25,503	-	-	-	-	29,115
Committed	-	-	81,292	-	(52,266)	-	29,026
Assigned	-	-	-	212,202	-	17,215	229,417
Total Fund Balances	<u>3,612</u>	<u>25,503</u>	<u>81,292</u>	<u>212,202</u>	<u>(52,266)</u>	<u>17,215</u>	<u>287,558</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 3,612</u>	<u>\$ 33,384</u>	<u>\$ 81,292</u>	<u>\$ 212,202</u>	<u>\$ -</u>	<u>\$ 22,470</u>	<u>\$ 352,960</u>

Village of Essex Junction, Vermont
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2018

	Special Revenue Fund		Capital Project Fund				
	Veteran Memorial Park Fund	Senior Center Fund	Land Acquisition Capital Reserve Fund	Economic Development	EJRP Capital Reserve Fund	Building Maintenance	Total
REVENUES							
Charges for Service	\$ -	\$ 12,549	\$ -	\$ -	\$ -	\$ -	\$ 12,549
Property Tax	-	-	-	109,540	-	-	109,540
Intergovernmental Revenue	-	-	-	-	3,145	-	3,145
Miscellaneous Income	300	3,457	-	-	-	-	3,757
Interest	14	117	307	635	6	24	1,103
Total Revenue	314	16,123	307	110,175	3,151	24	130,094
EXPENDITURES							
Program Expense	350	22,321	-	4,506	31,663	25,185	84,025
Capital Outlay	-	-	-	-	133,406	11,350	144,756
Total Expenditures	350	22,321	-	4,506	165,069	36,535	228,781
Excess (Deficiency) of Revenues Over (Under) Expenditures	(36)	(6,198)	307	105,669	(161,918)	(36,511)	(98,687)
OTHER FINANCING SOURCES							
Transfer	-	-	-	-	109,652	50,000	159,652
Net Change in Fund Balance	(36)	(6,198)	307	105,669	(52,266)	13,489	60,965
Fund Balance - July 1, 2017	3,648	31,701	80,985	106,533	-	3,726	226,593
Fund Balance - June 30, 2018	\$ 3,612	\$ 25,503	\$ 81,292	\$ 212,202	\$ (52,266)	\$ 17,215	\$ 287,558

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, 2018

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
OPERATING REVENUES			
Water Sales - Village	\$ 930,063	\$ 946,938	\$ 16,875
Water Sales - GF	2,681,600	2,584,379	(97,221)
Water Sales - GF Vermont Tax	63,875	62,024	(1,851)
Water Sales - Large Users	91,480	90,573	(907)
Penalties	4,000	6,141	2,141
Hook on Fees	15,000	8,200	(6,800)
Miscellaneous	-	598	598
	<u>3,786,018</u>	<u>3,698,853</u>	<u>(87,165)</u>
OPERATING EXPENSES			
Salaries - Regular	111,775	103,492	8,283
Salaries - Overtime	14,000	16,131	(2,131)
Salaries - Part time	5,293	4,136	1,157
Social security	10,091	9,248	843
Unemployment insurance	353	53	300
Workers compensation insurance	6,624	6,917	(293)
Health insurance and other benefits	44,500	29,620	14,880
Retirement	11,178	9,892	1,286
Liability and property insurance	3,011	2,594	417
Supplies	6,000	9,550	(3,550)
Telephone	1,000	1,822	(822)
Postage	2,000	2,577	(577)
Gas, oil and grease	3,000	1,393	1,607
Meters and parts	1,000	-	1,000
Distribution materials	7,000	7,447	(447)
Computer expenses	1,500	1,194	306
Water and sewer charges	200	97	103
Training and conferences	2,000	3,364	(1,364)
Electrical services	750	1,030	(280)
Heat	4,000	2,608	1,392
Maintenance - Other	2,000	10,446	(8,446)
Water line maintenance - breaks	16,000	107,875	(91,875)
Uniforms and boots	1,500	1,083	417

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, 2018

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
OPERATING EXPENSES (CONTINUED)			
Contracted services	106,531	103,410	3,121
Other professional services	1,000	-	1,000
Audit services	3,623	3,623	-
Right of way agreements	142	100	42
Interview costs	-	175	(175)
Water purchases - Village	493,810	455,835	37,975
Water purchases - GF	2,681,600	2,605,241	76,359
Printing and advertising	2,000	1,939	61
Transfer to capital reserve	160,000	160,000	-
Capital outlay	6,000	4,745	1,255
State water tax - Village	12,662	10,644	2,018
State water tax - GF	<u>63,875</u>	<u>62,232</u>	<u>1,643</u>
 Total Operating Expenses	 <u>3,786,018</u>	 <u>3,740,513</u>	 <u>45,505</u>
 Operating Income	 <u>\$ -</u>	 <u>\$ (41,660)</u>	 <u>\$ (41,660)</u>

**RECONCILIATION OF BUDGETARY
BASIS TO GAAP BASIS**

Excess of Revenues over Expenditures- Budgetary Basis	<u>\$ (41,660)</u>
Adjustments for non-budget:	
Bond Interest	(16,794)
Capital Reserve Fund Transfer	160,000
Capital Contributions	195,000
Interest Earned on Capital Reserve Fund	70
Depreciation	<u>(117,008)</u>
Excess of Revenues over Expenditures- GAAP Basis	<u>\$ 179,608</u>

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, 2018

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
OPERATING REVENUES			
Sanitation billing	\$ 567,372	\$ 572,697	\$ 5,325
Sanitation penalty	2,500	3,100	600
Essex pump station fees	23,878	28,275	4,397
Two party agreement revenue	15,000	15,000	-
Hook on fees	30,000	5,000	(25,000)
Miscellaneous	-	3,938	3,938
Interest earnings	-	6,388	6,388
	<u>638,750</u>	<u>634,398</u>	<u>(4,352)</u>
Total Operating Revenues			
OPERATING EXPENSES			
Salaries - Regular	86,641	80,359	6,282
Salaries - Overtime	12,000	13,914	(1,914)
Salaries - Part time	5,293	4,136	1,157
Social security	8,013	7,691	322
Unemployment insurance	328	60	268
Workers compensation insurance	5,208	5,425	(217)
Health insurance and other benefits	44,500	41,259	3,241
Retirement	8,664	9,412	(748)
Liability and property insurance	5,812	4,425	1,387
Supplies	1,000	2,827	(1,827)
Postage	3,500	5,066	(1,566)
Gas, oil and grease	2,500	2,894	(394)
Computer expenses	2,500	2,409	91
Water and sewer charges	500	272	228
Training and conferences	200	-	200
Electrical services	12,000	12,666	(666)
Heating/natural gas	1,300	1,028	272
Maintenance - Other	1,500	452	1,048
Pump station maintenance	10,000	12,897	(2,897)
Sanitation line maintenance	6,500	15,038	(8,538)
Susie Wilson pump station costs	9,000	11,863	(2,863)
West St. pump station costs	11,000	12,796	(1,796)
Uniforms and boots	1,500	1,074	426
Contracted services	136,831	133,710	3,121

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, 2018

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
OPERATING EXPENSES (continued)			
Right-Of-Way Agreements	1,098	1,573	(475)
Sanitation line back-up cleaning	2,000	2,321	(321)
Other professional services	1,000	-	1,000
Audit services	1,812	1,811	1
Printing and advertising	550	1,389	(839)
Capital reserve fund contributions	95,000	95,000	-
Other expenses	<u>-</u>	<u>3,292</u>	<u>(3,292)</u>
 Total Operating Expenses	 <u>477,750</u>	 <u>487,059</u>	 <u>(9,309)</u>
 Operating Income	 <u>\$ 161,000</u>	 <u>147,339</u>	 <u>\$ (13,661)</u>

**RECONCILIATION OF BUDGETARY
BASIS TO GAAP BASIS**

Excess of Revenues over Expenditures - Budgetary Basis	\$ 147,339
Adjustments for non-budget:	
Admin Fee on ARRA Loan	(3,603)
RF1-157 Loan Admin Fee	(19,185)
Sale of WWTF Capacity	100,000
Contributed Capital	180,000
Capital Reserve Fund Transfer	95,000
Transfer to WWTF for Upgrade	(312,457)
Depreciation	<u>(161,669)</u>
 Excess of Revenues over Expenditures - GAAP Basis	 <u>\$ 25,425</u>

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, 2018

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
OPERATING REVENUES			
Village user charges	\$ 645,063	\$ 655,479	\$ 10,416
Village user penalties	3,000	3,513	513
Wastewater charge - Essex	476,928	476,928	-
Wastewater charge - Williston	675,345	675,345	-
Pump station maintenance fee	30,300	30,300	-
Village septage discharge income	20,000	20,997	997
Shared septage revenue	9,511	9,881	370
Village leachate revenues	-	815	815
Share leachate revenues	-	383	383
Interest	-	4,897	4,897
Miscellaneous	-	357	357
	<u>1,860,147</u>	<u>1,878,895</u>	<u>18,748</u>
Total Operating Revenues			
OPERATING EXPENSES			
Salaries - Regular	340,008	302,046	37,962
Salaries - Overtime	48,000	42,194	5,806
Salaries - Part-time	10,000	17,881	(7,881)
Social security	30,613	30,075	538
Workers comp insurance	20,215	26,450	(6,235)
Unemployment insurance	500	137	363
Health insurance other benefits	119,377	93,252	26,125
Retirement	34,001	33,751	250
Liability and property insurance	38,015	27,702	10,313
Supplies	10,000	5,685	4,315
Supplies - Laboratory	15,000	17,238	(2,238)
Chemicals	210,000	285,222	(75,222)
Gas, grease and oil	4,500	4,492	8
Water and sewer charge	3,000	2,712	288
Training and conference	6,500	7,849	(1,349)
Telephone services	6,000	4,042	1,958
Electrical service	150,000	117,640	32,360
Heating	20,000	23,933	(3,933)
Maintenance - other	90,000	116,970	(26,970)
Vehicles maintenance - travel	3,000	4,486	(1,486)

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, 2018

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
OPERATING EXPENSES (continued)			
Uniforms, boots, etc.	5,000	5,028	(28)
Contract laboratory services	9,000	6,947	2,053
Contract services	53,265	51,705	1,560
Legal services	1,000	-	1,000
Grit Disposal	15,000	11,038	3,962
Sludge dewatering	130,000	139,133	(9,133)
Sludge management	150,000	113,097	36,903
Other professional services	4,000	325	3,675
Audit	4,253	4,253	-
WWTF Annual permit fee	9,900	9,900	-
Capital reserve fund contributions	<u>320,000</u>	<u>320,000</u>	<u>-</u>
 Total Operating Expenses	 <u>1,860,147</u>	 <u>1,825,183</u>	 <u>34,964</u>
 Operating Income	 <u>\$ -</u>	 <u>53,712</u>	 <u>\$ 53,712</u>

**RECONCILIATION OF BUDGETARY
BASIS TO GAAP BASIS**

Excess of Revenues over Expenditures - Budgetary Basis	\$ 53,712
Adjustments for non-budget:	
Bond Interest	(46,166)
Admin Fee on ARRA Loan	(595)
Town of Essex Bond Contribution	298,512
Town of Williston Bond Contribution	285,287
Essex Junction Debt Payment	312,457
Capital Reserve Fund Transfer	320,000
Capital Outlay	(247,861)
Loss on Sale of Fixed Assets	(404)
Depreciation	<u>(937,047)</u>
 Excess of Revenues over Expenditures - GAAP Basis	 <u>\$ 37,895</u>

Village of Essex Junction, Vermont
STATEMENT OF REVENUE AND EXPENSES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
ESSEX JUNCTION RECREATION AND PARKS
For the Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
OPERATING REVENUES			
Pool day admission	\$ 65,310	\$ 59,534	\$ (5,776)
Pool memberships	38,694	43,429	4,735
Swim lessons	43,804	50,749	6,945
Concession sales	25,977	17,786	(8,191)
Facility and field rental	8,232	15,010	6,778
Youth program- RP	114,205	285,883	171,678
Youth program- AS	26,323	25,232	(1,091)
Adult programs	62,343	43,592	(18,751)
Childcare - AS	561,592	566,519	4,927
Childcare- PS	357,617	318,873	(38,744)
Childcare- DC	285,150	343,342	58,192
Shared staffing contract	11,925	48,239	36,314
Essex Westford revenue	-	115,969	115,969
Sponsorship	8,675	1,850	(6,825)
	<u>1,609,847</u>	<u>1,936,007</u>	<u>326,160</u>
Total Operating Revenues			
OPERATING EXPENSES			
Administration			
Salaries - Regular	32,718	26,139	6,579
Salaries - Part-time	15,121	1,895	13,226
Health insurance and other benefits	9,717	12,991	(3,274)
Social security	3,660	2,144	1,516
Workers compensation insurance	30,006	28,592	1,414
Retirement	4,150	-	4,150
Health improvement programs	350	-	350
Other professional services	4,667	3,474	1,193
Computer expenses	-	9,559	(9,559)
Equipment rentals	2,000	5,337	(3,337)
Training, conferences, dues	10,387	10,211	176
Communications	1,680	5,461	(3,781)
Telephone services	4,500	3,285	1,215
Postage	3,219	8,057	(4,838)
Printing and advertising	15,400	18,222	(2,822)
Recreation Programs			
Salaries- Part-time	40,093	17,358	22,735
Social security	3,079	1,328	1,751

Village of Essex Junction, Vermont
STATEMENT OF REVENUE AND EXPENSES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
ESSEX JUNCTION RECREATION AND PARKS
For the Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
OPERATING EXPENSES (continued)			
Other professional services	86,206	243,481	(157,275)
Water and sewer charges	800	45	755
Maintenance- buildings/grounds	250	-	250
Rental	1,400	-	1,400
Equipment rentals	1,225	460	765
Training, conferences, dues	850	-	850
Postage	79	-	79
Printing and advertising	354	90	264
Travel	1,508	-	1,508
Supplies	24,795	36,264	(11,469)
Student special programs	1,388	755	633
After School Care			
Salaries - Regular	172,966	257,867	(84,901)
Salaries- Part-time	149,687	144,114	5,573
Health insurance and other benefits	64,490	66,366	(1,876)
Social security	24,384	30,450	(6,066)
Retirement	19,973	26,838	(6,865)
Health improvement programs	1,750	1,185	565
Other professional services	15,566	19,650	(4,084)
Truck lease	23,845	4,621	19,224
Training, conferences, dues	13,835	7,782	6,053
Travel	30,259	21,664	8,595
Supplies	28,061	32,413	(4,352)
Gas, grease, oil	1,750	181	1,569
Preschool			
Salaries- Regular	-	173,323	(173,323)
Salaries- Part-time	163,013	26,137	136,876
Health insurance and other benefits	41,438	60,969	(19,531)
Social security	86,583	14,933	71,650
Retirement	15,641	16,670	(1,029)
Health improvement programs	16,300	1,400	14,900
Other professional services	1,400	6,150	(4,750)
Rental	2,710	-	2,710
Training, conferences, dues	5,000	8,157	(3,157)
Communications	11,998	2,472	9,526
Travel	960	575	385
Supplies	4,500	5,969	(1,469)

Village of Essex Junction, Vermont
STATEMENT OF REVENUE AND EXPENSES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
ESSEX JUNCTION RECREATION AND PARKS
For the Year Ended June 30, 2018

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
OPERATING EXPENSES (continued)			
Pool			
Salaries- Regular	35,535	15,594	19,941
Salaries- Part-time	160,235	193,861	(33,626)
Social security	14,976	16,061	(1,085)
Other professional services	6,062	5,803	259
Travel	25,170	30,489	(5,319)
Supplies	15,499	17,884	(2,385)
Concessions			
Salaries- Part-time	91,127	88,812	2,315
Social security	6,972	6,834	138
Other professional services	9,110	8,000	1,110
Water and sewer charges	1,799	1,840	(41)
Maintenance- buildings/grounds	16,496	22,715	(6,219)
Supplies	5,839	7,521	(1,682)
Parks and Facilities			
Salaries- Part-time	7,693	9,107	(1,414)
Social security	589	697	(108)
Training, conferences, dues	140	140	-
Supplies	15,394	14,239	1,155
Training, conferences, dues	1,500	1,879	(379)
Parks and facilities supplies	-	1,820	(1,820)
Other expenses	-	5,509	(5,509)
	<u>1,609,847</u>	<u>1,813,839</u>	<u>(203,992)</u>
Total Operating Expenses			
	<u>1,609,847</u>	<u>1,813,839</u>	<u>(203,992)</u>
Operating Income	<u>\$ -</u>	<u>\$ 122,168</u>	<u>\$ 122,168</u>

**RECONCILIATION OF BUDGETARY
BASIS TO GAAP BASIS**

Excess of Revenues over Expenditures - Budgetary Basis	\$ 122,168
Adjustments for non-budget:	
Depreciation	<u>(15,666)</u>
Excess of Revenues over Expenditures - GAAP Basis	<u>\$ 106,502</u>

Village of Essex Junction, Vermont
 SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS
 For the Year Ended June 30, 2018

Federal Grantor/Pass-Through Grantor/Program Title	Pass Through Grantor Number	Federal CFDA Number	Federal Expenditures
U. S. Department of Transportation			
Passed through State of Vermont, Agency of Transportation			
Highway Planning and Construction - Crescent Connector	CA0315	20.205	\$ 125,819
Highway Planning and Construction - Pearl Street Linking	CA0397	20.205	1,229,768
Highway Planning and Construction - Mansfield Stormwater	CA0462	20.205	24,384
			<u>1,379,971</u>
National Endowment for the Humanities			
Passed through State of Vermont, Department of Libraries			
Grants to States - 1st Wednesday	1st Wednesday	45.310	650
Grants to States - NELA	NELA	45.310	440
Grants to States - Courier	Courier	45.310	585
			<u>1,675</u>
Total Expenditure of Federal Awards			<u>\$ 1,381,646</u>

NOTE A BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal award activity of the Village of Essex Junction, Vermont under programs of the federal government for the year ended June 30, 2018. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Village, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Village of Essex Junction, Vermont.

NOTE B SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(1) Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(2) The Village of Essex Junction, Vermont has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance because no indirect costs were allowed under the federal awards.



Kittell Branagan & Sargent

Certified Public Accountants

Vermont License # 167

**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**

To the Board of Trustees
Village of Essex Junction, Vermont
Essex Junction, VT

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, 2018, 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 January 14, 2019.

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 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity'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 attention by 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. 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 from 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



St. Albans, Vermont
January 14, 2019



Kittell Branagan & Sargent

Certified Public Accountants

Vermont License #167

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Trustees
Village of Essex Junction, Vermont
Essex Junction, VT

Report on Compliance for Each Major Federal Program

We have audited the Village of Essex Junction, Vermont's compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the Village of Essex Junction, Vermont's major federal programs for the year ended June 30, 2018. Village of Essex Junction, Vermont's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Village of Essex Junction, Vermont's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Village of Essex Junction, Vermont's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Village of Essex Junction, Vermont's compliance.

Opinion on Each Major Federal Program

In our opinion, the Village of Essex Junction, Vermont, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

Report on Internal Control over Compliance

Management of the Village of Essex Junction, Vermont, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Village of Essex Junction, Vermont's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Village of Essex Junction, Vermont's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in dark ink, appearing to read "Kittell Brangan + Synt". The signature is written in a cursive, flowing style.

St. Albans, Vermont
January 14, 2019

Village of Essex Junction, Vermont
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2018

Report 4

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unmodified opinion on the financial statements of Village of Essex Junction, Vermont
2. There were no significant deficiencies disclosed during the audit of the financial statements. No material weaknesses are reported.
3. No instances of noncompliance material to the financial statements of Village of Essex Junction, Vermont, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. There were no significant deficiencies disclosed during the audit of the major federal award programs. No material weaknesses are reported.
5. The auditor's report on compliance for the major federal award programs Village of Essex Junction, Vermont expresses an unmodified opinion on all major federal programs.
6. There were no audit findings relative to the major federal award programs for Village of Essex Junction, Vermont
7. The programs tested as major programs were:
 - 20.205 Highway Planning and Construction – Crescent Connector
 - 20.205 Highway Planning and Construction – Pearl Street Linking
 - 20.205 Highway Planning and Construction – Mansfield Stormwater

The threshold for distinguishing between Type A and B programs was \$750,000.

8. Village of Essex Junction, Vermont was determined to be a high-risk auditee.

B. FINDINGS – FINANCIAL STATEMENTS AUDIT

- There were no findings related to the financial statements audit.

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

- There were no findings or questioned costs related to the major federal award programs.

Essex Junction Parking Study

February 26, 2019



Summary

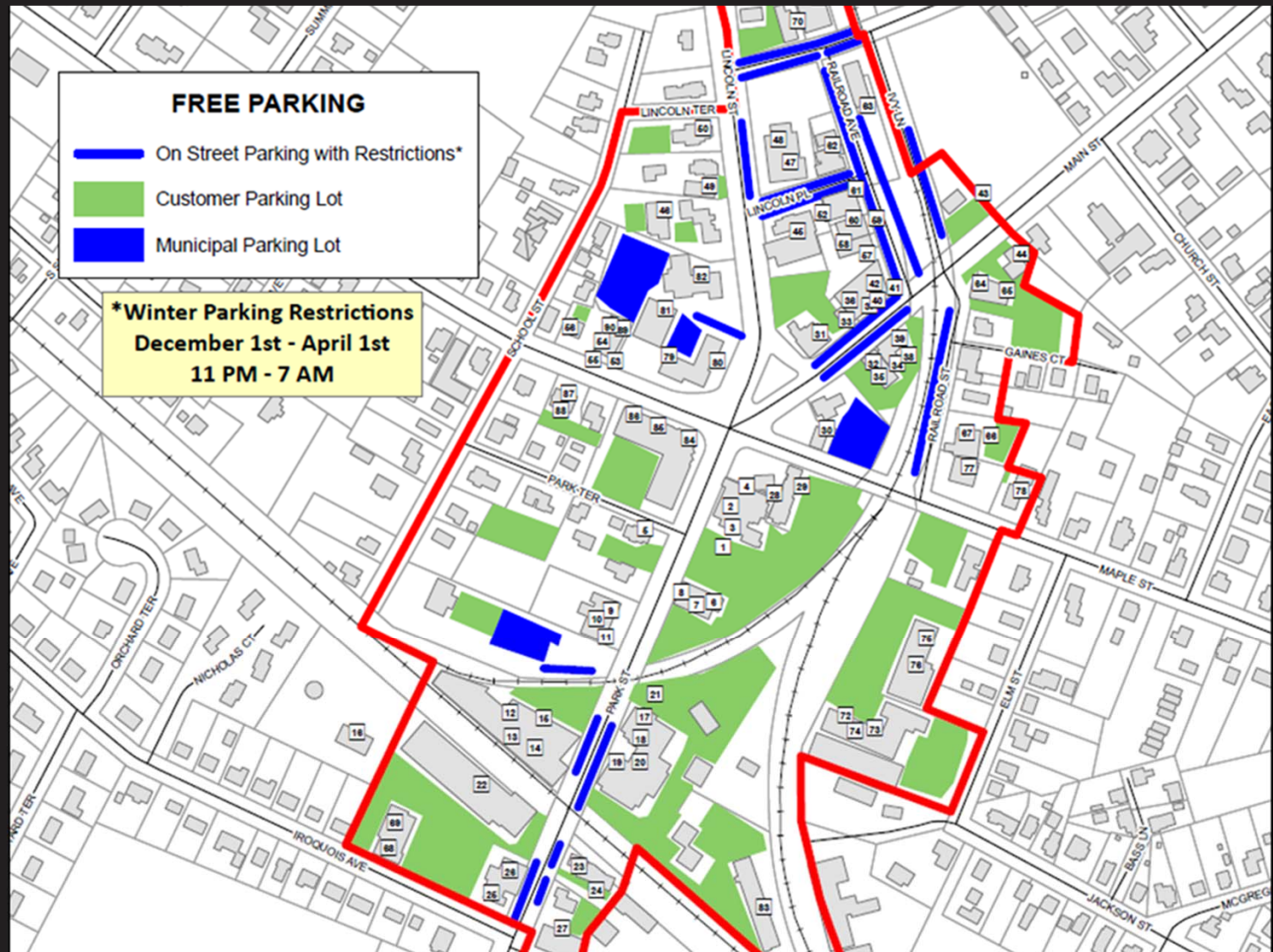
- Overall Parking Supply is Adequate
- A Few Existing “Hot Spots”
- Potential for One New Hot Spot
- Remedies are Available

Study Process

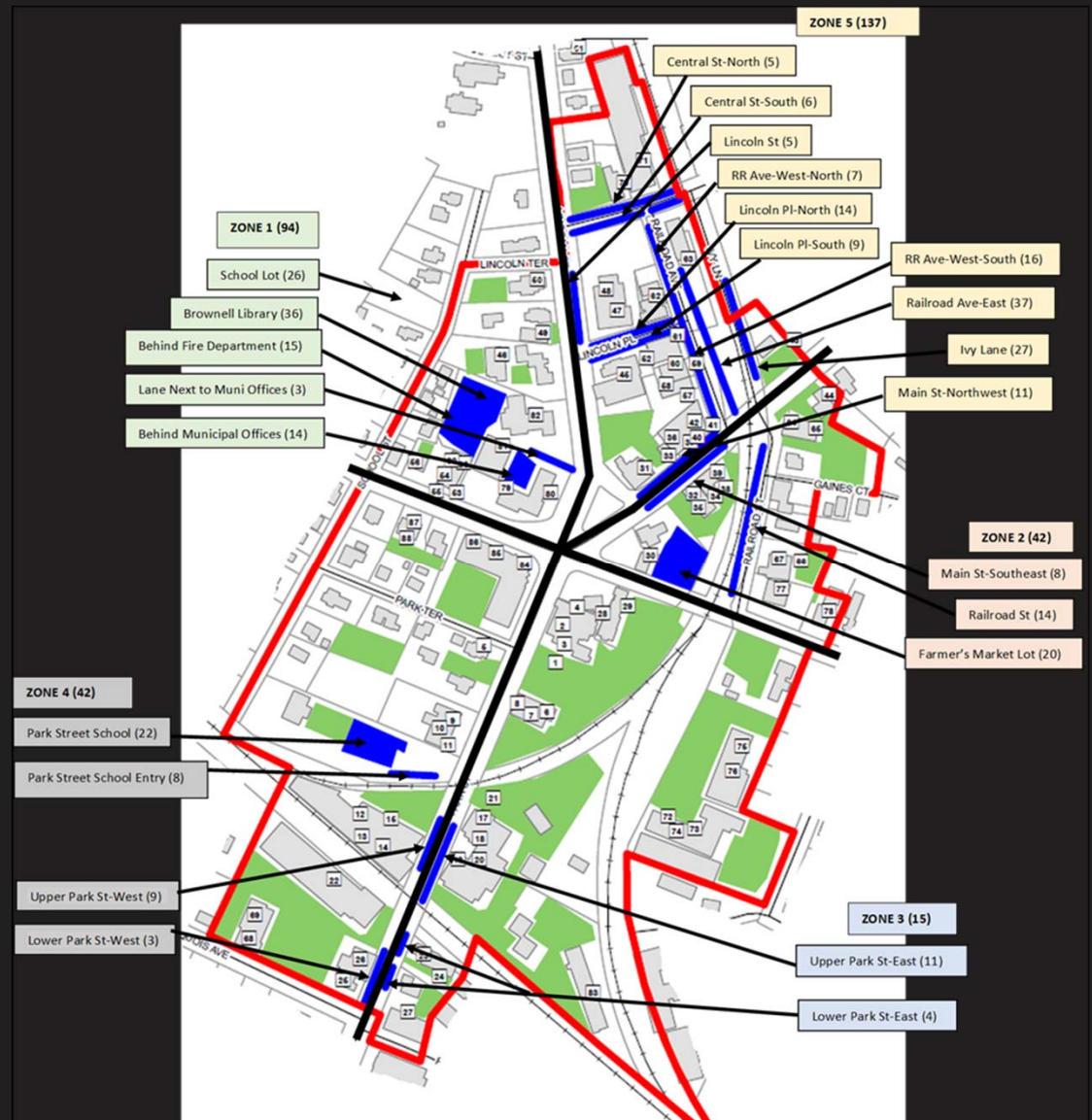
1. Collect Existing Parking Data
2. Identify Future Projects
3. Project Future Conditions
4. Make Recommendations



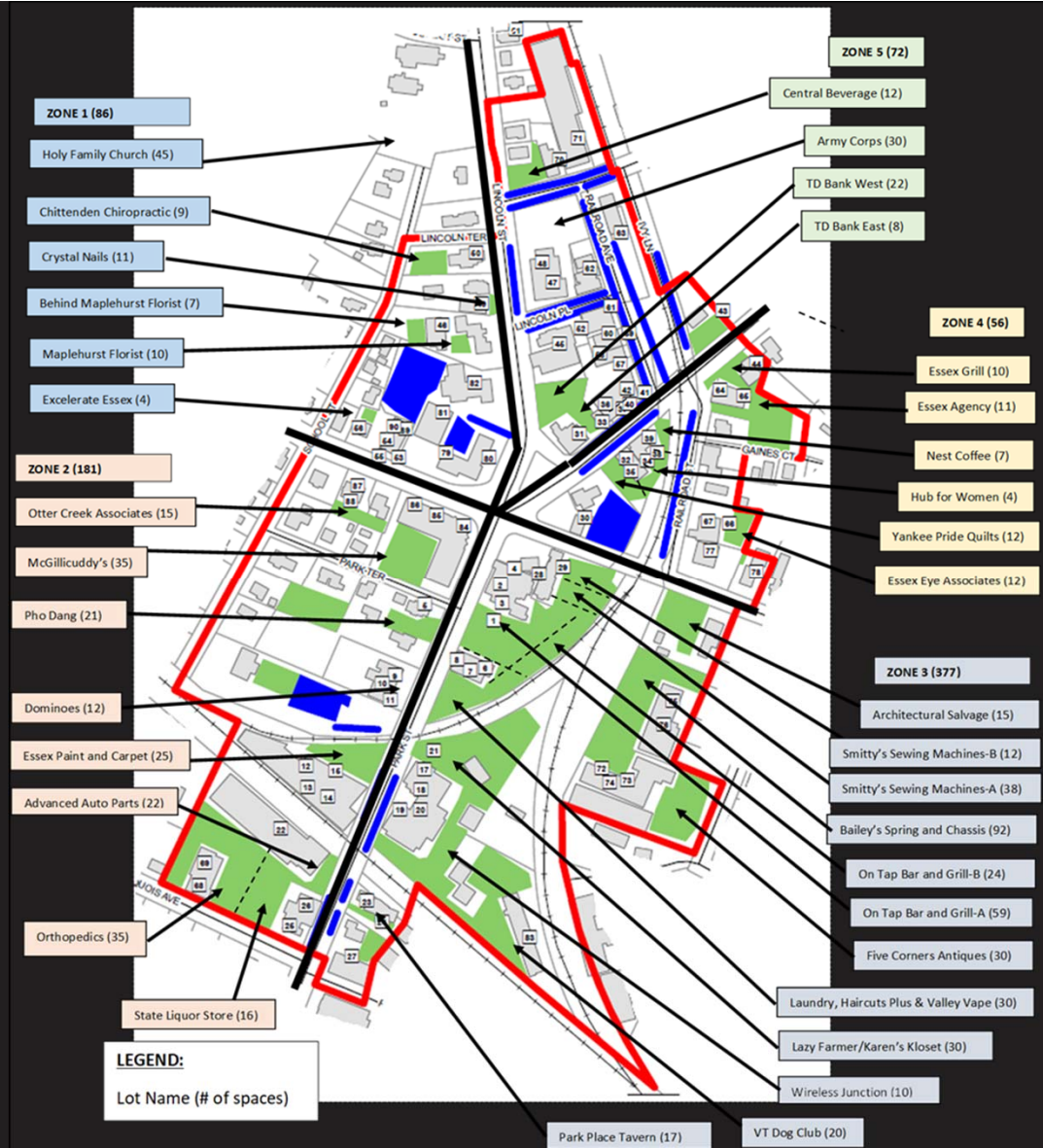
Study Area



Data Collection Public Lots



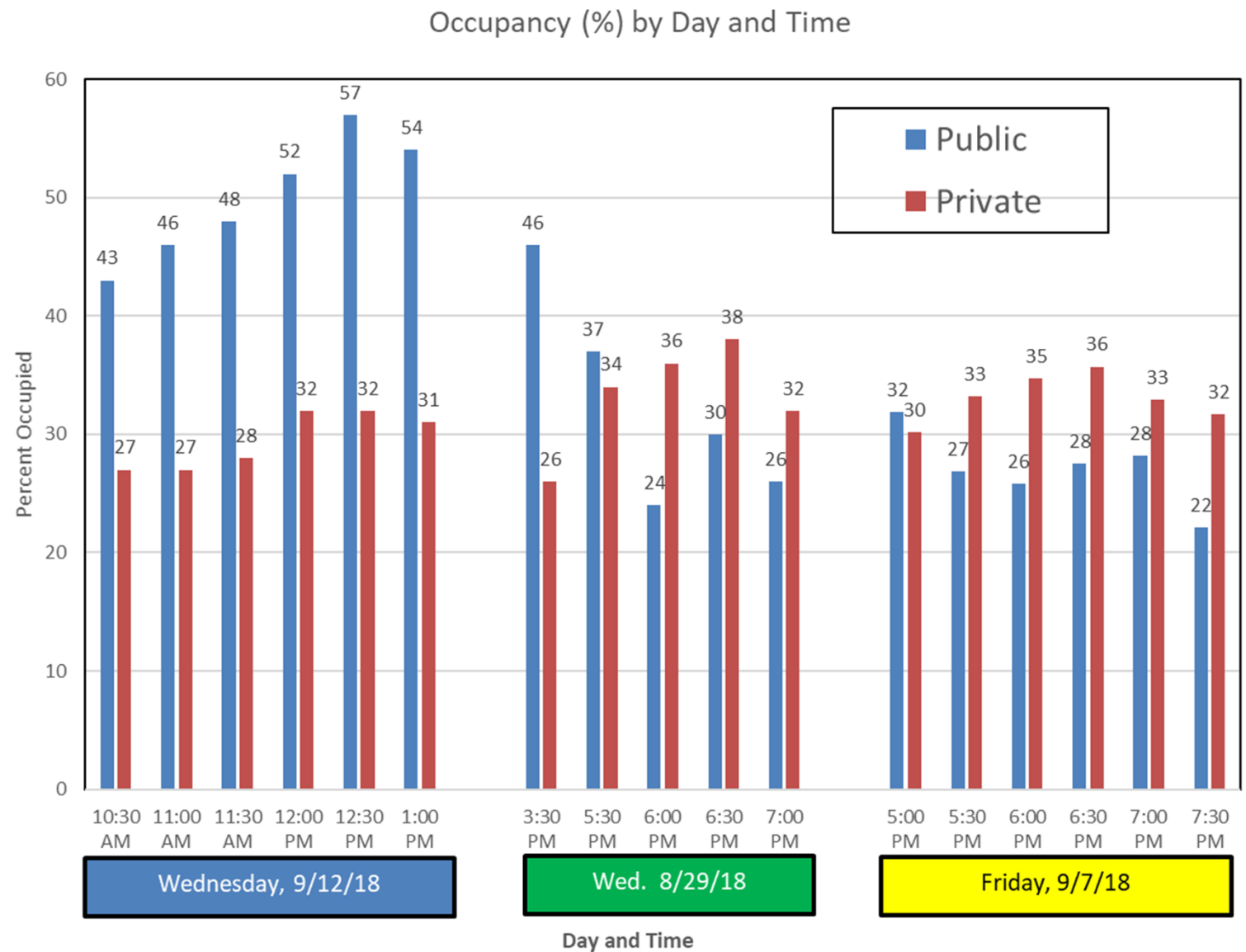
Data Collection Private Lots



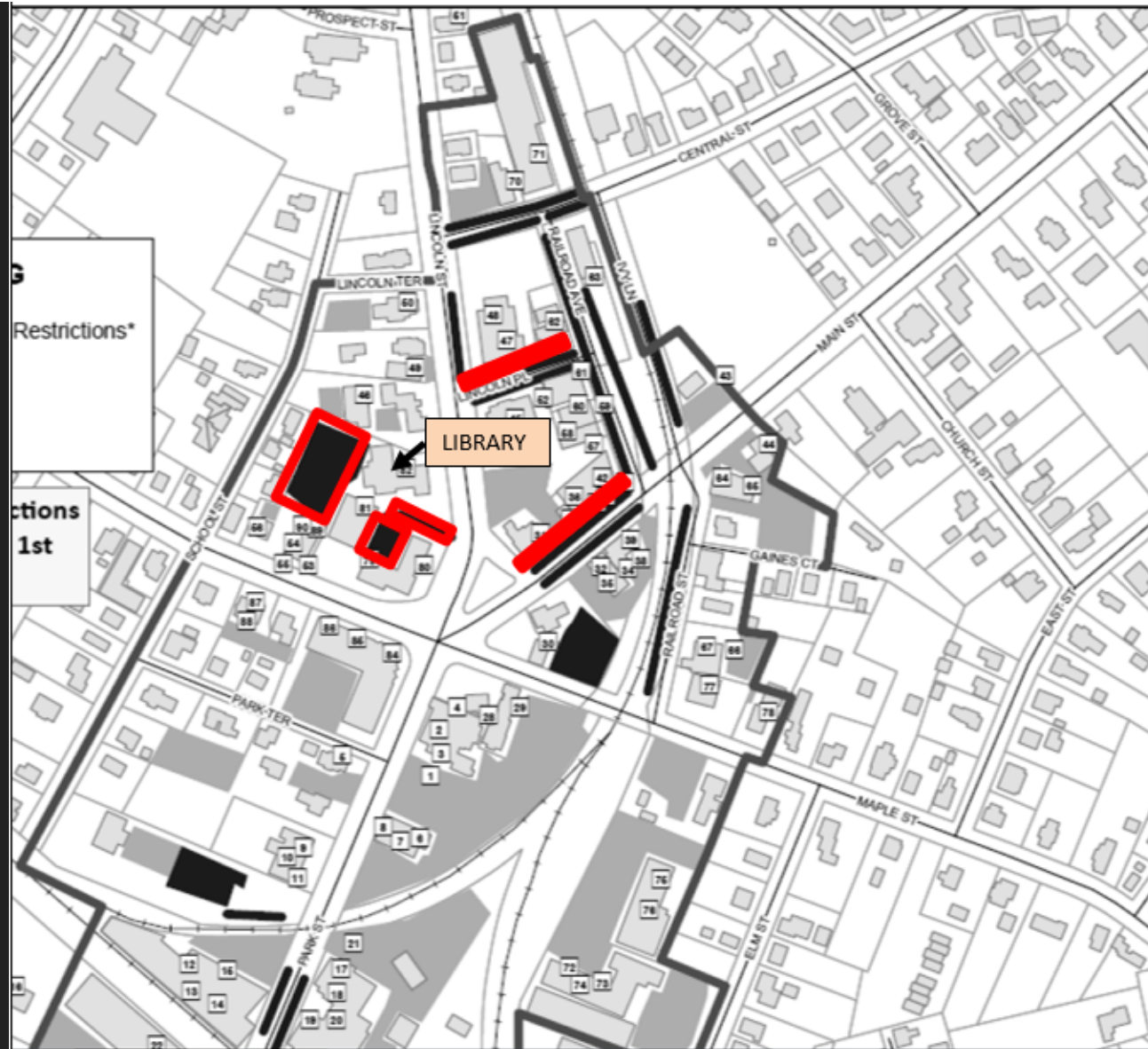
Survey Periods

- Midweek/Midday (Wednesday) – 10:30 to 1:30 PM
- Midweek/Farmer's Market – 3:30 to 7:00 PM
- Friday/Evening – 5:00 to 7:00 PM

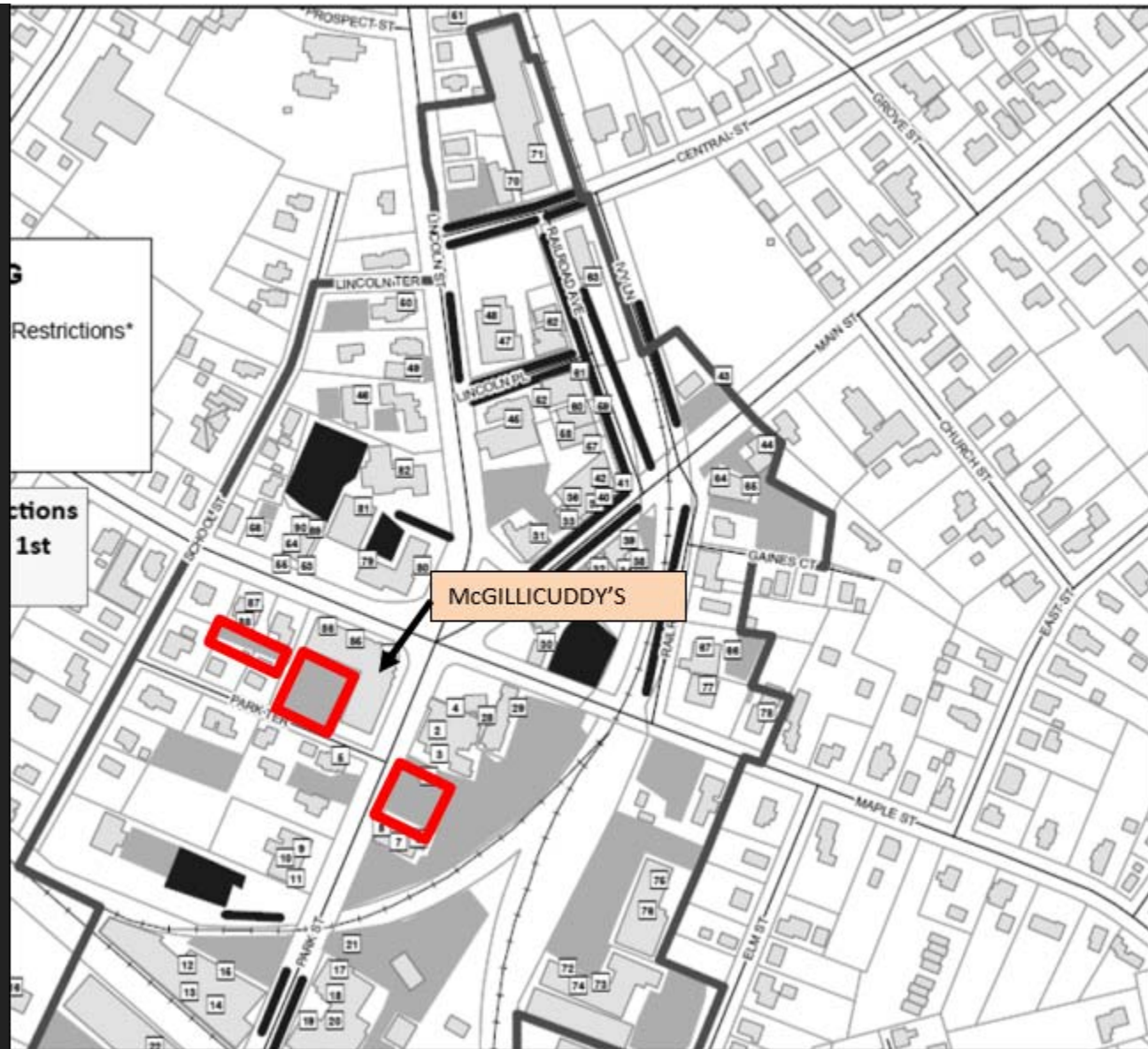
Utilization



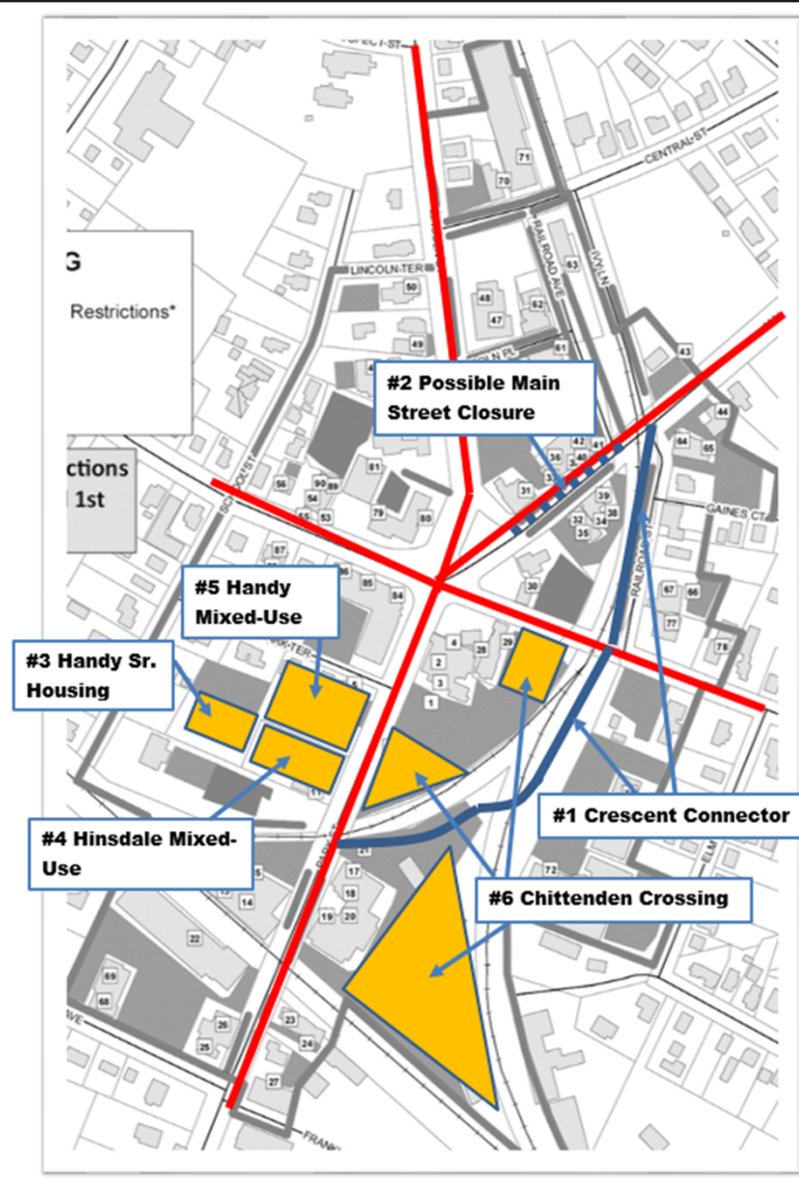
Midday "Hot Spots"



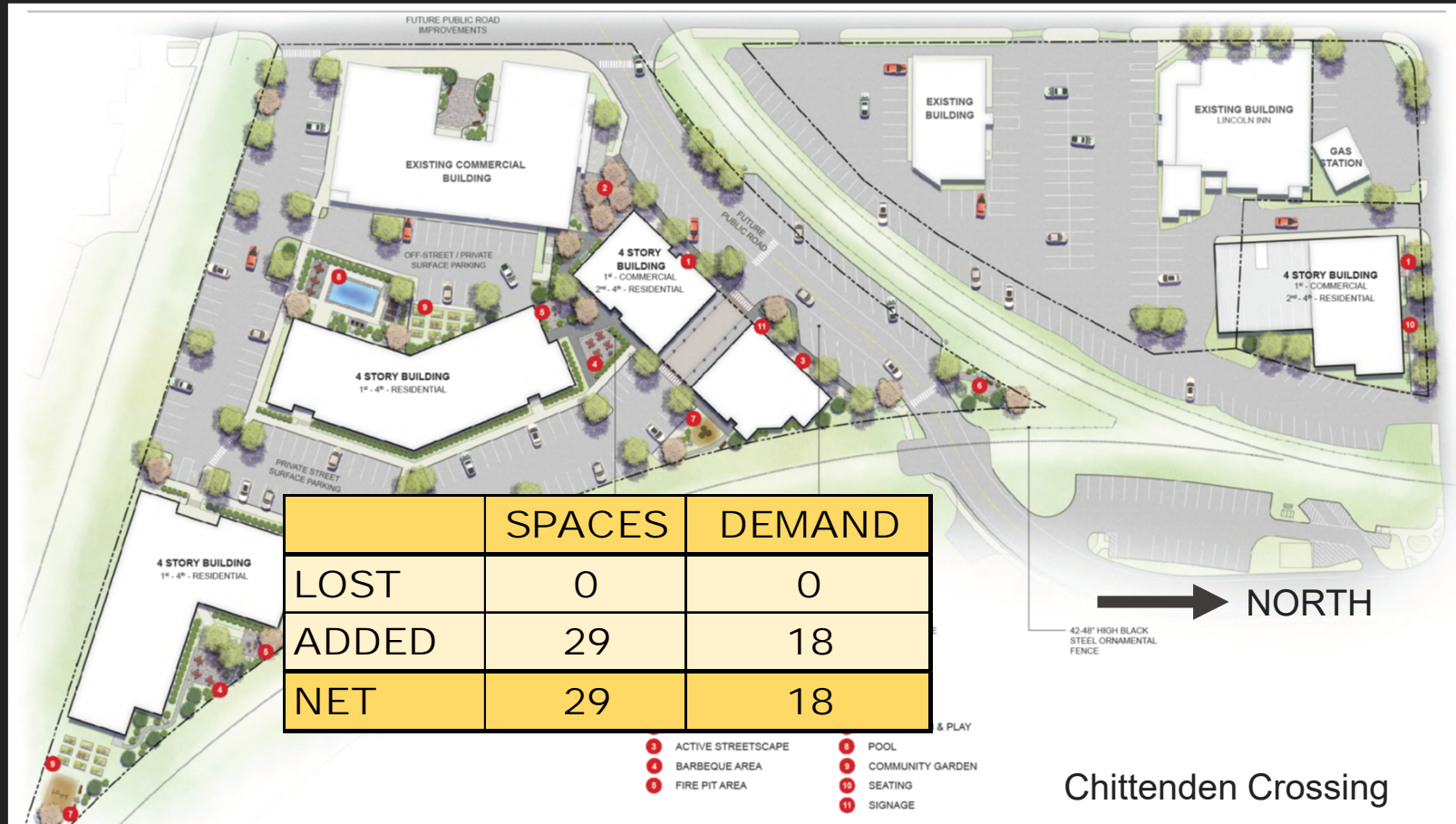
Evening "Hot Spots"



Future Projects

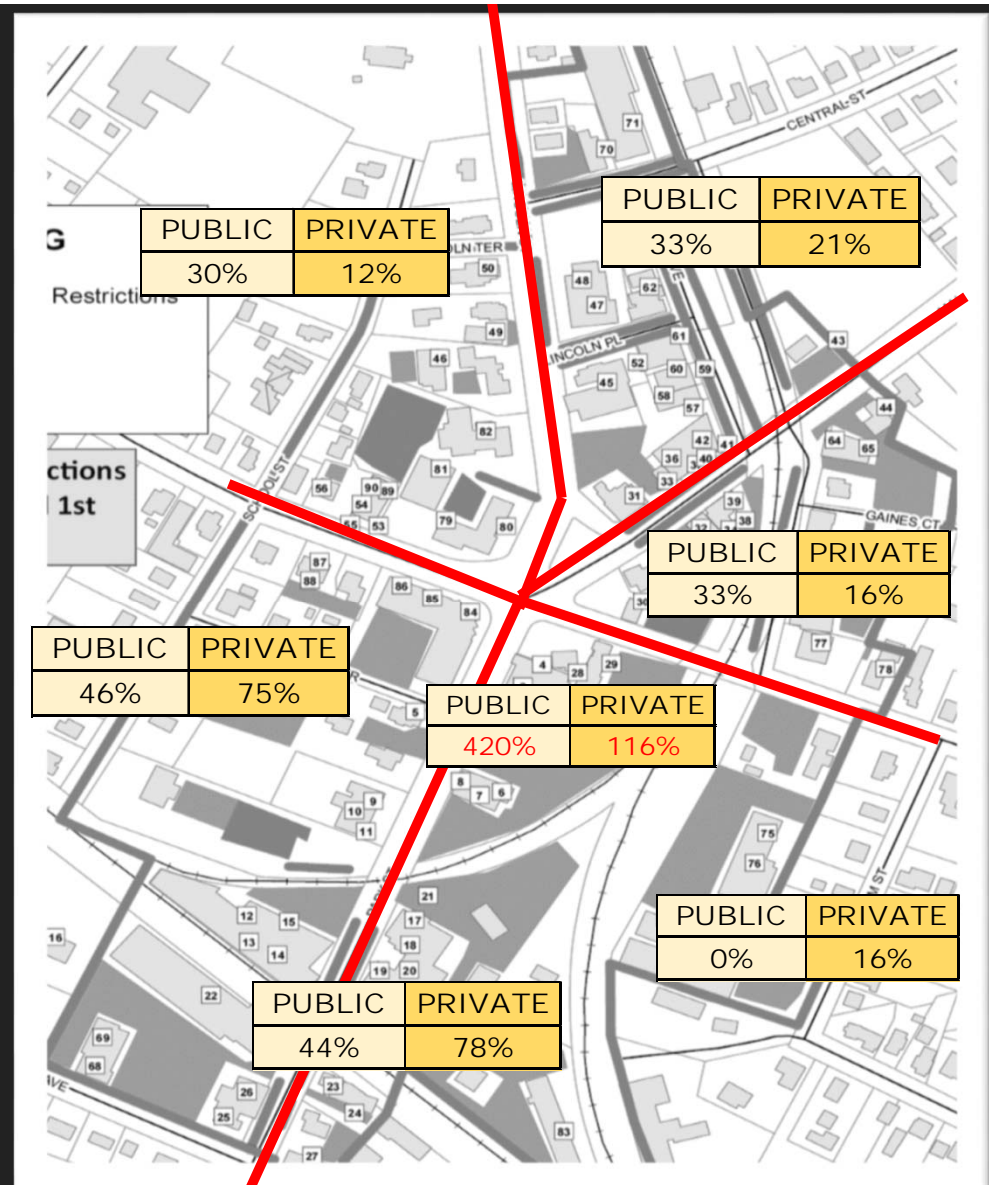


Future Analysis

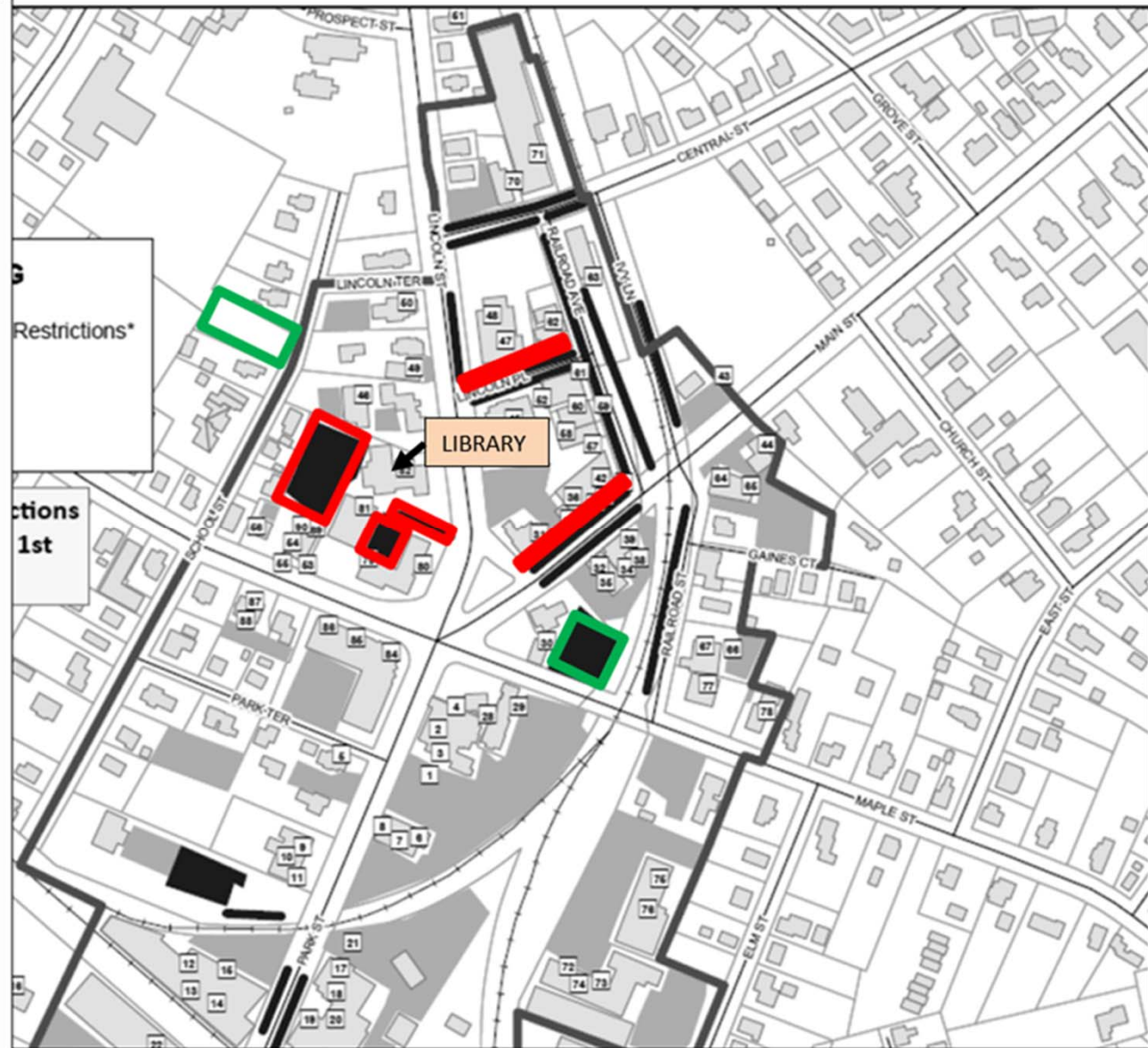


Future Utilization - Friday Evening

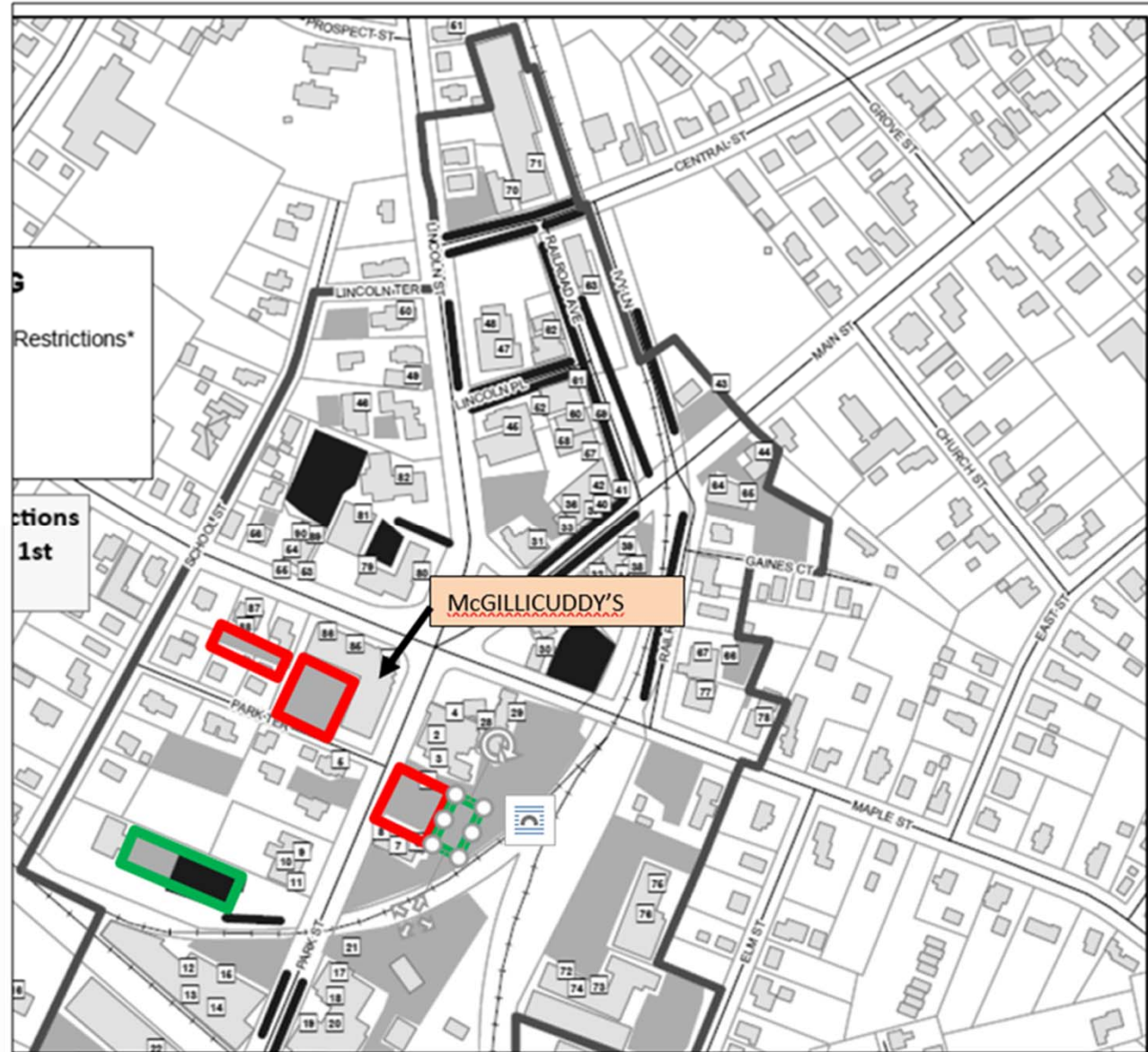
All Zones	
PUBLIC	PRIVATE
36%	64%



Recommendations - Midday Hot Spots



Recommendations Evening Hot Spots



Recommendations

Zone 3 North

- More to come on this.

Review

- Overall Parking Supply is Adequate
- A Few Existing “Hot Spots”
- Potential for One New Hot Spot
- Remedies are Available



MEMORANDUM

TO: Village Trustees
FROM: Tammy Getchell, Assistant to the Manager *Tmg*
DATE: March 8, 2019
SUBJECT: Preparation for Annual Meeting

Issue

The issue is providing the Trustees with information to prepare for the Annual Town Meeting.

Discussion

The Village of Essex Junction Annual Town Meeting will take place at 7:00 PM on Wednesday, April 3, 2019 at Essex High School. A community dinner will take place in the cafeteria at 6:00 PM, preceding the Meeting. Polls will be open from 7:00 AM to 7:00 PM on Tuesday, April 9, 2019 at the Essex High School. The voting will be with the school election.

To date, the following has been arranged:

- Informational tables are being reserved for department heads/committees
- The Community Dinner has been scheduled with EWSD's Child Nutrition Program
- The Senior Bus and child care has been arranged and will be advertised

We are awaiting confirmation from the Essex High School Chamber Choir to perform the National Anthem.

Cost

Dinner for 150 people will cost approximately \$1,163, unless the menu items change.

Recommendation

It is recommended that the Trustees review the attached materials and discuss any additional preparations needed for Annual Meeting.



Village of Essex Junction Community Dinner

Please come to a free community dinner before Annual Meeting to enjoy the company of fellow residents.

Dinner begins at 6:00 PM on Wednesday, April 3rd at Essex High School.

Annual Meeting will follow in the Essex High School Auditorium at 7:00 p.m.

* * *

Menu

Penne Pasta

Homemade Vegetarian Marinara Sauce

Homemade Beef Meatballs 802VT

Roasted Vermont Root Vegetables 802VT

Whole Grain Dinner Rolls

Gluten Free Multigrain Bread

Veggie Bar

Romaine Lettuce, Spring Greens, Tuna Mac Salad, Cucumbers, Celery, Shredded Cheese, Sweet Bell Peppers, Red Onions, Baby Carrots, Black Bean and Corn Salad, and Grape Tomatoes

Fruits 802VT

Oranges, Watermelon, Vermont Apples, Sliced Apples, and Raisins

Drinks 802VT

Vermont Fat Free White or Fat Free Chocolate Milk,
Assorted Fruit Juices and Bottled Water

Dessert 802VT

Homemade Vanilla Frozen Yogurt

* * *

802VT Indicates the inclusion of Vermont product

Food prepared and served by EWSD's Child Nutrition Program

From the Essex Junction Trustees

By George Tyler, Essex Junction President

The heart of the Village beat strong through a year of challenge and change. On the personnel side, our new unified manager, Evan Teich, brought a pulse of positive energy and enthusiasm to his first year on the job. But we also said goodbye through retirement to several esteemed staff members – finance director Lauren Morrisseau, administrative assistant Patty Benoit, and senior activities coordinator LouAnn Pioli – whose commitment and generosity of spirit embodied the Village’s philosophy of excellence in public service.

On the finance side, our ongoing collaboration with Essex Town continues to help keep costs under control and provide efficiencies throughout the community. The most significant example is the consolidated Highway budget. The proposed FY20 budget for the Essex Junction Public Works/Highway Department outlined in this Report is \$1,182,376, which represents nearly 23% of the Village’s total proposed FY20 budget of \$5,164,913. But through an existing contractual agreement with Essex Town, the Village Highway budget has been incorporated into the Essex Town general fund (which was approved by voters on March 4, 2019) so the Highway budget will be deducted from the total amount of revenue the Essex Junction government must raise from property taxes for its FY20 general fund budget.

All in all, the Essex Town government will contribute nearly \$1.26 million towards Essex Junction’s proposed FY20 general fund budget. Obviously, Village taxpayers in their role as Town taxpayers will subsidize a large portion of this contribution. But the Trustees believe this cost sharing approach for paying for essential municipal services throughout the Village-Town community is the right way to go and is building the foundation for a more stable and sustainable community. Sharing of positions and costs continue: the Assistant to the manager, Town/Village Clerk, Buildings Manager and Recreation Communications Coordinator are all split between the Town of Essex and Village of Essex Junction in FY20.

Some other highlights and initiatives from 2018 include:

Volunteerism – The spirit of volunteerism runs high and the Trustees express our sincerest gratitude to all those who’ve donated precious time to help us achieve a safer and more vibrant community. On behalf of all Village residents we thank our volunteer firefighters for their willingness to put their lives on the line for others and to commit hours of time for training and on-call readiness; we thank our Planning Commissioners and Zoning board for their integrity and thoughtfulness; we thank our Capital Review committee for helping us make informed decisions about infrastructure improvements; we thank the Bike/Walk Advisory committee for making our streets and sidewalks safer and more pedestrian-friendly; we thank the Tree Advisory committee for helping us maintain a healthy and appealing public landscape and also for preparing us for the Emerald Ash borer infestation; we thank the Brownell Library Board of Trustees and all the Brownell volunteers for making our wonderful community library the envy of the state; we thank those who worked to make the Five Corners Farmers’ Market and steAmfest well-attended community events and we thank the volunteers on all other Village and Town committees whose work contributes so much to our quality of life.

Consolidation – The Trustees and Essex Town Selectboard have set the Presidential election of November 3, 2020 as a desirable date for placing a proposal for governance change before Essex

Junction and Essex Town voters. The two boards created a subcommittee to research governance options. With the assistance of an attorney who specializes in municipal law the subcommittee developed a list of governance models they considered appropriate and feasible for the Essex community. The list includes several consolidated, single-charter governance models with one elected board, and a status quo model that maintains separate charters and separate boards but makes existing shared service agreements more permanent and legally binding. Over the course of the coming year the two boards will seek community input to help us identify the model that best conforms to the aspirations and needs of the community and which best enables a stable and sustainable future.

Concerns – An immediate and ongoing concern is the state of Village roads and sidewalks. One of the big contributors to this year's budget growth was an increase in the usual percentage of money we designate to be moved from the proposed Village General Fund to the Capital fund which pays for infrastructure repairs. Like neighboring Chittenden county communities the Village is challenged to keep up with damage done to roads and sidewalks from extreme temperatures, road salt, and heavy traffic. Each year the staff and Trustees must make tough choices to decide which roads and sidewalks get fixed and which, regrettably, must wait another year. Unfortunately, although the Village's grand list value is healthy and growing, the list of needed repairs is outpacing our ability pay for them without increasing taxes significantly beyond the rate of inflation. Essex Town faces the same problem. As a community we may need to consider some long-term solutions, such as a local option tax specifically designated for capital repairs.

The Village has reduced its dependence on Global Foundries but they remain by far our single largest source of business revenue. Along with Essex Town we must continue to work with Global Foundries to help attract other companies to their light industrial site. On the positive side, property improvements in the Village center through construction of multi-story mixed used buildings have helped grow our grand list, and this trend will likely continue in the coming years.

Most important, Essex Junction's central location in Chittenden County, with our excellent schools, accessibility, walkability, and diversity of commercial activity and housing stock continues to make us one of Vermont's most desirable and thriving communities. Our biggest challenge will be holding on to what makes us great in a time of change and transition.

In closing, the Trustees express our gratitude to the Village community for allowing us to serve you.

QUESTIONS and ANSWERS
VILLAGE OF ESSEX JUNCTION, PROPOSED FY20 BUDGET

March 7, 2019

1. If this budget is approved, what impact will it have on the municipal tax rate and the amount an average property owner pays?

The proposed FY20 budget would increase the Village municipal tax rate by an estimated .0087 cents per \$100 of assessed valuation or 2.8% when compared to the FY2019 Village Municipal tax rate. For a resident whose home is valued at \$280,000 the increase would be \$24.27 or about \$2.02 per month.

These projections are based upon a 1% increase in the non-GLOBALFOUNDRIES Grand List. Should Grand List growth exceed or be less than this projection, the tax rate set in August would be adjusted accordingly.

2. How much is the proposed budget for FY20 and how does it compare to the current fiscal year's budget?

The proposed FY20 General Fund budget total is \$5,164,913, which is an increase of \$210,226 or 4.24% from the current fiscal year's budget.

3. Why is the percentage increase in the tax rate lower than the increase in the budget?

The budget is increasing 4.24% while the tax rate is increasing 2.8%. This is due to an increase in the amount of revenue raised from non-tax sources. Both the amounts paid to the General Fund from the Enterprise Funds and the amount paid to the Village from the Town of Essex have increased.

4. What are the reasons for the proposed increase in the budget?

In thousands of dollars, the numbers below detail substantial increases to the budget.

Salaries	21.5
Fire Salaries	17.0
Contractual Services	19.2
Pay & Classification Study	10.8
Capital & Rolling Stock Contributions	57.7
Health & Other Insurances	41.3
Property & Liability Insurances	16.1
Ash Borer/Bike Walk Committee	7.0
Other Increases/Decreases	<u>19.6</u>

Total Budget Increase	210.2
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5. What are the biggest changes in this budget from prior budgets?

The biggest change in this budget from prior years is the increase in the amount transferred from the General Fund to the Capital Fund. This particular item has historically increased 7.5% a year and was bumped up to a 15% increase in FY20 (+47,663). Other notable changes are the creation of a Finance department, which moves finance specific costs out of the Administration budget,

and the creation of a Buildings department, which moves buildings specific costs out of the various departmental budgets. The creation of the Finance and Buildings departments did not result in new expenditures, only where the money is allocated.

6. What is the change in tax payment for the combined Town of Essex and Village taxes for the average tax payer?

The owner of a \$280,000 assessed value home in the Village will see an estimated increase in Town taxes of \$38.36 and an estimated increase in Village taxes of \$24.27 for a total increase of \$62.63.

7. Are there any new positions proposed in the FY20 budget?

Essex Junction Recreation and Parks has proposed a new part-time Communications Coordinator, the cost of which would be shared with Essex Parks and Recreation.

8. Has there been any attempt to secure grant funding?

Village staff is currently managing about \$7 million in grant funding for the Crescent Connector project, four grant funded studies, and a handful of Stormwater grants. Village staff is always searching for grant funding to supplement our tax dollars in providing the services needed in the Village. While grants are a great source of revenue for specific projects and purposes, they come with a variety of financial obligations and compliance requirements that can tie up staff resources. The Trustees weigh the pros and cons before applying for any grants. In addition to the grants being managed by Village staff, the Town and Village together are managing grants for Stormwater projects.

9. Are there any special articles the voters are being asked to consider at Village Meeting?

No. There are no special articles to be considered this year.

10. How much is the Fund Balance and is there any available for reducing taxes?

As of June 30, 2018 the Village had \$495,469 of unassigned fund balance which is equal to 10% of the FY19 budget. The FY20 proposed budget does not use any Fund Balance to reduce the tax rate. Village policy requires the Trustees to maintain the unassigned fund balance below 10%. Maintaining a fund balance of 5% to 15% is recommended by the Government Accounting Standards Board. A fund balance of \$495,469 equates to approximately 5 weeks of operating expenses.

11. What Capital Budget items are being proposed for FY20

The FY20 Capital Budget is \$42,160. The FY20 transfer to the Capital Reserve is proposed at \$365,414 which is a 15% increase over the prior year. The only new Capital Reserve Project planned for FY20 plan is the roadway portion of the Lamoille Waterline replacement. The Crescent Connector Project, which is grant funded, is ongoing.

The FY20 Rolling Stock (Vehicle Replacement) budget is \$33,600, which is equal to the debt payment on the Fire Ladder Truck. There are no other planned purchases from the Rolling Stock budget in FY20.

12. How much debt does the Village have and when will it be paid off?

As of June 30, 2018 the Village had \$2,627,461 of debt for Governmental Activities. This debt is primarily for a bond of \$2,297,461 for infrastructure projects, which will be paid off in FY36. The bond for infrastructure projects was also used for Water Fund projects. Projects accomplished with the infrastructure bond were:

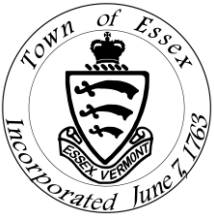
South St. - Waterline/Sanitation Sewer/Roadway Reconstruction
Main St. - Enclose Drainage, New Curb Bridge to Top of Hill
Maple St. – Replace Drainage Pipe
Hillcrest Rd./No. Hillcrest Rd. – Drainage Improvements
Briar Lane – Waterline/Sidewalk and Roadway Reconstruction
Rosewood Lane – Waterline replacement

In addition to the above, in FY18 the Village took out a 5-year current expense note for \$150,000 to help pay for the replacement of a Fire Pumper truck and assumed the debt for the Maple St. Pool of \$315,000, which will be paid off in FY20.

Business-type activities (Water, Wastewater and Sanitation Funds) had debt of \$14,751,062. This debt is made up of three loans and two bonds:

- \$196,734 is for a Federal Stimulus loan which was used for Sanitary Sewer rehabilitation and a high intensity blower at the Wastewater Treatment Facility. This loan retires in 2030.
- \$911,329 is from the State of Vermont Special Environmental Revolving Fund, which paid for the upgrade to the High School Pump Station. This loan will be retired in 2035.
- \$11,850,460 is from the State of Vermont Special Environmental Revolving Fund for the Wastewater Treatment Facility Refurbishment and will be retired in 2036.
- \$1,285,000 is from an Economic Recovery Zone Bond which was also used to fund the Wastewater Treatment Facility Refurbishment project. This bond will be retired in 2040.
- \$507,539 is from the bond that is shared with the General Fund for infrastructure projects. This bond will be retired in 2035.

The debt for the loan and bond for the Wastewater Treatment Facility project are shared with the Town of Essex and the Town of Williston in proportion to their capacity allotments at the Wastewater Treatment Facility. The Village is responsible for approximately 1/3 of this debt.



TOWN MEETING 2019
QUESTIONS and ANSWERS
**Update on Governance of
Essex and Essex Junction**



Town of Essex
Village of Essex Junction
February 5, 2019

1. What is happening with governance and consolidation between the Town of Essex and Village of Essex Junction?

The two municipalities are continuing consolidation and alignment efforts that have been taking place since 2013. More details about that process appear in subsequent answers.

On the topic of governance, the Selectboard and Trustees have met regularly throughout the year to discuss issues that affect the Town and the Village. One of those joint meetings, on March 24, 2018, focused on gathering input from residents about existing and future consolidation efforts.

A few months later, the Essex Selectboard and Essex Junction Board of Trustees formed a Governance Subcommittee to research governance issues for consolidation. The boards also hired an attorney to advise specifically on topics of governance. Working with the attorney, the Governance Subcommittee put together a report for “improving, reorganizing, and updating local government in Essex.” The report contained 10 potential governance change options, as well possible criteria for assessing the options and other potential changes.

The Governance Subcommittee has brought its findings back to the full Selectboard and Board of Trustees for further discussion.

2. What is the purpose of consolidation, and when did it begin?

The Village of Essex Junction is a municipality within the Town of Essex, governed by the Essex Junction Board of Trustees. All Village residents are also residents of the Town. The Town is governed by the Selectboard. Since 2013, the Selectboard and Trustees have been consolidating services between the two municipalities, with the goal of improving services for residents. The effort began with the sharing of a Municipal Manager.

Other departments and functions that have been or are in the process of consolidating include the Clerk’s Office, Finance, Human Resources, Information Technology, Public Works, and Stormwater.

The Police Department and Real Estate Appraisal have been singular departments serving the entire Essex community for decades.

3. Which Town and Village departments have yet to be consolidated?

Fire Departments, Essex Parks and Recreation (EPR) and Essex Junction Recreation and Parks (EJRP), Community Development Departments, and Libraries have yet to consolidate. The departments have begun to align and collaborate to varying degrees.

The Fire Departments now have aligned pay and training structures. EPR and EJRP are planning to co-locate by September 1, 2019. The Community Development Departments have been collaborating on planning efforts, including an Energy Plan for all of Essex. The Library Directors communicate regularly.

4. Is anything being done to consolidate the departments that are not yet consolidated?

The Unified Manager is working with all departments, including those that are already consolidated, to align Town and Village policies, procedures, guidelines and more.

5. Will residents have a chance to vote on consolidation, or even merger?

Residents have been approving many of the consolidation efforts each year by adopting budgets, which reflect the financial components of consolidation.

If the Selectboard and Trustees decide to pursue a full consolidation of all departments and the entire municipalities, they will need to go to voters with the question of whether or not to merge the Town of Essex and Village of Essex Junction.

6. Do the proposed budgets for FYE 2020 contain funding for governance and consolidation efforts?

The Selectboard portion of the Town budget includes \$20,700 for miscellaneous projects, which would likely include consolidation efforts.

The Town budget also includes a \$50,000 transfer to the Village to help cover personnel costs in the Clerk's Office. The Clerk's Office serves the Town and the Village, and while the two Assistant Clerks are Town employees, the Clerk is a Village employee. By transferring \$50,000 to the Village, total full-time personnel costs in the Clerk's Office will be paid 70 percent by the Town and 30 percent by the Village, a more equitable distribution of costs across all taxpayers in the Town, whether inside or outside the Village.

Essex Parks and Recreation (EPR) and Essex Junction Recreation and Parks (EJRP) plan to co-locate at 75 Maple Street on September 1, 2019. Although the departments will remain separate, co-location is expected to allow better cooperation between the departments, as well as alignment of services such as brochures and communications. The budgets for both departments contain equal funding for a part-time communications position.

EPR will pay EJRP \$12,000 for use of the facility to help cover the costs of programming and other expenses. The \$12,000 will come out of EPR's program fund, which means it is

not funded by property tax dollars. Additionally, the EPR program fund will no longer pay \$18,000 in rental fees for studio space – a net savings of \$6,000.

Pay rates and training protocols have been fully aligned between the Essex and Essex Junction fire departments, as planned in the FYE 2019 budget. The FYE 2020 budget reflects that alignment over an entire year.

7. How can I get updates on governance and consolidation efforts?

Visit the Town and Village websites, where notices of upcoming meetings are posted, as are minutes summarizing the meetings.

Selectboard agendas and minutes are at www.essex.org (“Boards / Procedures” → “Boards & Committees” → “Selectboard”).

Trustee agendas and minutes are at www.essexjunction.org (“Boards & Meetings” → “Board of Trustees”). Under the Board of Trustees page, you can Subscribe to Document Updates to receive an email when new agendas or minutes are posted.

Governance Subcommittee meeting agendas and minutes are also posted on the Town and Village websites under the respective pages for “Boards & Committees” and “Boards & Meetings.”

Meeting previews and summaries are also regularly posted on Front Porch Forum.

Residents are always welcome at all meetings.

If you have questions, do not hesitate to contact Deputy Town Manager Greg Duggan at 878-1341 or gduggan@essex.org.

**BOARD OF TRUSTEES
SPECIAL MEETING NOTICE & AGENDA
JOINT MEETING WITH THE ESSEX JUNCTION PLANNING COMMISSION
DRAFT MINUTES OF MEETING
February 26, 2019**

TRUSTEES PRESENT: George Tyler (Village President), Andrew Brown, Lori Houghton, Dan Kerin
Elaine Haney

PLANNING COMISSION PRESENT: Amber Thibeault, Diane Clemens, Kaitlin Hayes

ADMINISTRATION: Evan Teich, Unified Manager; Sarah Macy, Finance Director/Assistant
Village Manager; Greg Duggan, Deputy Town Manager; James Jutras, Water
Quality Superintendent; Robin Pierce, Community Development Director

OTHERS PRESENT: Raj Chaula; Ryan Ferris; Lucy Gibson; Peter Keating; Ken Merritt; Chris
Sargent; Irene Wrenner

1. **CALL TO ORDER and PLEDGE OF ALLEGIANCE TO THE FLAG**

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

2. **AGENDA ADDITIONS/ CHANGES**

There were no changes or additions.

3. **APPROVE AGENDA**

With no changes to the agenda, no motion was required.

4. **PUBLIC TO BE HEARD**

a. Comments from public on items not on the agenda.

Ken Merritt, Executive Chairman and Chief Financial Officer of Garnet Transport Medicine, introduced himself to the Trustees and Commission. He said that Garnet Transport Medicine will be opening a new local branch to provide non-emergency, inter-facility transport services with three ambulances. They are currently looking to hire 24 professionals.

5. **JOINT MEETING WITH THE ESSEX JUNCTION PLANNING COMMISSION**

a. Dubois & King presentation of Design Five Corners update and follow-up discussion

Mr. Tyler introduced the Design Five Corners study that began in 2014, explaining that the vision from the beginning was to calm and moderate traffic flow, see less traffic build up and enjoy the collateral benefit of reclaiming space for pedestrians. He described some of the related work completed thus far, including rebuilding the fairgrounds entrance, constructing bike lanes and a multiuse path and implementing CIRC Alternative traffic designs. He explained that the next steps in the Design Five Corners study is to alleviate the 5 corners traffic volume by installing a new road

called the Crescent Connector, connecting Main St. (VT15), Maple St. (VT117) and Park St. (VT 12A) and to redesign the 5 corners intersection, in alignment with the Essex Junction Comprehensive Plan (EJCP), adopted in 2014.

Ms. Gibson, from consulting engineers Dubois & King, presented a Design Five Corners implementation plan that would include EJCP integration. First, she summarized existing conditions, including difficulties to pedestrians and street traffic issues. She shared Traffic studies reviewed by VTrans and Chittenden County Regional Planning Commission (CCRPC) and discussed traffic flow, trend lines of peak-hour traffic volumes and pedestrian survey data. Ms. Gibson then presented models that illustrated Design Five Corners solutions to these issues. She compared the 5-way intersection to a 4-way intersection design, after traffic is diverted from the 5 corners by the Crescent Connector. She explained that, based on their projections, the 4-way intersection scenario would result in: significantly shorter queues; a decrease in “lost time” at the intersection; increased capacity to move vehicles through the intersection; simpler/safer intersection “conflict” areas; and safer pedestrian navigation. Ms. Gibson also noted that, although some parking spaces would be lost in the 4-way intersection design, currently there is only a 50% occupancy rate of parking, based on their 12-hour parking utilization study of Main Street between the 5 corners intersection and Railroad Ave. She also pointed out that 16 new spaces will be available along the Crescent Connector. Ms. Gibson explained that the elements in the Design Five Corners plan opens opportunities for a pedestrianized main street, a central village green, more street trees, and green stormwater infrastructure. These elements, she pointed out, are directly in line with the EJCP goals in the following areas: Transportation Improvements; Pedestrian Improvements; Health and Recreation; Economic Vitality; and Green Infrastructure. Mr. Sargent explained that embedding the Design Five Corners plan into the EJCP could open opportunities for funding but would not obligate the implementation of all elements.

Ms. Gibson reviewed Dubois & King’s suggested Design Five Corners implementation process:

- Complete the Crescent Connector
- Conduct a Demonstration Project
- Update EJCP to incorporate implementation of the Design Five Corners plan
- Coordinate with VTrans to redesignate route 15
- Reconstruct Main street
- Retime the 5-corners signal, and coordinate with Amtrak
- Build the Village Green

The Trustees and Planning Commission members discussed and clarified the assumptions and considerations made in Dubois & King’s Design Five Corners plans. Ms. Gibson and Mr. Sargent reiterated that standardly-used engineering formulas and concepts support the designs and traffic projections. They explained that project modeling is never perfect but does provide reasonable information. They see the estimates within this design as logical.

- ❖ Mr. Kerin expressed concern about losing an entire street in the design and had reservations with some of the assumptions made within the study. He wondered how the 4-way intersection would impact local businesses, economic vitality and how the design would be received by the

community. Ms. Houghton, Ms. Thibeault, Ms. Clemens and Mr. Tyler also acknowledged the importance of considering resident perceptions and educating the community.

- ❖ Mr. Brown requested comparison studies of real examples of successful, similarly modeled projects to review.
- ❖ Ms. Haney confirmed with Mr. Pierce that the CCRPC reviewed this design in consideration of the new Railway Ave. design and determined that the two projects would be mutually beneficial.
- ❖ Ms. Clemens confirmed that the design includes calculations for large trucks.
- ❖ Ms. Houghton asked if the models calculated time lost for train stoppage. Ms. Gibson shared that a train stoppage calculation was not included in the intersection model. Mr. Tyler suggested that, because the traffic stop for trains would only be on one of the roads vs. the current full-intersection stop, there would be time savings within this model.

The Trustees clarified traffic and pedestrian flow within the new design.

- ❖ Ms. Haney verified that there will be no light to turn onto the Crescent Connector.
- ❖ Ms. Houghton asked how vehicular traffic would navigate around the intersection to Main St. and acknowledged the benefits of pedestrian safety in this design
- ❖ Mr. Chaula confirmed with Ms. Gibson that there should be a decrease in crashes because of the smaller intersection.
- ❖ Mr. Tyler and Ms. Haney were impressed that the design could cut wait time in half for up to 30,000 commuters each day.

Ms. Clemens pointed out that the Design Five Corners overview should include more economic development studies and was disappointed with its emphasis on traffic. Mr. Chaula stressed the importance of conducting outreach to businesses about parking and bike flow. All Trustees commented on the importance of engaging in conversations with businesses and they determined that addressing economic development should be a priority in this process. Ms. Haney suggested pursuing a downtown designation for the Village Center, to expand opportunities for businesses. Mr. Sargent pointed out that improved traffic flow and increased pedestrian opportunities should improve economic vitality.

MOTION by Elaine Haney, SECOND by Lori Houghton, that the Trustees approve the Design Five Corners Study and ask Staff and the Planning Commission to have it included in the new Municipal Plan of 2019. Voting: unanimous (5-0); motion carried.

6. BUSINESS ITEMS

a. Adopt Warning for Village Annual Meeting

Mr. Tyler read the Warning for Village Annual meeting for April 3 & 9, 2019.

MOTION by Elaine Haney, SECOND by Andrew Brown, that the Trustees adopt the Warning for Village of Essex Junction Annual Meeting for April 3 & 9, 2019. Voting: unanimous (5-0); motion carried.

b. Consider conditional adoption of road, sidewalk and utility infrastructure on Taft Street

Mr. Jutras presented the issue of adopting, from the Center for Technology, Essex (CTE), a portion of the road, sidewalk, utility infrastructure and stormwater pond on Taft Street as outlined in the attached Plan and with conditions. He suggested that this takeover could benefit the Village's successful collaboration with the school system. The conditions of this arrangement would be that

the CTE complete work on the property by June 30, 2019 or the Village will complete the work and file a lien on the house parcels.

MOTION by Andrew Brown, SECOND by Lori Houghton, that the Trustees conditionally approve adoption of the road, sidewalk and utility infrastructure for the portion of Taft Street shown in the attached Map subject to the requirements outlined in 2 above. *Voting: unanimous (5-0); motion carried.*

c. Approval to apply for Biosolids Land Application Permit transfer—Jim Jutras

Mr. Jutras presented the issue of whether the Village of Essex Junction will apply as a permittee for a biosolids land application. All biosolids have been managed under a contract between Casella Organics and the Chittenden Solid Waste District (CSWD). He explained that, under this Land Application Permit Transfer, the new contract with Casella will not include land application of biosolids. Instead, land application will be directly with the Whitcomb farm operation and Farr farms.

Ms. Haney asked if the legislative bills which would ban biosolids, but so far have never moved forward, could pose a risk to this arrangement. Mr. Jutras suggested that a ban is not likely because recycled nutrients are beneficial to farms, are a local solution and are used in many products.

MOTION by Dan Kerin, SECOND by Andrew Brown, that the Trustees support the application to the Agency of Natural Resources to transfer the biosolids land application permit from Casella Organics to the Village of Essex Junction, and then staff is authorized to negotiate the relevant land application agreements with the participating farm partners. *Voting: unanimous (5-0); motion carried.*

d. Approval of Chittenden Solid Waste District Sludge Management participation agreement—Jim Jutras

Mr. Jutras presented the issue of whether to sign the CSWD- Essex Junction Participation agreement for sludge and biosolids management. Casella organics' contract with CSWD was negotiated and authorized without the Essex Junction land application program included, commencing in 2019. Mr. Jutras explained that the Wastewater Treatment Facility (WWTF) would prefer, within the new participation agreement, to engage with Chateaugay NY Grasslands management as opposed to landfilling biosolids. This would preserve the Coventry VT landfill's space and extend its life.

MOTION by Elaine Haney, SECOND by Dan Kerin, that the Trustees to authorize the Unified Manager to sign the CSWD Essex Junction participation agreement pending favorable legal review. *Voting: unanimous (5-0); motion carried.*

e. Approval of Green Mountain Power Flexible Load Management Innovative Pilot Program agreement—Jim Jutras

Mr. Jutras presented the issue of whether to participate in the Green Mountain Power (GMP) Flexible Load Management Innovative Pilot program. This program would reduce peak demand on the electric grid through voluntary curtailment of electric use. He explained that GMP would notify

the WWTF of high-power demand days. The facility would generate a maximum amount of electricity, during these periods, with reserved methane gas, utilizing the Cogeneration System.

MOTION by Dan Kerin, SECOND by Lori Houghton, that the Trustees authorize the Unified Manager to sign the GMP Flexible Load Management Innovative Pilot Program agreement.

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

f. Approve Annual Financial Plan for Town Highways—Sarah Macy

Ms. Macy explained that the Village is required, annually, to submit accounting of costs and reimbursements from the state for town highways to VTrans.

MOTION by George Tyler, SECOND by Andrew Brown, that the Trustees approve the Annual Financial Plan for Town Highways. Voting: unanimous (5-0); motion carried.

g. Approve Certification of Compliance for Town Road and Bridge Standards and Network Inventory—Sarah Macy

Ms. Macy explained that the Village is required, annually, to submit a certification of compliance for town road and bridge standards to VTrans.

MOTION by Andrew Brown, SECOND by Elaine Haney, that the Trustees approve the Certification of Compliance for Town Road and Bridge Standards and Network Inventory.

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

7. CONSENT ITEMS

MOTION by Andrew Brown, SECOND by Lori Houghton, to approve the consent agenda:

- a. Approval of Minutes: February 12, 2019
- b. Check Warrants #17134 – 02/11/19; #17136 – 02/22/19

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

8. READING FILE

a. Board Member Comments

Mr. Tyler asked Mr. Teich if he wanted to report on anything. Mr. Teich shared that he is currently in talks with Green Mountain Transit. He also pointed out that the winter weather this year has taken a toll on many roads. While pothole fixes are desired, no patching can occur until the weather is above 45 degrees, because the fixes would not stay.

b. Summary of Information—Voices for Education Summit

Ms. Haney attended the Voices for Education Summit, found it valuable and suggested the Trustees invite representatives from the Summit to discuss diversity and equity with the board.

c. Brownell Library Staff and Director's Report December 2018

d. Spring Selectboard Training

e. Seven Days NEMRC Article

f. *Memo from Greg Duggan re: update on security measures associated with NEMRC and memo from Rob Paluba

g. Local Option Tax from Department of Taxes

h. Joint Safety Committee Policy

Ms. Haney provided feedback on the policy, suggesting that under the Membership section, in numbers 1,2 and 8, one representative from each group should be required vs. only requiring one representative from either group.

i. Upcoming Meeting Schedule

9. **EXECUTIVE SESSION**

a. **An executive session for a discussion of personnel**

MOTION by George Tyler, SECOND by Lori Houghton, to enter into Executive Session for a discussion of personnel. *Voting: unanimous (5-0); motion carried, at 8:03 p.m.*

MOTION by Dan Kerin, SECOND by Andrew Brown, to exit Executive Session for a discussion of personnel. *Voting: unanimous (5-0); motion carried, at 9:15 p.m.*

10. **ADJOURN**

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

The meeting Adjourned at 9:16 p.m.

Respectfully Submitted,
Cathy Ainsworth

03/01/19

Town of Essex / Village of EJ Accounts Payable

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02:00 pm

Check Warrant Report # 17137 Current Prior Next FY Invoices For Fund (GENERAL FUND)

HPackard

For Check Acct 01(GENERAL FUND) All check #s 03/01/19 To 03/01/19 & Fund 2

Vendor		Invoice	Invoice Description	Account	Amount	Check	Check
		Date	Invoice Number		Paid	Number	Date
14400	ABOVE AND BEYOND	02/15/19	LH/BL-CLEANING FEB 2019	210-41940.423	600.00	21561	03/01/19
			3894	CONTRACT SERVICES			
14400	ABOVE AND BEYOND	02/15/19	LH/BL-CLEANING FEB 2019	210-45551.423	2212.75	21561	03/01/19
			3894	CONTRACT SERVICES			
14400	ABOVE AND BEYOND	02/15/19	BL-CLEANING & SUPPLIES	210-45551.423	1190.00	21561	03/01/19
			3896	CONTRACT SERVICES			
14400	ABOVE AND BEYOND	02/15/19	BL-CLEANING & SUPPLIES	210-45551.610	72.00	21561	03/01/19
			3896	SUPPLIES			
42665	AMAZON/SYNCE	02/10/19	BL-BOOKS/DVDS	210-45551.640	81.22	21563	03/01/19
			69852062019D	ADULT COLLECTION-PRINT &			
42665	AMAZON/SYNCE	02/10/19	BL-BOOKS/DVDS	210-45551.641	92.99	21563	03/01/19
			69852062019D	JUVEN COLLECTION-PRNT & E			
42665	AMAZON/SYNCE	02/10/19	BL-BOOKS/DVDS	210-45551.610	93.17	21563	03/01/19
			69852062019D	SUPPLIES			
42665	AMAZON/SYNCE	02/10/19	BL-BOOKS/DVDS	210-49345.000	94.97	21563	03/01/19
			69852062019D	LIBRARY DONATION EXPENDIT			
07155	AMERICAN ROCK SALT CO LLC	02/04/19	ST-SALT	210-43125.610	3593.40	21564	03/01/19
			0593379	WINTER MAINTENANCE			
07155	AMERICAN ROCK SALT CO LLC	02/07/19	ST-SALT	210-43125.610	1818.73	21564	03/01/19
			0595413	WINTER MAINTENANCE			
07155	AMERICAN ROCK SALT CO LLC	02/08/19	ST-SALT	210-43125.610	1705.17	21564	03/01/19
			0595938	WINTER MAINTENANCE			
00660	ATLANTIC BROOM SERVICE, I	02/04/19	ST-PLOW BLADE	210-43110.610	2460.00	21565	03/01/19
			255030	SUPPLIES			
02005	BCBSVT	03/01/19	MARCH VILLAGE BC/BS BILL	210-41320.210	3515.97	21568	03/01/19
			03012019D	HEALTH INS & OTHER BENEFI			
02005	BCBSVT	03/01/19	MARCH VILLAGE BC/BS BILL	210-43110.210	4219.18	21568	03/01/19
			03012019D	HEALTH INS & OTHER BENEFI			
02005	BCBSVT	03/01/19	MARCH VILLAGE BC/BS BILL	210-43151.210	711.12	21568	03/01/19
			03012019D	HEALTH INS & OTHER BENEFI			
02005	BCBSVT	03/01/19	MARCH VILLAGE BC/BS BILL	210-45551.210	6018.46	21568	03/01/19
			03012019D	HEALTH INS & OTHER BENEFI			
02005	BCBSVT	03/01/19	MARCH VILLAGE BC/BS BILL	210-41970.210	1251.24	21568	03/01/19
			03012019D	HEALTH INS & OTHER BENEFI			
02005	BCBSVT	03/01/19	MARCH VILLAGE BC/BS BILL	210-41335.210	1757.99	21568	03/01/19
			03012019D	HEALTH INS & OTHER BENEFI			
02005	BCBSVT	03/01/19	MARCH VILLAGE BC/BS BILL	210-45110.210	6525.21	21568	03/01/19
			03012019D	HEALTH INS & OTHER BENEFI			
02005	BCBSVT	03/01/19	MARCH VILLAGE BC/BS BILL	210-45220.210	1207.45	21568	03/01/19
			03012019D	HEALTH INS & OTHER BENEFI			
00530	BRODART CO	02/12/19	BL book	210-45551.641	11.53	21572	03/01/19
			B5543879	JUVEN COLLECTION-PRNT & E			
00530	BRODART CO	02/12/19	BL book	210-45551.610	0.80	21572	03/01/19
			B5543879	SUPPLIES			
00530	BRODART CO	02/13/19	BL books	210-45551.641	15.10	21572	03/01/19
			B5544970	JUVEN COLLECTION-PRNT & E			
00530	BRODART CO	02/13/19	BL books	210-45551.610	1.60	21572	03/01/19
			B5544970	SUPPLIES			
00530	BRODART CO	02/13/19	BL books	210-45551.641	23.43	21572	03/01/19
			B5545164	JUVEN COLLECTION-PRNT & E			

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Check Warrant Report # 17137 Current Prior Next FY Invoices For Fund (GENERAL FUND)

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Vendor	Invoice Date	Invoice Description Invoice Number	Account	Amount Paid	Check Number	Check Date
00530	BRODART CO	02/13/19 BL books B5545164	210-45551.610 SUPPLIES	1.60	21572	03/01/19
00530	BRODART CO	02/13/19 BL books B5545381	210-45551.641 JUVEN COLLECTION-PRNT & E	125.34	21572	03/01/19
00530	BRODART CO	02/13/19 BL books B5545381	210-45551.610 SUPPLIES	8.00	21572	03/01/19
00530	BRODART CO	02/14/19 BL books B5546281	210-45551.640 ADULT COLLECTION-PRINT &	769.04	21572	03/01/19
00530	BRODART CO	02/14/19 BL books B5546281	210-45551.610 SUPPLIES	41.60	21572	03/01/19
03000	CARGILL SALT EASTERN INC	02/04/19 ST-SALT 2904582250	210-43125.610 WINTER MAINTENANCE	2558.31	21574	03/01/19
03000	CARGILL SALT EASTERN INC	02/05/19 ST-SALT 2904585633	210-43125.610 WINTER MAINTENANCE	2570.92	21574	03/01/19
V04609	CENTER POINT LARGE PRINT	02/01/19 BL-BOOKS 1660006	210-45551.640 ADULT COLLECTION-PRINT &	93.48	21576	03/01/19
21120	CHAMPLAIN MEDICAL URGENT	02/03/19 VF-PHYSICALS 3156500	210-42220.566 PHYSICAL EXAMS	2040.00	21577	03/01/19
21120	CHAMPLAIN MEDICAL URGENT	02/17/19 VF-PHYSICALS 3173100	210-42220.566 PHYSICAL EXAMS	1020.00	21577	03/01/19
23525	CLARK'S TRUCK CENTER INC	02/12/19 ST-DEF2 415373	210-43110.626 GAS,GREASE AND OIL	48.90	21578	03/01/19
25120	CLICKTIME.COM	01/08/19 TV 7 Village,13 Twn, 26 r 273253	210-41320.500 TRAINING, CONFERENCES, DU	56.00	21580	03/01/19
35260	EAST COAST PRINTERS INC	01/22/19 ST/SA/VW-VEST & EMBROIDRY 01141911	210-43110.612 UNIFORMS,BOOTS,ETC	70.00	21585	03/01/19
35260	EAST COAST PRINTERS INC	02/12/19 ST-EMBROIDERY WORK 02081929	210-43110.612 UNIFORMS,BOOTS,ETC	20.00	21585	03/01/19
23215	ESSEX EQUIPMENT INC	02/12/19 ST-YAMAHA GENERATOR 107022710001	210-43110.570 MAINTENANCE OTHER	29.16	21587	03/01/19
21845	FIRST NATIONAL BANK OMAHA	02/15/19 AUDIOBOOK-LIBRARY STAFF 011919A	210-15101.000 EXCHANGE - GENERAL	11.12	21591	03/01/19
21845	FIRST NATIONAL BANK OMAHA	01/31/19 BL-COMPUTER EXPENSES 1187441F	210-45551.340 COMPUTER EXPENSES	44.67	21591	03/01/19
21845	FIRST NATIONAL BANK OMAHA	01/25/19 BL-YOUTH PROGRAM 13404E	210-45551.837 CHILDRENS PROGRAMS	12.75	21591	03/01/19
21845	FIRST NATIONAL BANK OMAHA	02/06/19 BL-TRAINING & CONFERENCE 501401G	210-45551.500 TRAINING, CONFERENCES, DU	35.00	21591	03/01/19
21845	FIRST NATIONAL BANK OMAHA	01/19/19 BL-DVD 7650653	210-45551.640 ADULT COLLECTION-PRINT &	20.69	21591	03/01/19
21845	FIRST NATIONAL BANK OMAHA	01/25/19 BL-YOUTH FURNITURE E300276D	210-45551.891 CAPITAL OUTLAY	213.98	21591	03/01/19
21845	FIRST NATIONAL BANK OMAHA	01/24/19 BL-COMPUTER EXPENSES ST713371295C	210-45551.340 COMPUTER EXPENSES	11.66	21591	03/01/19
21845	FIRST NATIONAL BANK OMAHA	02/14/19 BL-COMPUTER EXPENSES ST713386376H	210-45551.340 COMPUTER EXPENSES	122.43	21591	03/01/19
45400	FIRST NATIONAL BANK OMAHA	02/15/19 DV-BUSINESS LUNCH 012319D	210-41970.610 SUPPLIES	26.78	21593	03/01/19
19005	FIRSTLIGHT FIBER	02/01/19 BL tech, phone access 4850791	210-45551.530 TECHNOLOGY ACCESS	39.95	21595	03/01/19

03/01/19

Town of Essex / Village of EJ Accounts Payable

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02:00 pm

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Vendor		Invoice Date	Invoice Description Invoice Number	Account	Amount Paid	Check Number	Check Date
19005	FIRSTLIGHT FIBER	02/01/19	BL tech, phone access 4850791	210-45551.535 TELEPHONE SERVICES	96.55	21595	03/01/19
19005	FIRSTLIGHT FIBER	02/15/19	VF-TELEPHONE 4939916	210-42220.535 TELEPHONE SERVICES	50.60	21597	03/01/19
V9347	GREEN MOUNTAIN ELECTRIC S	02/12/19	BL-SUPPLIES S3272860001	210-45551.610 SUPPLIES	275.00	21601	03/01/19
07160	GREEN MOUNTAIN LIBRARY CO	12/18/18	BL membership fee G192451	210-45551.530 TECHNOLOGY ACCESS	1186.25	21602	03/01/19
07160	GREEN MOUNTAIN LIBRARY CO	12/18/18	BL membership fee G192451	210-14301.000 PREPAID EXPENSES	1186.25	21602	03/01/19
07010	GREEN MOUNTAIN POWER CORP	02/12/19	VA Feb consolidated bills 0219020601	210-41940.622 ELECTRICAL SERVICE	674.11	21604	03/01/19
07010	GREEN MOUNTAIN POWER CORP	02/12/19	VA Feb consolidated bills 0219020601	210-42220.622 ELECTRICAL SERVICE	674.11	21604	03/01/19
07010	GREEN MOUNTAIN POWER CORP	02/12/19	VA Feb consolidated bills 0219020601	210-43110.622 ELECTRICAL SERVICE	435.26	21604	03/01/19
07010	GREEN MOUNTAIN POWER CORP	02/12/19	VA Feb consolidated bills 0219020601	210-45551.622 ELECTRICAL SERVICE	1128.44	21604	03/01/19
07010	GREEN MOUNTAIN POWER CORP	02/12/19	VA Feb consolidated bills 0219020601	210-43160.622 STREET LIGHTS - ELECTRICI	10290.55	21604	03/01/19
07010	GREEN MOUNTAIN POWER CORP	02/12/19	VA Feb consolidated bills 0219020601	210-43123.622 TRAFFIC LIGHTS - ELECTRIC	752.94	21604	03/01/19
07010	GREEN MOUNTAIN POWER CORP	02/19/19	PSS-1/18-2/19/19 726738021919	210-41940.624 PARK ST. ELECTRICITY	319.91	21605	03/01/19
06675	NATIONAL BUSINESS TECHNOL	02/24/19	TVVA-COPIER USAGE 1/18-2/ 288499	210-45551.423 CONTRACT SERVICES	0.63	21615	03/01/19
06675	NATIONAL BUSINESS TECHNOL	02/24/19	TVVA-COPIER USAGE 1/18-2/ 288499	210-45551.423 CONTRACT SERVICES	0.06	21615	03/01/19
06675	NATIONAL BUSINESS TECHNOL	02/24/19	TVVA-COPIER USAGE 1/18-2/ 288499	210-41320.442 LEASED SERVICES	91.93	21615	03/01/19
45220	NEMCI&I	02/26/19	AD-DEPOSIT-CLERK'S INSTIT 2019111	210-14301.000 PREPAID EXPENSES	75.00	21616	03/01/19
V10729	OVERDRIVE INC	12/17/18	BL-BOOKS DA18234382	210-45551.640 ADULT COLLECTION-PRINT &	95.00	21618	03/01/19
V10729	OVERDRIVE INC	01/07/19	BL-BOOKS DA19002990	210-45551.640 ADULT COLLECTION-PRINT &	272.48	21618	03/01/19
18010	REYNOLDS & SON, INC.	02/04/19	VF-ADAPTERS 3344342	210-42220.889 ROUTINE EQUIPMENT PURCHAS	38.20	21624	03/01/19
18010	REYNOLDS & SON, INC.	02/04/19	VF-ADAPTERS 3344359	210-42220.889 ROUTINE EQUIPMENT PURCHAS	531.38	21624	03/01/19
18010	REYNOLDS & SON, INC.	02/15/19	VF-FLASHLIGHTS 3345110	210-42220.889 ROUTINE EQUIPMENT PURCHAS	419.94	21624	03/01/19
18010	REYNOLDS & SON, INC.	02/18/19	VF-LEATHER FRONTS 3345180	210-42220.612 UNIFORMS,BOOTS,ETC	202.92	21624	03/01/19
37680	TARRANT, GILLIES & RICHA	01/13/19	Richardson legal fees 12045	210-41320.330 OTHER PROFESSIONAL SERVIC	18.75	21632	03/01/19
21000	UNIFIRST CORPORATION	02/20/19	LH mat svc 0361927438	210-41940.434 MAINT. BUILDINGS/GROUNDS	78.04	21633	03/01/19
21000	UNIFIRST CORPORATION	02/20/19	BL mats 0361927493	210-45551.423 CONTRACT SERVICES	66.94	21633	03/01/19

03/01/19

Town of Essex / Village of EJ Accounts Payable

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02:00 pm

Check Warrant Report # 17137 Current Prior Next FY Invoices For Fund (GENERAL FUND)

HPackard

For Check Acct 01(GENERAL FUND) All check #s 03/01/19 To 03/01/19 & Fund 2

Vendor		Invoice Date	Invoice Description Invoice Number	Account	Amount Paid	Check Number	Check Date
00710	UPS STORE	10/05/18	VF-PARTS RETURN 03685	210-42220.610 SUPPLIES	16.95	21634	03/01/19
00710	UPS STORE	08/06/18	VF-PARTS RETURN 3492	210-42220.610 SUPPLIES	14.63	21634	03/01/19
00710	UPS STORE	02/05/19	VF-PARTS RETURN 4479	210-42220.432 VEHICLE MAINTENANCE	12.88	21634	03/01/19
00710	UPS STORE	02/22/19	VF-PARTS RETURN 5363	210-42220.432 VEHICLE MAINTENANCE	22.07	21634	03/01/19
29825	VT GAS SYSTEMS	02/20/19	PSS 1/17-2/20 2262012 2/19	210-41940.625 PARK ST. SCHOOL NAT GAS	622.25	21638	03/01/19
43275	RYCANDON MECHANICAL, INC.	02/20/19	SR extend heat to Sr bus 12539	222-46802.001 LINCOLN HALL MAINT	800.00	21625	03/01/19
21850	BOUCHER CLEANING SERVICES	02/07/19	SR Ctr cleaning, mat svc 494	225-45122.330 OTHER PROF SERVICES	200.00	21570	03/01/19
04330	EWSD CHILD NUTRITION	02/20/19	RC EMS Sr luncheon 022019	225-45122.813 Meal Site Outing Exp	68.00	21589	03/01/19
08645	LOWES BUSINESS ACCT/SYNCB	02/08/19	SR oven for EASC 15209	225-45122.812 MEAL SITE EXPENSES	380.00	21612	03/01/19
06675	NATIONAL BUSINESS TECHNOL	02/24/19	TVVA-COPIER USAGE 1/18-2/ 288499	225-45122.610 OPERATIONAL SUPP/EXP	10.51	21615	03/01/19
02005	BCBSVT	03/01/19	MARCH VILLAGE BC/BS BILL 03012019D	226-45120.210 HEALTH INS & OTHER BENEFI	3634.85	21568	03/01/19
02005	BCBSVT	03/01/19	MARCH VILLAGE BC/BS BILL 03012019D	226-45121.210 HEALTH INS & OTHER BENEFI	4767.22	21568	03/01/19
02005	BCBSVT	03/01/19	MARCH VILLAGE BC/BS BILL 03012019D	226-45110.210 HEALTH INS & OTHER BENEFI	625.63	21568	03/01/19
06675	NATIONAL BUSINESS TECHNOL	02/24/19	TVVA-COPIER USAGE 1/18-2/ 288499	226-45110.442 Equipment Rentals	153.48	21615	03/01/19
02005	BCBSVT	03/01/19	MARCH VILLAGE BC/BS BILL 03012019D	254-43200.210 HEALTH INS & OTHER BENEFI	3774.99	21568	03/01/19
35260	EAST COAST PRINTERS INC	01/22/19	ST/SA/VW-VEST & EMBROIDRY 01141911	254-43200.612 UNIFORMS, BOOTS, ETC	5.00	21585	03/01/19
07010	GREEN MOUNTAIN POWER CORP	02/12/19	VA Feb consolidated bills 0219020601	254-43200.622 ELECTRICAL SERVICE	94.08	21604	03/01/19
02005	BCBSVT	03/01/19	MARCH VILLAGE BC/BS BILL 03012019D	255-43200.210 HEALTH INS & OTHER BENEFI	6952.72	21568	03/01/19
06870	ENDYNE INC	02/19/19	WW Q1 plus pcb 290169	255-43200.577 CONTRACT LABORATORY SERVI	700.00	21586	03/01/19
06870	ENDYNE INC	02/20/19	WW Zn search 290246	255-43200.577 CONTRACT LABORATORY SERVI	32.00	21586	03/01/19
38955	F W WEBB COMPANY	02/11/19	WW digest pilot 61992509	255-43200.570 MAINTENANCE OTHER	19.67	21590	03/01/19
21740	FIRST NATIONAL BANK OMAHA	02/15/19	WW-SOAP BULK & DISP 011819AB	255-43200.610 SUPPLIES	81.44	21592	03/01/19
21740	FIRST NATIONAL BANK OMAHA	02/15/19	WW-FREE PRESS 012819C	255-43200.610 SUPPLIES	22.00	21592	03/01/19
21740	FIRST NATIONAL BANK OMAHA	02/15/19	WW-RENEWAL 012919D	255-43200.610 SUPPLIES	99.00	21592	03/01/19
21740	FIRST NATIONAL BANK OMAHA	02/15/19	WW-HOTEL FLEURY CONFRNCE 013119E	255-43200.500 TRAINING, CONFERENCES, DU	889.28	21592	03/01/19

03/01/19

Town of Essex / Village of EJ Accounts Payable

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02:00 pm

Check Warrant Report # 17137 Current Prior Next FY Invoices For Fund (GENERAL FUND)

HPackard

For Check Acct 01(GENERAL FUND) All check #s 03/01/19 To 03/01/19 & Fund 2

Vendor	Invoice Date	Invoice Description Invoice Number	Account	Amount Paid	Check Number	Check Date
19005	02/01/19	FIRSTLIGHT FIBER WW Jan internet, phone 4850655	255-43200.535 TELEPHONE SERVICES	181.37	21594	03/01/19
09050	02/07/19	HACH COMPANY WW mother board 11330143	255-43200.570 MAINTENANCE OTHER	1024.39	21606	03/01/19
V9769	02/14/19	KEMIRA WATER SOLUTIONS WW 4414 gal ferrous chlor 9017622824	255-43200.619 CHEMICALS	4027.52	21611	03/01/19
06675	02/24/19	NATIONAL BUSINESS TECHNOL TVVA-COPIER USAGE 1/18-2/ 288499	255-43200.610 SUPPLIES	30.88	21615	03/01/19
25480	02/04/19	SAC FASTENER COMPANY WW roll pins 45663	255-43200.570 MAINTENANCE OTHER	4.00	21627	03/01/19
V2159	02/15/19	SURPASS CHEMICAL CO INC WW 2998 gal sod hypochlor 331830	255-43200.619 CHEMICALS	2557.29	21629	03/01/19
43485	01/29/19	VT OFFENDER WORK PROGRAM WW stickers SS3827	255-43200.610 SUPPLIES	29.40	21640	03/01/19
07565	02/12/19	W B MASON CO INC WW lab water 163493725	255-43200.618 SUPPLIES - LABORATORY	88.74	21642	03/01/19
02005	03/01/19	BCBSVT MARCH VILLAGE BC/BS BILL 03012019D	256-43200.210 HEALTH INS & OTHER BENEFI	2979.20	21568	03/01/19
35260	01/22/19	EAST COAST PRINTERS INC ST/SA/VW-VEST & EMBROIDRY 01141911	256-43200.612 UNIFORMS,BOOTS,ETC	10.00	21585	03/01/19
07010	02/12/19	GREEN MOUNTAIN POWER CORP VA Feb consolidated bills 0219020601	256-43200.622 ELECTRICAL SERVICE	1311.63	21604	03/01/19
07010	02/12/19	GREEN MOUNTAIN POWER CORP VA Feb consolidated bills 0219020601	256-43220.001 SUSIE WILSON PS COSTS	544.91	21604	03/01/19
07010	02/12/19	GREEN MOUNTAIN POWER CORP VA Feb consolidated bills 0219020601	256-43220.002 WEST ST PS COSTS	747.76	21604	03/01/19
Report Total				105761.84		

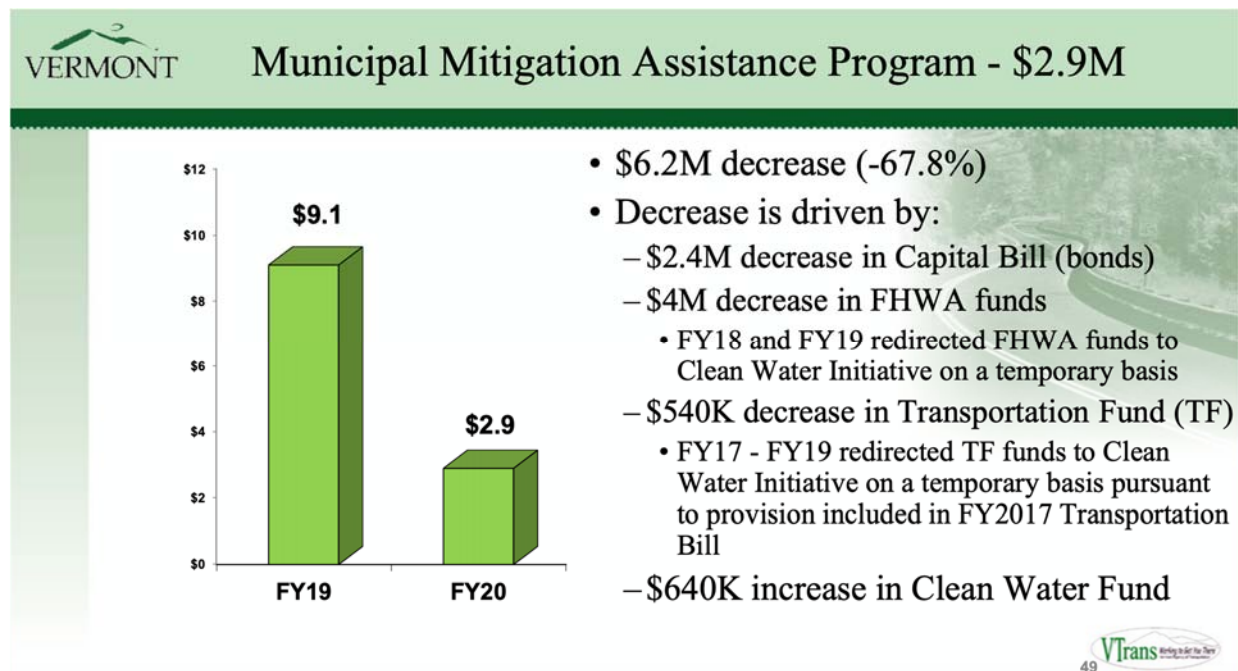
...

AOT Information:

The bulk of the difference in municipal funding is not from the consistent highway aid grant sources. Keep in mind that more than half of the Transportation budget comes from federal sources, so we don't have a ton of discretionary dollars.

While it's true that there's a reduction in T-funds going to towns, it's not a reduction in the consistent Town Highway or municipal aid funds. We see ups and downs in federal grants and we finished a 2 year commitment to additional water quality funding.

House Transportation is exploring ways to increase Town Highway aid within the existing budget.



Additional summary from Neil at JFO about the FY2020 Gov Recommend:

Enhancements – “Transportation Alternatives” : Reduction of \$332,257 vs FY19. The funding of town enhancement projects goes up and down from year to year depending on the number of projects that are ready to go to construction.

FEMA: Reduction of \$919,457. Funding is totally dependent on federal emergency declarations.


Municipal Mitigation Grants: Reduction of \$6,154,342 vs FY19. This is town related clean water projects. FY19 was the second year of a two year effort in which extra money was allocated to clean water projects to jump start the effort.

Total reductions of \$7,198,122 are offset by an increase in the Town Bridge program of \$508,857, resulting in a net reduction of \$6,894,606.

AOT Proposed FY20 Transportation Program

Line #	All funding sources	FY19 As Passed	FY20 Governor	FY20 vs FY19
1	Administration-finance-planning			
2	Central Admin & Finance	14,655,914	15,497,069	841,155
3	Policy & Planning	11,086,484	11,192,221	105,737
4	Transportation Board	271,543	282,191	10,648
5	Department of Motor Vehicles	31,360,732	33,150,701	1,789,969
6	Sub-total	57,374,673	60,122,182	2,747,509
7	Facilities			
8	Rest Areas	744,802	679,706	-65,096
9	AOT Buildings	1,578,050	907,746	-670,304
10	Sub-total	2,322,852	1,587,452	-735,400
11	Alternate modes			
12	Public Transit	29,020,229	34,024,399	5,004,170
13	Aviation	13,799,763	9,344,636	-4,455,127
14	Pedestrian & Bike Facilities	10,866,048	13,040,923	2,174,875
15	Park & Ride	3,807,556	2,651,588	-1,155,968
16	Multi-Modal Facilities	0	0	0
17	Rail infrastructure	21,249,051	24,552,832	3,303,781
18	Amtrak	8,350,000	8,300,000	-50,000
19	Sub-total	87,092,647	91,914,378	4,821,731
20	State Highway Infrastructure			
21	Maintenance	87,896,279	93,913,939	6,017,660
22	Paving	104,199,583	100,682,429	-3,517,154
23	Roadway	51,972,218	53,679,614	1,707,396
24	State bridges	57,636,326	54,100,006	-3,536,320
25	Interstate bridges	24,543,000	30,831,313	6,288,313
26	Traffic Operations	21,515,547	20,745,379	-770,168
27	PD Admin & Tech Services	22,748,320	23,817,481	1,069,161
28	Program Development generally	0	0	
29	Sub-total	370,511,273	377,770,161	7,258,888
30	Town programs			
31	TH Aid	25,982,744	25,982,744	0
32	Town Bridges	13,324,994	13,833,851	508,857
33	TH Class 2	7,648,750	7,648,750	0
34	TH Structures	6,333,500	6,333,500	0
35	TH Class 1 supplemental grants	128,750	128,750	0
36	Enhancements	3,600,875	3,268,618	-332,257
37	TH State aid nonfederal disasters	1,150,000	1,150,000	0
38	TH State aid federal disasters	180,000	180,000	0
39	FEMA grant program	5,059,457	4,140,000	-919,457
40	TH VT Local Roads	403,714	406,307	2,593
41	Municipal mitigation grants	9,082,342	2,928,000	-6,154,342
42	Sub-total	72,895,126	66,000,520	-6,894,606
43	Cross agency			
44	Total All Programs	590,196,571	597,394,693	7,198,122

MEMORANDUM

TO: Village Trustees and Town Selectboard
FROM: Tammy Getchell, Assistant to the Manager/Communications 
DATE: March 8, 2019
SUBJECT: Information about Communications Team and Website Questionnaire

Issue

To provide the Village Trustees and Town Selectboard with an overview of the Communications Team and request participation with a website questionnaire.

Discussion

The Communications Team began meeting in January 2019 to form its purpose and goals. The idea behind a communications team for the Town and the Village is to develop a communications strategy that unifies functions, aligns goals and is consistently maintained and monitored.

Attached with this memo is a summary of the purpose of the Communications Team. While it is understood that a streamlined and effective communications plan, complete with an updated website, have long been desired by employees, the core working group will remain small and manageable to complete tasks in a reasonable timeframe. To this end, the Communications Team will meet at least monthly, and will request participation from departments as needed, depending on the project at hand. The team will work on everything from emergency response procedures to media content monitoring, and plans to invite staff with knowledge in specific areas to participate on relevant projects. Work and strategies will continue to ebb and flow with Selectboard/Trustee goals, management goals, and all other department goals.

I have attached a website questionnaire that our team is asking you to complete. Once our team receives the questionnaires back, we will compile and present the results at the next Joint Meeting on April 9th.

Recommendation

Please return the questionnaire to communications@essex.org by March 25. Thank you in advance for your assistance and input.

Communications Team

PURPOSE

The purpose of the Communications Team is to address new and enhance existing communication needs of the Village of Essex Junction and the Town of Essex as the needs relate to residents, boards, staff and visitors. The team will create, manage or assist with internal processes and external outreach in ways that carry a consistent branding and flow of communications that exhibit the same look and feel. The work and strategic planning from the team will act as a unifying force for all municipal departments and program services.

WHO IS ON THE TEAM?

As the communications strategy changes, so will the approach. The team will need to adapt and grow to support new platforms, initiatives and policies. Employees, department heads, board/commission/committee members, or residents with certain skill sets and expertise may participate at various times as needed. The roles and time commitments of team members may vary, depending on the project and the plan.

- ✓ Departments that often deal with emergencies and environmental events (Public Works, Police, Fire, Wastewater) bring unique insights and will be critical to developing and maintaining emergency response communications.
- ✓ Departments that host events and connect regularly with residents will be central to an ongoing communications strategy.
- ✓ Website development will require key departmental staff to attend strategy and brainstorming sessions to design web pages, flow, content, etc.
- ✓ Management and board members are often the liaisons between municipal employees and residents. An effective communications strategy will require input on matters of outreach, accuracy of content, what type of content, what kind of branding, marketing and goals the municipalities are trying to achieve.
- ✓ The core team members are:

Tammy Getchell, Communications
Darby Mayville, Community Relations
Rob Paluba, IT Director
Shannon Lunderville, GIS Coordinator
Greg Duggan, Deputy Town Manager

BOARD WEBSITE QUESTIONNAIRE

Enter your NAME here:

1. *What features do you like on the existing Town and Village websites? What do you dislike?*

Answer using as many lines as necessary.

2. *What do you want to see the unified website achieve?*

Answer using as many lines as necessary.

3. *What are features that you consider critical and necessary for the website to have? What types of information must the website be providing?*

Answer using as many lines as necessary.

4. *What are features that you think may not be critical, but would be nice to see on the website?*

Answer using as many lines as necessary.

5. *Please provide any additional suggestions.*

Answer using as many lines as necessary.



REGIONAL NOTES

February 2019

Quick Links

[CCRPC Website »](#)

[CCRPC Calendar »](#)

Are you interested in a specific topic?

Click on a category below to be brought right to that section.

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[Quality of Place](#)

[Social Community](#)

CCRPC Calendar of Events

All events held at the CCRPC unless otherwise noted.

[Visit our full online calendar for complete details »](#)

MARCH

3/5: Vermont Town Meeting Day & Local Elections

3/6, 9:00am:
Transportation Advisory Committee Meeting

3/6, 11:00am: Clean Water Advisory Committee Meeting

3/6, 12:00pm: Clean Water Advisory Committee MS-4

Good morning,

We're pleased to announce the release of the **2018 ECOS Annual Report: The State of Chittenden County**. The Annual Report is a short infographic that visually displays some of the most interesting trends and notable accomplishments from 2018 relating to people, place, and prosperity in Chittenden County. ECOS stands for Environment, Community, Opportunity, Sustainability.

View the Annual Report and accompanying online data Scorecard [here](#).

The 2018 ECOS Annual Report summarizes progress toward the goals set in the Chittenden County **ECOS Plan**, the combined Regional Plan, Metropolitan Transportation Plan and Comprehensive Economic Development Strategy for Chittenden County.

A few notable highlights from the 2018 ECOS Annual Report include:

- **Opioid Crisis** | In September 2017, the waitlist reached zero and has remained virtually at zero since. In 2018, there were 17 accidental opioid overdose fatalities, which is a 50% decrease from 2017. Learn more at the [Chittenden County Opioid Alliance website](#).
- **Building Homes Together** | The **BHT campaign** seeks to build 3,500 new homes by 2021, 700 of which are affordable. In the first two years of the campaign (2016-2017), 191 affordable houses were added (falling short of the goal for 140/year), and 1,613 total homes were added (exceeding the goal for 700/year). Though not included in these numbers, UVM demolished two dormitories (391 beds) and replaced them with a new dormitory (695 beds), creating a net gain of 304 beds for 2017. This is an important component of the overall housing picture.
- **Clean Water** | We continue to work toward the goal of reducing excess phosphorus in Lake Champlain by 34%. Stormwater runoff from roads is a notable phosphorus input to the lake. In FY18, Chittenden County municipalities received \$1.5M in water quality grant funding from state agencies. The CCRPC completed **Road Erosion Inventories** for all municipalities in Chittenden County and assisted with grant applications.

All data informing the Annual Report is found in the **ECOS Scorecard**, an interactive online platform that promotes easy access to the indicators that measure how Chittenden County is doing. To access the online platform and track how Chittenden County is doing year to year on a wide variety of topic areas, [click here](#).

To learn more about the ECOS Plan, visit <http://www.ecosproject.com> or contact info@ccrpcvt.org.

Best regards,

Charlie Baker
Executive Director, **CCRPC**

Sub-Committee Meeting

3/6, 5:45pm: CCRPC
Executive Committee
Meeting

3/12, 9:00am: Local
Emergency Planning
Committee Meeting
(LEPC-1)

3/13, 2:30pm: CCRPC
Planning Advisory
Committee

3/20, 6:00pm: CCRPC
Board Meeting

3/21, 5:30pm: FY20 UPWP
Committee Meeting # 3

[View full calendar »](#)



United Way of Northwest Vermont Winter Volunteer Opportunities

United Way can connect
you with hundreds of ways
to give your time and make
a difference in your
community.

[Learn More »](#)



Electric Vehicles: Your Top Questions Answered

Electric cars can save you
money on fuel and reduce
your carbon footprint. More
Vermonters are plugging
in, but there's a few things
to consider before you
make the switch. Below,
we answer your most
frequently asked
questions.

[Learn More »](#)

Of Note

Town Meeting Day & Local Elections: Tuesday, March 5

For more information, view the [Citizen's Guide to Town Meeting](#), visit your municipality's website, or the [Secretary of State's website »](#)

Transportation

Implementing ECOS Strategy 2

Transit Commuter Survey

Let Green Mountain Transit know where transit needs to be, in order to best serve our community. [Learn More »](#)

New Funding for Electric Vehicle Charging

To encourage more Vermonters to drive electric, DHCD awarded \$400,000 in grant funds to support nine electric vehicle charging stations across the state, including level two charging stations in Burlington. [Learn More »](#)

Downtown Transportation Fund Available - New Clean Water Money - Applications Due: March 11

The Department of Housing and Community Development has approximately \$525,000 in Downtown Transportation Fund Grants to support revitalization efforts in Designated Downtowns and an additional \$100,000 in Clean Water Initiative funding for eligible storm water implementation projects. [Learn More »](#)

Transportation Technical Workshop: March 13

Please join an anticipated audience of 100+ attendees, that will include your colleagues/attendees/presenters from VTrans and other federal, state and municipal partners. [Learn More »](#)

Winooski Avenue Transportation Study Underway

The City of Burlington and the CCRPC, with assistance from Resource Systems Group (RSG), are looking at ways to make this important roadway safe, inviting, and convenient for users of all ages and abilities -- including motorists, pedestrians, bicyclists, and public transportation riders. We are studying the entire length of Winooski Avenue, from the intersection with Riverside Avenue to the intersection of Howard Street (at St. Paul Street). [Visit the project website to learn more »](#)

Transportation Project News & Updates

- Winooski East Allen Street [Scoping Study »](#)
- Winooski Avenue [Corridor Study »](#)
- Winooski River Bridge [Scoping Study »](#)
- Skunk Hollow Route 117 Intersection [Scoping Study »](#)
- Essex/Essex Junction VT15 Bicycle/Pedestrian Study, [Ethan Allen Ave. to West St. Extension »](#)
- Williston Maple Road [Multimodal Study »](#)
- Burlington Intervale Road Pedestrian and Bicycle Access [Feasibility Study »](#)
- VT 15 Sidewalk/Path [Scoping Study - Athens Dr. to VT 289 »](#)
- South Burlington VT-116/Tilley Dr./Kimball Ave. [Land Use & Transportation Plan »](#)
- South Burlington I-89 Exit 14 Bike/Pedestrian [Crossing Study »](#)
- Shelburne Southern Gateway [Scoping Study »](#)
- Colchester/Riverside Intersection [Scoping Study »](#)
- [Advanced Traffic Monitoring System »](#)
- [Railyard Enterprise Project »](#)

For a full list of transportation projects, visit the CCRPC Transportation Advisory Committee [website](#); a full project list is provided in every TAC agenda and is updated regularly. [View the latest TAC agenda »](#)

Economy

Implementing ECOS Strategy 1

Save the Date - Vermont Businesses for Social Responsibility 29th Annual Spring Conference: May 15



Neighbor Rides Program & Volunteer Opportunities

Neighbor Rides is a strategic initiative of United Way of Northwest Vermont supported by a dynamic group of community partners that brings people and places together to help meet the transportation needs of seniors and persons with disabilities.

[Learn More »](#)

CCRPC Staff

Charlie Baker, Executive
Director

Dan Albrecht, Senior
Planner

Pam Brangan, GISP, GIS
Data & IT Manager

Jason Charest, PE, Senior
Transportation Planning
Engineer

Eleni Churchill,
Transportation Program
Manager

Forest Cohen, Senior
Business Manager

Bryan Davis, AICP, Senior
Transportation Planner

Amy Irvin Witham, Business
Office Associate

Marshall Distel,
Transportation Planner

Chris Dubin, Transportation
Planner

Bernie Ferenc,
Transportation Business
Manager

Christine Forde, AICP,
Senior Transportation
Planner

Peter Keating, Senior
Transportation Planner

Regina Mahony, AICP,
Planning Program Manager

Join the VBSR for a full day of education, inspiration, and networking on May 15, 2019, at the University of Vermont. [Learn More »](#)

Chittenden County Brownfields Program Accepting Applications

If you own or wish to develop a property that is contaminated or suspected to be contaminated, please apply. To get started, read the information on different types of assistance and fill out and send us a site nomination/assistance request form. [Learn More »](#)

Energy & Natural Resources

Implementing ECOS Strategies 3 & 4

Winooski NRCD 36th Annual Tree and Trout Sale: Orders Due March 31

The Winooski Natural Resources Conservation District hosts the annual tree and trout sale as a service to residents of the District, offering a wide selection of native and locally-sourced tree and shrub species for home, garden, and conservation projects at reasonable bulk order prices. All proceeds from this fundraiser are used to develop and implement on-the-ground projects that protect our natural resources including riparian and shoreline buffer plantings, agricultural water quality assistance, stormwater mitigation, fish habitat restoration, and culvert replacements. [Learn More »](#)

Vermont Tree Stewards Awards: Nominations Due March 31

Each year the Vermont Urban & Community Forestry Program and Council sponsors the Vermont Tree Stewards Awards as a way to recognize our state's urban and community forestry champions. [Learn More »](#)

The Lake Between Conference: April 8

The Lake Between brings together leading academics, business leaders, and public servants to examine Lake Champlain -- an international body of water that links our histories, our economies and the shared management of our natural environment. [Learn More »](#)

Burlington Rain Barrel Workshop: May 4

On May 4, learn how to build, install and maintain your own rain barrel! Rain barrels allow you to capture a free resource (rainwater!) to use on your lawn or garden, for washing your car or for cleaning tools. Rain barrels help decrease runoff to Lake Champlain by capturing and holding rain water during a storm, and that means cleaner water for everyone. [Learn More »](#)

Emergency Preparedness

Implementing ECOS Strategy 2

Reminder: LEMPs Due May 1

This is a reminder that the new [Local Emergency Management Plan \(LEMP\)](#) is due **May 1st**. The LEMP is replacing the Local Emergency Operations Plan (LEOP). A current local emergency plan is also required for municipalities to receive federal preparedness funds and increased state reimbursement through the Emergency Relief and Assistance Fund (ERAF). The new LEMP format is intended to be more user friendly for towns during a disaster. If your municipality would like assistance with completing the LEMP or if you have any questions, please [contact Christine Forde](#). [Learn More »](#)

Flood Training Website

[FloodTraining.vermont.gov](#) is available for administrative officers (AO) of municipal flood hazard and river corridor bylaws. The site features tools and case studies for AOs, members of Development Review Boards and other community officials. The new site complements [FloodReady.vermont.gov](#) with its focus on community planning for flood resilience, and the technical materials available at the DEC Rivers page. [Learn More »](#)

Quality of Place

Implementing ECOS Strategy 2

NEW: 2018 ECOS Annual Report: The State of Chittenden County

In an effort to track progress made on all goals in the Chittenden County ECOS Regional Plan, the ECOS Partnership monitors 90+ indicators over the year and compiles the [ECOS Annual Report: The State of Chittenden](#)

Melanie Needle, Senior
Planner

Emily Nosse-Leirer, Senior
Planner

Sai Sarepalli, PE,
Transportation Planning
Engineer

Emma Vaughn,
Communications Manager

For bios and contact
information, [click here](#).

County, an infographic summary that highlights a number of regional trends and accomplishments. [Learn More »](#)

Review the Final Draft of planBTV

Review the Final Draft of the 2019 update to planBTV online. City Council will hold its second public hearing and consider the plan for adoption during their regular meeting on March 11. [Learn More »](#)

74th Town Officers' Education Conferences: April 4 & 11

Each year, TOEC provides training for more than 300 municipal officials and citizen volunteers in two Vermont locations. The conferences, going into their 74th year, are organized by University of Vermont Extension in partnership with several participating organizations. They are designed to help town clerks, planners, listers, select board members and other officials do their jobs more effectively by providing updates on tax laws and regulations, municipal recordkeeping and effective strategies for handling planning, zoning and other town issues. [Learn More »](#)

Social Community

Implementing ECOS Strategy 2

Raising Strong Digital Citizens: March 12

Wondering what other parents in Burlington are doing to keep their kids safe and happy online? Join ParentIn Burlington and Edmunds Middle School on March 12 to learn about the latest technology and how to support children in becoming strong digital citizens. [Learn More »](#)

Burlington City Arts Community Fund: 2019 Grant Applications Due April 15

Applications are being accepted for the 2019 grants, which provide up to \$3,500 to Burlington-based artists or small arts organizations to "develop projects that engage the community and address community needs, challenges and priorities through the arts." [Learn More »](#)

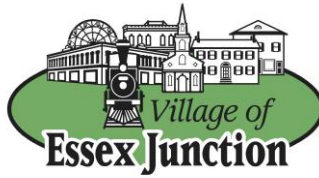
Do Your Part: Vermont's Prescription Drug Disposal System

When you properly store and get rid of unused medications, you're doing your part to keep Vermonters -- and Vermont -- healthy and safe. The Vermont Department of Health has many resources available, and the next National Prescription Drug Take Back Day is April 27, 2019. [Learn More »](#)

If you have any questions, feedback, or suggested content for upcoming issues, please contact Emma Vaughn, Communications Manager: evaughn@ccrpcvt.org or (802) 846-4490 x *21.

Chittenden County Regional Planning Commission
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MEMORANDUM

TO: Village Trustees
FROM: Tammy Getchell, Assistant to the Manager
DATE: March 8, 2019
SUBJECT: Trustees Meeting Schedule

A handwritten signature in black ink, appearing to read "Tmg", located to the right of the "FROM:" line.

TRUSTEES MEETING SCHEDULE/EVENTS

March 21	Publish budget in Village Newsletter. <i>(Budget must be distributed at least 10 days before annual meeting).</i>
March 21	Publish Warning in Essex Reporter. <i>(Warning must be published at least 5 days before meeting).</i>
March 26 6:30 PM	Regular Meeting
April 3 7:00 PM	Annual Meeting at Essex Community Educational Center—Community Dinner to precede Meeting at 6:00 PM
April 9	Annual Election—Polls open 7:00 AM to 7:00 PM—Essex High School. Note: The vote will be with the school election.
April 9 7:00 PM UPDATED	Joint Meeting at 2 Lincoln
April 23 6:30 PM UPDATED	Regular Meeting <ul style="list-style-type: none">• Organizational Meeting
May 14 6:30 PM	Regular Meeting