



**Public Works Integration.
Finance and Town/Village
Clerk Consolidation**

**Town Manager Becomes
Unified Municipal Man-
ager**

**Shared Services Report
Outlining Shared Town/
Village Administration**

**Boards meet to discuss
sharing administrative
services sharing**

2016

2015

2014

2013

**7 Years of Town and
Village Collaboration
and Integration**

**Selectboard and Trustees Ap-
point Governance Subcom-
mittee**

2017

2018

2019

2020

**Unified Manager Evan Teich Begins On-
going Village/Town Alignment Process.
Selectboard and Trustees Commence
Regular Monthly Joint Meetings**

**Gov. Subcommittee Begins
Work On Merger Charter**

In 2019, Essex Junction and Essex Town appointed a governance subcommittee to identify and answer the financial and legal questions about merger and to recommend how to proceed.

In 2020, the elected boards of both governments collaborated on using the subcommittee's recommendations to create a new municipal Charter for a merged Town/Village community. The following slides provide some of the highlights.

Key Challenges for Creating a Unified Charter:

- Integrate Town & Village operating budgets without unacceptable increase in Town-Outside-The-Village taxes
- Devise a Representative Elected Council Model that balances different Expectations and Political Views (i.e. voting districts vs. at-large elections)

Merger Will Equalize Town and Village Taxes, But Not All At Once. Why?

- The average Village residential taxpayer pays about an additional \$925 in municipal property taxes than the average town taxpayer.
- All Village residences and businesses are taxed by the Town to pay for Town services but Town residents and businesses are not taxed by the Village to pay for Village services. The cost of operating most Village services falls either mainly or entirely on Village taxpayers.
- Merger will equalize taxing and spending throughout the community. However, equalizing taxes all at once would cause about a \$350 increase in average residential property taxes in the Town. To lessen this negative impact, the merger plan calls for reconciling tax rates incrementally over a period of 12 years to align with the paydown of the Village's debt.

The Village Merger Charter Calls for

Two Transitional Periods:

FIRST 5 YEARS

- ❑ 7-member elected board with a “balanced” number of designated seats for “village” and “town” residents.
- ❑ Reorganize Town and Village departments, building codes, municipal plans, ordinances, policies, etc.

FIRST 12 YEARS

- ❑ Village Pays off its Residual Debt
- ❑ Village and Town tax rates gradually equalized. Village taxes decrease about \$35 per year; Town taxes increase about \$25 per year.
- ❑ 12-year phase in allows grand list growth and consolidation efficiencies to offset tax impacts on TOV.

The Village Merger Plan Recommends a Phased-In Tax Rate Reconciliation Process

DURING the first 12 years of merger:

- ❑ Village designated as a debt assessment district to pay off Village debt that was not incurred by TOV residents
- ❑ Village designated as a tax reconciliation district for integrating Village general fund into Town general fund. This prevents a sudden large tax increase for TOV taxpayers.
- ❑ The average tax reduction for Village taxpayers is currently estimated to be about \$35 per year over 12 years; the average tax increase for Town (outside the Village) taxpayers is currently estimated to be about \$25 per year over 12 years.

The Village Merger Charter also establishes the “Village” as a special district for 12 years for these purposes:

- ❑ The Village will be a “Sidewalk District” – The village has a completely interconnected sidewalk network which it aggressively maintains throughout the year to promote public health and safety. Declaring the Village a sidewalk district will help maintain this policy. It will require that Village residents pay a small additional tax, mainly for winter snowplowing.
- ❑ The Village will be designated as a ‘Capital Improvement District’ to keep a small portion its capital infrastructure expenditures separate from the Town budget to help decrease the financial impact of merger on taxpayers outside the Village
- ❑ The Village Center/Five Corners area will be designated as a Downtown Improvement District to help facilitate ongoing and anticipated rebuilding and revitalization projects.

Village Merger Charter proposes 2 Voting Wards:

Ward 1 = TOWN

**(all of Essex outside the
boundaries of the former village)**

Ward 2 = VILLAGE

**(all of Essex within the boundaries
of the former village)**

- Creating “village” and “town” voting wards gives all residents assurance that their part of the community will be adequately represented in the new government
- Ward boundary lines can be adjusted in the future to account for variations in population growth

Village Merger Charter proposes a 7-member elected board with:

**Three “Town” seats
(Ward 1)**

**Three “Village” seats
(Ward 2)**

**One “at-large” seat
(Wards 1 & 2)**

- Odd # board members avoids deadlock and complies with guidance of the Vermont Legislative committee that oversees municipal charters
- 3 “Village” and 3 “Town” seats gives assurance that both parts of former Village and Town will be represented
- 1 community-wide, at-large seat can be held by a resident of either ward, and is elected by voters in both wards
- Ward boundary lines can be adjusted in the future to account for variations in population growth

Other Important Features of the Merger Plan:

- ❑ Australian Ballot for voting on the Town municipal budget. Currently the Town and Village budgets are approved by voice vote at annual meetings.
- ❑ There would be one annual Meeting in March and it would be informational only.
- ❑ The name of the new community would be 'Essex.' The incorporated Village of Essex Junction would become the unincorporated Village of Essex Junction, just as White River Junction is an unincorporated village in the Town of Hartford
- ❑ Current Town and Village water/sewer rates not affected by merger. Water/sewer costs, including repairs, are paid by water-sewer bills, not property taxes. The 'new' Essex Town will 'own' the Essex Junction WW plant, one of the safest, most efficient, up to date facilities of its kind in Vermont.