

VILLAGE OF ESSEX JUNCTION PUBLIC HEARING

ON CHARTER FOR CITY OF ESSEX JUNCTION



What Are We Voting On?

- Whether or not to adopt a new municipal charter that would transform the Village into an independent city, and no longer be a part of the Town of Essex.

- Ballot Question:

“Article 1: Shall the Village of Essex Junction adopt the proposed Charter for the City of Essex Junction, Vermont dated September 14, 2021”



Where Can I Find a Copy of the Charter?

- Physical copy: 81 Main Street, 7:30a.m.-4:30p.m., Mon-Fri
- E-copy: <https://www.essexjunction.org/proposed-charter>



Why Are We Voting On This?

- Since 1958 there have been many votes about merging with or separating from the Town of Essex.
- In both March and April this year, nearly 80% of Villagers voted in favor of merging with the Town and both times nearly 70% of Town outside the Village folks voted against merging.
- In April, more than 75% of Villagers voted “yes” to a non-binding article asking the Trustees to pursue independence by November if the merger vote failed.
- The merger vote failed and the Trustees are now presenting an independent City of Essex Junction Charter to Village voters.



What's Staying the Same?

- Essex Junction maintains its identity
- Continue to enjoy high-quality municipal services
- 5-member governing board
 - Elected at-large; 3-year terms
 - President & Vice president elected by board; No mayor
 - Trustees at time when Charter takes effect will become City Councilors
- Annual budget presented to voters; voted by Australian ballot
- Maintain quality of life we appreciate



What Will be Different?

- Full control of Essex Junction's future
- Our tax dollars will stay and be invested in the city only
- Equal municipality; like other Chittenden County cities and towns
- Planning boards shift from Planning Commission & Zoning Board to Development Review Board & Planning Commission



What Was the Process to Get Here?

- 3/2/21 - Vote on merging Village & Town fails by 19 votes
- 4/13/21 - Vote on merging Village & Town fails by 25 votes
- 4/13/21 - Advisory article on preparing a plan for separation if merger fails passes with 76% in favor
- Starting 4/27/21 - Trustees dedicate first 60-90 minutes of each meeting to work sessions on independence
- 9/14/21 - Trustees approve Charter for City of Essex Junction
- 9/28/21 - First public hearing on Charter
- 10/12/21 - Second public hearing on Charter
- 11/2/21 - Vote on Charter for City of Essex Junction



What Happens Next If The Vote Passes?

- Nov '21 - Charter approved by Village voters
- Jan '22 - Essex Junction legislators introduce bill in VT House of Representatives
- Jan – May '22 - Bill taken up and considered by several House & Senate committees
- Jan – May '22 - Bill voted on by full House & Senate; signed by Governor
- Jul '22 - City is formed
- Jul '22 - Jun '23 - Transition year; City hires leadership & prepares for full operations; 2 Lincoln renovations; IT infrastructure put in place
- Jul '23 - City is fully operational at 2 Lincoln Street

Note: the legislature can change the timeline and/or the bill could fail somewhere along the way, which would change these projections.



What Are Going To Be the Financial Impacts?

- *Note: The information on the next few slides is an estimation of the budget and tax rates for the current fiscal year (FY22), had the city of Essex Junction been fully formed and functioning. An actual future budget will be developed by the City Manager, approved by the City Council, and would be presented to City voters at Annual Meeting.*
- *This budget reflects the organization of the city after the conclusion of any shared/contracted relationships with the Town of Essex, other than for police services (I.e. city has its own finance, assessing, senior services departments).*



Financials Summary of transforming from Village to City

- Taxes on \$300,000 (assessed value) home: ↓ \$195
- Tax rate change from .8952 to .8303: ↓ 7.25%
- Taxes for municipal operations: ↓ \$514,199
- Overall property taxes: ↓ \$738,934
- General Fund spending on government: ↓ \$811,337



FY22 Budgets - Revenues

Revenues	Village	Town	Village Outlay	City (estimated)	\$ Change
Property Taxes	\$3,745,866	\$14,265,056	\$9,675,850	\$9,161,651	\$(514,199)
General Revenue	\$20,600	\$749,701	\$332,251	\$149,684	\$(182,567)
Department Revenue	\$1,874,812	\$911,371	\$784,789	\$670,216	\$(114,573)
Total Revenues	\$5,641,278	\$15,926,128	\$10,792,889	\$9,981,551	\$(811,338)

- Village Outlay = Village budget plus Village's portion of Town budget (42%); this is the total amount raised by taxes from Village property owners



FY22 Budgets – Expenditures Part I

	Village	Town	Village Outlay	City (estimated)	\$ Change
Administration	\$374,734	\$769,128	\$694,460	\$639,106	\$(55,354)
Assessing	\$-	\$174,672	\$72,611	\$129,466	\$56,855
Buildings	\$281,300	\$366,550	\$433,675	\$306,674	\$(127,001)
Clerk	\$140,057	\$274,215	\$254,048	\$249,363	\$(4,684)
Community Development	\$279,840	\$413,063	\$451,550	\$279,840	\$(171,710)
County Regional	\$6,400	\$502,243	\$215,182	\$314,223	\$99,041
Debt Service	\$199,325	\$522,281	\$416,437	\$416,437	\$-
Economic Development	\$41,350	\$27,020	\$52,582	\$44,700	\$(7,882)
Finance	\$187,481	\$520,495	\$403,851	\$489,989	\$86,139



FY22 Budgets – Expenditures Part II

	Village	Town	Village Outlay	City (estimated)	\$ Change
Fire	\$460,623	\$603,700	\$711,581	\$460,623	\$(250,958)
Health & Human Services	\$1,500	\$262,246	\$110,516	\$45,887	\$(64,629)
Information Technology	\$-	\$434,870	\$180,775	\$145,000	\$(35,775)
Library	\$778,306	\$433,880	\$958,670	\$778,306	\$(180,364)
Police	\$-	\$5,081,046	\$2,112,191	\$2,524,264	\$412,073
Public Works	\$1,392,627	\$4,138,882	\$1,720,533	\$1,392,627	\$(327,906)
Recreation	\$725,654	\$851,202	\$1,079,499	\$827,682	\$(251,817)
Senior Activities	\$-	\$191,183	\$79,475	\$114,032	\$34,558
Stormwater	\$76,253	\$359,452	\$149,424	\$127,503	\$(21,921)
Transfers and Misc.	\$695,828	\$-	\$695,828	\$695,828	\$-
Total Expenditures	\$5,641,278	\$15,926,128	\$10,792,889	\$9,981,552	\$(811,338)



FY22 Tax Rates

	Village	City (estimated)	Difference	Increase/ (Savings)	% Change
Essex Junction Economic Development	0.0100	0.0100	0.0000	\$-	0%
Essex Junction Village	0.3345	0.8181	0.4836	\$5,415,814	145%
Essex Town Capital	0.0200	0.0000	-0.0200	\$(224,419)	-100%
Essex Town General Fund	0.5285	0.0000	-0.5285	\$(5,930,279)	-100%
Local Agreement Rate	0.0022	0.0022	0.0000	\$(50)	0%
Total Municipal Rate	0.8952	0.8303	-0.0649	\$(738,934)	-7%



FY22 Municipal Taxes Impact

Village home assessed at:	Tax decrease if Village becomes City:
\$200,000	\$(130)
\$250,000	\$(162)
\$300,000	\$(195)
\$350,000	\$(227)



Most Significant Cost Savings

Department	\$ Savings
Public Works	\$(327,906)
Recreation	\$(251,817)
Fire	\$(250,958)
Town Capital Reserve Fund	\$(224,419)
Library	\$(180,364)
Community Development	\$(171,710)

Budget savings in 12 out of 19 cost centers. Largest cost savings from:

- No longer paying for mirror services in Town
- Departments, employees, and services in the Village already exist
- No longer contribute to Town Capital Reserve Fund

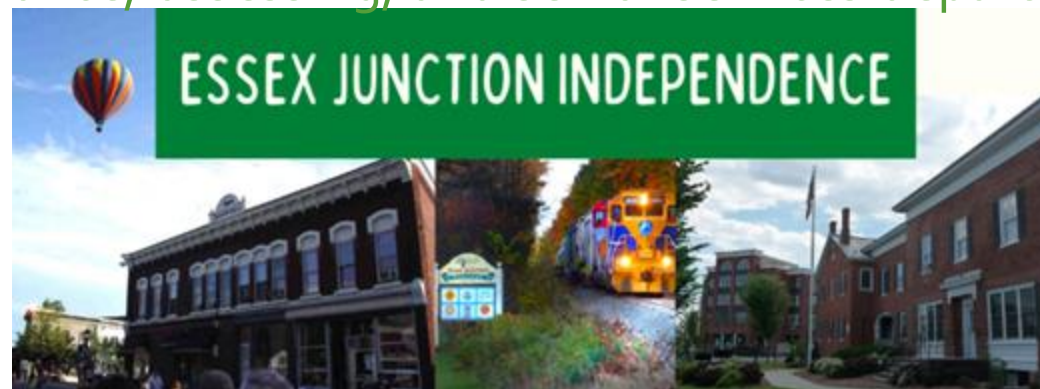


Most Significant Cost Increases

Department	\$ Increase
Police	\$412,073
County Regional	\$99,041
Finance	\$86,139
Assessing	\$56,855
Senior Activities	\$34,558

Budget increases in 5 out of 19 cost centers. Cost increases are from:

- Police: due to shift from grand list (42%) assessment to per capita (48%)
- Police: paying for indirect administrative services
- County Regional: 81% of Green Mountain Transit service hours in Village
- Creating City finance, assessing, and senior services departments



Financial Impacts Summary

- Village is financially well positioned to become the City of Essex Junction
- Residents can expect the same high level/quality of municipal services and pay less in taxes
- Cost savings will be realized by no longer paying for mirror departments in the Town



More Financials

For more financial related information, please visit:

www.essexjunction.org/citybudget



Frequently Asked Questions (FAQ's)

What's happening with the police?

The Trustees and Selectboard have tentatively agreed for the City to contract police services through the Town of Essex. The same police building and employees will continue to provide dispatch, law enforcement, animal control, and community justice services for the Town and City. Police related revenues and expenses are being shared on a per capita basis.



Frequently Asked Questions (FAQ's)

Do we have the means/assets to be a city?

Yes. The Village has been operating since 1893. We have water and sewer, streets, parks, sidewalks, employees, an employee association, a municipal charter, and a municipal plan.



Frequently Asked Questions (FAQ's)

How many people are we going to have to hire?

In converting from a Village to a City, we need to hire three new employees: City Manager, Assistant City Manager/HR Director, and Assistant City Clerk. The new City will have approximately 60 full-time employees.



Frequently Asked Questions (FAQ's)

Why do we have to become a City?

We are currently an incorporated Village within the Town of the Essex. While we are a municipality and have the same governing powers as cities and towns, a village is a distinct place within a parent town or city. In order for us to be independent, our only option is to separate from the Town of Essex and become a city. We will be the 4th largest city and 8th largest community in VT



Frequently Asked Questions (FAQ's)

How will the City continue to grow its grand list?

By no longer being a part of the Town, all taxes paid by Village residents and businesses will be invested in Essex Junction only. We can focus on our economic development, downtown revitalization, and reduce the tax burden for all property owners.



Frequently Asked Questions (FAQ's)

What is happening with the Senior Center?

The Senior Center will continue to operate at 2 Lincoln Street.



Voting Information

- By Mail: ballots will be mailed to all active registered voters in the Village of Essex Junction and are expected to arrive in mailboxes by October 13
- In-Person: Tuesday, November 2, 2021, @ Essex High School, 2 Educational Drive, 7a.m.-7p.m.
- Register to vote: <https://olvr.vermont.gov/>



Next Public Hearing

- Tuesday, October 12, 6:30p.m.
- In person: 2 Lincoln Street, Essex Junction, VT 05452
- Online: <https://www.essexjunction.org/independence>



For More Information

- Online: www.essexjunction.org/independence
- Reach out to the Village Trustees:

Andrew P. Brown, Village President	abrown@essexjunction.org	(802) 598-8162
Raj Chawla, Vice President	rchawla@essexjunction.org	
George A. Tyler	gtyler@essexjunction.org	
Daniel S. Kerin	dkerin@essexjunction.org	
Amber Thibeault	athibeault@essexjunction.org	



We welcome your feedback:

Questions?

Comments?

Suggestions?

Concerns?

