

MINUTES ARE SUBJECT TO CORRECTION BY THE CAPITAL PROGRAM REVIEW COMMITTEE. CHANGES, IF ANY, WILL BE RECORDED IN THE MINUTES OF THE NEXT MEETING OF THE COMMITTEE.

**VILLAGE OF ESSEX JUNCTION  
CAPITAL PROGRAM REVIEW COMMITTEE MEETING  
MINUTES OF MEETING  
November 6, 2018**

**TRUSTEES PRESENT:** Andrew Brown (Chair), Kevin Collins (Vice Chair), Tim Dall, Amber Thibeault  
**ADMINISTRATION:** Evan Teich, Unified Manager; Lauren Morrissette, Village/Town Finance Director & Assistant Village Manager; Rick Jones, Public Works Superintendent  
**OTHERS PRESENT:** Frank Naef, Cathy Ainsworth (Recording Secretary)

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

Chairman Andrew Brown called the meeting to order at 6:02 PM

**2. AGENDA CHANGES/ ADDITIONS**

Lauren Morrissette added a VT Department of Taxes document, "Local Option Tax: What Is It and When Does It Apply?" to discuss with item 4 on the agenda.

**MOTION by Tim Dall, SECOND by Amber Thibeault, to approve the agenda amended to include discussion of the Local Option Tax document with item 4. Voting: unanimous (4-0); motion carried.**

**3. PUBLIC COMMENTS**

None

**4. DISCUSSION AND POSSIBLE DECISION ON INCREASING TRANSFER INTO CAPITAL BUDGET**

Mr. Brown recapped the 5 year plan spreadsheet and discussion from the previous meeting, pointing out that if the capital funds transfer stays at 7.5% the capital projects budget will be in the negative by 2024. If the transfer is increased to 15% the deficit would be averted. Mr. Teich and Ms. Morrissette discussed the annual surplus produced by the general fund each year, determining that would not address the capital budget deficit. Mr. Brown suggested that the committee move forward with a 15% increase in the 5 year plan, and then consider other options, such as a Local Option Tax, moving forward. He clarified that, after the committee votes on the plan, they would present the FY2020 budget to the Trustees with a 15% increase. Then, the 2020 budget would be voted on at the community meeting. Mr. Dall pointed out that, even though he agrees with the increase, the Essex residents he talks with do not want taxes increased. Mr. Brown assured the committee that the ranking system to prioritize and schedule the capital projects produced a clear road forward. Ms. Morrissette said that if opportunities arise to complete any projects earlier they would see cost savings related to inflation.

**MOTION by Andrew Brown, SECOND by Tim Dall, to increase the Capital Fund transfer from 7.5% to 15% for FYE 2020, to be re-evaluated on an annual basis. Voting: unanimous (4-0); motion carried.**

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The committee discussed Local Option Taxes and Tax Increment Financing to determine if these strategies may be options for diversifying the Capital Fund Revenue for future projects. They clarified that new projects financed by Tax Increment Finance would need to be revenue generating. Mr. Dall and Mr. Teich noted the importance of the trustees asserting, if they move forward with this, that the revenue from a Local Options Tax be applied directly to the Capital Budget. Mr. Teich noted that 70% of these taxes would stay with the municipality and 30% would go to the state. He suggested that the Trustees include the Town in the Local Option Tax because there are more establishments where taxes could be applied. The committee requested that staff research what is possible in each of the tax areas (sales, meals, alcohol, rooms) and report on this in the December meeting, at the earliest.

**5. REVIEW AND APPROVE MINUTES OF PREVIOUS MEETING 10/2/18**

**MOTION by Kevin Collins, SECOND by Tim Dall, to approve the minutes from the 10/2/18 meeting. Voting: unanimous (4 -0); motion carried**

**6. ADJOURN**

**MOTION by Amber Thibeault, SECOND by Tim Dall, to adjourn the meeting. Voting: unanimous (4-0); motion carried.**

The Meeting Adjourned at 6:32 PM

Respectfully Submitted,  
Cathy Ainsworth