

TOWN OF ESSEX MERGER INFORMATION

On November 7, Town and Village voters will vote on whether or not the Town and Village should merge and become the Town of Essex Junction. This flyer summarizes the history of the Town and Village and highlights some issues and impacts related to merger.

How did we get here?

On April 12, 2005 the voters of the Town of Essex approved the following article: "Shall the Town of Essex Selectboard and Village of Essex Junction Board of Trustees be advised to prepare and approve a plan of merger between the Town of Essex and Village of Essex Junction pursuant to a single charter?" As a result of that vote (2,051 yes and 788 no), the Essex Selectboard and Village of Essex Junction Trustees appointed a ten-member Ad Hoc Task Force to "prepare a plan of merger pursuant to a single charter for their consideration." The Merger Task Force met from July 2005 to June 2006 to answer their charge. On September 28, following four public input sessions, the Selectboard and Trustees agreed on a common charter and plan of merger.

What is the history of the Town and Village?

The Town of Essex, consisting of 36 square miles, was chartered on June 7, 1763 by Gov. Benning Wentworth of New Hampshire province by power granted to him by George the Third, King of England. Unlike many of the other grants, the Essex grant has remained intact from the original charter. The first Town meeting occurred in 1786. When school districts were formed in 1801, the current Village area was named School District number one, but was generally referred to as the "Hubble's Falls School District." It was not until the railroad arrived in 1850 that this section of Town became known as "Painesville," a name given to the railroad station in honor of Governor Paine. In 1862 the station was renamed Essex Junction. In 1892, the inhabitants of School District number one sought to establish a layer of government in addition to the Town government. They did so by gaining legislative approval for the incorporation of School District number one into the "Incorporated Village of Essex Junction." *

*The History of Essex by Frank R. Bent. Essex Publishing Company, Inc., 1963.

Who pays for Town and Village services?

Town outside of the Village residents are not franchised Village voters; therefore only Village residents approve the Village budget and pay for Village services. Village residents are fully franchised voters of the Town; therefore both Town and Village voters approve the Town budget and pay Town taxes. The only exception is a \$.08 highway tax paid solely by Town residents outside of the Village.

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How would the Town and Village merge?

The Town and Village would dissolve their current charters and operate under one new charter. In general terms, the Town of Essex and Village of Essex Junction would cease to exist and a new Town would be formed.

What is the merger approval process?

On November 7, Town and Village citizens will vote on whether or not to approve merger. Merger would only be approved if a majority of Village residents vote "Yes" in the Village election and if a majority of Town residents (including Village residents) also vote "Yes" in the Town election.

Following voter approval, the plan of merger and charter would be submitted to the legislature as a bill. If legislative approval were granted in 2007, a "transition period" would commence and then end on July 1, 2009 when merger becomes effective.

When could the new charter be amended?

For the first five years of the new community, an affirmative vote of sixty-six and two-thirds percent of voters present and voting would be needed to approve a proposed charter change.

What would be the form of government?

The Town of Essex Junction would be a council-manager form of government, which is currently practiced in the Town and Village. A Town Council consisting of seven members would replace the Selectboard and Trustees.

How would the councilors be elected?

To start, the Selectboard would appoint two of its members who reside outside the Village and the Trustees would appoint two of its members. Of these members, two would serve a one-year term and two would serve a two-year term. In March 2009, Village residents would elect a councilor from the Village for a three-year term and Town residents outside of the Village would elect a councilor from outside of the Village for a three-year term. Voters of the entire community would elect one councilor at-large for a three-year term. In March 2010, former Village residents would elect a councilor from the former Village for a three-year term. Former Town residents outside of the former Village would also elect a councilor for a three-year term. Commencing in March 2011, all councilors would be elected at-large for three-year terms.

Public Hearings: October 9, 7:30 PM, 81 Main St., October 18, 7:30 PM, Essex Middle School, November 1, 7:30 PM, 81 Main St.

What would happen during the transition period?

Once legislative approval is received, all Selectboard members and all Trustees would comprise a Transition Committee, whose main task would be to prepare the first Town of Essex Junction budget. The Transition Committee would present this budget to voters in March 2009. As they create a budget for the merged community, the Transition Committee would determine departmental budgets, including which departments are funded and to what levels. The result of their decisions would impact which services are provided and how many employees the Town would need to provide these services.

Where would the municipal offices be located?

The Transition Committee would prepare a detailed plan with cost estimates for the renovation of Lincoln Hall to serve as the administrative seat along with any other improvements that may be necessary for the merged community. If voters did not approve the plan, then the Town Council could pursue other options for voter consideration, including, but not limited to, options in proximity to the Five Corners. In the interim, it is expected that existing space at 81 Main Street and Lincoln Hall would be used. There are no plans at this time to close any existing municipal buildings or construct any new municipal buildings.

What would happen with planning and zoning?

During the transition period, a committee comprised of planning and zoning board members from the Town and Village would review, draft and recommend a consolidated municipal plan, and zoning and subdivision regulations for possible adoption after July 1, 2009. Until such time, the former Town Plan, Village Plan, Town zoning and subdivision bylaws, and Village zoning and subdivision bylaws would remain in effect in their respective former geographic areas.

The first Town of Essex Junction planning commission would consist of seven members, with three appointed from each of the Town and Village planning commissions by their respective legislative bodies. The Town Council would appoint the seventh member once organized. The first Town of Essex Junction zoning board of adjustment would consist of five members, with two appointed from each of the Town and Village zoning boards by their respective legislative bodies. The Town Council would appoint the fifth member once organized.

What would happen to the Libraries?

The Essex Free Library consists of a Director and Selectboard appointed seven-member board. The Brownell Library consists of a Director and ten-member board with five Trustee appointed members and five self-appointed perpetual members. Following legislative approval of the charter, the Village Trustees would initiate legal action to dissolve the perpetual Brownell Trustees. Upon the effective date of merger and until the Brownell perpetual board were dissolved, there would be an eleven-member board consisting of the five perpetual Trustees and six Town Council appointed trustees. Following the effective date of merger, if the perpetual Brownell board were dissolved, there would be an eleven-member board appointed by the Town Council.

What would happen with the Fire Departments?

The Town and Village operate separate fire departments. On July 1, 2008, a year prior to the effective date of merger, operation of the Village Fire Department would transfer to the Town of Essex. At that time, the Village's elected fire department officer terms would expire and the Town of Essex Manager would appoint a fire chief.

What would happen with the Town and Village Recreation Departments?

The Town operates a Parks & Recreation Department and the Village School District, through an agreement with the Village Trustees, operates a Recreation & Parks Department. Upon the effective date of merger, operation of the Village department would transfer to the new Town. The balance of the Maple Street Pool bond would also be transferred. There would be one department with one budget paid for by all, with residents having equal access to all facilities and programs.

What would happen to current Town and Village employees?

The charter and plan of merger do not call for the elimination of any current Town or Village employee positions. The plan of merger would require severance pay for any current full-time Town or Village employee who is not offered a position with the Town of Essex Junction at equivalent pay or who is laid off within one year of the effective date of the charter as a result of reorganization.

What would be the economic impact of merger?

Merger would not result in any immediate cost savings. Merger may result in additional expenses in the first few years as a result of items such as municipal building costs, and planning and zoning rewrite costs.

What would happen with water & sewer rates?

The Town and Village operate separate water and sewer services, which would be combined in a merger. As a result, new water and sewer rates and hook-up fees would be set. Although it is difficult to predict what these new rates would be, merged water and sewer rates are expected to be higher than FY07 Village rates and lower than FY07 Town rates. Based on a residence using 200 gallons per day, the estimated merged rate would result in FY07 savings of \$74 for a Town customer (not all Town residences are served by water and sewer) and an increase of \$55 for a Village customer. Any costs attributable to specific users through a special assessment, surcharge or other contractual arrangement would continue until paid in full.

Would there be authority to adopt local option taxes?

The proposed Town of Essex Junction charter includes a section that would allow the Town Council to recommend and the voters to approve one or more local option taxes. Neither the current Town nor Village charter contains such a provision. The local options are limited to a one percent sales tax, one percent meals and alcoholic beverages tax and a one percent rooms tax. For any local option tax that might be adopted, the charter would require that 70% of the revenue raised be paid to the Town. Adoption of the charter would not result in adoption of any local option tax.

How would taxes be affected?

Merger would affect tax rates and tax bills. With Village expenses and liabilities spread among all Town residents, Village residents would realize a decrease in their tax rate and tax bill, and Town residents outside of the Village would realize an increase in their tax rate and tax bill. The FY07 Village municipal tax rate is \$.950 and the FY07 Town outside of the Village tax rate is \$.614. The FY07 Village tax rate is higher than the FY07 Town outside of the Village tax rate because the Village adopts a budget to provide services in addition to what the Town provides. A combined FY07 tax rate would be \$.773. The following chart shows what might happen if the Town and Village merged today and the respective FY07 budgets were combined without making any adjustments for cost increases or savings.

<i>Tax Impact Chart</i>	Town Outside the Village	Village
Tax Rate Change	\$0.159	-\$0.177
Assessed Value	Tax Increase	Tax Decrease
\$100,000	\$159	-\$177
\$150,000	\$239	-\$266
\$200,000	\$318	-\$354

For further information or for answers to questions you may have about a merger of the Town and Village, please contact:

Essex Town Manager's Office, 81 Main Street 878-1341 pscheidel@essex.org

Merger Vote November 7th

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