

**RECREATION GOVERNANCE STUDY COMMITTEE  
JOINT MUNICIPAL SURVEY COMMITTEE  
MINUTES OF MEETING  
ALBERT D. LAWSON SCHOOL  
ESSEX JUNCTION, VERMONT  
September 29, 2016**

**MEMBERS PRESENT:** Raj Chawla, Jason DiRosa, Kim Maiberger, Max Levy, Betzi Bilodeau, Lori Houghton.

**MEMBERS ABSENT:** Michael Smith, Erika Baldasaro, Christine Packard, Theresa Fletcher.

**ADMINISTRATION:** Ally Vile, Essex Parks & Rec, Brad Luck, EJRP.

**OTHERS PRESENT:** Marc Wennberg, George Tyler, Marla Durham, Judith DeNova, Kim Woods, Colin Flanders, Nan Payson, Karen Dolan, Toni Morgan, Melanie Tupaj, Daniel Stein, Liz McCormick, Pat Scheidel, Adam Sollace, Keith Lord, Paul Dame, Gil Allen, Paul Beliveau, Abby Rice, Lee Wiebe, John Sheppard, Gary Ward, Dylan Giambatista, Patrick Murray, Stacy Jordan, Ethan Goodkind, Francine Thomas, Sherry Haggerty, Maura Collins, Sara Stultz, Mike Plageman, Annie Cooper, Carl Potter, Sharon McIntyre, John McIntyre, Daryl Stultz,, Paul O'Brian, Deborah Biladeau, Gibson Smith, Gary Skolnick, Irene Wrenner.

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**1. CALL TO ORDER and AGENDA**

Raj Chawla called the meeting to order at 6:21 PM. Introductions were done. Meeting moderator, Marc Wennberg, was also introduced.

**2. PUBLIC FORUM**

Marc Wennberg explained the process to be followed at the meeting and stressed having a respectful gathering to hear information and have the opportunity to be heard.

A video was viewed on how the two rec departments presently operate. A presentation was given on how the study committee was formed and developed the recommendation to establish a union municipal district called "Essex Community Parks & Recreation" (ECPR) that combines EJRP and EPR. Seven different governance models were evaluated before making the selection for a union municipal district. Articles of agreement were drafted which had to be approved by the Vermont Attorney General and which provide the framework for ECPR. The vote on December 13, 2016 is to decide whether or not to enter into the agreement and form ECPR.

Advantages to forming ECPR were noted:

- Independent budget voted by Australian ballot in April of each year concurrent with the school budget vote as has been done with EJRP and was suggested by the study group.
- Unites community recreation.

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- Allows both rec departments and in turn the two communities to come together on equal ground.
- Provides long term stability.
- Another step forward in tax equity in the community.
- Provides increased transparency with all operations of ECPR which is overseen by a five member Board of Directors.

Disadvantages to forming ECPR were noted:

- Two small departments are combined into one large department.
- Realizing tax equity will result in an increase for town-outside-the-village taxpayers.
- Adds another elected board and government entity to the community.
- Potential additional administrative costs as two departments move to one independent department.

The five member Board of Directors for ECPR initially will have one Selectboard appointee, one Trustee appointee, one Essex Junction resident, one town-outside-the-village resident, and one at-large resident. Subsequent boards will be five elected at large members. An Executive Director will be hired to oversee operations and appoint a Treasurer. There will be an annual independent financial audit. The budget will be approved by Australian ballot vote. There is the possibility of a Rec Advisory Council.

The Transition Team made up of members of the rec departments, school district, and municipal staff have the goal of creating a seamless transition if the vote passes. The team has been researching and getting answers and wants to ensure existing services are maintained or enhanced. The Transition Team is recommending:

- ECPR handling daily receipts, accounts receivables, accounts payable, and HR.
- Essex Town will provide the Treasurer, check signing, accounting and audit, tax collection, and elections.
- A 3<sup>rd</sup> party provider will handle payroll, IT support, and legal support.
- Lands and buildings will be leased to ECPR for \$1/year and the village and town will retain ownership. ECPR will insure the properties and buildings and name the village and town as “additional insured”.
- ECPR will maintain the spaces and provide capital asset and equipment replacement.
- Parks and rec supplies and equipment purchased by the rec departments will transfer to ECPR and be used by rec staff. ECPR will insure and provide future replacement and maintenance.
- Capital reserves related to parks and rec held by the town will be retained, but the rec district may submit a request for use of the funds. Requests must be authorized by the Selectboard.
- The estimated budget assumes growth of 1% in the grand list, the village assuming debt relief payments on the Maple Street bond, the village proposal to phase out additional tax support for ECPR over five years to ease the burden on

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- the town, and the village no longer budgeting for the block party, farmers market, and train hop.
- The estimate of tax impact of ECPR on a \$280,000 house for a resident in the town-outside-the-village is \$16 (from \$87 to \$103). Village residents will see a tax decrease of \$11 (from \$280 to \$269).
  - Decisions need to be made if ECPR is formed on a plan for program access, enhancements or changes, finalization of the budget for the April 2017 vote, and agreements related to village and town rec assets.
  - A “yes” vote from Essex at large and the Village of Essex Junction means ECPR is created, members of the Board of Directors are concurrently elected, and the Transition Team continues to work to merge the two rec departments.
  - A “no” vote from either Essex at large or the Village of Essex Junction means the Prudential Committee needs to decide the next steps for EJRP and if the Prudential Committee takes no action then EJRP transfers to the new Essex-Westford Educational Community Unified Union School District on 7/1/17. EWSD stated they support recreation and will work to establish a facilities use policy that continues to prioritize a partnership with the rec and parks departments, but governance of EJRP falls outside the scope of work of EWSD. The Village Trustees expressed willingness to govern EJRP and would seek to maintain and enhance all EJRP programs and services and explore finance and governance models to allow EJRP to maintain its present entrepreneurial approach to creating and financing programs and services. The Trustees and the village would not pursue any further efforts to consolidate rec departments with the town at this time.

Per the election laws a vote could not be held in November due to the national election so the next step is to hold a vote before the end of the year to allow time to develop a budget. The Selectboard and Trustees may warn a special election vote on December 13, 2016. Petitions for the ECPR Board of Directors are available 10/7/16 and due to the Town Clerk by 11/7/16. If the vote is warned then the village and town can vote on ECPR and the Board of Directors via absentee ballot starting 11/23/16 or at the polls on 12/13/16. If ECPR is created then the vote on the budget will be in April 2017 with ECPR in effect 7/1/17.

### *QUESTIONS & ANSWERS*

1. Would some of the programs currently offered by EJRP be offered in the town outside the village?
  - Answer: Program access overall is being reviewed. Access may not be immediate, but the goal is to make the programs open to everyone.
2. If the rec departments combine how will the potential for overcrowding at the Maple Street pool be handled (i.e. maintaining and enhancing current services given the potential for additional use)?
  - Answer: Maple Street Park is a very busy place as it is and would continue to serve people as is done today (i.e. pool opens 15 minutes before opening time for members and then on a 1<sup>st</sup> come, 1<sup>st</sup> served basis). There

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- are many days when the pool fills up, but there is plenty of space for people to use the park.
3. Please explain how the proposed union operations could acquire a budget or substantial increase without the public knowing about it or without any power to prevent it?
    - Answer: The budget will be planned following a positive vote in December and the seating of the Board of Directors in January. The Board of Directors will work on the budget. The process will be equal to the process currently underway for the Selectboard and Trustees. The process is completely open and public. The budget will have to be passed by the voters of Essex and if not passed then the Board of Directors must rework the budget and bring it back before the voters. There are no major increases planned. The tentative budget numbers look fairly stable.
  4. What will the oversight of the Treasurer be and how often?
    - Answer: The Treasurer is appointed and not a member of the Board of Directors. The duties of the treasurer are as outlined by the Attorney General. Financial statements will be open to the public.
  5. Explain why the option of union municipal district versus the other options (i.e. under the village or town) was chosen and what is an “inter-local contract”?
    - Answer: With an inter-local contract the departments would merge under a contract, but would not be under the municipality so there is not a long term solution. The budget would reside under one of the municipalities. The study committee and the public comment that was heard was to have the budget as a separate line item vote. The two rec departments are unique. One reason for the choice was public support and bringing the departments under a new roof and not forcing one department to be put in a mold. The best parts of both can be taken to create a new entity for the community.
  6. How will the new district be governed to ensure proper supervision and decrease the likelihood of legal issues (i.e. what will supervision be for the new parks director)?
    - Answer: Supervision for the parks director will be similar to the municipal director – the voters and the five member board will operate similar to the Selectboard, Trustees, and Prudential Committee today.
  7. What do projected tax numbers look like beyond 2018 when the village tax phase out is zero?
    - Answer: Total cost of the tax funded through the district for the average town homeowner outside the village and for the average village homeowner in FY23 after the phase out by the village and elimination of the debt paid by the village will be \$163. There are a lot of assumptions with the information and it must be kept in mind that the Trustees, Selectboard, and school board do not know what their budgets will look like for the next year. As well the budget projected for FY23 is for an organization that does not exist.
  8. Will the proposal exacerbate current demand for programs because all are considered residents (i.e. capacity to meet demand)?

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- Answer: The vast majority of programs for both departments have space for additional people. When demand exceeds supply the departments look for other ways to provide more. Preschool went from one classroom to two, Village Kids expanded to 59 kids, Camp Maple Street capacity increased to 120, Camp Reach expanded to 59 so there is a track record of finding ways to meet the demands of the community. As one, district staff will try to make sure there is equal opportunity in both the village and town and try to mirror the programming throughout the district.
9. How many layers of oversight are there with the proposed union?
- Answer: The voters, five member elected board, Executive Director, and potential for a rec advisory council.
10. What is the difference between a special tax district and a union municipal district?
- Answer: It is believed there is no difference. The union municipal district is by Vermont state statute.
11. How will the new parks and rec department ensure all children in the community will be welcomed?
- Answer: The same process used now will continue to support the needs of the individual, adult or child. There is an overall blanket of care for every child in the program and staff will continue with the way they work with families.
12. Where is the “one roof”?
- Answer: The Transition Team identified the “new roof” as 75 Maple St.
13. Why would the village no longer budget for the block party, farmers market or train hop?
- Answer: The proposal is for the rec department to take over these events.
14. Will the new rec district and governing board adopt conflict of interest guidelines that would require conflicts to be stated and individuals to abstain from voting?
- Answer: The Board of Directors will decide on what is adopted. The Trustees and Selectboard have policies and it is hoped the new board will look at how the municipalities are run and adopt the same.
15. Was the village paying the remaining bond for the pool (\$322,000) included in the tax example and why not share this with the town since they will also be paying resident rates?
- Answer: The FY18 budget numbers show the bond payment as an expense for the village. A bond must stay with the people who voted for it. Village residents cannot pass the bond they voted on to the town. The bond cannot be redistributed.
16. Will it be likely voters in the town-outside-the-village will vote “no” because taxes will increase and what is the potential impact of a “no” vote?
- Answer: There is potential for the town to vote “no”. Tax equity will cause town taxes to go up slightly, but it is felt the benefits outweigh that and at some point all would be on equal ground. The Trustees hope to gradually bring down the increase so there is not a big hit. Both communities have to vote “yes” for ECPR to be approved and if not then the Prudential Committee determines what happens to EJRP which could either go under

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- the unified union school district or the Board of Trustees. The Trustees would try to maintain the entrepreneurial spirit of EJRP.
17. How many people vote the EPR and EJRP budgets now and how many are expected to vote on the new rec district based on historic school district voting trends?
- Answer: At annual town meeting with village residents and town-outside-the-village residents the vote is roughly 250 people. For the town-wide Australian ballot vote for Selectboard the vote is roughly 1200 to 1500 people. The Presidential election is expected to have higher numbers.
18. What do you mean by “program access enhancements”?
- Answer: Going forward with the district the group will continue to look at enhancements. All residents of the district have equal access. There might be some limitations for certain programs.
19. Have there been or will there be hearings?
- Answer: There is opportunity to be heard at each meeting.
20. What is the ability to obtain bond issues as a municipality, contract, or nonprofit part of the town budget?
- Answer: A nonprofit cannot bond. Inter-local contract is technically under the municipality and can bond. If the department is under the town or village it can bond. Forming a union municipal district through the legislature for a charter means the district can bond.
21. Do other town residents use EPR and EJRP currently and what are the numbers?
- In general there are non-residents and town residents using EJRP programs. The town rec program considers all as residents of the town. Both EJRP and EPR provide large youth programs that do not conflict with one another and work together. EPR provides Essex youth ball and soccer, Bolton after school bus (four buses), and lacrosse. EJRP provides youth basketball and summer soccer.
22. Under the new entity with growth in the town if the pool must be expanded will all town and village homeowners pay for it?
- Answer: Residents of the village are residents of the town and are paying for Essex rec and EJRP so for village residents there would be no change. Only village residents pay for EJRP.
23. How does the plan move the community forward to a unified community rather than creating a new municipal function that potentially could make unification more complicated?
- Answer: The reason the union municipal district was recommended is that it unites the community under one roof and does not force one department into the other department. The option also provides stability. The other choices were not stable.
24. If the Selectboard declines to warn a vote then what is next and will it result in the same conclusion as a “no” vote?
- Answer: IF the Selectboard or the Trustees decline to warn the vote in December then ECPR will not happen and the decision will be in the hands of the Prudential Committee and they could move rec to the unified

union school district which already declared it is not part of their mission or rec could go under the Trustees and under the municipality.

There were no further questions. The public forum ended at 7:20 PM.

**3. OPPORTUNITY TO BE HEARD**

Sara Stultz, Essex, spoke of the process that began last year with forward thinking, enthusiasm, and thoughts about the possibilities. In order to know if it will work combining the two departments needs to be tried. There is a safety net of five years if it does not work. Regarding oversight if the department is under the town, the village residents would not have a voice like they do with the Trustees so there would be less oversight.

Annie Cooper, village resident, said she is excited about combining the departments and having worked with both rec departments simultaneously is a great gift. There is no greater idea for the community at large than the passion and professionalism that both departments currently utilize at current locations. At combined locations will be beautiful. Ms. Cooper said she is thrilled the community is talking about this.

Daniel Stein, village resident, said regarding tax equity other departments are one department for the entire town. Roads are a separate taxation district so the village does not pay for town roads outside the village and vice versa. Both are already equitable. The difference in tax rates can be accounted for with three departments: parks & rec, library, and fire. Mr. Stein said he is encouraged by the courage of the people working to face down the tax inequity with the proposal for rec. The last time this was tried was when the village tried to become a city or the vote on merger. There was a split vote by too many to maintain tax inequity. It is hoped there is not a material difference in the outcome of the vote on rec.

Marla Durham, village resident, stated the rec study committee deserves a round of applause and has taken some heat in the media. Some have had personal slings and arrows thrown at them. The courage of the committee is appreciated.

Deb Bilodeau, Essex resident for the past 36 years of which 32 have been in the village and former Village President, stated the vote on December 13<sup>th</sup> is one of the most suppressed votes being 35 days after the national vote for the new President and in between two of the major holidays of the year. People are worn out and the “snowbirds” are out of town. It is understandable why the vote is when it is being held, but it feels like voter suppression.

- The reason why the vote is scheduled as it is will be posted on the website.

Kim Woods, town resident, assured she will vote in support of ECPR because it is a good idea that brings the community together.

Maura Collins, village resident, said the reasons to consider the vote should be the budget implications, research, and governance. As a mother of three children who utilize both

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rec programs it will be exciting for the village children to be using town parks and camps and vice versa so the community can start acting like one community.

Annie Cooper, village resident, commented having the children together through the school district and the rec district makes going to high school together easier.

There were no further comments or questions. Information will be posted on the website as it becomes available.

**4. ADJOURNMENT**

With no further business and without objection the meeting was adjourned at 7:43 PM.

*RScty: MERiordan*