



TOWN MEETING 2020  
**QUESTIONS and ANSWERS**  
**Proposed FY 2021 Budget**

Town of Essex

February 3, 2020

UPDATED February 24, 2020

**1. How much is the proposed budget for fiscal year (FY) 2021 and how does it compare to the current fiscal year's budget?**

The proposed FY 2021 general fund budget, as currently warned, is \$15,332,134, an increase of \$501,485, or 3.38 percent, over FY 2020.

More details about the budget are available on the Town of Essex website, [www.essex.org](http://www.essex.org). Click on "Notices" → "Town Meeting Information" → "Municipal Budget"

**2. If this budget is approved by voters at Town Meeting, what impact will it have on the municipal tax rate and the amount an average property owner pays?**

The proposed FY 2021 budget would increase the municipal tax rate by 2.39 percent, or approximately 1.21 cents per \$100 of assessed valuation. For a taxpayer whose property is valued at \$280,000, the net increase would be approximately \$34.

These projections are based on a 1 percent growth in the grand list. Should grand list growth exceed this projection, the tax rate set in the summer would be adjusted downward accordingly.

**3. When and where do residents vote on the budget?**

The budget vote takes place by voice vote at Town Meeting night, which begins at 7:30 p.m. on Monday, March 2. Town Meeting is held in the auditorium at Essex High School, 2 Educational Drive, Essex Jct.

**4. What are the reasons for the proposed increase?**

Salaries and benefits make up ~~\$332,122~~ \$290,144 or ~~66.3~~ 58 percent of the increase. The total line item for Salaries shows an increase of ~~3.93~~ 2 percent over FY 2020. For existing employees, salaries are budgeted to see a raise of 3.5 percent. Actual raises are determined, in part, by merit.

The other main contributors to the increase are Village Stormwater and Highway Expenses (\$45,634), increased hours for the Buildings Manager (\$19,346) and funds to address buildings maintenance needs (\$14,700), increases for Information Management security (\$26,493), and increases in Town Highway Expenses (\$20,990) driven primarily by increases in winter maintenance. Intergovernmental expenses increased by \$22,869, \$15,758 of which is attributable to Green Mountain Transit. Transfers to capital increased \$15,000 for Fire and Highway Vehicles.

**5. Are there any new positions are proposed in the FY 2021 budget?**

No. The only proposed personnel changes involve the Buildings Manager, a Project Manager, and the Assistant to the Assessor.

The Building Manager position, which was created in the FY2020 budget, is proposed to increase from 20 hours to 28 hours per week.

The FY 2021 budget also includes a part-time Project Manager. This position was created in FY2020, primarily to oversee the work involved with the potential merger with Essex Junction. Funding for the position became available when the former Assistant to the Assessor left Essex's employ. Rather than re-filling the opening with a full-time employee, the new Assistant to the Assessor was hired as a part-time position, and the Project Manager position was created.

**6. What types of new consolidation and alignment initiatives between the Town of Essex and Village of Essex Junction are reflected in the budget?**

No new consolidation or alignment initiatives are proposed in the budget. Existing shared costs remain from previous years, and the Town and Village will continue to share the cost of a special attorney to provide counsel on the potential merger.

**7. Are residents voting at Town Meeting on a merger of the Town of Essex and Village of Essex Junction?**

No, the Town Selectboard and Village Trustees are planning to have residents vote on merger on November 3, 2020.

**8. What Capital Budget items are being proposed in FY 2021?**

The proposed FY 2021 capital plan calls for capital tax additions of \$537,000, spending of \$2,461,274, and an ending balance of \$3,301,325.

Capital projects proposed for FY 2021 include the following: deferred maintenance at Essex Free Library; slate roof repairs; Tree Farm improvements; Police radio base station; various road improvements; highway vehicles, fire vehicles, and other heavy equipment; replacement of park assets; completion of a sidewalk on Pinecrest Drive; ADA compliance upgrades on sidewalks; Finance and Human Resources software; and water and sewer improvements.

The operating budget includes transfers to the Capital budget in the amount of \$412,000. More details about specific projects and the transfers are available on the Town's website, [www.essex.org](http://www.essex.org). Click on "Notices" → "Town Meeting Information" → "Capital Plan."

**9. How much is fund balance and is there any available for reducing taxes?**

The Town’s policy is to maintain an unassigned fund balance of 15 percent of the operating budget, which equates to approximately eight weeks of operating expenses. The Government Finance Officers Association recommends keeping at least two months of operating expenses in unassigned fund balance so that municipalities can operate during a natural disaster, an emergency, or some other type of unexpected event.

The Town has an unassigned fund balance of \$2,224,597, or 15 percent of the current operating budget.

The Selectboard has approved the use of \$100,000 in fund balance in the FY 2021 budget. The Selectboard has another \$93,721 of fund balance assigned for future tax reduction.

**10. How much debt does the Town have and when will it be paid off?**

As of June 30, 2019, the Town General Fund had \$5.175 million of debt. The debt is for the bond on the new Police facility and renovations to the Town Offices at 81 Main St. Voters had approved a 20-year, \$6.9 million bond in November 2012 for the purchase of land and the construction of a new Police facility. The facility was completed and occupied by the Essex Police in November 2014. The project came in under budget and, after using other available capital funds, there remained approximately \$800,000 of unused bond funds. In 2015, voters approved the repurposing of the unused bond funds for renovations at the Town Offices. The bond will be paid off in 2033.

**11. Are there any special articles that voters are being asked to consider at Town Meeting?**

Yes. In addition to the budget, Town Meeting will have the typical articles that appear each year: Shall the reports of the Officers be accepted?; Public to be Heard; and Elections.

Voters will also be asked whether or not to amend the charter to expand the Selectboard from five at-large members to six members – three of whom would be elected from inside-the-Village and three of whom would be elected from outside-the-Village. The charter change item is the result of a voter-backed petition to include the question on the ballot.

Elections and the charter change vote take place by Australian ballot on Tuesday, March 3, when polls are open from 7 a.m. to 7 p.m.