Mr. Eustis introduced himself as Town Moderator at 7:42 PM. He invited Boy Scouts Troop 635 to lead the flag ceremony. They led the assembly in reciting the Pledge of Allegiance and Gary Moreau sang the National Anthem.

Patrick Murray read “An Invitation to Civility” from the book All Those in Favor by Susan Clark and Frank Bryan: “We are gathered together in civil assembly. We gather as a community, in the oldest sense of the word. We gather to come together and try to make decisions about what is right, and what is wrong. Let us advocate for our positions, but not at the expense of others. Let us remember that there is an immense gap between saying ‘I am right’ and saying, ‘I believe I am right.’ And that our neighbors with whom we might disagree are good people with hopes and dreams as true and high as ours. And let us always remember that, in the end, caring for each other, in this community, is of far greater importance than any difference we may have. Thank you for being here this evening.”

Mr. Eustis held a moment of silence for Dave Rogerson and Bill Adams, who passed this year, as well as first responders and U.S. Military around the world. He then introduced Selectboard Chair Elaine Haney. Ms. Haney recognized the efforts of the school’s food service staff, the senior bus, Parks and Recreation childcare and Channel 17 for their roles in helping make Town Meeting a success. She introduced the Selectboard members, administration, Village Trustees present, state representatives and senators present, and thanked all present who volunteer in the Town of Essex.

Mr. Eustis explained Roberts Rules of Order for the meeting.

At 7:55 Mr. Eustis called the meeting to order and read Article I:
ARTICLE I. Shall the reports of the Officers be accepted?

PAULA DUKE made a motion, seconded by LINDA MYERS, to approve Article I.

Hearing no comments, Mr. Eustis called a voice vote to accept Article I.

The motion passed unanimously.

Mr. Eustis read Article II:

ARTICLE II. Shall the Town adopt a budget for the fiscal year July 1, 2020 to June 30, 2021 as recommended by the Selectboard in the amount of $15,332,134?

DUSTIN BRUSO made a motion, seconded by BRITTANY LABERGE, to approve Article II.

Ms. Haney provided an overview which included an explanation of savings resulting from consolidated services between Essex Town and Village of Essex Junction; FYE2021 budget objectives and amounts; where budget increases came from; estimated tax impact; and how Essex taxpayer dollars break out into a pie chart of expenses for the Town.

Mr. Eustis opened public discussion on Article I:

• Daryl Stultz said he would not be voting for the budget and proposed it be cut by 42% by eliminating funds to various services shared with the Village of Essex Junction, including Library, Fire, and Parks and Recreation.

DARYL STULTZ made a motion, seconded by SARAMICHELLE STULTZ to reduce the budget to $14,572,001.

Mr. Eustis opened public discussion on the Amendment to Article I:

• Ethan Lawrence talked about his understanding of how the budget’s cost sharing is calculated, based on the grand list, pointing out what he sees as high expenses in salaries and some departments.

• Carl Wermer said he would not vote for the amendment because he sees the services funded by the budget as important, but felt the points being made are important.

Hearing no other comments, Mr. Eustis called a voice vote to accept the Amendment to Article II.

The motion failed by voice vote.

Mr. Eustis reopened public discussion on Article II:

• Zane Reynolds said that the FYE07 budget was the last time the Town of Essex did not increase the tax rate. He shared his concerns about budget growth and local government costs.

ZANE REYNOLDS made a motion, seconded by a gentleman (name unclear), to amend Article I and approve a flat budget in the amount of $14,830,649.

Mr. Eustis opened public discussion on the Amendment to Article II.

• Walter Adams agreed that the budget should be level. He talked about a doubling of household tax rates in 10 years and his concerns with the surpluses at the end of each fiscal year.

Ms. Haney showed a slide to explain fund balance, saying that Town policy states the Town must retain a fund balance up to 15% of the General Fund for emergencies; the budgets are developed to avoid deficits; and that any excess fund balance is used in various ways, including to offset tax increases in the following year.
Jan Abbot opposed the amendment, saying she supported the building manager’s increased hours and because the budget increase includes health insurance increases out of the Town’s control.

Brian Shelden stated approval of the FY21 budget because he believes it pays for quality staff and healthcare. Ms. Haney said that the Town changed healthcare providers to minimize the increase in insurance costs in FY21.

Andrew Brown said he would vote against the amendment because he thinks it would undermine the ability of the Town to recruit and retain staff.

Ethan Lawrence talked about his concerns with what he sees as excessive amounts of money going toward only certain parts of Town.

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Ken Koptiuch said he would vote against the amendment. He discussed the importance of maintaining 24-7 fire protection, including paying a small stipend per call to volunteers, versus hiring firefighters.

Mike Sullivan stated he would vote against the amendment.

Michael Munson said that he would vote against the amendment, concerned that there may be a delay in catching up with capital expenses if there is a budget cut.

John Rodenburg said he was undecided on the amendment but expressed concern that the budget increases may be outpacing inflation.

A gentleman said that he does not see the level budget proposal as a cut but a reduction of what is planned, in order to balance the budget with inflation.

Walter Adams said he supports the amendment and restated his position that the fund balance at the end of recent years suggests that the Town is collecting more tax money than is needed.

Mark Roberts said he would vote for the amendment because he sees it as a good compromise. He expressed concern about money going toward legal counsel on a merger. Ms. Haney explained the reasoning behind the legal counsel consulted on the merger process.

Harlan Smith said the cost to taxpayers to enjoy a $1.5 million dollar recreation program for $820,000 is worth the tax per household.

John Wermer wondered if any of the increases in the budget are related to merging and Ms. Haney clarified that no new consolidation strategies were considered for the FY21 budget.

Jerry Fox said he sees the budget increases over the past years as important to keep up with dramatically changed service needs due to the increased urbanization of the Town.

Betsy Dunn asserted that she thinks any surpluses in the budget should go back to the voters to decide how it is reinvested.

Karen Dolan said she trusts the staff and the officials elected to represent the Town to craft a responsible budget and would vote on it as it was originally proposed.

Margaret Smith commented that she attends almost all of the Town Selectboard meetings and is confident that the Finance Director and the Selectboard worked hard to draft the budget, in its original amount. She also reminded the voters of the previous year’s approved which included an additional $100,000 as an amendment from the floor on Town Meeting Day.

Ken Signorello talked about how the $874,939 excess fund balance was reallocated. Mr. Teich explained that the FY20 fund balance was, in part, due to not being able to recruit and fill a position they expected and need to fill.

KEN SIGNORELLO made a motion, seconded by ZANE REYNOLDS, to add $200,000 to the amendment.

CLAIRE WOLCOX made a motion, seconded by DAVE KEENAN, to call the question. The motion passed unanimously by voice vote.

Mr. Eustis asked whether the voters would amend the amendment by adding $200,000.
The motion Failed by voice vote.

Doug Babcock encouraged the Selectboard to consider new strategies in the next years to address the issues voters raised about the budget, as they are crafting them.

DOUG BABCOCK made a motion, seconded by DAN KERIN to call the question. The motion passed by voice vote.

Mr. Eustis asked whether the voters would accept the amendment of Article II, changing the FY21 budget amount to $14,830,649. The result of the voice vote was unclear and Mr. Eustis called for the Board of Civil Authority to conduct a division of the house.

The motion failed, with 72 in favor and 212 opposed.

DUSTIN BRUSO made a motion, seconded by DAN KERIN, to call the question. The motion passed by voice vote.

Mr. Eustis asked whether the voters would accept Article II.

The motion passed by voice vote.

ARTICLE III. Public to be Heard

Ms. Haney spoke in honor of Selectboard member Max Levy, who is stepping down after 12 years of service on the board. She discussed highlights of his time as a board member and commended his generosity. She described his respect of staff and his values of open dialogue and efficient management. Rep. Ms. Linda Myers shared that when she served with Mr. Levy on the Selectboard, he was always willing to help. Mr. George Tyler, Vice President of the Essex Junction Board of Trustees, described his friendship with Mr. Levy and pointed out that, during his time on the Selectboard, Mr. Levy was involved with foundational changes and made a positive impact. Mr. Levy said that it has been an honor to have served on the Selectboard as a member, Chair and Vice Chair. He said he has always tried to represent the best interests of the community.

Mr. Eustis invited public comments, first requesting any general comments.

- Jerry Fox asked community members to consider volunteering with the Historical Society.
- Mitch Stern shared a concern that, in the proposed merger plan, taxes in the Town outside the Village will go up and the taxes in the Village will go down.
- Scott Friedman asked for an update on the 1% local option tax. Ms. Haney described what a Local Option Tax is and said the discussion will continue at a future point.
- Ethan Lawrence pointed out that, according to his calculations, the average salary for a full time employee in the Town of Essex is $77,000, which he feels is high, compared to how many hours and how hard he works to make his lower salary.
- Kent Koptiuch said that Essex should vote for the annual budgets by Australian Ballot, to encourage greater participation.
- Jerry Fox expressed his gratitude that Town Meeting can stimulate such important discussions.
- Lisa Laberge expressed concern with her experience of not being able to find documents on the website and by request. She hopes the planned new website will help with this.

Mr. Eustis invited discussion of Article V:

- Mike Sullivan stated that he thinks changing the charter, under Article 5, will not solve the issues people think will be addressed.
• Daryl Stultz said that he does not see a Selectboard bias. He noted that this is the first time there are more Selectboard members from inside the Village than from outside of the Village.
• John Wermer received clarification from Ms. Haney that, according to Roberts Rules of Order, if a tie takes place on an even Selectboard, the motion fails.
• Zane Reynolds requested that the Selectboard members state whether they live in the Village or the Town outside the Village.
• Gabrielle Smith said she sees all the Selectboard members representing everyone and sees Article 5 as contributing to community division.
• Jeff Benjamin expressed concern that his personal email was used to contact him about Article V.
• Brian Shelden said he is against Article V because he thinks it will discourage businesses interested in coming to the community.
• Mitch Stern stated his perception that when the Selectboard works alongside the Village Trustees, there is an 8-2 representation imbalance. He talked about how he sees this imbalance playing out when Village taxes are considered for decrease and Town outside the Village taxes for increases. He said he thinks the merger plan is creating division so Article V is a good option.
• Jerry Fox suggested that the Village not need to pay for half of all of the Town’s services when they are already paying for their own services.
• Harlan Smith clarified that, in the merger plan, if the Village tax rates decrease and the Town tax rates increase, the Village tax rate will still be significantly higher until rates are equalized.
• Ken Signorello explained that, as one of the authors of the article, his intention was to ensure equal representation while resolving tax burdens. Ms. Haney explained how the Village of Essex Junction became an incorporated Village.
• Irene Wrenner said if representation on the Selectboard had been equal the current tax burden would be less. She recapped her efforts in previous merger plans and said the Article V 3-3 structure is modeled after the Essex Westford School District (EWSD) board.
• Raj Chawla said that with Article 5 being framed as similar to the School Board structure, he wanted to point out that the representatives on the School Board are all representing all children, just as the Selectboard represents all residents.
• Dan Kerin said that it is not fair to say that a person from a different part of town cannot understand the needs of all residents of Essex.
• John Wermer said a 3-3 Selectboard would create division.
• Brendan Kinney said that, on the EWSD school board, there is a 10-member representation structure but two members each get half of a vote, so there are 9 votes.
• Lisa Allen said she likes the idea of being able to vote for the best Selectboard candidates from the entire community, rather than being limited by where people are from.
• Richard Smith said the last two out of three merger votes in Essex passed by the voters. He said the first one was rejected by the State of Vermont Legislature and the second one failed after a petition for a revote.
• Mike Munson said he does not think Article V solves a problem because he sees consistent representation, with a full Selectboard, and when there is a concern with representation new people emerge to run for positions. He feels fairly represented by the people he votes for.
• Bob Leuang said that if the merger vote passes it will not matter if Article V passed.
• Mark Roberts said he is uncomfortable with the 3-3 representation structure of Article V and does not support the Village merger because of the perception that there have not been enough Selectboard members representing the Town outside the Village in the process.

Mr. Tyler provided an overview of the consolidation process and Essex merger proposal, saying that the Selectboard and Village Board of Trustees’ Governance Subcommittee that worked on this plan was made up of two representatives from the Village and two from the Town outside the
Village. Mr. Tyler discussed major efforts during the past 7 years related to consolidation. He talked about the subcommittee’s formation in 2018 to research, review and determine possible governance models. He talked about key challenges with crafting a unified charter and discussed the recommendations from the subcommittee. Mr. Tyler described the proposed 5-year transitional phase for the new governance model and a 12-year phase-in of tax reconciliation. He explained rationale for a 7-member transitional governance structure of two elected from the Village, two elected from the Town outside the Village and 3 elected at-large (2-2-3). He talked about why the committee moved away from a 3-3-1 model, which would have one elected person at-large. Mr. Tyler talked about the phased-in tax reconciliation rationale and the mechanisms for facilitating this merger. He discussed other subcommittee recommendations including voting for budgets by Australian ballot, the Annual Meeting dynamics, the name of the new community (Essex) and how water and sewer would be handled.

Mr. Eustis invited discussion of the proposed merger:

• Mitch Stern shared his thoughts with Mr. Tyler about what he sees as unacceptable tax increases, how efficiencies may be calculated, how realistic the recommendations are and pointed out that a portion of Local Options Taxes go to the State of Vermont. Ms. Haney gave some examples of how efficiencies could be calculated.

• Harlan Smith asked whether an $800,000 payment would be due at the end of the 12-year tax reconciliation plan. Mr. Tyler clarified that the question is related to tax district strategies and gave examples of how this could be avoided. Mr. Smith pointed out that there would be many new assets that the Town of Essex would acquire within the merger plan.

• Lisa Laberge shared some of the research she has done on mergers. She said she is hoping for more information from the Selectboard that would assure her this merger would work.

• John Wermer asked how the consolidation process would take place between merged departments resulting in positive work cultures. Mr. Teich talked about how the process would navigate work cultures and said each department would provide plans for how they would look.

• Irene Wrenner expressed disagreement with a hypothetical firetruck example in the information about efficiencies provided by Ms. Haney.

Hearing no other comments, Mr. Eustis called a motion to adjourn.

DAN KERIN made a motion, seconded by MARK ROBERTS, to adjourn the meeting.

Mr. Eustis called a voice vote to accept the motion.

The motion passed unanimously at 10:51 PM.

Respectfully Submitted,

Cathy Ainsworth
Recording Secretary

Approved this __________ day of __________, 2020

(See minutes of this day for corrections, if any)

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Patrick Murray, Clerk, Selectboard