

# Essex Merger Vote FAQs

## VOTE NOVEMBER 3, 2020

For more information go to: [www.greateressex2020.org](http://www.greateressex2020.org)



### **Why merge?**

The Village Board of Trustees and Town Selectboard believe we will be stronger together as one united community. We can work as one to plan for the future, attract and retain a vibrant business community, protect our natural resources, restore and enhance our infrastructure, improve our services, overcome challenges we face, and establish ourselves as Vermont's premier livable community.

### **Aren't we already merged?**

The current governance structure we have now is two separate municipalities with separate charters, sharing some municipal services under contract. The Village of Essex Junction is an incorporated municipality within the municipality of the Town of Essex.

Starting in 2013, in an effort to improve services across the entire Essex community, some municipal services were consolidated. These consolidations have reduced the amount of taxes the municipalities need to raise – a combined savings of more than \$2.8 million (see page 2 for breakdown of savings).

### **Why are we doing this now?**

Each year that passes increases the cost of merging. Although consolidation efforts lowered the cost since the 2006/2007 vote, as long as Village taxes continue to increase, the tax impact of merger on residents outside the Village grows.

To continue consolidation efforts, the Town of Essex Selectboard and the Village of Essex Junction Board of Trustees have met jointly for the past few years and much research has been done by a joint Governance Subcommittee on possible governance structures of a merged municipality. Public input was also gathered via resident surveys and listening sessions.

### **Why is the Village tax rate higher than the Town's?**

The Village is part of the Town so it has the same tax rate for paying taxes to the Town to support the Town's municipal services. Added to that is the Village tax rate which pays for municipal services provided by the Village government. Town residents outside the Village don't pay taxes to the Village government.

### **Why do the Town and Village share some services but not others?**

Over a hundred years ago the State allowed the village area of Essex Town to incorporate itself as a separate taxing and governing authority within the Town. The village, now known as Essex Junction, was becoming densely populated and needed municipal services that the Town didn't provide. The State still considered the Village to be part of the Town. As the rest of the Town grew and developed the Village was required to help pay for municipal services outside the Village as well as paying for its own municipal services within the Village. Over the years the Town and Village governments have integrated some Village municipal departments into the Town so that the cost is distributed throughout the community. But some Village municipal services – Brownell Library, capital repair costs, community development, fire department, and recreation – remain separate. Village residents support those services in the Village and also help support Essex Town's library, capital repair costs, community development, fire department, and recreation. Merging the Town and Village governments would dissolve the Village government and integrate those remaining services under a single town government.

**How has consolidation of some services saved money?**

**FY2014 - FY2019: \$2.13 Million** **Total Savings**

Service	Town	Village
Manager	\$367,000	\$606,000
Finance & Admin	\$378,000	\$179,000
Stormwater & Public Works	\$344,000	\$254,000
<b>Total Savings</b>	<b>\$1,089,000</b>	<b>\$1,039,000 = \$2.13M</b>

**FY2020: \$0.69 Million** **Total Savings**

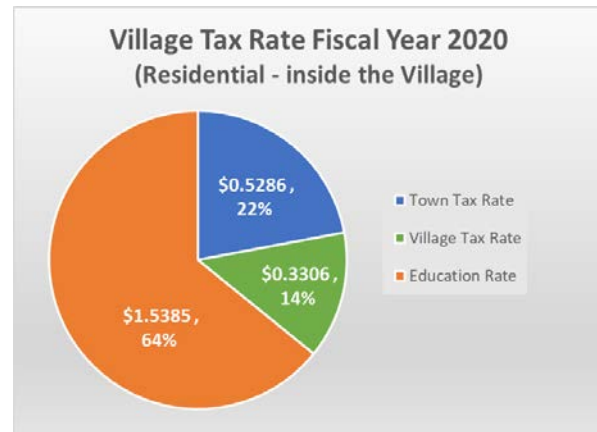
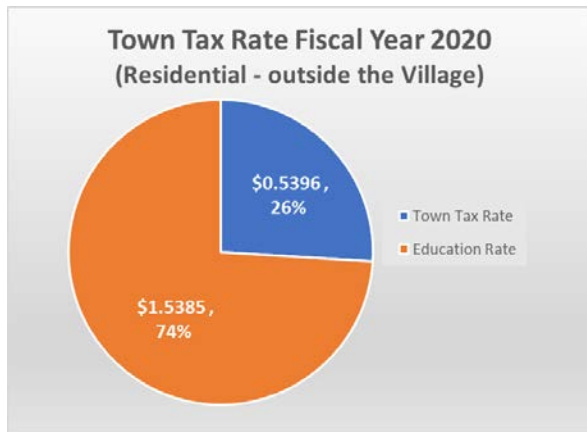
Service	Town	Village
Manager	\$67,200	\$113,500
Finance & Admin	\$194,300	\$195,600
Stormwater & Public Works	\$59,800	\$62,300
<b>Total Savings</b>	<b>\$321,300</b>	<b>\$371,400 = \$0.69M</b>

**How would a merger affect development?**

Merging the Town and Village governments wouldn't change their comprehensive plans, but, over time, it would merge them into a single document. If merger happens, the long-term evolution of the newly unified Town-Village comprehensive plan would be under the control of a single planning commission, development office, and elected board. Changes and updates would reflect the coordinated strategic vision of the entire community.

**How would merger affect my property taxes?**

Residents of the Town outside the Village currently pay municipal taxes only to the Town. Residents of the Village currently pay municipal taxes to both the Village and Town.



Does not include Town Highway Tax Rate paid only by Town outside the Village residents.

- A \$280,000 home in the Town outside the Village pays a total of \$1,510.88 in municipal taxes.
- A \$280,000 home in the Village pays a total of \$2,405.76 in municipal taxes

The Town and Village coming together means the two different levels of taxation meet somewhere between the two. The tax impact of merger would be spread over 12 years. The annual impact for residents of the Town outside the Village would be an increase between \$20 and \$30 each year over that time period. Please note:

- Actual numbers depend on assessed value.
- Education tax rates would not be impacted by merger.
- Only users of municipal water and sewer pay for these services. Residents in parts of Essex that do not have municipal water or sewer service do not pay for those services or infrastructure.
- A temporary "Village Debt Assessment District" would be established and sunset once all Village debt is paid in full by Village residents.

PAYABLE TO:

MAIL TO:

# Town of Essex

This is the only bill you will receive. Please forward to new owner if property is sold.

## TAX BILL

PARCEL ID	BILL DATE	TAX YEAR
	01/27/2020	2019

Description: Location: Town Residential

OWNER

FOR INCOME TAX PURPOSES

ASSESSED VALUE		HOMESTEAD	
REAL	280,000	280,000	
<b>TOTAL TAXABLE VALUE</b>	<b>280,000</b>	<b>280,000</b>	
<b>GRAND LIST VALUES</b>	<b>2,800.00</b>	<b>2,800.00</b>	

MUNICIPAL TAXES				EDUCATION TAXES			
TAX RATE NAME	TAX RATE	x GRAND LIST =	TAXES	TAX RATE NAME	TAX RATE	x GRAND LIST =	TAXES
Town General	0.5067	x2,800.00=	1,418.76	HOMESTEAD EDUCATION	1.5385	x2,800.00=	4,307.80
Town Capital	0.0200	x2,800.00=	56.00	See reverse side for education tax rate calculation information.			
Town Highway	0.0110	x2,800.00=	30.80				
Tax Agreements	0.0019	x2,800.00=	5.32				
				<b>Payments</b>			
				1	09/16/2019	TOTAL EDUCATION TAX 4,307.80	
					2,909.34	EDUCATION STATE PAYMENT	
						EDUCATION NET TAX DUE 4,307.80	
				2	03/16/2020		
					2,909.34		
<b>TOTAL MUNICIPAL TAX</b>			1,510.88	<b>TAX SUMMARY</b>			
<b>MUNICIPAL STATE PAYMENT</b>							
<b>MUNICIPAL NET TAX DUE</b>			1,510.88				
				<b>Municipal + Education</b>			
				TOTAL TAX		5,818.68	
				TOTAL STATE PAYMENT		0.00	
				TOTAL NET TAX DUE		5,818.68	

DETACH THE STUBS BELOW AND RETURN WITH YOUR PAYMENT

Town of Essex  
TAX YEAR 2019

1ST PAYMENT DUE	
09/16/2019	
OWNER NAME	
PARCEL ID	
AMOUNT DUE	2909.34
AMOUNT PAID	

All Town and Village taxes are now included on this bill when applicable.

Town of Essex  
TAX YEAR 2019

2ND PAYMENT DUE	
03/16/2020	
OWNER NAME	
PARCEL ID	
AMOUNT DUE	2909.34
AMOUNT PAID	

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## TAX BILL

PARCEL ID	BILL DATE	TAX YEAR
	01/27/2020	2019

Description:

Location: Village Residential

OWNER

FOR INCOME TAX PURPOSES

ASSESSED VALUE		HOMESTEAD	
REAL	280,000	280,000	
<b>TOTAL TAXABLE VALUE</b>	<b>280,000</b>	<b>280,000</b>	
<b>GRAND LIST VALUES</b>	<b>2,800.00</b>	<b>2,800.00</b>	

MUNICIPAL TAXES				EDUCATION TAXES			
TAX RATE NAME	TAX RATE	x GRAND LIST =	TAXES	TAX RATE NAME	TAX RATE	x GRAND LIST =	TAXES
Town General	0.5067	x2,800.00=	1,418.76	HOMESTEAD EDUCATION	1.5385	x2,800.00=	4,307.80
Town Capital	0.0200	x2,800.00=	56.00	See reverse side for education tax rate calculation information.			
Tax Agreements	0.0019	x2,800.00=	5.32				
Village General	0.3206	x2,800.00=	897.68				
Village Economic Dev	0.0100	x2,800.00=	28.00				
				<b>Payments</b>		<b>TOTAL EDUCATION TAX</b>	
				1	09/16/2019	4,307.80	
					3,356.78	<b>EDUCATION STATE PAYMENT</b>	
						<b>EDUCATION NET TAX DUE</b>	
				2	03/16/2020	4,307.80	
					3,356.78		
				<b>TAX SUMMARY</b>			
				<b>Municipal + Education</b>			
<b>TOTAL MUNICIPAL TAX</b>			2,405.76	<b>TOTAL TAX</b>			6,713.56
<b>MUNICIPAL STATE PAYMENT</b>				<b>TOTAL STATE PAYMENT</b>			0.00
<b>MUNICIPAL NET TAX DUE</b>			2,405.76	<b>TOTAL NET TAX DUE</b>			6,713.56

DETACH THE STUBS BELOW AND RETURN WITH YOUR PAYMENT

Town of Essex  
TAX YEAR 2019

<b>1ST PAYMENT DUE</b>	
09/16/2019	
OWNER NAME	
PARCEL ID	
AMOUNT DUE	3356.78
AMOUNT PAID	

All Town and Village taxes are now included on this bill when applicable.

Town of Essex  
TAX YEAR 2019

<b>2ND PAYMENT DUE</b>	
03/16/2020	
OWNER NAME	
PARCEL ID	
AMOUNT DUE	3356.78
AMOUNT PAID	

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