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**DRAFT DISSOLUTION PLAN OF THE VILLAGE OF EDWARDS****BY THE VILLAGE AND TOWN OF EDWARDS  
DISSOLUTION STUDY COMMITTEE****OCTOBER 20, 2010**

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This document sets forth, in detail, the Draft Dissolution Plan of the Village of Edwards as developed and approved by the Village and Town of Edwards Dissolution Study Committee. This Plan is to be presented to the Village Board of Trustees (following public discussions on October 20, 2010 and an official public hearing on December 1, 2010 – and incorporation of any revisions approved by the Committee). Following submission of the final Plan to the Village Board, it will be the Village Board's responsibility to adopt the Dissolution Plan to be presented to Village voters on March 15, 2011. If approved by a majority of the qualified voters, the Village of Edwards will be dissolved as of December 31, 2012.

The Committee believes this Draft Plan is consistent with the goals of the Town of Edwards since it was developed and approved by a joint Village / Town Dissolution Committee. Therefore, this Plan has been developed with the expectation that if dissolution of the Village is approved by voters that the succeeding Town government will provide for and comply with the Plan as set forth in this document and subsequently adopted by the Village Board.

**A. The Continuation of Village Functions or Services by the Town**

This section describes not only how Village functions or services will continue if the Village dissolves, but also which aspects of Village government will change due to merging two governments into one. In addition, it notes which services will not be impacted because they are not currently provided by the Village.

1. Upon the dissolution of the Village of Edwards, the Town of Edwards will assume the duties and functions of the Village, in accordance with this Plan. The cost of three services in the existing Village – water, sewer and street lighting – will be met by fees or taxes levied on real property located within the bounds of Special Improvement Districts established by the Town Board as explained in the paragraphs numbered 8, 9 and 11 below.
2. The Village Board of Trustees will be eliminated. All expenses associated with personnel for this function will be saved since the Town will assume legislative

responsibility for the former Village with no additional pay for its Town Board members. The size of the Town Board will not change.

3. The position of Village Mayor will be eliminated and personnel-related costs will be saved.
4. The part-time position of Village Clerk-Treasurer will be eliminated, and the duties of this position that involve sewer and water billing will transfer to the Town. The portion of personnel expenses associated with administrative functions (excluding water and sewer) and related general administrative contractual obligations will be saved.
5. The position of Village code enforcement officer will be eliminated and responsibility for code enforcement within the existing Village, including assignment of personnel and contractual expenses associated with the function, will transfer to the Town. There is no anticipated savings from eliminating this position.
6. Title to Village-owned property will transfer to the Town. Village property consists of the following:

Parcel ID	Location	Property Use
175.051-3-17.12	Main St	Rural vacant <10 acres
175.051-7-2.1	New St	Vacant land with improvements
175.052-1-1.22	Off Maple Ave	Vacant commercial
175.052-1-4	87 Maple Ave	Water
175.051-2-21.1	133 New St	Sewage
175.051-4-23	Main St	Government parking lot
175.051-6-12.1	Off Maple Ave	Water supply
175.051-7-1	130 New St	Water supply

7. Personal property and other fixed assets of the Village will not be sold upon dissolution but will be owned and used by the Town as long as the Town deems them to be useful. Personal property owned by the Village at the time of dissolution will become the property of the Town. Personal property will mean and include office equipment, furniture, motor vehicles, tools, parts inventory, furniture and any other item commonly considered to be personal property.
8. Water services for Village residents will be maintained. The Town will create and establish by resolution a Special Improvement District to be known as the Edwards Water District (Town water district #1) as provided by Articles 12 and 12A of Town Law and assume the responsibilities of the new Water District for water supply, and also maintenance and repair of all existing water lines within the existing Village. The boundaries of the Water District will be the boundaries of the existing Village. Costs for the Water District will be met by user fees. Existing Village water fund debt will revert to the Water District users and be paid for through the user fees.

9. Sewer services for Village residents will be maintained. The Town will create and establish by resolution a Special Improvement District to be known as the Edwards Sewer District (Town sewer district #1) as provided by Article 12 and 12A of Town Law. The Town will assume the responsibilities of the new Sewer District for maintenance and repair of all sewer lines within the existing Village. The boundaries of the Sewer District will be the boundaries of the existing Village. Costs for the Sewer District will be met by user fees. Existing Village sewer fund debt will become the responsibility of the newly formed Sewer District and be paid through user fees.
10. The Village outsourced water and sewer plant operations to the Development Authority of the North Country (DANC) for a five-year period, effective June 1, 2010. The contract between the Village and DANC will be rewritten, with no additional substantive change, as a Town contract with the authority.
11. Street lighting services for Village residents will be maintained. The Town will create and establish by resolution a Special Improvement District to be known as the Edwards Street Lighting District (Town street lighting district #2) as provided by Article 12 and 12A of Town Law. The Town will provide street lighting services within the boundaries of the existing Village, with costs billed as a separate district charge to taxpayers within the current boundaries of the Village.
12. Village streets, highways, roads, alleys, sidewalks, storm sewers, etc. will be included in the Town highway and road system and be operated and maintained by the Town as a Townwide expense. Residents will see essentially no change in provision of services. The Town has been overseeing all of these areas (excluding storm sewers) for years, and has been receiving revenue from the Village to provide the services, as the Village does not own appropriate street maintenance equipment. The Village storm sewer system has never had major repair and it is the intent of elected officials to seek a grant designed for rural communities to help cover storm sewer upgrade costs.
13. Insurance expenses associated only with the Village will be saved.
14. Municipal association dues associated only with the Village will be saved.
15. Workmen's compensation costs associated with Village personnel will be saved.
16. Village elections costs will be saved.
17. The Village contribution to the independent senior citizens' club, currently \$250 annually, will not transfer to the Town, unless elected Town officials vote to do so after dissolution takes effect.
18. There will be no change in ownership of the Town Hall as a result of dissolution. The Village pays no rent to the Town for using the Town Hall for its administrative functions.
19. Dissolution will not affect how the two cemeteries in the Village are maintained, since the Town has been maintaining them for years, at no cost to the Village.

20. Village dissolution will have no impact on the Hepburn Library, since the Village does not provide annual support to the library.
21. Village responsibilities associated with the summer youth program held on the Edwards-Knox school campus will transfer to the Town. No savings are anticipated as a result of this change.
22. The Village and Town currently split the cost of Christmas decorations in the community. Upon dissolution, the Town will be fully responsible for Christmas decorations.
23. Court services are provided by the Town and will continue unchanged.
24. Assessor services are provided by the Town and will continue unchanged.
25. Animal control services are provided by the Town and will continue unchanged.
26. Historian services are provided via a contractual arrangement through the Town, and this service will continue unchanged.
27. Vital records management in the community will be unchanged, as the Town Clerk currently handles vital records for both the Village and Town.
28. Fire service in the community will not be impacted by dissolution, since the Village plays no role in the current provision of fire protection services in the community.
29. Except as specified in the section “Laws and Ordinances,” Village laws and ordinances will be retained for at least two years after Village dissolution. The Town will plan to adopt or revise relevant Village laws and ordinances, in accordance with the Laws and Ordinances section, as soon as is practical after dissolution.

**B. Elimination or Transfer of Village Employees**

1. The following five employee positions will be eliminated:
  - a. Mayor
  - b. 2 Trustees
  - c. Clerk-Treasurer, currently a part-time position. (As noted above, sewer and water billing duties of this position will transfer to the Town. The current Town Supervisor, who also serves as Village Clerk-Treasurer / sewer clerk / water clerk will continue to have responsibility for the water and sewer clerk function, but as a Town employee).
  - d. Code Enforcement Officer, currently a part-time, as needed position.
2. Except as noted in 1(c) above, there will be no transfer of employees to the Town.

**C. The Disposition of the Property of the Village**

All real property improved or not improved will become the property of the Town of Edwards. Water and sewer facilities will be assigned to the water and sewer districts. The Town will take title to the Village real property with the understanding that the Town will honor all existing agreements or other arrangements between the Village and other users of

Village property. Real property transferred to the Town will be done without consideration<sup>1</sup> and the Town will, at its option, prepare any and all deeds for the Village to execute prior to the date of dissolution. A listing of Village owned land and buildings appears in Section A (#6) above. An inventory of equipment appears in the Appendix to this Plan.

#### **D. Village Laws and Ordinances<sup>2</sup>**

All local laws, ordinances, rules, and regulations of the Village of Edwards in effect on the date of dissolution of the Village, will remain in effect for a period of two years following the dissolution. These may be enforced by the Town Board within the limits of the dissolved Village. After the period of two years, the Town Board will have the power at any time to amend or repeal such local laws, ordinances, rules, and regulations.

*Upon review, the Committee found the following laws on file in the Village are outdated because they are no longer applicable, are not enforced, or have been superseded by laws passed in later years. Therefore the following laws will not become part of Town law.*

<b>Year</b>	<b>Law</b>	<b>Title of Law</b>
1952	Ordinance	Establishing a 25 mile per hour speed limit in the Village
1969	1	to increase the sewer rent from \$23 to \$29 per unit
1970	1	Amends number of units used as basis for sewer rent
1983	1	Accepting applicability of the State Fire Prevention Code
1983	4	Revokes LL #1 of 1983
1984	1	Administration and enforcement of NYS uniform fire prevention and building code

*The following current Village laws will not become part of Town law because the Village will no longer exist, thus the laws are no longer relevant.*

<b>Year</b>	<b>Law</b>	<b>Title of Law</b>
1970	Resolution	Village code of ethics
1977	2	To impose a tax on the gross income or gross operating income of corporations and persons furnishing utility services in the Village
1979	1	Granting real property tax exemptions (to offer incentive for expansion of business)
1985	1	Providing for defense of Village officers and employees re: civil action or proceedings represented by Village attorney
1994	1	Any appointed Village officer may reside anywhere within St. Lawrence

<sup>1</sup> “Without consideration” means a complete transfer of Village property to the Town without cost to the Town.

<sup>2</sup> The Village considers laws, ordinances and any resolutions passed since 1952, which are on file and maintained by the Village Clerk-Treasurer, to be its active list of laws, ordinances and resolutions and these are the laws, ordinances and resolutions the Committee reviewed.

		County
1995	1	Veteran exemption in proportion with increase in assessments
2001	1	Amends LL#1 of 1971 pertaining to snowmobiles – allows them on Village streets or highways
2006	1	To allow enrolled volunteer firefighters and volunteer ambulance workers to be eligible for a real property tax exemption
2009	1	Terminating Village's status as an assessing unit (abolished board of assessors)

*The following current Village laws will be re-written as Town laws, but with no additional substantive revision.*

<b>Year</b>	<b>Law</b>	<b>Title of Law</b>
1964	Ordinance	Establishing 30 mile per hour speed limit in the Village
1968	1	Regulating the construction and use of sewers and imposing a system of sewer rents and collection procedures
1977	1	Open container law regulating alcoholic beverages in public or in any vehicle
1983	2	To regulate the operation of off-road vehicles, e.g., ATVs
1983	3	Pertaining to curfews (minors)
1985	2	To allow for publication of abstracts of local laws
1985	3	Administration and enforcement of NYS uniform fire prevention and building code
1986	1	Village land use regulations (prepared by St. Lawrence County Planning Office); also provides for Village zoning ordinance
1986	2	Prohibiting open fire
1987	1	Related to parking – no parking on streets, public parking lots between 3 a.m. – 6 a.m. except when permitted
1987	2	Peace and good order – no obstruction to crosswalk, sidewalk, church, restaurants, etc.
1989	1	Amends LL #1 of 1986 revising the minimum setbacks from lot lines
1990	1	Amends LL #1 of 1986 requiring a special permit for 1 or 2 family dwellings and multiple homes
1992	1	Amends LL #1 of 1968 (related to sewer permits)
1992	2	Providing for source separation and enforcement thereof (recycling)
1992	3	Flood damage prevention
1992	4	Fair housing to prohibit discrimination
1992	5	Amends LL #3 of 1992 application for participation in the national flood insurance program
1993	1	Providing for repair and removal of unsafe buildings and collapsed structures
1999	1	Junk and Junkyards (defining junk and what is allowed for licensing of

		junkyards)
1999	2	Amends LL(s) #1 of 1986, 1989 and 1990 to include sign regulations
2000	1	Amends LL#3 of 1983 pertaining to curfew for minors
2002	1	Amends LL#1 of 1986, 1989 and 1990 to include telecommunications
2003	1	Restricting construction and operation of outdoor wood-burning furnaces within the Village
2006	2	Amendment to LL #3 of 1985 (pertaining to the administration and enforcement of NYS uniform fire prevention and building code)
2008	1	Real property tax exemption for capital improvements to 1 and 2 family dwellings

#### **E. Village Debt**

As of 7-7-10, the Village has debts in the general fund, water fund and sewer fund. The principal outstanding for Village water debt is \$340,000 and for Village sewer debt is \$555,000. As described in Section A, paragraphs 8 and 9 of this Plan, the water and sewer debts will remain with the new Edwards water and sewer districts, thus there will be no net change and no net shift between taxpayers for Village water and sewer debt.

The principal outstanding in the Village general debt is \$23,750. This debt is for the Main Street paving project and the final bond anticipation payment due in this amount is to be paid in June 2011. Therefore, there will be no Village general fund debt at the time of dissolution. If, before dissolution, the Village has to incur debt, any debt payments will be levied against former Village properties as a special district tax until all debt obligations are paid.

#### **F. Village Fund Balances**

Upon an affirmative vote to dissolve in March 2011, but prior to the effective date of dissolution, the Village of Edwards will use any remaining general fund balance (which totaled \$19,797 as of 5-31-10) to pay the final payment for the Main Street Paving project (see Section E).

There will be no change in how the Village's water fund balance (\$32,437 as of 5-31-10) will be used to benefit Village water users, and no change in how the Village's sewer fund balance (\$28,904 as of 5-31-10) will be used to benefit the Village sewer users.

#### **G. Retired Employees**

Because there are currently no Village retirees receiving benefits from the municipality, there will be no transfer of retiree costs from the Village to the Town.

#### **H. Recurring Obligations**

The Village has no recurring obligations that would be considered as part of this Plan. Any existing agreements (e.g., DANC agreement) will transfer to the Town.

#### **I. Change in Revenues as a Result of Dissolution**

1. *Village Revenues that will transfer to the Town:* Upon dissolution, revenues the Village now receives in state aid, consolidated highway improvement program (CHIPs) funding, mortgage tax, and state tax relief (STAR) will all become Town revenues.
2. *Village Revenues that will not transfer to the Town:* Dissolution will definitely result in one specific revenue being eliminated – the Gross Utilities Tax revenue (currently \$2,500) since New York villages, but not towns, can levy gross utilities taxes. In addition this Plan assumes there will be no refund of prior year expenditures (which amounts to \$449 in the current budget year).
3. *Additional revenues due to state incentives:* If the Village dissolves, the consolidated community will be eligible for additional New York State Aid and Incentives to Municipalities (state unrestricted aid or “new AIM”). Currently the Town and Village receive \$13,747. Additional AIM for consolidating the two governments would be \$84,908 in Year 1, with future annual percentage increases in state aid from New York based upon the first year’s total AIM (current AIM + new AIM = \$98,655). This Plan provides that:
  - a. Additional AIM funding (\$84,908 in Year 1) will be used for reducing property taxes and/or creating a small contingency reserve for the community.
  - b. Use of AIM funding in subsequent years will be determined by the Town Board.

*Note:* The Dissolution Study Committee recognizes that AIM is an annual appropriation of the New York State Legislature and as such is subject to budget constraints. Thus, in Section K (Fiscal and Tax Impacts of Dissolution) we show the fiscal/tax rate impact on taxpayers both with and without new AIM.

## **J. Village Books and Records**

Upon dissolution of the Village all its records, books and papers will be deposited with the Town Clerk and will thereafter become part of the Town records.

## **K. Fiscal and Tax Impacts of Dissolution**

Along with Section I above (*Changes in Revenues as a Result of Dissolution*) the fiscal impact of all the changes in this Plan<sup>3</sup> are summarized below, and tax impacts follow the fiscal information. Both fiscal and tax impacts are based on Village 2010-11 and Town 2010 revenues and expenditures<sup>4</sup> and fiscal analysis as part of developing this Plan.

### *1. Mayor/Village Board Savings – \$6,700*

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<sup>3</sup> Includes long-term savings only. Does not include one-time savings that are associated with the Village’s 2010-11 budget. For details, see the Committee’s “Options Report,” available at [www.cgr.org/edwards](http://www.cgr.org/edwards) or at the Town Hall or Hepburn Library.

<sup>4</sup> For details, see the Committee’s “What Exists Report,” available at [www.cgr.org/edwards](http://www.cgr.org/edwards) or at the Town Hall or Hepburn Library.

- a. Mayor salary (\$2,700) and two trustees' salaries (each receive \$2,000).
2. *Clerk/Treasurer Savings* – \$2,500<sup>5</sup>
3. *Village Employee Benefits Savings* – \$2,312
4. *Contractual Expenses – Village Clerk-Treasurer's Office*<sup>6</sup> – \$2,500
5. *Insurance Savings* – \$2,000
6. *Savings of Municipal Association Dues* -- \$1,000
7. *Workmen's Compensation Savings* – \$2,500
8. *Elimination of Village Election Costs* – \$300
9. *Elimination of Village Contribution to Senior Citizens Club* – \$250
10. *Savings Due to Shifting Village Street Lighting Costs to New Special District* -- \$10,000
11. *Creation of Special Improvement Districts that Will Maintain the Following Village Services with No Net Change in Village Taxpayers' Cost and No Net Shift to Town-outside-Village (TOV) Taxpayers*
  - a. Water Services
  - b. Sewer Services

Taking into account the long-term savings itemized above, the loss of the gross utilities tax revenue, and likely loss of the small amount of revenue due to refunds associated with prior year expenditures, the direct cost reduction of dissolving the Village is small (\$27,113). Yet having one government still results in a significant reduction in Village taxpayers' property taxes, and also a reduction in TOV taxpayers' property taxes, whether calculated with or without new AIM.

Due to New York State's current budget constraints and the corresponding uncertainty about this future source of revenue, we summarize the tax impact below, and provide detailed information in the tables that follow, both with and without new AIM revenues.

### **Summary: Tax Impact With / Without New AIM for Home Assessed for \$50,000<sup>7</sup>**

<sup>5</sup> For administrative duties unrelated to water and sewer billing

<sup>6</sup> The Plan assumes that 50% of contractual expenses associated with this office will not be needed if the Village dissolves, while the remainder will transfer to the Town

<sup>7</sup> The Village contract with NYS for this dissolution study requests that the tax impact be shown based on a home assessed at \$100,000. However, Village officials said that \$50,000 should be the benchmark for their area, since assessed valuations of residential properties in the community are closer to the \$50,000 level.

The information below summarizes, based on current budget information, the tax impact of dissolving the Village for a homeowner with property assessed for \$50,000. The number of \$50,000 was selected for easy comparison of the impact of dissolution on Village and TOV taxpayers. The tables below exclude county, school and fire taxes and also water and sewer charges, because none are affected by dissolution.

**Current Village Taxpayer**

<b>Village Property (\$50,000 Assessed Valuation)</b>		
	<b>With New AIM</b>	<b>Without New AIM</b>
Current Tax:	\$706	\$706
Savings if the Village Dissolves:	(\$207)	(\$126)
Projected Tax:	\$499	\$580
Percent Change in Tax:	-29.4%	-17.9%

The current combined Village and Town tax rate is \$14.13 per \$1000 assessed valuation. The rate would drop to \$11.61 without new AIM, and to \$9.98 if 100% of new AIM was used toward property taxes. (In both scenarios, the new lighting district tax would be included and would equate to \$1.30 per \$1000.)

**Current Town-Outside-Village Taxpayer**

<b>TOV Property (\$50,000 Assessed Valuation)</b>		
	<b>With New AIM</b>	<b>Without New AIM</b>
Current Tax:	\$518	\$518
Savings if the Village Dissolves:	(\$84)	(\$3)
Projected Tax:	\$434	\$515
Percent Change in Tax:	-16.2%	-0.6%

*Note:* TOV residents in the Talcville light district pay an additional \$1.97 per \$1,000 assessed valuation.

The current combined Town and TOV tax rate is \$10.37 per \$1000 assessed valuation. The rate would drop to \$10.31 without new AIM, and to \$8.68 with new AIM if 100% of the AIM incentive was used toward property taxes.

Tax savings on a per capita basis for the entire Town would be \$27,113 ÷ 1,126 residents, or \$24.08 per year without New AIM and \$112,021 ÷ 1,126 or \$99.49 per year with New AIM.

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*(Note: In order to determine the tax impact that applies to you, find the table above that describes where your home (or other property) is located. To estimate your own tax impact, take the assessed value of your home (or other property), divide it by 1000, and then multiply the remaining number by the estimated tax rate (with and without new AIM.)*

***L. Payment of Outstanding Obligations and the Levy and Collection of the Necessary Taxes and Assessments***

This Plan, as described in the preceding sections, describes payment of all outstanding Village obligations. Upon dissolution, the Town will be responsible for collection of the tax levy and collection of the necessary taxes and assessments, in accordance with the Plan.

**M. Agreements Between the Village and the Town in Order to Carry Out the Plan for Dissolution**

All necessary agreements (e.g., transfer of titles on property and equipment) between the Village and Town are stipulated in earlier sections of this Plan.

**N. Other Matters Desirable or Necessary to Carry Out the Dissolution**

The Dissolution Study Committee considered the question: “Are there alternatives to current government structure short of dissolving the Village?” Upon analysis, the Dissolution Study Committee concluded that key services – assessor, court, vital records, street maintenance, dog control, historian, library support, and water and sewer plant maintenance – are either being provided by the Town or, in the case of water and sewer plant operations, are outsourced. Therefore, consolidated and shared service opportunities in other government service areas are too limited to be of any fiscal importance to the community. Thus, we recommend this Plan be submitted by the Village Board to Village voters to decide whether or not to dissolve the Village of Edwards.