

# Village of South Dayton Dissolution Plan

## Frequently Asked Questions

### 1. When and where will the referendum take place?

Voting will take place on Tuesday, July 14, 2026 at the South Dayton Library – 17 Park Street, South Dayton, NY between the hours of 12:00pm and 9:00pm.

### 2. Who would be able to vote in a referendum?

Only residents legally registered to vote in the Village of South Dayton can vote in the referendum.

### 3. Can I get an absentee ballot to vote in the referendum if I am not home?

Yes, you can request an absentee ballot for the referendum from the NYS Board of Elections.

### 4. How will the referendum be worded?

New York State General Municipal Law Article 17-A indicates that the referendum question placed before the electors of the local government entity to be dissolved shall be in a form reading substantially as follows:

“Shall (insert type and name of local government entity) be dissolved?

YES \_\_\_\_\_

NO \_\_\_\_\_”

### 5. How many Village of South Dayton votes have to vote “yes” on the referendum for the dissolution to pass?

It is a simple majority vote.

### 6. Can the Village of South Dayton require that the Town of Dayton allocate 100% of the Citizen Empowerment Tax Credit (CETC) funds to Village of South Dayton residents if the resolution were to pass?

No, the Village of South Dayton is unable to require the Town of Dayton to use 100% of the CETC be allocated to Village residents.

Should the referendum pass, New York State Finance Law requires the Town uses at least 70% of the CETC for property tax relief and the balance may be used for general municipal purpose.

The CETC is for use townwide and is not set aside solely or specifically for the former Village of South Dayton residents. Some Towns use the 100% of the CETC to lower the tax levy townwide, while others utilize the remaining 30% for any transition costs or other budgetary costs. CETC cannot be allocated to special improvement districts.

**7. For how many years will the state guarantee the CETC payments?**

The CETC is an annual payment, subject to New York State appropriations. Although not guaranteed, NYS has paid the CETC at the full amount since its inception in 2010, in all but one year during the COVID-19 crisis in which New York State paid 95% of the CETC.

**8. What will happen to the debt the Village holds?**

The water and sewer system debt will be passed to the Town and paid for by the users of the water and sewer system special districts. A referendum vote in favor of dissolution will be equivalent to a vote in favor forming the necessary special districts (water, sewer, sidewalks, and lighting) specified in the plan.

The Village will retire the EPA Stormwater Improvement and DEC ZEV Charging System Revenue Anticipation Note in June 2026, so that debt will *not* be passed on to the Town.

**9. What financial impact would dissolution have on Village taxpayers?**

The financial models were developed using the Town's 2025 Budget and the Village's 2025-2026 Budget.

If the Village dissolves, the property tax burden on Village properties would decrease from a current total Town and Village government tax burden of approximately \$18.40 per thousand dollars to an estimated \$5.00 per thousand, assuming 100% of the Citizen Empowerment Tax Credit is applied to reduce taxes for all Town taxpayers. The estimated post dissolution tax rate would be \$5.40 if the Town only applied the minimum 70% of the CETC.

However, Village residents would likely see a 33% increase in Water and Sewer fees and secure their own refuse and yard waste services. With those increased costs, the average property receiving water and sewer services would still see an overall savings of about \$100 per year.

This modeling does not take into account other property taxes such as those levied by Cattaraugus County, the school district, or the fire district.

**10. Would there still be an increase in Water and Sewer fees if the Village did not dissolve?**

Yes, the cost for water and sewer would still increase even if the Village did not dissolve.

**11. What will happen to the refuse and yard waste services Village residents currently receive?**

The Town will not provide refuse and yard waste services. Village residents will need to seek individual arrangements.

**12. What will happen to the Village Depot, Playground, Library and Gazebo?**

The plan calls for the Town will assume ownership, operate, and maintain these sites consistent with current Village practices.

The Town has stated they plan to keep the facilities pay for utilities as the Village does and would leave programming/volunteers as is. Any funds, including grant funds, with a designated purpose such as the Library, Playground or Depot will be transferred to the Town and the Town will retain their designated purpose.

**13. What will happen to the Village of South Dayton Fire Department?**

The Fire Department is its own entity and would not be affected by a Village dissolution.

**14. What will happen to local laws?**

Under state dissolution law, all village local laws remain in effect for two years after dissolution of until they are acted upon by the Town Board. The Town can choose to adopt, amend, or void these laws. There is a table starting on page 12 of the Dissolution Plan that lists the Village of South Dayton laws and the likely status on dissolution.

**15. If the Village were to vote to dissolve, when would the effective dissolution date be?**

Should the electors of the Village choose to dissolve the Village, the plan calls for the dissolution to be effective on May 31, 2027.

**16. Would there be a reassessment and revalue of Village properties if they were to dissolve?**

There is no change in the assessment process with dissolution. The Town assessor would still be responsible for managing assessments.

**17. Explain the Estimated Costs of Dissolution.**

If the Village dissolves, there are required activities that will need to occur including a final audit, a survey of village properties, and transfer of assets. The estimated cost for these tasks in the Village's plan is approximately \$62,000. If the Village votes to dissolve, it becomes eligible for a \$50,000 grant (which requires a \$5,000 local match) from New York State to help cover these costs. With a total cost estimate of \$62,000, the net cost of a potential dissolution to the local entity is estimated at \$17,000 (the

\$5,000 local match plus the remaining \$12,000 not automatically covered by the grant funds).