



Village of Van Etten Dissolution Plan

A Blueprint for Governance after Dissolution

April, 2018

Prepared for:

Village of Van Etten Dissolution Committee

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Adopted by the Village of Van Etten Board of Trustees on April 30, 2018

Presented at a Public Hearing in the Village of Van Etten on June 6, 2018



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Many thanks to the Village of Van Etten Dissolution Committee (listed in the document) who faithfully participated in committee meetings, reviewed documents and provided key insights on the community. Town Supervisor George Keturi and Village Mayor Jake Briggs were instrumental in convening the initial study committee and ensuring their respective staffs were available to meet and provide information, which provided valuable assistance throughout the project. Village Clerk Shirley Klose responded to many requests for data and provided valuable assistance.

Staff Team

Steve Hanmer provided key support in conducting committee meetings and preparing the final dissolution plan report. Amelia Rickard provided invaluable assistance conducting the inventory and researching key pieces of the report. Katherine Bell maintained the website for the project.

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Introduction

The Village of Van Etten is undergoing a process of developing a dissolution plan based on Article 17-A of the General Municipal Law. This plan is being developed subsequent to a referendum vote where the majority of those who voted to dissolve.

As part of the plan development process, a committee of village residents was formed to work with CGR to help draft a plan to be presented to the Village Board. In the process of drafting the plan, the committee considered a number of key questions about service delivery and finances that should be answered as part of the plan. In addition, the law mandates that specific items be described in the plan.

A description of the plan development process and the actual plan follow in this report. Once the plan is approved, possibly with modifications, by the Village Board, it will be presented to the residents of Van Etten at a public hearing. After the public hearing, the Village Board may choose to further amend the plan and then must formally approve it. After formal approval, residents can petition for another vote on the plan or it can proceed until it takes effect.

Summary of Process

Residents of the Village of Van Etten petitioned to conduct a referendum to dissolve the village. The dissolution vote took place under Article 17-A of the General Municipal Law that allows for a referendum on dissolution to occur prior to the development of a formal plan for dissolution. The Village of Van Etten, with the support of a grant from the New York State Department of State, contracted with CGR to conduct a high level review of the impact of dissolution on the services and financial obligations of the residents.

The report “Projected Impact of Dissolution on Village of Van Etten: Survey of Existing Conditions and Potential Future Operations” provided basic information about the potential impacts of dissolution to allow voters to make an informed choice when voting on the referendum. The residents voted for dissolution on December 11, 2017.

After the vote in favor of dissolution, the trustees of Village of Van Etten engaged CGR to assist a committee of Van Etten residents to develop a plan for dissolution to be presented to the Village Board and eventually to the residents of the Village. The committee of residents that assisted in the development of the plan is noted below:

- Cub Frisbie
- Gary Vergason

- Penny Flora
- Scott Rodman
- Jim Loomis
- Barbara Lawrence
- Jim Ammack
- Jim Sayre

This document is a result of the work of the committee members and CGR. The first section of the document is the dissolution plan and the second section explains how CGR and the committee arrived at the plan including some of the key questions that drove the development of the plan. A summary of the plan is included as an appendix.

Section I: Dissolution Plan of the Village of Van Etten

By the Village Board of Van Etten

Date – April 30, 2018

This document sets forth, in detail, the Dissolution Plan of the Village of Van Etten as developed by the Van Etten Dissolution Committee and presented to the Village Board on April 16, 2018. Following submission of the Plan to the Village Board, the Village Board may minor amendments to the plan and adopted the plan on April 30, 2018 – ahead of the deadline required by law of June 09, 2018. The Village Board must then conduct a public hearing of the plan between 35 and 90 days following adoption. ***This hearing is scheduled for June 6, 2018 at 6:30 pm at the Spencer-Van Etten Elementary School, 7 Langford St, Van Etten, NY.***

The Village Board has 60 days after that hearing to revise and approve a dissolution plan.

For 45 days after the Village Board approves the plan, the citizens can circulate a petition to gather at least 25 percent of registered voters to request a referendum on the plan. If a valid petition is submitted to the Village Clerk, then a referendum on the plan will be held which will result either in the plan being approved and the village dissolving, or the planning being rejected and the village remain

At the completion of these steps, the Village of Van Etten would dissolve effective December 31, 2018 unless impacted by the results of a referendum on the plan.

Overview

1. The local government entity to be dissolved shall be the Village of Van Etten, New York.
2. The territorial boundaries of the Village of Van Etten are based on the boundaries recorded on the current tax maps of Chemung County. The Village of Van Etten is in the Town of Van Etten in Chemung County, New York.
3. The type of entity is a village as defined in New York State Village Law.

Fiscal Estimate of the Cost of Dissolution

4. The fiscal estimate of the cost of the dissolution is estimated to be approximately \$52,000. This includes the following cost components:
 - Consultant fees to assist the Village in preparing the Plan and related documents and processes: \$19,000 (funded primarily with a New York State Local Government Efficiency grant)
 - Auditor fees to assist the Village in conducting a final audit. Estimate \$10,000
 - Surveys of village owned real property: Estimate \$3,000
 - Legal fees to assist the Village in researching legal issues. Estimate for all legal services: \$10,000
 - Miscellaneous advertisement fees, public referendum fees, etc.: \$10,000

Transfer or Elimination of Village Employees

5. The plan for the transfer or elimination of the current employees of the Village is shown below. All current Village employee positions will be eliminated. The Town will assume responsibility for the work provided by current Village employees as follows:
 - The Mayor's position will be eliminated. The Supervisor of Van Etten will absorb the responsibilities of executive leadership for the Village geography within their respective town. (Estimated savings: \$1,900)
 - The Village Board of Trustees will dissolve. All associated personnel expenses 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. (Estimated savings: \$4,420)
 - The current duties of the Village Clerk Office related to general fund operations, including the clerk, treasurer and tax collector functions will be absorbed by the

Town of Van Etten. The town will not likely need to add staff although some existing part time staff may have additional hours. (Estimated savings: \$16,000)

- The position of Village Code Enforcement Officer will be eliminated and the Town of Van Etten will become responsible for this task. No savings are estimated.
- The position of Water Operator will be transferred to the Town as part of the establishment of the Special Water District. Also, the clerk's responsibilities associated with managing the water department will be picked up by a member of the Town Clerk's staff. No savings are estimated.

Disposition of Property of the Village and Fund Balances

6. Unless otherwise sold or transferred to a special district or service provider, all real property improved or not improved will become the property of the Town of Van Etten. The Village may choose to sell any property (real estate, personal or business property) prior to dissolution of the Village at fair market value. The proceeds of those sales would be designated to the Water Special Reserve Fund.

Water facilities will be assigned to the Town of Van Etten's new Water District #1. The Village, with the assistance of legal representation, will establish a Water Special Reserve Fund with the express purpose of maintaining and repairing the water building and infrastructure. Any general village assets sold during the year before the dissolution, would be transferred to this fund as well as any general village assets sold by the Town after dissolution. Any taxes re-levied by Chemung County, related to taxes and fees levied by the village, shall be remitted to the Town after dissolution for assignment to the Water Special Reserve Fund for future maintenance or to reduce debt payments.

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 and the Town will, at their option, prepare any and all deeds for the Village to execute prior to the date of dissolution.

Village-owned real estate and real property shown in the table below will be transferred to the Town. The Assessed Value (Total AV) listed is as reported on the county Tax Roll and insured values as noted on statement.

| Parcel | Description | Assessed Value | Insured Value (including contents) | Size |
|------------|--------------------------------|----------------|------------------------------------|---------------|
| 45.18-1-38 | 6 Gee Street (Village Offices) | \$410,000 | \$695,714 | 90 by 85 ft |
| 45.18-1-39 | Gee St (Vacant Land) | \$13,600 | \$8,559 | 98 by 163 ft. |

| Parcel | Description | Assessed Value | Insured Value (including contents) | Size |
|----------------|--|----------------|------------------------------------|--------------|
| 45.18-2-34 | Railroad Street Parking Lot/Landing Zone across from Fire Station | \$11,200 | | 36 by 160 ft |
| 45.17-2-1.112 | Water Source and Pump – Access of Main Street | \$13,000 | \$458,427 | 7.99 acre |
| 44.00-1-12.123 | State Route 224 (Water Tank) | \$191,800 | \$179,928 | |
| | South Hill Road (Pump House) | | \$95,405 | |
| 45.18-1-3.2 | State Route 224 and Langdon Street (Skate park) | \$500 | \$19,836 | .09 ac |
| 45.18-1-71 | Fire Hall (2 Hixon St) | \$238,000 | | 98 by 75 ft |
| 45.18-1-70 | Vacant Land on Railroad St (NW corner of Hixson and Railroad) | \$1,800 | | 73 x 123 ft |
| 45.18-1-72 | Vacant Land on Hixon St – just Northeast of Fire Hall | \$1,300 | | 45 x 98 ft |
| 45.18-2-36 | Vacant Land at corner of Rt 34 and Warner Street | \$6,000 | | 1.24 acres |
| 45.18-2-47 | Vacant Land with pond – accessible of Warner Street | \$5,900 | | 1.2 acres |
| 45.13-1-8.1 | Vacant Land on Route 224 near ball field and Mt. Hope Cemetery | \$500 | | 297 x 98 ft |
| 45.13-1-1 | Mount Hope Cemetery | \$31,900 | | 9.9 acres |
| 45.13-1-2 | Canfield Cemetery | \$12,500 | | 6.10 acres |
| 45.13-1-4 | Mount Hope Cemetery | \$14,700 | | 210 by 98 ft |
| 45.18-1-84 | Clock Tower (Front Street) | \$500 | | 21 by 41 ft |
| 55.06-1-17 | Cemetery (on Waverly Street) | \$3,300 | | |

- The village-owned equipment and vehicles consist of the fire department assets and a single John Deere tractor. The fire department apparatus are: a 2015 Ford F350 Utility/Brush Truck (Unit 1771), a 2008 Ford Expedition (Unit 1782), a 2003 Kenworth Tanker (Unit 1733), a 1993 Freightliner Engine (Unit 1731), and a 1994 PemFab Engine (Unit 1732).
- Personal property owned by the Village at the time of dissolution will become the property of the Town of Van Etten. Personal property will mean and include office equipment, furniture, tools, parts inventory, and any other items commonly considered to be personal property.
- The Village plans to use fund balance to pay down existing Village general fund debt prior to the effective date of dissolution. Village fund balances, including proceeds from the sales of any assets, remaining upon Village dissolution will be transferred to the Town of Van Etten into the Water District # 1 Special Water

Reserve Fund or other purposes to benefit the area of the village. The amounts that will actually transfer upon dissolution will be the amounts that are in each fund at the time dissolution takes effect. Amounts listed below provide information on status of fund balances as of May 31, 2017. Funds that remain on the effective date of dissolution would transfer as follows:

- The Village Water Fund balance will transfer to the Town of Van Etten Water District # 1 for a Reserve Fund and be managed by the Town Board of Van Etten with advisement from the Water Advisory Committee. (As of 05/31/2017, the fund total was \$23,265).
- The Village general fund will transfer to the Town of Van Etten for other purposes to benefit the area of the village¹. (As of 05/31/2017, the fund total was \$85,507).

Village Liabilities and Debts

7. The Village liabilities and indebtedness are as follows:

- Liabilities. None are known at this time. There are no current lawsuits or proceedings against the Village.
- Indebtedness – As of May 2017, the Village had \$1.4 million in outstanding debt.
 - A \$15,000 bond related to Village Hall renovations will be satisfied by the end of May 2018. Upon dissolution, all general fund debt will have been retired.
- The remaining debt is all associated with the Water System. The debt associated with the water fund is \$1.4 million. It is scheduled to be paid until 2035 for the \$1.1 million remaining on the zero interest loan from Environmental Facilities Corporation and to 2043 for the other \$210,000 on the 4 percent interest loan from Rural Development Program of the USDA. It is possible that the village could choose to retire portions of the Rural Development Loan in advance based on sales of assets.

Agreements to Carry Out Dissolution

8. This Plan was developed by the Dissolution Committee with the best interest of all residents in the Village and Town outside of Village in mind. The Committee anticipates that if dissolution of the Village is ultimately approved by the Van Etten Village Board and voters that the succeeding Town government will provide for and

¹ Benefits to the area of the village include potential renovations of the municipal building for a future use such as a library or for maintenance or expansion of the sidewalk network or streetlights.

comply with the Plan set forth in this document. The Dissolution Committee recognizes the Plan could be impacted by unforeseen circumstances occurring at the time of dissolution. Thus, this document is a plan, not a guarantee. However, representatives on the Committee endorse this Dissolution Plan, which was developed in good faith and with the input of all members of the Committee.

The following agreements will be developed in order to continue services considered valuable by the residents of the Village:

- Development of a Water Advisory Committee to assist the Town Board in the management of the Town of Van Etten Water District # 1 including recommendation of rates and recommend use of the Special Water Trust Fund.
- Creation of a Van Etten Cemetery Committee to assist the Town Board in the management and continued operation of the Mount Hope Cemetery and the Canfield Cemetery.

Continuation of Village Functions or Services

9. Services formerly provided by the Village government will be provided as follows:

- **Legislative services.** Local government representation shall be provided by the Town Board.
- **Administrative services.** All administrative and clerical positions of the Village will be eliminated at the time of dissolution.
- **Village Records.** The village records will be transferred to the Town of Van Etten after dissolution.
- **Public works services (not including water services addressed below).** Street maintenance, snow plowing, traffic control devices, park maintenance, mowing, grounds keeping, and related services provided by the former Village will be provided by the Town. This includes maintenance of the skate park.
- **Cemetery.** The village owned cemeteries will be transferred to the Town on dissolution as well as any money designated for perpetual care and all relevant records. The Town will continue to operate the cemeteries in a manner similar to current operations with the assistance of the Cemetery Committee created by the Town Board.
- **Street Lighting.** Street lighting will be continued by the Town with a total annual expense of \$14,000. The Town will be responsible for providing street lighting services within the boundaries of the existing Village, with costs funded in the general town budget.

- **Sidewalk District** – The Town will establish a Special Sidewalk District to maintain and expand the sidewalk network in the area of the village. These activities will be funded by state aid (CHIPS funding) based on an annual application. The intention is that this activity will be fully funded by the state aid and there will be no cost to the residents of the district. In 2017-18, the amount of state aid was \$15,000 and the work was done by private contractors, which can reasonably be expected to continue in the future.
- **Water.** Water services for Village residents will be maintained and provided by the Town of Van Etten. The Town will create and establish by resolution a Special Improvement District to be known as the Van Etten Water District (Van Etten Water District #1) as provided by Article 12 and 12A of Town Law. Costs for the district will be covered by user fees. Existing Village water fund debt will be the responsibility of water users and be paid for through the user fees and parcel assessments. The Town will also establish an advisory committee. The Water District Advisory Committee will be charged with recommending water rates, advising on management of the Reserve Fund, and reporting concerns related to the water system. The Water District Advisory Committee should consist entirely of users of the water system. The Town Board will manage the appointment process to this committee.
- **Refuse and Recycling.** The Village will renew the contract to expire on December 31, 2018 and pay monthly installments until the dissolution is complete. . The Town will negotiate a contract for refuse and recycling in the area of the village with a private hauler and make the service available to the residents at the full cost of the service.
- **Youth Services.** The Town will increase the funding of these services by \$250 to maintain the funding from the Village.
- **Continuation of Community Beautification/Dumpster Days** .The Town will continue to offer community beautification days two times per year at a central location(s) in the Town and open to all Town residents., The Town should charge those who decide to participate a fee that will aim to offset the cost of providing the service.
- **Summer Meals and Community Foodbank:** It is important that these programs remain in the community including possibly holding it at the village municipal building. There is no fiscal impact of continuing this program except possibly for building operations, however the community may need to identify a cadre of volunteers to replace the members of the fire department and auxiliary that support the program today.

- **Zoning enforcement / planning.** Zoning enforcement services provided in the former Village will be provided by the Town via the existing staff and board.
- **Fire and EMS.** The fire and EMS service will be provided by the Community Fire & Rescue department (CFR) in the Town of Van Etten through the Town fire protection district, which will be extended to include the Village service area.
- **Municipal association** dues paid by the former Village to the New York Conference of Mayors will be eliminated.
- **Village attorney.** The Village will no longer contract for an attorney. However, because of likely additional work related to the area of the village, the town attorney line will be increased by \$2,000 half of the amount.
- **Other Expenses,** Certain village expenses that would not be needed by the town will be eliminated such as municipal association dues, elections, insurance charges, and social security costs. The Town contingency account will be increased by \$2,500.

Disposition of Village Assets When Dissolution is Effective

10. The Village will dispose of those assets remaining on the effective date of the dissolution by turning them over to Van Etten to become Town assets. The Village knows of no liabilities at this time that would become the responsibility of the Town upon dissolution of the Village. The Village cannot project whether or not there may be uncollected taxes upon the date of dissolution; however, any uncollected taxes will have been turned over to the County per current practice. If the County successfully collects on those debts, the funds will be given to the Town for use to increase the Special Water Reserve Fund.

Village Laws and Ordinances

11. Van Etten Village Laws are listed in the village records. All the laws deemed to still be in effect are listed below.

The list shows the impact of dissolution on laws, ordinances, and resolutions excluding any that were listed as repealed or superseded. Codes listed as NA (not applicable) will not be effective upon dissolution of the Village. All other codes listed, in accordance with GML Article 17-A §789, remain in effect for a period of two years following dissolution, as if the same had been duly adopted by the Town Boards. They shall be enforced by the Town within the limits of the dissolved Village, except that the Town Boards shall have the power at any time to amend or repeal such local laws, ordinances, rules or regulations in the manner as other local laws, ordinances, rules or regulations of the Town.

Key Definitions

- NA Village code is no longer applicable; is not enforced; has been superseded; or is irrelevant upon dissolution. These codes do not become part of Town law when dissolution takes effect.
- A Codes that should be rewritten as Town laws, following Town review.
- B Codes for which the Town currently has a similar law in effect. Provisions of the Village law may only need to be incorporated in existing Town law.

Impact of Dissolution on Laws and Ordinances Listed in the Village Code

| Key | Title of code | Date of Law |
|-----|--|-------------|
| N/A | 2016#1: Overriding the property tax cap | 5/27/2016 |
| A | 2014#1: Restricting use of all terrain vehicles and limited use motorcycles ("dirt bikes") | 5/29/2014 |
| N/A | 2013#2 - 6 Month Moratorium on outdoor Wood-burning Furnaces | 7/15/2013 |
| N/A | 2013#1 - 6 Month Moratorium on All-Terrain Vehicles | 7/15/2013 |
| B | 2006#2 - Law Providing for the Administration & Enforcement of NYS Uniform Fire Prevention & Building Code | 12/26/2006 |
| A | 2006#1: Establishing Water Department authority and water service / maintenance requirement | 3/9/2009 |
| A | 2001#4 - Curfew Law for Minors | 10/12/2001 |
| A | 2001 #3 - Repair, Demolish or Removal of Unsafe Buildings | 3/29/2001 |
| A | 2001#2 - Unlicensed and/or Unregistered Motor Vehicles | 3/29/2001 |
| A | 2001#1 - Solid Waste & Related Items Regulation Law | 3/29/2001 |
| A | 2000# 1 - Adult Entertainment | 3/16/2000 |
| A | 1999#4 - Establishing shrub and tree set backs from sidewalks | 7/6/1999 |
| A | 1999#3 - Establishing snow and ice removal from sidewalks | 7/6/1999 |
| A | 1999#2 - Establishing conditions for sidewalks | 7/6/1999 |

| Key | Title of code | Date of Law |
|-----|---|-------------|
| A | 1999#1 - Construction & Maintenance of Safe Sidewalks | 7/6/1999 |
| A | 1994#2 - Partial Tax Exemption for Improvements to Existing Residences | Unk. |
| A | 1991#1 - Regulating the Posting of Location Numbers in the Village of Van Etten | Unk. |
| A | 1993#1 -Trash Law | Unk. |
| A | 1992# 1 - Van Etten School Speed Limit Law | Unk. |
| A | 1989#2 - Prohibition of Open Alcoholic Beverage Container within Village | Unk. |

Effective Dissolution Date

12. Should the Village dissolve, the dissolution will be effective on December 31, 2018.

Official Public Hearing

13. The Village will hold an official public hearing at 6:30 p.m. on June 6th at the Spencer-Van Etten Elementary School.

Other Matters Pertinent to Dissolution

14. Other matters – A) loss of specific revenue upon Village dissolution, and B) summary of the fiscal impact of dissolution.

A) Revenue Impact -The Town of Van Etten cannot collect the gross utilities receipt tax. However, that tax is paid by the residents of the village on their utility bills, so they will see a savings on their utility bills. The Village currently collects \$3,000 in franchise fees. This would stop after dissolution. The town will lose \$15,000 in revenue from the village for snow removal. However, they will receive the full amount of the CHIPS funding that the village used to pay this line. The Town will receive the full share of sales tax distribution from the county.

B) Fiscal impact - The table below identifies how tax bills would have been affected in fiscal year 2017 had Village dissolution been in effect. It is important to note that upon dissolution, the Town government would become eligible for a Citizen Empowerment Tax Credit (CETC). This is an annual incentive from NYS for consolidating governments. The incentive is based on a formula: 15% of the Village tax levy PLUS 15% of the Town's tax levy. The table shows the fiscal impact both with and without

the CETC, and assumes 100% of the CETC is applied to reduce taxes for all Town taxpayers. The CETC, based on 2017 fiscal year budgets, equates to \$91,813.

The table excludes water charges, since these charges are billed as user fees to Van Etten residents. Also, the projected rates (highlighted in yellow) are shown rounded to the nearest 10 cents because of the variables related to forecasting future tax rates. A change of about \$8,000 in either expense or revenue for the Town of Van Etten would move the tax rate by about \$0.10 per assessed thousand.

Summary of Projected Tax Rates for Single Government

These tax rate estimates are based on the 2017 Town Budget and the Village 2017-18 Budget. The actual impacts may differ slightly as actual costs are developed by the Town of Van Etten. Since the plan, based on conversation with the Town, does not included the creation of any special districts for the Village, all town residents will be treated equally in regards to their tax rates. ***Based on the existing tax laws, the scenario with the CETC is the most likely scenario for the future tax rates.***

As shown in the table, Village of Van Etten residents would see an 11% drop in their tax rate with the state consolidation incentive (CETC), and a 8% drop without it.

| Village of Van Etten Tax Schedule (Based on 2017) | | | |
|---|------------|----------------------|------------|
| | Current | Potential w/ CETC | No CETC |
| County | \$ 7.0644 | \$ 7.0644 | \$ 7.0644 |
| Community College | \$ 0.6077 | \$ 0.6077 | \$ 0.6077 |
| Library | \$ 0.6843 | \$ 0.6843 | \$ 0.6843 |
| Town (incl Highway) | \$ 6.6459 | \$ 5.4000 | \$ 6.5000 |
| Fire | n/a | \$ 1.3000 | \$ 1.3000 |
| Village | \$ 4.0112 | \$ - | \$ - |
| School | \$ 18.6172 | \$ 18.6172 | \$ 18.6172 |
| Total Tax Rate | \$ 37.63 | \$ 33.67 | \$ 34.77 |
| Median Value Home Tax Bill Based on \$90,000 of Assessed Value | \$ 3,387 | \$ 3,031 | \$ 3,130 |

Town of Van Etten (TOV) residents would see a 4% decrease in their tax rate with the CETC incentive and a 0.4% decrease without the CETC. As previously noted, these projections are based on the Village 2017-18 and the Town 2017 budgets.

| Town of Van Etten Tax Schedule (Based on 2017) | | | |
|---|------------|----------------------|------------|
| | Current | Potential w/ CETC | No CETC |
| County | \$ 7.0581 | \$ 7.0581 | \$ 7.0581 |
| Community College | \$ 0.6077 | \$ 0.6077 | \$ 0.6077 |
| Library | \$ 0.6843 | \$ 0.6843 | \$ 0.6843 |
| Town (incl Highway) | \$ 6.6395 | \$ 5.4000 | \$ 6.5000 |
| Fire | \$ 1.2879 | \$ 1.3000 | \$ 1.3000 |
| School | \$ 18.6172 | \$ 18.6172 | \$ 18.6172 |
| Total Tax Rate | \$ 34.8946 | \$ 33.6672 | \$ 34.767 |
| Median Value Home Tax Bill Based on \$90,000 of Assessed Value | \$ 3,141 | \$ 3,030 | \$ 3,129 |

Section II: Key Questions Related to Dissolution

While much of the dissolution plan has been developed based on the projected service impacts identified in the initial study conducted before the dissolution vote in December 2017, there were several questions that need to be answered as part of the dissolution plan.

- How to ensure continuity of services?
- How best to transition Village Clerk responsibilities and tasks, particularly related to water services, to the Town Clerk?
- How will garbage collection be handled? Will the town take it over and either pay for it or charge resident similar to current fee model?
- What is the staffing plan for absorbing code enforcement?
- How will community beautification efforts and maintenance of public spaces be absorbed into town departments and budgeted?
- What to do with the summer meals program?
- Will there be special districts formed for sidewalks and street lights?
- How will town absorb responsibility for roads and the skate park?
- How will the town board establish governance over and conduct formation of water special district? How to put village assets into water special district?
- What is the current financial state of the Village of Van Etten?
- What are the actual assets of the Village of Van Etten?
- What happens to Village Hall and adjacent storage facilities?
- How to transfer the cemetery, including the name?
- How will fire services response, staffing, and equipment be transferred and to whom? What equipment is owned by the Village fire department versus the operating fire company? What will happen to the Fire station?
- Will youth services continue to be funded through Panther PAK program?
- How will the food cupboard program be maintained (Fire department)?
- How will the water district/department be managed and staffed?

Each of these questions is discussed below and where appropriate, the results of the discussion are reflected in the accompanying dissolution plan. When there are

alternatives in the section below, a preferred option was selected to be included in the dissolution plan for consideration by the village board and residents.

Fire Service Discussion

The Village of Van Etten Fire Department is a fully volunteer organization that provides response to both fire and medical emergencies in the village. Based on CGR's review of operations and interviews, the course of action included in the plan is that upon dissolution the Village Fire Department will no longer be operated and the Town Fire protection district will be extended to include the boundaries of the Village. The result is that the Community Fire & Rescue department (CFR) in the Town of Van Etten will provide fire protection and emergency medical first response to the former village.

CFR is willing to accept all qualified individuals from the company serving the Village Fire Department. The town and CFR have indicated that there will only be a minimal increase in the amount that CFR will need to provide the additional service to the village. As part of this plan, twenty percent of the amount spent by the village on fire protection, \$11,750, will be added to the fire contract with CFR. The resulting amount will be \$119,500, an 11 percent increase of the contract with CFR. Also, the town will continue to apply \$10,000 of their sales tax revenue to the contract, reducing the amount needed to be raised by taxes.

All village owned fire apparatus and equipment will be sold with revenues going to the village or the water district reserve fund (described below). The fire hall and property will be transferred to the Town, in the same manner as all other Village-owned property and facilities. As noted in other areas of the report, several community programs operated out of the current fire hall will need to find a new home.

The approximate values of the apparatus are:

- Engine 1731 \$50,000
- Engine 1732 \$20,000
- Tanker 1733 \$100,000
- Utility 1771 \$40,000
- EMS 1782 \$8,000
- Total estimated fair market value is \$218,000

The approximate values of the fire service equipment is \$30,000

The transfer of service could occur prior to the dissolution of the village. This would enable the village to control the sale and other disposition of the assets of the fire

department. CFR has indicated that they have enough resources to begin coverage of the village with minimal notice.

Establishment of a Special Water District

Upon dissolution of the village, the Town of Van Etten will establish a Special Water District that will serve the 204 customers currently served by the village water system as well as those served by hydrant service. The water district will be self-funded by the users of the system and residents inside the district through user fees and parcel assessment similar to how they are administered today.

An advisory committee, with representation from users of the Water District will be formed to advise the Town board in conducting annual rate setting and budget adoption. In addition, the Town will oversee meter reading, billing and revenue collection, the system operator staff, and necessary contracted work to ensure the overall quality of the water supply and the delivery of water to system users.

As part of the creation of the town Special Water District, a fund will be created from the proceeds of all of the village asset sales to create a reserve fund for future repairs and to dedicate a portion of that fund to pay for some of the yearly debt service. The specific language included in the dissolution plan to achieve this is:

The Village, with the assistance of legal representation, will establish a Water Special Reserve Fund with the express purpose of maintaining and repairing the water building and infrastructure. Any general village assets sold during the year before the dissolution, would be transferred to this fund

The Village, with the assistance of legal representation, will establish a Water Special Reserve Fund with the express purpose of maintaining and repairing the water building and infrastructure. Any general village assets sold during the year before the dissolution, would be transferred to this fund as well as any general village assets sold by the Town after dissolution. Any taxes re-levied by Chemung County, related to taxes and fees levied by the village, shall be remitted to the Town after dissolution for assignment to the Water Special Reserve Fund for future maintenance or to reduce debt payments.

The Van Etten Water District Advisory Committee should be established by the Town of Van Etten Town Board to assist in the management of the water district. The Water District Advisory Committee will be charged with recommending water rates, advising on management of the Reserve Fund, and reporting concerns related to the water system. The Water District Advisory Committee should consist entirely of users of the water system. The Town Board will manage the appointment process to this committee.

Refuse and Recycling Collection

There are several options for refuse collection that were presented by members of the dissolution committee and town government. This service area generated significant discussion and a clear consensus was not identified other than wanting to have the current service continue for a period of time to allow for a suitable alternative to be identified by the Town.

Option A: The Village will renew its current contract prior to June 1, 2018 and prepay the total annual cost of \$13,200 (\$1,100/month), which will extend the service to the existing users within the village border through May 31, 2019. Upon dissolution of the Village, the Town agrees to honor the remaining terms of the contract, keeping any revenue generated from the sale of refuse tags, and will reevaluate how the services will be provided starting June 1, 2019. This includes the potential for creating a special refuse district in the area of the former village.

Option B: The Village will renew its current contract prior to June 1, 2018 and prepay 2 years of annual cost (\$1,050/month or a total of \$27,600), which will extend the service to the existing users within the village border through May 31, 2020. Upon dissolution of the Village, the Town agrees to honor the remaining terms of the contract, keeping any revenue generated from the sale of refuse tags, and will reevaluate how the services will be provided starting June 1, 2020.

Option C: The Village will renew the contract for one year prior to June 1, 2018 and pay monthly installments until the dissolution is complete, at which time the Town will determine the future of the contract. This determination could include continuing the contract and stopping the general fund subsidy by raising tag prices to generate enough revenue to cover costs or discontinuing the contract to allow interested users to procure trash hauling services directly with a private contractor. The latter may impact the method and/or cost for resident disposal of recycling. (Chosen by Village by Board on 4/30/18.)

Street Maintenance

The Town will continue to maintain Village streets, assuming responsibility for the current paving contract maintained by the Village or performing the associated services as part of the Town Highway operation. Any flood control efforts currently supported by the Village will be assumed by the Highway Department supported by the Town.

Utilization of Municipal Building

The Town will continue to pay for maintenance of the facility upon dissolution, including utility payments, until a suitable use can be determined or until the property is sold. A potential use would be the relocation of the Van Etten Library from the Town Hall to the Municipal Building. There is also the demand for community space to support programs like blood drives, exercise classes for seniors, and support of local food cupboard distribution.

Similarly, the town will continue to maintain the shed located on the premises until a decision is made as to its best use. If the building is sold, the revenue from the sale will go to the Water District Reserve Fund described above.

Continuation of Community Beautification/Dumpster Days

The Town will continue to offer community beautification days two times per year at a central location in the Town and open to all Town residents, at an annual cost of \$1,500 to station up to 3 dumpsters. The Town should charge those who decide to participate a fee that will aim to offset the cost of providing the service. For the fiscal model, the full cost of the dumpsters is included in the town budget and there is offsetting revenue equal to half of the cost.

Cemetery

The Mount Hope and Canfield cemeteries are managed by the village board and one Trustee is designated annually as the manager. Both cemeteries actively sells plots and receives burials. These duties will be transferred to the Town Clerk. The bulk of \$15,000 budgeted by the Village in 2017-18 is to maintain the property, primarily mowing and maintaining the trees. A smaller share is used for assisting with the burials. The revenue from selling plots and grave opening fees provides an estimated 25 percent of the operating costs of the cemeteries.

The status of any dedicated reserves for the management of the cemetery was unclear at the time of the drafting of this plan. Any dedicated reserves would be transferred to the town for their continued management of the cemetery.

Option A (Preferred): The Town will take over operation and maintenance of the Village owned cemeteries. The cost for operating the cemetery would become a part of the general fund. Towns are required by law to maintain the cemeteries inside their limits unless they are operated by a cemetery association or a village. For the fiscal model of the dissolution plan, the expenses and revenue associated with the operations of the cemetery are included in the town budget. The fiscal impact of this would be about \$0.10 per thousand to all town residents. {Endorsed by Village Board.}

Option B: Prior to dissolution, the Village of Van Etten will establish a cemetery association according to the New York State Cemetery Law, which sets standards for the establishment, maintenance, and preservation of burial grounds in New York State. This option could also occur after dissolution by the town if they choose to no longer manage the cemetery. This would remove responsibility from the town for the operation of the cemetery and have the effect of reducing the costs for the town.

Food Cupboard and Summer Meals

These services currently provided in the Village by separate providers will need to find a new home to continue their operations. The Southern Tier Foodbank's current Food Cupboard program is an important service to Village (and Town) residents and Committee members felt that it is important to encourage other facilities to consider hosting this program. As for the Summer Meals program hosted by the Van Etten Fire Department, the Village residents heavily utilize this program for daily meals and a Friday backpack of supplies throughout the summer months. Committee members felt that it is important to encourage other facilities in the community to consider hosting this program, including possibly holding it at the village municipal building.

There is no fiscal impact of continuing this program except possibly for building operations, however the community may need to identify a cadre of volunteers to replace the members of the fire department and auxiliary that support the program today.

Code Enforcement

The existing code enforcement position will be eliminated and these responsibilities will be absorbed by Town code enforcement personnel. See Section 11: Local Ordinances and Laws of this report, where the provision of specific requirements relating to long grass or the accumulation of trash are regulated by ordinances that add to the common uniform state code shared by both the Town and Village.

The town budget will likely need to increase by \$2,400 in personal services and \$400 in contractual to cover the additional work in the village. This is placed in the town wide fund with an impact of less than \$.05 per thousand.

Maintenance of Skate Park

The Town will take responsibility for maintaining the park, including sealing, mowing and paying for any related insurance policies. The related expenses for this program have been moved to the Town budget. The fiscal impact is minimal for this expense as the village budgets only \$750.

Youth Services

The Town will absorb the cost of providing youth services to village residents through the Panther PAK program by expanding their current contribution to the same program that is also available to town residents. The town currently pays \$6,500 and the village \$250. Under the impact model, the town costs will go up to \$6,750. The fiscal impact is minimal for this expense as the village budgets only \$250.

Operation and Maintenance of Sidewalks

Option A (Preferred): The town will continue services currently provided by the Village as part of the townwide budget, in recognition that village sidewalks are utilized by town residents and by visitors utilizing local businesses and other community attractions. The town will continue the existing regulations requiring that residents clear their sidewalks after significant snowfall. It is doubtful that the town will plow the sidewalks after heavy snow, a service that is currently provided by volunteers in the village using village owned equipment, unless additional funding is given to the Highway Department for this service.

The fiscal model includes moving the full \$15,000 for contractual expense to the townwide budget. There would also likely be revenue from CHIPS funding from the state that the Town begin receiving after dissolution for the expansion and repair of the sidewalk network. The fiscal impact of this option would be about \$0.20 per thousand to all town residents including the impact of the CHIPS funding.

Option B: The town will be asked to create a special district for sidewalks to collect the necessary revenue to support continuation of services currently provided by the Village. The Village currently plows the sidewalks after significant snowfall and repairs the sidewalks either with their own staff or with contractors when necessary. Sidewalks are seen as needed to keep the community a walkable and will be assessed through a special district tax to pay the associated costs. Under this option a specific sidewalk district would be created that matches the area of the current village and the residents of that area would pay about \$0.90 per thousand for the sidewalk service.

Operation and Maintenance of Street Lights

Option A (Preferred): The town will be asked to create a special district to collect the necessary revenue to maintain streetlights currently operated in the Village. The Village currently pays an annual contract to support the maintenance of the streetlights. The Village has streetlights at multiple locations that are viewed as a necessity by the residents and will be assessed through a special district tax to pay the associated costs.

The fiscal impact of this would be about \$0.20 per thousand to all town residents.

Option B: The town will continue paying the contractual services currently supported by the Village as part of the townwide budget, in recognition that village streetlights provide town residents and visitors a safe environment for managing concurrent vehicle, bike, and foot traffic.

The fiscal impact of this would be about \$0.90 per thousand to former village residents.

Continuation of Laws

Under the laws governing dissolution, all Village Laws remain in effect for two years after dissolution. During that time the Town of Van Etten must review the laws and determine if they should be maintained by the Town. The dissolution plan contains recommendations for the dispositions of the laws.

Financial State of the Village

The village has only one general fund debt, related to the village municipal building. It will be retired in 2018 before any possible dissolution. The debt associated with the water fund is \$1.4 million. It is scheduled to be paid until 2035 for the \$1.1 million remaining on the zero interest loan from Environmental Facilities Corporation and to 2043 for the other \$210,000 on the 4 percent interest loan from Rural Development Program of the USDA. It is possible that the village could choose to retire portions of the Rural Development Loan in advance based on sales of assets. The value of real property listed in the Disposition of Property Section 6, is based on assessed values as recorded on the tax roll and may not reflect the fair market value of the property.

Continued Enfranchisement of Village Residents

Village residents are concerned that their ability to share their opinions and requests with their elected officials will be diluted when the Village dissolves. While there is no specific method in the Town of Van Etten to ensure that residents of Van Etten have their voices heard, it will be incumbent on the residents to engage with the Town government by attending meetings and volunteering to serve on committees.

Appendix A: Dissolution Plan Flow Chart

The Reorganization of Local Government:

A Summary of the Government Reorganization Processes



General Municipal Law Article 17-A provides a unified process for the consolidation and dissolution of local government entities. The process is applicable to towns, villages, fire and fire protection districts, special improvement districts, other improvement districts created pursuant to Articles 11, 12, 12-a or 13 of Town Law, and other districts created by law. **It excludes school districts, city districts, or special purpose districts created by counties under County Law.**

Under Article 17-A of General Municipal Law there are two different methods for local governments to consider: Board-Initiated or Citizen-Initiated. The process for either consolidation or dissolution is the same. The following is a brief outline of the processes found in Article 17-A.

Procedural details may be found in the Department of State publications:

- *The New N.Y. Government Reorganization and Citizen Empowerment Act*
- *The New N.Y. Government Reorganization and Citizen Empowerment Act: A Summary of the Process for Consolidation and Dissolution*

VOTER- INITIATED REORGANIZATION

Article 17-A of General Municipal Law provides a process for voters to petition for a public vote on consolidating or dissolving their local government. Only voters registered in the local government entity may sign consolidation petitions, or serve as the contact person for the petition [§757(3)].

Unlike a board-initiated reorganization, in a voter-initiated process the consolidation agreement or dissolution plan will not be developed until after the referendum on whether to consolidate or dissolve passes. The plan must contain the same information as one prepared in a board-initiated process. Once a proposed plan is prepared by the governing bodies, voters have the opportunity to conduct another petition drive to require a second referendum, this time on the plan itself. If that drive is successful and another referendum is held, it too must pass in order for the reorganization to take effect.

If the governing bodies are unable or unwilling to prepare and approve a reorganization plan, five voters who signed the original petition may bring a C.P.L.R. Article 78 action in state Supreme Court. Depending on its findings, the court may refer the matter to mediation or issue an injunction compelling the governing bodies to act. If the governing bodies still fail to act, the court may appoint a judicial hearing officer to develop and approve a plan [§764].

A petition must contain, for each governmental entity to be consolidated or dissolved, the signatures of 10 percent of the registered voters in that entity or 5000 signatures, whichever is less. However, if a governmental entity to be reorganized has 500 or fewer registered voters, signatures of at least 20 percent of the voters are required.

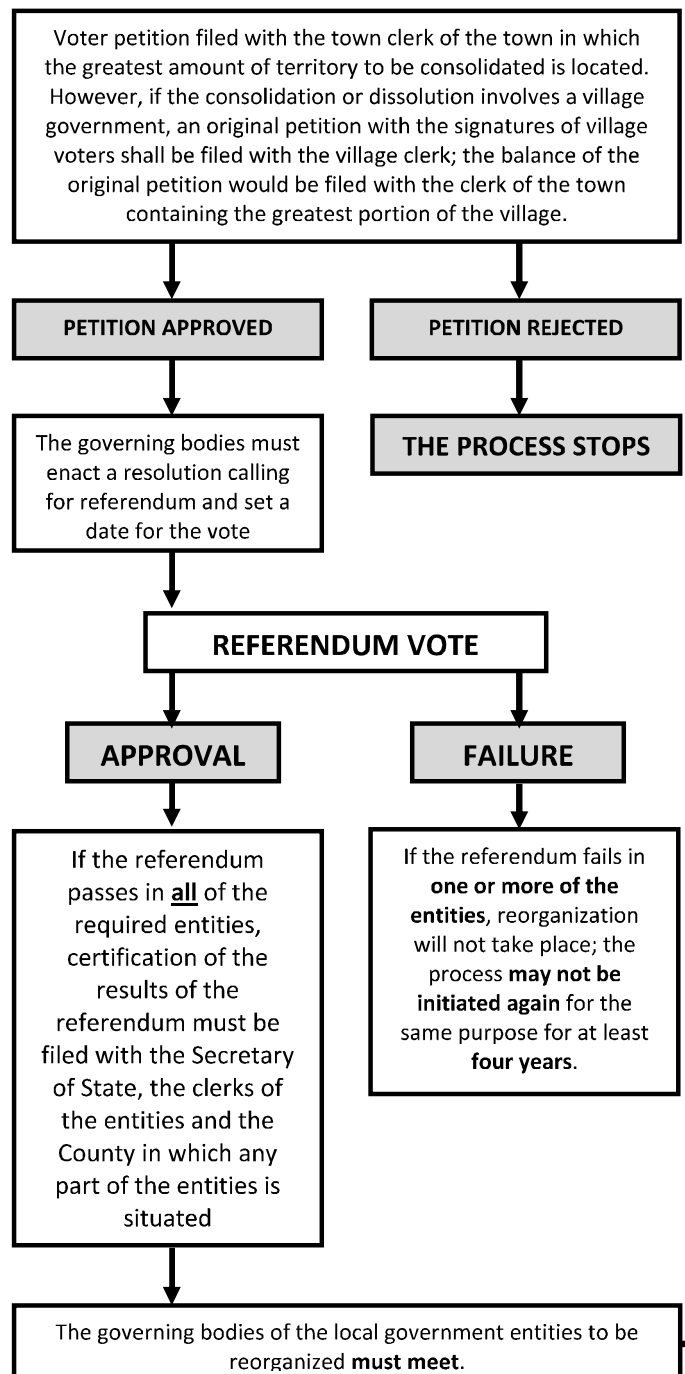
Within 10 days final determination regarding the sufficiency of the number of signatures on the petition is made by the clerk

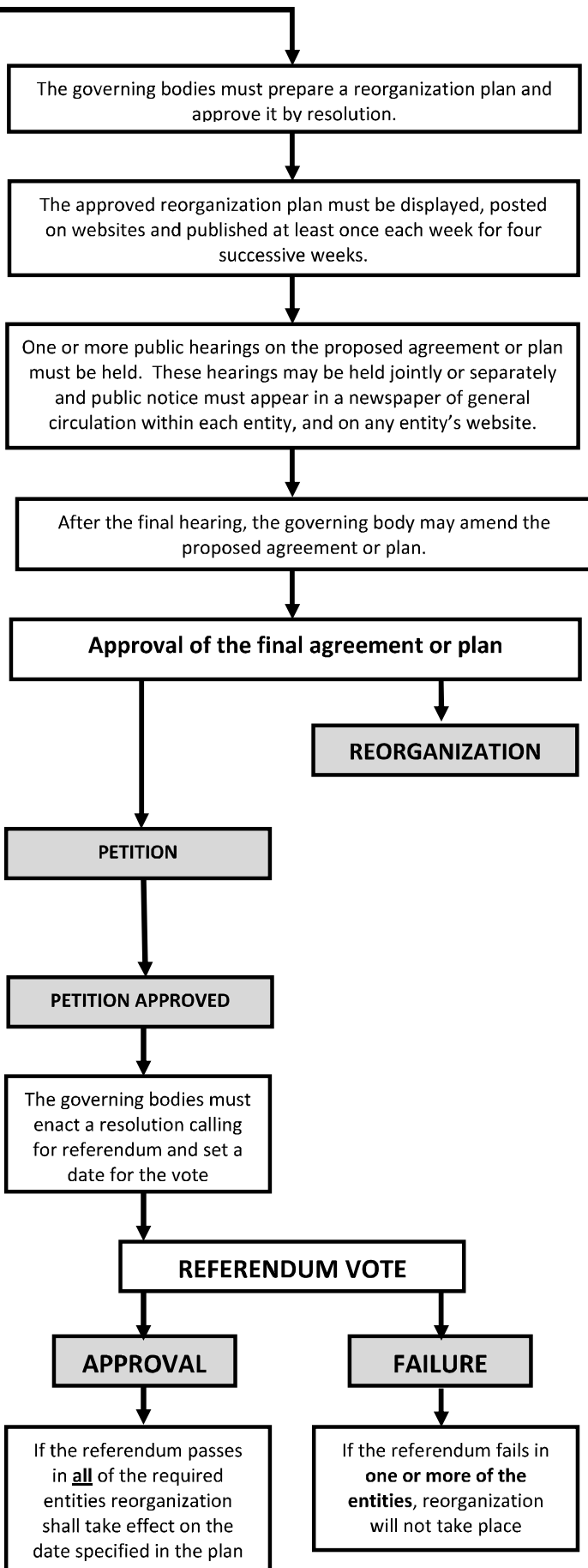
Within 30 days of the clerk's determining the validity of the petition

Summary of the petition is to be published at least once each week for four successive weeks prior to the referendum.

Within 60 to 90 days

Within 30 days of certification of the results





Within 180 days

No later than 5 business days after the plan is approved

Within 35 to 90 days after the plan is approved

No later than 5 business days after the plan is amended, a summary and copy of the plan must be displayed within each entity and posted on a

Within 60 days from the close of the last public hearing

The date specified in the plan for the local government entities to reorganize must be a minimum of 45 days after the approval date of the final plan

Within 45 days after the governing body approves the final plan, the voters may file a petition, with the clerk of the town where the entity is located or where the greater portion of its territory is located, requiring a referendum on the reorganization plan. If the entity is a village the original petition must be filed with the village clerk. This petition must contain the signatures of at least 25 percent of the voters in the entity, or 15,000 signatures, whichever is less.

Within 10 days final determination regarding the sufficiency of the number of signatures on the petition is made by the clerk

Within 30 days of the clerk's determining the validity of the petition

Within 60 to 90 days

Summary of the plan is to be published at least once each week for four successive weeks prior to the referendum.

BOARD-INITIATED REORGANIZATION

The statutory process, when initiated by the governing body of the participating local government entities, begins with a resolution by the governing bodies endorsing a proposed joint consolidation agreement or dissolution plan.

However, the process of reorganization may start many months before the statutory process begins. With a board initiated reorganization process the board(s) may conduct a study to determine the possible impacts associated with reorganization. As outlined in the previous section, by taking the time to study the impacts of reorganization, both the governing body and the public will be able to evaluate the impacts of reorganization before making the decision to reorganize.

Once a proposed joint consolidation agreement or dissolution plan is adopted by the local government entities involved, the board-initiated consolidation proceeds as follows:

Within 5 business days after the proposed joint consolidation agreement or proposed dissolution plan is adopted

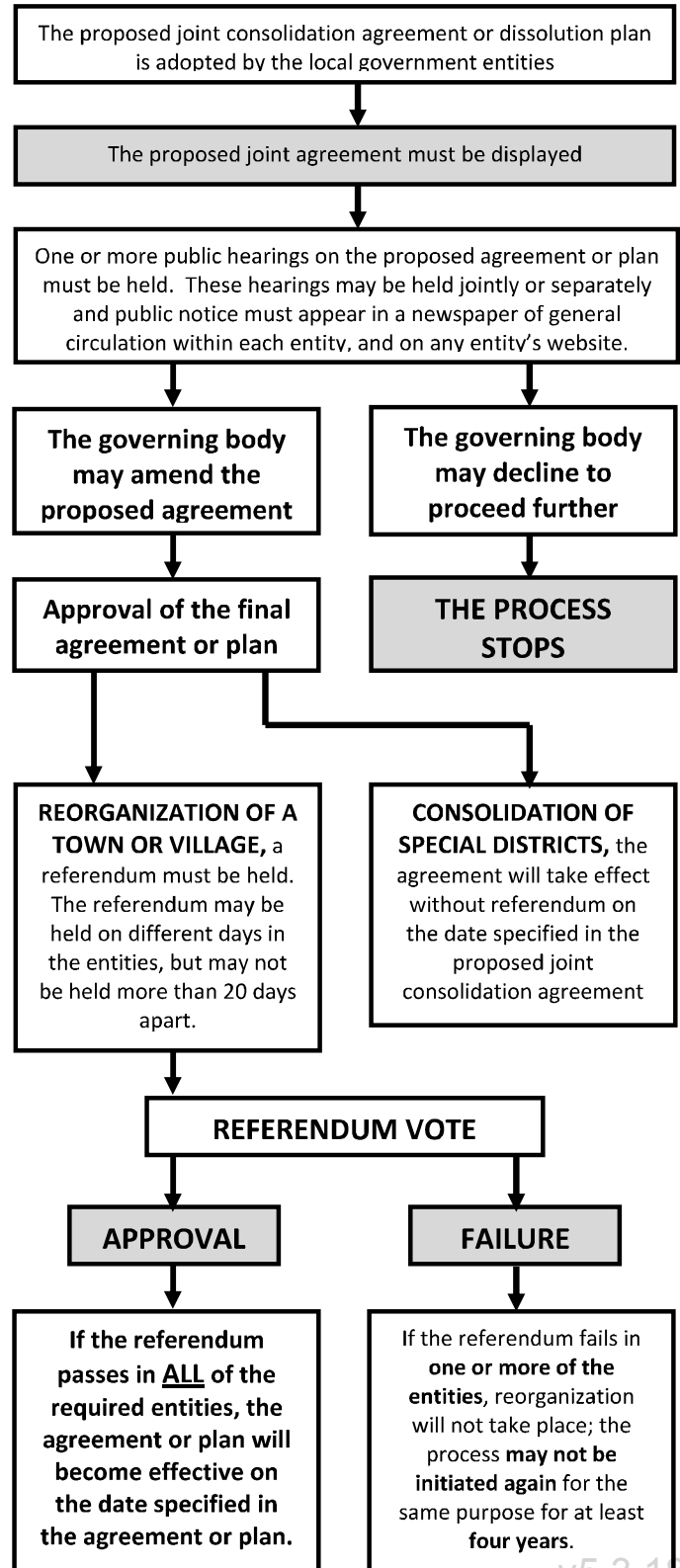
Within 35 to 90 days after the proposed joint consolidation agreement or proposed dissolution plan is adopted.

After the final hearing on the proposed joint consolidation agreement or proposed dissolution.

Within 180 days from the close of the last public hearing.

Within 60 to 90 days, or if a general election falls within such period, the referendum may be held at the general election.

Notice of the referendum is to be published at least once each week for four successive weeks prior to the referendum.



Appendix B: Descriptive Summary of Plan

Residents of the Village of Van Etten voted to dissolve the Village into the Town of Van Etten. The Village has created a dissolution plan based on Article 17-A of the General Municipal Law.

On April 30, 2018, the Village Board approved the dissolution plan that was developed by a citizen committee with assistance from a consultant. The plan will take effect unless rejected through a permissive referendum process by village residents as outlined in NYS Law.

A single formal hearing for the plan has been established for June 6, 2018 at 6:30 pm at the Spencer-Van Etten Elementary School, 7 Langford St, Van Etten, NY.

The Dissolution Plan recommends that the Village of Van Etten dissolve into the Town of Van Etten effective on December 31, 2018. Services formerly provided by the Village Government including: legislative and administrative services, zoning and enforcement services, street, and park maintenance, cemetery operations, street lighting, and grounds keeping will now be provided by the Town. The Village will continue to pay in monthly installments for refuse and recycling through the end of its contract at the end of 2018. The Town will negotiate a contract for refuse and recycling in the area of the village with a private hauler and make the service available to the residents at the full cost of the service.

A Special Improvement District to be known as the Van Etten Water District will be created and established by the Town to provide water services for Village residents; the district will be self-funded by user fees and existing debt will be the responsibility of water users and residents in the district. Proceeds from the sale of village assets will be placed in a Special Water Reserve Fund for the maintenance of the system and to reduce future costs.

The Town will establish a Special Sidewalk District to maintain and expand the sidewalk network in the area of the village. These activities will be funded by state aid (CHIPS funding) based on an annual application.

The Town will extend its fire protection district to include the Village service area; Fire and EMS services will now be provided by the Town through the existing Community and Fire Rescue department.

All real property, personal property, equipment, and vehicles still owned by the Village will become Town property at the time of dissolution. The Town will assume all staffing and maintenance responsibility now held by the Village. Village laws without analogues in Town law will remain in effect for two years following dissolution, during which time the Town will review the laws and determine if they should maintain them.

Village of Van Etten residents would see an 11% drop in their total property tax rate with the state consolidation incentive (CETC) and Town Residents would see a 4 % drop.

Copies of the detailed final Dissolution Plan are available at the Village of Van Etten Municipal Building, the Town of Van Etten Clerk's Office and the Van Etten Public Library and at www.cgr.org/van-etten.