



Government & Education | Economics & Public Finance | Health & Human Services | Nonprofits & Communities

Dissolution Plan for the Village of Van Etten

Overview of Adopted Dissolution Plan

June 6, 2018

Agenda

- Introductions
- Background and Methodology
- Fiscal Impact
- Service Impacts
- Next Steps

Ground Rules

- Discussion of the plan
- Questions welcome on methods and data for estimates
- Respectful comments
- Avoid “campaigning”
- The goal is to present the plan as approved by the village board and to receive feedback

There is one minor change from the public presentation that clarifies CHIPS funding on slide # 12

Study Background

- In August 2017, residents in the Village of Van Etten submitted a petition requesting a referendum on dissolution of the village.
- In December 2017, village residents voted to dissolve
- In April 2018, the Village Board adopted a dissolution plan
- The report detailing CGR's findings will be available at www.cgr.org/van-etten.

Methodology

- CGR met with village and town officials
- Also, local organizations that provide service
- Steering Committee to provide local insight and advise on impact report helped draft the plan.
- *The dissolution plan was revised and approved by the Village Board*
 - *The plan presented tonight is based on the approved plan, but changes related to the fire service will need to be made.*
- Costs based on if the village had been dissolved in 2017

Key Findings Regarding Dissolution

- A village tax payer would see some financial benefit (about \$360 for a median value home) with very little change to their services
- Most services would be delivered by the same organizations or people that do it today
- The biggest changes in services will be the fire department (already underway outside of the plan) and solid waste services.

Fiscal Impacts – Village Debts

\$1.4 million in June 2018

Water System

- Water fund debt will remain the responsibility of the rate payers
- until 2035 for \$1.1 million @ no interest
- until 2043 for another \$210,000 @ 4 percent interest

Fiscal Impacts

Sales Tax

Sales tax in Chemung County is shared based on population of the community. The town would receive the village's share after dissolution when village residents become part of the town.

Property Tax

Dissolution will only impact the village, town and fire service taxes. School, county and library will not be impacted.

Fiscal Impacts Citizens Empowerment Tax Credit

- As part of the state dissolution law, a town where a village dissolves will receive additional aid to municipalities (AIM) after dissolution *and in subsequent years*
- 15 percent of combined village general tax (\$68k), town general fund (\$220k) and town highway fund (\$324k)
- The estimated CETC is about \$92,000, *35 percent more than the village's whole tax levy*

Projected Fiscal Impact

Upon dissolution, a village tax payer would see a 11 % reduction in their property tax bill.

- For a median value home of \$90,000, this will result in savings of about \$360 a year.
 - If Refuse must be paid privately, the cost is estimated to be about \$150 per year, which would reduce the savings amount
- The tax rates projections are rounded to nearest 0.10 per thousand
- An \$8,000 change to the town budget would change the rates by \$0.10 per thousand

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 |

Other Matters – Revenue Impact

- Utilities Gross Receipts Tax goes away
- Town will get full share of CHIPs Aid for street maintenance
- A change in \$8,000 in expense will move the tax rate in the Town by 0.10 per thousand.
- Tax Rates are shown as estimates

Fiscal Estimate of the Cost of Dissolution

- 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
- Total \$52,500

Transfer or Elimination of Employees

Board of Trustees

- The Village has four elected trustees that serve on the Board of Trustees
- Upon dissolution, the Village Board of Trustees would be dissolved. There would be savings related to the Board's salary of \$4,420

Mayor

- After dissolution, the Town Supervisor would serve as the chief executive for the whole town.
- There would be savings related to the Mayor's salary of \$1,900.

Transfer or Elimination of Employees

Clerk / Treasurer

- Performs clerical, administrative and janitorial duties at the village hall and for the water system, working around 20 hrs/week.
- Upon dissolution, most functions currently supported by the general fund would be eliminated. Water system and Cemetery roles would be taken by a position within the town. There are estimated to be \$16,000 in savings related to the general fund and no savings with the water responsibilities.

Transfer or Elimination of Employees

Code Enforcement

- Current village Code Enforcement Officer (CEO) works approximately 3 hrs/week
- Code enforcement expenses would move from the village to the town upon dissolution for about the same cost as it is for the village

Transfer or Elimination of Employees

Water Operator

- The position of Water Operator will be transferred to the Town as part of the establishment of the Special Water District. There are no savings anticipated with this transfer of this position
- Some tasks currently managed by volunteers might need to be done by the Water Operator or other town staff with a related expense including:
 - Call before you dig markings
 - Shut off notifications
 - Mowing around water tank

Disposition of Property and Fund Balance

- The Village may choose to sell any property of the Village at fair market value and the proceeds of the sales would be designated to the Water Special Reserve Fund
 - The plan of the Fund is to help pay for future capital costs and for a portion to be used each year to service the debt
- Property sold after dissolution will also have proceeds placed in this fund
- Any taxes re-levied by Chemung County for village will be remitted to the Water Special Reserve Fund
- Upon dissolution, the town will take title to any remaining Village real property.

Agreements to Carry Out Dissolution

- The Town will form the following committees
 - 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

- Legislative and Administrative Services will be responsibility of Town
- Village records will be transferred to Town
- Public Works, including skate park, will be handled by Town
- Cemeteries will be operated by the town in a similar manner
- Street Lighting will be continued by the town and funded through a town wide levy

Continuation of Village Functions or Services

- Sidewalks will continue to be funded by state funding with no cost to residents
- The town should increase their Youth Services budget by \$250
- Summer Meals and Community Foodbank will continue to be hosted by Town, potentially at the village municipal building
- Zoning & Code Enforcement will be handled by Town staff
- Refuse and Recycling
 - 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.

Continuation of Village Functions or Services

- Fire and EMS – Plan calls for this to transition to CFR at dissolution with the town to expand their fire protection district
 - This has occurred already with an inter-municipal agreement.
- Water District
 - Town will create a water district
 - Costs for district will be covered by users
 - The town will establish a water advisory committee to recommend rates, advise on management of reserve fund and report concerns of the water system

Village Laws and Ordinances

- All village laws that remain relevant remain in effect for two years following dissolution until the Town decides to act upon them
- Relevant Laws include:
 - Sidewalks
 - Operation of ATVs
 - Water Department authority
 - Curfew Law for Minors
 - Trash Law
 - School Speed Limit Law
 - Open Container Law

Dissolution Process Timeline

- Village Board must adopt a final plan within 60 days of hearing.
- Tentative plan is to adopt it at June 18th meeting based on input from tonight and changes related to the fire service that have occurred.
- The plan has a dissolution date of December 31, 2018.
- Village Board still has legal authority, but can transfer services if they choose

Can Citizen's Stop the Plan?

- GML 17A – Allows citizens to circulate a petition to stop the plan from being adopted.
- Within 45 days of the village board approving the final plan, citizens can circulate a petition to gather signatures of 25 percent of the registered voters in the village to force a vote on the plan.
- If there are enough signatures, the village board must call for a permissive referendum on the plan
- Residents would be asked to vote “Yes” to adopt the plan and dissolve OR vote “No” to reject the plan and the village remains
- On June 5th, there were 324 registered voters in the Village. 81 would need to sign a petition to force a referendum.

Study Information

- Visit www.cgr.org/van-etten
- Copies of full report will be shared with both clerk's offices

Village of Van Etten: Dissolution Impact Study

Fiscal and Service Impact of Dissolution Overview

HOME

ABOUT THE STUDY

MEETINGS

DOCUMENTS

GET INVOLVED

MAP

LINKS



This website is designed to facilitate community engagement as the Village of Van Etten considers dissolution.

A citizen petition requesting a vote on dissolution was certified in August 2017. The study process began in September 2017. The residents will vote on dissolution on Monday, November 13th, 2017. The Village of Van Etten has engaged [CGR](#) to conduct an overview of the fiscal and service impacts of dissolution.

A public presentation of the Fiscal and Service Impact Report of Dissolution will be made on October 24, 2107 at 7 pm at the Spencer-Van Etten Elementary School. All are welcome and encouraged to attend. This meeting will be streamed live via [Facebook](#).

Please check back often for updates, and be sure to sign up online to receive email alerts as new information is added.

SUBSCRIBE TO ALERTS

EMAIL STUDY TEAM

