

# **Village of Macedon Dissolution Study**

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Prepared for the Village of Macedon

By:

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## *Village of Macedon Dissolution Study*

### **Summary**

In the winter of 2001, the Village Board of Macedon was approached concerning the initiation of a possible study to determine the costs and benefits of consolidation with the Town of Macedon. State officials were invited to a public meeting to provide resources and information useful in a potential study. Sufficient interest was raised to lead to the Village Board taking action to initiate consolidation/dissolution study.

The Village Board authorized Mayor Hoteling to solicit proposals concerning a study and select a broad based committee to work with a consultant in the preparation of a report. A contract was initiated with the Genesee/Finger Lakes Regional Planning to meet on a bi-weekly basis for a period of six months to review Village operating costs and services.

Town and Village officials were interviewed and invited to meet with the committee to discuss resources necessary to carry out various functions currently provided in the Village. Major service areas were reviewed and clarification on questions was addressed by the New York State Comptroller's office, New York State Association of Mayors, the Wayne County Water Authority and Town and Village officials.

Budget documents were used from the most recent year for comparison purposes and reflect adjustments and best estimates to accommodate additional staff where necessary to continue to provide most Village services. Because of the differences in operations and state law affecting towns several functions are treated as district services with specific levy's for each activity. Recent growth in the Town currently necessitates some personnel increases and will also enable the absorption of some Village functions without significant increases in personnel. Major exceptions are the Town's department of public works and Village sewer operations which will require added staff to meet safety and work requirements. These two activities will require operating budget changes respectively of 10 and 15%. While the Town's public works budget is spread over a larger base the sewer operation is projected to increase Village rates to \$250 from the present yearly rate of \$200 per unit. The Wayne Water Authority with an annual charge of \$50 estimates a similar increase in costs to be added to each water bill for Village service.

The committee has spent substantial volunteer hours to arrive at a fair picture of both current and projected costs for the basic services that Village residents are currently using. In some cases services may be changed in frequency or require other organizations to carry out routine maintenance such as the cemetery and brush pick up.

Calculations were developed to reflect the costs for basic services, which could be accommodated by the Town or special districts. The comparison of costs utilized the average home value in the Village of \$82,000. The new projected costs indicate a potential annual reduction of \$65 for the average home or a lowering of all assessments from \$827 to \$762. A more detailed discussion is provided in the material which follows with tables showing current and projected services and related costs.

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### **Study Materials and Background**

Reports were collected from similar studies for the Villages of Naples, Ontario County and Cherry Creek, Chautauqua County. In both of these cases dissolution was not pursued although some service consolidations were being considered. The Village of Bergen in Genesee County provided a study of Road service agreement with the Town of Byron which was carried out on a trial basis.

Minutes of the meetings were posted on the Town's web site and made available to residents and the media. The study report also will be provided in electronic and printed form upon final review by the Study Committee and Village Board of Trustees.

The study is organized in the sequence that functions were considered in order of discussion starting off with operations and management, building/planning, court system, fire protection, law enforcement, parks and public works. Sewer and water facilities were addressed in public works as most of the operations Tasks fall under this department.

The results of the study are provided in the latter part of the report and provide a comparison of Village current costs and projected costs under the Town. The results are estimates provided by department heads using the currently available data. In the case of water service costs reflect the current annual fee required by the Wayne County Water Authority.

Questions regarding the study maybe addressed by contacting:

Mayor, James Hoteling	or	Paul Howard, Director
Macedon Village Hall		GFLRPC
Phone: 315-986-3976		585-454-0190 #12

### **General Operations and Management**

The general operations portion of the Village budget covers many items, which are relatively small in costs but critical to carrying out many day to day activities. In this area are the budgets for the Attorney, Mayor and Board, Code Inspection, Clerk, Justice, Treasurer, Planning and Zoning Boards. Also included is the necessary insurance for buildings, equipment and liability in addition to utilities, supplies, postage, phones and maintenance. Contracts for some special services are also included in this section.

The Clerk and Treasurer are also key support staff for the Board, Planning Commission and administration of sewer and water departments. The administrative staff also works with fire and police departments and assists the general public with permits, records and general information.

While the elimination of the Village's general operations would achieve some costs savings the individual departments most notably sewer, water, fire and cemetery would have to be supported through some additional assessments if dissolution were to occur.

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The need to standardize planning and zoning codes to compliment Town requirements will require added operating expense and additional involvement of current officials to help in implementing new standards.

It is anticipated that a savings of approximately \$60,000 would result from the initial merger of General Operations with a corresponding reduction of two full time staff and the further loss of fourteen elected and appointed support positions.

### **Inspection/Code Enforcement**

The new code adopted by the state will require added staff time in the Town and Village. The Town Engineer feels that most work could be accommodated with an increase of part time personnel from the two municipalities. Many engineering and inspection functions are currently covered by the Town Engineer who can be of value to the Village leaving larger projects for consulting services.

### **Court System**

An area already proven to be beneficial by the local municipalities is the sharing of a police department. The coverage provided by full time officers has been in part responsible for an increased court workload for the local systems and a corresponding increase in revenue. The area growth and traffic increase have already necessitated an increase in court staffing and with a potential merger of this function. No immediate savings are anticipated in this area.

### **Fire Protection/Ambulance**

Since the fire department operates as a Village department it has the advantage as a tax-free organization and also is covered by Village insurance, legal counsel and budget/financial administration support which helps with equipment financing/bond purchases. It is anticipated that under dissolution these services and costs would have to borne by a new district or protective association. Current estimates by the Chief of the fire department indicate a 40% budget increase would be required to set up and operate as an independent organization.

### **Law Enforcement**

The present arrangement for sharing the operating costs of the police department has been utilized for several years and the Town has indicated a willingness to continue this arrangement. No changes in costs are anticipated for this service at the present time.

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### **Parks/Cemetery**

Village public works staff provides the current upkeep of these properties and some income is derived to help defray costs. The current demand for parks in the area will continue to provide good utilization and continued maintenance. It is anticipated that the Town Highway Department will be able to perform parks maintenance with the addition of staff for roadwork.

### **Public Works**

The Village Public Works Department is responsible for various functions and with a staff of 3-4 personnel maintains streets, drainage, sidewalk construction, water and sewer facilities, parks, cemetery, yard waste and all equipment maintenance and repairs. The staff also performs water meter reading and repairs in addition to traffic safety, painting, and snow plowing and salting in winter. While some of these functions are comparable to services the Town provides some activities such as sidewalk construction, yard waste removal and cemetery maintenance will appear to necessitate special arrangements through districts and assessments. Currently the sewer operation requires the equivalent of two full time and two part-time personnel who perform other public works tasks. Operating as district one additional full time person would be added to assist in maintenance and operation of facilities. It is expected this change would increase user rates on the sewer system annually from \$200 to \$250 for Village residents.

The last major service area was discussed earlier and deals with the shift of management of water service to the recently established Wayne County Water Authority. The Authority already supplies water to the Village, which is distributed through the local system, managed by the Village. The Authority would assess an annual fee for \$50 for each user to help defray administration costs.

### **Summary of Services**

Below is a table of services, which reflects the potential disposition of the current Village activities and how they could be accommodated under the Town. This is a general comparison for discussion purposes.

<b>Village of Macedon Service Inventory</b>	
<b>Current</b>	<b>Upon Merger</b>
Mayor/Village Board, Planning Board	Discontinued – positions eliminated.
Attorney, Justice	Discontinued – positions eliminated.
Sewer Service	Continued through creation of Town Special Improvement Sewer District. Employee(s) 3-4 Incorporated into the new District.
Public Works (Parks, Streets)	Employee(s) 1-2 incorporated into the Town's Highway Department.
Fire Protection	Reorganized as Town Special District.
Clerk/Treasurer	Positions eliminated. Potential work with Special District/Town.

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<b>Village of Macedon Service Inventory</b>	
<b>Current</b>	<b>Upon Merger</b>
Street Lighting	Continued through the creation of a Town Special Improvement Street Lighting District. Residents of District pay for services.
Sidewalk Maintenance	Continued through the creation of a Town Special Improvement Sidewalk Maintenance District. Residents of District pay for services.
Water Service	Provided by agreement with Wayne County Authority.
Law Enforcement	Town would continue this function as a department.

### **Rate Comparison**

An overall rate comparison is provided below which reflects current and projected costs for Village residents based on an average property with a current value of \$82,000 before and after dissolution. The estimated net differential reflects a savings of approximately \$(65) to a Village resident based on the current average residential value.

Current Levy	Taxes on Property \$82,000	Projected
\$201	General Town	\$364
\$426	Village	-----
-----	Ambulance	\$14
-----	Fire	\$48
-----	Sidewalks	\$10
-----	Lighting	\$26
\$627	Sub-Total	\$462
*	Water Fee	\$50
\$200	Sewer Fee	\$250
\$827	Total Assessment/Fees	\$762

\* Water assessment determined by consumption in Village

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### **Disposition of Assets and Dissolution Plan**

Under current state law property of the Village would need to be offered at public auction with sale proceeds going to retire existing debt. Remaining assets would be transferred to the Town if not sold or transferred to special district, i.e., cemetery association or water, sewer or fire district. If assets are not transferred to the Town or appropriate district they then could be claimed by the state.

If the Village Board determines at some future point they wish to follow through with an election a Plan for Dissolution would be prepared by the Village Board to take into account the process for asset disposition. The Plan would serve as an important part of the education process prior to an election and also clarify roles and responsibilities among various local agencies.

### **References and Resources**

Additional information can be obtained from the New York Department of State

<http://www.dos.state.ny.us>

Copies of New York State Consolidated Laws Section 19-1900-1924 are available at the Village Hall.