



Public Meeting on Dissolution

Public Meeting on Village Dissolution

Macedon, New York
May 19, 2015

Wade Beltramo
N.Y.S. Conference of Mayors
General Counsel



Public Meeting on Dissolution

**Who Am I?
What Is NYCOM?
Why Am I Here?**



Public Meeting on Dissolution

Village Dissolutions

Union - 1921	Downsville - 1950	Fillmore - 1994
La Fargeville - 1922	Amchir - 1968	Seneneus - 1994
Marboro - 1922	Prattsburg - 1972	Moers - 1995
Eastwood - 1926	Fort Covington - 1975	Andes - 2003
Newfield - 1926	Pelham - 1975	Pike - 2009
Pleasant Valley - 1926	North Pelham - 1975	Limestone - 2010
Sound Avenue - 1927	Friendship - 1977	Perrysburgh - 2011
Belleville - 1930	Rosendale - 1977	Randolph - 2011
Northville - 1930	Savannah - 1979	East Randolph - 2011
Jamaica Square - 1931	Elizabethtown - 1980	Seneca Falls - 2011
Henderson - 1933	Bloomington - 1985	Altnar - 2011
Old Forge - 1936	Pine Hill - 1986	Edwards - 2012
North Bangor - 1939	Woodhull - 1986	Lyons - 2012
Forestport - 1940	Pine Valley - 1991	Keeseville - 2013
Village of the Landing - 1940	Weesport - 1992	Bridgewater - 2014
	Ticonderoga - 1993	



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Villages Currently or Recently Studying Dissolution

Lake George	Cherry Valley	Dansville
Schuylerville	Macedon	Forestville
Medina	Speculator	Horseheads
Waddington	Wellsville	Medina
Port Henry	Corinth	Cortu
Candor	Dansville	
Windsor	North Collins	
Albion	Allegany	
Ellenville	Johnson City	
Cobleskill	Alden	
Lewiston	Camillus	
Potsdam	Victory	



Public Meeting on Dissolution

General Municipal Law

Article 17-A

**Went Into Effect
March 21, 2010**



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**Petitions Filed Under the New General
Municipal Law Article 17-A**

- Village of Waddington Petition Determined to Be Invalid - May 2010
- Village of Brockport Dissolution Voted Down - June 15, 2010
- Village of Williamsville Dissolution Voted Down - August 17, 2010
- Village of Sloan Dissolution Voted Down - August 17, 2010
- Village of Lakewood Dissolution Voted Down - August 25, 2010
- Village of Farnham Dissolution Voted Down - Sept 28, 2010
- Village of Cuba Dissolution Voted Down - Sept 28, 2010
- Village of Macedon Dissolution Voted Down - October 12, 2010
- Village of Altmar Dissolution Approved - November 10, 2010
- Village of Odessa Dissolution Voted Down - December 7, 2010
- Village of Whitesboro Dissolution Voted Down - January 4, 2011



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**Petitions Filed Under the New General
Municipal Law Article 17-A**

- Village of Camillus Dissolution Voted Down - November 8, 2011
- Village of Potsdam Dissolution Voted Down - November 8, 2011
- Village of Altmar Dissolution Approved - December 6, 2011
- Village of Leicester Dissolution Voted Down - December 20, 2011
- Village of Cortnh Dissolution Voted Down - January 17, 2012
- Village of Chaumont Dissolution Voted Down - November 6, 2012
- Village of Malone Dissolution Voted Down - November 6, 2012
- Village of Lyons Dissolution Approved - January 22, 2013
- Village of Keeseville Dissolution Approved - January 24, 2013
- Village of Painted Post Dissolution Voted Down - January 24, 2013
- Village of Middleburgh Dissolution Voted Down - February 19, 2013



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**Petitions Filed Under the New General
Municipal Law Article 17-A**

- Village of Victory Dissolution Voted Down - March 19, 2013
- Village of Champlain Dissolution Voted Down - March 19, 2013
- Village of Richfield Springs Dissolution Voted Down - October 15, 2013
- Village of Lyons Dissolution Approved - March 18, 2014
- Village of Bridgewater Dissolution Approved - March 18, 2014
- Village of Greenwich Dissolution Voted Down - June 26, 2014
- Village of Salem Dissolution Approved - August 5, 2014
- Village of Willson Dissolution Voted Down - August 26, 2014
- Village of Medina Dissolution Voted Down - January 20, 2015

NYCOM	Public Meeting on Dissolution
NYCOM's Position	
<ol style="list-style-type: none"> 1. Villages Are Not Merely Multipurpose Taxing Districts 2. Village Are Not a Third Layer of Government 3. Villages Are New York's Form of Incorporated Cities 	

NYCOM	Public Meeting on Dissolution
NYCOM's Position	
<ol style="list-style-type: none"> 4. Residents Should Have the Ability to Petition to Create & Dissolve Villages 5. Village Boards Should Have the Ability to Initiate Dissolution 6. Neither For Nor Against Dissolving Macedon (Or Any Particular Village) 	

NYCOM	Public Meeting on Dissolution
Each Village Dissolution Is Unique & Must be Considered on a Case-By-Case Basis	
<ol style="list-style-type: none"> 1. The Services Villages Provide Varies From Village to Village 2. The Services Towns Provide Varies From Town to Town 3. Different Economic & Demographic Characteristics 	

NYCOM	Public Meeting on Dissolution
General Municipal Law Article 17-A	
<ul style="list-style-type: none"> ▪ Key Provisions <ol style="list-style-type: none"> 1. Consolidation Part <ol style="list-style-type: none"> a. Governing Board Initiated b. Electorate Initiated 2. Dissolution Part <ol style="list-style-type: none"> a. Governing Board Initiated b. Electorate Initiated 3. County Initiation 	



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General Municipal Law Article 17-A

- Consolidation
- ☛ Not Likely to Occur Because of Systemic Obstacles
 - a. Requires Coordination of Multiple Interest Groups
 - b. Leveling Up – Unless Efficiencies Achieved Are Sufficient, Someone's Taxes Are Likely to Increase



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General Municipal Law Article 17-A

- Dissolution
- Termination of the Existence of a Local Government Entity
 - ☛ Towns Are Excluded
 - What About Districts?
 - ☛ Not Practical
- Used Only to Dissolve Villages



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General Municipal Law Article 17-A

- Dissolution
- Methods for Initiating
 1. Governing Body Resolution, Subject to a Referendum
 2. Elector Initiative



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General Municipal Law Article 17-A

- Elector Initiated Dissolution
- A. Petition
 - iii. Issues During Circulating a Petition
 - a. "It Is Just to Study Dissolution?"

June 10, 2015 Vote

Shall the Village of Macedon be Dissolved?

YES

NO



Public Meeting on Dissolution

General Municipal Law Article 17-A

- Elector Initiated Dissolution
 - A. Petition
 - iii. Issues During Circulating a Petition
 - a. "It Is Just to Study Dissolution?"
 - b. "You Are Going to Save Everything You Are Paying In Village Taxes."
 - c. "The Town Will Provide All of the Services the Village is Providing Now?"

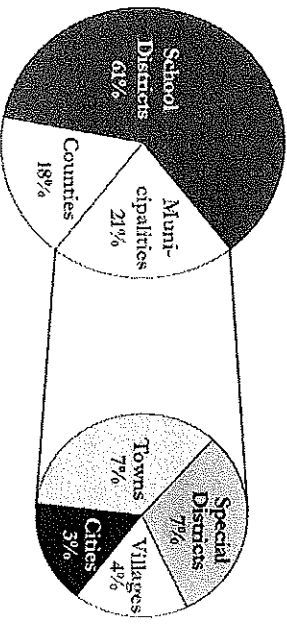


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General Municipal Law Article 17-A

- Elector Initiated Dissolution
 - B. Referendum
 - i. If Petition is Filed, Trustees Enact Resolution Calling for Referendum
 - ii. Held 60 to 90 Days from Resolution If it Fails, No Dissolution for 4 Years
 - iii. If it Passes, Then Must Develop Dissolution Plan

Distribution of Property Tax Levy by Class, 2005
(Excluding New York City)



Source: "Property Taxes in New York State", Office of the State Comptroller



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**Village Dissolution
Is a Town Issue!**

1. Town Determines How Services Are Going to Be Provided Should the Village Dissolve
2. How New York State Town Law Imposes Town Tax Determines Tax Savings for Village Residents

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The Town Budget

Four Parts

- General Fund
 - A. Town-Wide
 - B. Town Outside of Village
- Highway
 - A. Town-Wide
 - B. Town Outside of Village

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Dissolution Studies –

Sources of Cost/Tax Savings

1. Efficiencies - Economies of Scale
2. Discontinuing Services
3. Restructuring Services
4. Elimination of Elected Officials
5. Increased Aid from the State
6. Village Residents No Longer Paying Town Taxes for Services They Do Not Receive

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Main Issue Affecting Cost Savings

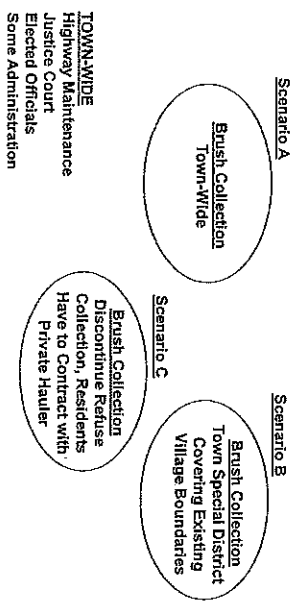
Service Continuity

1. Town-Wide Function;
2. Continued but Limited to & Financed by Area Less Than the Entire Town (District); or
3. Terminated as a Governmental Activity

NY **Public Meeting on Dissolution**

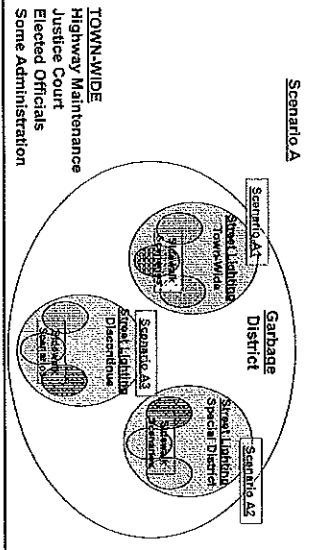
Main Issue Affecting Cost Savings

Service Continuity



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Main Issue Affecting Cost Savings Service Continuity



NYS DMV Public Meeting on Dissolution

Main Issue Affecting Cost Savings Potential Scenarios

- Garbage District: Garbage District, Lighting District, Lighting District, Sidewalks Town-Wide, Sidewalks District, Sidewalks Eliminated
- Lighting District: Garbage District, Lighting District, Sidewalks Town-Wide, Sidewalks District, Sidewalks Eliminated
- Sidewalks District: Garbage District, Lighting District, Sidewalks Town-Wide, Sidewalks District, Sidewalks Eliminated
- Sidewalks Eliminated: Garbage District, Lighting District, Sidewalks Town-Wide, Sidewalks District, Sidewalks Eliminated

NYS DMV Public Meeting on Dissolution

**General Municipal Law Article 17-A
★ General Issues
❖ Differing Cost-Structures**

Village of Seneca Falls Dissolution Plan - Fire Protection				
Cost of Village Provided Service	Cost of Town Fire Protection District Pre-Dissolution	Cost of Town-Wide Fire District Post-Dissolution	Difference in Cost for Village Residents	
\$0.59	\$1.18	\$0.97	64%	

NYS DMV Public Meeting on Dissolution

**General Municipal Law Article 17-A
★ General Issues
❖ Differing Cost-Structures**

Village of North Collins Dissolution Plan - Garbage Collection				
Cost of Village Provided Service	Cost of Town Refuse District	Cost of Town-Wide Refuse District	Difference in Cost for Village Residents	
\$144	\$192	\$173	19%	

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Problems with Districts ➤ Districts Potential to be Undemocratic & Unaccountable 1. Districts w/ Elected Commissioners Have Extremely Low Voter Turnout for District Elections 2. Town Administered Districts Subject District Residents to Control of Officials Elected by Residents Outside of the District

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Problems with Districts ➤ Less Accountable than Village Government ➤ Can Result in an Unfair Distribution of Costs – Free Riders

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Factors That Determine Democratic Local Government Arrangements ❖ One Factor In Determining Local Government Boundaries Is That They Should be Based, at Least In Part, Upon Ability of Resulting Governing Body to Address Local Preferences & Needs - Geography Professor Ronan Paddison

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Factors That Determine Democratic Local Government Arrangements 1. People Willing to Serve 2. Ability to Finance Local Government Operations



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- General Municipal Law Article 17-A
- Elector Initiated Dissolution
- C. Developing Dissolution Plan
 - i. Board Must Meet within 30 Days of Vote Approving Dissolution
 - ii. 180 Days to Prepare a Plan
 - ☛ Time Period May Be Impractical
 - ☛ Study Committee & Consultant
 - ☛ Not Referenced in the Act, but Generally Necessary



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- General Municipal Law Article 17-A
- Elector Initiated Dissolution
- ❖ C. Developing Dissolution Plan
 - a) Name of Village to be Dissolved;
 - b) Village's Territorial Boundaries;
 - c) Type/Class of the Village;
 - d) Fiscal Estimate of Dissolution Cost;
 - e) Any Plan for Transferring or Eliminating Positions of Public Employees;
 - f) Village's Assets, Including Real & Personal Property, & its Fair Value;
 - g) Village's Liabilities & Indebtedness, Bonded & Otherwise, & its Fair Value;
 - h) Any Agreements Entered Into With the Town(s) in Which the Village is Situated in Order to Carry Out the Dissolution;
 - i) Manner & Means Municipal Services Will Continue to be Provided Following the Village's Dissolution;
 - j) Terms for Disposing of Village's Assets & Facilities & Indebtedness, Including Leasing & Collecting of Taxes & Assessments Necessary to Pay Off Any Liability or Indebtedness;
 - k) Whether Any of the Village's Local Laws, Will Remain in Effect After Dissolution, GVL § 788 provides for 2 years; * Town May Amend/Repeal at Any Time;
 - l) Dissolution's Effective Date;
 - m) Time & Place or Places for a Public Hearing(s) on the Proposed Dissolution Plan Pursuant to GVL § 784; &
 - n) Any Other Matter Deemable or Necessary to Carry Out the Dissolution.



Public Meeting on Dissolution

- General Municipal Law Article 17-A
- Elector Initiated Dissolution
- C. Plan Goes Into Effect, Even if Village Board Recommends Against It, Unless
 - i. Petition Is Filed No Later Than 45 Days After Dissolution Plan Is Approved



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- General Municipal Law Article 17-A
- Elector Initiated Dissolution
- C. Plan Goes Into Effect, Even if Village Board Recommends Against It, Unless
 - ii. Petition Must Contain Signatures of at Least 25 % or 15,000 of Village's Electors, Whichever Is Less



Public Meeting on Dissolution

The CETC

- The Citizen's Empowerment Tax Credit
- Annual Increase in Aid from NYS Equal to 15% of Combined Local Governments' Tax Levies
- Village of Macedon Dissolution = CETC of \$333,000
- Town of Macedon 2015-16 AIM = \$29,728
- Village of Macedon 2015-16 AIM = \$8,004



Public Meeting on Dissolution

The CETC

"There is no reason to believe that the Town of Macedon would not receive the additional aid if the Village dissolved."

"Dissolution of the Village of Macedon Review of Potential Fiscal and Service Impacts"

p. 1

???



Public Meeting on Dissolution

The CETC

"The staggering growth in property taxes since 2000 is in large part due to the cost and expense of its staggering number of local governments. New York is home to more than 10,500 local governments, from towns and villages, to school districts, fire districts, sewage districts, lighting districts, and much more."

Governor Andrew M. Cuomo
"2015 State of the State"



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The CETC

- Village of Macedon Dissolution Would Dissolve 1 Village But Create 3 Districts (Sidewalk, Light, Brush Pickup)
- The State Is Going to Pay the Town of Macedon \$333,000 In Perpetuity for Village of Macedon Dissolution Increasing the Number of Local Governments to 10,502?



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The CETC Alternative

- Consolidate the Towns of Macedon, Palmyra, Walworth, & Marion
- CETC = \$2,680,824
- Number of Local Governments = 10,497

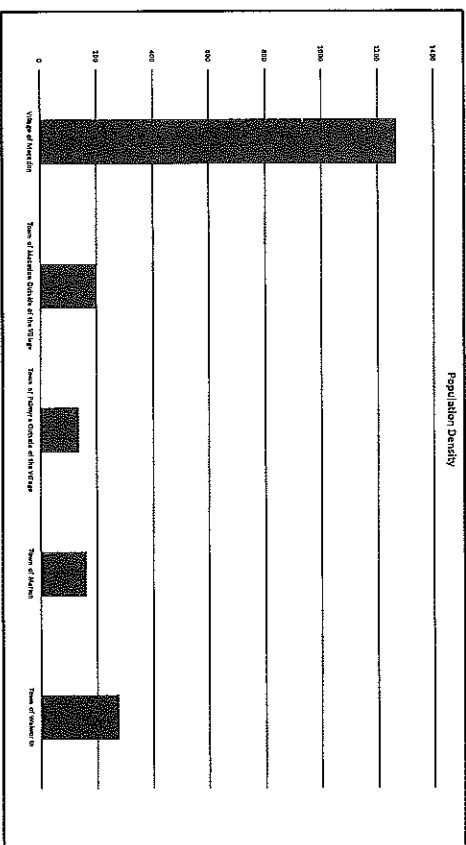


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The CETC Alternative

Village of Macedon	Town of Macedon Outside of Village	Town of Palmyra Outside of the Village	Town of Marion	Town of Walworth
1,269	202	137	162	278
People/Sq Mi	People/Sq Mi	People/Sq Mi	People/Sq Mi	People/Sq Mi
1.2	37.7	32.4	29.3	33.9
Sq Mi	Sq Mi	Sq Mi	Sq Mi	Sq Mi

Population Density



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General Municipal Law Article 17-A

- ★ Source of Savings for Villagers
- a. Efficiencies - Economies of Scale
- b. Discontinuing Services
- c. Restructuring Services
- d. Elimination of Elected Officials
- e. Increased Aid from the State
- f. Village Residents No Longer Paying Town Taxes Services Not Received



Public Meeting on Dissolution

ALTERNATIVES TO DISSOLUTION

- A. Shared Services
- B. Village Annexation
- C. Co-Terminous Town-Village
- D. Consolidation of the Town with Neighboring Towns
- E. Charter Village as City
- F. Exempt Village From Town Taxes
- G. Discontinue Services