

Village of Macedon

Dissolution Plan

December 3, 2015



Laberge
ENGINEERING
ARCHITECTURE



Group
SURVEYING
PLANNING

Please Sign-in

Introductions

Laberge Group

Nicole T. Allen, AICP, Planning Services Manager

Nathan Wojcik, Junior Planner

Public Signals, LLC

John W. Rodat, President

Dissolution Committee

Carol Elaine Deys

Dave Lemoyne

Harrison Miller

Janet Hollingsworth

Linda Braun

Merton Bartels

Mike Logan

Tony Rosati

Wayne Irwin

Jane Parcero – Village of Macedon Intern

Agenda

- **Public Meeting Rules**
- **How Did We Get Here?**
- **Village Personnel & Local Laws**
- **How Were Cost Savings Determined?**
- **Disposition of Village Assets and Liabilities**
- **Special Districts**
- **Village Fund Balance and Indebtedness**
- **Projected Tax Impact**
- **Next Steps**
- **Questions & Answers**

Public Meeting Rules

Please sign up to speak

Speakers will be selected in order from the sign-in sheet

Comments will be received at the end of the presentation

Each person will have 5 minutes to speak

How Did We Get Here?

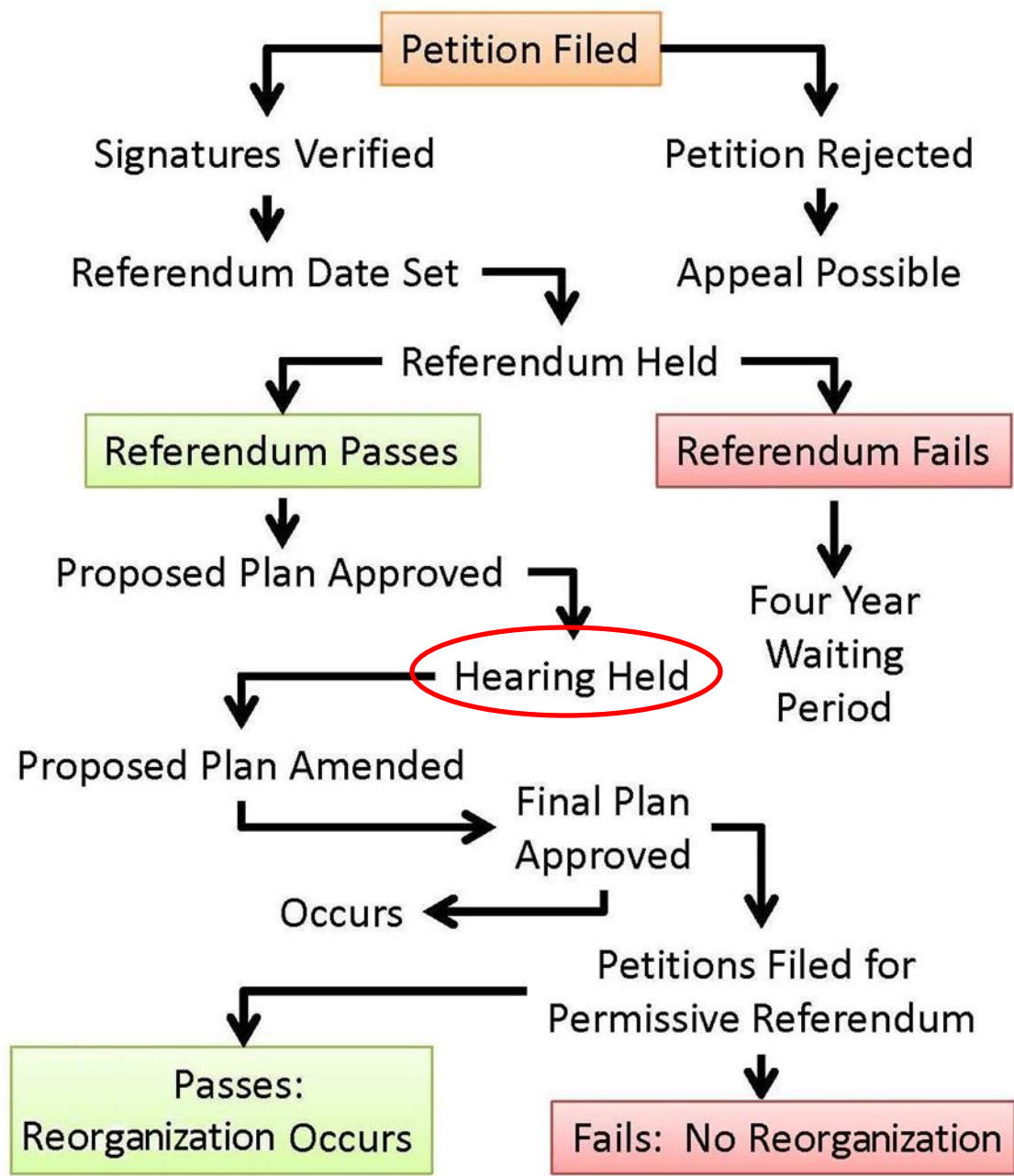
How Did We Get Here?

- **March 11, 2015:** Petition for Dissolution to the Village Clerk
- **March 25, 2015:** Village Clerk certified the petition & Village Board passed resolution for Referendum.
- **June 10, 2015:** Referendum for dissolution approved by majority of qualified Village voters 300 to 246.
- **July 8, 2015:** Village Board met and appointed Steering Committee.
- **July 14, 2015 - October 6, 2015:** Steering Committee (4 meetings), Village personnel interviews, Town Board meeting.
- **October 28, 2015:** Village Board of Trustees accepted proposed dissolution plan draft report and set a date for the public hearing.

Voter-Initiated



Within 30 Days, Board Must Meet



Village Personnel & Local Laws

Village Personnel & Local Laws

The following positions are eliminated & services will be provided by the Town:

- Village Board of Trustees & Mayor
- Village Justice
- Code Enforcement Officer
- Village Clerk/Treasurer
- Historian
- Planning Board
- Zoning Board
- Auditor/Attorney
- Property Tax Collection

Village Personnel & Local Laws

Public Works

- Superintendent of Public Works position (abolished) Town Highway Superintendent assumes duties.
- Town Highway staff to increase by 3 personnel.
- It is anticipated that Wayne County Water & Sewer Authority (WCWSA) will hire 2 personnel for water and sewer function.
- WCWSA and Town to hire most qualified applicants, not necessarily Village personnel.

Village Personnel & Local Laws

Local Laws, Plans, Boards, and Commissions

- Town Board shall have the power to review, adopt, amend or repeal Village local laws.
- All Village local laws, ordinances, rules or regulations, in effect on the date of dissolution shall remain effective for a period of two years following dissolution.
- Such local laws, ordinances, rules or regulation shall be enforced by the Town as if they had been duly adopted by the Town Board.
- If no action is taken by the Town Board within the two year period, the law(s) will be automatically repealed.

How Were Cost Savings Determined?

How Were Cost Savings Determined?

The Dissolution Plan considered cost saving solutions while providing continued services upon dissolution:

- Maintain essential functions & services.
- What costs would be saved upon dissolution?
- What costs are transferred to the Town budget?
- Continued collection of revenues and how?

Cost Savings are only an estimate. All personnel and services are subject to Town of Macedon approval.

Cost of Dissolution

- Estimate of dissolution cost is approximately \$110,000.
- New York State Local Government Citizens Re-Organization Empowerment Grants – up to \$50,000 both Town & Village.
- 10% local match required (\$5,000 each).
- Costs include: legal fees, drafting required documents, zoning updates, assessment & sale of assets, digitizing & transfer of court and Village documents.

Disposition of Village Assets and Liabilities

Disposition of Village Assets

Village Asset Values

Asset	Source of Values	Value
Buildings	Insured Values	\$7,240,320
Property	Assessed Full-Market Value	\$3,470,482
Building Contents	Insured Values	\$187,000
Vehicles & Equipment	Insured & Estimated Market Values	\$1,555,343
Bank Accounts	Statement	\$1,201,610
Fund Balances	Statement	\$1,244,927
Total		\$14,899,682

Disposition of Village Assets

Village Asset Values

- The assessed and insured value replacement costs of the Village's assets and funds total approximately \$14.9 million.
- The most valuable asset is the Village's Sewer Plant along with considerable assets within the Fire Department and Ambulance Service.
- It must be noted that the majority of these assets can not be sold to reduce debt.

Disposition of Village Assets

Village-owned Real Property

- The Village will sell property and buildings that are not essential for the former Village to function after dissolution.
- All other real property in the possession of the Village of Macedon at the time of dissolution will be transferred to the Town of Macedon at no cost.
- The Town will, at their option, prepare any and all deeds for the Village to execute prior to the date of dissolution.

Disposition of Village Assets

Village-owned Real Property Full Market Value

Address	Property	FMV
81 Main Street	<i>Village Hall</i>	\$99,798
Main Street Rear	<i>Vacant Rural</i>	\$2,200
Main Street Lot	<i>Parking Lot</i>	\$61,414
Main Street Lot	<i>Lot</i>	\$44,848
Kemp Drive	<i>Vacant Rural</i>	\$40,606
Excludes Gravino Park & DPW Garage	Total	\$248,866

Disposition of Village Assets

Village-owned Real Property

Village Hall

Option 1: Sell the building and property for commercial redevelopment and use funds to reduce Village debt.

Option 2: Repurpose the building to be run by a nonprofit for a visitor center/history museum with office for Town Historian.

Option 3: Transfer the building to the Town. All costs to operate and maintain the building would be transferred to the Town.



Disposition of Village Assets

Village-owned Real Property

Gravino Park

- Will become a separate parcel from WWTP.
- Recommended asset be sold to reduce Village debt.



Disposition of Village Assets

Village-owned Fire Hall

Fire Hall located on NYS Canal Corporation property and has deed restrictions for use.

The Village will pursue the following options for the Macedon Fire Hall:

Option 1: Renegotiate the contract with NYS Canal Corporation for operation of revenue based uses.

Option 2: Transfer to Town for municipal use, such as a community center, all costs to operate and maintain the building would be transferred to the Town.

Disposition of Village Assets

Village-owned Vehicles/Equipment

- Insured value of Village-owned vehicles and equipment in 2015 is \$3,431,445.
- Village owned vehicles and equipment to be sold to offset debt.
- Vehicles/equipment still owned by the Village at the time of dissolution will become the property of the Town of Macedon and remaining equipment to be auctioned off if it is considered redundant.

Disposition of Village Assets

Bank Accounts, Village Books, and Records

Account Type	Account ID #	Village Fund	Balance (as of 7/31/15)
Non Expendable Trust	.....3725	Special Reserves	\$160,982.78
Expendable Trust	.....3733	Set-aside Reserve	\$57,081.92
All Funds – Money Market	.....3741	General, Water, Sewer	\$1,122,018.05
Trust & Agency	.....3766	Payroll Disbursement	\$1,188.49
Cash Disbursements Checking	.....3758	Disbursement	\$4.99
Checking – VFD held*	.....2579	Macedon Fire	\$5,234.06
Total			\$1,341,276.23

*Account held by Macedon Fire Department

Disposition of Liabilities

Unemployment & Miscellaneous Liabilities

- Terminated employees eligible for unemployment benefits will be covered by State Unemployment Fund. This will not be a liability or cost to the Town.
- The Debt District will cover any other former Village liabilities that may occur prior to the date of dissolution or due to dissolution.

Disposition of Liabilities

Village Water Tower

- The Village-owned water tower will be obsolete upon the completion of the new water main project and the water tower structure will need to be removed.
- Removal of the water tower is the responsibility of the Village.
- There is not an estimated cost with the removal of the water tower at this time.
- Any cost associated with the water tower's removal will go to the Debt District.

Service Changes

Fire Protection

- Upon dissolution, the Town Board will create a Special District – the “Macedon Fire Protection District” as provided by Article 1 of the Town Law.
- Costs related to the Fire Protection District will be met by taxes levied on the benefited real property located within the bounds of the District.

EMS

- The Village currently contracts for Emergency Medical Services while providing assistance on 4% of calls.
- The Town will provide full service to 100% of the calls.
- The Village-owned vehicles and equipment will be sold to offset debt.

Water

- The Village drinking water will become the responsibility of Wayne County Water and Sewer Authority (WCWSA).
- Village residents will be direct customers of WCWSA and billed quarterly which may change current rates.
- WCWSA will lease the water supply infrastructure from the Town at no cost and be responsible for basic maintenance of the system.
- Capital expenditures for water supply improvements will be incurred by users within the water districts of which aforementioned improvements are completed.

Sewer

- The Village of Macedon WWTP and sewer lines will be transferred to the Town at no cost.
- Operation and maintenance of the WWTP will become the responsibility of WCWSA.
- A special sewer district will be created for sewer rents and WWTP operations that will be billed direct to users by WCWSA.
- Costs related sewer liabilities will be met by taxes levied on the benefited real property located within the bounds of the sewer district.

Special Districts

Brush- The Town will continue to provide this service to the former Village residents.

Sidewalks- Expenses are associated with Village sidewalk maintenance and snow removal.

Lighting- Town Board will create and establish the “Macedon Lighting District” and negotiate a similar contract with NYSEG for the responsibility for maintenance and repair of all streetlights within this District.

Debt- created in order to pay off any Village debt incurred prior or due to dissolution.

Village Fund Balance and Indebtedness

Village Fund Balance

Village of Macedon Fund Balance (Year End May 31, 2015)

	General	Water	Sewer	Trust	Total
Trust Fund	\$0	\$0	\$0	\$218,201	\$218,201
Restricted-Capital Reserve*	\$327,059	\$0	\$0	\$0	\$327,059
Committed-Repairs	\$0	\$10,000	\$84,951	\$0	\$94,951
Assigned-Appropriated for Taxes	\$75,000	\$17,664	\$48,368	\$0	\$141,032
Unassigned	\$135,789	\$153,044	\$174,581	\$0	\$463,684
Total Fund Balance**	\$537,848	\$180,708	\$307,900	\$218,201	\$1,244,927

*Designated between ambulance replacement, fire truck replacement, highway equipment and cold storage

**Excludes \$5 million in fixed assets

Village Fund Balance

- The Village as of May 31, 2015, has a capital reserve fund totaling \$327,059-set aside to replace an ambulance, fire truck, and highway equipment.
- The Village fund balances for repairs, appropriated to reduce the Village tax levy, unassigned funds amount to \$699,667 and will be used to reduce debt.
- A \$218,000 trust fund is currently restricted and will require restructuring upon dissolution.

Indebtedness

- The Village currently has two bonds totaling \$500,000.
- The first is a bond for sewer repairs and equipment purchases will be retired in 2017 with a payment of \$125,000 per year plus interest at a rate of 1.750%.
- The outstanding debt as of May 31, 2015 is \$250,000.

Indebtedness

- The second is a bond for a fire truck that is scheduled to be retired in 2024.
- The current payment is \$20,000 per year plus interest at a rate of 4.5%.
- The outstanding debt as of May 31, 2015 is \$250,000.

The Village is set to incur debt of approximately:

- \$2,620,000 for a water supply project.
- \$7 million for WWTP upgrades.

Projected Tax Impact

Projected Tax Impact

Citizen Empowerment Tax Credit (CETC)

- Annual tax credit contingent upon NYS appropriations – not an annual guarantee.
- Formula based upon 15% of combined Village & Town property tax levy.
- Minimum of 70% must be applied to reduction of tax levy.
- Maximum of 30% can be applied to capital improvement projects.
- CETC used at discretion of Town.
- CETC amount will be based upon:
 - Village Levy 2015-2016
 - Town Levy 2016

Projected Tax Impact

CETC	Percentage	Amount
Maximum CETC for Tax Reduction	100%	\$343,935
Minimum CETC for Tax Reduction	70%	\$240,754
Maximum CETC for General/Capital Projects	30%	\$103,180

Projected Tax Impact

Town Residents

Town Residents	Tax Rate Current	Tax Rate After, No CETC	Tax Rate After (70% CETC)	Tax Rate After (100% CETC)	Property Tax per \$100,000 Before	Property Tax per \$100,000 After	Property Tax Change	Percent Change
Town-wide Tax	\$3.42	\$3.41	\$2.99	\$2.81	\$341.75		-	-
Total - No CETC	\$3.42	\$3.41	-	-	\$341.75	\$341.20	(\$0.55)	-0.2%
Total CETC - 70%		-	\$2.99	-	\$341.75	\$298.80	(\$42.95)	-12.6%
Total CETC - 100%		-	-	\$2.81	\$341.75	\$280.63	(\$61.12)	-17.9%

Notes: * Eligible for CETC – Only the General Fund and Highway Fund. No Special Districts.

Projected Tax Impact

Village Residents

Village Residents	Tax Rate Current	Tax Rate After (No CETC)	Tax Rate After (70% CETC)	Tax Rate After (100% CETC)	Property Tax per \$100,000 Before	Property Tax per \$100,000 After	Property Tax Change	Percent Change
Village Tax	\$5.68	\$0.00	\$0.00	\$0.00	\$567.85	\$0.00	-	-
Town Wide Tax	\$2.68	\$3.41	\$2.99	\$2.81	\$268.16	\$341.20	-	-
Fire Protection District*	-	\$0.92	\$0.92	\$0.92	-	\$92.00	-	-
New Lighting District	-	\$0.36	\$0.36	\$0.36	-	\$35.83	-	-
New Sidewalk District**	-	\$0.11	\$0.11	\$0.11	-	\$11.22	-	-
New Brush Collection District	-	\$0.15	\$0.15	\$0.15	-	\$14.47	-	-
New Debt District***	-	\$0.44	\$0.44	\$0.44	-	\$43.86	-	-
Total With NO Special Districts - No CETC	\$8.36	\$3.41			\$836.01	\$341.20	(\$494.81)	-59.2%
Total With Special Districts - No CETC		\$5.39	-	-		\$539.46	(\$296.55)	-35.5%
Total CETC With Special Districts - 70%		-	\$4.97	-		\$497.05	(\$338.96)	-40.5%
Total CETC With Special Districts - 100%		-	-	\$4.80		\$478.88	(\$357.13)	-42.7%

*Fire Protection to be provided by South Macedon Fire Department at the current rate of \$0.92/\$1,000

**New Sidewalk District rate may increase if limited to only beneficiaries.

***New Debt District may be reduced by the sale of Village assets.

Note: Water and Sewer are currently billed separately and will continue to be billed to users by WCWSA. Any future debt incurred for the water or sewer infrastructure will become part of these special districts.

Next Steps

Village to adopt the Dissolution Plan.

Implementation of Dissolution Plan can begin (recommended to wait past permissive referendum time period)

Dissolution set for: March 31, 2017

Questions and Answers

PUBLIC COMMENTS