

## WHAT DOES THIS MEAN FOR MY TAXES?

The Consolidated Government will potentially save \$52,616 per year. However, this figure does not include estimates of the Consolidation Plan development costs, which could range from \$105,000 to \$180,000, and costs for Plan implementation, which could range from \$250,000 to \$400,000. These one-time initial costs may be offset by State grants and the Citizens Empowerment Tax Credit (if available). The impact of this potential annual credit on Village and Town tax rates is detailed below.

Possible Property Tax Impact *				
(Based on Potential Conditions Post Consolidation)				
	Current	Post Consolidation		
	Current Tax Rate	Tax Rate No CETC	Tax Rate 70% CETC	Tax Rate 100% CETC
<b>VILLAGE</b> Rate Per \$1,000	\$ 20.47	\$ 14.52	\$ 13.47	\$ 13.02
<b>TOWN</b> Rate Per \$1,000	\$ 8.04	\$ 9.04	\$ 7.99	\$ 7.54

- CETC is subject to annual New York State appropriations.
- Any change in service assumption will change the tax rates.

## POTENTIAL TAX IMPACT\*

- If no CETC credit is provided, property taxes for former Village residents will **GO DOWN 29.1%** after consolidation.
- If no CETC credit is provided, property taxes for former Town residents will **GO UP 12.4%** after consolidation.
- If a 70% CETC credit is provided, property taxes for former Village residents will **GO DOWN 34.2%** after consolidation.
- If a 70% CETC credit is provided, property taxes for former Town residents will **GO DOWN 0.7%** after consolidation.
- If a 100% CETC credit is provided, property taxes for former Village residents will **GO DOWN 36.4%** after consolidation.
- If a 100% CETC credit is provided, property taxes for former Town residents will **GO DOWN 6.3%** after consolidation.

The CETC credit is not guaranteed. It is subject to annual State budget appropriations and therefore can change annually.

\* The above tax impact does not include costs incurred for Plan development, transition/implementation, or potential litigation costs.

Town of Pawling  
160 Charles Colman Blvd.  
Pawling, NY 12564

REFERENDUM  
ON PROPOSED  
CONSOLIDATION

November 30

TOWN VOTE

12 PM to 7 PM

LATHROP AUDITORIUM

2 Lakeside Drive  
Pawling, NY

VILLAGE VOTE

12 PM to 9 PM

VILLAGE HALL

9 Memorial Avenue  
Pawling, NY

# Town and Village of Pawling Proposed Consolidation

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## PURPOSE OF REFERENDUM

The electorate of the Village and the Town of Pawling filed petitions for consolidation with the Village and Town Clerks respectively. Each petition contained an adequate number of valid signatures to initiate the process of holding a referendum to ask voters whether the Village and Town of Pawling should consolidate. That vote has been set for on November 30th. The Village and Town have developed an *Interim Report on Consolidation* to assist the residents of Pawling in understanding the impact and costs of consolidation prior to the referendum.

Copies of the Study, Executive Summary, and a "Consolidation - Pro and Con Resident Checklist" are available at the Town Hall, Village Hall, and online at [labergegroup.com/pawling](http://labergegroup.com/pawling).

# POTENTIAL CONDITIONS POST-CONSOLIDATION RESIDENT CHECKLIST

This concise checklist is offered as a summary tool to assist each voter in making an informed decision by providing impartial and objective information on the potential impact that a consolidation may have on (1) the provision of services, (2) level of representation in local government, and (3) cost and taxation implications.

Please use the checklist to help you evaluate the “Pro’s” of consolidation (why you might vote “Yes”) and the “Con’s” of consolidation (why you might vote “No”). Check the boxes to the right to help track YOUR opinion on each issue.

“PRO” “CON”

**REPRESENTATION AND GOVERNANCE:** The new governance system will be a Consolidated Government structure that represents all residents within the existing Town boundaries, including residents of the area currently known as the Village. Consolidation will result in the elimination of both existing Village and Town governance structures, which will be replaced by a single consolidated board. There are several forms that the Consolidated Government could take, including a Town government or a coterminous Town-Village functioning primarily as a Village. Regardless of which Consolidated Government structure is established, the impact of consolidation on Village residents’ representation remains the same, as Consolidated Government will represent all residents of the existing Town and Village. The voice in governance afforded to Village residents, who currently have exclusive input in matters pertaining to the Village, will be diluted and diminished in this larger electorate pool.

**POTENTIAL COST SAVINGS AND POTENTIAL INCREASE VS. PROPERTY TAX SHIFT:** While there may initially appear to be significant areas of duplication of services between the Town and Village, investigation has revealed that current service overlap is, in fact, limited and has minimal fiscal impact. The study process identified potential post-consolidation cost savings resulting from the consolidation in an estimated amount of \$52,616 per year. More importantly, there would be tax shifts impacting Village and Town taxpayers:

- Village residents would experience a tax reduction that is due primarily to a **shift of the tax burden** onto the Town-wide tax base, rather than due to the impact of estimated recurring tax savings.
- Town residents outside the Village would **shoulder an increase in taxes** due to this shift. Town residents who live outside the Village would only see savings if they receive the Citizens Empowerment Tax Credit (CETC) if it is appropriated annually. This annual credit is not guaranteed.
- Savings estimates do not account for the initial one-time cost of Plan development and implementation.

**UP-FRONT, ONE-TIME PLANNING AND TRANSITIONS COSTS:** The pre-consolidation planning and transition process is complex and costly. Since Pawling is the first potential town-village consolidation in NY, the upfront costs could be even greater. The majority of these costs will be incurred prior to consolidation. The Plan development process may be complicated by the legal ambiguities related to the option(s) of the type of governmental structure that can replace the existing Town and Village. A rough estimate of preliminary costs of Plan development and implementation could be in the range of \$350,000 to \$480,000. The Town and Village would have to identify a means to pay for these services.

Should the State consolidation grant program be restored, those grant funds could be applied to these costs. In addition, 30% of the CETC (if it is appropriated) could be used to offset these costs. Otherwise, the Town and Village will have to fund these costs with surplus or property taxes. These figures do not include legal costs or expenses that may arise from disputes, litigation, or other associated challenges. At the time of this mailing, a lawsuit has already been filed. The cost of litigation cannot be quantified at this time, and those costs will be borne by the taxpayers.

**VILLAGE AND TOWN SERVICES:** Regardless of the final model of governance, a primary goal established by the Joint Town-Village Study Committee was to maintain the services delivered by both the Town and the Village.

- New taxation districts would be established for street lighting, sidewalk maintenance, and refuse collection services that are specific to the Village, so that taxes for these services would be paid for solely by the benefited users. The Consolidated Government would retain the existing water and sewer model.
- The Village’s current contract with the County Sheriff to provide law enforcement services would terminate. However, the Consolidated Government may extend the contract Town-wide or a law enforcement special district could be established if legislation is passed by the New York State Legislature.
- Existing Town-wide services would continue current operations, including parks and recreation; golf course; youth and senior programming; transfer station; Town Assessor; and dog control.
- One option is to create a Refuse District so that residents of the Village area would continue to receive, and bear the cost of, weekly refuse pick up and bi-weekly recycling pick up for residential units. The fee for this service is anticipated to increase by approximately \$135.
- The consolidation could dilute the Village’s control over land use policy. One option to address this is to establish membership of the Planning Board and Zoning Board to require a set number of 3 members from the area known as the Village and 4 from the Town outside the Village. This is not guaranteed and would need to be negotiated and placed into law under municipal home rule.