

## Memorandum

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**To:** City and Town of Batavia Consolidation Study Committee  
**From:** Charles Zettek Jr., Project Director  
**Date:** February 2, 2009  
**Re:** Update on General Work Plan, Process and Timetable

Since the first of the year, CGR has begun a more detailed analysis of City and Town operations, initiated research on questions regarding legal and process requirements and options for proceeding with a consolidation of the two governments, and reviewed key issues raised by the public about consolidation following the initial announcement of the project goals in mid December. This memo summarizes the key points that we have formulated to date regarding the work plan, timetable and process questions. This information could be shared with the community to inform them about the process and what to expect in the coming months.

### **STARTING POINT**

It is important to emphasize that this project was initiated without any pre-conceived idea about what a consolidation model would look like. The only direction we have been given is to assist the Committee in developing and presenting a draft consolidation plan to the City Council and Town Board by July, 2009. If the plan is approved by the two elected bodies, the plan could be presented to the voters of the City and Town in the November, 2009 general election.

We envision that there will be two major parts to the consolidation plan that will be developed. A plan is an outline of steps or actions that are intended to get one to a destination. The destination, in this case, will be a model of what a new consolidated government would look like for the citizens of the current City and Town. Thus, the draft consolidation plan will include a proposed model, and the plan of action to accomplish that model. Like all plans, there will be some details that need to be worked out in the future. But, the plan should have enough details in it to permit members of the community to develop a clear understanding of what the future might be like if the model is adopted, and how this compares with what the future might look like if the City and Town continue to exist as separate governments.

Accordingly, we expect to develop the model by focusing on seven key components. We have started the research on several of these components. While these can be identified as separate components, it is important to understand that they are linked and integrated. Thus, discussion about any of the individual components can only be carried on at a high conceptual level until the entire model is built, because it will require the entire model to see how the components inter-relate and affect one another.

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## **MODEL COMPONENTS**

CGR will research the information needed to describe the following seven components. Below we provide a brief description and initial comments to help explain what we believe will be addressed in each component. For all seven components, we will include information about what currently exists in each community, options for each community going forward, and potential options that could be incorporated into a final model that would be presented to the voters.

**Component 1 – What services are provided?** This will include a factual inventory of the various governmental services and/or functions currently being provided within the City and the Town by these two governments. In some cases, a service may be provided in or by one entity but not the other, in which case, we will identify whether or not a comparable service is provided in the other entity. This evaluation will include not only obvious services delivered (e.g., fire services, refuse collection, code enforcement) but also functions provided by boards (planning and zoning, etc.) and important differences embodied in the codes of the City and Town. Once the full inventory of services provided is assembled, it will provide the basis for identifying what services would be included in the consolidated model.

**Component 2 – Who is providing the services?** This will be an inventory of who is providing what services within each community (identified in Component 1). This will identify what services are delivered by municipal employees, private sector contractors, volunteer boards or volunteer departments, or other governments through inter-municipal cooperation agreements. Once this data is assembled, it can be used to identify how to fold current employees, along with contractors, volunteers and inter-municipal cooperation agreements into the consolidated model.

**Component 3 – What does it cost?** Cost projections will require an analysis of both expenses and revenues for both the City and Town, and need to include all measurable costs for services provided in both entities (as identified in Component 1). CGR will develop a multi-year historical database for both entities, from which cost and revenue projections (within high and low boundaries) can be made. Cost and revenue projections for the City and Town going forward as well as cost projections for the consolidated model will permit the community to assess the fiscal impact of consolidated model options.

**Component 4 – What are the local tax implications?** Clearly, a major question for the community will be: What is the impact of property taxes with a consolidated model? The analysis will need to incorporate a number of variables, including projections of costs and other revenues (developed in Component 3), growth in taxable assessed valuations and the impact of other local tax issues (such as the county sales tax).

We do know that the dual taxation zone concept used in Rome, Saratoga Springs and Oneida provide the opportunity for parts of cities outside the dense urban area to enjoy a significantly lower tax rate, which is reflective of the lower level of services needed. Something like the dual taxation zone, along with the impact of cost reductions and revenue changes that might come from a consolidation model could be used to reduce local property taxes without causing any tax shifts.

A related question is what options exist regarding two services in the City that are provided

differently than in the Town: fire and police. It is way too early in the study to outline possible options in either area. We do know that there are different service models from around the state that should be evaluated for consideration. However, it is likely that any significant change toward a new model of delivering these services would require a number of years to implement. It may be possible to design the initial model based upon creating a police and fire district in the City area. This would minimize any change to current City and Town residents regarding services provided, who provides those services, and who pays for them.

To reiterate, however, we cannot make tax implication projections until we have completed Component 3.

**Component 5 – Who is managing the organizations?** CGR believes it is important to distinguish between who manages the services being provided (e.g., City Manager, Highway Superintendent) from what is the elected governing body. In Component 5, CGR will identify the internal management structures in the City and the Town, to identify the lines of supervision and authority, as well as the top-level managers who are appointed versus elected. The consolidated model will need to identify options for the management structure of the proposed new single organization.

**Component 6 – What is the form of governance?** Clearly, the consolidated model will need to address questions about the advantages and disadvantages of the City and Town form of governance, which form provides the most benefit for the consolidated model, the number of elected representatives, and the extent to which elected officials would be at-large versus district representatives. Options for the proposed consolidation model will need to be developed and will likely be the subject of intense community debate over the summer before the final model is presented for a referendum.

**Component 7 – What is the implementation plan?** Along with the proposed model, CGR expects to develop a general implementation plan that indicates what steps need to be taken in order to transition from the current City and Town structures to the proposed model. For example, the implementation plan would address how the current City and Town employees will be integrated into the new consolidated government. As noted below, the actual details of creating the new government will need to be addressed, item-by-item, by a joint implementation committee during 2010, assuming voters agree to a new consolidated government.

### **PROCESS QUESTION – COMMUNITY INVOLVEMENT AND INPUT**

A number of questions have been raised over the past month about what opportunity members of the City and Town communities will have to participate in developing the proposed model of a consolidated government. As envisioned in our December 15, 2008 memo to the Committee, there will be multiple opportunities over a five-month time period for the community to provide comments and suggestions.

The attached process flowchart indicates our objective of providing a report to the Committee by June 1, 2009. The report will outline options for a new consolidated model. The Committee would then hold a series of public meetings in June and July to present the report with the options at community forums. Based upon the input and suggestions from the forums, the Committee would develop a draft consolidated government model and plan that would be

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forwarded to the City Council and Town Board by early August, 2009. We assume that City Council and the Town Board will hold additional public meetings to discuss the draft model and plan and give feedback to the Committee. Based upon that feedback, the Committee would develop a final proposed model and plan, which will be presented in mid September to the City Council and Town Board. They will then vote on whether to forward the proposed model and plan to the public for a referendum on November 3, 2009. Public hearings on the proposed model and plan would be held in late September to early October as required for any referendum.

As noted in CGR's December 15, 2008 memo, there are several process details that still need to be worked out. These details include the form of what will be presented to voters in November (assuming the City Council and Town Board approve proceeding with a public vote on the proposed model and plan), and the process for incorporating necessary approval(s) from the State Legislature to create a new consolidated government. However, we anticipate that these process details will be resolved over the next few months so that the answers can be included in the report to be delivered by June 1.

### **PROCESS FLOWCHART AND TIMETABLE**

The attached flowchart provides the key steps and dates for the process. We have included a box which shows that, if the electorate approves creation of a new consolidated government, the actual details of creating the new government will be carried out by a joint implementation committee during 2010. There is no specific requirement, to our knowledge, that the new government becomes effective on January 1, 2011, but that provides a reasonable target date to use for discussion purposes at this time. An actual transition date would depend on the results of all the steps of the process that we have outlined in this memo.