



Options for Governmental Structural Changes for the Village of Hoosick Falls

Joseph Stefko, Ph.D., President
Paul A. Bishop, MPA, Lead Associate

Review of Baseline and Describing the Options

- ▶ What Exists Today?
 - ▶ Village Services, Budget Highlights and Tax Burden
 - ▶ Town Services, Budget Highlights and Tax Burden
- ▶ What are the Options?
 - ▶ Option 1: Dissolve the Village *including* the police department
 - ▶ Option 2: Dissolve the Village but retain the police department
 - ▶ Option 3: Keep the Village, but consider sharing services
 - ▶ Courts
 - ▶ Highway/public works
 - ▶ Tax Assessor
 - ▶ Clerk's Office
 - ▶ Building Inspector/Code Enforcement Officer

What Exists Today: Village of Hoosick Falls

- ▶ Governed by Mayor and Village Board (Part Time)
- ▶ Full Time appointed Clerk and Part Time Deputy Clerk
- ▶ Full Time appointed Treasurer
- ▶ Court with two Justices and Clerk (Part Time)
- ▶ Building Inspector (Part Time)
- ▶ Tax Assessor
- ▶ DPW with Superintendent and 4 MEOL
- ▶ Police Department with Chief (Full Time), 1 Full and 13 Part Time Officers
- ▶ All above supported totally or in part from General Fund

What Exists Today: Village of Hoosick Falls

▶ Water Department

- ▶ Major Capital Improvement project completed in last 5 years
- ▶ 1,216 users including 116 out of district
- ▶ 2 employees
- ▶ Funded by rate payers

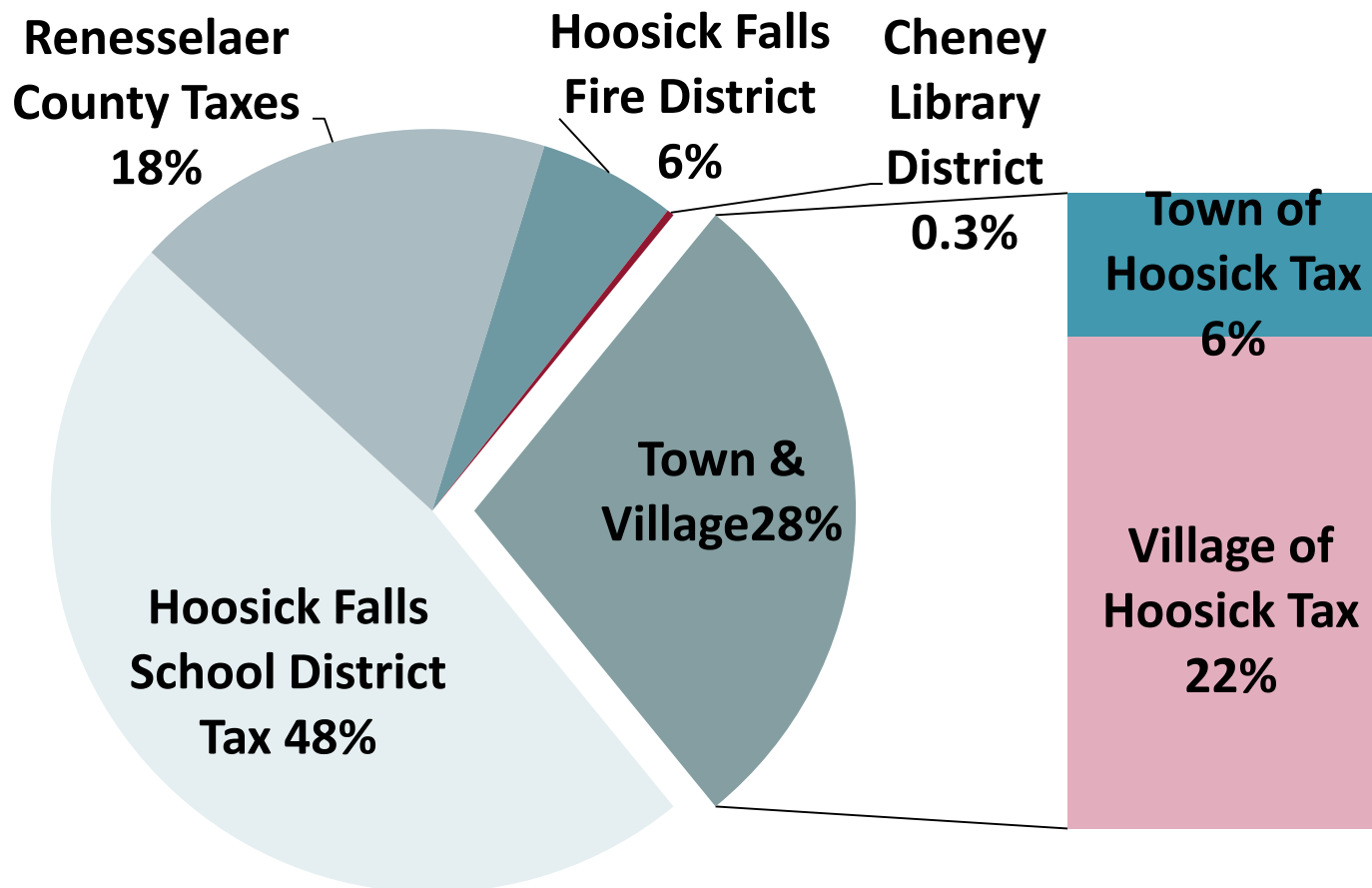
▶ Waste Water Treatment

- ▶ Major Capital Improvement project completed in 2005
- ▶ Same users as Water Department in Village
 - ▶ Some Town water subscribers do not use Waste Water
- ▶ 2 employees
- ▶ Funded by rate payers

Village Budget Overview - 2012

- ▶ **\$3,202,151 in total expenditures**
- ▶ The five largest categories account for 82 percent
 - ▶ Waste Water Department (\$735,755)
 - ▶ Water (\$703,792)
 - ▶ Highway Services (\$546,127)
 - ▶ Public Safety (including Police) (\$344,051)
 - ▶ Employee Benefits (\$293,250)
- ▶ Approximately **half the budget is funded by user fees** for waste water, water and refuse services; about **one-third** of revenue **is property tax**; and the remainder is from other revenues.

Property Taxes Paid by Village Residents



Total Property Tax for a \$100,000 home in 2012 = \$3,413

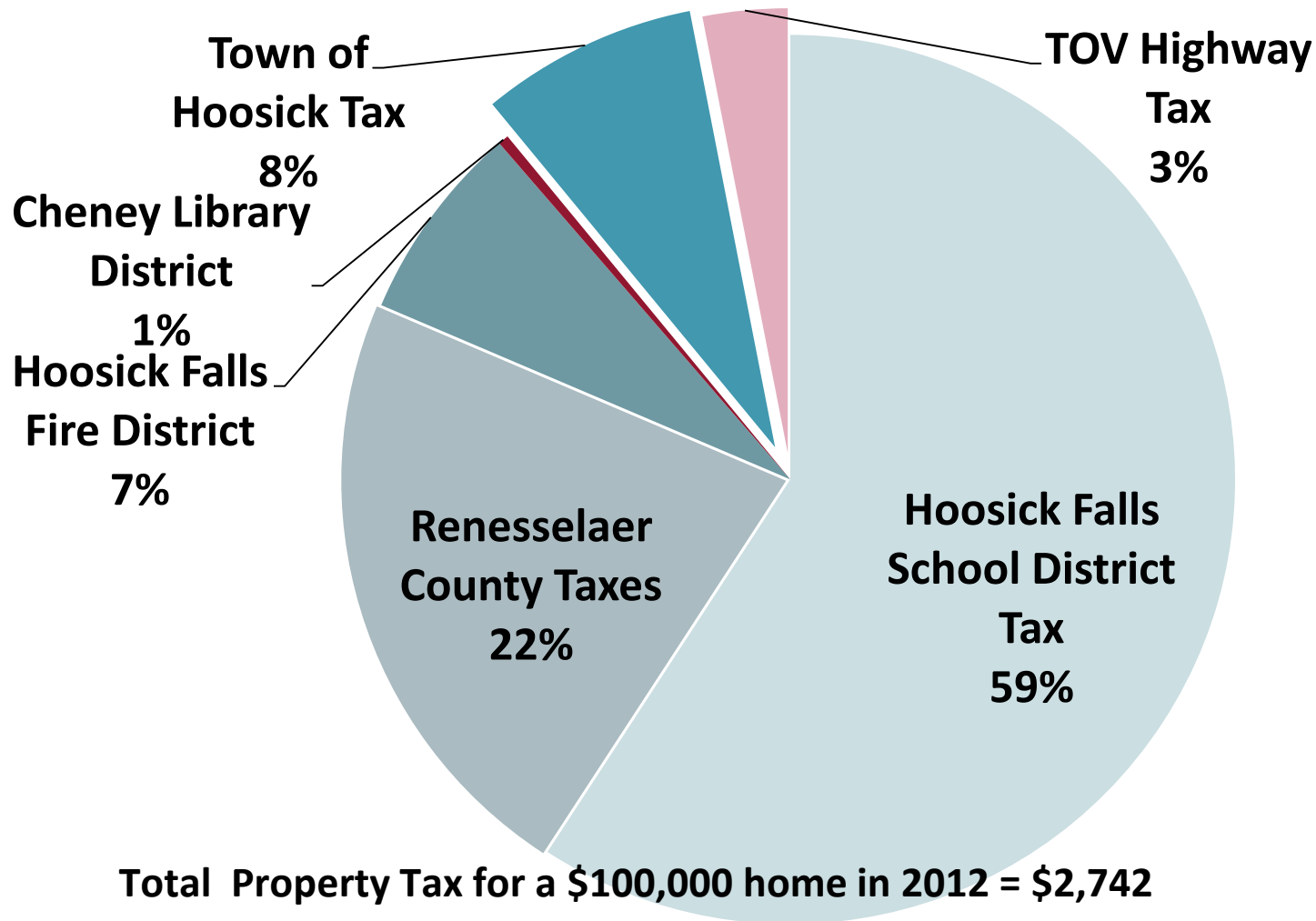
What Exists Today: Town of Hoosick

- ▶ Governed by Supervisor and Town Board (Part Time)
- ▶ Full Time, Elected Town Clerk
- ▶ Part Time Assistant and Part Time Bookkeeper
- ▶ Full Time, Elected Highway Superintendent
- ▶ Eight Full Time Highway Employees
- ▶ Court with two Justices and Clerk (Part Time)
- ▶ Building Inspector (Part Time)
- ▶ Tax Assessor (Full Time) and Clerk (Part Time)
- ▶ Part Time employees for recreation department
- ▶ Supported by several funds
 - ▶ (General – whole town, General -Town Outside Village, Highway – Whole Town, Highway Town Outside Village)

Town Budget Overview 2012

- ▶ **\$1,754,060 in expenditures**
- ▶ The four largest categories account for 94 percent of the budget
 - ▶ Highway Department (\$780,494)
 - ▶ Employee Benefits (\$403,035)
 - ▶ Administrative and Elected Staffing (\$331,482)
 - ▶ Recreation (\$146,132)
- ▶ Property taxes account for two-thirds of Town revenue; County sales tax for 15 percent; and state aid for 12 percent.

Property Taxes Paid by TOV Residents



What Options Were Evaluated?

- ▶ Option 1: Dissolve the Village *including* the police department;
- ▶ Option 2: Dissolve the Village but retain the police department as a town-wide police force; and
- ▶ Option 3: Do not dissolve the Village, but consider sharing services between Village and Town in the following areas:
 - ▶ Courts
 - ▶ Highway/public works
 - ▶ Tax Assessor
 - ▶ Clerk's Office
 - ▶ Building Inspector/Code Enforcement Officer

Options For the Future: Option # 1-Village Dissolves

- ▶ Village chooses to dissolve by referendum and sets a dissolution date
- ▶ Upon dissolution
 - ▶ Mayor and Board of Trustees position eliminated
 - ▶ Village Clerk, Deputy Clerk and Treasurer eliminated
 - ▶ *60% of current salary needed by Town to complete tasks*
 - ▶ Includes tasks for water and waste water
 - ▶ DPW Superintendent position is eliminated
 - ▶ Funding for 3 positions and most of equipment budget needed by Town

Options For the Future: Option # 1 Village Dissolves

- ▶ Town would create Water and Waste Water Districts
 - ▶ Employees would be transferred to new districts
 - ▶ Costs of a billing clerk would be assigned to the districts
 - ▶ Users would continue to fund the whole costs of the service
 - ▶ Users would be responsible for the debt associated from improvements
- ▶ The Village Court would dissolve
 - ▶ Town court would take all cases
 - ▶ All costs carried over to Town budget
- ▶ The Village Tax Assessor would be eliminated
 - ▶ Town already has a roll for each property
 - ▶ Town tax is used to create about 75% of a resident's tax bill

Options For the Future: Option # 1-Village Dissolves

- ▶ Building Inspector position would be eliminated
 - ▶ Town would need additional capacity to maintain inspections
 - ▶ All funds would go to town budget
- ▶ Police Department would be eliminated under this option
 - ▶ All employee positions eliminated
 - ▶ Routine patrolling becomes responsibility of Rensselaer County Sheriff
 - ▶ Savings of \$390,000
 - ▶ Assumes no cost for additional services from County
- ▶ All other village boards would be dissolved

Options For the Future: Option # 1-Village Dissolves

- ▶ Any Village assets and property will become the Town's
- ▶ A Debt District encompassing the former village will be formed to pay for Retiree Benefits & outstanding debts
- ▶ A street light and sidewalk district would be created to fund those services
- ▶ A refuse district would be created to provide for those services
- ▶ Most village revenues (CHIPS, Sales Tax and State Aid) continue to the Town
 - ▶ Exception is Utilities Gross Receipts Tax –about \$32,000

Citizen's Empowerment Tax Credit

- ▶ The CETC is provided for in state law to incentivize municipalities to dissolve or consolidate. The credit would be 15 percent of the combined levies of the two municipalities. The value of the CETC used for this report is \$336,343 based on the 2012 tax levies

Options For the Future: Option # 1-Village Dissolves

Rate per \$1000 of assessed town value (Change from 2012)	2012 Town or Town + Village Rate	New Rate Option # 1	New Rate Option # 1 w/ CETC
Former Town Outside Village	\$11.4670	\$14 (+19%)	\$11 (-8%)
Former Village Residents	\$36.5152	\$20 (-47 %)	\$17 (-55%)

Note: New tax rates are shown in round dollar figures as the methods used for developing the budget impacts use estimations that allow us to get close, but not precise enough to show cents.

Options for the Future: **Option 2: Village Dissolves, Police Department Becomes Town-wide**

- ▶ All changes from Option # 1 go into effect
- ▶ Except – Police Department becomes a Town Department
- ▶ *Expenses for Police Department would remain the same and the coverage levels would remain the same*
- ▶ Police would report to Town Supervisor instead of Village Mayor
- ▶ Assuming Village dissolution, there is currently no mechanism in state law to allow for a police department to serve only a portion of a municipality

Options for the Future: **Option 2: Village Dissolves, Police Department Becomes Town-wide**

Rate per \$1000 of assessed town value (Change from 2012)	2012 Rate	New Rate Option # 2	New Rate Option # 2 w/ CETC
Former Town Outside Village	\$11.4670	\$17 (+50%)	\$14 (+23 %)
Former Village Residents	\$36.5152	\$23 (-37 %)	\$20 (-45%)

Projected Impact of Village Dissolution on Village Tax Rates and Total Property Tax Bill

Projected impact on a home of \$100,000 market value	Town Tax Rate (per 1000)	Town Tax Bill	Total Property Tax Bill	Total Dollar Change	Total Percent Change
Current Town & Village Tax Rate	\$37	\$970	\$3413	n/a	n/a
Option 1 -No CETC	\$20	\$518	\$2962	- \$452	-13%
Option 1 – with CETC	\$17	\$439	\$2882	-\$531	-16%
Option 2- No CETC	\$23	\$611	\$3055	-\$359	-11%
Option 2 – with CETC	\$20	\$531	\$2975	-\$439	-13%

Total Property Tax Bill includes Town, County, Fire District, School District and Library Taxes

Projected Impact of Village Dissolution on Town Tax Rates and Total Property Tax Bill

Projected impact on a home of \$100,000 market value	Town Tax Rate (per 1000)	Town Tax Bill	Total Property Tax Bill	Total Dollar Change	Total Percent Change
Current Town Tax Rate	\$11	\$301	\$2741	n/a	n/a
Option 1 -No CETC	\$14	\$358	\$2799	\$57	2%
Option 1 – with CETC	\$11	\$278	\$2719	-\$23	-1%
Option 2- No CETC	\$17	\$450	\$2892	\$149	5%
Option 2 – with CETC	\$14	\$370	\$2812	\$69	3%

Total Property Tax Bill includes Village, Town, County, Fire District, School District and Library Taxes

Options for the Future: Option # 3 –Shared Services

- ▶ Village and Town Government structures remain
- ▶ Inter-municipal agreements – IMAs are created
- ▶ Courts
 - ▶ Little opportunity for savings as case load would not decrease
- ▶ Assessors' Office
 - ▶ Could save \$8,000 by going to Town Roll and eliminating position
 - ▶ About a 1% savings on village tax bill
- ▶ Town and Village Clerk and Village Treasurer
 - ▶ Potential for small savings by contracting of services or reorganization to share responsibilities

Options for the Future: Option # 3 –Shared Services

- ▶ Building Inspector
 - ▶ Higher need for service in Village.
 - ▶ Town could contract with Village to provide service when needed.
 - ▶ Potential savings of \$ 5,000

Options for the Future: Option # 3 –Shared Services for DPW and Highway Services

- ▶ DPW and Highway
 - ▶ Largest department for both Town and Village
 - ▶ Greatest Opportunity for Savings
 - ▶ The Town budgets about \$780,000 about 45 percent of total Town expenses.
 - ▶ The Village will spend approximately \$546,000 or about 30 percent of its general fund expenses.
 - ▶ A 10 percent savings in both departments would represent a chance to impact the overall tax levy by reducing the village tax rate per 1000 by \$1.41 and the town TOV highway by \$1.08

Options for the Future: Option # 3 –Shared Services for DPW and Highway Services

- ▶ Shared Planning
 - ▶ Work on projects, purchases and routes together
- ▶ Resource Sharing
 - ▶ Capital Equipment, salt ordering, garages
- ▶ Service Outsourcing
 - ▶ Contract with each other for specific services to save
- ▶ DPW Elimination
 - ▶ Village eliminates department and contracts with Town for Service
- ▶ Contractual Concerns
 - ▶ Unionized workforces can have challenges

Summary of Options

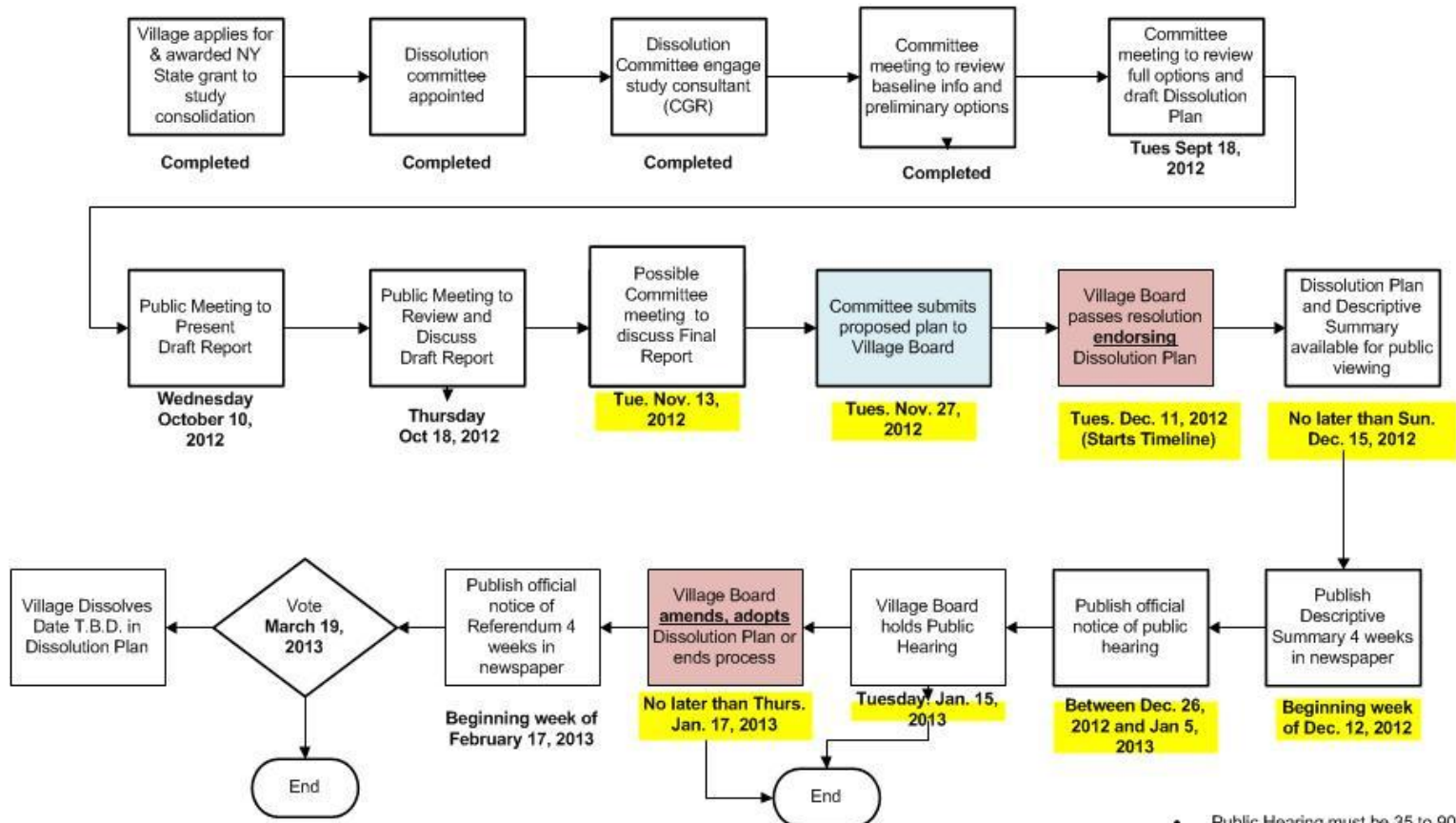
- ▶ Option # 1 - Dissolving the whole Village has the greatest reduction on property taxes – including the potential reduction for TOV residents
- ▶ Option # 2 – Dissolving Village and creating a Town-Wide Police Department would cost about \$3.50 per assessed thousand. Reduction for Village and an increase for TOV residents
- ▶ Option # 3 – Requires contracting between Town and Village. The area for the greatest chance of reduction is in DPW and Highway

Next Steps in Potential Dissolution

- ▶ Presentation to Village Board & Public on 10/10/12
- ▶ Public Forum on Options Report on 10/18/12
- ▶ Steering Committee Meets to Adopt an Option
- ▶ If Option # 1 or # 2 chosen, CGR will create a dissolution plan
- ▶ Steering Committee presents Dissolution Plan to Village Board

Village of Hoosick Falls Dissolution Study and Referendum Process Flowchart

October 3, 2012



- Public Hearing must be 35 to 90 days from Endorsement
- Action on plan must be 1 to 180 days from Hearing
- If needed, Referendum is 60 to 90 days from Action.
- Shortest time interval is 96 days, longest is 360 days

Village of Hoosick Falls
Dissolution Study Committee

CGR
Inform & Empower