



# Shared Services/Merger Feasibility Study

Town and Village of North Collins, NY  
Prepared by the Center for Governmental Research, Inc.

**CGR** *Inform & Empower*

This presentation was prepared with funds provided by the New York State Department of State under the Local Government Efficiency Grant program.

# Purpose of Study

- Provide village residents with data necessary to determine the most efficient and effective ways to provide the services they receive in their community.
- Options under consideration
  - Shared services between town and village
  - Consolidation of services
  - Dissolution of the village

# Options Defined

- *Shared Services*
  - Municipalities define services that overlap and then share assets and personnel in order to achieve desired level of service in each municipality
- *Consolidation of Services*
  - Municipalities define services that overlap and then agree to merge those services into one department that provides the same service to both municipalities (Either Town or Village depending on expertise and assets)
- *Dissolution*
  - Typically the elimination of one whole layer of government in favor of another

# Requirements of Study

- Formation of a Dissolution Study Committee
  - Larry Wroblewski , Marian Vanni, Anthony George, Rosalind Seege, Richard Schaus, Lisa Williams, Brenda Bauer-Petrus, Marty Niefergold, Mayor John Mrozek
- Hiring of a independent consultant
- Research and presentation of alternatives that address cost and service provision

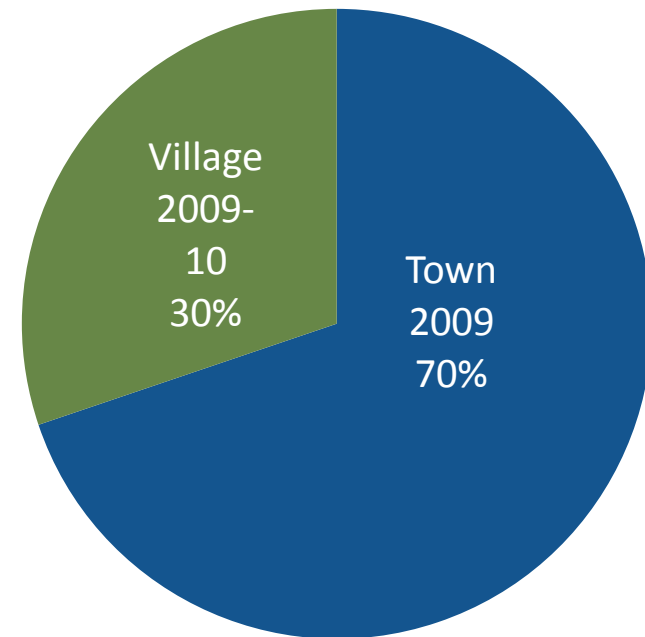
## Context of Study

- From 1990 – 2008 a ***decline*** in village population of 24.9%
- From 1990 – 2008 the town outside of village population has ***increased*** by 4.7%
- Loss of major industry in the village
- Change in economy and agricultural trends
- Declining tax base with steady or increasing costs for the services that are provided

# Current Cost of Government

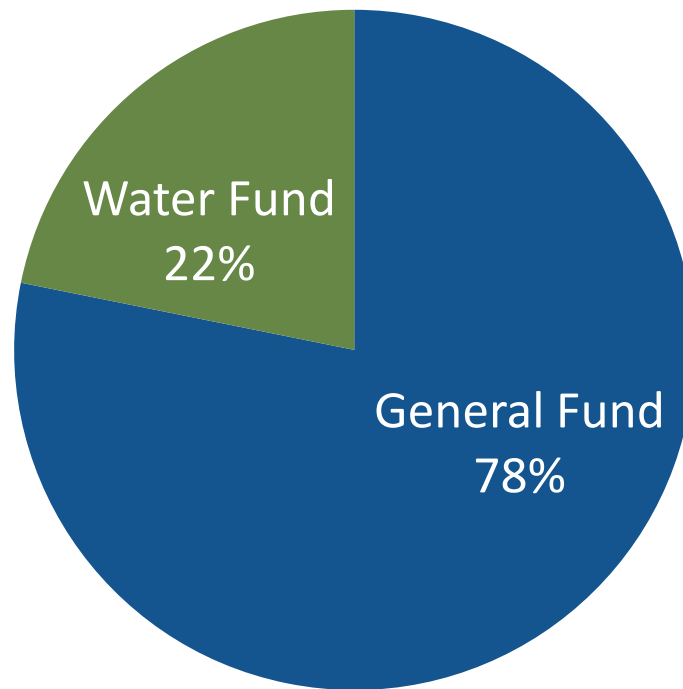
- Almost \$3 million combined
  - Town Total Budget = \$2,063,406
  - Village Total Budget = \$892,501
  - Combined Cost of Government = \$2,955,907

**Combined Cost of Government**



# Village Has Two Funds

## Allocation of Village Budget



## Functional Services in the Village General Fund

- Administration (30%)
- Department of Public Works (28%)
- Refuse Pickup (11%)
- Fire (6%)
- Police (4%)
- Street Lighting (3%)
- Safety/Code Enforcement (1%)
- Sidewalks (1%)
- Dog Control (.2%)
- Debt (14%)
- Other (1.8%)



# General Fund Debt

- \$485,000 as of December 2009
  - Police Car/DPW Truck = \$20,000 (Paid off by 2011)
  - Sherman Avenue = \$175,000
    - Road construction and drainage
  - Langford Road = \$60,000
    - Road construction and drainage
  - Fire Truck = \$35,000
    - Purchased a used fire truck
  - Fire Truck = \$195,000
    - Purchased a new fire truck

# Water Fund

- \$194,900 Operation
  - Paid for by user fees
    - Village = \$52.50/\$2.95
    - TOV = \$62.50/\$4.95
- Debt
  - New DPW Truck = \$100,000
  - Sherman Avenue = \$175,000
    - Water lines and hydrants
  - New Water Tower = \$40,000
- Major Infrastructure Repairs are Needed
  - Village applying for grant with New York State
  - New High Street improvements coming in 2010

# Village Personnel

- Four Full Time Equivalents (FTE)
  - Clerk Treasurer (Split General and Water Fund)
  - DPW Superintendent
  - Two Laborers (1 General & 1 Water Fund)
- Mayor
- Trustees (4 PT)
- Police (12 PT)
- Other Part time
  - Attorney, Code Officer, Deputy Clerk, DPW Clerk, Summer Help

## Current Shared or Consolidated Services

- Village DPW shares equipment and services with the town and with surrounding towns on a regular basis
  - Town has formal agreements with surrounding towns for shared highway services
- Town of Collins provides coverage for water licensures
- Assessment provided by the Town
- Town Court
- Merged Town & Village Planning Board
- Many other programs (seniors, library, etc.) provided exclusively by the Town

# Formal Agreements

- Town owns EMS and contracts with the Town of Eden
- Village contracts with the Town for the dog control
- Village contracts with the Town to provide police services in the Town
- Town contracts with the Village for fire protection
- Village supports dispatch through Helmuth Control
- Village contracts with Brant to provide fire protection

# Shared Service Opportunities

- Significant opportunities for shared services between the Town and Village have been exhausted.

# Consolidation Opportunities

- Combine Refuse Contracts
  - Merging to one carrier for the same cost of the current two contracts yields savings to the Town Outside of Village, but an increase to Village residents
  - Changes to user fees:
    - Village – Increase of \$29.10
    - Town Outside of Village – (\$18.34)
  - Potential efficiencies for one contract
- Merge Code Enforcement Position in the Town
  - Merge current costs to enhance the part-time position
    - Slight savings to Village: (\$.05/\$1000)
    - Slight increase to TOV: \$.02/\$1000

# Consolidation Opportunities

- Transfer Police to Town
  - Village budgets \$35,000 for Police
  - Town currently pays \$20,000 to Village
    - \$.16/\$1000 in property tax
  - Net cost to Village = \$15,000
    - \$.41/\$1000 in property tax
  - Combined operation in Town would cost \$35,000
    - Impact to townwide property tax of \$.22/\$1000
    - Savings to Village: (\$.19)/\$1000
    - Slight Increase to TOV: \$.06/\$1000



# Consolidation Opportunities

- Eliminate Helmuth Control
  - 2009 Cost = \$118,678
  - 2008 Actual calls = 666
    - Committee estimates call volume closer to 1500 annually
    - Approximately 4 calls/day
  - Cost/call (based upon 1500) = \$79.12
    - Erie County 911 Call Center cost/call estimated at \$0.95
      - Source: Watson, Stephen T., "Region's 911 Centers get calls to merge", Buffalo News, October 6, 2009.
  - Savings to Village: \$.32/\$1000
  - Savings to TOV: \$.29/\$1000

# Summary Savings for Consolidation

<i>Per \$100,000 House</i>		
<b>Service</b>	<b>Village</b>	<b>TOV</b>
Refuse User Fee	\$ 29.10	(\$18.34)
Code Enforcement	(\$5.00)	\$2.00
Police	(\$19.00)	\$6.00
Helmuth	(\$32.00)	(\$29.00)
<b>Tax Bill Savings</b>	<b>(\$26.90)</b>	<b>(\$39.34)</b>
<i>Percent Change</i>	<i>-1.6%</i>	<i>-4.0%</i>

# Potential Impact of Dissolution

- Personnel
  - Eliminate Mayor, Trustees (4), Village Clerk Treasurer (General Fund - .9 FTE), Deputy Clerk
  - Transfer 15 hours for Deputy Town Clerk
  - Transfer some cost for Attorney
  - Merge Code Enforcement positions – Combine cost
  - Town continue Dog Control Officer – No increase in pay
  - Transfer Police Department – No increase in pay
  - Transfer DPW staff (3 FTE) – Increase pay to level with Town MEO salary (Total Increase of \$19,000)
  - Potentially eliminate Helmuth Control

# Potential Impact of Dissolution

- Other changes
  - Town will add Village cost for fire department into its fire protection contract with the NCVFD Inc.
  - Create a second street lighting district – Village
  - Create a sidewalk district – Village residents with sidewalks
  - Merge volunteer boards (E.g. ZBA)
  - Merge Refuse Contracts
  - Create a Water District – Water Users
  - Create a debt service district - Village

# Cost Impact of Dissolution

- Cost Reductions: 8%
  - \$236,386
    - \$75,000 is one-time savings on 2009 Town Budget
    - Town & Village cost for Helmuth factored into savings
  - Savings per capita = \$72.27
- Lost Revenues: 7%
  - \$88,292 – Mainly intergovernmental transfers for police, fire and dog control
    - Loss of Utilities Gross Receipts Tax - \$18,000
    - \$6,000 is one-time loss of revenue on sale of equipment

# Cost Impact of Dissolution

- Cost Increases - \$24,500
  - \$19,000 for leveling of salaries in DPW
  - \$5,500 for additional debt financing
  - “Net” cost impact = savings of 7%
    - \$211,486
- Revenue Increases = \$204,890
  - AIM Incentive for full consolidation
  - “Net” revenue changes = Increase of 9%
    - \$116,598
- Cost Shifts: TOV funds shift to townwide and some village costs shift to special districts

# Dissolution Tax Impact - Village

*Per \$1000 of assessed value*

Village tax  
 Town tax  
 Town Outside Tax  
 Town Highway tax  
 Town Outside Highway Tax  
 Fire Protection District tax  
 Street Lighting tax  
 Sidewalk Tax  
 Debt Service District tax  
 Total Tax Rate

*Tax on Home Assessed for \$100,000*

Refuse District Charge

**Total Tax Bill**

Percentage change in tax

Current Village Residents		
Current Tax	Proposed Changes	Proposed Tax
\$ 11.43	\$ (11.43)	\$ -
3.72	\$ (1.18)	2.54
-	\$ -	-
0.32	\$ 3.74	4.07
-	\$ -	-
-	\$ 1.09	1.09
-	\$ 0.66	0.66
-	\$ 0.18	0.18
-	\$ 2.92	2.92
<b>\$ 15.47</b>	<b>\$ (4.01)</b>	<b>\$ 11.46</b>
\$ 1,547.18	\$ (401.29)	\$ 1,145.88
\$ 144.66	\$ 29.10	\$ 173.76
<b>\$ 1,691.84</b>	<b>\$ (372.20)</b>	<b>\$ 1,319.64</b>
<b>-22.0%</b>		

# Dissolution Tax Impact – Town Outside Village

*Per \$1000 of assessed value*

Village tax  
 Town tax  
 Town Outside Tax  
 Town Highway tax  
 Town Outside Highway Tax  
 Fire Protection District tax  
 Street Lighting tax  
 Debt Service District tax  
 Total Tax Rate

*Tax on Home Assessed for \$100,000*

Refuse District Charge

**Total Tax Bill**

Percentage change in tax

Current Town-Outside-of-Village Residents		
Current Tax	Proposed Changes	Proposed Tax
\$ -	\$ -	\$ -
3.72	(1.18)	2.54
1.18	(1.18)	-
0.32	3.74	4.07
1.30	(1.30)	-
1.34	(0.26)	1.09
-	0.24	0.24
-	-	-
<b>\$ 7.87</b>	<b>\$ 0.06</b>	<b>\$ 7.94</b>
\$ 787.44	\$ 6.19	\$ 793.63
\$ 192.10	\$ (18.34)	\$ 173.76
<b>\$ 979.54</b>	<b>\$ (12.15)</b>	<b>\$ 967.38</b>
<b>-1.2%</b>		



# Status of Survey

- 1,045 unique telephone numbers
  - Purchased additional list (yielded 114 new numbers)
- Attempt to contact between 3 and 6 times
- Completed 297 surveys
  - 98 Village surveys – Goal 150
  - 199 Town Surveys – Goal 200
- 209 people declined to take the survey
- 205 wrong or disconnected numbers

# Next Steps

- Review dissolution impacts and alternatives in more detail
  - Review of buildings & assets, local laws, zoning & codes
  - Finalize a dissolution plan, including alternatives & IMA's
- Key Dates
  - 11/10 – Next committee meeting
  - 12/3 – Final public hearing
  - 12/17 – Committee hands final report to Village Board