



Shared Services/Merger Feasibility Study

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

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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 and information 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

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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

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Requirements of Study

- Formation of a Dissolution Study Committee
 - Anthony Kota – Chairman, Mayor of Perrysburg, Tracy Gurney – Village Trustee, Mike Cooper – Village Trustee, Donald Butcher – Village Resident, Catherine Smith - Village Resident, Richard Gable - Town Council, Tammy Utley - Town Council, Myrton Sprague – Town Resident, Frank Kusiowski Jr. - Town Resident
 - Staff support provided by Christine Bartlett – Village Clerk/Treasurer
- Hiring of a independent consultant
- Research and presentation of alternatives that address cost and service provision

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Context of Study

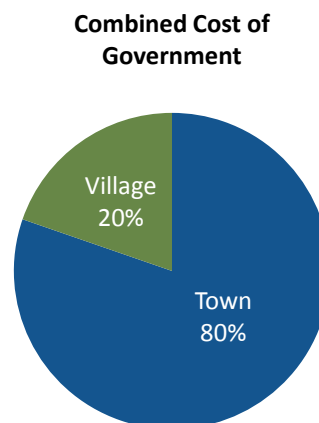
- From 1990 – 2008 a **decline** in village population of 5.9%
- From 1990 – 2008 the town outside of village population has **declined** by 11.8%
- Declining tax base with steady or increasing costs for the services that are provided
- Loss of private business in the Village due in part to closing the J.N. Adam Developmental Center
- Taxpayer petition asking for a dissolution study

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Current Cost of Government

- Almost \$1.4 million combined
 - Town Total Budget = \$1,107,841
 - Village Total Budget = \$271,650
 - Combined Cost of Government = \$1,379,491

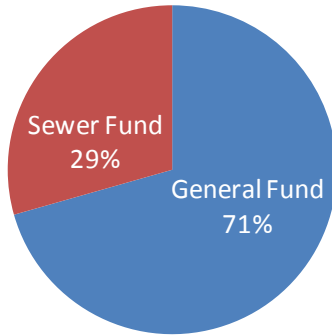


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Village Has Two Funds

Allocation of Village Funds



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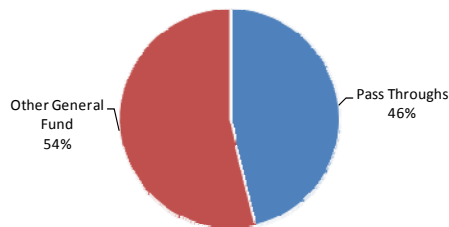
Pass-Through Dollars Represent 46% of Village General Fund Budget

•General Fund = \$191,747

•Pass Through Dollars in Village General Fund = \$88,907

•The Rest of the Village General Fund Budget = \$102,840

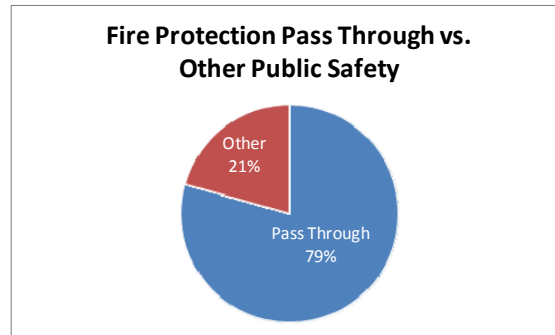
Pass Throughs for Sewer Debt & Fire Protection as % of Total General Fund



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Fire Protection Pass-Through represents 79% of Village Public Safety Expense

- \$69,699 of the expense for public safety is for contracts that go directly to the Volunteer Fire Company



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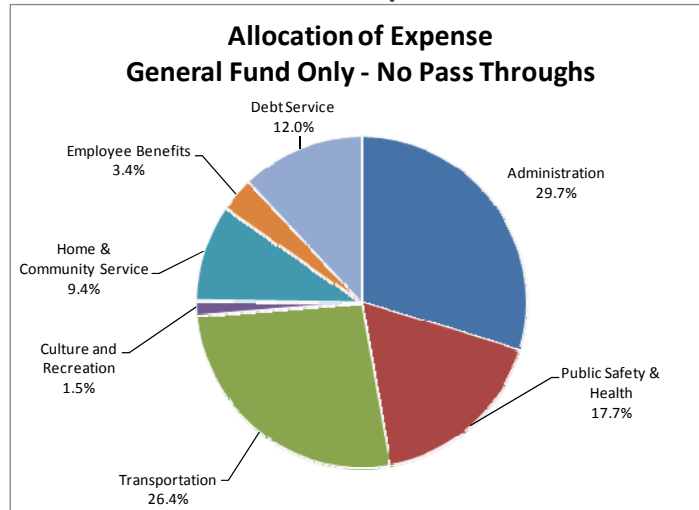
Village General Fund Budget

- Administration (30%)
- Public Safety & Health (18%)
- Transportation (26%)
- Debt Service (12%)
- Home & Community Service (9%)
- Employee Benefits (3%)
- Culture & Recreation (2%)

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Functional Service Expense Allocation



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Village Debt

- General Fund = \$11,495 as of December 2009
 - DPW Truck
 - Debt matures in April, 2011
 - Debt would not impact residents after dissolution
- Water Fund = \$47,000 as of December 2009
 - Water System Repair
 - Debt matures in October, 2023
 - Debt service currently paid for by Town
- Sewer Fund = \$190,190 as of December 2009
 - Sewer System Repair
 - \$117,090 matures in September, 2014
 - \$73,100 matures in August, 2035

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Village Personnel

- 1 Part-time Mayor
- 2 Part-time Trustees
- 1 Part-time Clerk/Treasurer (approximately .2 FTE)
 - Also serves as the water billing clerk
- 3 Part-time Laborers (5-8 hours per week)
 - 1 serves as Administrator/Superintendent
- 1 Part-time Sewer Superintendent
 - Also serves the Central Water District

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Current Shared or Consolidated Services

- Animal Control
- Building Inspector
- Town Assessor covers Village
- The Town Highway Department provides all street snowplowing for the Village
- Town provides support as Registrar of Vital Statistics
- Town Clerk provides support for the Village when people come to the window and the Village Clerk/Treasurer is not available (Sells garbage stickers)
- Shared use of Sewer personnel with Central Water District

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Formal Agreements

- Shared use of Town Hall
- Village Clerk Treasurer works for the Central Water District providing administrative/billing support
- Perrysburg Volunteer Fire Company #1, Inc. provides coverage under contract to a portion of the Town of Perrysburg and a portion of the Town of Hanover in addition to the Village
- Town of Perrysburg pays Village for maintenance of water meters, hydrants, water lines, etc.
- Village of Gowanda provides sewer system maintenance (Pump and Collection systems)

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Shared Service Opportunities

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

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Consolidation Opportunities

- Merge Village DPW with Town Highway Department
 - No additional personnel required at Town
 - Potential cost savings of \$5,300 to Village residents
 - \$.68 per \$1000 of Village assessed value (\$68 for \$100,000 house)
 - Potential cost shift to Town of \$16,250
 - \$.29 per \$1000 of townwide assessed value (\$29 for \$100,000 house)
 - **Net Impact to Village residents = Savings of \$.39/\$1000**
- Could transition Village residents to private contracts for refuse collection
 - Little savings in Village budget due to revenue collected for garbage stickers
 - May be significant increase in cost for some residents with small garbage output

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Consolidation Opportunities

- Transition sewer operation to the Town similar to Central Water District
 - Would mean forming a sewer district consisting mostly of current Village residents
 - Debt would stay with sewer users
 - Operation/management would be responsibility of Town board, but service would remain the same
 - No cost saving advantages and operationally it already functions as one department under one person

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Potential Impact of Dissolution

- Personnel
 - Eliminate Mayor, Deputy Mayor, Trustees (2), Village Clerk Treasurer and 3 PT Laborer positions
 - Clerk/Treasurer would continue administrative/account billing support in the water and sewer funds
- Eliminate cost for Village accountant, attorney and election expenses
- Eliminate cost for rent to Town, municipal association dues, and 80% of current insurance costs
- Transfer Village cost for fire protection to the Town fire protection district – Village residents will pay fire protection district tax along with all other town residents

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Potential Impact of Dissolution

- Other changes
 - Town will assume salary cost for animal control and building inspector and add some contractual expense to each line item
 - Create a new street lighting district for former Village residents
 - Create a new sidewalk district for former Village residents
 - Create a new sewer district of current sewer users
 - Continue the garbage sticker program for Village residents through formation of a special district
 - Possibly raise cost for stickers by \$.25/sticker

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Cost Impact of Dissolution

- Cost Reductions: 10%
 - \$142,675
 - Savings per capita
 - Village Resident = \$375.46
- Ongoing Lost Revenues: 0.6%
 - \$7,200
 - \$96,179 “Goes Away” on budget crosswalk
 - \$88,979 is pass-through or transfers for fire and sewer debt

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Cost Impact of Dissolution

- Cost Increases - \$0
- Revenue Increases = \$74,917
 - AIM Incentive for full consolidation = \$73,117
 - \$1,000 budget adjustment for Town for Water Billing
 - \$800 increase to balance garbage sticker program
 - “Net” revenue changes = Increase of 5%
 - \$67,717

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Other Cost Impacts of Dissolution

- Cost Shifts: TOV funds shift to townwide and some Village costs shift to special districts
 - See tables on next slides
- Sewer rates are currently \$5.85 per 1000 gallons of usage
 - These rates would not change and should be factored into final costs
- Water rates will not change and should be factored into final costs
- Cost for infrastructure repair through FEMA unknown

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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 (Sewer)
 Total Tax Rate

Tax on Home Assessed for \$100,000

Refuse Sticker Program

Total Tax Bill

Percentage change in tax

Current Village Residents			
	Current Tax	Proposed Changes	Proposed Tax
Village tax	\$ 6.99	\$ (6.99)	\$ -
Town tax	3.76	(1.12)	2.65
Town Outside Tax	-	-	-
Town Highway tax	3.98	1.30	5.29
Town Outside Highway Tax	-	-	-
Fire Protection District tax	-	1.84	1.84
Street Lighting tax	-	0.71	0.71
Sidewalk Tax	-	0.45	0.45
Debt Service District tax (Sewer)	-	2.46	2.46
Total Tax Rate	\$ 14.74	\$ (1.34)	\$ 13.39
<i>Tax on Home Assessed for \$100,000</i>	\$ 1,473.63	\$ (134.42)	\$ 1,339.21
Refuse Sticker Program	\$ 102.00	\$ 26.00	\$ 128.00
Total Tax Bill	\$ 1,575.63	\$ (108.42)	\$ 1,467.21
		-6.9%	

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Dissolution Tax Impact – Town Outside Village

	Current Town-Out side-of-Village Residents		
	Current Tax	Proposed Changes	Proposed Tax
<i>Per \$1000 of assessed value</i>			
Village tax	\$ -	\$ -	\$ -
Town tax	3.76	\$ (1.12)	2.65
Town Outside Tax	-	\$ -	-
Town Highway tax	3.98	\$ 1.30	5.29
Town Outside Highway Tax	0.86	\$ (0.86)	-
Fire Protection District tax	1.82	\$ 0.01	1.84
Street Lighting tax	0.89	\$ 0.38	1.27
Debt Service District tax	-	\$ -	-
Total Tax Rate	\$ 11.31	\$ (0.28)	\$ 11.03
<i>Tax on Home Assessed for \$100,000</i>	\$ 1,131.32	\$ (27.84)	\$ 1,103.48
Refuse District Charge	\$ 246.00	\$ -	\$ 246.00
Total Tax Bill	\$ 1,377.32	\$ (27.84)	\$ 1,349.48
Percentage change in tax	-2.0%		

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Survey Overview

- Mailed 199 Surveys
 - Two returned without delivery
- 63 returned surveys through October 31, 2009
 - 32% response rate
 - Includes 3 refusals
- 38 Female, 22 Male (60 Total)
 - 55% were age 50 and over
- 24% Respondents lived in Village less than 10 years
- 37% Respondents lived in Village 11-30 years
- 33% Respondents lived in Village more than 30 years
- 81% Property Owners

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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
 - 11/17 – Next committee meeting
 - 12/10 – Final public hearing
 - 12/15 – Committee hands final report to Village Board
- Website: www.cgr.org/perrysburg