



## **Forum on Dissolution**

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**Candor, New York  
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N.Y.S. Conference of Mayors  
General Counsel**



## **Forum on Dissolution**

**Who Am I?  
What Is NYCOM?  
Why Am I Here?**



# Forum on Dissolution

## Village Dissolutions

Union - 1921	North Pelham - 1975
La Fargeville -1922	Friendship - 1977
Marlboro - 1922	Rosendale - 1977
Eastwood - 1926	Savannah - 1979
Newfield - 1926	Elizabethtown - 1980
Pleasant Valley - 1926	Bloomington - 1985
Sound Avenue - 1927	Pine Hill - 1986
Belleville - 1930	Woodhull - 1986
Northville - 1930	Pine Valley - 1991
Jamaica Square - 1931	Westport - 1992
Henderson - 1933	Ticonderoga - 1993
Old Forge - 1936	Fillmore - 1994
North Bangor - 1939	Schenevus - 1994
Forestport - 1940	Mooers - 1995
Village of the Landing - 1940	Andes - 2003
Downsville - 1950	Pike - 2009
Amchir - 1968	Limestone - 2010
Prattsburg - 1972	Perrysburgh - 2011
Fort Covington - 1975	Randolph - 2011
Pelham - 1975	East Randolph - 2011
	Seneca Falls - 2011

## Villages Currently or Recently Studying Dissolution

Lake George	Cherry Valley
Schuylerville	Macedon
Medina	Speculator
Waddington	Wellsville
Port Henry	Corinth
Candor	Dansville
Windsor	North Collins
Albion	Allegany
Ellenville	Johnson City
Port Henry	Alden
Cobbleskil	Camilus
Lewiston	Victory



# Forum on Dissolution

## General Municipal Law Article 17-A

# Went Into Effect March 21, 2010



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### **Petitions Filed Under the New General Municipal Law Article 17-A**

Village of Waddington	Petition Determined to Be Invalid - May 2010
Village of Brockport	Dissolution Voted Down - June 15, 2010
Village of Williamsville	Dissolution Voted Down - August 17, 2010
Village of Sloan	Dissolution Voted Down - August 17, 2010
Village of Lakewood	Dissolution Voted Down - August 25, 2010
Village of Farnham	Dissolution Voted Down - Sept 28, 2010
Village of Cuba	Dissolution Voted Down - Sept 28, 2010
Village of Macedon	Dissolution Voted Down - October 12, 2010
Village of Altmar	Dissolution Approved - November 10, 2010
Village of Odessa	Dissolution Voted Down - December 7, 2010
Village of Whitesboro	Dissolution Voted Down - January 4, 2011



## **Forum on Dissolution**

**Village of Candor  
Dissolution  
Operating Under  
Village Law Article 19  
Because Petition Was  
Filed in October 2009**



## **Forum on Dissolution**

### **NYCOM's Position**

- 1. Villages Are Not Merely Multipurpose Taxing Districts**
- 2. Village Are Not a Third Layer of Government**
- 3. Villages Are New York's Form of Incorporated Cities**



## **Forum on Dissolution**

### **NYCOM's Position**

- 4. Residents Should Have the Ability to Petition to Create & Dissolve Villages**
- 5. Village Boards Should Have the Ability to Initiate Dissolution**
- 6. Neither For Nor Against Dissolving Candor (Or Any Particular Village)**



## **Forum on Dissolution**

**Each Village Dissolution Is Unique & Must be Considered on a Case-By-Case Basis**

- 1. The Services Villages Provide Varies From Village to Village**
- 2. The Services Towns Provide Varies From Town to Town**
- 3. Different Economic & Demographic Characteristics**



## **Forum on Dissolution**

**Village Dissolution Is a Town Issue!**

- |   |   |
|---|---|
| <b>1. Town Determines How Services Are Going to Be Provided Should the Village Dissolve</b> | <b>2. How New York State Town Law Imposes Town Tax Determines Tax Savings for Village Residents</b> |
|---|---|

## **Village Law Article 19**

### **❖ The Dissolution Process**

- 1. By a Majority Vote of the Village Board of Trustees; *OR***
- 2. By a Petition Signed by the Village's Qualified Voters**

## **Village Law Article 19**

### **❖ The Dissolution Process**

#### **➤ The Study Committee**

- Develop Village Dissolution Plan & Dissolution Report**
- Must Include at Least Two Representatives of Each Town(s) In Which the Village Is Situated**

## Village Law Article 19

### ❖ The Dissolution Process

#### ➤ The Study Committee

- Must Issue Its Plan & Report to Board of Trustees Within Time Period Established by Board
- Report Must be Sent to the Supervisor(s) of Town(s)

## Village Law Article 19

### ❖ The Dissolution Process

#### ➤ The Study Committee

- Must Hold Public Hearing on the Report, Notice of Hearing Must be Published In Village's & Town's Official Newspapers at Least 20 Days Prior to Hearing

## Village Law Article 19

### ❖ The Dissolution Process

#### ➤ Dissolution Plan

1. How Village-Owned Property Will be Disposed;
2. How Village Obligations Will be Paid, Including How Taxes & Assessments Will be Levied & Collected;

## Village Law Article 19

### ❖ The Dissolution Process

#### ➤ Dissolution Plan

3. The Transferring or Terminating Village Employees;
4. How Towns Agree to Carry Out the Dissolution Plan;

## **Village Law Article 19**

### **❖ The Dissolution Process**

#### **➤ Dissolution Plan**

- 5. Whether Village Local Laws In Effect on Date of Dissolution Will Remain In Effect for a Period Longer Than Provided Law;**
- 6. If & How Village Functions or Services Will be Continued;**

## **Village Law Article 19**

### **❖ The Dissolution Process**

#### **➤ Dissolution Plan**

- 7. The Fiscal Impact of Village Dissolution; &**
- 8. Any Other Matters Desirable or Necessary to Carry Out the Dissolution.**

## **Village Law Article 19**

### **❖ The Dissolution Process**

#### **➤ Dissolution Report**

- Report Must Address All the Topics Included In a Plan for Dissolution as Well as Alternatives to Dissolution**

## **Village Law Article 19**

### **❖ Issues to Address**

#### **➤ Service Continuity**

- 1. Continued as Town-Wide Function;**
- 2. Continued but Limited to & Financed by Area Less Than the Entire Town (District); or**
- 3. Terminated as a Governmental Activity**

## **Village Law Article 19**

### **❖ Issues to Address**

#### **➤ Fiscal Issues**

- 1. Outstanding Debt**
- 2. Remaining Services be Financed**
- 3. Cost-Savings, If Any, From the Discontinued Services, Reduction In Duplication In Services, Increased Efficiencies**

## **Village Law Article 19**

### **❖ Issues to Address**

#### **➤ Non-Fiscal Issues**

- 1. Village Laws & Regulations, Such as Zoning Laws & Tax Exemptions**
- 2. Accessibility & Responsiveness of Town Officials**
- 3. What Will be the Identity of the Community After the Dissolution?**

## Village of Candor Dissolution Plan

- ❖ AIM Incentive
- ❖ Binding the Town
- ❖ Cost-Savings
- ❖ Discontinuance of Services
- ❖ Sharing Services
- ❖ Town Taxation
- ❖ Disposition of Village Property
- ❖ Alternatives to Dissolution

## Village of Candor Dissolution Plan

- ❖ **AIM Incentive**
  - **AIM Incentive is Increased Funding from the State**
  - **State's Current AIM Funding**
    - **Village of Candor - \$8,676**
    - **Town of Candor - \$34,295**

**Village of Candor  
Dissolution Plan****❖ AIM Incentive**

- **Plan Sets Forth Tax Impact of  
Dissolution – With & Without  
New AIM Incentive**

**\$220,579**

That is **\$177,608** More Than the Village &  
Town Receive from the State Now

**Village of Candor  
Dissolution Plan****❖ AIM Incentive**

- **AIM Incentive Is NOT  
Guaranteed**
- **Governor Has Proposed  
Different Consolidation &  
Dissolution Incentive**

## Village of Candor Dissolution Plan

### ❖ Binding the Town

- Dissolution Plan Does Not Bind the Town
- Town Board May Enter Into Agreements
- Town May Not Be Bound to Governmental Determinations

## Village of Candor Dissolution Plan

### ❖ Cost-Savings

- Dissolution Will Result in Some Cost-Savings

## Village of Candor Dissolution Plan

### ❖ Cost-Savings

- **Projected Cost-Savings May Be Slightly Overstated**
  - **Village Clerk/Treasurer Workload Absorbed by Town Without Additional Staffing**

## Village of Candor Dissolution Plan

### ❖ Cost-Savings

- **Not All Cost-Savings Are Efficiencies**
  1. **Elimination of Police Service**  
**(-\$24,287)**
  2. **Elimination of Junk Day**  
**(-\$1,478)**



## Forum on Dissolution

### Village of Candor Dissolution Plan

- ❖ **Discontinuance of Services**
  - **Could Achieve Some Savings Without Dissolving**
    1. **Elimination of Police Service**  
**(-\$24,287)**
    2. **Elimination of Junk Day**  
**(-\$1,478)**



## Forum on Dissolution

### Village of Candor Dissolution Plan

#### ❖ **Town Taxation of Village Residents**

Candor Post-Dissolution Local Tax Rate Impact w/o New AIM Incentive					
	Current per \$1,000	New Per \$1,000	Change	Total Tax Bill Change (on \$6,000 assessed value)	% Change
Village	\$131.92	\$86.26	-\$45.66	-\$301.38	-35%
TOV	\$73.08	\$86.26	\$13.18	\$86.96	18%

# The Town Budget

## Four Parts

- **General Fund**
  - A. Town-Wide
  - B. Town Outside of Village
- **Highway**
  - A. Town-Wide
  - B. Town Outside of Village

## Village of Candor Dissolution Plan

- ❖ **Alternatives to Dissolution**
  - **Discontinuance of Services**
  - **Sharing Services**
  - **Town Taxation of Village Residents**

## Village of Candor Dissolution Plan

### ❖ Disposition of Village Property

- Town
- Water District
- Surplus

## Village of Candor Dissolution Plan

### ❖ Disposition of Village Property

- Real Property Transferred to the Town
- Real Property Transferred to the Water District
- Surplus Real Property (Not Wanted by Water District/Town)

## Village of Candor Dissolution Plan

### ❖ Disposition of Village Property

#### ➤ Transferred to the Town

- Water Well
- Village Hall & Library
- Hull Park
- Barn on Lot
- Moyer Park
- Athletic Field

## Village of Candor Dissolution Plan

### ❖ Disposition of Village Property

#### ➤ Non-Property Village Assets Transferred to the Town



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### **Dissolution Studies – Sources of Cost/Tax Savings**

- 1. Efficiencies - Economies of Scale**
- 2. Discontinuing Services**
- 3. Restructuring Services**
- 4. Elimination of Elected Officials**
- 5. Increased Aid from the State**
- 6. Village Residents No Longer  
Paying Town Taxes for Services  
They Do Not Receive**



## **Forum on Dissolution**

### **ALTERNATIVES TO DISSOLUTION**

- A. Shared Services**
- B. Village Annexation**
- C. Co-Terminous Town-Village**
- D. Consolidation of the Town with  
Neighboring Towns**
- E. Address Town Taxation of  
Village Residents**
- F. Discontinue Services**