

VII. DRAFT VILLAGE DISSOLUTION PLAN

DISSOLUTION PLAN OF THE VILLAGE OF VICTORY

BY THE VILLAGE OF VICTORY DISSOLUTION STUDY COMMITTEE

NOVEMBER 14, 2012

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This document sets forth, in detail, the Dissolution Plan of the Village of Victory as developed and approved by the Village of Victory Dissolution Study Committee. Following submission of the final Plan to the Village Board, it will be the Village Board's responsibility to adopt the Dissolution Plan and present a dissolution referendum to Village voters on March 14, 2013. If approved by a majority of the qualified voters, the Village of Victory will be dissolved as of December 31, 2014.

This Plan was developed and approved by a Committee comprised of both Village and Town representatives, and incorporates feedback provided to the Committee from both Village and Town boards at the Committee's presentation to both Boards. Therefore, this Plan has been developed with the expectation that if dissolution of the Village is approved by voters that the succeeding Town government will provide for and comply with the Plan as set forth in this document and subsequently adopted by the Village Board.

A. Continuation of Village Functions or Services by the Town

This section describes not only how Village functions or services will continue if the Village dissolves, but also how government services will change due to merging two governments into one. In addition, it notes which services will not be impacted because they are not currently provided by the Village.

1. Upon the dissolution of the Village of Victory, the Town of Saratoga will assume the duties and functions of the Village, in accordance with this Plan.
2. The Village Board of Trustees will be eliminated. All expenses associated with personnel for this function will be saved since the Town will assume legislative responsibility for the former Village with no additional pay for its Town Board members. The size of the Town Board will not change.
3. The position of Village Mayor will be eliminated and personnel-related costs will be saved.

4. The Village Zoning and the Village Planning Boards will be eliminated. The Town Planning and Zoning boards will provide oversight within the boundaries of the former Village. The personnel-related costs for supporting the two Village boards will be saved.
5. The full-time Village Clerk position will be eliminated. The part-time Deputy Village Clerk/Treasurer position will transfer to the Town Clerk's office to continue to support the administrative duties associated with utilities (water and sewer) with the costs of this position covered primarily by utility user fees. The portion of personnel expenses associated with administrative functions (excluding water and sewer) and related general administrative contractual obligations will be saved.
6. The part-time position of Village Code Enforcement Officer will be eliminated and responsibility for code enforcement within the existing Village, including assignment of personnel and contractual expenses associated with the function, will transfer to the Town.
7. Village-owned property will be sold or transferred to the Town. Exceptions of property to be transferred to the new Water District are listed in paragraph 9 below.

Village of Victory - Village Owned Property					
Year	Parcel ID	Street	Class #	Property Class	Total Assessed Value
2011	157.70-2-3	Burgoyne Street	692	Rd/st/hwy Land	\$5,385
2011	170.21-1-1	Cemetery Road	695	Cemetery	\$22,000
2011	170.29-1-26.1	Pine St	652	Hall/firehouse	\$471,692
2011	170.37-2-1	Pine St	311	Res Vac Land	\$2,154
2011	170.37-2-2.1	Pine St	311	Res Vac Land	\$3,846
2011	170.37-2-9	Pine St	314	Rural Vac Land	\$17,846
2011	170.37-2-25	Gates Ave	311	Res Vac Land	\$1,077
2011	170.37-2-26	Gates Ave	312	WW Lift Station	\$10,308
2011	170.37-2-44.12	Gates Ave (Rear)	311	Res Vac Land	\$769
2011	170.38-2-4	Evans St	311	Res Vac Land	\$11,846

8. Title to the Village-owned property currently supporting the Village water system, will transfer to the Town's newly created Special Improvement District to serve the water district. The property is listed as follows:

Village of Victory - Village Owned Property					
Year	Parcel ID	Street	Class #	Property Class	Total Assessed Value
2011	157.77-1-1	Cemetery Road	822	Water Tank	\$285,538
2011	169.2-13*	NYS Rt 32 (Rear)	822	Water Supply	\$77,538

9. Personal property and other fixed assets of the Village, not sold prior to dissolution, will be owned and used by the Town as long as the Town deems them to be useful. Personal property owned by the Village at the time of dissolution will become the property of the Town. Personal

property will mean and include office equipment, furniture, motor vehicles, tools, parts inventory, furniture and any other item commonly considered to be personal property.

10. Water services for Village residents will be maintained. The Town will create and establish by resolution a Special Improvement District to be known as the Victory Water District (Town water district #1) as provided by Articles 12 and 12A of Town Law and assume the responsibilities of the new Water District for water supply, and also maintenance and repair of all existing water lines within the existing Village as part of the overall management of the Joint Water System with the Village of Schuylerville (Schuylerville-Victory Board of Water Management). The boundaries of the Water District will consist of all current water-users, primarily within the boundaries of the existing Village, and properties just outside the Village that are currently receiving water service. Costs for the Water District will be met by user fees established by the Joint Water Board. Existing Village water fund debt will revert to the Water District users and continue to be paid for through the user fees.
11. Sewer services for Village residents will be maintained. The Town will create and establish by resolution a Special Improvement District to be known as the Victory Sewer District (Town sewer district #1) as provided by Articles 12 and 12A of Town Law and assume the responsibilities of the new Sewer District for maintenance and repair. The boundaries of the Sewer District will consist of all current users, primarily within the boundaries of the existing Village, and properties just outside the Village that are currently receiving sewer service. Costs for the Sewer District will be met by user fees.
12. Street lighting services in the Village will be maintained as a townwide expense.
13. Village streets, highways, roads, alleys, storm sewers, parks, cemetery, etc. will be included in the Town highway duties and road system and be operated and maintained by the Town as a Town-Outside-Village expense. Changes in the provision of municipal services include the elimination of refuse collection, elimination of brush pick-up and elimination of the annual “junk day” collection.
14. Sidewalk maintenance will be provided for limited repair and replacement, following current Village practice. The Town will establish a Special Taxing District within the boundaries of the former Village to cover the costs associated with this service.
15. Municipal association dues associated only with the Village will be saved.
16. Assessor services will be provided by the Town.
17. Police protection is provided by Saratoga County and the NYS Police and will continue unchanged.
18. Court and Justice Services are provided by the Town and will continue unchanged.
19. Animal control services are provided by the Town and will continue unchanged.

20. Emergency Rescue services are provided by General Schuyler Emergency Squad and will continue unchanged.
21. Historian services provided via a contractual arrangement through the Town will include the former Village.
22. The Town Clerk will handle vital records for the Town, including the former Village.
23. Except as specified in the section “Laws and Ordinances,” Village laws and ordinances will be retained for at least two years after Village dissolution. The Town will plan to adopt or revise relevant Village laws and ordinances, in accordance with the Laws and Ordinances section, as soon as is practical after dissolution.
24. The Town will expand its fire protection district to include the area within the boundaries of the former Village. The Town will contract with the Victory Volunteer Fire Department, as a nonprofit corporation, to serve this expanded portion of the fire protection district. The Town will lease the current fire apparatus and Fire House to the Victory Volunteer Fire Department for \$1 per year.

B. Elimination or Transfer of Village Positions

1. Six positions will be eliminated:
 - a) 1 Mayor
 - b) 2 Trustees
 - c) 1 Village Clerk
 - d) 1 Code Enforcement Officer
 - e) 1 DPW Position
2. The following two positions will transfer to the Town:
 - a) Deputy Clerk/Treasurer, currently a part-time position. (As noted above, to provide water/sewer billing and administrative duties).
 - b) 1 DPW Position

C. The Disposition of the Property of the Village

All real property improved or not improved will become the property of the Town of Saratoga. Water facilities will be assigned to the water district, as outlined in Section A paragraph 9 above. The Town will take title to the Village real property with the understanding that the Town will honor all existing agreements or other arrangements between the Village and other users of Village property. Real property transferred to the Town will be done without consideration¹ and the Town will, at its option, prepare any and all deeds for the Village to execute prior to the date of dissolution. A listing of Village owned land and buildings appear in Section A (#8 and #9) above. An inventory of equipment appears in the Appendix to this Plan. For those Village non-property assets that are currently shared between the Village DPW and

¹ “Without consideration” means a complete transfer of Village property to the Town without cost to the Town.

Water and Sewer operations, the Town will determine how to allocate those assets between the Town and the new Water and Sewer Districts.

D. Village Laws and Ordinances

All local laws, ordinances, rules, and regulations of the Village of Victory in effect on the date of dissolution of the Village, will remain in effect for a period of two years following the dissolution. These may be enforced by the Town Board within the limits of the dissolved Village. After the period of two years, the Town Board will have the power at any time to amend or repeal such local laws, ordinances, rules, and regulations.

The following current Village laws will not become part of Town law because the Village will no longer exist, thus the laws are no longer relevant, or the laws have been superseded by laws passed in later years.

Law	Year	Title of Law
1	2011	Government reform law of 2011
1	1991	Electing a retirement incentive program
2	1979	Establishing the office of Village Manager and describing powers and duties thereof
1	1980	Relating to the defense and indemnification of Village officers and employees
1	1996	Authorizing the issuance of appearance tickets by public servants of the Village
1	2001	Village utilities gross receipt tax

The following current Village laws and ordinances will be reconciled with current Town laws and ordinances of a similar nature in order to preserve the intent of the law within the boundaries of the former Village:

Law	Year	Local Village Laws and Ordinances
1	1970	Removal or repair of unsafe buildings and structures
3	1978	Removal or repair of unsafe buildings and structures
1	1984	Flood damage prevention
1	1986	Administration and enforcement of the NYS Uniform Fire Prevention and Building Code
1	1987	Flood damage prevention - revised
1	1989	Flood damage prevention - revised
2	1991	Control of dogs
1	1992	Garbage, rubbish and refuse
1	1995	Removal or repair of unsafe buildings and structures - revised
2	1995	Flood damage prevention - revised
1	1998	Proving for written notification of defects and obstructions on Village highways, bridges, streets, sidewalks, crosswalks and culverts in the Village
2	2003	Games of chance
1	2004	Temporary zoning local law
2	2004	Temporary zoning local law
4	1978	Related to the operation of junkyards
5	1978	Restraining the keeping within the Village of any animal or animals and/or poultry
3	1979	Relating to the control of noise within the Village

2	1992	Mobile homes, mobile home parks, travel trailers and travel trailer parks
1	1997	Village of Victory mobile home/travel trailer moratorium of 1997
1	1999	Village mobile home local law
1	2005	Zoning law of Village
1	1985	Alternative veterans exemption - reduction of maximum exemptions
1	1978	Possession of alcoholic beverages and open container
2	1978	Special curfew within the Village
2	1986	Prohibiting parking in the entrance of the Village parking lot adjacent to Post Office
1	1988	Unregistered motor vehicles
1	1990	Truck route system
2	1991	Establish the method of collection of capital cost charges
3	1992	Sewer use charge system
4	1992	Regulate use of public sewers
2	1996	Amend Local Law 3-1992 - sewer use charge system
3	2003	Fair housing law
3	2004	Capital cost recovery charges amendment
1	2010	Regulate the use of Land Use Escrow Account

#	Year	Ordinances
	1959	Bingo
	1951	Prohibition of all night parking, parallel parking, stop streets, penalty for speeding violations and other violations
	1963	Prohibiting hunting, discharge of firearms, etc. within the Village limits
	1987	Speeding
	1988	Prohibiting parking along the east side of NYS Rt. 32 from Bridge street southerly 460 feet.
	1990	Handicapped parking space - front of 67 Gates Av, west side of Rt. 32

E. Village Debt

As of 5/31/11, the Village only had debt in the water and sewer funds. The principal outstanding for Village sewer debt is \$170,000. Water debt totaled \$595,728 as part of a water capital project with the Village of Schuylerville. The water and sewer debts will remain with the new Town Water and Sewer Districts, thus there will be no net change and no net shift between taxpayers for Village water debt.

F. Village Fund Balances

Upon an affirmative vote to dissolve in March 2013, but prior to the effective date of dissolution, the Village of Victory will use any remaining general fund balance (which totaled \$151,011 General and \$1,026 Capital as of 5/31/11) to benefit Village tax payers. Any remaining fund balance that is transferred to the Town upon dissolution of the Village will be applied as a Town-Outside-Village tax stabilization fund. Sewer fund balance will transfer to the Town Sewer Fund to benefit users of the system (\$239,991 as of 5/31/11).

G. Retired Employees

Because there are currently no Village retirees receiving benefits from the municipality, there will be no transfer of retiree costs from the Village to the Town.

H. Recurring Obligations

The Village has no recurring obligations that would be considered as part of this Plan. Any existing agreements will transfer to the Town.

I. Change in Revenues as a Result of Dissolution

1. *Village Revenues that will transfer to the Town:* Upon dissolution, revenues the Village now receives in state aid, consolidated highway improvement program (CHIPs) funding, mortgage tax, and franchise fees will all become Town revenues.
2. *Additional revenues due to state incentives:* If the Village dissolves, the consolidated community will be eligible for the annual New York State Citizen Empowerment Tax Credit (CETC) of \$110,704 (applying the currently approved CETC funding formula to the 2011/12 Village and 2012 Town property tax levies). This Plan assumes the annual CETC funding will be used for reducing property taxes and/or creating a small contingency reserve for the community.

Note: The Dissolution Study Committee recognizes that CETC is an annual appropriation of the New York State Legislature and as such is subject to budget constraints. Thus, in Section K (Fiscal and Tax Impacts of Dissolution) presents the fiscal/tax rate impact on taxpayers both with and without CETC.

J. Village Books and Records

Upon dissolution of the Village all its records, books and papers will be deposited with the Town Clerk and will thereafter become part of the Town records.

K. Fiscal and Tax Impacts of Dissolution

Along with Section I above (*Changes in Revenues as a Result of Dissolution*) the fiscal impact of all the changes in this Plan are summarized below, and tax impacts follow the fiscal information. Both fiscal and tax impacts are based on Village 2011/12 and Town 2012 revenues and expenditures and fiscal analysis as part of developing this Plan.

Summary of Expense and Revenue Changes - Village of Victory and Town of Saratoga	
Description	Amount
Expenditure Changes	
Elimination of Village Board, Mayor and related expenses	(\$18,507)
Elimination of Village Board Assesment expenses	(\$400)
Elimination of NYCOM Dues	(\$727)
Administrative Cost Reductions	(\$62,628)
Reduction of Zoning Board Expenses (CEO costs transferred)	(\$2,479)
Elimination of Planning Board Expenses	(\$2,229)
Reduction of 1 DPW position	(\$37,134)
DPW position Town Highway uniform costs (increase)	\$1,250
Elimination of refuse tipping fees	(\$8,000)
Total Expenditure Change	(\$130,854)
Revenue Changes	
Loss of Utilities Gross Receipts Tax revenue	(\$3,500)
Elimination of refuse sticker revenue	(\$8,000)
Total Revenue Change	(\$11,500)
Net Changes	
TOTAL NET EXPENDITURE SAVINGS (w/out CETC)	\$119,354
CETC Incentive Funds from NYS (Additional Revenue)	\$110,704
TOTAL NET EXPENDITURE CHANGE INCLUDING CETC	\$230,058

Note: CEO stands for Code Enforcement Officer

Taking into account the savings itemized above, and making other adjustments for moving expenses and revenues between the Town and Village, the net savings of dissolving the Village is \$119,000 without CETC and \$230,000 with CETC.

Based on the Committee's selected options under dissolution, the projected tax rates without the CETC incentive would be: Village of Victory \$4.16, Town-Outside-Village \$3.77; and Village of Schuylerville \$12.22. Applying the CETC would reduce each rate by \$0.32 as shown below. For comparison purposes, these rates include the fund balance applied by the Village and Town in the baseline year. It is important to note the TOV and Village rates do not include private refuse collection costs which the Committee estimates to be an additional \$320 per year.

Fiscal Impact of Committee Recommendations (per \$1000 Assessed Value)			
With Appropriated Fund Balances Continued at Baseline Levels	Former Village	Former TOV	Schuylerville
Town wide General	\$1.45	\$1.45	\$1.45
TOV*	-	-	-
TOV Highway	\$0.26	\$0.26	-
Ambulance District	\$0.77	\$0.77	\$0.77
Sidewalk District in Former Village	\$0.38	-	-
TOV Fire Protection District	\$1.30	\$1.30	-
Village General (Schuylerville only)	-	-	\$10.00
Comparison Total	\$4.16	\$3.77	\$12.22
Impact of CETC	\$0.32	\$0.32	\$0.32
Total after Applied CETC	\$3.84	\$3.45	\$11.89
Quaker Springs Fire	-	\$1.74	-
Saratoga Lake	-	\$1.25	-

*Note: Former TOV residents living in the Quaker Springs Fire District pay the Quaker Springs rate instead of the Fire Protection District rate. Some TOV residents may also pay a special tax for Saratoga Lake.

Summary of Projected Tax Rate Impact of Dissolution (per \$1,000 TAV)			
	Former Village	Former TOV	Schuylerville
Baseline Comparison Total	\$10.91	\$3.51	\$12.41
Post-dissolution Projections w/o CETC	\$4.16	\$3.77	\$12.22
<i>% Change from Current</i>	-62%	8%	-2%
Post-dissolution Projections with CETC	\$3.84	\$3.45	\$11.89
<i>% Change from Current</i>	-65%	-2%	-4%

Note: TOV totals are based on the Fire Protection District Tax Rate and exclude the Saratoga Lake tax to which some residents are subject. County, School and utility tax rates not included.

Sample Tax Bill of \$80,000 Assessed Home

The following Table shows the projected fiscal impact for an average assessed home of \$80,000, and incorporate the \$320 cost estimate for private refuse costs for former Village residents.

Projected Impact of Dissolution			
Local Tax Bill Based on \$80K Property and Percent Change from Current			
	Former Village	Former TOV	Schuylerville
Baseline Property Tax Total	\$873	\$281	\$993
Post-dissolution Property Tax w/o CETC	\$333	\$302	\$977
<i>% Change from Current</i>	-62%	8%	-2%
Post-dissolution Property Tax with CETC	\$307	\$276	\$952
<i>% Change from Current</i>	-65%	-2%	-4%
<i>Annual Private Refuse Cost Estimate</i>	\$320	-	-
<i>Total Net Cost w/out CETC</i>	\$653	-	-
<i>% Change from Current</i>	-25%	-	-
<i>Total Net Cost w CETC</i>	\$627	-	-
<i>% Change from Current</i>	-28%	-	-

Note: TOV totals are based on the Fire Protection District Tax Rate and exclude the Saratoga Lake tax to which some residents are subject. County and School tax rates not included. Utility costs excluded.

Based on these figures, the former Village of Victory property owner is projected to see a 62% reduction in local taxes without the CETC incentive, and a 65% tax reduction with the CETC applied. Adding in an estimated annual cost of \$320 per year for private refuse collection, the Village property owner is projected to see a 25% reduction in local taxes and service costs without CETC and 28% reduction with CETC applied. Conversely, the TOV property owners will see a projected increase of 8% without CETC or a 2% decrease with CETC applied. Property owners in the Village of Schuylerville are projected to see a 2% decrease without CETC and a 4% decrease with CETC applied.

(Note: In order to estimate the potential tax impact that applies to any specific property, take the assessed value of the specific property, divide it by 1000, and then multiply the remaining number by the estimated tax rate change for either the Village or TOV (with and without CETC).

The onetime cost of dissolution is estimated to range between \$60,000 to \$80,000. This includes the following anticipated expenses: employee vacation and sick time payouts for 3 FTE (Village is liable with and without dissolution); unemployment insurance; legal/consultant fees to assist the Village in researching legal issues, preparing required legal documents and other miscellaneous items.

Sources for this funding include using available fund balance, obtaining grant assistance from the State, or other Village revenue sources including real property taxes, in order to pay these Village obligations.

L. Payment of Outstanding Obligations and the Levy and Collection of the Necessary Taxes and Assessments

This Plan, as described in the preceding sections, describes payment of all outstanding Village obligations. Upon dissolution, the Town will be responsible for collection of the tax levy and collection of the necessary taxes and assessments, in accordance with the Plan.

M. Agreements Between the Village and the Town in Order to Carry Out the Plan for Dissolution

Necessary agreements (e.g., transfer of titles on property and equipment) between the Village and Town are specified in earlier sections of this Plan. Formal agreements or memoranda of understanding between the Village and Town are not in place as of the finalization of this document.

N. Other Matters Desirable or Necessary to Carry Out the Dissolution

The Dissolution Study Committee considered the question: “Are there alternatives to reduce costs and/or improve services without dissolving the Village?” Upon analysis, the Dissolution Study Committee concluded that many key services – police, courts, emergency response, animal control – are already being provided by the Town or another entity.

The Committee reviewed all remaining functional areas for shared service opportunities. The Committee encourages the Town and Village to continue its current sharing arrangements between the Village DPW and Town Highway operations.

The Committee identified Code Enforcement as an opportunity for functional consolidation between the Town and Village. The Committee also recommends that the Zoning and Planning Boards of the Town and Village be consolidated to provide a regional perspective for economic development, planning and coordination.

The Committee concluded that there did not appear to be worthwhile efficiency savings or benefits from combining DPW and Highway, Assessment Services, or Fire Services.

The identified options for functional mergers are limited and provide minimal fiscal savings to the community. Thus, we recommend this Plan be submitted by the Village Board to Village voters to decide whether or not to dissolve the Village of Victory.

Note: Detailed information about options for current services is presented in the Committee’s Report entitled “*Village of Victory Dissolution Study, Plan and Alternatives.*” The Committee presented this report at a public meeting held November 14, 2012 and is available at the Study website www.cgr.org/victory or at the Victory Village Hall.