

Village of Richville Dissolution Study

Alternatives to Existing Conditions

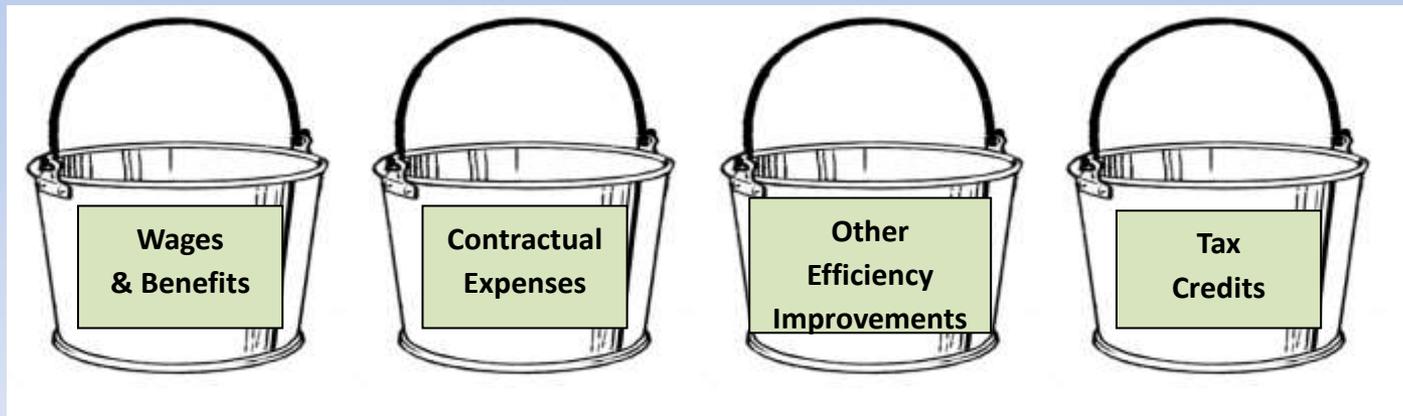


Visit the website: www.danc.org/operations/engineering/village-richville-dissolution-study

Alternatives Objectives

The Committee will develop a “Base Case” for dissolution and evaluate alternatives outside of dissolution

Task	Status
1. Brainstorm recommendations for alternative delivery of Town services	In Process
2. Categorize recommendations into specific budgets for potential cost savings	In Process
3. Analyze each recommendation: delivery method, cost, and cost savings	In Process
4. Draft Alternatives Report with the recommendations and details	Pending



Alternatives - Wages & Benefits

If the Village dissolved:

The following positions would be eliminated:

- Village Board
 - ✓ Savings of \$3,400
- Village Clerk
 - ✓ Savings of \$6,000
- Elections personnel
 - ✓ Savings of \$242
- Legal Services
 - ✓ Savings of \$1,500

Without dissolution:

Are there any alternatives or opportunities for savings with these positions?

- Share service with Town?
- Contract out?
- Reduce costs?
- Other options?

Discuss options for the Historian position:

- Eliminate? Or combine with the Town and keep costs?
 - Wage = \$200

Total benefits for these positions = \$3,018

If all of these positions were eliminated, the total savings in Wages and Benefits would be \$14,360

Alternatives - Contractual and Equipment & Capital Outlay

If the Village dissolved, some expenses would be eliminated:

Expense Item	Cost	Basis
Mayor, Contractual	\$125	Position is eliminated
Mayor, Equipment & Capital Outlay	\$1,200	Position is eliminated
Clerk, Equipment & Capital Outlay	\$820	Position is eliminated
Savings	\$2,145	

If the Village dissolved, some expenses would be shifted to the Town:

Expense Item	Cost	Basis
Municipal Association Dues, Contractual	\$727	Town's dues may increase
Street Admin, Contractual	\$5,532	Town assumes responsibility and costs
Cemetery, Contractual	\$46	Town assumes responsibility and costs
Costs shifted to Town	\$6,305	

Without dissolution:

Are there any alternatives or opportunities for savings with these expenses?

Alternatives - Contractual and Equipment & Capital Outlay

Expenses to Be Discussed:

Unallocated Insurance = \$5,758

- This insurance covers buildings, playground, and other general municipal assets
- The Town would be responsible for these assets and the insurance coverage
- Currently, the Town pays \$22,768 in unallocated insurance
- *How does the committee want to handle this expense?*
- *Are there opportunities for savings without dissolution?*

Code Enforcement/Safety Inspection = \$2,750

- The Village has its own Code Enforcement Officer (not the same as the Town)
- In 2015, the Village had 14 building permits (\$290 in revenue from permits)
- The Town pays \$10,000 in Personal Services and \$5,887 Contractual
- *How does the committee want to handle this expense?*
- *Are there opportunities for savings or sharing without dissolution?*

Alternatives - Contractual and Equipment & Capital Outlay

Expenses to Be Discussed:

Youth Program = \$11,141

- 2015 Village expenses were high due to the new pavilion costs
- Costs in 2014 = \$1,993; 2013 = \$17,322; 2012 = \$3,322
- Typically, Towns run youth programs that are open to all Town residents
- 2015 Town youth program expense = \$205
- *How does the committee want to handle this expense?*
- *Are there opportunities for savings or sharing without dissolution?*

Library = \$579

- The Library shares the same building as the Village Municipal Office
- The Town did not report Library costs in 2015, but reported \$3,000 in 2014
- *How does the committee want to handle this expense?*
- *Are there opportunities for savings without dissolution?*

Alternatives - Contractual and Equipment & Capital Outlay

Expenses to Be Discussed:

Buildings = \$10,985

- Expenses include utility bills and building maintenance
- If the Village dissolved, what would happen to the Municipal Building?
 - The Library shares the space - could it expand into the Village space?
 - Would there be savings from reduced utility usage and maintenance?
- What would happen to the Historical Association building?
- What would happen to the ball field and playground?
- What would happen to the vacant parcel used for school bus turnaround?
- Town current costs for Buildings is \$34,660
- *How does the committee want to handle this expense?*
- *Are there opportunities for savings without dissolution?*

Alternatives - Contractual and Equipment & Capital Outlay

Expenses to Be Discussed:

Street Lighting = \$4,601

- If the Village dissolved, a lighting district would be formed
 - Estimated tax rate for Richville lighting district = \$0.30
- Town currently has 2 lighting districts, with a total cost in 2015 of \$8,696
 - DeKalb Junction: 2016 tax rate = \$0.81
 - Bigelow: 2016 tax rate = \$0.48
- *How does the committee want to handle this expense?*
- *Are there opportunities for savings without dissolution?*

Alternatives - Contractual and Equipment & Capital Outlay

Expenses to Be Discussed:

Celebrations = \$6,345

- Expenses include holiday decorations and lights
- What are the options to continue this tradition?
 - Costs could be lumped into the lighting district and only the special district area would be responsible for the expenses
 - Town could take over responsibility and costs
 - Other?
- Village of Edwards has a similar holiday décor tradition that was taken over by the Town after Village dissolution
- *How does the committee want to handle this expense?*
- *Are there opportunities for savings without dissolution?*

Alternatives - Other Efficiencies?

Are there other aspects of government or services where efficiencies could be gained?

Are there other Village/Town opportunities to share expenses or work together?

Any new ideas for future municipal cooperation if the Village did not dissolve?

Alternatives - Sales Tax Revenue

If dissolution occurred:

- The sales tax revenue that the Village applies against their County levy would go to the Town as revenue.
 - Sales tax revenue is calculated based on population and assessed values. If the Village dissolved, the population and assessed value of the former Village area would just be included in the Town “pot”, and sales tax revenue would be calculated by the County accordingly.
 - Revenue from sales tax changes annually

Alternatives - CETC

- The Citizens Re-Organization Empowerment Grant (CREG) program assists local governments with dissolution or consolidation. Local governments that complete a municipal re-organization project are eligible for the Citizens Empowerment Tax Credit (CETC). This funding is a separate source of additional annual aid that is awarded in amounts equal to 15% of the combined real property taxes levied by all of the cities, towns, and villages that participated in the re-organization.

	Village	Town	Total
Actual Tax Levy 2015 Village 2016 Town	\$29,545	\$497,188	\$526,733
Annual Citizens Empowerment Tax Credit (CETC) 15% of Total Tax Levy	-	-	\$79,010
Tax Levy if Village Dissolves & 15% Property Tax Credit is Applied	-	-	\$447,723

Alternatives - Next Steps

- The committee's recommendations for alternatives are compiled into a spreadsheet that calculates the savings achieved from wages & benefits, contractual, and other efficiencies
- The calculated savings factor into the calculations for the new Town tax rates that would result from village dissolution
- All of this information will be compiled into an Alternatives Report

Questions or Comments?



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