

# **Village of Richville Dissolution Study**

Existing Conditions:  
Municipal Services, Financials, & Personnel



Visit the website: [www.danc.org/operations/engineering/village-richville-dissolution-study](http://www.danc.org/operations/engineering/village-richville-dissolution-study)

# Introduction and Notes

This presentation summarizes the Revenues, Expenses, Tax Levies and other financial information for Richville and DeKalb. The information in this presentation is sourced from 2015 Annual Update Documents (AUDs), Open Book NY, and the St. Lawrence County Real Property office, unless otherwise noted. Copies of the AUDs are available for review on the Richville Dissolution Study website under the “Reference Documents” section.

This study only includes figures and discussion for the following Property Tax Items: Village Tax, Town Taxes, and Highway Taxes. These tax items are charged at the same rate to all property owners either in the Village or the Town. County taxes and School taxes are not affected by efficiencies or consolidation, and therefore are not included in this study. This study also does not include figures or discussion pertaining to water, sewer, or fire protection services, because these services are provided through special districts that only include the taxpayers within the respective special district. Village dissolution does not affect special districts.

# Explanation of Real Property Taxes

Since the Village and Town's largest revenue source is from Real Property Taxes, here is a review of how the real property tax rate is calculated by a Municipality:

1. Municipality develops and adopts a budget
2. Municipality determines revenue from all sources OTHER THAN the property tax (state aid, sales tax revenue, fees, etc.)
3. These OTHER revenues are subtracted from the budget and the remainder becomes the Tax Levy. The Tax Levy is the amount of money that must be raised through the property tax.

$$\text{Tax Levy} = \text{budget} - \text{revenues}$$

4. To determine the tax rate, the Municipality divides the tax levy by the total taxable assessed value of all the property in the jurisdiction
5. The product is multiplied by 1,000, since tax rates are expressed as "per \$1,000 of taxable assessed value"

$$\text{Tax Rate} = (\text{tax levy} / \text{total taxable assessed value}) \times 1,000$$

**Tax Rates are subject to change each year due to changes in:**  
**- Budgets   - Revenue   - Total taxable assessed value**

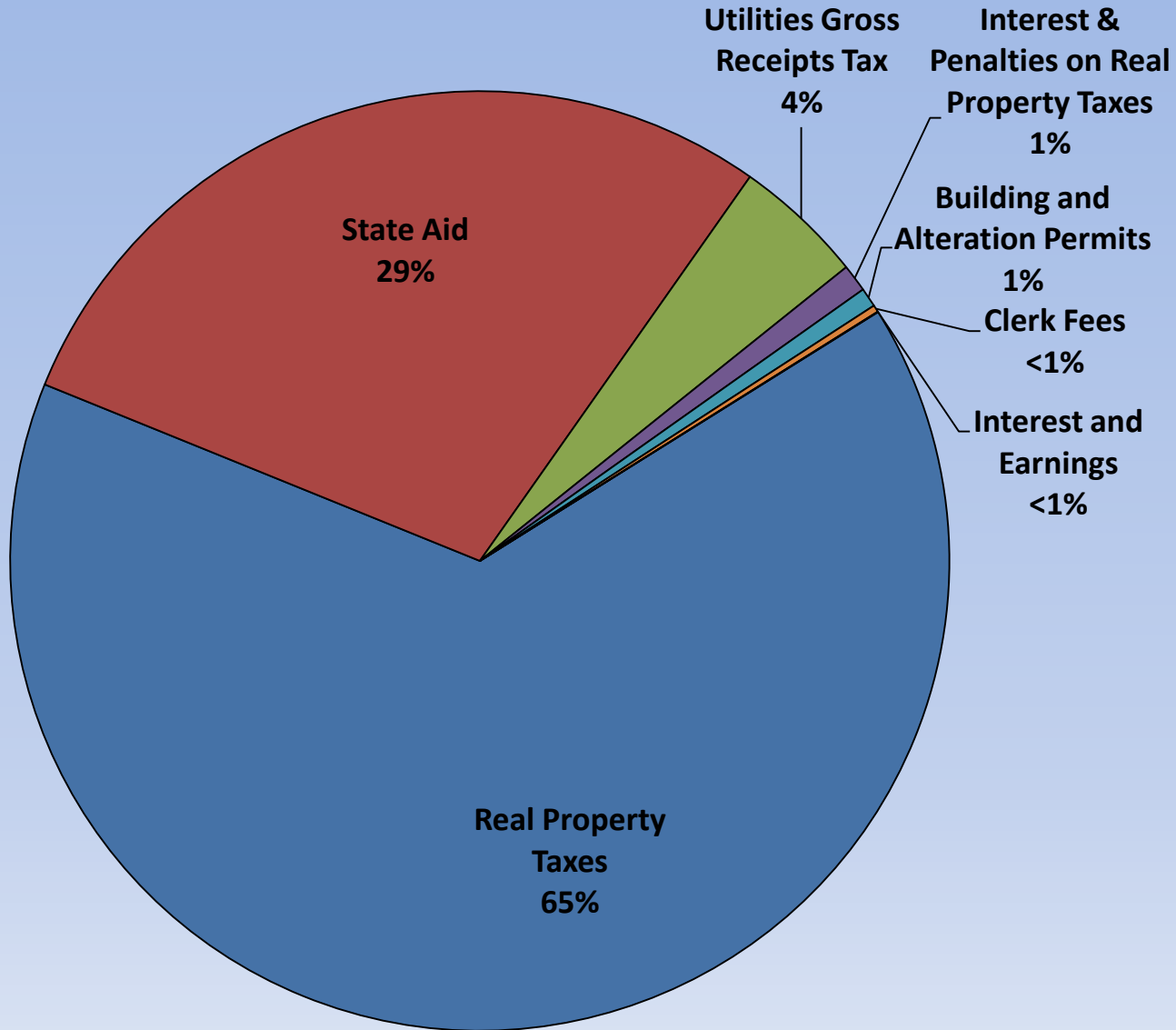
# Richville Revenues 2015

The majority of the Village's revenue comes from real property taxes. The second largest revenue source is State Aid, which includes Consolidated Highway Aid (CHIPS) and other state aid programs.

Revenue Source	Amount
Real Property Taxes	\$29,478
Interest & Penalties on Real Property Taxes	\$429
Utilities Gross Receipts Tax*	\$2,035
Clerk Fees	\$110
Interest and Earnings	\$7
Building and Alteration Permits	\$299
State Aid (CHIPS, Youth Programs, Revenue Sharing, Mortgage Tax)	\$12,979
<b>Total</b>	<b>\$45,337</b>

\* Local Gross Receipts tax - NYS Cities and Villages may impose gross receipts taxes on sales of utility services that occur within their jurisdiction. 349 of 553 eligible villages impose this tax and the rate is 1%.

# Richville Revenues 2015: \$45,337



# How does the Village spend this Revenue? Village Services

Municipalities report expenditures to the State in Annual Update Documents as:

- “Personal Services” - salaries and employee wages
- “Equipment and Capital Outlay” - equipment and supply purchases
- “Contractual Expenditures” - contracted services, wages paid to contractors

Richville provides the following services to Village residents, listed as “Personal Services” or “Equipment and Capital Outlay” in the Village AUD:

- Mayor and Legislative Board
- Village Clerk/Treasurer
- Attorney
- Elections
- Buildings
- Street Lighting
- Historian
- Celebrations - holiday decorations, spring flags

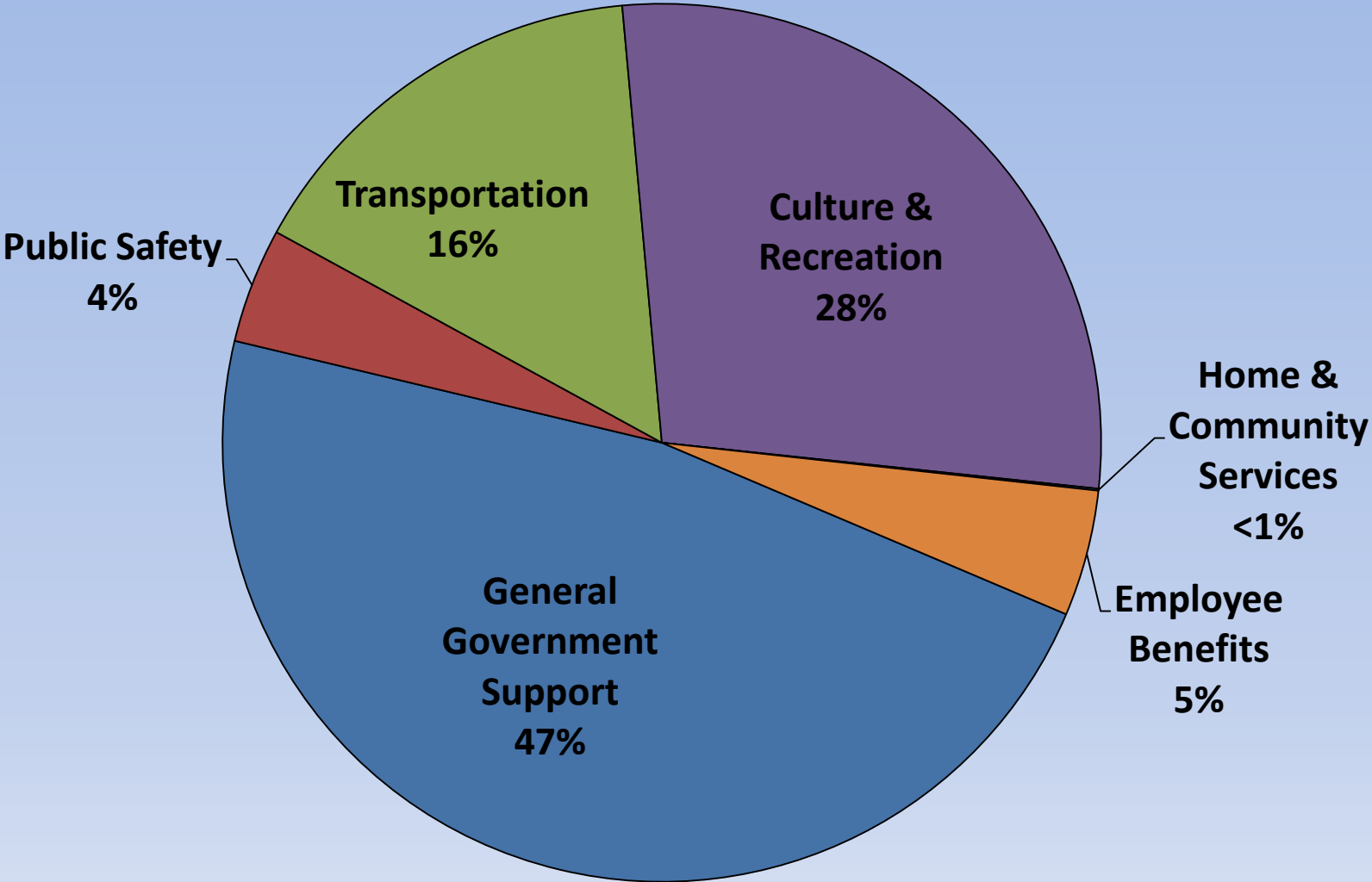
Richville also provides the following services, listed as “Contractual Expenditures” in the AUD:

- Safety Inspection - Code Enforcement
- Street Administration
- Youth Program
- Library
- Cemetery maintenance

# Richville Expenditures 2015

<b>Expenditure</b>	<b>Amount</b>
<b>General Government Support</b> (Legislative Board, Mayor, Clerk/Treasurer, Attorney, Elections, Buildings, Municipal Assoc. Dues)	\$30,757
<b>Public Safety</b> (Code Enforcement)	\$2,750
<b>Transportation</b> (Street Admin, Street Lighting)	\$10,133
<b>Culture and Recreation</b> (Youth Program, Library, Historian, Celebrations & Holiday Decorations)	\$18,265
<b>Home and Community Services</b> (Cemetery)	\$46
<b>Employee Benefits - Social Security, Worker's Comp, Unemployment Insurance</b> (Clerk/Treasurer, Legislative Board)	\$3,018
<b>Total</b>	<b>\$64,969</b>

# Richville Expenditures 2015: \$64,969





# Richville Municipal Staffing

<b>Position</b>	<b>Staff</b>
Mayor	1 PT
Legislative Board	4 PT
Clerk/Treasurer	1 PT
Historian	1 PT
<b>Total Employees</b>	<b>7 PT</b>

**The Clerk/Treasurer and the Village Board receive benefits.**

# Richville Employee Personal Services Salary & Benefits

General Fund Personal Services Cost in 2015	
Position	Salary
Mayor	\$0
Village Legislative Board	\$3,400
Clerk/Treasurer	\$6,000
Elections	\$242
Attorney	\$1,500
Historian	\$200
Total Employee Salaries	\$11,342
Total Benefits Paid	\$3,018
Benefits as % of Salary	27%
<b>Total Compensation</b>	<b>\$14,360</b>

- Village Mayor position cost \$1,325 in Equipment & Capital Outlay and Contractual Expenses
- Code Enforcement Officer cost \$2,750 in Contractual Expenses

# Richville Fund Balances

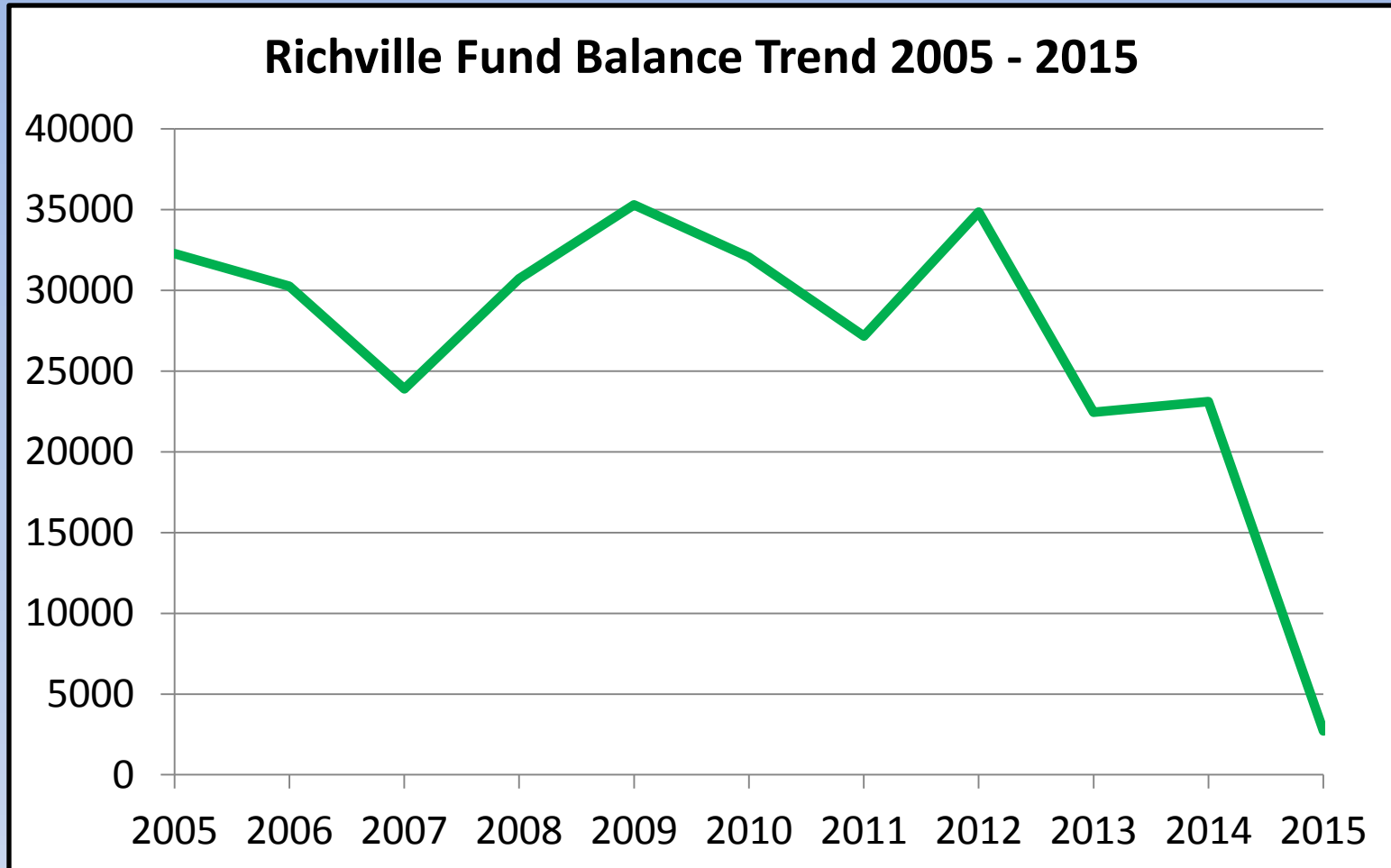
2005 - 2015

Richville Fiscal Year	Fund Balance
2005	\$32,274
2006	\$30,255
2007	\$23,899
2008	\$30,724
2009	\$35,285
2010	\$32,065
2011	\$27,173
2012	\$34,838
2013	\$22,456
2014	\$23,112
<b>2015</b>	<b>\$2,712</b>

Unexpended Fund Balances can be credited back to respective Village taxpayers in the year before dissolution takes effect or used to pay down existing debt.

# Richville Fund Balances

2005 - 2015



**The Village used the majority of its fund balance in 2015 to cover expenditures that exceeded revenue by \$19,632.**

# De Kalb Funds Summary 2015

Fund	Revenue	Expenditures
General Fund	\$382,826	\$352,071
General Town - Outside Village <sup>1</sup>	\$22,614	\$20,518
Highway - Town-wide (including Village) <sup>2</sup>	\$439,305	\$420,921
Highway - Part-town (not including Village) <sup>3</sup>	\$452,781	\$426,221
Special Grant (Housing Rehabilitation) <sup>4</sup>	\$4	\$0
<b>Total</b>	<b>\$1,297,530</b>	<b>\$1,219,731</b>

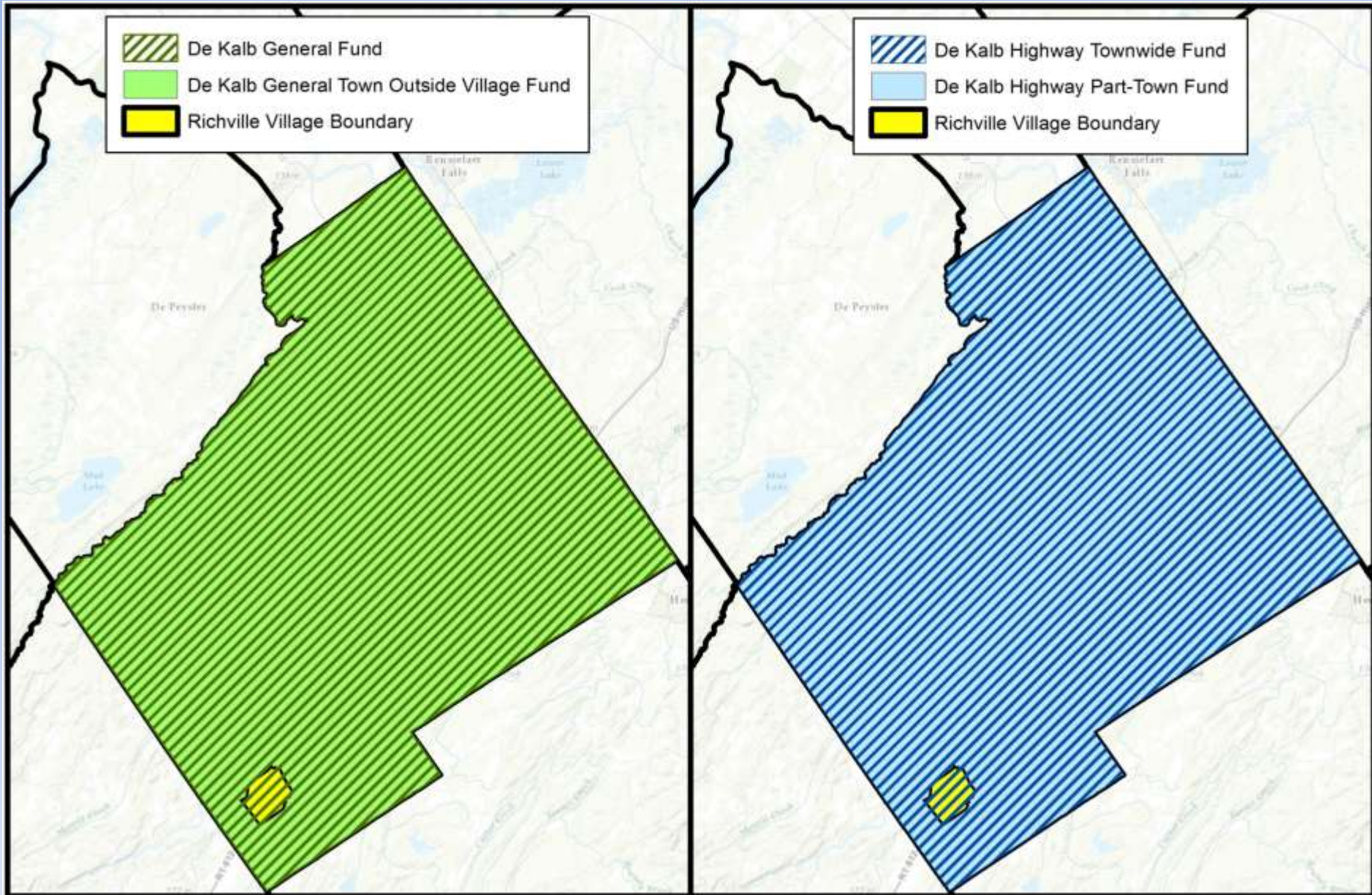
<sup>1</sup> Includes items that only apply to Town residents: code enforcement, vital statistics, historical office, youth programs, etc.

<sup>2</sup> Includes items that apply to the entire town including the Village, like snow removal and general Highway duties

<sup>3</sup> Includes items that apply only to the Town Outside Village, like road repairs, paving, cleaning, etc. The Village contracts this type of work out, either to the Town or to a contractor and is billed for the work

<sup>4</sup> Originally a Community Development Block Grant (CDBG) awarded in the 1994 for housing rehabilitation in the Town. Currently, the fund is set up for low-income residents in the Town who can apply for a loan to rehabilitate their home (new roof, etc.)

# De Kalb Map of AUD Fund Coverages

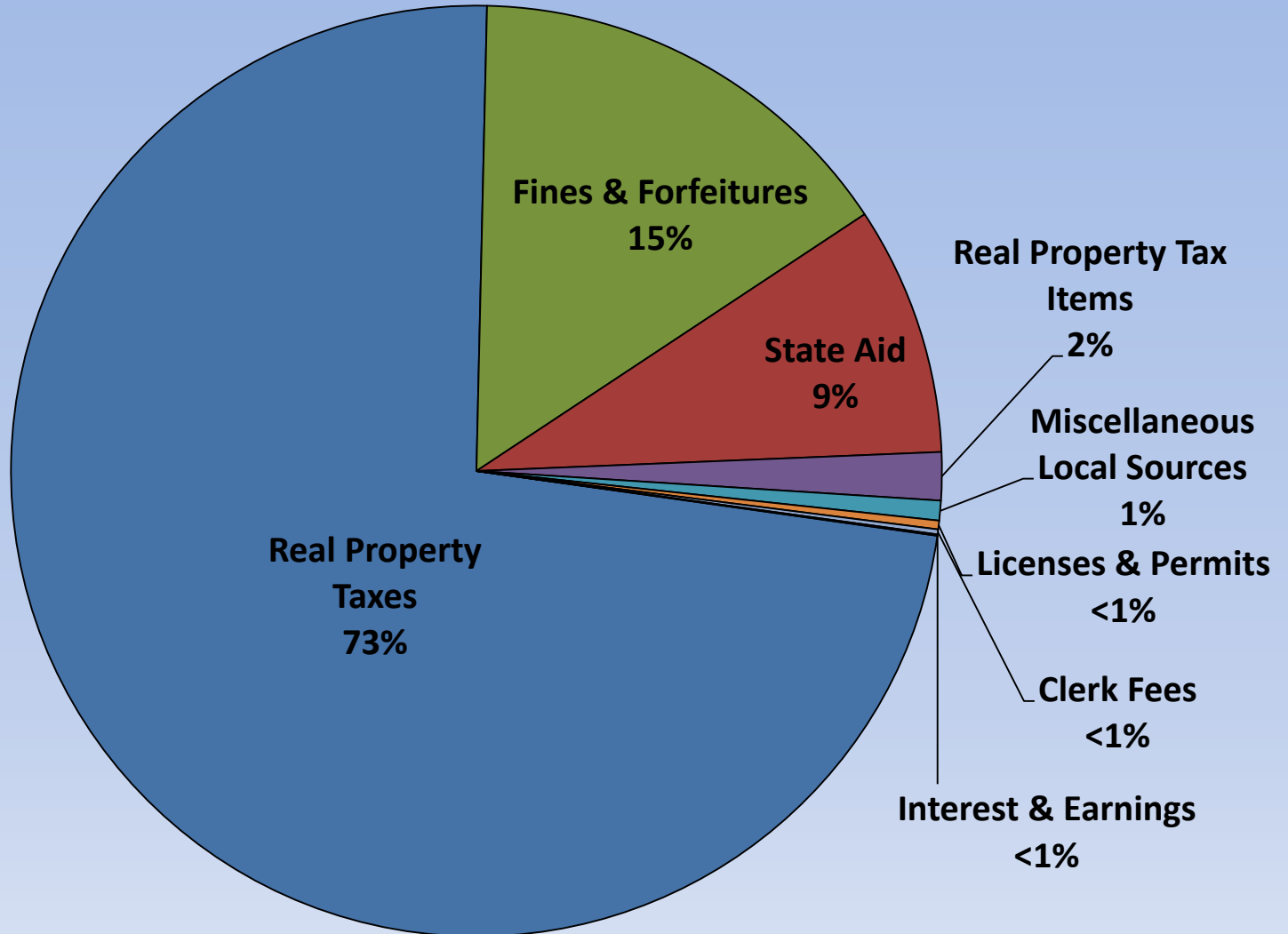


# De Kalb General Fund - Revenues 2015

Applies to entire Town, including Village of Richville

General Fund Revenue Source	Amount
Real Property Taxes	\$280,000
Real Property Tax Items	\$6,380
Clerk Fees	\$668
Interest & Earnings	\$169
Licenses & Permits	\$1,155
Fines & Forfeitures	\$58,711
Miscellaneous Local Sources	\$2,630
State Aid	\$33,113
<b>Total</b>	<b>\$382,826</b>

# De Kalb General Fund - Revenues 2015: \$382,826



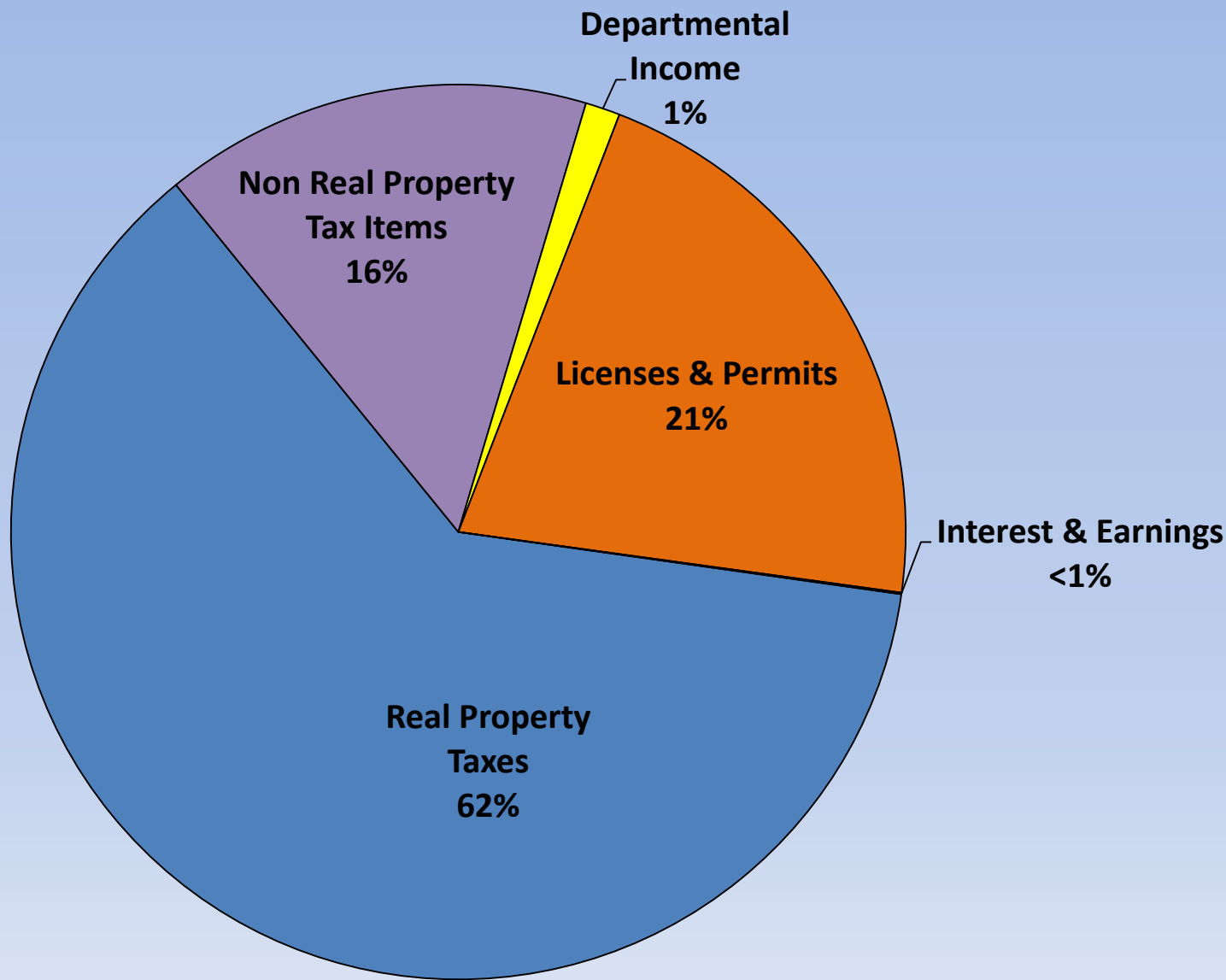


# De Kalb General Town Outside Village - Revenues 2015

Applies only to Town, excluding Village of Richville

<b>General Fund Revenue Source</b>	<b>Amount</b>
Real Property Taxes	\$14,000
Non Property Tax Items (sales tax from County)	\$3,500
Departmental Income (vital statistics fees)	\$284
Interest & Earnings	\$12
Licenses & Permits	\$4,818
<b>Total</b>	<b>\$22,614</b>

# De Kalb General Town Outside Village - Revenues 2015: \$22,614

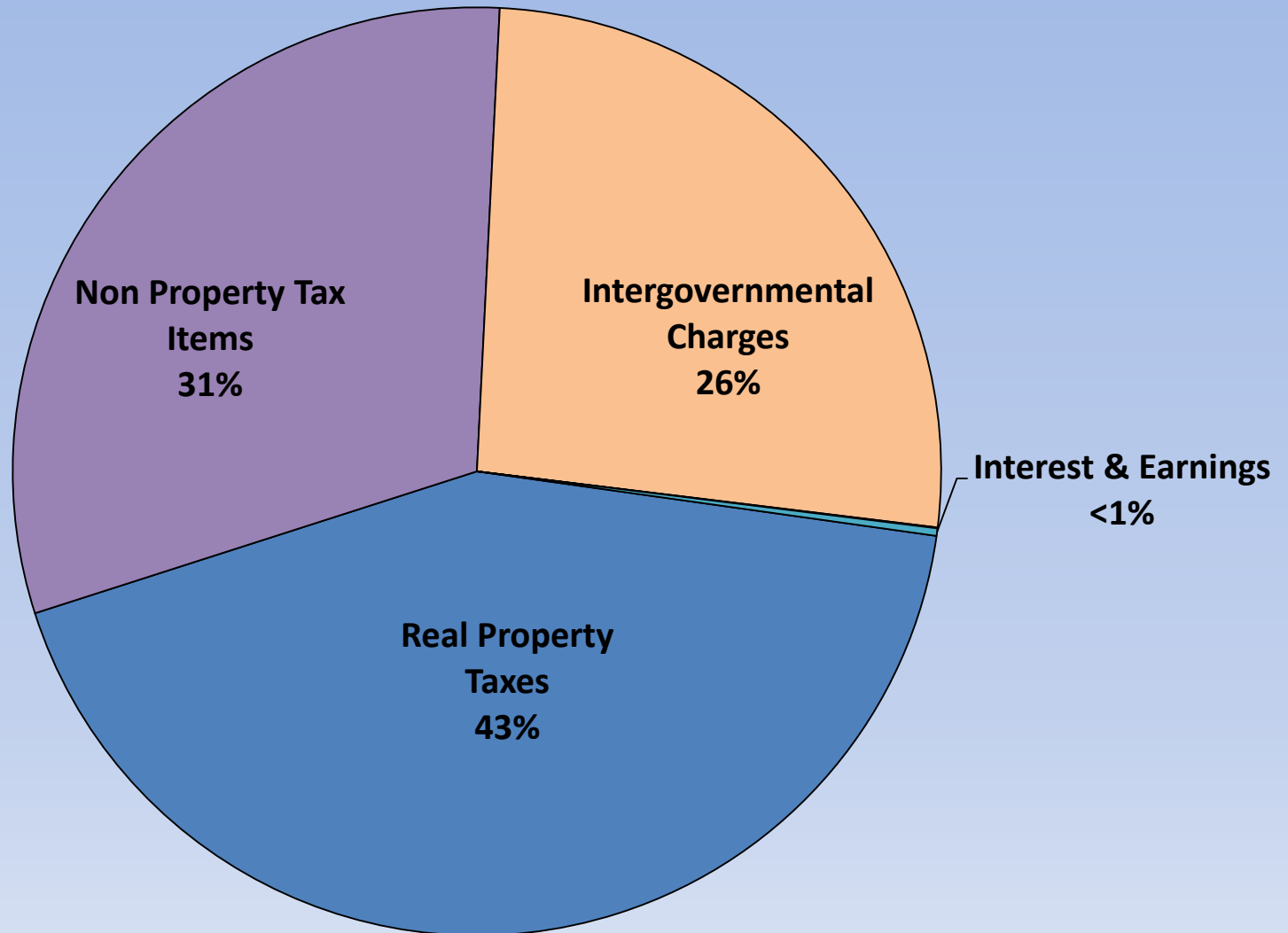


# De Kalb Highway Townwide- Revenues 2015

Applies to entire Town, including Village of Richville

<b>General Fund Revenue Source</b>	<b>Amount</b>
Real Property Taxes	\$188,163
Non Property Tax Items (sales tax from County)	\$135,000
Intergovernmental Charges (Transportation Services, Other Governments)	\$114,865
Interest & Earnings	\$131
Sales of Scrap & Excess Materials	\$1,146
<b>Total</b>	<b>\$439,305</b>

# De Kalb Highway Townwide- Revenues 2015: \$439,305

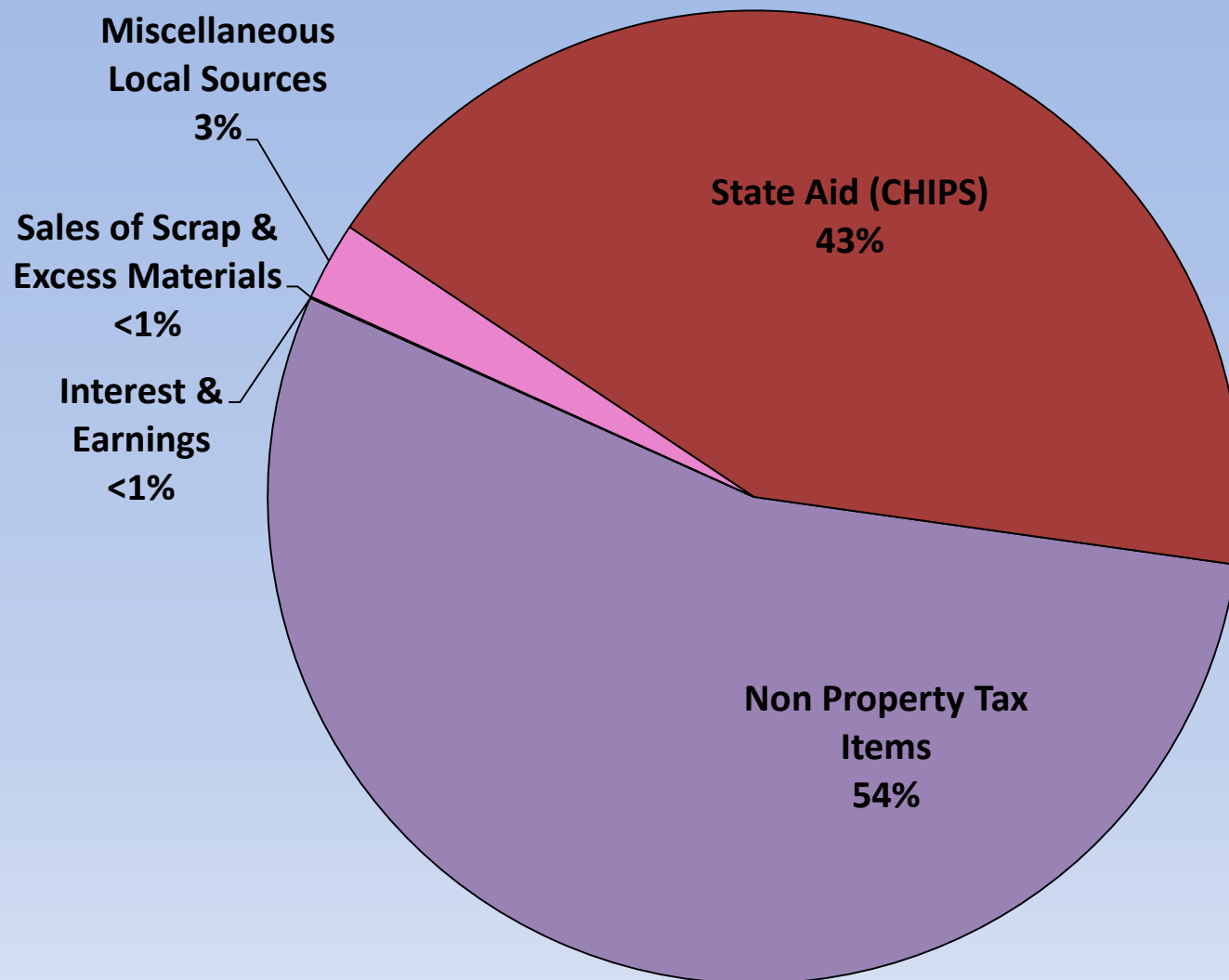


# De Kalb Highway Part Town - Revenues 2015

Applies only to Town, excluding Village of Richville

<b>General Fund Revenue Source</b>	<b>Amount</b>
Non Property Tax Items (sales tax from County)	\$246,693
Interest & Earnings	\$74
Sales of Scrap & Excess Materials	\$139
Miscellaneous Local Sources	\$11,823
State Aid (CHIPS)	\$194,052
<b>Total</b>	<b>\$452,781</b>

# De Kalb Highway Part Town - Revenues 2015: \$452,781



# How does the Town spend this Revenue? Town Services

The Town of De Kalb provides the following services to all Town residents, including the Village:

- Highway services, including snow removal and road maintenance
- Justice and Court
- Animal Control
- Assessor

De Kalb provides the following services to Town Outside Village residents, listed as “Personal Services” or “Equipment and Capital Outlay” in the Town AUD:

- Supervisor and Legislative Board
- Municipal Court
- Town Clerk
- Code Enforcement
- Assessor
- Attorney
- Buildings
- Dog Control
- Street Administration
- Historian

De Kalb also provides the following services to Town Outside Village residents, listed as “Contractual Expenditures” in the AUD:

- Ambulance
- Garage
- Youth Program
- Adult Recreation
- Cemetery maintenance
- Library

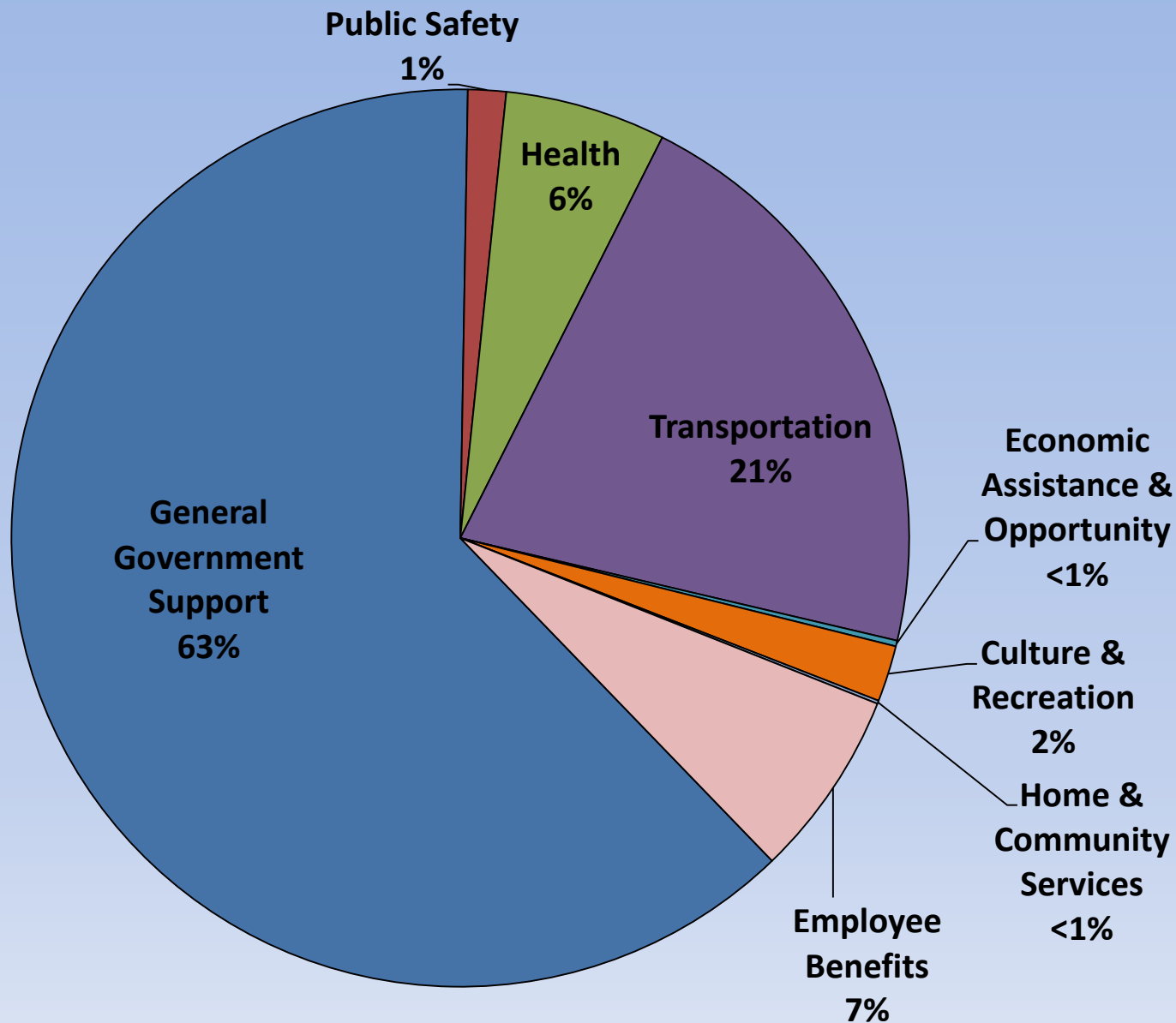
# De Kalb General Fund - Expenditures 2015

Applies to entire Town, including Village of Richville

<b>Expenditure</b>	<b>Amount</b>
<b>General Government Support</b> (Legislative Board, Supervisor, Assessor, Clerk, Attorney, Buildings, Municipal Assoc. Dues)	\$220,011
<b>Public Safety</b> (Dog Control)	\$4,825
<b>Health</b> (Ambulance)	\$20,394
<b>Transportation</b> (Street Admin, Maintenance of Streets, Garage)	\$74,787
<b>Economic Assistance &amp; Opportunity</b> (Veterans Service)	\$732
<b>Culture &amp; Recreation</b> (Adult Recreation, Historian, Historical Property)	\$7,124
<b>Home &amp; Community Services</b> (Refuse & Garbage, Cemetery)	\$406
<b>Employee Benefits</b>	\$23,792
<b>Total</b>	<b>\$352,071</b>



# De Kalb General Fund Expenditures 2015: \$352,071

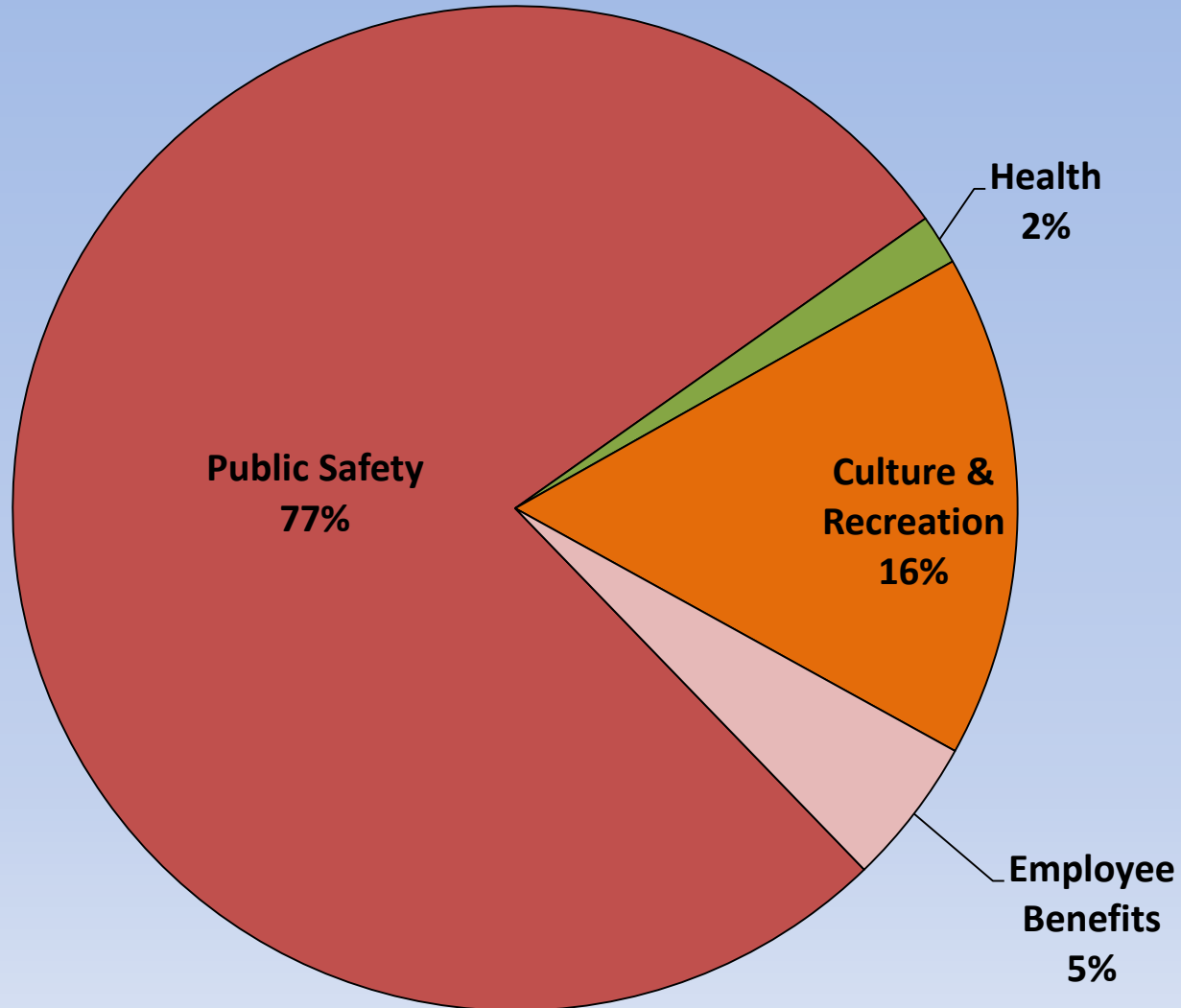


# De Kalb General Town Outside Village - Expenditures 2015

Applies only to Town, excluding Village of Richville

Expenditure	Amount
Public Safety (Code Enforcement)	\$15,887
Health (Registrar of Vital Statistics)	\$331
Culture & Recreation (Youth Program, Library, Historical Property)	\$3,325
Employee Benefits	\$975
<b>Total</b>	<b>\$20,518</b>

# De Kalb General Town Outside Village - Expenditures 2015: \$20,518

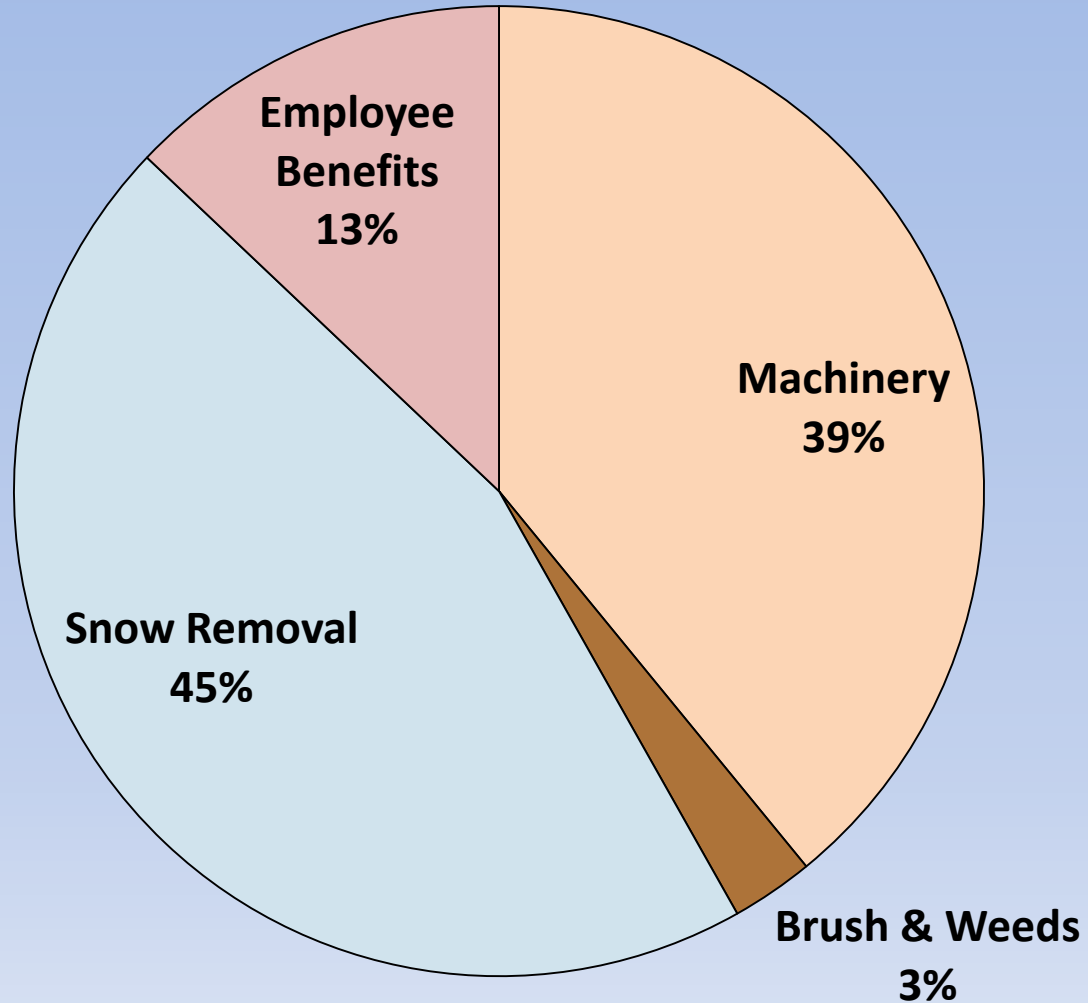


# De Kalb Highway Townwide - Expenditures 2015

Applies to entire Town, including Village of Richville

<b>Expenditure</b>	<b>Amount</b>
Machinery	\$164,495
Brush & Weeds	\$11,565
Snow Removal	\$190,447
Employee Benefits	\$54,414
<b>Total</b>	<b>\$420,921</b>

# De Kalb Highway Townwide - Expenditures 2015: \$420,291

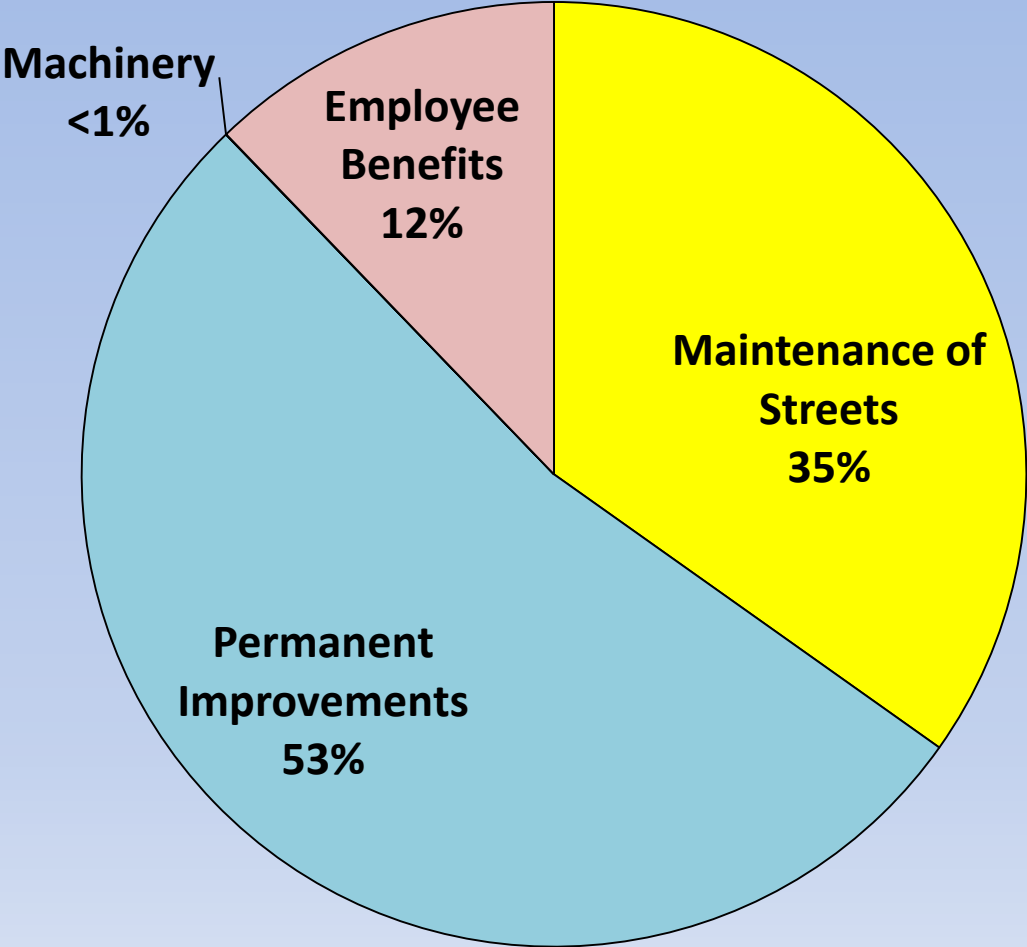


# De Kalb Highway Part-Town - Expenditures 2015

Applies only to Town, excluding Village of Richville

<b>Expenditure</b>	<b>Amount</b>
Maintenance of Streets	\$148,392
Permanent Improvements	\$225,740
Machinery	\$60
Employee Benefits	\$52,029
<b>Total</b>	<b>\$426,221</b>

# De Kalb Highway Part-Town - Expenditures 2015: \$426,221



# De Kalb Fund Balances 2015

<b>Fund</b>	<b>Amount</b>
General Fund	\$288,125
General Town - Outside Village	\$30,185
Highway - Townwide	\$124,341
Highway - Part-town	\$272,255
Special Grant	\$45,291
<b>Total</b>	<b>\$760,197</b>



# De Kalb Municipal Staffing

	<b>Town</b>
Supervisor	1 PT
Legislative Board	4 PT
Clerk	1 FT, 1 PT
Highway Superintendent	1 FT
Highway Operators	5 FT, 1-3 Seasonal
Sewer/Water	Contracted to DANC
Code Enforcement Officer	1 PT
Assessor	1 PT
Justice	2 PT
Historian	1 PT
Dog Control	1 PT
<b>Total Employees</b>	<b>7 FT, 12 PT, 1-3 Seasonal</b>

# De Kalb All Funds Employee Personal Services Salary & Benefits

All Funds Employee Cost 2015	
Position	Salary
Supervisor & Bookkeeper	\$22,450
Legislative Board	\$8,000
Clerk/Treasurer	\$26,186
Justice/Court	\$31,450
Assessor	\$16,000
Attorney	\$3,000
Historian	\$2,400
Dog Control	\$4,000
Highway Superintendent	\$42,000
Code Enforcement	\$10,000
Highway Operators Town-Wide	\$120,051
Highway Operators Part-Town	\$114,392
Total Employee Salaries	\$399,929
Total Benefits Paid	\$131,210
Benefits as % of Salary	33%
<b>Total Compensation</b>	<b>\$531,139</b>

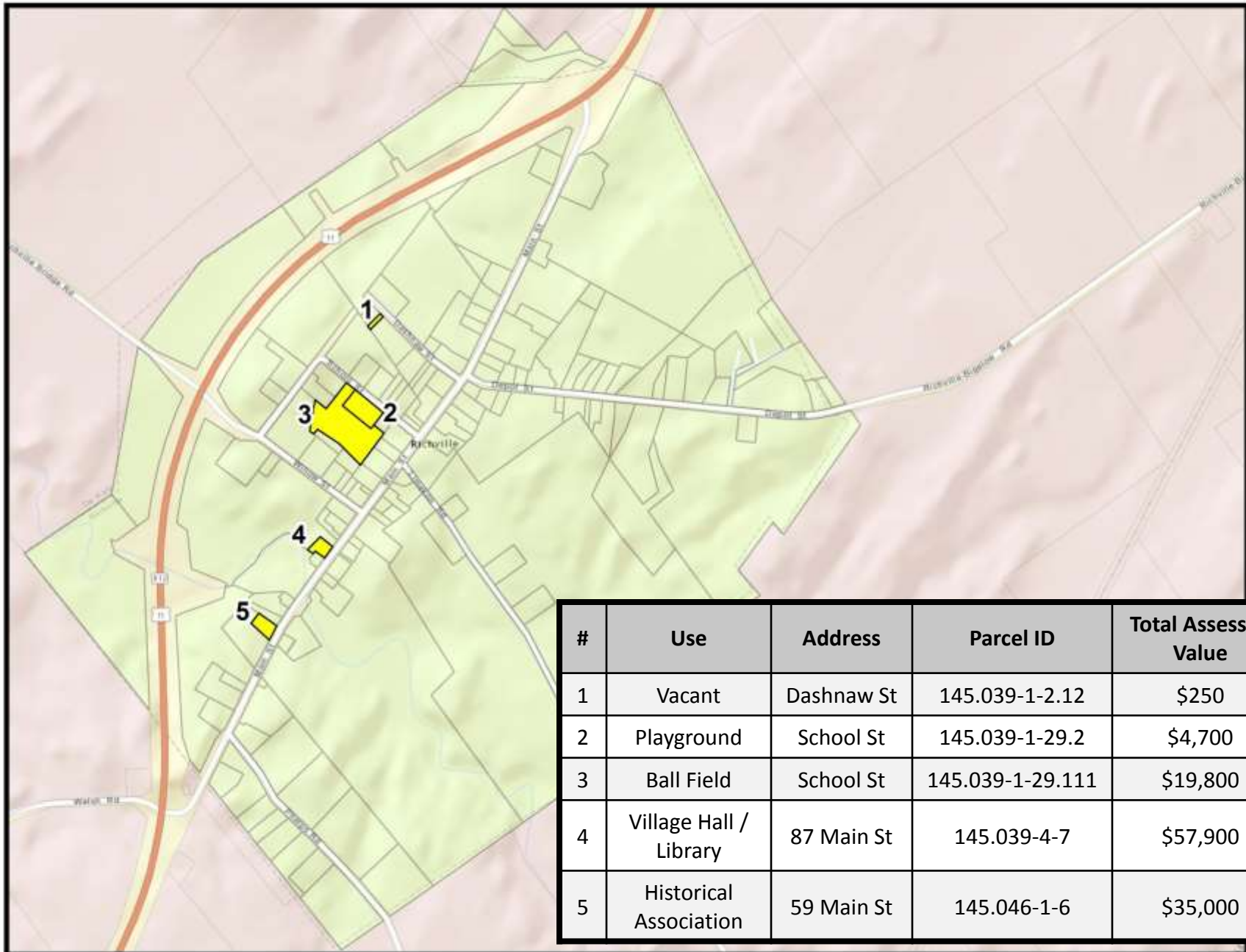
General Fund: Supervisor & Bookkeeper, Legislative Board, Clerk/Treasurer, Justice/Court, Assessor, Attorney, Historian, Dog Control, Highway Superintendent  
 General Outside Village: Code Enforcement  
 Highway Funds: Highway Operators Town-Wide, Highway Operators Part-Town

# Debt Levels

	Richville	DeKalb
<b>General Fund</b>	\$0	\$0
<b>Total</b>	\$0	\$0

**No Village or Town debt, except for the water and sewer districts in the Town.**

# Village Owned Property: Total Value = \$117,650



#	Use	Address	Parcel ID	Total Assessed Value	Acres
1	Vacant	Dashnaw St	145.039-1-2.12	\$250	< 1
2	Playground	School St	145.039-1-29.2	\$4,700	< 1
3	Ball Field	School St	145.039-1-29.111	\$19,800	2.8
4	Village Hall / Library	87 Main St	145.039-4-7	\$57,900	< 1
5	Historical Association	59 Main St	145.046-1-6	\$35,000	< 1

# Village Owned Buildings/Assets Insurance Schedules 2016-2017

Use	Address	Parcel ID	Replacement Cost
Village Hall / Library <sup>1</sup>	87 Main St	145.039-4-7	\$97,543
Historical Association <sup>1</sup>	59 Main St	145.046-1-6	\$52,674
Playground <sup>2</sup>	School St	145.039-1-29.2	\$22,500
Roads <sup>2</sup>	Village-wide	-	\$643,501

Source:

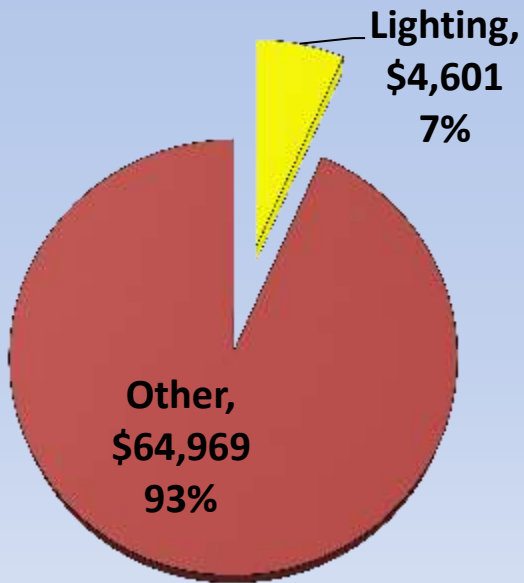
<sup>1</sup> New York Municipal Insurance Reciprocal Insurance Policy 2016-2017

<sup>2</sup> Valuations from the Village Accounting Firm in 2013

# Village Street Lighting

- ❖ All Village residents are taxed for street lighting as part of their Village tax bill
- ❖ The cost of lighting was \$4,601 in the 2015 AUD

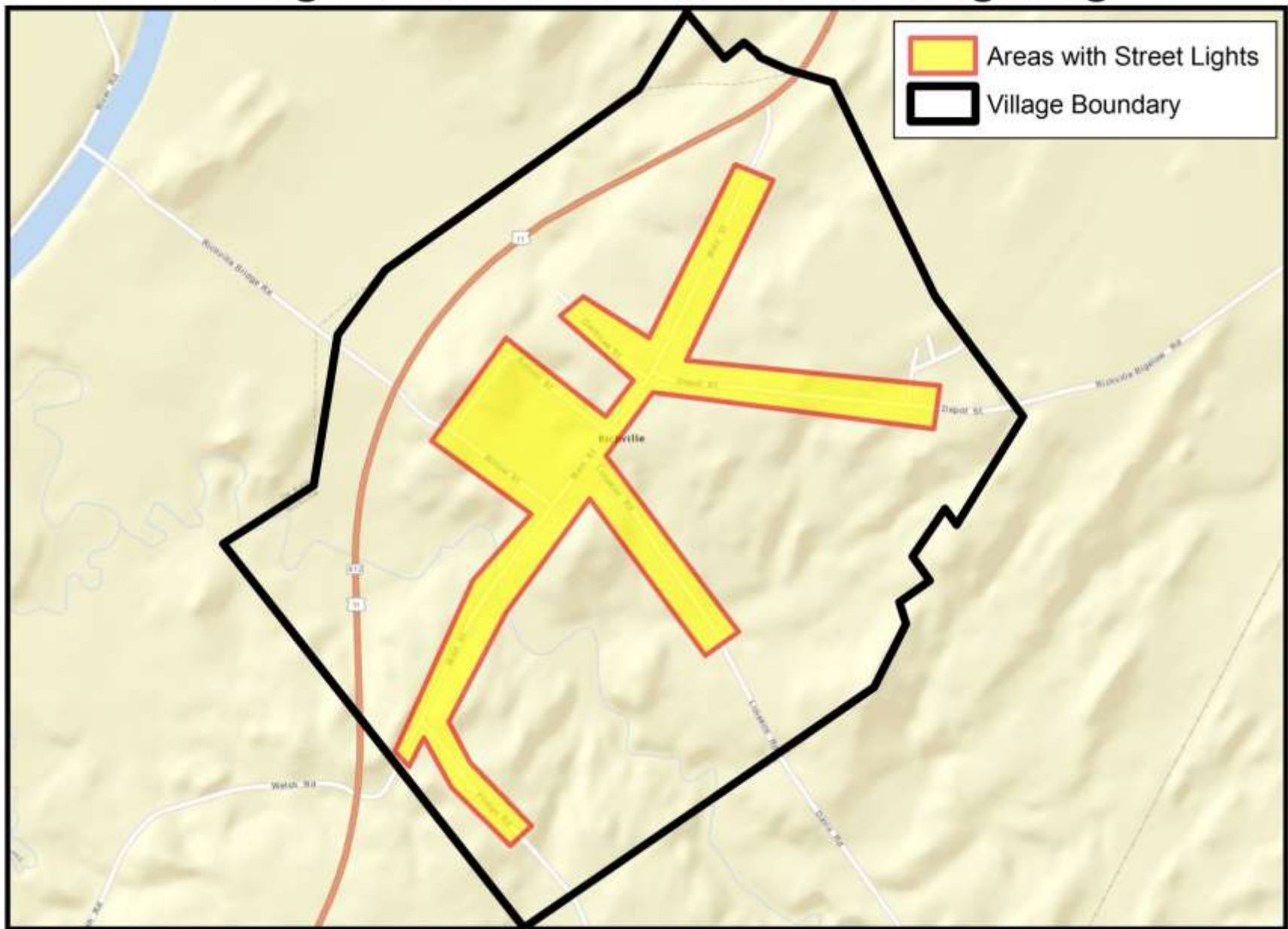
**Lighting vs Overall 2015 AUD Expenditures**



	Lighting	Other	Total
Village Tax	\$0.2989	\$3.9711	\$4.27

Lighting Tax Derived by:  
 $\$4.27 \text{ (2015 Village Tax)} \times 7\% \text{ (% of General for Lighting)}$

# Village of Richville - Streets with Lighting



# Village Youth Program

	2015 AUD	2014 AUD
<b>Youth Program, Contractual Expenditures</b>	\$11,141	\$1,633
<b>Youth Program, Personal Services</b>	\$0	\$360

- Costs for the Village Youth Program are variable year to year
- The librarian runs the youth program with a group of volunteer adults
- She submits a bill to the Village to be reimbursed for activities she coordinates
- In 2015, the Village purchased playground equipment and built the pavilion located at the playground, resulting in higher than normal, “one-time” contractual expenditures for the Youth Program



# Projected Real Property Tax Benefit

	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

\* 70% of CETC must be used to reduce property taxes.

Comparison to Hermon: \$99,710 for annual CETC

This is one source of savings from Dissolution. The next presentation topic will look at alternatives to contract and personal services that may result in more savings.

# Questions or Comments?



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