

Towns of Clifton and Fine Efficiency/Consolidation Study

Public Informational Meeting #2

Alternatives Report

July 20, 2016 6:00 pm Clifton Fine School Auditorium



Visit the website: www.danc.org/operations/engineering/clifton-fine-efficiencyconsolidation-study

Study Committee

- Chuck Hooven, Town of Clifton Supervisor
- Susan Westbrook, Town of Fine Supervisor
- Jerry Cooper
- Sherm Craig
- Joe DeMart
- Brian Donovan
- Roger Folsom
- Mark Hall
- Cory Perrault
- Kelly Smith II
- Chris Westbrook

Consultant:

- Development Authority of the North Country
 - Carrie Tuttle, Director of Engineering
 - Star Carter, GIS Supervisor

Efficiency/Consolidation Study Funding

- Study is being funded with a \$25k grant through the NYS Department of State Citizens Reorganization Empowerment Grant program that pays for 50% of the cost of the study; if the towns decide to consolidate 90% of the cost will be funded by grant

Efficiency/Consolidation Study Schedule

Phase 1: Existing Conditions – Completed in January 2016

- What services do the Towns provide to residents?
- How are Town services provided?
- How much do these services cost?

Phase 2: Evaluation of Alternatives – Presenting DRAFT Report Tonight

- How can Town services be provided differently to increase efficiency?
- What savings would be achieved by consolidation of the two towns?
- What other savings could be achieved without consolidation?

Phase 3: Recommendations and Final Report – August 2016

- Study Committee will submit final report to the Clifton and Fine Town Boards
- Town Boards will vote to accept or reject recommendations and Final Report

Phase 4: Public Hearing and Referendum – November 2016

- If recommendation is to consolidate the two Towns, the Town registered voters will vote
- Must be a majority vote in favor of consolidation in BOTH Towns to pass

Executive Summary

Taxpayers in the Town of Clifton would see a 15% reduction and Town of Fine taxpayers would see a 31% reduction in their town taxes as a result of consolidation. *See Section 5.4.2 for details.*

Delivery of highway services would remain unchanged. *See Section 3.3 for details.*

Taxpayers in the Town of Clifton would see a 3% decrease in their county taxes and Town of Fine taxpayers would see a 5% increase in their county taxes. School taxes will not change in either town as a result of consolidation. *See Section 5.4.1 for details.*

If the Towns don't consolidate, there are limited opportunities for additional savings; \$18,883 (i.e., 0.8% of the combined tax levy) and one-time savings of between \$9,057 to \$21,113. *See Section 6.0 for details.*

Framework for Evaluation

- Each government function was evaluated to explore alternative ways services could be delivered to improve efficiencies
- Committee reviewed comparable costs in other St. Lawrence County towns for all government functions
- Considered the changes that would result from eliminating certain duties/functions and in some cases increases in responsibilities/duties as a result of consolidation
- Report presents a conservative estimate of savings

How Would *Elected Positions* Change?

- Elected positions would be consolidated
 - Town boards
 - Supervisors
 - Clerks
 - Justices
 - Highway Superintendents

How Would Delivery of *General Government Services* Change?

- Town general services would be consolidated
 - Real Property Assessment & Board of Assessment Review, Bookkeeping, Code Enforcement, Legal Services, Historian, Insect Control, Safety Officer
- Potential Savings of \$183,083 per year

How Would Delivery of *Highway Services* Change?

- Town Highway Departments would be consolidated – no reduction in staffing levels
- Two Town Barns would remain
- Highway Deputy (appointed) would assist with oversight of larger Town Highway Dept.
- No change in delivery of services

How Would Delivery of *Recreational Services* Change?

- The costs of the Golf Course, Arena, Community Center and Youth Commission are already shared equally by each Town
- If the Towns consolidated, there would be no change in the delivery of these services
- Administrative efficiencies would be gained through consolidation with the elimination of intermunicipal agreements and joint town board oversight/accounting

How Would Delivery of *Clifton Library & Beach Services* Change?

- The Town of Clifton beach and library in Cranberry Lake are recreational costs that are supported solely by Town of Clifton real property taxpayers. If the Towns consolidated, the library and beach would become an expense shared by the new combined town
- If the Towns don't consolidate, the Committee recommends making the library and beach shared services that are paid for by both towns

How Would Consolidation affect *Water/Sewer* Districts?

- Water/Sewer are services delivered to their respective districts and therefore not impacted by consolidation
- If the Towns consolidate, the Committee recommends that the new town board evaluate the delivery of these services to determine the most efficient manner in which these services should be delivered. The alternatives to consider are: 1) contracting for operator services; or 2) hiring town employees to provide water and sewer operator services.

How Would Consolidation affect *Fire Districts & Lighting?*

Fire Districts

- Town Fire Districts are established as special districts and will not be impacted by municipal consolidation

Lighting

- Both towns have several areas with street lighting as described in the Existing Conditions Report.
- Lighting is an expense in the general town tax budget and neither town has established lighting districts.
- The Committee does not recommend that lighting districts be established as lighting benefits all town residents and visitors that travel to the lighted areas within the towns.
- Municipal consolidation will not impact the cost of these services.

Effect of Consolidation on Taxes

Contractual Savings

- Annual contractual savings resulting from consolidation are estimated to be **\$21,997**
- These savings are primarily associated with the consolidation of software systems, expenses related to staff travel and training, and municipal association dues and fees

Effect of Consolidation on Taxes

Wages & Benefits Savings

- The total annual wages and benefit savings resulting from consolidation are estimated to be **\$161,086**
- These savings would occur as a result of implementing the recommendations described in Section 3.0 of the *Alternatives Report*

Clifton-Fine Consolidation

Estimated Tax Credit

| | |
|---|--------------------|
| Total Tax Levy 2015 | \$2,355,318 |
| Estimated Citizens Empowerment Tax Credit (15% of total levy in year prior to consolidation) | (\$353,298) |

IMPORTANT NOTES

Tax Credit is paid by NYS in perpetuity in the form of additional state aid.

70% of the tax credit must be applied to tax reductions.

The committee recommends that 100% be applied towards tax reductions and calculations are based on 100%

These preliminary figures are based on current assessed values (2015). The actual combined tax rate and tax credit will be based on the assessed values at the time of consolidation.

Post Consolidation Tax Levy

| | Clifton | Fine | Total |
|---|-------------|-------------|------------------|
| Actual Tax Levy (2014) | \$1,220,423 | \$1,134,397 | \$2,355,318 |
| Annual Citizens Empowerment Tax Credit | | | (\$353,298) |
| Estimated Annual Savings (non-CETC) | | | (\$183,083) |
| Total Annual Savings | | | \$536,381 |
| Tax Levy if Towns Consolidate | | | \$1,818,937 |

[u](#) Assumes 100% of tax credit is applied to reduction of property taxes.

How will Consolidation Affect Town & Highway Property Taxes?

| 2015 Tax | Clifton | Fine |
|--|---------------|---------------|
| Town (General) | \$2.74 | \$3.82 |
| Town (Highway) | \$3.75 | \$5.19 |
| Total | \$6.49 | \$9.01 |
| | | |
| New Consolidated Tax Rate | \$5.49 | \$6.24 |
| | | |
| Savings Per \$1,000 of Assessed Value | \$1.00 | \$2.77 |

How will Consolidation Affect Town & Highway Property Taxes?

Town of Clifton Projected Annual Tax Savings = 15%

- Taxable Assessed Value of Property ÷ \$1,000 x \$1.00

Town of Fine Projected Annual Tax Savings = 31%

- Taxable Assessed Value of Property ÷ \$1,000 x \$2.77

Alternatives Report Appendices D and E provide tables for property owners in the Towns of Clifton and Fine to use to estimate their tax savings.

How will Consolidation Affect County Property Taxes?

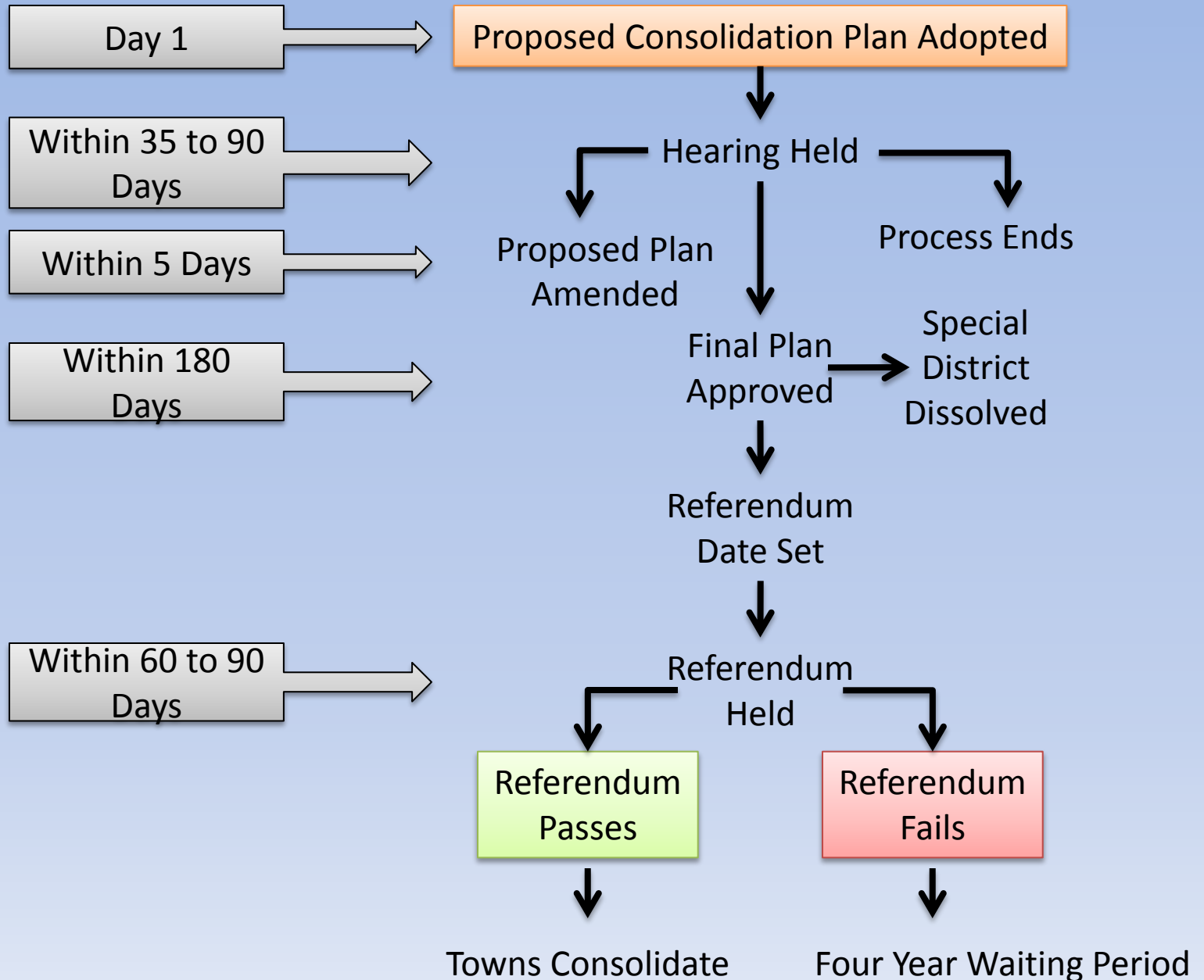
- Clifton and Fine apply their sales tax revenue against their county tax levies
- If consolidated, the combined sales tax revenue would be applied against the combined tax levy of the two towns and a new county tax rate established
- While consolidation will not change the total county tax levy that the Towns of Clifton and Fine will be responsible for, it will change the distribution of the tax levy between the towns
- Impact => 3% decrease in Town of Clifton and a 5% increase in Town of Fine county taxes

New York State Department of State

Rob Roeckle

Land Use Training Specialist

Board-Initiated Consolidation



Efficiency/Consolidation Study

Next Steps

| Study Phase/Activity | Status |
|--|-----------------------------|
| Existing Conditions | Completed - January 2015 |
| Public Informational Meeting #1 <i>Existing Conditions Report</i> | Completed - January 6, 2016 |
| Evaluation of Alternatives | February 2016 - June 2016 |
| Public Informational Meeting #2 <i>Alternatives Report</i> | July 20, 2016 |
| Recommendations and Final Report Presented to Town Boards | August 1, 2016 |
| Public Informational Meeting #3 <i>Public Hearing</i> | September 9, 2016 |
| Referendum | November 8, 2016 |



Questions?



Thank you for attending the 2nd Public Informational Meeting

Please visit the Study Website at:

www.danc.org/operations/engineering/clifton-fine-efficiencyconsolidation-study

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