

Village of Briarcliff Manor Annexation Analysis

**Joint Public Hearing Presentation
12 December 2013**

Common Definitions

- **Town of Mount Pleasant:** **TMP**
- **Village of Ossining:** **VOS**
- **Village of Briarcliff Manor:** **VBM**
- **Town of Ossining :** **TOS**
Town-General/Town-wide. Those charges to the entire TOS.
Town Outside. Those charges to just the unincorporated portions of the TOS; that is **NOT within either VOS or VBM**
- **TOS Election Districts 17 + 20:** **1720**
election districts have defined metes and bounds and a common boundary with the VBM.

VBM Analysis Base Used:

- Data solicited from/obtained through various governmental agencies and analyzed internally.
- TOS is on a calendar year budget; VBM is 1 June - 31 May. **Audited** Financial Statements: TOS 2012; VBM 2012-2013. Yet, some comparisons are just **not** comparable.
- 2010/12 (Adj) Census data; current Assessment Roll at (Oct 2013).
- Analyses does not include TOS 2014 budget which was only recently adopted; TOS Police Building sale @ December 2013: same to proposed PILOT.
- Outlines of existing IMA's / contracts. VBM does not have actual IMA's/Contracts to date. VBM Legal interpretation that IMA's/Contracts are renewable and subject to negotiation and adjustment. **So what is a district? Is it a legal entity with debt and assets - or - only a contract for services?** We contend that Fire Protection is a renewable contract for Fire services; Sanitation is a private carter renewable contract; and, OVAC Ambulance is renewable service provider contract, like with VBM.

Major Assumptions

- Existing school district boundaries continue: **Current School District lines do not change.**
- VBM to remain a Village.
- Common boundary provision includes only TOS districts 17+20.
- VOS discussions. VOS to continue to supply water (there is a question as to who does own the water distribution system and does VOS provide only a service).
- Ryder Park is a TOS park and will remain a TOS park open to all TOS residents. We envision the that VBM administer Ryder through an IMA. As a TOS park, we would look for support from VOS and TOS to ensure its physical renewal to the higher standards people expect.
- VBM Fire Department protection and cost of ambulance services are to be covered by VBM taxes. Remaining part of 17 serviced by OFD continues - paid by VBM until renegotiated.
- TOS commercial sanitation contract for 1720 area will not be renewed: VBM takes over sanitation and recycling coverage.
- TOS “special districts” costs (service contracts) become VBM obligations, paid by VBM tax. Need clarification and negotiations. Existing IMA’s (19 with VOS) would be renegotiated to reflect fairness and equity and change of population.
- VBM to re-submit, respond to tonight’s Hearing data and/or questions and to answer/revise presentation.

Common Statistics

2013 Tax Assessments As of 10/24/13

VOS value	\$111,819,307	43.06%
VBM value (TOS only)	\$98,287,295*	37.85%
TOS value (TOS Outside)	\$49,600,032**	19.09%

Note: * 17+20 = 14.535% of new VBM: 1720+VBM (TOS) = \$114,930,057

**17+20 = \$16,705,798 or @ 33.68% of TOS value

Total assessed value \$259,709,634 100.00%

2010/12 Population [US Census]

VOS	25,266	67.06%
VBM = 7867 [TOS (7115) + TMP (752)]	7,115	18.89%
TOS (outside)	<u>5,293</u>	<u>14.05%</u>

Total TOS population 37,674 100.0%

Statistical Re-Cap

(2010/2012 Census - 2013 Assessment)

VOS:	67.06% of TOS's population but 43.06% of TOS's assessment Assessment/Population Coverage: .6421% X
VBM:	18.89% of TOS's population but 37.85% of TOS's assessment Assessment/Population Coverage: 2.0037% X
TOS:	14.05% of TOS's population but 19.09% of TOS's Assessment Assessment/Population Coverage: 1.3587% X

What Determines ... **Overall Public Interest?**

New York Zoning Law and Practice § 8A:14

In any annexation proceeding, the municipality promoting the annexation has the burden of proving that the annexation is in the overall public interest. Each review is necessarily highly factual in nature, but there are basic principles employed by the referees and reviewing courts. A reviewing court must “weigh the benefit or detriment to the annexing municipality, the territory proposed to be annexed, and the remaining governmental unit from which the territory would be taken.”

- 1. The “benefit and detriment are customarily defined in terms of municipal services such as police and fire protection, health regulations, sewer and water service, public utilities and public education.”**
- 2. Another factor entering into the balance is whether the annexing municipality and the territory proposed to be annexed have “the requisite unity of purpose and facilities to constitute a community.”**
- 3. Finally, a tax revenue impact, specifically the loss or gain of revenues by the involved municipalities, is an important factor. (Citations omitted).**

What Determines ... Overall Public Interest?

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1. The “benefit and detriment are customarily defined in terms of municipal services such as police and fire protection, health regulations, sewer and water service, public utilities and public education.”

So what Village services does the VBM Village Tax cover?

- **VBM Tax covers** Police Department, Fire protection and OVAC contract.
- **VBM Tax covers** DPW/Parks for streets, lights, highway, sanitation, recycling and recreation services including but not limited to parks senior citizens, veterans services and some seasonal recreation specialties. Pool, summer camp, tennis, and other specialties are fee based.
- **VBM Tax covers** all administrative services in VH: Clerk (permits and Village elections), Court Clerk, Corporate Counsel, Treasurer, Building Inspector / Code Enforcement, Village Manager, Village tax collection, historian, consultants and professionals. VBM Zoning, Planning and Building rules. Scarborough R/R station parking is fee based.
- **VBM Tax covers** the Village Library.
- TOS Zoning, Planning “grandfathering” and/or “Special Permits” to be continued by VBM Boards under TOS rules.
- Water, Sewer and storm drainage is through the water fund, not tax rates.

VBM budget tax revenue @ \$93.99/\$1000 tax rate uses TOS assessment + other VBM income (sales/mortgage taxes + fees, etc.). All VBM services are within the NYS “2%” Tax Cap. Total General Fund balance is \$1,792,638 @ 11.56% expenses.

For 1720...

How are similar Village-type services provided by TOS?

- **WC provides TOS (contract):** Police Department coverage: work with WC
- **VOS provides TOS (19 IMA's/contracts):** Fire Protection, Engineering, Village Sewers, Water Filtration and delivery, Comptroller (Finance), IT services, Direction of Town Parks Dept., Unified Recreation Department, Municipal Dumpsters, Cablecast and Stream of Town Meetings, Rental of Offices: VH and Court, Street Lighting Installation and Maintenance, Organic Waste Area, Vehicle Fuel Station; **Private Carter provides (contract):** Sanitary/garbage collection;
- **VBM provides TOS (contract):** Fire Protection (FD20);
- **TOS provides VOS:** Town/Village Clerk, Parker Bale Sewer Lift Station, Town maintains Village-owned Veteran's Park (Village removes garbage as well as snow and ice);
- **Town Wide Tax Driven (VBM, VOS & TOS):** Unified Court, Assessor, Receiver of Taxes, Town Clerk, Town Attorney, Town Board and Town Supervisor: **no change. VBM funds @ 37.85% by assessment.**

What Determines ... Overall Public Interest?

New York Zoning Law and Practice § 8A:14

2. Another factor entering into the balance is whether the annexing municipality and the territory proposed to be annexed have “the requisite unity of purpose and facilities to constitute a community.”

Parks and Recreation

- **Full use of VBM public Parks:** including but not limited to Chilmark Park (baseball, soccer, tennis (8 courts) park to be renovated; Neighborhood Park (baseball and open area) McCrum Field baseball, soccer comfort station, kids play area. Recreation and Parks; Law Park (field with schools) separate tennis courts, season ice skating; Club Field (soccer and lacrosse); new field area at the Youth Center and walking trails;
- **Pool, summer camp and facilities** (tennis and paddle tennis) /other programs are on a fee basis. Participation has been at a steady level with high point in 2003 + 2008. While we have no data as to 1720 school aged children, our records and flexibility indicate full availability for our current series of programs;
- TOS participation with **Recreation Advisory Board**. We have had an Ossining HS resident as a member on the VBM Recreation Board and are always looking for TOS participation with our current programs. We anticipate that 1720 members could enable VBM to expand programs that now have minimal participation.
- **VBM Ryder Park is a TOS park and will remain a TOS park open to all TOS residents.** We envision that VBM administer Ryder through an IMA. As a TOS park, we would look for support from VOS and TOS to ensure its physical renewal to the higher standards people expect.

Briarcliff Manor Public Library / Community Center

- Local residents already use the services/resources of many area libraries through the Westchester Library System. We are working on how to re-set and compliment Ossining Library programs; all VBM programs are open to all interested attendees and Ossining residents do utilize the Library;
- Library budget is \$579K or 5.78% of village budget: equals **\$.20/day - \$72.38/year** to Village taxpayers;
- New Community Center: warming and cooling center; WiFi ready, broadcast facilities, kitchen and meeting facilities. We are going out for bid shortly;
- Parking lot is large enough for most events;
- We are working on expansion of current Library coverage with existing personnel at current budget levels.

Railroad Station Parking Fees / Rates

- **Ossining R/R Station:** approximately **450 spaces**
Town residents: Unincorp. \$540.00/year (@\$1.48/day)
Non TOS residents: \$1,000.00/year
- **Scarborough R/R Station:** approximately **525 spaces**
Village residents (464 @ M,Q,Y): \$675.00/year (@\$1.85/day)
Non residents (7): \$1,200.00/year
Pricing **includes** valet parking ensuring near guarantee of parking space.

Factors:

3.7 miles from sample TOS parcel to Scarb R/R Parking

2.7 miles to Ossining Parking

Average train to NYC time difference = @ 2 minutes

What Determines ... Overall Public Interest?

New York Zoning Law and Practice § 8A:14

3. Finally, a tax revenue impact, specifically the loss or gain of revenues by the involved municipalities, is an important factor.

Typical 1720 Tax Bill - 2013 TAX YEAR

INST.	DUE DATE	PURPOSE	TYPE	TAXABLE VALUE	TAX RATE	TAX AMOUNT
	4/30/2013	<u>OSSINING AMBULANCE</u>	<u>CHG</u>	<u>21,740</u>	<u>3.62484</u>	<u>\$ 78.80*</u>
		COUNTY TAX	CHG	21,740	58.81173	\$ 1,278.57
		TOWN GENERAL TAX	CHG	21,740	11.51783	\$ 250.40
		<u>UNINCORPORATED TAX</u>	<u>CHG</u>	<u>21,740</u>	<u>99.58658</u>	<u>\$ 2,165.01*</u>
		COUNTY SOLID WASTE	CHG	21,740	5.74108	\$ 124.81
		COUNTY SEWER	CHG	21,740	12.27594	\$ 266.88
		TOWN SEWER DISTRICT	CHG	21,740	5.2748	\$ 114.67
		TOWN SEWER UNIT CHG	CHG	1	52.00	\$ 52.00
		<u>REFUSE LIGHT FIRE</u>	<u>CHG</u>	<u>21,740</u>	<u>24.43552</u>	<u>\$ 531.23*</u>
		TOWNWIDE WATER	CHG	21,740	0.46374	\$ 10.08
		Total Due: \$4,872.45				

***Total service equivalent to VBM services: \$2,775.04**
Net/net adjusted VBM tax bill for 1720 becomes \$90.37/1000: \$1,964.64
Typical 1720 net savings after annexation effects are 29%: \$ 810.40

What it means to VBM taxpayers...

	2013 – 14
Start: 1720 assessments X current VBM tax rate generates: \$16,705,798 * \$93.99/1000	\$1,570,178
Add: Sales and mortgage tax generates:	\$252,105
Add: Other revenue sources:	\$109,063
Total net cash flow in:	\$1,931,346
Less cost to VBM's cost for 1720 (plus police bldg. debt):	-\$1,322,285
Net Benefit to VBM	\$609,061
Equates to tax savings tax reduction	5.985%*

Recalibration of tax rates reduces current VBM (TOS):
\$93.99 becomes \$90.37; and in TMP \$374.72 becomes \$360.31

*Against tax warrant \$10,175,688 (13-14)

Compare TOS 1720 / Rest of TOS

Data Category	TOS O/S Total	1720 Only	TOS Net	% 1720/TOS O/S	Variance to Assessment (XXX/Assess.)
Assessment	\$49.6M	\$16.7M	\$32.9M	33.68%	100%/1.0X
Parcels (hholds)	1,945	567	1,378	29.15%	86.55%
Voters	4,209	1090		25.90%	76.90%
Population (2010/2012)	5,293	1,604	3,143	30.30%	89.96%
Area (sq. miles)	3.0	1.0	2.0	33.33%	98.96%
TOS Roads (miles)	21.0	8.23	12.77	21.19%	62.92%
WC/NYS Roads	5.64	3.80	1.84	67.37%	2.00X

Our Analysis Indicates:

- The VBM annexation analysis and presentation offers an objective review of current 1720 revenue sources and service levels while within the TOS.
- The VBM analysis outlines significant cost savings to 1720 residents for like, if not enhanced “municipal-based” services that VBM residents currently enjoy on an equal basis.
- 1720 Municipal services would be provided directly by VBM; by VBM employees; and, by definition, more efficiently both as to service and by direct responsible departments and personnel.
- We contend that the elimination of various service contracts and so-called “districts” is a positive on a cost/benefit analysis since VBM functions on a consolidated operational and financial basis. There is no double counting.
- The prospective cost savings to 1720 are significant and the economies of scale for VBM are like-wise beneficial, if lesser so.

- The three objective tests of **overall public interest**... “no harm - no foul”... are met:
 1. VBM based municipal services are to be provided and we believe on an enhanced more cost/benefit basis;
 2. There is a unity of purpose and available facilities (besides a significant portion having a Briarcliff Manor address) to “constitute a community”; and
 3. We calculate that the tax revenue impact is positive for 1720 and VBM but also for TOS. It is positive for TOS because VBM will be absorbing various charges that are “currently attached to 1720 residents” with no added burden to TOS’s remaining residents. The sizable number of IMA’s/contracts are renewable and unit/service priced and can be adjusted. The VBM believes that all reserves and fund balances remain with the TOS even though a case can be made that it should be transferred according to assessment levels. This is an enormous amount that, given existing legal analysis, a significant cash boost to TOS.
- VBM looks forward to further information and questions resulting from tonight’s hearing and open commentary period to 15 January 2014, or thereafter as you decide. We reserve the right to respond in kind and revise our analysis accordingly.

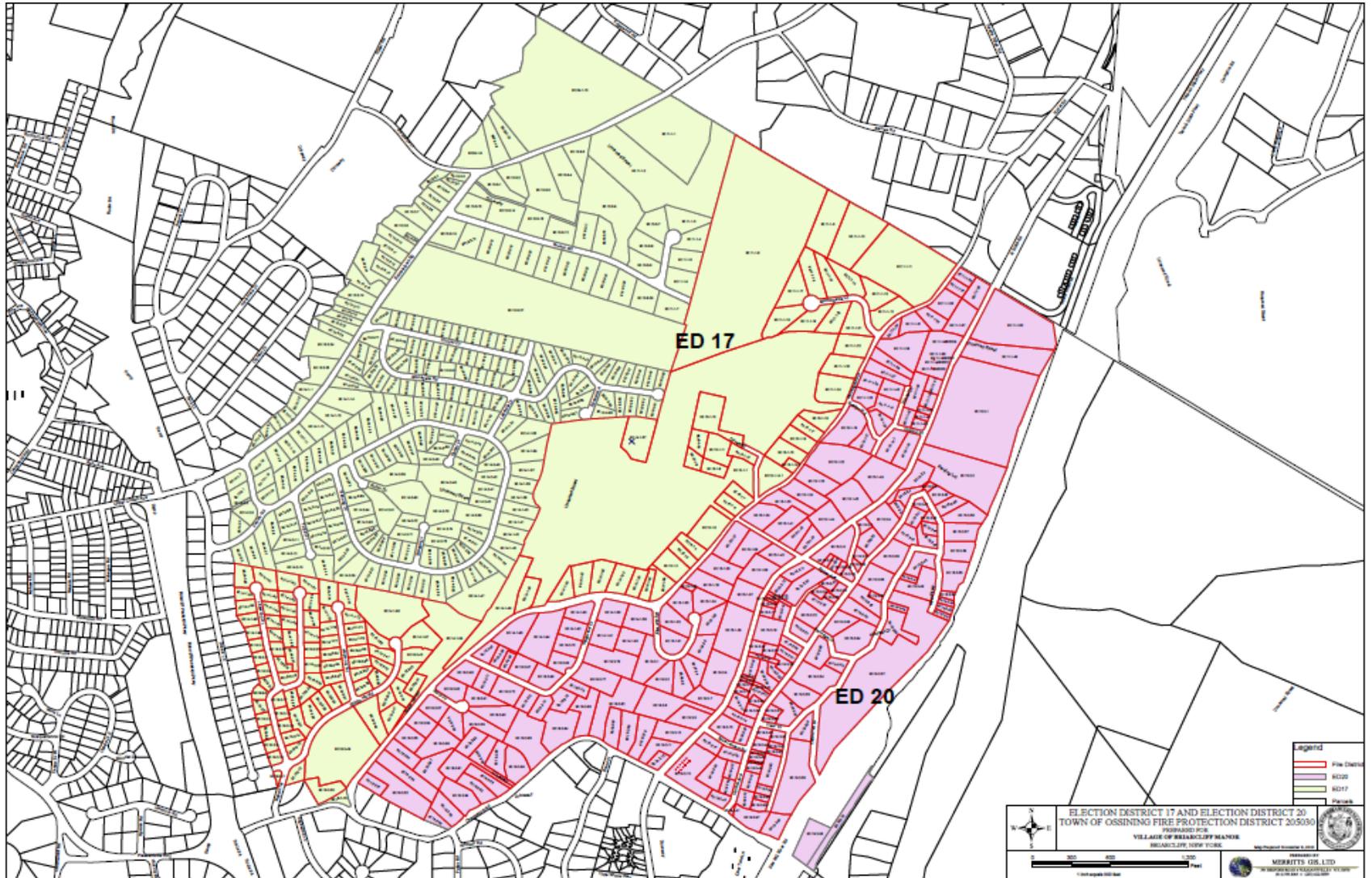
VBM Annexation Analysis

Supporting Information:

Open Items...

	TOS	1720
12/31/2012 Fund Balance:		(33.68%)
Fund Balance Town Outside	\$1,312,700	\$442,117
Fund Balance Highway Department	\$648,394	\$218,379
2013 Bonded Debt:		(33.68%)
Highway Department Debt	\$79,734	\$26,855
General Debt	\$109,354	\$36,830
Police Department Debt	\$317,720	\$107,363
Proceeds from sale of old Police Building	\$1.47M	

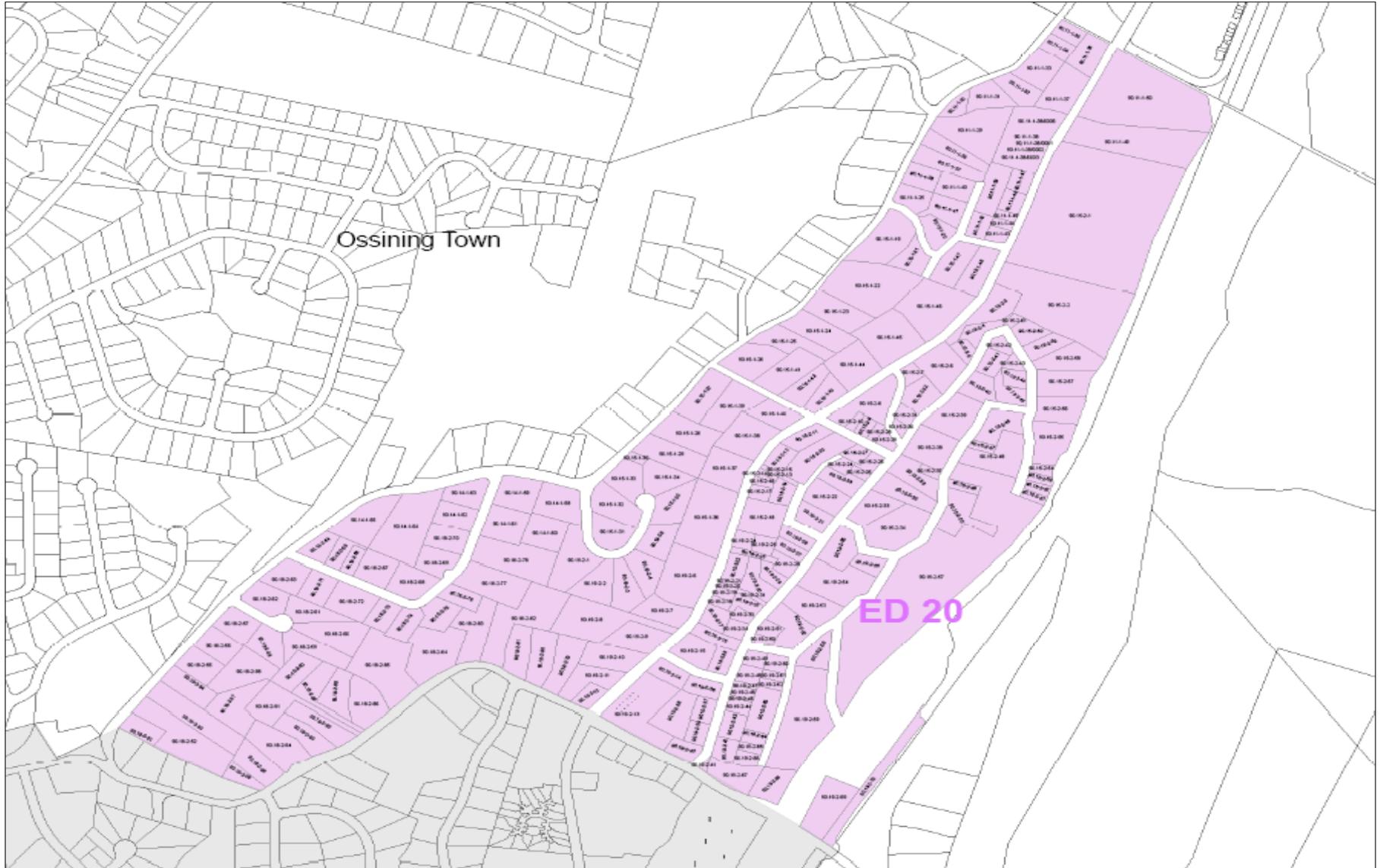
ED17 (Yellow); ED20 (Rose); FD20 (Red)



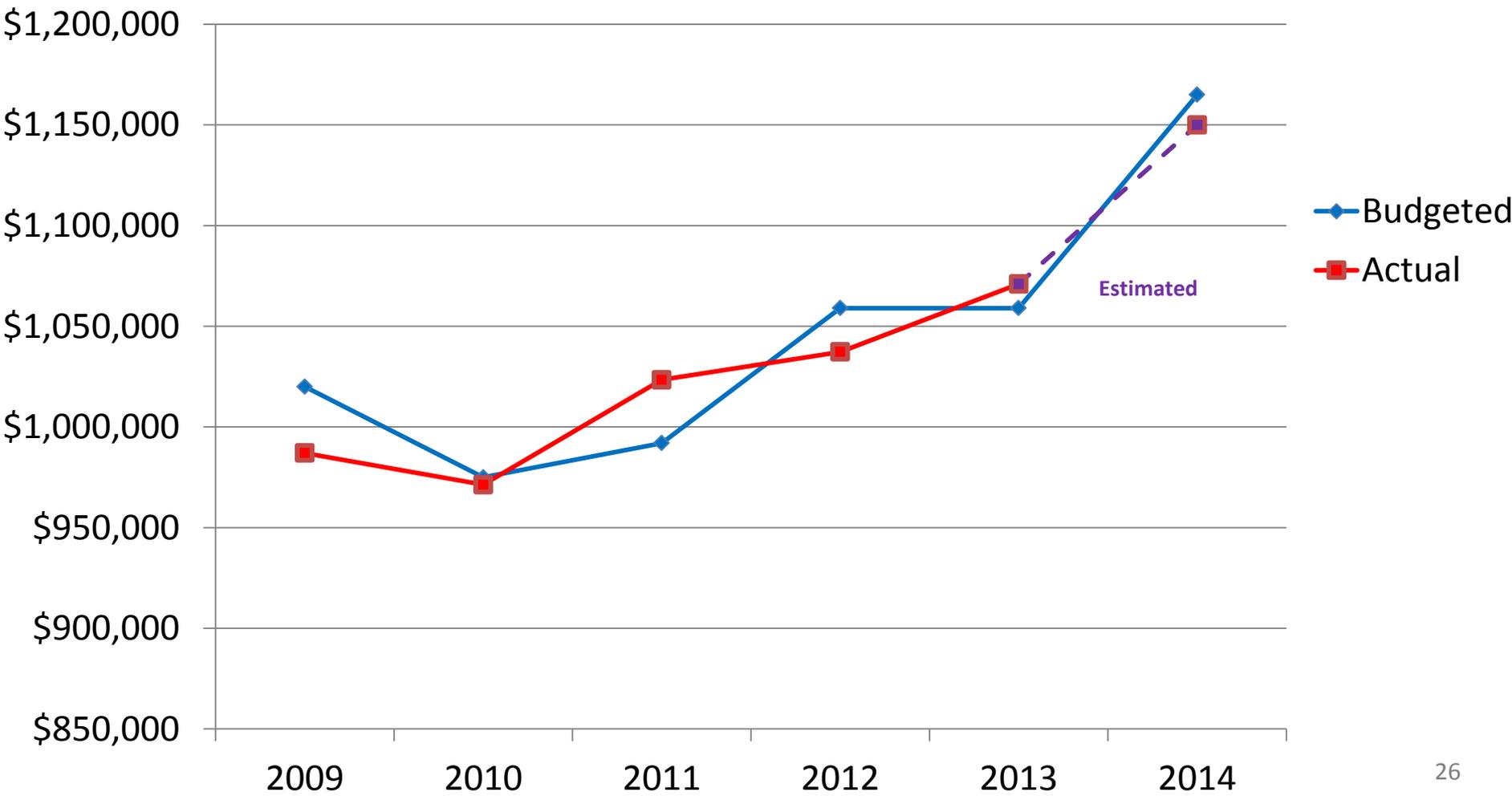
ED 17



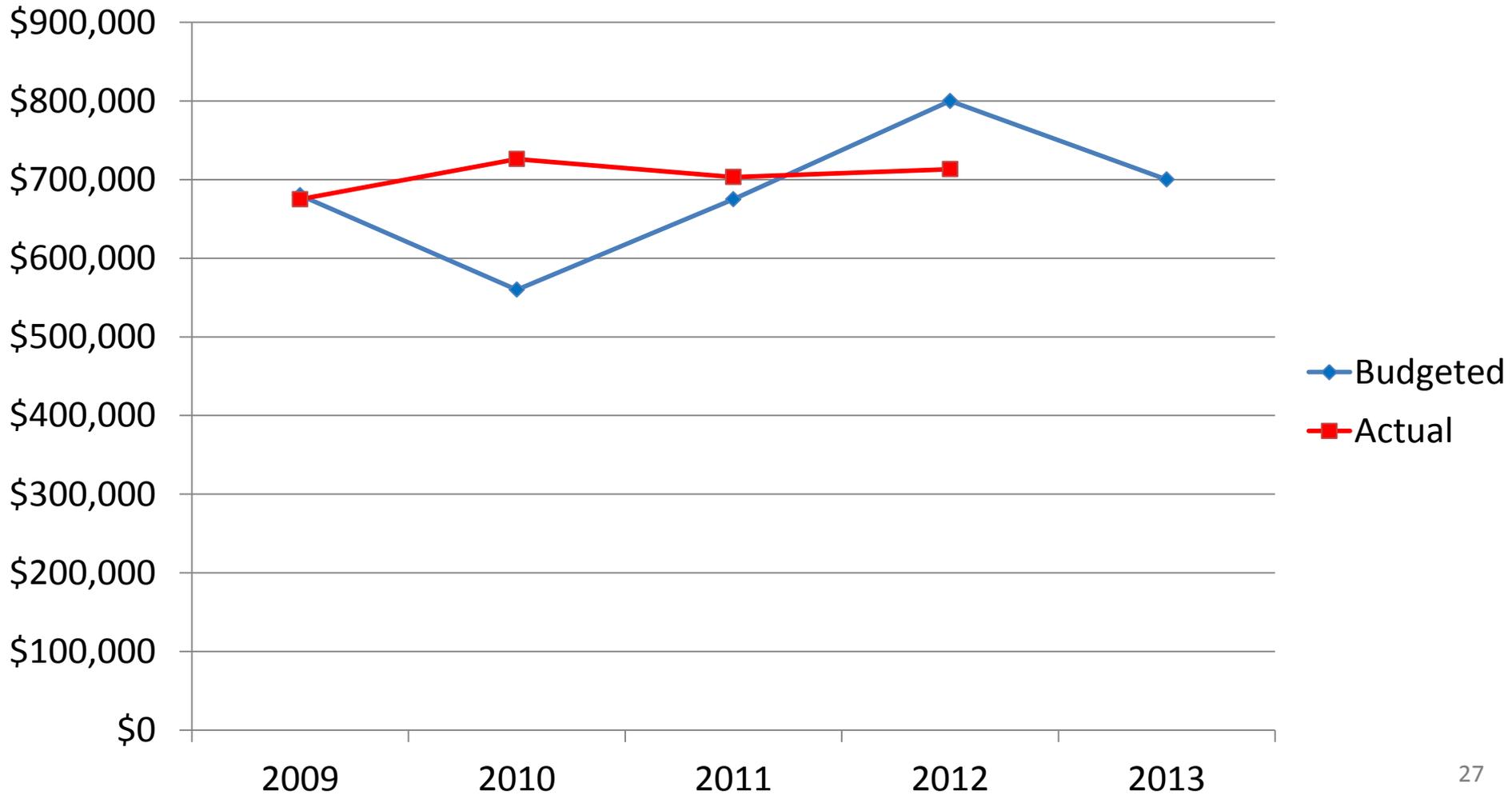
ED 20



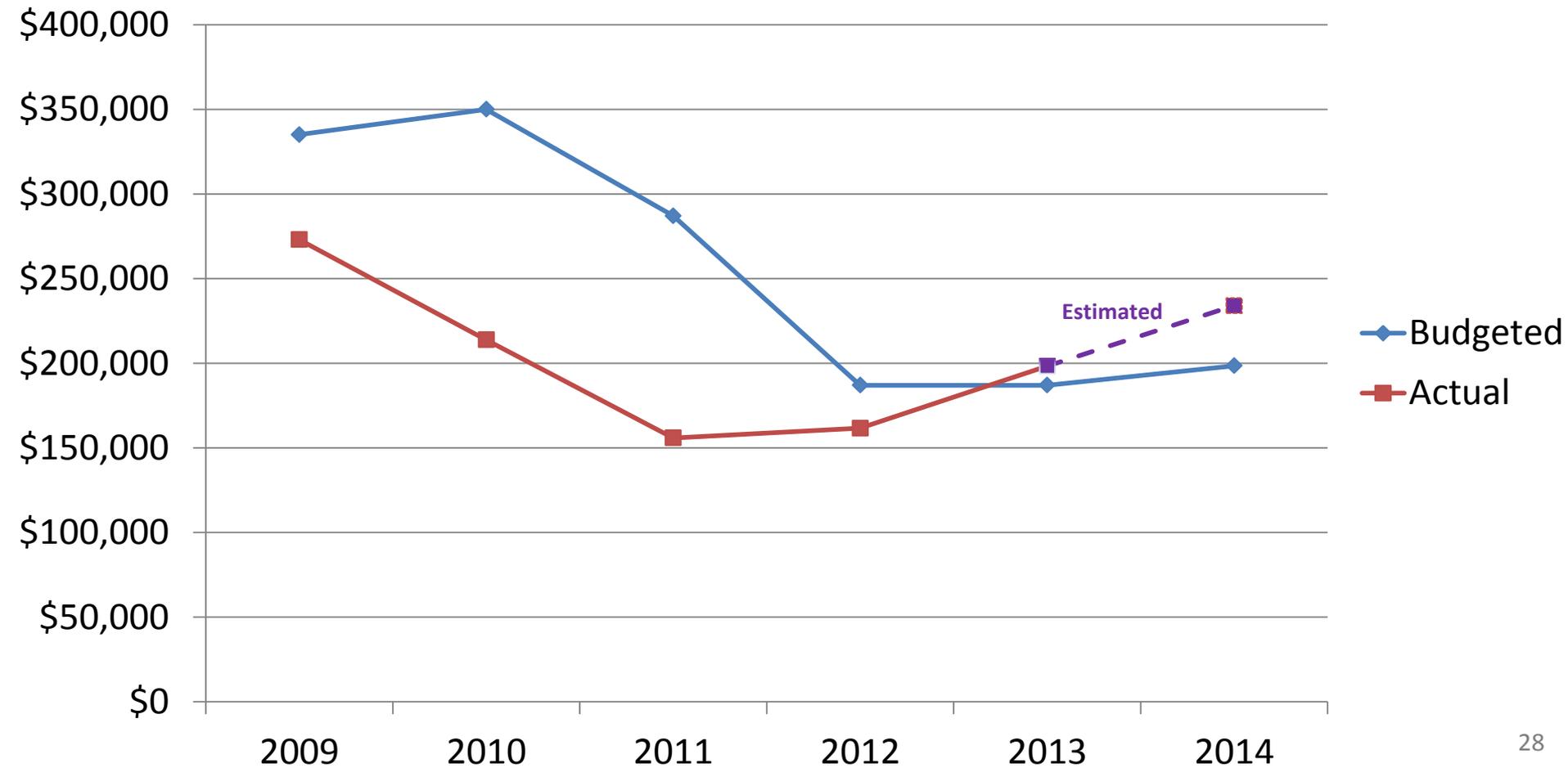
Village of Briarcliff Manor Sales Tax



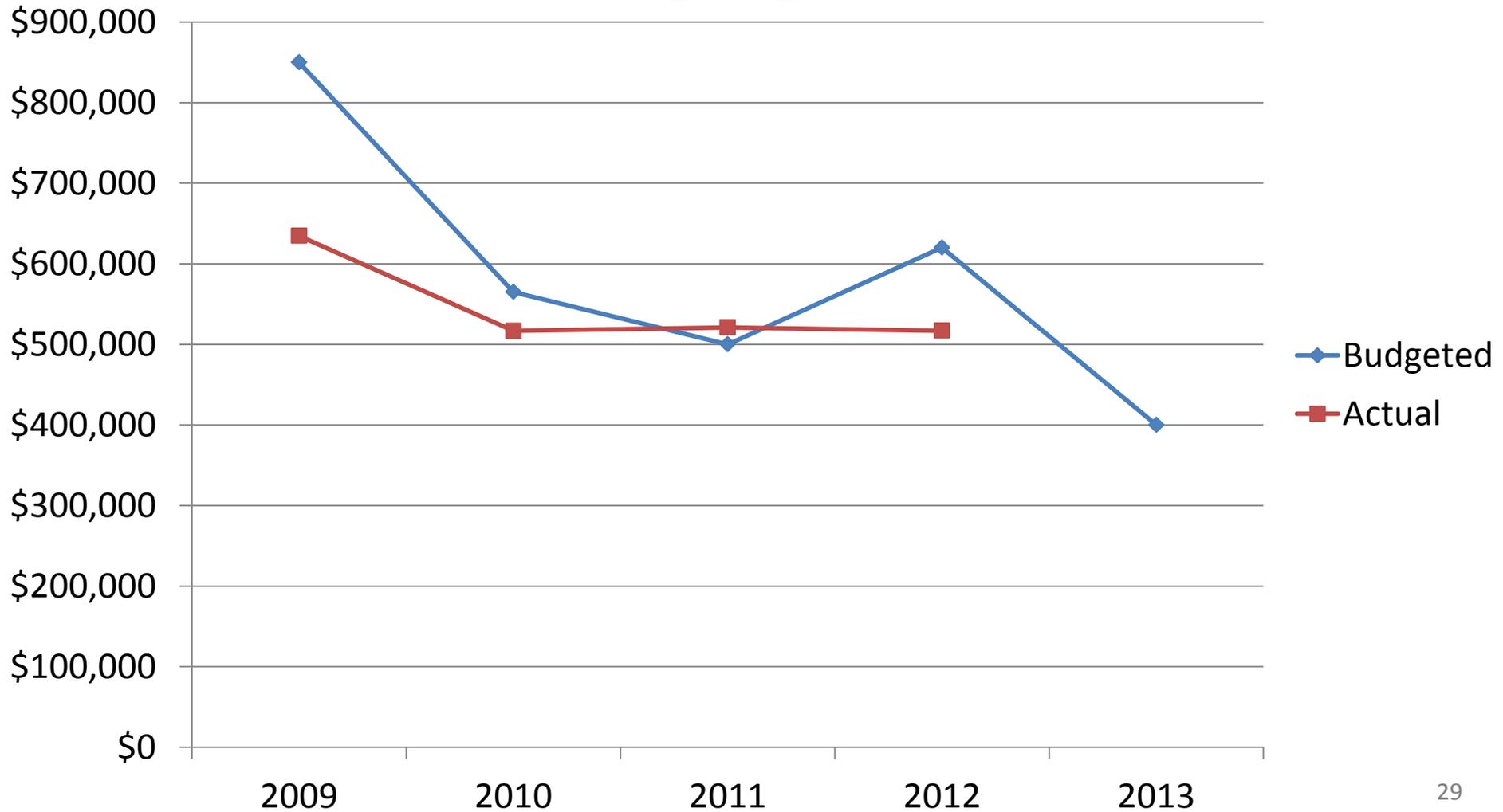
Town of Ossining Sales Tax



Village of Briarcliff Manor Mortgage Tax



Town of Ossining Mortgage Tax



Police Contract with Westchester County

Signed Contract \$\$\$

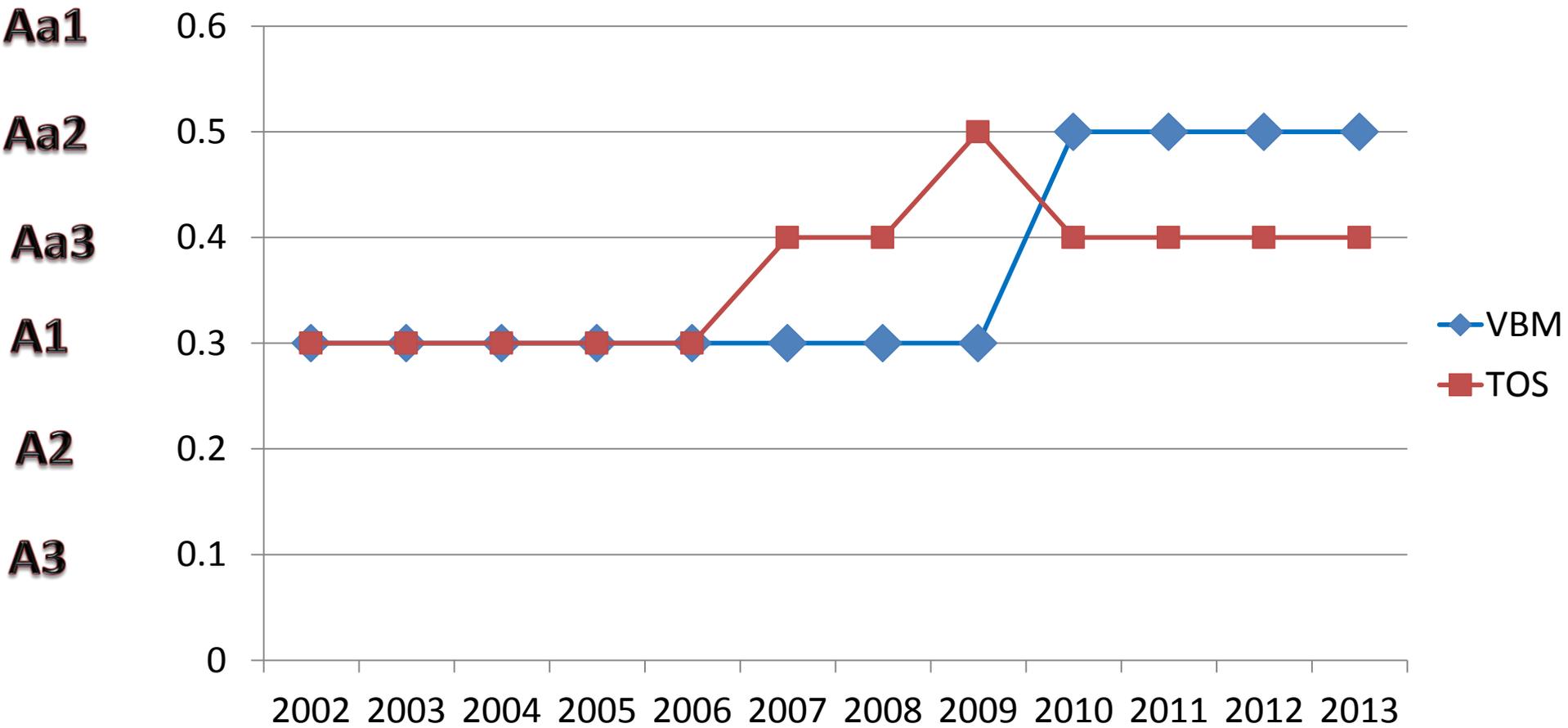
Year 1*	\$2,283,982
Year 2	\$2,428,820
Year 3	\$2,576,249
Year 4	\$2,731,095

*Adjusted Actuals

**Net deficit to date

TOS anticipated a gain of between \$800K and 900K, annually.

Moody's Bond Rating



Who Gets Paid?

	TOS (Town-wide charge)	VBM (Village tax)
Salary	Supervisor \$67,578	Mayor \$ Zero
Benefits*	NYS Retirement, health, etc.	None
Salary	Town Council (4) \$44,236 (\$11,059 each)	Village Trustees (4) \$ Zero
Benefits*	NYS Retirement, health, etc.	None
	Town/Village Attorney (1) \$234,676 (2012 budget)	\$135,000 (in Village tax)

Cost to provide Village services to 1720?

5 new Police Officers (Net-Officers/vehicles/equipment)	\$776,282	\$465,769 @60%
5 new DPW personnel (Net-workers/vehicles/supplies/equipment)	\$973,000	\$583,800 @60%
OVAC Ambulance (all 383 parcels) (not a district ... contract-transfer)	\$25,354	\$25,354
Fire District 20 (net 184 parcels) (not a district ... contract-transfer)	\$50,000	\$50,000
Administration / Misc. Costs	\$50,000	\$50,000
Total VBM Additional Costs of 1720:		\$1,174,923

Town Outside Debt: Police Station

*(2012 article) \$3.5 million for sale * still owed \$3 million

*(6/25/13 article) appraised at \$1.6 million * \$1.47 million – agreed sale price

Total Original Debt		\$6,122,319.49	P & I (@20 years)
Callable Date	Rate (True Interest)		
4/15/2017	4.19%	\$(403,123)	Paid through 2013
5/15/2014	3.77%	\$(338,608)	Paid through 2013
5/15/2014	3.77%	\$(2,228,317)	Paid through 2013
		\$3,152,271	Remaining Debt
		<u>\$1,470,000</u>	Advertised Sale Price
		\$1,682,281	Non-Asset Based Liability
		\$210,000	Principal
		<u>\$107,720</u>	<u>Interest</u>
		\$317,720	2013 Total