

Cost-Benefit Study to Inform Decision Making about Whether or Not to Dissolve the Village and Identify Opportunities to Improve Efficiency

Interim Report (1)

Victor Paquet, Sc.D., Associate Professor

Rohit Poola, M.S. Student

Prateek Vangoori, M.S. Student

Department of Industrial & Systems Engineering

University at Buffalo, SUNY

March 21, 2010



UNIVERSITY AT BUFFALO

State University of New York

***THE SCHOOL OF ENGINEERING
AND APPLIED SCIENCES***

What is Industrial and Systems Engineering?

- Uses science and mathematics to make industry and services **better, cheaper** and **faster**
 - Manufacturing
 - Transportation
 - Government

Goals of the Study

1. Provide factual information about the costs and benefits of Williamsville Village Government versus those associated with dissolving the Village
2. Identify opportunities to increase Village efficiency

What this study **WILL NOT** tell you:

- How to vote on dissolution
- **Exactly** how much your taxes will change if dissolution takes place
- **Exactly** what changes in the Village will take place if the Village is dissolved

Completed Tasks

- 1. Determined whether or not Village residents pay higher taxes**
 - A comparison of over 100 comparable properties
- 2. Evaluated expenditure allocations of the Village to identify opportunities to increase efficiency**

Answers to 2 Common Questions

1. Are Williamsville Village residents “**double taxed**”?

NO

2. Do Village residents pay a **full** Town tax in addition to the Village Tax?

NO

Example of our method of Comparison



293 Cadman (Village)

Property Value: \$ 158,800

General Town	\$ 750
Library	\$ 76
Com. College	\$ 14
Central Alarm	\$ 18
+ NYS Man. Prog	\$ 746

Town/ County Tax \$ 1,604

+

Village Tax	\$ 635
Village Sewer	\$ 139

Total: \$ 2378

Vs.



152 Brockmoore (Town)

Property Value: \$ 158,500

General Town	\$ 496
Library	\$ 76
Com. College	\$ 14
Central Alarm	\$ 18
NYS Man. Prog	\$ 745
TC Highway	\$ 148

This portion not paid by Village, only Town

Instead

SD Water	\$ 16
SD Sewer	\$ 92
SD Drainage	\$ 45
SD Fire	\$ 231
SD Garbage	\$ 230
SD LD 2003 Merger	\$ 143

+

Total: \$ 2,254

*This slide has been modified from original presentation for a correction and simplification.

SD = Special District

Property Tax Comparison

- Tax comparison that accounts for Amherst sewer taxes not on the Village tax bill

$$\text{Village adj} = \text{Town/County} + \text{Village} + \text{Sewer} + \text{Mean Sewer Water Usage (kgals)} * 2.68 (\text{Village Water Rate for Sewer})$$

$$\text{Town} = \text{Town/County including SD} - \text{SD Water}$$

- Exemptions and school taxes NOT included
- Over 100 single-family properties having the same assessed property value

Results – Property Tax Comparison

Mean Village Non-adjusted	Mean Village Adjusted (sewer)	Mean Town	Difference Vil. Adj. - Town	% Difference Vil. Adj. - Town
\$2,340	\$ 2,517	\$2,347	\$170	7%

** Mean value of house in analysis = \$159,000*

** Not “real” taxes – no exemptions, accounts for sewer usage on Town tax bill*

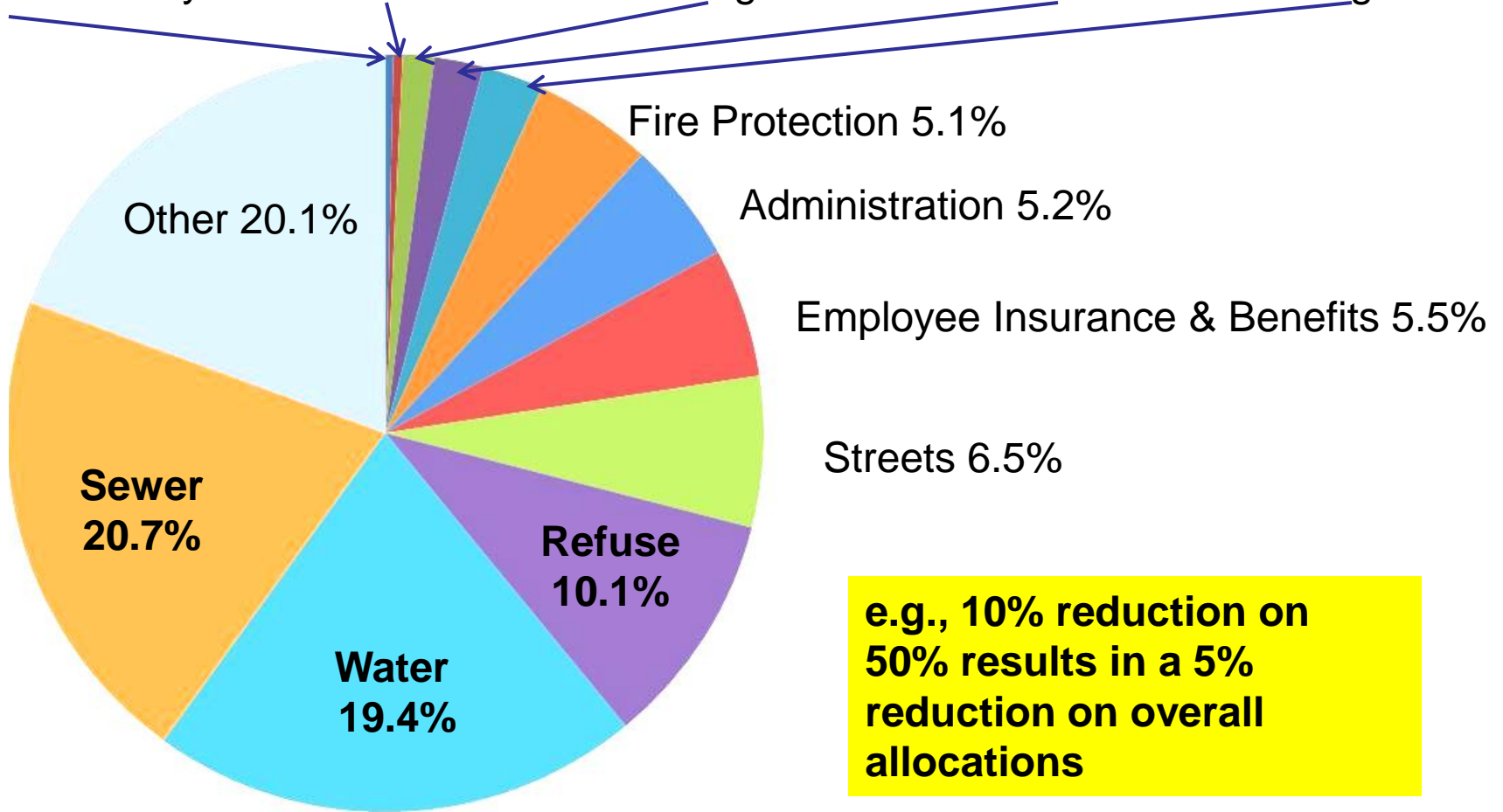
- **\$43/quarter, \$14/month, or 47¢/day**
- **Dissolution does not mean that the differences in taxes will be recuperated**

Village and Town Expenditures

- Carefully reviewed Village and Town budgets
- Worked with administrators to consolidate line items into broad categories of expenditures
 - We were unable to **fairly** compare categories of expenditure between the Village and Town
 - But an evaluation of Village allocations and expenditures was informative

Village of Williamsville Budget Allocations

Mill 0.4% Mayor and Trustees 0.4% Contingencies 1.3% Parks 2.1% Garage 2.6%



Village of Williamsville 2010 Adopted Budget, corrected for Fire Protection Revenues (total allocations ~4.5 mil)

Summary of Results

1. The difference between property tax values between the Village and Town is on average about 7%
 - \$170/year or 48 cents/day
2. Largest Village expenditures are for Sewer, Water and Refuse Collection
 - Candidates for budget effective budget reduction
3. Allocations associated with the Mill, elected officials, administration and other services are a very small percentage of the allocations

What We Still Need to Know

Services

- What values do residents place on the unique services that the Village provides?
- What ways can the “big ticket” services become more efficient to maximize taxpayer benefits?

Potential Effects of Dissolution

- Will the Village become its own SD or will some of the services become SD, and at what cost?
- How will the services be affected?
- How will taxes be affected?

Next Report

~ Sunday, May 2nd ~

1. “What-If” analysis to determine how Village dissolution **may** affect residents in terms of services and taxes
2. Comparison of the costs and value of services provided by the Village
3. Opportunities to improve Village efficiency

Acknowledgements and Announcements

Thanks to the Village of Williamsville and Town of Amherst.

A copy of this presentation will be posted on
www.willvillstudy.com

A written report summarizing the findings of the full study will be provided to the Williamsville Citizens Study Group and posted on the site by May 28, 2010.

I will be happy to answer anyone's questions after today's meeting in person, via the questions box or email:

vpaquet@buffalo.edu



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