

Sewer District Consolidation

Questions and Answers

What charges are collected to build, improve and operate Victor's public sewer system?

Currently, three types of charges are collected.

- A sewer rent fee, which appears on the quarterly sewer bill; this covers the cost of operating and maintaining the sewer infrastructure and treatment plant. Only parcels that are connected to a public sewer are charged a quarterly rental fee.
- A flat fee . On the 2009 Town/County tax bill a flat benefit tax of \$100 for residential properties and \$200 for non-residential properties was charged to properties in the Central Victor Sewer District. Funds raised by this fee are used to repay the money the Town had to borrow to initially install the sewer infrastructure (i.e. pipes, manholes, pump stations).
- An annual sewer district tax based on the property's assessed value ("ad valorem tax"), which appears on the January Town/County real property tax bill. Funds raised by this tax are also used to repay the money the Town had to borrow to initially install the sewer infrastructure (i.e. pipes, manholes, pump stations). This annual sewer tax is currently being charged only to parcels that meet certain criteria. As an example, last year the tax rate for the Victor Central Sewer District was \$0.24 per thousand of assessed value.

What properties are currently being charged an annual sewer district tax?

Generally, parcels meeting the follow criteria are charged an annual sewer district tax:

- Parcels located within an established sewer district with an existing bond or debt or
- Parcels having sewage discharge that flows through infrastructure that carries debt.

What is meant by a sewer district consolidation?

It is proposed that all forty-two existing individual sewer districts and/or sewer extensions will be combined into one district. Under the existing unconsolidated system, each individual sewer district is required to pay for capital improvements or repairs (i.e. replacement of sewer line, upgrade to a pump station, installation of new sewer infrastructure) within their established district. With a consolidated sewer system, the cost of any necessary capital sewer projects would be spread across the properties in the entire consolidated sewer district.

Would the sewer rental fee on the quarterly sewer bill to be affected by the consolidation?

No. These rental fees are established pursuant to a contract with either the Village of Victor or the Town of Farmington. These fees are addressed in Chapter 162, Sections 90-98 of the Victor Town Code.

Would the flat fee be affected by the consolidation?

Yes. In the proposed consolidation, this fee would be eliminated.

Would the annual sewer district tax be affected by the consolidation?

Yes. The tax will change because the debt will now be spread throughout all the parcels in the Town of Victor that are benefited by the system and the method by which the tax is calculated will be changed.

Under the consolidated system, is the ad valorem tax going to continue?

No. The ad valorem tax would be eliminated under the proposed consolidation. In accordance with Section 202(2) of the New York State Town Law and several Opinion of the New York State Comptroller's Office the annual sewer district tax will be computed on a "benefit" basis.

What is meant by a "benefit" basis?

A benefited property would be 1) one that is connected to a public sewer or 2) is able to connect to a public sewer or 3) is located within an established sewer district. The amount of tax would be calculated on a Unit basis. Properties that have a potential of discharging a high volume of water to the sewer system "benefit" more from the sewer system and therefore will be charged a higher number of units and vise-versa.

Will my taxes increase or decrease?

As stated above, under the proposed system only the "benefit" units will be charged and the ad valorem tax is being discontinued.

- Most residential properties that are currently billed a sewer district tax would see an annual tax decrease by approximately the amount of the ad valorem charge. **[Wayne isn't the net decrease much less?]**
- Residential properties not currently being billed a sewer district tax would see an annual tax increase by the amount of the unit charge.
- Approximately two-thirds of non-residential properties that are currently billed a sewer district tax would see an annual tax decrease.
- Non-residential properties not being billed a sewer district tax would see an annual tax increase, which will vary depending on the number of units assigned to the parcel.

How is it proposed that vacant land and improved properties not connected the public sewer be charged after consolidation?

- Residential vacant land will be charged one unit per tax account number lot.
- Non-residential vacant land will be charged two units per tax account number lot.
- Improved properties not connected to the sewer will be charged the same number of unit as if they were actually connected, given that these properties have the benefit of connecting to this system in the future.

What is the estimated unit rate for the consolidated sewer district?

The estimated unit rate is approximately \$100 per unit.

Is there an appeal process if an owner believes their property is not benefiting from the sewer district?

Yes. A property owner believing they are not benefiting from the sewer district can appeal, either in writing or in person, to the Victor Town Board at the Special Assessment Roll public hearing. This public hearing is advertised annually and is usually held at the same time as the annual public hearing for the Town's Budget held in October.