



Town of Saugerties
Police Department



Village of Saugerties
Police Department



A Study of Service Configuration Options for Public Safety Services

Town and Village of Saugerties, NY

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Background & Introduction

This report summarizes the outcomes of the Public Safety Service Configuration Study completed during 2008 and 2009 on behalf of the Town of Saugerties and the Village of Saugerties, New York. The study began in February 2008 with a Kick-Off Meeting attended by representatives from the Town, the Village, and both municipalities' Police Departments. Throughout the Spring of 2008, Fairweather Consulting collected basic data from each department, including budgets and inventories, staff rosters, contracts, and past studies. During the Summer, Fairweather Consulting analyzed the data and established an initial set of scenarios, or service delivery configurations, for review by the Town and the Village. In the Fall of 2008, once the project steering committee identified a set of preferred scenarios, Fairweather Consulting completed fiscal analyses for each scenario, describing the impact that each would have on Village and Town budgets and tax rates. Finally, throughout the study, Fairweather Consulting sought to identify, record, and resolve non-fiscal issues as they arose. Most of these issues are addressed in the Non-Fiscal Issues section of this report.

In January 2009, Fairweather Consulting submitted its draft final report for the Public Safety Service Configuration Study, which described the background for the project, the project methodology and scope of work, and the results and conclusions of the project. The report recommended a preferred scenario for the consolidation of the Village Police Department into the Town of Saugerties Police Department. The report came just as a variety of external factors brought the ongoing discussions about police consolidation to a stand-still. For most of the first half of 2009, Fairweather Consulting's involvement in ongoing discussions and negotiations between the Town and Village was limited to occasional modifications of the fiscal model or development of new staffing or budget scenarios for the merged department.

In the Fall of 2009, Fairweather Consulting was contacted by the Village as they began the process of implementing the merger process, as it had been outlined at a high level during previous discussions. Fairweather Consulting delivered several presentations to Village staff and the Village Board during the fall, culminating in a public presentation at a Village Board meeting on August 17, 2009. Following this meeting, although the Village continues to explore the possibility of a merger with the Town of Saugerties Police Department, several implementation challenges were identified. First and foremost is

the fact that most of the fiscal analyses prepared for the study were based on budget data from 2008. This revised final report has been prepared by Fairweather Consulting in order to document the revised fiscal analyses, and to document in greater detail the additional work performed as part of the Public Safety Service Configuration Study during the 2009 calendar year.

Road Map of Project Tasks

The tasks involved in the completion of the Public Safety Shared Services Study are summarized in the table below. Each task involved a series of activities, as described in the Project Summary that follows.

Task I	Inventory Current Budgets and Levels of Service
Task II	Inventory Capital Equipment, Facilities and Obligations
Task III	Review Contractual Obligations Affecting Service Configurations
Task IV	Review Legal and Regulatory Requirements for Service Delivery
Task V	Develop Alternative Configurations for Service Delivery
Task VI	Select Preferred Alternatives
Task VII	Analyze the Costs and Benefits of Preferred Configurations
Task VIII	Compile a Final Report on the Feasibility of the Preferred Configurations

Additionally, as described above, the passage of nearly nine months from the completion of the draft Final Report to the Village's recent efforts in the Fall to begin implementation of the merger has added an additional effort of revising the original fiscal analyses to incorporate new budget figures. These revisions are presented at the end of the Project Summary section of this report.

The Public Safety Service Configuration Study Committee

At the outset of the project, a committee with representation from both the Village and the Town of Saugerties was established. Members of the committee met throughout 2008 and 2009 in order to review the progress of the project, verify assumptions and calculations, and provide feedback on the conclusions as they were developed. Members of the committee included Greg Helmoortel, Fred Costello, Bob Yerick, Bill Kimble, Lou Barbaria, Kevin Drescher and Donald Tucker, with others in attendance as required.

Project Goals and Parameters

At the first committee meeting, Fairweather Consulting facilitated a discussion to identify the primary goals and objectives of the Public Safety Shared Services Study. The committee discussed their priorities and concerns, and determined the following important goals:

1. The recommended solution should not cause a tax increase for Town or Village residents
2. The recommended solution should maintain or improve the quality of service
3. The recommended solution should, to the greatest extent possible, avoid layoffs

Throughout the project, the committee and Fairweather Consulting kept these overarching goals in mind as various reconfiguration options and specific merger scenarios were considered.

Summary of the Division of Criminal Justice Services Study

A previous study of the police departments of the Town and Village of Saugerties was conducted by The New York State Division of Criminal Justice Services (DCJS) in October 2007. The study was based upon an analysis of data compiled and supplied by the Town and Village police departments and was conducted in order to assess the staffing and deployment needs of the two departments and to explore the feasibility of some form of consolidation between the two.

The DCJS study includes a comprehensive staffing analysis for both the Town and Village police departments. This analysis was conducted in order to determine the number of staff required to achieve an equitable distribution of enforcement strength by time and area within each municipality. In addition to assessing the current need, the DCJS study used the same criteria to examine the staffing requirements of a merged department. Through the utilization of a formula developed by the International Association of Chiefs of Police and calls-for-service data provided by the Town and Village departments, DCJS determined that the staff required to fill the “minimum posts needed” to cover patrols in the Town and Village of Saugerties are 11 full-time and 6 full-time officers respectively. In a merged department, DCJS found that 12 full-time officers would be sufficient to provide minimum coverage. These figures do not include supervisory positions.

The DCJS study also included a discussion of the consolidation options available to the Town and Village of Saugerties, which identified numerous fiscal and non-fiscal issues that must be addressed before successful consolidation can take place. In spite of these challenges, the DCJS study determined that the consolidation of police services in the Town and Village of Saugerties could result in a number of benefits to both municipalities. Fairweather Consulting has been retained by the Town of Saugerties to examine the feasibility of implementing each of these options in detail. Many of the assumptions contained in this study are rooted in the findings of the DCJS study.

Project Results

The request for proposals issued by the Town of Saugerties indicated that the Town and Village of Saugerties were interested in conducting a feasibility study and financial analysis to explore the benefits of merging aspects of public safety services that are currently offered by both the Town and Village governments. Both the Town and Village police departments were examined in this study. Within these departments, service delivery options were identified by reviewing the operational structure and budgets of each department, as well as by engaging department staff in a series of discussions about shared or consolidated services.

Compilation of Basic Data

The first several tasks of the study involved the collection of data from each department. In addition to budget data, inventories, staff rosters, and contracts, Fairweather Consulting collected input through meetings with department staff. On March 27, 2008, in separate meetings with each department, Fairweather Consulting presented a summary of the shared services study completed by DCJS and outlined the purpose and methodology of our study. Feedback and comments were encouraged, and staff from each department provided valuable input by identifying their biggest concerns about consolidation, the benefits that they think consolidation could generate, and the issues that the study should focus on.

From the data and input collected during this stage of the project, Fairweather Consulting created detailed fiscal profiles for each department. The profiles included budget figures, equipment and vehicle inventories, and other information that served as the basis for our initial fiscal analyses of the service configuration options considered by the committee.

Identification of Service Delivery Options

Once profiles of the Town and Village police departments were assembled, Fairweather Consulting began to identify potential service configuration options. Possible public safety service configurations can be categorized along a continuum of cooperation illustrated in Figure 1. At the informal end, the two departments operate entirely independently, often unaware of overlaps or opportunities for greater coordination; at the formal end of the continuum, two departments merge entirely to form one new

entity. Each of these options presents a variety of opportunities and limitations summarized in the following section.



Figure 1: The forms of public safety cooperation range from informal to formal

Mutual Aid Agreements

The decision to cooperate to deliver services through a mutual aid agreement is a multi-step process that allows two police departments to formalize an agreement to work cooperatively by setting parameters for mutual aid and outlining specific roles and responsibilities. This process entails the determination of the appropriate form of mutual aid to be provided, the verification of the legal authority of the agreement, the establishment of a mutual aid committee, and the development and approval of an agreement in each jurisdiction.

Mutual aid agreements are relatively easy to implement and can reduce confusion, improve coordination, and effectively address liability and insurance concerns by clearly spelling out the roles and responsibilities of the departments involved. However, due to their informal nature, mutual aid agreements do not address the real goals of increased efficiency and greater department effectiveness and when introduced into an inter-departmental arrangement that is already functioning, mutual aid agreements can add burdensome steps to the process of coordination.

Contract Law Enforcement

The decision to cooperate to deliver services on a contractual basis often requires one police department, usually the Village police department, to cease at least some of its operations and subsequently purchase the required services from the Town or other providers. As a result, the Village budget for personal services and equipment decreases while the cost of contractual services increases.

A contract law enforcement scenario generally offers a Village police department a greater degree of flexibility by allowing the Village to purchase only the services that it needs while keeping some services in-house. Additionally, the Village may be able to realize cost savings if the increase in contract costs is lower than the current cost of operation. Certain drawbacks exist, however, when choosing to cooperate through contracts. Coordinating continuity of service and enacting reductions in staff can be time consuming and complex, making the implementation of this option difficult. Additionally, when pursuing this option, the Village often experiences a loss of control as it no longer has direct oversight or input into the services it receives, other than through the contract for services. Coordination may also become difficult as any remaining in-house services must be coordinated with the contractor and the service contract must be maintained and renewed.

Functional Consolidation

The decision to cooperate to deliver services through functional consolidation involves the consolidation of a few, specific functions in order to increase coordination and reduce costs. Operations identified in the DCJS study in which Town and Village police departments may benefit from functional consolidation include records management and investigations. In these areas the departments may share one clerical assistant and create a combined unit that conducts investigations for both departments.

Within the consolidated functions it becomes possible to improve the efficiency of operations and through the elimination of duplication in the consolidated functions, the cost of providing services for each municipality are likely to go down slightly. Functional consolidation, however, does not eliminate all duplication since a majority of the police operations remain unchanged. Additionally, functional consolidation is difficult to implement and the reward is much less than in the case of full consolidation.

Full Consolidation/Merged Departments

The decision to cooperate to deliver services through a merged department requires that either one department be absorbed by the other or that both departments dissolve and form a single, new

department. Either of these approaches requires that the merged or new department include the provision of service to, and shared oversight by, the area formerly covered by the separate departments. The full consolidation of Town and Village police departments allows for improved quality of services through a streamlined chain of command, reduced redundancy of services, and better coordination and supervision. Additionally the increase in efficiency of service delivery through the elimination of duplications in personnel, equipment, and other expenses often results in a net savings to the combined department.

This option offers the highest degree of cooperation and savings; however, before full consolidation can be pursued a host of legal, fiscal, operational and managerial challenges must be overcome. The initial cost of implementing a merger can be high, driving increased cost to each municipality over the short-term until long-term savings are realized. Additionally full consolidation may cause residents to fear that they have less input on the delivery of public safety services than they did when served by a smaller, localized department.

Fiscal Impact Analysis

This shared services study involved an examination of two general aspects of each service delivery configuration option: the fiscal impact of the option, and other, non-fiscal considerations related to the option. Both fiscal and non-fiscal considerations are important in the final evaluation of each configuration option since the implementation of any shared services or consolidation arrangement involves an impact on the municipalities' finances and on other, non-financial factors, such as the quality and effectiveness of the department, contract and union issues, and public perceptions.

The fiscal analysis provided in this section was conducted by constructing a model that combines the budgets for both the Town and Village police departments in order to establish a baseline. Fairweather Consulting then worked with the steering committee to define a series of seven scenarios to analyze. Through this process we determined that the committee was most interested in examining the Full Consolidation/Merger option rather than the scaled back options of Functional Consolidation or Contract Law Enforcement. As such, the fiscal analysis focuses on the Full Consolidation/Merged Departments option.

This section presents the fiscal impact of the Full Consolidation/Merged Departments option through an analysis of seven staffing and operational structures. Within this section, we present the fiscal impact as

calculated and presented to the committee in late 2008. These results were the basis of the committee’s selection of preferred alternatives and were used for presentations to the Village and Town Boards and the general public. In late 2009, the Village requested an update to the fiscal impact analysis in order to identify the effect of changes in the Town and Village budget subsequent to the initial analysis. The updated fiscal impact analysis was performed for the preferred scenarios, and is presented at the end of this section.

It is important to note that because personal services comprise the largest share of each department’s budget, changes in staffing are the largest driver of savings in a merged department in each of the following scenarios. The dollar figures presented in this section are intended as estimates only, and will vary depending on changes to the budgets of the relevant municipalities, districts, or departments.

Impact Analysis Methodology

Currently, police services provided to the Town and Village of Saugerties are listed in the Town outside of Village and the Village budgets, respectively. This study assumes that, should the two departments merge into one large department, the budget for the combined department will be drawn from the Townwide General Fund; a restructuring that allows the new cost of the combined department to be taxed from all residents of the Town and Village. This restructuring has implications for the average annual tax bills of both Town and Village residents, which are summarized in a table for each scenario presented below.

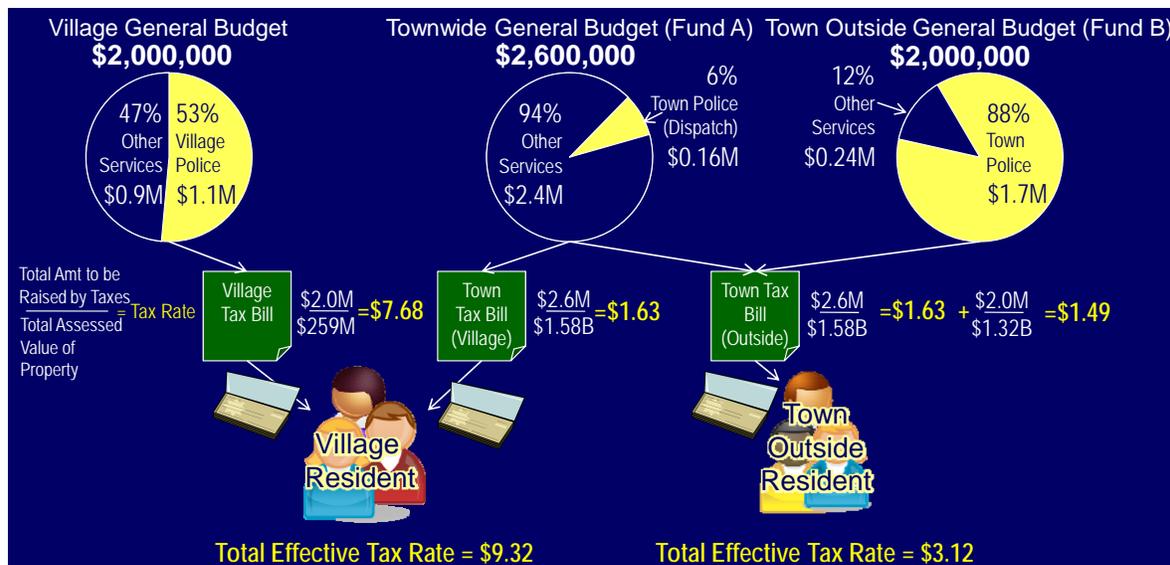


Table 1: Calculation of current tax rates for Village General, Townwide General, and Town Outside General budgets

In each scenario considered, the consolidation of police services provides a reduction in the taxes of Village residents and an increase in the taxes of Town residents. In order to make the varying consolidation options more palatable to Town residents, and as a reflection of the fact that additional police services (such as a foot patrol and 24/7 coverage) would be required within the Village, the committee may wish to consider a contract-based fee-for-service arrangement. Through such an arrangement, a portion of the savings achieved by the Village as a result of consolidation is paid to the Town in order to offset the additional cost to Town taxpayers of providing extra police services in the Village. Though there have been questions about the legality of such an arrangement, we believe that such a contract for services between the Town and Village is both legal and appropriate. Furthermore, at our request, the New York State Department of State has provided an opinion that we interpret as supporting such a contract for services arrangement (see Appendix XX). In most of the scenarios presented below, the cost to the Village of such a contract still allows for a net savings in the average annual tax bill of a Village resident.

Additionally, each scenario presented below is drawn from the assumption that the merged department would consist of the combined Village and Town police department budgets and staff in order to form a large department serving both the Town and Village of Saugerties. While most scenarios presented assume the reduction of some staff positions, the model does not take into account additional reductions in staff due to attrition or retirement over a period of time after the consolidation takes place. Although the DCJS staffing analysis suggests that a smaller compliment of officers should be sufficient to handle calls for service in the Town and Village, additional staff will allow the consolidated department to provide a quality of service equal to or greater than that received today by Town and Village residents. At the discretion of the consolidated department's administration, and subject to any agreements between the Town and the Village, positions vacated through attrition or retirement after consolidation may be eliminated from the department, thereby further reducing costs and improving the fiscal impact of consolidation.

Scenario 1 – Expanded Department

The first consolidation scenario assumes no reduction in staff from current rosters (with the exception of the Chief of Police), including the retention of positions that are currently vacant in the Town and Village. In addition, this scenario adds one detective to accommodate additional investigations within the Village which are currently handled by uniformed officers or by external agencies such as the Sheriff

or the State Police. This level of staffing would allow the combined department to maintain a minimum coverage level of 5 officers with a 24-hour Village patrol. As a result the expanded department would gain increased supervisory capacity and an increased capacity for involvement in regional initiatives.

While lower premiums for a merged department will result in a 13% savings in insurance costs, the expansion of the department means that there will be a greater cost to providing services., the addition of staff positions and the equalization of pay results in nearly \$100,000 in additional personal service costs and drives a 6% increase in cost of benefits. Overtime costs also increase slightly in this scenario as a result of increased training overtime while part time costs decrease slightly due to higher full time staffing levels. The expanded staffing involved in Scenario 1 also requires the purchase of additional equipment which brings contractual costs up nearly \$30,000. As shown in Table 1 below, Scenario 1 results in an increase in costs of service provision over the first 7 years following consolidation.

Budget Impact

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
Status Quo Police Tax Levee	\$ (2,942,545)	\$ (3,060,247)	\$ (3,182,657)	\$ (3,309,963)	\$ (3,442,362)	\$ (3,580,056)	\$ (3,723,259)	\$ (23,241,091)
Scenario 1 Police Tax Levee	\$ (3,069,397)	\$ (3,192,173)	\$ (3,319,860)	\$ (3,452,655)	\$ (3,590,761)	\$ (3,734,391)	\$ (3,883,767)	\$ (24,243,005)
Annual Savings	\$ (126,852)	\$ (131,926)	\$ (137,203)	\$ (142,691)	\$ (148,399)	\$ (154,335)	\$ (160,508)	\$ (1,001,914)

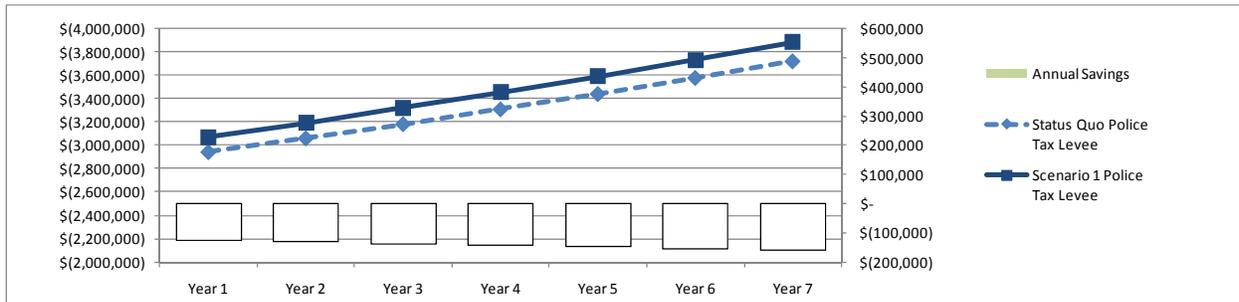


Table 2: The Added Cost of Scenario 1 in the First Seven Years

Scenario 1 results in an additional \$887,964 in spending over a 7-year period, in today’s dollars. Following the consolidation, the Village budget would be reduced by approximately \$1,061,000 (the current total cost of police services). Total Town police costs, which would increase to \$3,069,000, would be included in the Town’s General Townwide budget, driving the total tax levee for the General Townwide budget up to \$5,493,000 and the total tax levee for the General Town Outside Village budget down to \$241,000.

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Impact to Town Outside Village		Impact to Village Resident	
Fund A tax rate was	1.6326	Village tax rate was	7.6837
Fund A tax rate increases by	+ 1.8417	Village tax rate decreases by	+ (4.0945)
Fund A is	= 3.4742	Village tax rate is	= 3.5892
Fund B tax rate was	1.4868	Town Fund A tax rate was	1.6326
Fund B tax rate decreases by	+ (1.3041)	Town Fund A tax rate increases by	+ 1.8417
Fund B is	= 0.1828	Town Fund A tax rate is	= 3.4742
Total General Taxes were		Total Village/Town taxes were	
	3.1194		9.3163
Total General Taxes are		Total Village/Town taxes are	
	3.6570		7.0635
Total General Taxes increase by		Total Village/Town taxes decrease by	
	0.5376		(2.2528)
MV Single Fam Home	\$ 222,487.50	MV Single Fam Home	\$ 202,512.50
Increase in Annual Tax Bill	\$ 119.61	Decrease in Annual Tax Bill	\$ (456.22)
Added Annual COST to Town Taxpayers	\$ 710,714.00	Annual SAVINGS to Village Taxpayers	\$ (583,862.00)

Table 3: The Taxpayer Impact of Scenario 1

Based on these budget changes, the implementation of Scenario 1 would drive a \$119.61 increase in the average annual tax bill of Town Outside of Village residents with an added annual cost to Town taxpayers of \$710,714. Conversely, the average annual tax bill of Village residents would decrease by \$456.22 (through annual savings to Village taxpayers of \$583,862).

Scenario 2 – Enhanced Supervisory & Investigations

The second consolidation scenario assumes the reduction of two currently-budgeted full time officers. In addition, this scenario assumes the retention of the current Administrative Position and the addition of a detective to accommodate additional investigations within the Village. This level of staffing would allow the combined department to maintain a minimum coverage level of 4 officers with a 24-hour Village patrol. As a result the expanded department would gain increased supervisory and investigative capacity and an increased capacity for involvement in regional initiatives.

Since the addition of a detective in this scenario is offset by the reduction of two full time officers, Scenario 2 involves no increase in the cost of personal services and allows the cost of benefits, overtime, and part time to remain nearly the same. As with Scenario 1, lower premiums for the merged department will decrease insurance costs by 13%. This scenario does, however, involve a slight increase in equipment and contractual costs for the additional detective. As shown in Table 3 below, Scenario 2 results in a decrease in cost of service provision over the first 7 years following consolidation.

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Budget Impact

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
Status Quo Police Tax Levee	\$ (2,942,545)	\$ (3,060,247)	\$ (3,182,657)	\$ (3,309,963)	\$ (3,442,362)	\$ (3,580,056)	\$ (3,723,259)	\$ (23,241,091)
Scenario 2 Police Tax Levee	\$ (2,883,589)	\$ (2,998,932)	\$ (3,118,889)	\$ (3,243,645)	\$ (3,373,391)	\$ (3,508,326)	\$ (3,648,659)	\$ (22,775,431)
Annual Savings	\$ 58,957	\$ 61,315	\$ 63,768	\$ 66,319	\$ 68,971	\$ 71,730	\$ 74,599	\$ 465,659

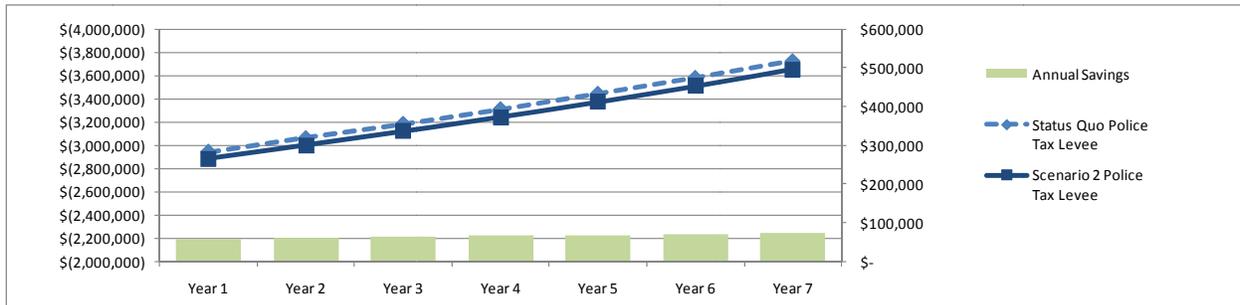


Table 4: The Savings Provided by Scenario 2 in the First Seven Years

Scenario 2 results in a savings of \$412,699 over a 7-year period, in today's dollars. Following the consolidation, the Village budget would be reduced by approximately \$1,061,000 (the current total cost of police services). Total Town police costs, which would increase to \$2,883,000, would be included in the Town's General Townwide budget, driving the total tax levee for the General Townwide budget up to \$5,307,000 and the total tax levee for the General Town Outside Village budget down to \$241,000.

Impact to Town Outside Village		Impact to Village Resident	
Fund A tax rate was	1.6326	Village tax rate was	7.6837
Fund A tax rate increases by	+ 1.7241	Village tax rate decreases by	+ (4.0945)
Fund A is	= 3.3567	Village tax rate is	= 3.5892
Fund B tax rate was	1.4868	Town Fund A tax rate was	1.6326
Fund B tax rate decreases by	+ (1.3041)	Town Fund A tax rate increases by	+ 1.7241
Fund B is	= 0.1828	Town Fund A tax rate is	= 3.3567
Total General Taxes were	3.1194	Total Village/Town taxes were	9.3163
Total General Taxes are	3.5395	Total Village/Town taxes are	6.9460
Total General Taxes increase by	0.4201	Total Village/Town taxes decrease by	(2.3703)
MV Single Fam Home	\$ 777,487.50	MV Single Fam Home	\$ 202,512.50
Increase in Annual Tax Bill	\$ 93.46	Decrease in Annual Tax Bill	\$ (480.02)
Annual COST to Town Taxpayers	\$ 555,361.00	Annual SAVINGS to Village Taxpayers	\$ (614,318.00)

Table 5: The Taxpayer Impact of Scenario 2

The implementation of Scenario 2 would drive a \$93.46 increase in the average annual tax bill of Town outside of Village residents with an added annual cost to Town taxpayers of \$555,361. Conversely, the

average annual tax bill of Village residents would decrease by \$480.02 with an additional annual savings to Village taxpayers of \$614,318.

Scenario 3 – Enhanced Investigations

The third consolidation scenario assumes the reduction of one lieutenant, one sergeant and two full time officers. Additionally, this scenario assumes the addition of a detective position to accommodate additional investigations within the Village. This level of staffing would allow the combined department to maintain a minimum coverage level of 4 officers with a 24 hour Village patrol of no less than 2 officers. Unlike Scenarios 1 and 2, however, the department would not gain enhanced supervisory capacity. In this Scenario the department would have the continued capacity to participate in URGENT and other regional initiatives.

As a result of the elimination of an administrative position, one sergeant, and two full time officers, the merged department in Scenario 3 would see a reduction in salary and benefit expenditures. As in scenario 2, overtime and part time costs would remain nearly the same while there would be a slight increase in equipment and contractual costs to cover the additional detective. Scenario 3 achieves a 25% decrease in insurance costs which reflect lower premiums for the merged department and the reductions of staff and equipment. As shown in Table 5 below, Scenario 3 results in a decrease in cost of service provision over the first 7 years following consolidation.

Budget Impact

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
Status Quo Police Tax Levee	\$ (2,942,545)	\$ (3,060,247)	\$ (3,182,657)	\$ (3,309,963)	\$ (3,442,362)	\$ (3,580,056)	\$ (3,723,259)	\$ (23,241,091)
Scenario 3 Police Tax Levee	\$ (2,689,648)	\$ (2,797,233)	\$ (2,909,123)	\$ (3,025,488)	\$ (3,146,507)	\$ (3,272,367)	\$ (3,403,262)	\$ (21,243,628)
Annual Savings	\$ 252,898	\$ 263,014	\$ 273,534	\$ 284,476	\$ 295,855	\$ 307,689	\$ 319,997	\$ 1,997,462

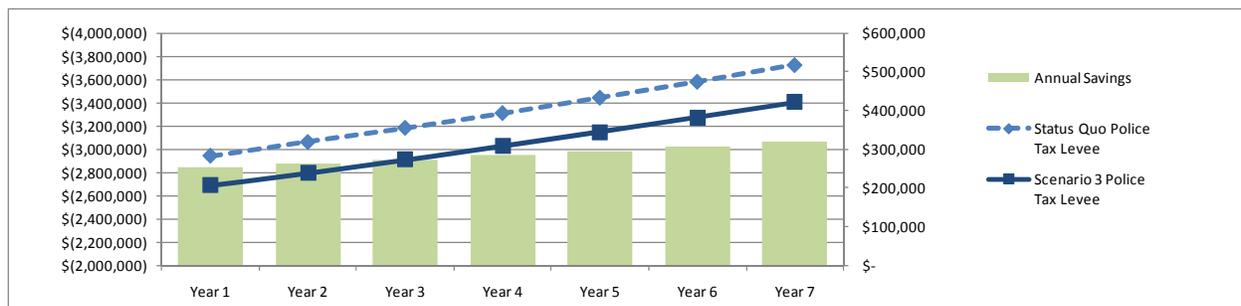


Table 6: The Savings Provided by Scenario 3 in the First Seven Years

Scenario 3 results in a savings of \$1,770,286 over a 7-year period, in today's dollars. Following the consolidation, the Village budget would be reduced by approximately \$1,061,000 (the current total cost of police services). Total Town police costs, which would increase to \$2,689,000, would be included in

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the Town’s General Townwide budget, driving the total tax levee for the General Townwide budget up to \$5,113,000 and the total tax levee for the General Town Outside Village budget down to \$241,000.

Impact to Town Outside Village		Impact to Village Resident	
Fund A tax rate was	1.6326	Village tax rate was	7.6837
Fund A tax rate increases by	+ 1.6015	Village tax rate decreases by	+ (4.0945)
Fund A is	= 3.2341	Village tax rate is	= 3.5892
Fund B tax rate was	1.4868	Town Fund A tax rate was	1.6326
Fund B tax rate decreases by	+ (1.3041)	Town Fund A tax rate increases by	+ 1.6015
Fund B is	= 0.1828	Town Fund A tax rate is	= 3.2341
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Total General Taxes were	3.1194	Total Village/Town taxes were	9.3163
Total General Taxes are	3.4168	Total Village/Town taxes are	6.8233
Total General Taxes increase by	0.2974	Total Village/Town taxes decrease by	(2.4930)
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MV Single Fam Home	\$ 222,487.50	MV Single Fam Home	\$ 202,512.50
Increase in Annual Tax Bill	\$ 66.18	Decrease in Annual Tax Bill	\$ (504.86)
Annual COST to Town Taxpayers	\$ 393,209.00	Annual SAVINGS to Village Taxpayers	\$ (646,107.00)

Table 7: The Taxpayer Impact of Scenario 3

The implementation of Scenario 3 would drive \$66.18 increase in the average annual tax bill of Town outside of Village residents resulting from an added annual cost to Town taxpayers of \$393,209. Scenario 3 results in a \$504.86 decrease in the average annual tax bill of Village tax payers resulting from an annual savings for Village tax payers of \$646,107.

Scenario 3a – Enhanced Investigations with Administrative

Like Scenario 3, Scenario 3a assumes the reduction of 1 sergeant and 2 full time officer positions and the addition of a detective position to accommodate additional investigations within the Village. Unlike Scenario 3 however, this scenario assumes the retention of an administrative position, such as a lieutenant, which allows a greater degree of supervision than provided in Scenario 3. In this scenario the department would have the capacity to maintain a minimum coverage level of 4 officers with a 24 hour Village patrol of no less than 2 officers, and the continued capacity to participate in URGENT and other regional initiatives.

A net savings in salary and benefit expenditures is realized in Scenario 3a as a result of the elimination of 3 positions. Insurance costs decrease by 21%, slightly less than in Scenario 3 due to the retention of one additional vehicle. As with Scenarios 2 and 3, overtime and part time costs remain nearly the same and there would be a slight increase in equipment and contractual costs to cover the additional detective

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position. As shown in Table 7 below, Scenario 3a results in a decrease in cost of service provision over the first 7 years following consolidation.

Budget Impact

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
Status Quo Police Tax Levee	\$ (2,942,545)	\$ (3,060,247)	\$ (3,182,657)	\$ (3,309,963)	\$ (3,442,362)	\$ (3,580,056)	\$ (3,723,259)	\$ (23,241,091)
Scenario 3a Police Tax Levee	\$ (2,792,836)	\$ (2,904,550)	\$ (3,020,732)	\$ (3,141,561)	\$ (3,267,223)	\$ (3,397,912)	\$ (3,533,829)	\$ (22,058,644)
Annual Savings	\$ 149,709	\$ 155,698	\$ 161,925	\$ 168,402	\$ 175,139	\$ 182,144	\$ 189,430	\$ 1,182,447

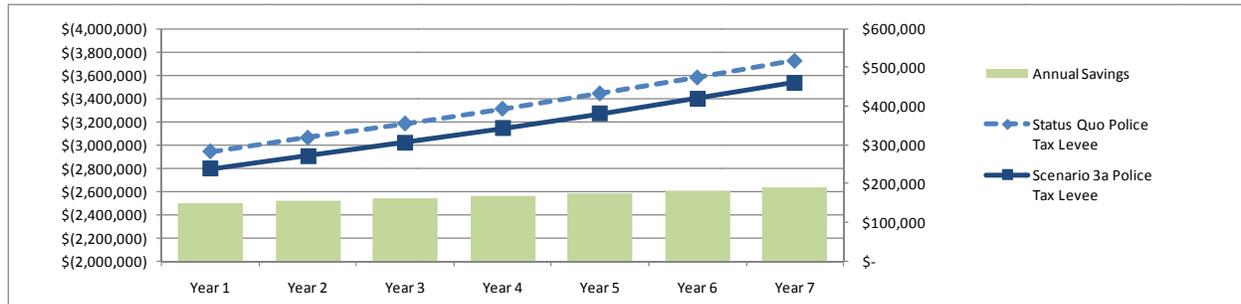


Table 8: The Savings Provided by Scenario 3a in the First Seven Years

Scenario 3a results in a savings of \$1,047,964 over a 7-year period, in today's dollars. Following the consolidation, the Village budget would be reduced by approximately \$1,061,000 (the current total cost of police services). Total Town police costs, which would increase to \$2,792,000, would be included in the Town's General Townwide budget, driving the total tax levee for the General Townwide budget up to \$5,216,000 and the total tax levee for the General Town Outside Village budget down to \$241,000.

Impact to Town Outside Village		Impact to Village Resident	
Fund A tax rate was	1.6326	Village tax rate was	7.6837
Fund A tax rate increases by	+ 1.6668	Village tax rate decreases by	+ (4.0945)
Fund A is	= 3.2993	Village tax rate is	= 3.5892
Fund B tax rate was	1.4868	Town Fund A tax rate was	1.6326
Fund B tax rate decreases by	+ (1.3041)	Town Fund A tax rate increases by	+ 1.6668
Fund B is	= 0.1828	Town Fund A tax rate is	= 3.2993
Total General Taxes were	3.1194	Total Village/Town taxes were	9.3163
Total General Taxes are	3.4821	Total Village/Town taxes are	6.8886
Total General Taxes increase by	0.3627	Total Village/Town taxes decrease by	(2.4277)
MV Single Fam Home	\$ 222,487.50	MV Single Fam Home	\$ 202,512.50
Increase in Annual Tax Bill	\$ 80.69	Decrease in Annual Tax Bill	\$ (491.64)
Annual COST to Town Taxpayers	\$ 479,484.00	Annual SAVINGS to Village Taxpayers	\$ (629,193.00)

Table 9: The Taxpayer Impact of Scenario 3a

The implementation of Scenario 3a would drive an \$80.69 increase in the average annual tax bill of Town outside of Village residents resulting from an added annual cost to Town tax payers of \$479,484. Scenario 3 results in a \$491.64 decrease in the average annual tax bill of Village tax payers resulting from an annual savings for Village tax payers of \$629,193.

Scenario 4 – Streamlined Department

The next consolidation scenario assumes the greatest reduction in staff from current rosters, including the elimination of the lieutenant position, 2 full time officer positions, and 1 sergeant position. In addition, this scenario does not assume the addition of one detective position and would require the department to rely more heavily on State Police investigators. This level of staffing would allow the combined department to maintain a minimum coverage level of 4 officers with a 24-hour Village patrol but would reduce the combined department’s involvement in regional initiatives.

Personal service costs are significantly reduced in Scenario 4 and the cost of benefits decreases by nearly \$85,000 as a result of the large reductions in staff. Additional savings are realized in Scenario 4 as insurance costs decrease by 28%, reflecting lower premiums for the merged department and staff and equipment reductions while overtime, part time, equipment, and contractual costs remain nearly the same as in the current budget. As shown in Table 9, Scenario 4 results in a decrease in cost of service provision over the first 7 years following consolidation.

Budget Impact

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
Status Quo Police Tax Levee	\$ (2,942,545)	\$ (3,060,247)	\$ (3,182,657)	\$ (3,309,963)	\$ (3,442,362)	\$ (3,580,056)	\$ (3,723,259)	\$ (23,241,091)
Scenario 4 Police Tax Levee	\$ (2,598,452)	\$ (2,702,391)	\$ (2,810,486)	\$ (2,922,906)	\$ (3,039,822)	\$ (3,161,415)	\$ (3,287,871)	\$ (20,523,343)
Annual Savings	\$ 344,093	\$ 357,857	\$ 372,171	\$ 387,058	\$ 402,540	\$ 418,642	\$ 435,387	\$ 2,717,748

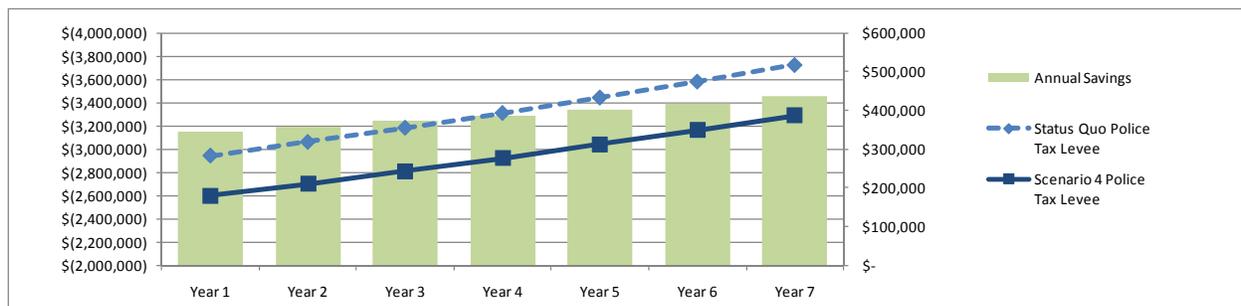


Table 10: The Savings Provided by Scenario 4 in the First Seven Years

Scenario 4 results in a savings of \$2,409,000 over a 7-year period, in today’s dollars. Following the consolidation, the Village budget would be reduced by approximately \$1,061,000 (the current total cost of police services). Total Town police costs, which would increase to \$2,598,000, would be included in

the Town’s General Townwide budget, driving the total tax levee for the General Townwide budget up to \$5,022,000 and the total tax levee for the General Town Outside Village budget down to \$241,000.

Impact to Town Outside Village		Impact to Village Resident	
Fund A tax rate was	1.6326	Village tax rate was	7.6837
Fund A tax rate increases by	+ 1.5438	Village tax rate decreases by	+ (4.0945)
Fund A is	= 3.1764	Village tax rate is	= 3.5892
Fund B tax rate was	1.4868	Town Fund A tax rate was	1.6326
Fund B tax rate decreases by	+ (1.3041)	Town Fund A tax rate increases by	+ 1.5438
Fund B is	= 0.1828	Town Fund A tax rate is	= 3.1764
Total General Taxes were	3.1194	Total Village/Town taxes were	9.3163
Total General Taxes are	3.3592	Total Village/Town taxes are	6.7656
Total General Taxes increase by	0.2398	Total Village/Town taxes decrease by	(2.5507)
MV Single Fam Home	\$ 222,487.50	MV Single Fam Home	\$ 202,512.50
Increase in Annual Tax Bill	\$ 53.34	Decrease in Annual Tax Bill	\$ (516.54)
Annual COST to Town Taxpayers	\$ 316,962.00	Annual SAVINGS to Village Taxpayers	\$ (661,055)

Table 11: The Taxpayer Impact of Scenario 4

The implementation of Scenario 4 would drive \$53.34 increase in the average annual tax bill of Town outside of Village residents resulting from an added annual cost to Town tax payers of \$316,962. Scenario 4 results in a \$516.54 decrease in the average annual tax bill of Village tax payers resulting from an annual savings for Village tax payers of \$661,055.

Scenario 5 – Minimum Staffing to Maintain Adequate Coverage (with Lieutenant)

The previous scenarios were the original ones considered by the committee. However, following further discussions, and after creating a tentative shift schedule for the combined department, the new Town Police Chief, Lou Barbaria, recommended a further reduction in staffing. This and the remaining two scenarios examine three alternative configurations based on these reduced staffing levels.

Scenario 5 provides a total of 18 people available for patrol, including 13 full-time officers, 4 sergeants, and 1 lieutenant. All other staffing, including the SRO, detectives, and administrative support remain at their current Town levels. As a result, this scenario would require the department to rely more heavily on State Police investigators. This level of staffing would allow the combined department to maintain a minimum coverage level of 4 officers with a 24-hour Village patrol but would reduce the combined department’s involvement in regional initiatives.

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Personal service costs are reduced by 18% (\$232,000) in Scenario 5 and the cost of benefits decreases by 19% (\$136,000) as a result of the large reductions in staff. Additional savings are realized in Scenario 5 as insurance costs decrease by 33%, reflecting lower premiums for the merged department and staff and equipment reductions while overtime, part time, equipment, and contractual costs remain nearly the same as in the current budget. As shown in Table 11, Scenario 5 results in a decrease in cost of service provision over the first 7 years following consolidation.

Budget Impact

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
Status Quo Police Tax Levee	\$ (2,942,545)	\$ (3,060,247)	\$ (3,182,657)	\$ (3,309,963)	\$ (3,442,362)	\$ (3,580,056)	\$ (3,723,259)	\$ (23,241,091)
Scenario 5 Police Tax Levee	\$ (2,457,864)	\$ (2,556,178)	\$ (2,658,425)	\$ (2,764,762)	\$ (2,875,353)	\$ (2,990,367)	\$ (3,109,982)	\$ (19,412,932)
Annual Savings	\$ 484,682	\$ 504,069	\$ 524,232	\$ 545,201	\$ 567,009	\$ 589,689	\$ 613,277	\$ 3,828,159

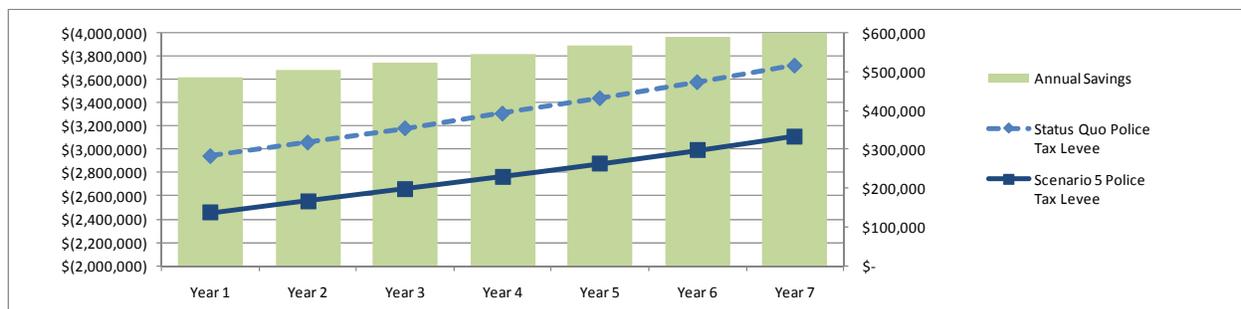


Table 12: The Savings Provided by Scenario 5 in the First Seven Years

Scenario 5 results in a savings of \$3,392,000 over a 7-year period, in today's dollars. Following the consolidation, the Village budget would be reduced by approximately \$1,061,000 (the current total cost of police services). Total Town police costs, which would increase to \$2,457,000, would be included in the Town's General Townwide budget, driving the total tax levee for the General Townwide budget up to \$4,881,000 and the total tax levee for the General Town Outside Village budget down to \$241,000.

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Impact to Town Outside Village			Impact to Village Resident		
Fund A tax rate was	\$	1.6326	Village tax rate was	\$	7.6837
Fund A tax rate increases by		1.4549	Village tax rate decreases by		(4.0945)
Fund A is		3.0875	Village tax rate is		3.5892
Fund B tax rate was		1.4868	Town Fund A tax rate was		1.6326
Fund B tax rate decreases by		(1.3041)	Town Fund A tax rate increases by		1.4549
Fund B is		0.1828	Town Fund A tax rate is		3.0875
Total General Taxes were			Total Village/Town taxes were		
		3.1194			9.3163
Total General Taxes are			Total Village/Town taxes are		
		3.2702			6.6767
Total General Taxes increase by			Total Village/Town taxes decrease by		
		0.1508			(2.6396)
MV Single Fam Home		\$222,488	MV Single Fam Home		\$202,513
Increase in Annual Tax Bill		\$33.56	Decrease in Annual Tax Bill		(\$534.55)
Year 1 COST to Town Taxpayers		\$199,417	Year 1 SAVINGS to Village Taxpayers		(\$684,098)

Table 13: The Taxpayer Impact of Scenario 5

The implementation of Scenario 5 would drive a \$33.56 increase in the average annual tax bill of Town outside of Village residents resulting from an added annual cost to Town tax payers of \$199,417. Scenario 5 results in a \$534.55 decrease in the average annual tax bill of Village tax payers resulting from an annual savings for Village tax payers of \$684,098.

Scenario 6 – Minimum Staffing to Maintain Adequate Coverage (no Lieutenant)

This scenario varies only slightly from Scenario 5, with two additional full-time officers and no lieutenant. With a total complement of 15 full-time officers and four sergeants, this scenario maintains a force of 19 available for patrols. The current SRO, detectives and administrative support staff are also retained. Based on these staffing levels the force would maintain a minimum coverage of 4 for each shift, and would allow a 24/7 patrol assigned to the Village. With the addition of cases in the Village, the current detective division would be required to limit involvement in regional initiatives.

In this scenario, personal service costs are reduced by 16% (\$201,000) and the cost of benefits decreases by 15% (\$110,000) as a result of the large reductions in staff compared to currently-budgeted levels. Additional savings are realized in Scenario 6 as insurance costs decrease by 31%, reflecting lower premiums for the merged department and staff and equipment reductions while overtime, part time, equipment, and contractual costs remain nearly the same as in the current budget. As shown in Table 13, Scenario 6 results in a decrease in cost of service provision over the first 7 years following consolidation.

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Budget Impact

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
Status Quo Police Tax Levee	\$ (2,942,545)	\$ (3,060,247)	\$ (3,182,657)	\$ (3,309,963)	\$ (3,442,362)	\$ (3,580,056)	\$ (3,723,259)	\$ (23,241,091)
Scenario 6 Police Tax Levee	\$ (2,521,080)	\$ (2,621,923)	\$ (2,726,800)	\$ (2,835,872)	\$ (2,949,307)	\$ (3,067,279)	\$ (3,189,970)	\$ (19,912,230)
Annual Savings	\$ 421,466	\$ 438,324	\$ 455,857	\$ 474,092	\$ 493,055	\$ 512,778	\$ 533,289	\$ 3,328,861

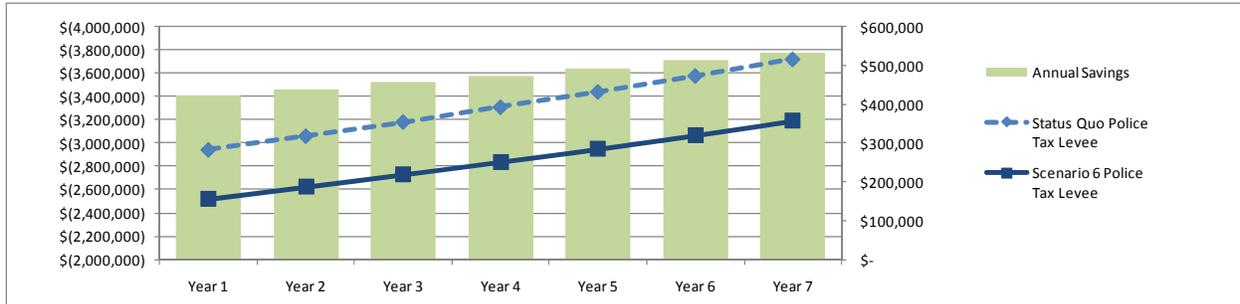


Table 14: The Savings Provided by Scenario 6 in the First Seven Years

Scenario 6 results in a savings of \$2,950,000 over a 7-year period, in today's dollars. Following the consolidation, the Village budget would be reduced by approximately \$1,061,000 (the current total cost of police services). Total Town police costs, which would increase to \$2,521,000, would be included in the Town's General Townwide budget, driving the total tax levee for the General Townwide budget up to \$4,945,000 and the total tax levee for the General Town Outside Village budget down to \$241,000.

Impact to Town Outside Village		
Fund A tax rate was	\$	1.6326
Fund A tax rate increases by		1.4949
Fund A is		3.1275
Fund B tax rate was		1.4868
Fund B tax rate decreases by	(1.3041)	
Fund B is		0.1828
Total General Taxes were		3.1194
Total General Taxes are		3.3102
Total General Taxes increase by		0.1908

MV Single Fam Home	\$222,488
Increase in Annual Tax Bill	\$42.46
Year 1 COST to Town Taxpayers	\$252,271

Impact to Village Resident		
Village tax rate was	\$	7.6837
Village tax rate decreases by	(4.0945)	
Village tax rate is		3.5892
Town Fund A tax rate was		1.6326
Town Fund A tax rate increases by	1.4949	
Town Fund A tax rate is		3.1275
Total Village/Town taxes were		9.3163
Total Village/Town taxes are		6.7167
Total Village/Town taxes decrease by	(2.5996)	

MV Single Fam Home	\$202,513
Decrease in Annual Tax Bill	(\$526.45)
Year 1 SAVINGS to Village Taxpayers	(\$673,737)

Table 15: The Taxpayer Impact of Scenario 6

The implementation of Scenario 6 would drive a \$42.46 increase in the average annual tax bill of Town outside of Village residents resulting from an added annual cost to Town tax payers of \$252,000. Scenario 6 results in a \$526.45 decrease in the average annual tax bill of Village tax payers resulting from an annual savings for Village tax payers of \$673,000.

Scenario 7 – Minimum Staffing to Maintain Adequate Coverage (no Lieutenant)

As with Scenarios 5 and 6, this scenario is based on the Town Police Chief’s estimate that 18 patrol officers are required in order to provide adequate coverage in both the Town and the Village. Here, this minimum staffing is achieved without a Lieutenant (assuming that the Village’s current Lieutenant retires prior to the merger). To bring the force up to 18, one additional full-time officer is added.

As a result of overall staffing reductions, this scenario would require the department to rely more heavily on State Police investigators. This level of staffing would allow the combined department to maintain a minimum coverage level of 4 officers with a 24-hour Village patrol but would reduce the combined department’s involvement in regional initiatives.

Personal service costs are reduced by 19% (\$248,000) in Scenario 7 and the cost of benefits decreases by 19% (\$136,000) as a result of the large reductions in staff. Additional savings are realized in Scenario 7 as insurance costs decrease by 34%, reflecting lower premiums for the merged department and staff and equipment reductions while overtime, part time, equipment, and contractual costs remain nearly the same as in the current budget. As shown in Table 15, Scenario 7 results in a decrease in cost of service provision over the first 7 years following consolidation.

Budget Impact

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
Status Quo Police Tax Levee	\$ (2,942,545)	\$ (3,060,247)	\$ (3,182,657)	\$ (3,309,963)	\$ (3,442,362)	\$ (3,580,056)	\$ (3,723,259)	\$ (23,241,091)
Scenario 7 Police Tax Levee	\$ (2,433,891)	\$ (2,531,247)	\$ (2,632,496)	\$ (2,737,796)	\$ (2,847,308)	\$ (2,961,200)	\$ (3,079,648)	\$ (19,223,587)
Annual Savings	\$ 508,655	\$ 529,001	\$ 550,161	\$ 572,167	\$ 595,054	\$ 618,856	\$ 643,610	\$ 4,017,503

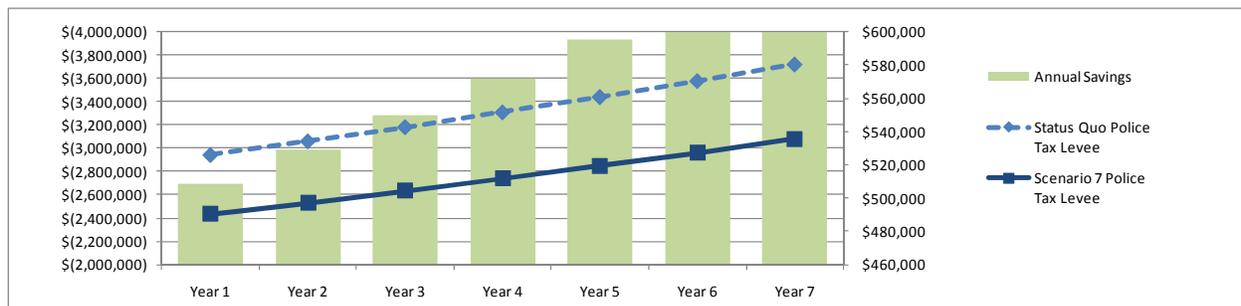


Table 16: The Savings Provided by Scenario 7 in the First Seven Years

Scenario 7 results in a savings of \$3,560,000 over a 7-year period, in today’s dollars. Following the consolidation, the Village budget would be reduced by approximately \$1,061,000 (the current total cost of police services). Total Town police costs, which would increase to \$2,433,000, would be included in the Town’s General Townwide budget, driving the total tax levee for the General Townwide budget up to \$4,857,000 and the total tax levee for the General Town Outside Village budget down to \$241,000.

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Impact to Town Outside Village			Impact to Village Resident		
Fund A tax rate was	\$	1.6326	Village tax rate was	\$	7.6837
Fund A tax rate increases by		1.4397	Village tax rate decreases by		(4.0945)
Fund A is		3.0723	Village tax rate is		3.5892
Fund B tax rate was		1.4868	Town Fund A tax rate was		1.6326
Fund B tax rate decreases by		(1.3041)	Town Fund A tax rate increases by		1.4397
Fund B is		0.1828	Town Fund A tax rate is		3.0723
Total General Taxes were		3.1194	Total Village/Town taxes were		9.3163
Total General Taxes are		3.2551	Total Village/Town taxes are		6.6616
Total General Taxes increase by		0.1357	Total Village/Town taxes decrease by		(2.6547)
MV Single Fam Home		\$222,488	MV Single Fam Home		\$202,513
Increase in Annual Tax Bill		\$30.19	Decrease in Annual Tax Bill		(\$537.62)
Year 1 COST to Town Taxpayers		\$179,373	Year 1 SAVINGS to Village Taxpayers		(\$688,028)

Table 17: The Taxpayer Impact of Scenario 7

The implementation of Scenario 7 would drive a \$30.19 increase in the average annual tax bill of Town outside of Village residents resulting from an added annual cost to Town tax payers of \$179,373. Scenario 7 results in a \$537.62 decrease in the average annual tax bill of Village tax payers resulting from an annual savings for Village tax payers of \$688,000.

Summary of Fiscal Impact

Each of the service reconfiguration options presented above produces a different financial impact on residents of the Town and Village of Saugerties. These differences are illustrated below in Table 17. These estimates are intended to guide each municipality as it weighs the pros and cons of consolidation of police services.

	Scenario							
	1	2	3	3a	4	5	6	7
Cost for Average Town Outside Taxpayer	\$(119.61)	\$ (93.46)	\$ (66.18)	\$ (80.69)	\$ (53.34)	\$ (33.56)	\$ (42.46)	\$ (30.19)
Savings for Average Village Taxpayer	\$ 456.22	\$ 480.02	\$ 504.86	\$ 491.64	\$ 516.54	\$ 534.55	\$ 526.45	\$ 537.62

Table 18: Summary of the Fiscal Impact of Each Consolidation Scenario

Startup Costs

Each of the reconfiguration options described above would require the Town Police department to incur various one-time startup costs. Specific areas of cost might include: new uniforms for Village staff entering the Town department that are consistent with current Town uniforms, revised logos and

detailing on police cruisers, additional car and portable radio units, standardized firearms, cruisers and unmarked cars, desktop computers, additional office equipment, part time and overtime staff pay to cover shifts while new staff members complete training, data conversion, software, and buyouts or retirement incentives, legal fees and contingencies. The exact cost of these start-up expenses is likely to vary, but has been estimated at a fixed amount of \$200,000. In the Fall of 2009, the Village and the Town completed a joint application for funding through the NYS Department of State's Local Government Efficiency program to cover start-up costs associated with the implementation of the merger.

Village Payment for Added Police Services

In all of the scenarios presented above, Village taxpayers are expected to enjoy significant savings while Town taxpayers see small tax increases following the implementation of the merger. Overall, with the exception of Scenario 1, each of the options investigated results in a net positive fiscal impact, meaning that overall the cost of police services is expected to decrease following a merger. However, the mechanics of Town and Village taxation make it difficult to spread the cost of those services equitably, based on the level of service provided.

During the committee's review of the fiscal impact analysis of each scenario, the point was raised that after the merger, the operational design of the Town police department would be modified to provide services that have traditionally been provided within the Village, such as a 24/7 dedicated patrol and a foot-patrol in the central business district. These services are not without a cost to the Town, and since they are provided for the benefit of Village residents and businesses, we have suggested a contract-based fee-for-services arrangement between the Town and the Village, through which the Village would pay the Town for additional police services.

This type of contract arrangement is common in other types of local government services, such as snow and ice removal or fire protection. However, there are challenges to implementing such an arrangement when it comes to police services. For instance, in an opinion dating back to 1986, the NYS Comptroller stated that "a town may not, by local law, provide for the cost of any town function, which is required by State law to be charged on a town-wide basis, to be raised only on a part-town basis (1980 Opns St

Comp No. 80-334, p 98)¹. While the Town may not withhold basic police protection services from the Village, a more recent opinion of the Comptroller speaks directly to the issue of contracts through which the Village pays for additional services from the Town:

A town and a village located within the town, under article 5–G, may contract for the town to provide additional police protection, over and above what the town already would be required to provide in the village.²

The current Town police department maintains a minimum coverage level of 2 officers, and does not provide foot patrols. Under the merged department, the minimum coverage would double, and would include a special patrol for the Village 24 hours per day, seven days per week. Additionally, the merged department would provide a foot patrol in the Village’s central business district. We estimate that these additional services would cost the Town an extra \$200,000, based on 2008 budget figures. Since these are services “over and above” those that the Town provides to its own residents, we recommend that the associated cost be covered through an intermunicipal agreement, in force for a period of two-years and to be renegotiated thereafter, whereby the Village pays to the Town an annual sum of \$200,000.

With this payment, the fiscal analysis presented above is altered, showing a reduction in the savings to Village residents, and a reduction in the cost to Town Outside of Village residents. The following table shows the revised estimates of the impact to the average taxpayer inside and outside the Village for each scenario.

	Scenario							
	1	2	3	3a	4	5	6	7
Cost for Average Town Outside Taxpayer	\$ (89.42)	\$ (63.28)	\$ (35.99)	\$ (50.51)	\$ (23.16)	\$ (3.37)	\$ (12.27)	\$ -
Savings for Average Village Taxpayer	\$ 316.06	\$ 339.86	\$ 364.70	\$ 351.48	\$ 376.38	\$ 394.39	\$ 386.29	\$ 397.46

Table 19: Summary of Fiscal Impact of Each Scenario (with Contract payment)

¹ NYS Comptroller, Opinion 88-78, <http://osc.state.ny.us/legal/1988/op88-78.htm>.

² NYS Comptroller, Opinion 76–641.

Non-Fiscal Issues

The previous sections presented fiscal analyses for each of the scenarios that the committee identified. Clearly, fiscal considerations, which have the potential to affect taxpayers directly through increased or decreased Town and Village tax rates, are an important factor in the decision-making process regarding municipal shared services. However, it is naïve to think that the decision about which options to pursue, or whether to pursue the notion of shared police services at all, hinges solely on these fiscal considerations. Within this section, we discuss important non-fiscal issues that must be considered by both municipalities if the promised cost-savings and increased efficiencies of one or more service configuration options are to be realized.

Operational

The main operational concern when considering the consolidation of police services for the Town and Village of Saugerties is that a sufficient level of coverage be maintained in both the Town and Village. The scenarios presented above allow for a continuation of, or increase to, the number of available Village patrols. Additionally, each scenario provides for a minimum of two officers assigned to the Village at all times, not to be reduced unless approved by a supervisor, and never below one except in cases of extreme emergency. This provision represents an improvement over the status quo coverage situation in the Village as currently Village officers are often called to back-up the Town or another agency, leaving the Village unattended. Further, the scenarios presented in this feasibility study allow for a continuation of current foot patrols and provide an opportunity for a reduction in response time due to the increased number of officers available for patrol in a combined department. Should modifications need to be made to coverage levels in either the Town or the Village following the consolidation of police services, the finding of the DCJS study that staffing issues are most accurately addressed when based on “call-for-service” data and not crime statistics.

Administrative

The consolidation of Village and Town police services would require further discussion about leadership for the merged department, as well as oversight and governance structures. This leadership is imperative to ensure that adequate levels of service are being provided to both the Town and the Village, and to provide public safety services that are responsive to the residents of the Town and the Village of Saugerties. The scenarios presented above assume the consolidation of the Village Police Department into the Town’s Police Department, which may leave Village residents feeling that they

have no way to ensure their input and concerns are taken seriously by the merged department. However, it is important to note that Village residents still retain the power to vote for the Town Supervisor and Town Board, to whom the Chief of Police reports.

Additionally, the Town may wish to establish new quality assurance methods as part of the consolidation, both as an administrative measure to improve the quality of service, and also as a means of involving residents of both municipalities in the oversight of public safety services. Within a combined department, additional resources may be available to assess the needs of both the Town and the Village. Through the consolidation and effective utilization of data in a single department, service levels may be adjusted to successfully meet the public safety needs of the Town and the Village.

Financial

The nature of a consolidation study implies that there will be abundant savings to go around. However, the act of consolidating is often costly and it may be many years before substantial savings are realized. The estimated costs and savings to taxpayers of each consolidation scenario is presented in the Fiscal Impact section above.

Personnel

The retention and elimination of personnel is a critical and sensitive issue that must be addressed when considering service consolidation. Personnel costs are the single largest expense in each of the scenarios presented in this study. It follows that the reduction of staff is the most effective way to realize savings in each of these scenarios. However, particularly in a period of economic uncertainty, it is understandable that the Village and the Town both wish to avoid lay-offs as part of any merger or consolidation. Over the course of this study, staffing levels in both the Town and Village police forces have varied. However, in all of the scenarios analyzed above, the intent is that the Town would hire former Village officers to fill new posts, and that if there are insufficient positions for all current Village staff, those who are not hired would be added to a preferred candidate list and would be considered first if positions should become available in the future.

In addition to avoiding layoffs, a major non-fiscal issue related to personnel is the determination of shift-assignments, which is currently based on seniority. Currently, officers in the Town select their shift in order of seniority as determined by the date they were hired. In order to accommodate the new staff

from the Village department after consolidation, a new scheduling process must be determined. One possible approach that attempts to address concerns about fairness and equity is to develop separate schedules for the Village patrol area and the Town outside of Village patrol area. Shifts would continue to be assigned in order of seniority, with each officer's Town hire-date used to determine seniority for the Town outside of Village area and Village hire-date used to determine seniority for the Village patrol area.

Legal

In any consolidation scenario legal documents such as contracts and collective bargaining agreements must be honored. The pursuit of any of the above scenarios would require that the Town and Village of Saugerties discuss any existing agreements and draft new ones when appropriate. We have not performed a detailed legal analysis of the scenarios presented above, but have responded to specific questions posed by the Village and Town attorneys. We strongly suggest that a draft agreement between the Village and the Town be established immediately, to specify important terms of the merger, including the payment for special services in the Village, the Town's intent to hire Village staff, etc.

Political

The political issues that must be addressed when considering the consolidation of Town and Village police departments in Saugerties are made more manageable by the provision of a constant and effective level of service in both municipalities. Each of the scenarios presented above allows sufficient levels of staffing for the combined department to be responsive to the needs of the community and provide the opportunity for an enhanced level of service provision to be realized.

General

In addition to the non-fiscal issues listed above, issues of morale and of the comfort of officers with the consolidation process must be addressed. Holding meetings with officers from both the Town and Village police departments in order to dispel rumors and disseminate the findings of this feasibility study may build trust and improve officer involvement in, and support of, consolidation. If the Town and the Village decide to implement a consolidation, the implementation plan should include regular and consistent communications with both departments' staffs.

Recommendations

Based on our analysis of the fiscal and non-fiscal issues related to a merger of the Village of Saugerties police department into the Town of Saugerties police department, we have recommended the implementation of either Scenario 5 or Scenario 7, depending on the decision of the Village's lieutenant regarding retirement. Scenario 5 shows the impact should the lieutenant wish to retain his position, and Scenario 7 shows the impact should the lieutenant choose to retire.

Furthermore, we have recommended an intermunicipal agreement for the provision of added police services to the Village area, with a payment from the Village to the Town in the amount of \$200,000 per year for 2 years (this amount was based on 2008 budget; an updated estimate of \$228,000 is provided in the following sections). It is our opinion that these recommendations would most fully achieve the original goals of this study: to maintain or improve the quality of police services while avoiding tax increases.

Public Outreach

These recommendations were presented to the committee, and were subsequently presented to the Village and Town Boards, and at a public meeting of the Village Board. Questions and comments were received, resulting in minor modifications which have been incorporated into this report. The final presentation of the recommended configuration is provided as Appendix A of this report.

Updated Fiscal Impact

Following the presentation of our final recommendations in the late summer of 2009, Fairweather Consulting received a request from the Village to prepare an updated fiscal analysis, based on new budget information from the Town and the Village. The following sections provide the updated analysis for Scenarios 5 and 7, the recommended scenarios, based on the most recent data provided by the Town and the Village. A summary of the taxpayer impact of all seven scenarios based on new budget data is included at the end of this section for the purposes of drawing comparisons to the previous analysis.

Scenario 5 – Minimum Staffing to Maintain Adequate Coverage (with Lieutenant)

Scenario 5 provides a total of 18 people available for patrol, including 13 full-time officers, 4 sergeants, and 1 lieutenant. All other staffing, including the SRO, detectives, and administrative support remain at

their current Town levels. As a result, this scenario would require the department to rely more heavily on State Police investigators. This level of staffing would allow the combined department to maintain a minimum coverage level of 4 officers with a 24-hour Village patrol but would reduce the combined department’s involvement in regional initiatives.

Personal service costs are reduced by 18% (\$260,000) in Scenario 5 and the cost of benefits decreases by 18% (\$146,000) as a result of the large reductions in staff. Additional savings are realized in Scenario 5 as insurance costs decrease by 30%, reflecting lower premiums for the merged department and staff and equipment reductions while overtime, part time, equipment, and contractual costs remain nearly the same as in the current budget. As shown in Table 18, Scenario 5 results in a decrease in cost of service provision over the first 7 years following consolidation.

Budget Impact

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
Status Quo Police Tax Levee	\$ (3,289,656)	\$ (3,421,242)	\$ (3,558,091)	\$ (3,700,415)	\$ (3,848,432)	\$ (4,002,369)	\$ (4,162,464)	\$ (25,982,668)
Scenario 5 Police Tax Levee	\$ (2,864,607)	\$ (2,979,191)	\$ (3,098,359)	\$ (3,222,293)	\$ (3,351,185)	\$ (3,485,232)	\$ (3,624,642)	\$ (22,625,509)
Annual Savings	\$ 425,049	\$ 442,051	\$ 459,733	\$ 478,122	\$ 497,247	\$ 517,137	\$ 537,822	\$ 3,357,159

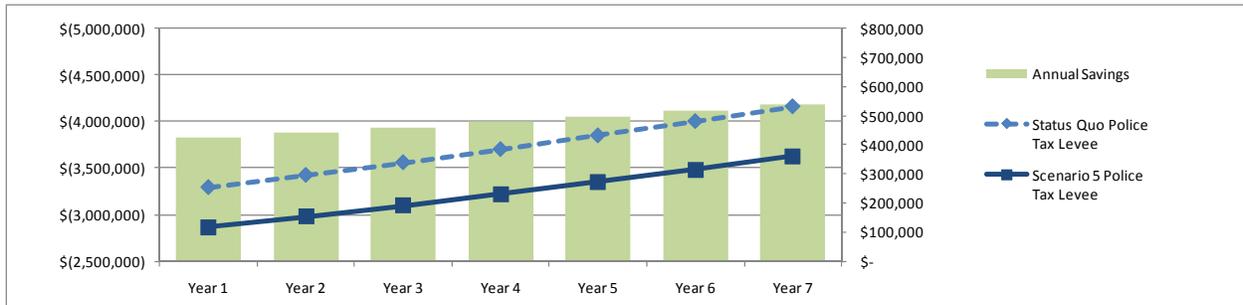


Table 20: The Savings Provided by Scenario 5 in the First Seven Years (Updated Budgets)

Scenario 5 results in a savings of \$2,975,000 over a 7-year period, in today’s dollars. Following the consolidation, the Village budget would be reduced by approximately \$1,212,000 (the current total cost of police services). Total Town police costs, which would increase to \$2,864,000, would be included in the Town’s General Townwide budget, driving the total tax levee for the General Townwide budget up to \$5,789,000 and the total tax levee for the General Town Outside Village budget down to \$290,000.

Public Safety Service Configuration Feasibility Study
Town and Village of Saugerties

Impact to Town Outside Village			Impact to Village Resident		
Fund A tax rate was	\$	1.9800	Village tax rate was	\$	8.1447
Fund A tax rate increases by		1.6766	Village tax rate decreases by		(4.7060)
Fund A is		3.6565	Village tax rate is		3.4387
Fund B tax rate was		1.6273	Town Fund A tax rate was		1.9800
Fund B tax rate decreases by		(1.4080)	Town Fund A tax rate increases by		1.6766
Fund B is		0.2193	Town Fund A tax rate is		3.6565
Total General Taxes were		3.6073	Total Village/Town taxes were		10.1247
Total General Taxes are		3.8758	Total Village/Town taxes are		7.0952
Total General Taxes increase by		0.2685	Total Village/Town taxes decrease by		(3.0295)
MV Single Fam Home	\$	197,621.25	MV Single Fam Home	\$	179,878.75
Increase in Annual Tax Bill		\$53.07	Decrease in Annual Tax Bill		(\$544.94)
Year 1 COST to Town Taxpayers		\$356,157	Year 1 SAVINGS to Village Taxpayers		(\$780,481)

Table 21: The Taxpayer Impact of Scenario 5

The implementation of Scenario 5 would drive a \$53.07 increase in the average annual tax bill of Town outside of Village residents resulting from an added annual cost to Town tax payers of \$356,157. Scenario 5 results in a \$44.94 decrease in the average annual tax bill of Village tax payers resulting from an annual savings for Village tax payers of \$780,481.

Scenario 7 – Minimum Staffing to Maintain Adequate Coverage (no Lieutenant)

As with Scenarios 5 and 6, this scenario is based on the Town Police Chief’s estimate that 18 patrol officers are required in order to provide adequate coverage in both the Town and the Village. Here, this minimum staffing is achieved without a Lieutenant (assuming that the Village’s current Lieutenant retires prior to the merger). To bring the force up to 18, one additional full-time officer is added.

As a result of overall staffing reductions, this scenario would require the department to rely more heavily on State Police investigators. This level of staffing would allow the combined department to maintain a minimum coverage level of 4 officers with a 24-hour Village patrol but would reduce the combined department’s involvement in regional initiatives.

Personal service costs are reduced by 19% (\$278,000) in Scenario 7 and the cost of benefits decreases by 18% (\$146,000) as a result of the large reductions in staff. Additional savings are realized in Scenario 7 as insurance costs decrease by 32%, reflecting lower premiums for the merged department and staff and equipment reductions while overtime, part time, equipment, and contractual costs remain nearly the same as in the current budget. As shown in Table 20, Scenario 7 results in a decrease in cost of service provision over the first 7 years following consolidation.

Public Safety Service Configuration Feasibility Study
Town and Village of Saugerties

Budget Impact

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
Status Quo Police Tax Levee	\$ (3,289,656)	\$ (3,421,242)	\$ (3,558,091)	\$ (3,700,415)	\$ (3,848,432)	\$ (4,002,369)	\$ (4,162,464)	\$ (25,982,668)
Town Fund A Tax Levee	\$ (3,134,794)	\$ (3,260,186)	\$ (3,390,593)	\$ (3,526,217)	\$ (3,667,266)	\$ (3,813,956)	\$ (3,966,514)	\$ (24,759,526)
Town Fund A Police Tax Levee	\$ (210,200)	\$ (218,608)	\$ (227,352)	\$ (236,446)	\$ (245,904)	\$ (255,740)	\$ (265,970)	\$ (1,660,221)
Town Fund B Tax Levee	\$ (2,158,189)	\$ (2,244,517)	\$ (2,334,297)	\$ (2,427,669)	\$ (2,524,776)	\$ (2,625,767)	\$ (2,730,798)	\$ (17,046,012)
Town Fund B Police Tax Levee	\$ (1,867,343)	\$ (1,942,037)	\$ (2,019,718)	\$ (2,100,507)	\$ (2,184,527)	\$ (2,271,908)	\$ (2,362,784)	\$ (14,748,824)
Village Fund A Tax Levee	\$ (2,098,321)	\$ (2,182,254)	\$ (2,269,544)	\$ (2,360,326)	\$ (2,454,739)	\$ (2,552,928)	\$ (2,655,045)	\$ (16,573,157)
Village Fund A Police Tax Levee	\$ (1,212,413)	\$ (1,260,909)	\$ (1,311,345)	\$ (1,363,799)	\$ (1,418,351)	\$ (1,475,085)	\$ (1,534,089)	\$ (9,575,992)
Scenario 7 Police Tax Levee	\$ (2,836,206)	\$ (2,949,655)	\$ (3,067,641)	\$ (3,190,346)	\$ (3,317,960)	\$ (3,450,679)	\$ (3,588,706)	\$ (22,401,193)
Scenario 7 Operating Revenues	\$ 300	\$ 312	\$ 324	\$ 337	\$ 351	\$ 365	\$ 380	\$ 2,369
Scenario 7 Operating Costs	\$ 2,836,506	\$ 2,949,967	\$ 3,067,965	\$ 3,190,684	\$ 3,318,311	\$ 3,451,044	\$ 3,589,085	\$ 22,403,562
Annual Savings	\$ 453,449	\$ 471,587	\$ 490,451	\$ 510,069	\$ 530,471	\$ 551,690	\$ 573,758	\$ 3,581,475

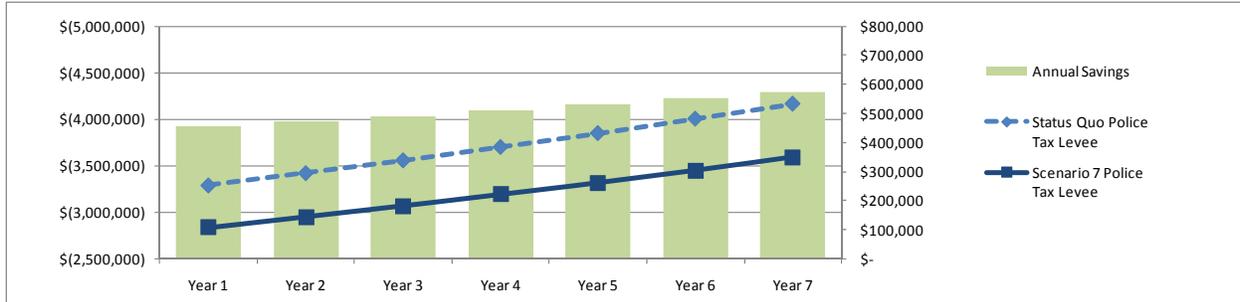


Table 22: The Savings Provided by Scenario 7 in the First Seven Years (Updated Budgets)

Scenario 7 results in a savings of \$3,174,000 over a 7-year period, in today's dollars. Following the consolidation, the Village budget would be reduced by approximately \$1,212,000 (the current total cost of police services). Total Town police costs, which would increase to \$2,836,000, would be included in the Town's General Townwide budget, driving the total tax levee for the General Townwide budget up to \$5,760,000 and the total tax levee for the General Town Outside Village budget down to \$290,000.

Impact to Town Outside Village		Impact to Village Resident	
Fund A tax rate was	\$ 1.9800	Village tax rate was	\$ 8.1447
Fund A tax rate increases by	1.6586	Village tax rate decreases by	(4.7060)
Fund A is	3.6386	Village tax rate is	3.4387
Fund B tax rate was	1.6273	Town Fund A tax rate was	1.9800
Fund B tax rate decreases by	(1.4080)	Town Fund A tax rate increases by	1.6586
Fund B is	0.2193	Town Fund A tax rate is	3.6386
Total General Taxes were	3.6073	Total Village/Town taxes were	10.1247
Total General Taxes are	3.8579	Total Village/Town taxes are	7.0773
Total General Taxes increase by	0.2506	Total Village/Town taxes decrease by	(3.0474)
MV Single Fam Home	\$ 197,621.25	MV Single Fam Home	\$ 179,878.75
Increase in Annual Tax Bill	\$49.53	Decrease in Annual Tax Bill	(\$548.16)
Year 1 COST to Town Taxpayers	\$332,367	Year 1 SAVINGS to Village Taxpayers	(\$785,103)

Table 23: The Taxpayer Impact of Scenario 7

The implementation of Scenario 7 would drive a \$49.53 increase in the average annual tax bill of Town outside of Village residents resulting from an added annual cost to Town tax payers of \$332,367.

Scenario 7 results in a \$548.16 decrease in the average annual tax bill of Village tax payers resulting from an annual savings for Village tax payers of \$785,000.

Summary of Fiscal Impact

The table below shows the estimated fiscal impact of each consolidation scenario, using updated budget figures. The cost for Town Outside of Village residents is somewhat higher and the savings to Village residents somewhat lower than our original estimates from 2008 data. Upon closer examination, it would appear that significant increases in salaries, which are the result of a new contract for Village staff, are driving much of the difference.

	Scenario							
	1	2	3	3a	4	5	6	7
Cost for Average Town Outside Taxpayer	\$(119.61)	\$ (93.46)	\$ (66.18)	\$ (80.69)	\$ (53.34)	\$ (33.56)	\$ (42.46)	\$ (30.19)
Savings for Average Village Taxpayer	\$ 456.22	\$ 480.02	\$ 504.86	\$ 491.64	\$ 516.54	\$ 534.55	\$ 526.45	\$ 537.62

Table 24: Summary of the Fiscal Impact of Each Consolidation Scenario (Updated Budgets)

As before, we continue to recommend a contract whereby the Village pays the Town for police services above and beyond what is provided to residents in the Town outside of the Village. Based on increases in the overall budgets of the departments, the original estimated cost of these services, which was \$200,000 should be increased. Since the overall budget for police services increased by nearly 14%, we suggest an increase of 14% in the contract payment, bringing the amount to \$228,000. The following table shows the estimated taxpayer impact for each scenario including the contract payment amount.

	Scenario							
	1	2	3	3a	4	5	6	7
Cost for Average Town Outside Taxpayer	\$(111.09)	\$ (84.82)	\$ (55.27)	\$ (71.46)	\$ (41.83)	\$ (19.10)	\$ (29.44)	\$ (15.55)
Savings for Average Village Taxpayer	\$ 302.01	\$ 325.93	\$ 352.82	\$ 338.08	\$ 365.06	\$ 385.75	\$ 376.33	\$ 388.97

Table 25: Summary of the Fiscal Impact of Each Consolidation Scenario (Updated Budgets, with Contract Payment)

As an alternative, if the Village and the Town cannot agree to a contract for the purchase of additional police services in the Village area, a reduction in the overall police budget could substantially reduce or eliminate a tax increase for Town Outside of Village taxpayers. Our analysis shows that a 9.5% decrease in the projected merged department's budget could reduce the cost for the average Town Outside of Village taxpayer to approximately \$19 (Scenario 5) or \$15 (Scenario 7). A further explanation of this analysis is provided in Appendix A.

Conclusion

Over a period of nearly 2 years, we have worked closely with the committee, members of the Town and Village boards, and staff in each police department to investigate the feasibility of a restructured model for public safety services. The results of this lengthy process, as described in this report, point to the conclusion that a merger would result in significant tax savings for Village residents and a small tax increase for Town Outside Village residents. Cost savings, however, are only one consideration. When it comes to public safety services cost is not typically the most important factor. The quality of police services is paramount to the quality of life in a community like Saugerties. Our review of this and other non-fiscal issues related to a merger suggest that while there are challenges to be overcome, the merger promises also to maintain or improve the quality of public safety services over time. A streamlined chain of command, expanded promotion opportunities for department staff, a dedicated detective division to investigate local crimes, and other operational factors all contribute to the increased quality of service that should be expected following a merger.

As of the completion of this report, the initiative lies with the Village. Based on the plans established by the Village during the Fall of 2009, the remaining steps are clear. First, the Village should re-engage with the Town in order to develop an agreement for the transfer of the police function following dissolution of the Village police department. Following the establishment of the agreement, the Village Board should adhere to the process for a permissive referendum to bring the issue before Village voters. If approved, the Village and Town would implement the agreement and begin to transfer the police function to the Town of Saugerties Police Department.

Appendix A: Presentation of Recommended Merger Configuration

This appendix provides a modified copy of the presentation that was given at a public meeting of the Village of Saugerties Board of Trustees on August 17, 2009. The presentation shows the estimated fiscal impact of a hypothetical reconfiguration scenario that combines aspects of Scenarios 5 and 7, described in the report above. This presentation was initially prepared prior to the revision and updating of budget figures from the Town and the Village. The version presented here, however, incorporates these new figures. A copy of the actual presentation delivered on August 17, 2009 is available from Fairweather Consulting upon request.



Saugerties Public Safety Service Configuration:

A Study of Service Configuration Options for the Village and Town Police Departments



Town of Saugerties
Police Department



Village of Saugerties
Police Department

Prepared by

**FAIRWEATHER
CONSULTING**



This document was prepared with funds provided by the New York State Department of State under the Local Government Efficiency Incentive Grant Program.



Agenda

- **Overview of the Public Safety Reconfiguration Study**
- **The Study Process**
- **Results of the Fiscal Impact Analysis**
- **Other Non-Fiscal Impacts**
- **Implementation of the Recommended Scenario**
- **Next Steps**



Introduction to the Public Safety Reconfiguration Study

□ **Study Objective**

Develop recommendations for restructuring the Police Departments in the Village and Town in order to...

1. **Maintain or improve the quality of services, and**
2. **Reduce the cost of public safety services**

□ **Key Goals**

- No tax increases for Village residents or Town residents outside of the Village
- No loss of service; service improvements wherever possible
- A more efficient department structure and operations, including:
 1. **A single chief and chain of command**
 2. **Reduced need for administrative personnel**
 3. **Simplicity and standardization**

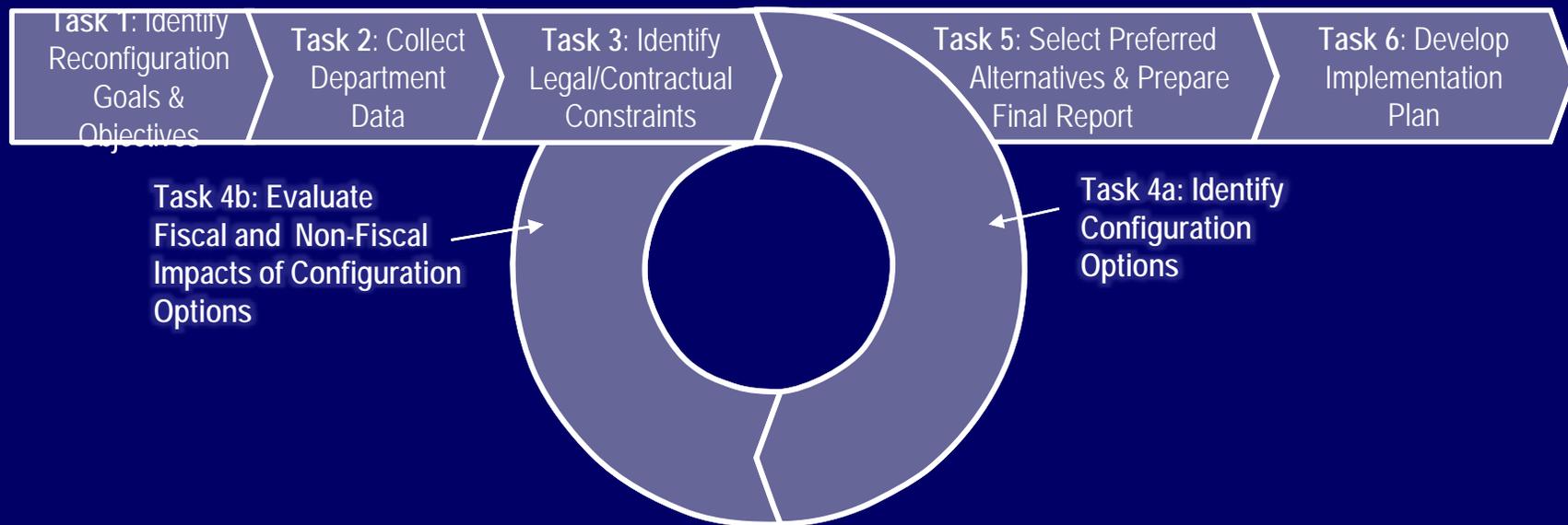


A Full Range of Reconfiguration Options Was Considered





The Study Process Helped Identify the Best Reconfiguration Options



The Committee and Fairweather Consulting identified and evaluated eight potential reconfiguration scenarios before settling on a preferred scenario.



For Each Scenario, Fiscal and Non-Fiscal Impacts Were Weighed

Fiscal Impacts

Increases/decreases to equipment and contractual costs

Salary increases to achieve standardized compensation

Increases/decreases to costs of benefits

Personnel reductions and elimination of vacant positions

One-time costs of implementation

Increases/decreases to insurance costs

Grants and other new revenues



Non-fiscal Impacts

Impacts on existing/retained personnel (benefits, seniority, etc.)

Impact on levels of service provided to each community

Disposition of assets owned/used by each Dept.

Oversight and governance of new department

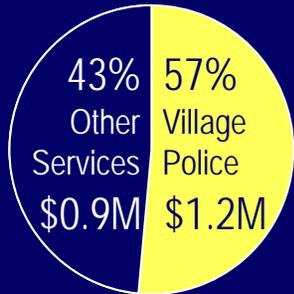
Professional development opportunities within new department

Public perceptions about restructuring

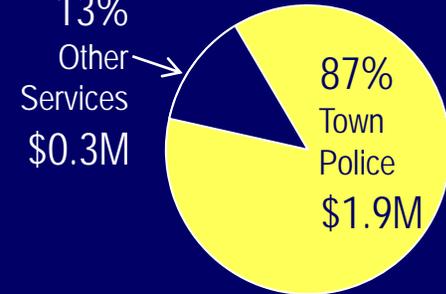
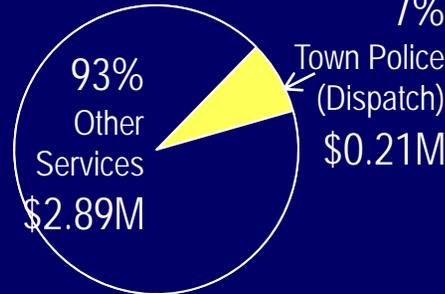


How Are Police Services Paid in Saugerties?

Village General Budget
\$2,100,000*



Townwide General Budget (Fund A) **\$3,100,000*** Town Outside General Budget (Fund B) **\$2,200,000***



Total Amt to be Raised by Taxes
Total Assessed Value of Property = Tax Rate

Village Tax Bill
 $\frac{\$2.1M}{\$258M} = \$8.14$

Town Tax Bill (Village)
 $\frac{\$3.1M}{\$1.58B} = \$1.98$

Town Tax Bill (Outside)
 $\frac{\$3.1M}{\$1.58B} = \$1.98 + \frac{\$2.2M}{\$1.33B} = \1.63



Total Effective Tax Rate = \$10.12



Total Effective Tax Rate = \$3.61

*Budget amounts represent the total tax levee, which is calculated as total appropriations minus non-property tax revenues.



How Are Police Services Paid in Saugerties?

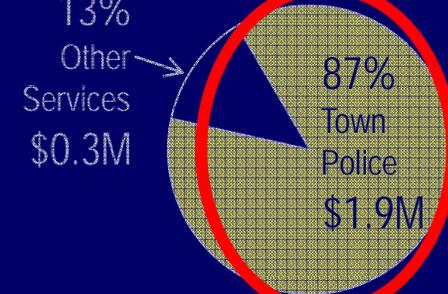
Village General Budget
\$2,100,000*



Townwide General Budget (Fund A)
\$3,100,000*



Town Outside General Budget (Fund B)
\$2,200,000*



If we adjust these...

It affects these...

Total Amt to be Raised by Taxes
Total Assessed Value of Property = Tax Rate

Village Tax Bill
\$2.1M / \$256M = \$8.14

Town Tax Bill (Village)
\$3.1M / \$1.58B = \$1.98

Town Tax Bill (Outside)
\$3.1M / \$1.58B = \$1.98 + \$2.2M / \$1.33B = \$1.63



Which affects these...



Total Effective Tax Rate = \$10.12

Total Effective Tax Rate = \$3.61

*Budget amounts represent the total tax levee, which is calculated as total appropriations minus non-property tax revenues.



Leading Scenario: Merge Village Police Department into Town Police Department

□ **Level of Service:**

- At least 4 officers on patrol throughout the Town and Village at all times
- A minimum of 2 officers would be assigned to patrol the Village at all times, with additional coverage as needed
- A foot patrol will be provided during peak periods, and Town police will continue to support Village events (Garlic Fest, HITS, Car Show, etc.)

□ **Personnel:**

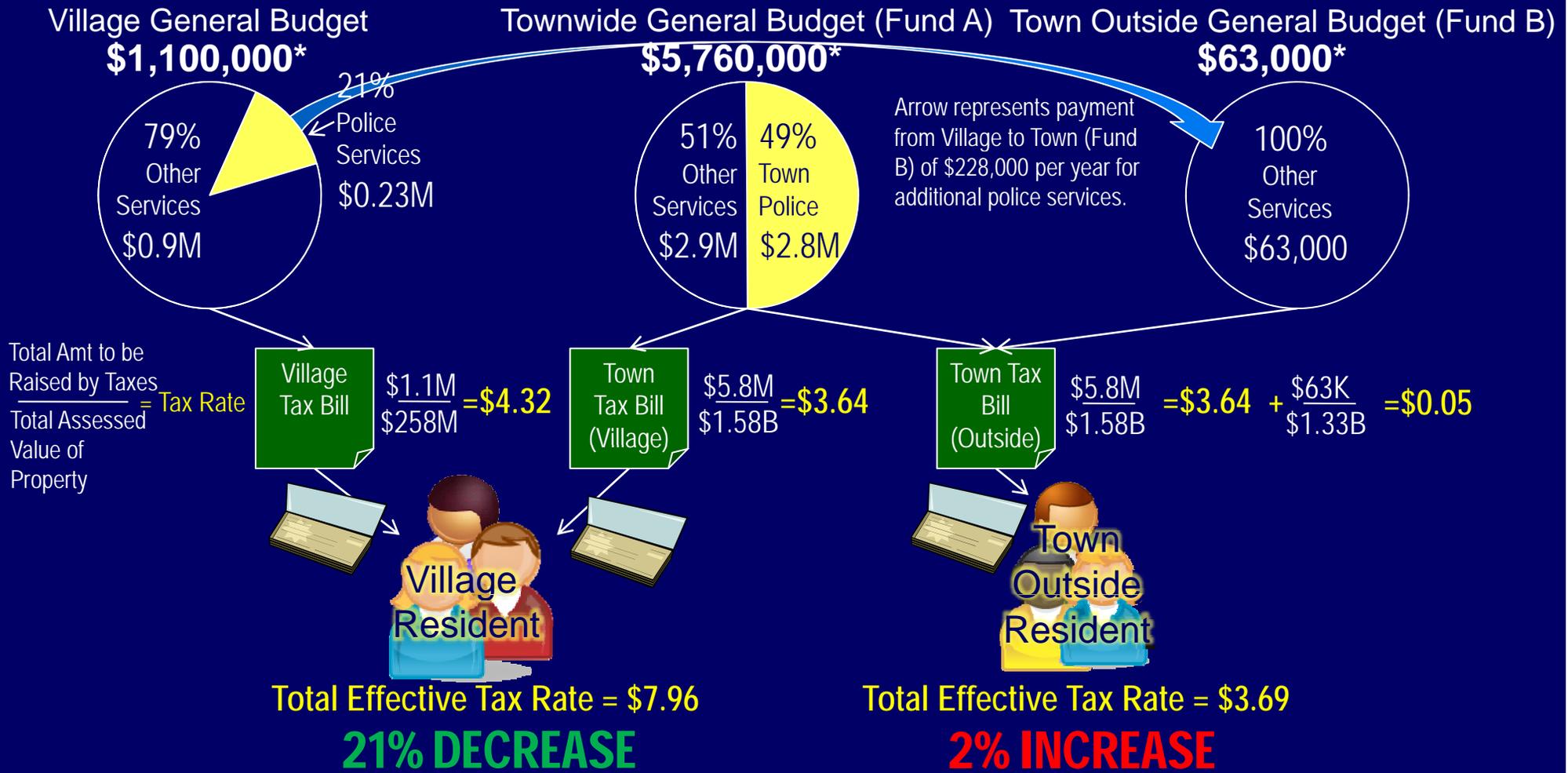
- 18-member patrol force (13-14 FT officers, 4 sergeants, and 0-1 lieutenant)
- One chief of police
- 2 detectives
- 1 School Resource Officer

□ **Governance:**

- Chief reports to the Town Supervisor and the Village Mayor



Year 1 & 2 – Savings for Village, Little or No Impact To Town Outside Taxpayers

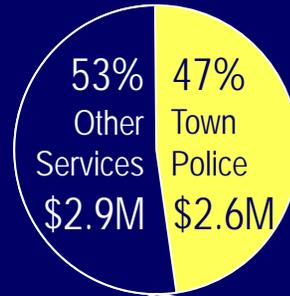




Year 3 – Village Sees Greater Savings, Town Outside Remains Unchanged if Cost-Saving Measures Are Implemented

Village General Budget
\$890,000*

Townwide General Budget (Fund A) Town Outside General Budget (Fund B)
\$5,490,000* **\$291,000***



Combination of cost-saving measures & new revenues reduce police expense by \$270,000 or 9.5%



Total Amt to be Raised by Taxes
Total Assessed Value of Property = Tax Rate

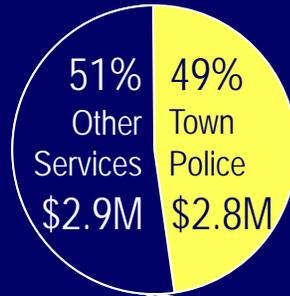




Year 3 – If Cost-Savings Are Not Realized, Village Sees Less Savings & Town Outside Sees Slight Tax Increase

Village General Budget
\$890,000*

Townwide General Budget (Fund A) **\$5,760,000*** Town Outside General Budget (Fund B) **\$291,000***



Total Amt to be Raised by Taxes
Total Assessed Value of Property = Tax Rate

Village Tax Bill
 $\frac{\$0.9M}{\$258M} = \$3.44$

Town Tax Bill (Village)
 $\frac{\$5.8M}{\$1.58B} = \$3.64$

Town Tax Bill (Outside)
 $\frac{\$5.8M}{\$1.58B} = \$3.64 + \frac{\$291K}{\$1.32B} = \0.22

Total Effective Tax Rate = \$7.08
30% SAVINGS

Total Effective Tax Rate = \$3.86
7% INCREASE



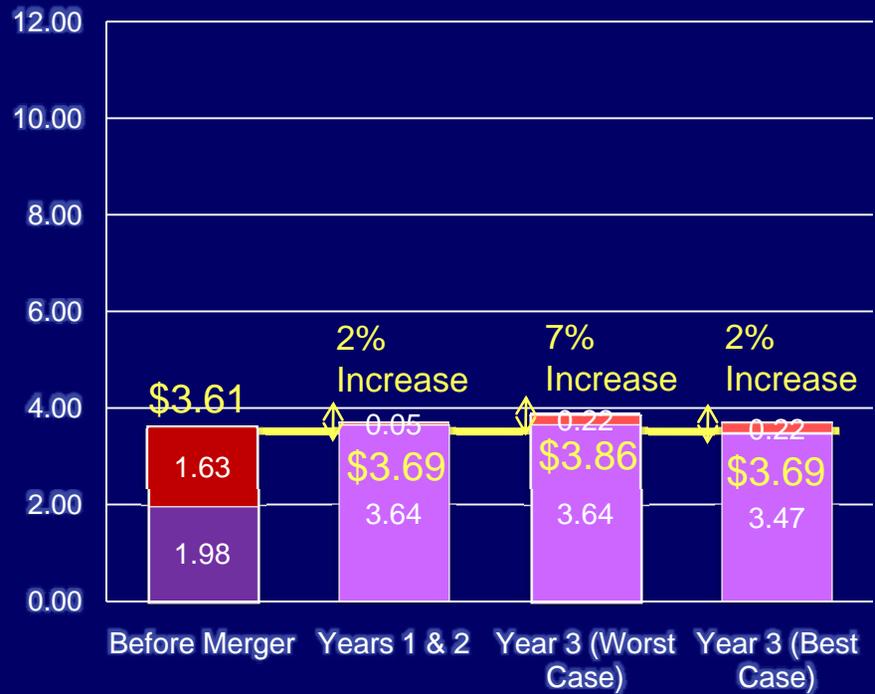
Explanation of Changes to Town and Village Tax Rates

Village Taxpayer



■ Fund A Rate
 ■ Fund B Rate
 ■ Village Rate

Town Outside Taxpayer



■ Fund A Rate
 ■ Fund B Rate
 ■ Village Rate



A Variety of Non-Fiscal Impacts Must Be Considered During Implementation

Positive

- All Village dept. staff would be brought over to the Town (except the Chief and either the Lieutenant or one FT officer).
- Larger pool of police to draw from for overtime and special events
- Increased opportunities for advancement within the force
- Village less reliant on State Police for investigations
- Ability to draw on best practices from each department to create the most effective police force
- Less confusion about jurisdiction for the public, dispatchers, and officers
- Village Police office freed up for other uses

Negative

What will happen to staff not brought over to the Town?

How will seniority be determined, and what contractual benefits will be affected?

How will time accrue toward retirement?



Mitigation

→ According to NYS Civil Service Law, any staff who involuntarily lose their job as a result of the merger will be added to a preferred list for future vacancies. For 4 years they will have the right to first refusal for any openings.

→ The two PBAs have agreed to meet to discuss issues related to the current Town contract. From a civil service perspective seniority will remain unchanged after the merger. The PBAs will determine the best method to handle shift and vacation bidding.

→ PBAs will review this as part of the discussion about how the current Town contract must be modified to facilitate the merger.



Implementation of the Police Department Merger

- Step 1 – Village adopts resolution calling for a referendum on a law abolishing the Village Police Department**
- Step 2 – Town and Village agree to terms of Police Merger**
- Step 3 – Village Board holds a public hearing to gather comments**
- Step 4 – Village Board votes on the referendum**
- Step 5 – If approved by Board, residents vote on the referendum**
- Step 6 – Village and Town execute agreement, transfer function**



Saugerties Public Safety Service Configuration:

A Study of Service Configuration Options for the Village and Town Police Departments

Presentation of Final Results
December 15, 2009



Town of Saugerties
Police Department



Village of Saugerties
Police Department

Prepared by

**FAIRWEATHER
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