

Options Report for the Village of Corinth

September, 2010

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Prepared for:
Dissolution Feasibility Study Committee

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STUDY BACKGROUND AND SUMMARY OF IMPACTS

The Village and Town of Corinth are situated in Saratoga County, NY at the foothills of the Adirondacks along the upper Hudson River. Corinth's rich history dates back to 1775, when the first settlement was established by Ambrose Clothier near Mount McGregor. Being located on the upper Hudson River presented an opportunity for businesses to harness the power of the strong current, leading to the construction of a number of mills along the riverbanks in the early 1800s. As the area continued to grow, the Town of Corinth was founded in 1819. By the 1870s, the Hudson Paper Company and other businesses had transformed the area into a center for commerce, and in 1886 the Village of Corinth was founded. Although the days of thriving industry in Corinth have passed, the municipal structure still exists today with the 1.1 square mile Village of Corinth surrounded by the 58.1 square mile Town of Corinth.

In 2009, the Village had an estimated population of 2,377 and the Town (outside of village) had a population of 3,868 for a total town-wide population of 6,245. The Village's population density of over 2,100 per square mile is more than twenty times that of the Town.

In 2009 the Village successfully applied for a high priority planning grant from New York State's Local Government Efficiency (LGE) Grant Program. With this grant funding, the Village undertook a *dissolution feasibility study* designed to meet the following key goals:

- Inform residents about the advantages and disadvantages of dissolution and shared services; and
- Provide a decision-making tool for Village residents to determine whether or not to dissolve the Village government.

The Village appointed a twelve-member Village/Town Dissolution Steering Committee and engaged the Center for Governmental Research (CGR) to assist with the study. This report constitutes the Committee's Final Report to the Village Board.

The overall dissolution feasibility study included numerous components, including:

- Development of a "What Exists Report" – describing how the Village and Town currently provide municipal services, primarily based on extensive research by CGR;

- Development of an “Options Report” – identifying and evaluating viable alternatives for delivering the services and functions provided by the Village;
- Creation of, and updates to, a project website (www.cgr.org/corinth) where study documents, presentations, fiscal analyses, timeline, a feedback form and press releases were posted as the study unfolded.
- Twelve Committee meetings;
- Four public presentations; and
- Study Committee letters to the Village Board outlining its recommendations.

Summary of Impacts

The Study Committee determined the projected tax impact of dissolving the Village both *with* and *without* additional incentive monies from New York State under the Aid and Incentives to Municipalities (AIM) program. New York currently provides regular unrestricted state aid to the Village and Town totaling \$39,000, but would provide additional or “new AIM” if the two municipalities consolidate. In Year 1 of consolidation, based on current budget information, new AIM would amount to \$401,219 additional for the overall community, with future increases based upon the first year’s total AIM of \$440,219.

However, due to New York State’s current budget constraints and the corresponding uncertainty about this future source of revenue, the Study Committee opted to make revenue projections both with and without new AIM.

Tax Impact on a Home Assessed at \$100,000

Note: The information in the following table summarizes, based on current budget information, the tax impact of dissolving the Village for a homeowner with property assessed at \$100,000. The analysis below excludes county and school taxes, which are not affected by dissolution. Special districts would be established for water and sewer charges. Readers should note additional potential impacts related to police protection and payments received pursuant to EPCOR. Both are addressed later in the report.

Summary of Changes - Owner of a House Assessed at \$100,000			
	Current	Final Selection	
		w/o AIM	w/AIM
Current Village Resident			
Village/Town tax	\$717	\$513	\$416
Water Fee	\$164	\$167	\$167
Sewer Fee	<u>\$254</u>	<u>\$311</u>	<u>\$311</u>
Total	\$1,135	\$990	\$893
Change →		-\$145	-\$242
Current TOV Resident not a Water/Sewer User			
Village/Town tax	\$391	\$439	\$342
Change →		\$48	-\$48
Current TOV Resident who is a Water User*			
Village/Town tax	\$391	\$439	\$342
Water Fee	\$266	\$270	\$270
Sewer Fee	\$0	\$0	\$0
Total	\$657	\$709	\$612
Change →		\$52	-\$44
Current TOV Resident who is both a Water & Sewer User**			
Village/Town tax	\$391	\$439	\$342
Water Fee	\$266	\$270	\$270
Sewer Fee	<u>\$378</u>	<u>\$462</u>	<u>\$462</u>
Total	\$1,035	\$1,172	\$1,075
Change →		\$137	\$40

According to the Committee’s “Final Selection” option, current Village residents would see property tax reductions ranging from \$145 (13 percent) without AIM revenues to \$242 (21 percent) with AIM revenues. Town-outside-Village (TOV) residents that are not water or sewer users would see impacts ranging from a \$48 (12 percent) increase, to a \$48 (12 percent) decrease. TOV residents that are *only* water users would see impacts ranging from a \$52 (8 percent) increase, to a \$44 (7 percent) decrease. Finally, TOV residents that are both water *and* sewer users would see impacts ranging from a \$137 (13 percent) increase, to a \$40 (4 percent) increase.

INTRODUCTION

This report identifies and evaluates viable alternatives for delivering Village services and functions in the event the Village of Corinth dissolves. It builds upon the earlier “Baseline” report, *How the Village of Corinth and the Town of Corinth Currently Provide Municipal Services*. In order to best understand the current report, readers are encouraged to familiarize themselves with the “Baseline” report.

Although a dissolution/consolidation is one alternative option for the Village to change the way it delivers services, it is not the only option. There may be some additional sharing of services as a viable alternative for reducing current and future taxpayer burdens, including combining the Village Department of Public Works (DPW) and Town Highway Department as well as combining some administrative functions (e.g., Building Department, Planning and Zoning Boards) and program areas (e.g., programs for the aging, contribution to the public library). It should be noted that all of these changes will have a small impact on the total bottom line for the average taxpayer, as detailed in this report.

We believe that there is a modest amount of savings that can be achieved through the dissolution of the Village and the majority of this report will focus on what those savings are. In general, what would happen if the Village dissolved is that Village services would either be picked up by the Town or eliminated. The best way to think about this consolidated entity is to consider the Town after Village dissolution as a combined entity, what we refer to in this report as the “New Town.”

Projected “New Town” Expenditures

Before considering any changes that could result from dissolution, we first project combined New Town expenditures, as follows:

Village (based on the 2009-10 budget)¹

- Includes all general fund expenditures (\$1,853,299)
- Excludes water fund and sewer fund expenditures, since sewer and water charges are separate and are not part of the tax bill (\$638,779).

¹We used 2009-10 budget year for the Village and 2009 budget year for the Town because we wanted to have the last complete budget year for both jurisdictions.

Town (based on the 2009 budget)²

- Includes Townwide general fund expenditures (\$2,157,186)
- Includes Town-outside-Village (TOV) general fund expenditures (\$348,985)
- Includes Townwide highway fund expenditures (\$0)
- Includes TOV highway fund expenditures (\$1,236,758)
- Excludes water and sewer fund expenditures, since water and sewer charges (if applicable) are separate and are not part of the tax bill (\$638,779)

The chart below puts the above information in chart format, and shows total projected New Town expenditures of \$6,453,726.

Projected "New Town" Expenditures			
	General	Highway	Total
Town	\$2,157,186	\$0	\$2,157,186
Town TOV	\$348,985	\$1,236,758	\$1,585,743
Sub-Total Town and TOV	\$2,506,171	\$1,236,758	\$3,742,929
Village	\$1,853,299	\$857,498	\$2,710,797
Sub-Total Town and Village	\$4,359,470	\$2,094,256	\$6,453,726

Notes: Village "highway" is DPW department, including sidewalks.

The new \$6.45 million expenditure line can then be reduced by cost impacts that we describe in the following sections of this report. We begin by describing our overall approach, then show a) potential savings, b) our calculation of the cost impact, c) our calculation of the tax impact, and d) tables summing up what it all means to taxpayers in the Town of Corinth, whether they live inside or outside the Village.

Village Dissolution & the Impact on "New Town" Expenditures

Committee members asked CGR to develop projections of cost savings and cost impacts of dissolution based on three different scenarios, from which they would make a final decision as to which to choose (or propose a modification to these alternatives). The scenarios – which would result in high, medium and low- level changes to a "New Town" budget – take into account the following:

²Ibid.

- **Efficiencies** – These are due to reduced spending on personnel, equipment, insurance, etc. as a result of dissolving the Village.
- **Reductions in Services** – There are five services identified for possible reduction: a) refuse pickup & recycling; b) sidewalk snow removal; c) school crossing guard; d) dedicated Sheriff's patrol, and e) youth and community services. Only one scenario calls for eliminating these services. In the other two scenarios, the services would continue either as a special district or be absorbed by the Town.
- **Special Districts** – These include services currently provided by the Village that either definitely would or could continue under the consolidated government as special districts. Village residents would see no change in these services if dissolution occurs, but the costs of providing three specific services (water, sewer, fire) and, depending on the scenario, potentially three other services (refuse/recycling; sidewalk snow removal, street lighting) would appear as separate charges on tax bills, except sewer and water would continue to be billed separately.
- **Use of Village General Fund Balance** – This addresses how the Village's general fund balance, which totaled about \$413,029 on June 1, 2009, could be used to pay off existing Village debt (excluding debt associated with the Corinth Fire Department), ongoing obligations for Village retirees as well as any one-time costs of dissolution discussed below.

Note: There are four other Village fund balances: water (\$397,921), fire department (\$317,803), sewer (\$162,723), and public works (\$66,503).

It should be noted that the scenarios chosen are not meant to be definitive from an operations perspective but merely used to define a range of options from which to choose a realistic set of savings numbers that can inform a decision on whether to proceed with a full or partial consolidation of services. Obviously, the actual savings number will differ but these scenarios will help frame the decision process. For example, it has been estimated that there may be some modest increases in the cost of operations for the special districts as a result of unbundling the accounting and support services currently provided by the Village Clerk/Treasurer that are not fully reflected in the numbers below.

One-Time Costs of Dissolution

The analysis below deals with ongoing cost changes with the possible dissolution of the Village. In addition to ongoing changes there would also be several one-time costs that would be involved such as (a) legal

fees, (b) costs associated with selling/disposing of assets, (c) work interruption, if any, and (d) data conversions/transferring of physical files/electronic files. Based on estimates from other Village dissolutions that have occurred in New York State, it is estimated that such one-time costs would be in the neighborhood of \$50,000.

Special Sheriff's District

In addition to some modest amount of uncertainty over the cost of operations in a new combined government, there would also be some uncertainty regarding the establishment of a separate district for the County Sheriff to provide services within the former Village boundaries. The fiscal analysis below assumes that, where the continued patrol service is desired (under Options 2 and 3 and the Committee's Final Option), there would special State legislation enacted to make this possible. However, it is not certain that such legislation would be enacted. Thus, the potential options are as follows:

- Seek special State legislation to create separate district within the former Village boundaries, ***or, in the event no legislation were enacted,***
- The Town could contract for such services for the entire Town;
- The Town could establish its own police force within the Town boundaries; or
- The Town would continue to be served by the County Sheriff as part of the service sectors established by the Sheriff at no charge to the Town.

It should be noted that the first two options (i.e., with town-wide sheriff/police) would represent a significant cost shift from current Village residents to Town Outside of Village (TOV) residents and would probably mean a different level of service to Village residents (i.e., there would be no dedicated service that would just focus on the former area of the Village). The third option would be a large savings to Village residents (as in Option #1 below) but would also likely result in a significant drop in the level of service.

An additional option brought to the Committee's attention at the August 31, 2010 meeting was the potential for the entire Town to contract with the Sheriff's Department for supplemental coverage. According to one Committee member, the Sheriff's Department could provide supplemental coverage to the full Town at the same cost (\$301,500) currently being paid by the Village. Assuming that full cost was spread across the entire Town taxable assessed value, there would be a cost shift from Village taxpayers to Town taxpayers. Currently, Village taxpayers pay \$1.24 per \$1,000 for

the Sheriff's contract. Under the Townwide approach, all taxpayers would pay \$0.56 per \$1,000. Thus, Village taxpayers would see a net decrease of \$0.68 per \$1,000, while Town taxpayers would see a net increase of \$0.56 per \$1,000. At the same cost but a significantly larger geographic scale, however, it is highly likely that the former Village would not see the level of Sheriff's coverage under this scenario that it currently has.

Scenario One: "High" Impact on New Town Budget

Definition: This scenario projects the highest impact on the New Town budget that could result from proposed cost savings, service reductions, or creation of special districts. This scenario includes the following:

Service Reductions

- Eliminate 24/7 dedicated Saratoga County Sheriff's patrol within the Village (\$301,500)
- Eliminate refuse pickup and recycling – residents would take refuse to the Town's transfer station or pay private haulers for refuse/recycling service (\$162,700)
- Sidewalk snow removal – no longer provided, with residents becoming responsible for their own sidewalks (\$18,000)
- School crossing guard – no longer provided by the Village (could be done by volunteers or by the school district) (\$18,038.50)³
- Youth and other miscellaneous community services (except parks and beach) (\$27,765.13)

Cost Savings

- Village governance → elimination of Village mayor and the four trustee positions and some related expenses (e.g., insurance, legal) (\$47,824.50)
- Village administration → loss of 1 FT employee and 1 PT employee from combined Village and Town Clerk/Treasurer staff (\$48,457.43)⁴

³ The Committee subsequently agreed that this cost would shift to be borne by the entire Town tax base. This is reflected later in the "Final Selection" analysis.

⁴ Committee agreed on alternative high impact scenario that would result in savings of \$78,314.61

- General government → savings on other general government functions (e.g., auditing, legal services, insurance, etc) (\$90,430.64)⁵
- Highway/Public Works → loss of 1.5 FT staff in DPW and reduce half of overtime (\$133,577.03)
- Building Department → Town would absorb the function with no additional cost (\$19,211.83)
- Planning and Zoning Boards → Town would absorb function with no additional cost (\$27,336)
- Shared Services → Town would continue current shared services that it currently does with the Village (aging, economic development, library, celebrations) at a savings of 20% (\$6,060)

Village Services Provided through Special Districts - No Change in Cost Impact

- Water → the Village water district and the Village water debt and water fund balance at the time of dissolution would stay with this district.
- Sewer → the Village sewer district and the Village sewer debt and fund balance at the time of dissolution would stay with this district.
- Fire Services → the current Village Fire Department would become an independent fire company and the Town would become single Fire Protection District covering the Town borders. The Fire Hall and its long-term liability (\$1.758 million as of September 2010⁶) would transfer to the Town and be leased back to the fire company.
- Street Lighting → the current expenditure on street lighting would be paid for by a special district
- Parks and Beach → the current expenditure for the parks and beach would be paid for by a special district

⁵Committee agreed on alternative high impact scenario that would result in savings of \$100,516.94

⁶ This is the Fire Hall-specific portion that remains outstanding from a 2004 bond of \$6.235 million, which also covered two road reconstruction projects.

Scenario Two – “Medium” Impact on New Town Budget

Key Differences from High-Impact Scenario:

- Less savings in Clerk/Treasurer function consolidation (\$24,747.50)
- Less savings in other general government consolidation (\$74,216.94)
- Keep some of the Saratoga Sheriff services and transfer cost to a special district (\$211,050)⁷
- Less savings in Building Department consolidation (\$9,211.83)
- Fewer staff reductions in DPW (\$78,383.41)
- Maintain refuse/recycling in Corinth – billed as a special district charge
- Maintain sidewalk snow removal in Corinth – billed as a special district charge

Scenario Three – “Low” Impact on New Town Budget

Key Differences from Medium-Impact Scenario

- Fewer staff reductions in Clerk/Treasurer function (\$9,200)
- Fewer savings in General Government function (\$46,700)
- Crossing Guard becomes a special district
- Sheriff becomes a special district⁸

⁷ As noted above, in order for police services to be paid for by a special district, there would need to be special State legislation enacted to create such a district. Without such legislation, the entire amount of the budget for these services (\$301,500) would be saved.

⁸ See footnote 5 above.

- No savings realized from DPW and Highway consolidation⁹
- Street lighting and sidewalks becomes Townwide charges (cost shift)
- Building Department employee transfers to Town and becomes a Town employee (no savings)
- Miscellaneous Community Services become a Townwide charge (cost shift)
- Town assumes retiree benefits from former Village employees (cost shift)

Sum of the Savings – Based on Each Scenario

Summary of Changes to the "New Town" Budget				
Scenario	One	Two	Three	Final Selection
Costs Moved to Special District	\$ 414,973	\$ 806,723	\$ 785,074	\$ 820,835
Costs Moved to New Fire (Protection) District	\$ 526,182	\$ 526,182	\$ 526,182	\$ 526,182
Elimination of Services	\$ 534,064	\$ 129,384	\$ -	\$ -
Efficiencies	\$ 366,837	\$ 228,052	\$ 70,559	\$ 193,490
Decrease to "New Town" Budget	\$ 1,842,055	\$ 1,690,340	\$ 1,381,814	\$ 1,540,507

Note: These figures exclude the costs already moved to sewer, water and some adjustments.

As the chart above shows, cost savings to the New Town Budget would range from a high of \$1,842,055 to a low of \$1,381,814, depending upon the scenario selected. However, as shown on the grid on the next page, it is possible to pick options from different scenarios, and not adhere strictly to the three scenarios outlined, and in fact the Committee opted to choose a scenario that was a hybrid of all three scenarios with a consensus cost savings to the New Town budget of \$1,540,507 (which falls between options two and three).

⁹Even with no immediate cost savings realized from the consolidation of the DPW and Highway Department, there may be other reasons that these two entities might want to consolidate, such as a more rational supervisory structure, more depth of skills and training among employees and better ability to deploy manpower and equipment.

Descriptions of Final Selections and Changes to "New Town" Budget		
Key to Color Codes		
Efficiencies		
Special District		
Elimination of Service		
Major Service Categories	Final Selection	Description
Village Board	\$47,825	100% Savings.
Clerk/Treasurer	\$78,315	Eliminate Village Clerk/Treasurer, Village Deputy Clerk/Treasurer and Village PT clerk. Town reduces one PT clerk and makes one PT clerk into FT (\$20,000).
Other General Government	\$100,517	Attorney reduced \$31,000 (Town increase of \$10,000). Sell Village Hall, \$5,000 in general items transfer to the Town. Keep \$1,500 in data processing for software upgrade.
Crossing Guard	-	Town assumes cost. Cost shift.
Sheriff	\$301,500	Special district.
Fire Department	\$526,182	A new fire district is created in the village with taxation occurring as if only one district (i.e. based on assessment). Existing TOV Fire Protection District continues.
Building Department	-	Village's building department employee transfers to Town.
Highways	-	Both Supt. and Dept. Supt. become FT employees of new Water/Sewer Districts. Salary move of \$33,761 + employee benefits. Town must hire staff to replace labor of Supt. and Dept. Supt. (\$50,601).
Street Lighting	\$45,800	Special district.
Sidewalks	\$8,000	Sidewalk snow removal becomes town wide charge (cost shift). Sidewalk repair is a special district.
Misc Community Services	-	Town assumes all functions. Cost Shift.
Planning and Zoning	\$6,834	Absorbed by the Town at 75% of current cost.
Garbage	\$162,700	Special district.
Retiree Benefits	-	Town assumes cost. Cost shift.
Shared Services	-	Town assumes cost. Cost shift.
Modified Debt Service	\$302,835	Special district.
Employee Costs	(\$40,000)	Net health care increase of \$20,000 plus wage scale increase of \$20,000.
Total	\$1,540,508	

Final Scenario

Key Differences from Low-Impact Scenario

- Greater savings in Clerk/Treasurer function consolidation (\$78,315)
- Greater savings in General Government function consolidation (\$100,517)
- Crossing Guard function assumed by the Town (cost shift)
- Street Lighting would be a special district charge (\$45,800)
- Sidewalk plowing would be assumed by the Town but repair would be part of a special district (\$8,000)

Cost Impact of Dissolution

To calculate the cost impact of dissolving the Village three things need to be taken into account:

- Cost of reductions - as shown above, these range from a low of \$1.38 million to a high of \$1.84 million.
- Impact on existing revenues received by the Village – CGR did not identify any existing revenues that would be reduced or eliminated if the two governments become one although it is possible that EPCOR funding might be eliminated if the Village dissolved.

Additional AIM funding for consolidating – AIM (Aid and Incentives to Municipalities) is state unrestricted aid, and the State provides incentives for governments to consolidate, known as new AIM. The incentive that would most benefit the community would result in the consolidated municipality receiving a one-time addition to annual aid equal to 15% of the combined property tax levy. CGR shows the impact of the incentive for Corinth below. NOTE: It is the committee's opinion that given the state's recent revenue shortfalls and concerns over the long term availability of discretionary funds, the cost impact of dissolution should be expressed with and without additional AIM consolidation incentives. For these reasons, the committee recommends evaluating the cost impact that does not include the AIM incentive.

Calculation (using Fiscal Year 2009 tax levies):

\$1,427,450 (Village levy) + \$1,247,343 (Town levy) = \$2,674,793

15% of \$2,674,293 = **\$401,219 additional funding.**

\$401,219 + \$16,000 (Town AIM) + \$23,000 (Village AIM) =

Total funding for the FIRST year = \$440,219

Note: This is an indefinite funding stream, and future annual percentage increases from NYS are to be based upon the first year's total AIM payment of \$440,219.

Net fiscal change

Depending on which scenario is selected (and whether you believe the State will be able to provide new AIM as shown above), the net fiscal change of dissolving the Village ranges from:

- Cost savings of \$1,381,814 (cost reductions and no new AIM) – “worst case”

to

- Cost savings of \$2,243,274 (the \$1,842,055 in cost reductions + \$401,219 in new AIM) – “best case”

Tax Impact of Dissolution

The next issue to address is how the costs of the New Town get spread across the nearly \$414 million taxable assessed value (2009) of the Town, given 53% of the taxable assessed value is in the Village and 47% in the TOV. We calculate there will be some shifts in costs for current Village taxpayers, and also some shift in costs for current TOV taxpayers. Based on the three scenarios, the range of shifts is shown in the chart “New Town Tax Levy and Rates” below.

As the chart on the next page shows, the tax rates across the Town, after dissolution, would range between:

- *Best case*: \$1.43 per \$1,000 assessed value
 - Assumes the highest impact scenario – Scenario One – and receipt of new AIM
- *Worst case*: \$3.51 per \$1,000 assessed value
 - Assumes the lowest impact scenario – Scenario Three – and no new AIM

"New Town" Non-Property Tax Revenues	
Village Revenues 2009-2010	
Of Which, to Town "General Fund"	\$ 292,700
Of Which, to Town "Highway Fund"	\$ 585,000
Of Which, to New Fire District / Fire Pro. D	\$ 261,021
Does not Transfer (EPCOR Payments)	\$ 730,275
Does not Transfer (Prop Tax)	\$ 697,175
Total Village Rev 2009-2010	\$ 2,566,171
Town Non-Prop Tax Revenues by Fund 2009	
General Fund	\$ 735,600
General TOV Fund	\$ 135,500
General Fund - Use of Fund Balance	\$ 625,000
General TOV Fund - Use of Fund Balance	\$ 213,485
Adjustment for EPCOR Payment (Note)	\$ 245,240
Highway Fund	\$ -
Highway TOV Fund	\$ 708,000
Highway TOV Fund - Use of Fund Balance	\$ 78,000
"New Town" Non-Prop Tax Revenues	
General	\$ 2,247,525
Highway	\$ 1,371,000

"New Town" Tax Levy and Rates			
	General	Highway	Total
Total "New Town" Expenditures			
Scenario One	\$2,668,991	\$1,942,679	\$4,611,670
Scenario Two	\$2,765,513	\$1,997,873	\$4,763,386
Scenario Three	\$2,977,656	\$2,094,256	\$5,071,912
Final Selection	\$2,826,963	\$2,086,256	\$4,913,219
Required Property Tax Levy - Without Additional AIM			
Non-Property Tax Revenue	\$2,247,525	\$1,371,000	\$3,618,525
Scenario One	\$421,466	\$571,679	\$993,145
Scenario Two	\$517,988	\$626,873	\$1,144,861
Scenario Three	\$730,131	\$723,256	\$1,453,387
Final Selection	\$579,438	\$715,256	\$1,294,694
Required Property Tax Levy - With Additional AIM			
Non-Property Tax Revenue	\$2,247,525	\$1,371,000	\$3,618,525
Additional AIM	\$401,219	\$0	\$401,219
Scenario One	\$20,247	\$571,679	\$591,926
Scenario Two	\$116,769	\$626,873	\$743,642
Scenario Three	\$328,912	\$723,256	\$1,052,168
Final Selection	\$178,219	\$715,256	\$893,475
Projected Tax Rates - Without Additional AIM			
Taxable Assessed Value*	\$414,630,543		
Scenario One	1.016	1.379	2.395
Scenario Two	1.249	1.512	2.761
Scenario Three	1.761	1.744	3.505
Final Selection	1.397	1.725	3.123
Projected Tax Rates - With Additional AIM			
Taxable Assessed Value*	\$414,630,543		
Scenario One	0.049	1.379	1.428
Scenario Two	0.282	1.512	1.794
Scenario Three	0.793	1.744	2.538
Final Selection	0.430	1.725	2.155

*TAV Excludes EPCOR, whose payments are classified as "non-property tax" revenue.

What Does This Mean for Me?

Given current Village and Town budgets, the scenarios for change, new special district charges for former Village residents after dissolution, and the presence or absence of new state AIM payments, we show in the impact on taxpayers below.

Village

Current tax rate is \$7.17 per \$1,000 assessed valuation. After dissolution range would be between:

- *Best case:* \$2.57 per \$1,000 – a reduction of 64%
 - Assumes the highest impact scenario (one) and new AIM
- *Worst case:* \$6.09 per \$1,000 assessed value – a reduction of 15%
 - Assumes the lowest impact scenario (three) and no new AIM

Town-outside-Village

Current tax rate is \$3.91 per \$1,000 assessed valuation. After dissolution range would be between:

- *Best case:* \$2.57 per \$1,000 – a decrease of 34%
 - Assumes the highest impact scenario (one) and new AIM
- *Worst case:* \$4.38 per \$1,000 assessed value – an increase of 12%
 - Assumes the lowest impact scenario (three) and no new AIM

Summary of Town and Village Tax Rates Before and After Dissolution								
		With AIM			Without AIM			Final
	Current	One	Two	Three	One	Two	Three	Selection***
Village tax	\$ 5.68	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town tax	\$ 1.49	\$ 0.05	\$ 0.28	\$ 0.79	\$ 1.02	\$ 1.25	\$ 1.76	\$ 1.40
Town Highway tax	\$ -	\$ 1.38	\$ 1.51	\$ 1.74	\$ 1.38	\$ 1.51	\$ 1.74	\$ 1.73
Town TOV tax (hwy.)	\$ 1.54	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fire (Protection) District #1 tax*	\$ 0.87	\$ 1.14	\$ 0.87	\$ 0.87	\$ 1.14	\$ 0.87	\$ 0.87	\$ 1.27
Special District Tax Rates for Former Village Residents								
Fire (Protection) District #2 tax**	\$ -	\$ 1.14	\$ -	\$ -	\$ 1.14	\$ -	\$ -	\$ 1.27
New Special District tax**	\$ -	\$ -	\$ 2.76	\$ 2.59	\$ -	\$ 2.76	\$ 2.59	\$ 0.74
Comparison of Current to Future Town and Village Rates								
Village Residents	\$ 7.17	\$ 2.57	\$ 4.56	\$ 5.12	\$ 3.54	\$ 5.52	\$ 6.09	\$ 5.13
TOV Residents	\$ 3.91	\$ 2.57	\$ 2.67	\$ 3.41	\$ 3.54	\$ 3.63	\$ 4.38	\$ 4.39

*Fire Protection District #1 is the Town's current district covering the entirety of the TOV. For a fair comparison, we are showing the tax rate that would be applicable today based on the current fire protection budget.

**Assumes Village's EPCOR payments are transferred to special district and, if funds remain, to Fire (Protection) District #2.

Fire (Protection) District #2 assumes a new Fire District or New Fire Protection District is formed along the boundaries of the current village and not change in how costs are distributed.

New Special District tax: assumes a new district is formed, coterminous with Village, to pay for continuation of certain Village services, retiree liabilities and debt.

Rates only include Town, Village and Fire. Does not include County, School District or other misc. special districts other than those created upon dissolution.

***Final selection does not include any additional AIM allocation, but does include EPCOR funding. If such funding were eliminated, these rates, for current village residents would increase by \$5.94. See below for further explanation.

Based on a Home Assessed at \$100,000, What Would the Impact Be?

The charts below summarize – for each scenario and with or without AIM – how taxes for a home assessed for \$100,000 would change for taxpayers in the Village or in the TOV.

Village

Current tax bill = \$717

Change in tax bill = reductions ranging from \$460 (best case) to \$108 (worst case)

Town-outside-Village

Current tax bill = \$390

Change in tax bill = ranging from \$133 reduction (best case) to \$50 increase (worst case)

The charts below provide additional detail.

Scenario One with AIM					
Current Village Resident			Current TOV Resident		
Current Tax	Proposed Changes	Proposed Tax	Current Tax	Proposed Changes	Proposed Tax
Per \$1000 of assessed value					
Village tax	\$5.68	(\$5.68)	-	-	-
Town tax	\$1.49	(\$1.44)	\$0.05	(\$1.44)	\$0.05
Town Highway tax	-	\$1.38	\$1.38	\$1.38	\$1.38
Town TOV tax (hwy.)	-	-	\$1.54	(\$1.54)	-
Fire (Protection) District #1 tax*	-	-	\$0.87	\$0.27	\$1.14
Fire (Protection) District #2 tax**	-	\$1.14	-	-	-
New Special District tax**	-	-	-	-	-
Total Tax Rate	\$7.17	(\$4.60)	\$2.57	(\$1.33)	\$2.57
Tax on Home Assessed for \$100,000	\$717.00	(\$460.00)	\$257.00	(\$133.00)	\$257.00
Percentage Change in Tax	-64.2%		-34.1%		

Scenario Two with AIM					
Current Village Resident			Current TOV Resident		
Current Tax	Proposed Changes	Proposed Tax	Current Tax	Proposed Changes	Proposed Tax
Per \$1000 of assessed value					
Village tax	\$5.68	(\$5.68)	-	-	-
Town tax	\$1.49	(\$1.21)	\$0.28	(\$1.21)	\$0.28
Town Highway tax	-	\$1.51	\$1.51	\$1.51	\$1.51
Town TOV tax (hwy.)	-	-	\$1.54	(\$1.54)	-
Fire (Protection) District #1 tax*	-	-	\$0.87	-	\$0.87
Fire (Protection) District #2 tax**	-	-	-	-	-
New Special District tax**	-	\$2.76	\$2.76	-	-
Total Tax Rate	\$7.17	(\$2.62)	\$4.55	(\$1.24)	\$2.66
Tax on Home Assessed for \$100,000	\$717.00	(\$262.00)	\$455.00	(\$124.00)	\$266.00
Percentage Change in Tax	-36.5%		-31.8%		

Scenario Three with AIM					
Current Village Resident			Current TOV Resident		
Current Tax	Proposed Changes	Proposed Tax	Current Tax	Proposed Changes	Proposed Tax
Per \$1000 of assessed value					
Village tax	\$5.68	(\$5.68)	-	-	-
Town tax	\$1.49	(\$0.70)	\$0.79	(\$0.70)	\$0.79
Town Highway tax	-	\$1.74	\$1.74	\$1.74	\$1.74
Town TOV tax (hwy.)	-	-	\$1.54	(\$1.54)	-
Fire (Protection) District #1 tax*	-	-	\$0.87	-	\$0.87
Fire (Protection) District #2 tax**	-	-	-	-	-
New Special District tax**	-	\$2.59	-	-	-
Total Tax Rate	\$7.17	(\$2.05)	\$5.12	(\$0.50)	\$3.40
Tax on Home Assessed for \$100,000	\$717.00	(\$205.00)	\$512.00	(\$50.00)	\$340.00
Percentage Change in Tax	-28.6%		-12.8%		

Scenario One without AIM					
Current Village Resident			Current TOV Resident		
Current Tax	Proposed Changes	Proposed Tax	Current Tax	Proposed Changes	Proposed Tax
Per \$1000 of assessed value					
Village tax	\$5.68	(\$5.68)	-	-	-
Town tax	\$1.49	(\$0.47)	\$1.02	(\$0.47)	\$1.02
Town Highway tax	-	\$1.38	\$1.38	\$1.38	\$1.38
Town TOV tax (hwy.)	-	-	\$1.54	(\$1.54)	-
Fire (Protection) District #1 tax*	-	-	\$0.87	\$0.27	\$1.14
Fire (Protection) District #2 tax**	-	\$1.14	-	-	-
New Special District tax**	-	-	-	-	-
Total Tax Rate	\$7.17	(\$3.63)	\$3.54	(\$0.36)	\$3.54
Tax on Home Assessed for \$100,000	\$717.00	(\$363.00)	\$354.00	(\$36.00)	\$354.00
Percentage Change in Tax	-50.6%		-9.2%		

Scenario Two without AIM					
Current Village Resident			Current TOV Resident		
Current Tax	Proposed Changes	Proposed Tax	Current Tax	Proposed Changes	Proposed Tax
Per \$1000 of assessed value					
Village tax	\$5.68	(\$5.68)	-	-	-
Town tax	\$1.49	(\$0.24)	\$1.25	(\$0.24)	\$1.25
Town Highway tax	-	\$1.51	\$1.51	\$1.51	\$1.51
Town TOV tax (hwy.)	-	-	\$1.54	(\$1.54)	-
Fire (Protection) District #1 tax*	-	-	\$0.87	-	\$0.87
Fire (Protection) District #2 tax**	-	-	-	-	-
New Special District tax**	-	\$2.76	-	-	-
Total Tax Rate	\$7.17	(\$1.65)	\$5.52	(\$0.27)	\$3.63
Tax on Home Assessed for \$100,000	\$717.00	(\$165.00)	\$552.00	(\$27.00)	\$363.00
Percentage Change in Tax	-23.0%		-6.9%		

Scenario Three without AIM					
Current Village Resident			Current TOV Resident		
Current Tax	Proposed Changes	Proposed Tax	Current Tax	Proposed Changes	Proposed Tax
Per \$1000 of assessed value					
Village tax	\$5.68	(\$5.68)	-	-	-
Town tax	\$1.49	\$0.27	\$1.76	\$0.27	\$1.76
Town Highway tax	-	\$1.74	\$1.74	\$1.74	\$1.74
Town TOV tax (hwy.)	-	-	\$1.54	(\$1.54)	-
Fire (Protection) District #1 tax*	-	-	\$0.87	-	\$0.87
Fire (Protection) District #2 tax**	-	-	-	-	-
New Special District tax**	-	\$2.59	\$2.59	-	-
Total Tax Rate	\$7.17	(\$1.08)	\$6.09	\$3.90	\$0.47
Tax on Home Assessed for \$100,000	\$717.00	(\$108.00)	\$609.00	\$390.00	\$47.00
Percentage Change in Tax	-15.1%		12.1%		

Final Selection					
Current Village Resident			Current TOV Resident		
Current Tax	Proposed Changes	Proposed Tax	Current Tax	Proposed Changes	Proposed Tax
Per \$1000 of assessed value					
Village tax	\$5.68	(\$5.68)	-	-	-
Town tax	\$1.49	(\$0.09)	\$1.40	(\$0.09)	\$1.40
Town Highway tax	-	\$1.73	\$1.73	\$1.73	\$1.73
Town TOV tax (hwy.)	-	-	\$1.54	(\$1.54)	-
Fire (Protection) District #1 tax*	-	-	\$0.87	\$0.40	\$1.27
Fire (Protection) District #2 tax**	-	\$1.27	\$1.27	-	-
New Special District tax**	-	\$0.74	\$0.74	-	-
Total Tax Rate	\$7.17	(\$2.03)	\$5.14	\$3.90	\$0.50
Tax on Home Assessed for \$100,000	\$717.00	(\$203.00)	\$514.00	\$390.00	\$50.00
Percentage Change in Tax	-28.3%		12.8%		

Summary of Changes - Owner of a House Assessed at \$100,000			
	Current	Final Selection	
		w/o AIM	w/AIM
Current Village Resident			
Village/Town tax	\$717	\$513	\$416
Water Fee	\$164	\$167	\$167
Sewer Fee	\$254	\$311	\$311
Total	\$1,135	\$990	\$893
Change →		-\$145	-\$242
Current TOV Resident not a Water/Sewer User			
Village/Town tax	\$391	\$439	\$342
Change →		\$48	-\$48
Current TOV Resident who is a Water User*			
Village/Town tax	\$391	\$439	\$342
Water Fee	\$266	\$270	\$270
Sewer Fee	\$0	\$0	\$0
Total	\$657	\$709	\$612
Change →		\$52	-\$44
Current TOV Resident who is both a Water & Sewer User**			
Village/Town tax	\$391	\$439	\$342
Water Fee	\$266	\$270	\$270
Sewer Fee	\$378	\$462	\$462
Total	\$1,035	\$1,172	\$1,075
Change →		\$137	\$40

*There are 234 units in the Town of Corinth (outside the Village) that have water services but no sewer.

**There are 22 units in the Town of Corinth (outside the Village) that have both water and sewer. An additional 117 water unites are in the Town of Luzerne and are not considered here.

Note: EPCOR Funding

All the analysis above assumes that any of the current funding provided by EPCOR in its agreement with the Village will continue to be provided to the former Village residents who live in the various special districts that would be formed to provide services or pay off debt service. In the unlikely event that such funding is not continued after the Village dissolves, former Village residents (who live in the special districts) will have to pay approximately \$5.94 per \$1,000 (or about \$594 for a \$100,000 house) to make up the difference in lost revenue. Thus, under the final scenario, without EPCOR funding, the former Village resident's tax bill would go from \$990 to \$1,584, an increase of \$449 (or 40%) from their current combined tax bill of \$1,135. The following table provides a summary.

Summary of Changes-Owner of a House Assessed at \$100,000			
	Current	Final Selection with EPCOR	Final Selection without EPCOR
Current Village Resident			
Village/Town Tax	\$717	\$513	\$513
Water Fee	\$164	\$167	\$167
Sewer Fee	\$254	\$311	\$311
Loss of EPCOR	-	-	\$594
Total	\$1,135	\$990	\$1,584
Change →	-	-\$145	\$449