

This document was prepared with funds provided by the New York State Department of State under the Shared Municipal Services Incentive Grant Program.

This is the FINAL version of the study, provided to the Dissolution Committee for their recommendation to the Village Board.

Final Report for a

## Study of Village Dissolution

For the

## Village of Lake George, NY

Submitted by

## Fairweather Consulting

On

July 1, 2009

This page intentionally left blank

## Table of Contents

---

<b>Introduction and Executive Summary.....</b>	<b>1</b>
<b>Summary of the Dissolution Process.....</b>	<b>1</b>
Conduct a Dissolution Study.....	3
Identify Current Services and Quantify Costs.....	3
Identify Services to Continue/Discontinue.....	3
Identify Mechanism for Continuing Services.....	4
Quantify Fiscal Impact on Town and Village Residents.....	4
Identify Preferred Scenario.....	5
Develop Dissolution Plan and Proposition.....	5
Public Hearings and Adoption by Village Board.....	6
Village Residents Vote on Dissolution.....	6
Implementation of the Dissolution Plan.....	6
<b>The Lake George Dissolution Study.....</b>	<b>7</b>
Project Background.....	7
Service Inventory.....	8
Data Collection.....	8
Services Provided by the Village of Lake George.....	8
Costs, Revenues, Assets and Debts.....	9
Identification and Analysis of Dissolution Scenarios/Alternatives.....	11
Fiscal Impact Methodology.....	13
Scenario 3 – No Special Districts for “Hamlet” Services.....	14
Scenario 3a – No Special Districts for “Hamlet” Services, Plus Payment for Assets.....	16
Alternatives to Dissolution.....	17
Process of Creating a Coterminous Town/Village.....	18
Feasibility of a Coterminous Town Village.....	18
Other Alternatives to Dissolution.....	18
Recommended Scenario.....	19
<b>The Lake George Dissolution Plan and Proposition.....</b>	<b>20</b>
<b>Appendix A - Service Inventory.....</b>	<b>A-1</b>
<b>Appendix B - Draft Plan for Disposition of Assets and Debts.....</b>	<b>B-1</b>
<b>Appendix C - Schedule of Debts and Debt Service Payments.....</b>	<b>C-1</b>
<b>Appendix D – Fiscal Analysis of Other Dissolution Scenarios.....</b>	<b>D-1</b>
<b>Appendix E – Questions and Answers from the Dissolution Committee’s Public Hearing.....</b>	<b>E-1</b>

This page intentionally left blank

## Introduction and Executive Summary

---

This report is the culmination of a Dissolution Study performed by Fairweather Consulting on behalf of the Dissolution Study Committee formed by the Board of Trustees of the Village of Lake George. The study and this report were prepared with funds provided through the New York State Department of State under the Shared Municipal Services Incentive Grant Program.

On June 27, 2008, Fairweather Consulting and the Village of Lake George agreed to a scope of work that included the development of a Dissolution Study examining the fiscal and non-fiscal issues related to dissolution of the Village of Lake George. As well, Fairweather Consulting has prepared a draft Dissolution Plan and Proposition for Dissolution, which may be used by the Village should the Board choose to proceed with a vote on dissolution.

This report explains the outcome of the dissolution study process, beginning with a summary of the process by which Villages in New York State may be dissolved. With the dissolution process charted and explained, the report proceeds by describing the results of Fairweather Consulting's study of various scenarios for dissolution, as well as our examination of alternatives to dissolution. Finally, this report concludes with a draft Proposition for Dissolution and a Dissolution Plan, which describes the disposition of services, assets, and debts following dissolution and is required in order to place the proposition before Village voters.

Our recommendation to the Dissolution Study Committee is to proceed with conversations with the Town of Lake George with a goal of refining the draft Proposition and presenting it to voters, after the necessary reviews and public hearings, at the regular 2011 election. Prior to committing the issue to a vote, the Village should seek to establish contracts with the Town regarding the provision of services after dissolution, and for the purchase of any Village assets that the Town wishes to acquire. Furthermore, the Village should make every effort to reduce its outstanding long-term debt in order to reduce the tax burden to former Village residents after dissolution.

## Summary of the Dissolution Process

---

Villages in the State of New York are dissolved solely through locally initiated procedures: either by the Village Board of Trustees or by the filing of a petition by Village residents. When initiated by the Board of Trustees, NYS law states that any village board can adopt a resolution to submit the question of dissolution to a vote. Should this occur, a dissolution study must be conducted and approved by the village board of trustees at a public hearing, and a referendum must be scheduled for the next regular village election or special election for officers not less than 30 days after such a hearing.

When the question of dissolution is initiated by formal petition, there are additional steps that must be taken before holding a referendum. The petition for dissolution must be signed by one-third of the eligible electorate of a Village no earlier than 120 days prior to the filing of the petition to the board of trustees. Upon validation by the board of trustees, the board is required to adopt a resolution submitting the question to a vote at the next regular village election or special election for officers not less than 30 days after the public hearing to be held on dissolution. For detailed information on the process of village dissolution, please reference the Cherry Creek Consolidation Feasibility Analysis<sup>1</sup>.

Regardless of the method by which the question of dissolution is initiated, a dissolution study committee must be created to conduct a preliminary dissolution study and create a plan for dissolution. Figure 1 presents a work flow diagram that illustrates the many steps involved in village dissolution. The following sections describe these steps in greater detail.

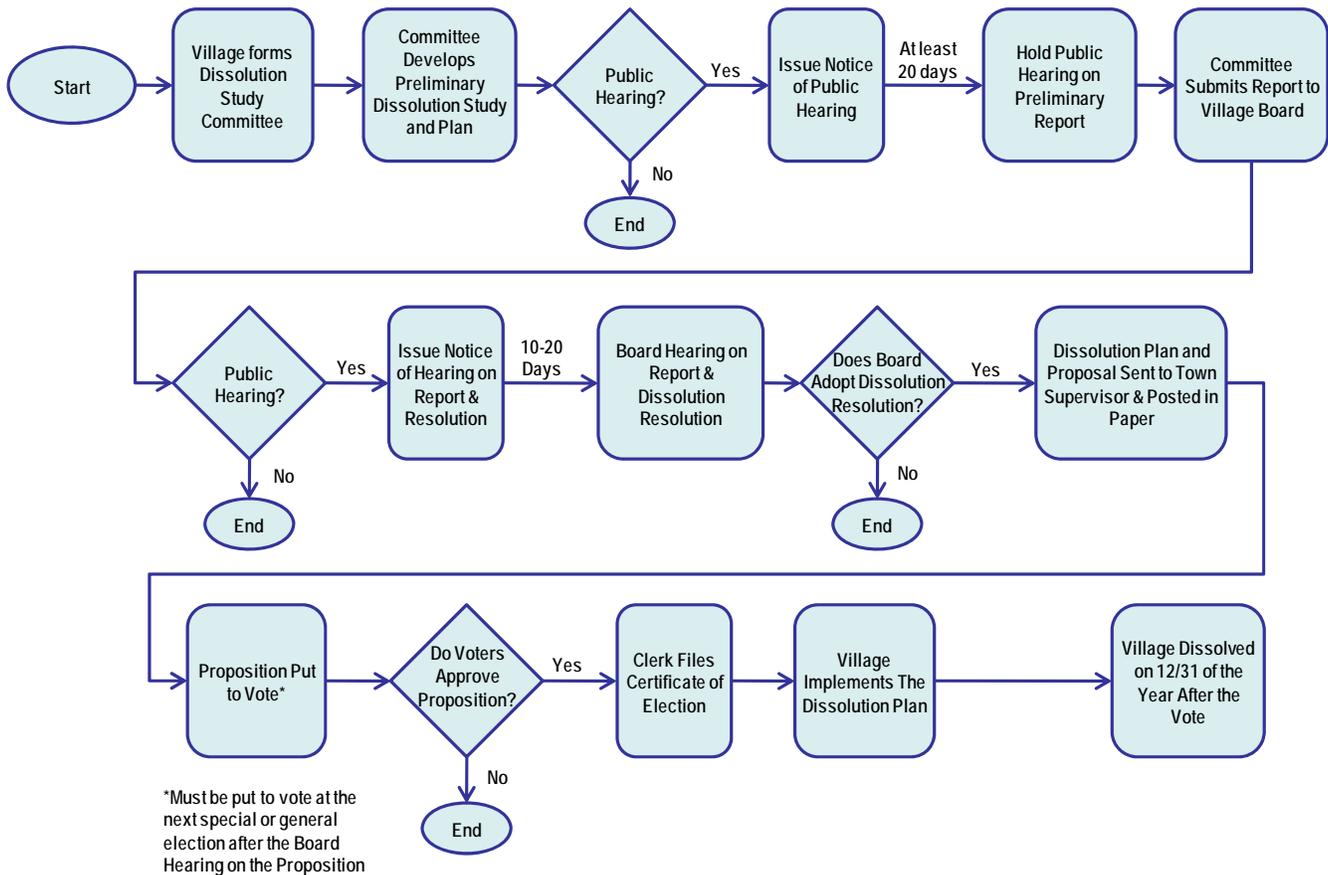


Figure 1: The process of village dissolution involves a number of steps. (Source: NYCOM Bulletin, May-June, 2008)

<sup>1</sup> Bridges, Eric & the Southern Tier West Regional Planning and Development Board. Implications of a Village Dissolution: Cherry Creek Consolidation Feasibility Analysis, 1995.

## **Conduct a Dissolution Study**

The Dissolution Study is the first step once the Village has decided, either through action of the Board or a petition from voters, to examine the issue of dissolution. The study attempts to answer two key questions: how will dissolution affect the services that Village residents receive, and how will it affect taxpayers inside and outside the Village. To conduct a dissolution study, the Village board of trustees must appoint a study committee to develop both a dissolution plan for the village as well as a final report. This study committee must include at least two representatives from each municipality in which the village is situated and must issue a plan and report to the village board of trustees within the time period established by the board.

The final study is meant to serve as a document that provides information regarding the impact of dissolution on the provision of services in the former village as well as the financial impact to taxpayers living within the bounds of the former village. The dissolution study should address the topics that are involved in the dissolution of the village and present a preferred course of action for the village.

## **Identify Current Services and Quantify Costs**

In order to study the potential effect of village dissolution, it is necessary to first identify the services that are currently being provided to the village that would be affected were the village to dissolve. Services are the basic building blocks of local government and any analysis must look carefully at what services are provided, the cost of service provision, the revenues generated by services, and whether or not the services can be provided by the Town. Isolating the costs of individual services using the current village budget allows for a more precise analysis of the cost of continuing each service following dissolution as a town-wide service, as a special district, or eliminating the service entirely. Once each service has been quantified, the analysis can be easily manipulated to create numerous scenarios that provide a various levels impact to the taxpayers in the village and the town.

## **Identify Services to Continue/Discontinue**

A village, as a generally smaller, more densely populated areas, often has a unique need for services that may not be provided by the town. When considering how to approach individual services in a dissolution study, village residents may wonder what will happen to village services following dissolution? What effect will dissolution have on the quality of services? What will happen to village employees ? These and other questions must be addressed when considering the option of village dissolution. Understanding the effect that village dissolution will have on the services currently provided by the village is a critical factor in determining the feasibility of dissolution.

Through public outreach meetings, the Village Board of Trustees can identify those services that should be continued, and those services that should be discontinued following village dissolution. If the decision is made to continue the services, than the board is faced with two options: to either continue the service as a town-wide service, or to continue it as a special district service within the boundaries of the former Village. These options are discussed in detail below.

### **Identify Mechanism for Continuing Services**

Any service that decidedly must be continued must either be assumed by the town and provided to the former village as a town-wide service or, alternatively, provided through the formation of a special district that would most likely comprise the area of the former village. Each of these options presents a unique set of challenges and costs that must be addressed when considering Village dissolution.

Continuing a service within the former village as a town-wide service means that the village transfers control over that particular service to the town, and the town provides that service to the area of the former village. This option expands the tax base for providing the service. This often has the effect of slightly decreasing the taxes of a resident of the former village while slightly increasing the taxes of the residents of the town outside of the former village. In this sense, the residents of the former village are relinquishing a certain level of control over an individual service in order to realize tax savings.

If, however, a service is not continued as a town-wide service but instead as a special district service, then the impact is much different. Choosing to continue a service in this manner means that the service will be provided by the town to the area of the former village as a special district service. This often has the effect of reducing the amount of savings realized by taxpayers residing in the area of the former village because the tax base for special district services is smaller. In this sense, the provision of special district services offers residents of the former village a greater degree of control over the service, at a higher cost.

Thorough analysis must be conducted to determine the cost of various service delivery configurations to taxpayers in the town and former village. The method of this analysis is discussed below.

### **Quantify Fiscal Impact on Town and Village Residents**

One of the primary goals of exploring the feasibility of village dissolution is to realize tax savings for Town and Village residents. The severity of this impact depends on how many, and which, services the Village decides to continue and how.

What would be the impact of service continuity on the expenditures and revenues of the town and village? How would the assets and liabilities of the village be disposed of and what would the responsibility of the town

be in assuming control of these assets and liabilities? Given the changes in expenditures, revenues, and disposition of assets and liabilities, what would the next fiscal impact of the dissolution of the village have on taxpayers including those in the town and in the village, and those who are in the town and outside the village. These are questions that must be addressed when considering the fiscal impact of Village dissolution.

In order to quantify the fiscal impact of dissolution on town and village residents, it is useful to create a number of possible scenarios that produce various impacts to the tax bill of both town and village residents. First, a baseline scenario can be created that simply combines the budgets of the town and village. This provides an example of what the “worst-case” scenario would be, that is if the Village were to dissolve and not consolidate or coordinate any services with the Town. This baseline scenario provides a useful comparison by which all other dissolution scenarios may be judged. Any scenario that results in a cost higher than that shown in the baseline scenario should not be considered an effective dissolution scenario.

From here, services can be reconfigured to create dissolution scenarios that provide options for varying levels of service delivery and varied tax impacts. While the number of possible configurations is numerous, through conversations with the village board of trustees and public hearings held during the planning process, it should be possible to focus on a few, most feasible scenarios.

### **Identify Preferred Scenario**

The dissolution study should, at its completion, identify a preferred scenario for the dissolution of the village that contains a detailed analysis of the issues presented above. The preferred scenario will be one that identifies a solution that strikes a balance between the fiscal, non-fiscal, and quality of service challenges that were presented during the dissolution study. In this sense, the preferred scenario may not be the scenario that provides that greatest amount of savings to taxpayers in the involved municipalities, as such a scenario may result in an unwanted cut in the quality or quantity of services provided, or may cause an unacceptable loss of identity and control for the residents of the former village. The preferred scenario will thus reflect the information gathered during the dissolution study from the public, municipal departments, and the board of trustees to provide an informed, balanced, and feasible path toward village dissolution.

### **Develop Dissolution Plan and Proposition**

Every potential village dissolution must be accompanied by a formal dissolution plan. This plan should stem from the information gathered during the dissolution study and should outline how former Village property would be disposed, and the manner in which outstanding obligations would be met, should Village dissolution take place. Additionally, this plan should contain a detailed analysis of various service configuration options

and the impact the dissolution would have on taxpayers, the identity of the former village, and the level of service provision.

### **Public Hearings and Adoption by Village Board**

Upon the completion of dissolution plan, a public hearing must be held. This public hearing must be advertised in the official newspaper of the Village at least 10, but not more than 20, days prior to the hearing. The public hearing provides a venue in which residents of the Village and/or Town may voice their opinion on dissolution. This hearing also establishes the time at which the dissolution plan was formally presented.

Following the public hearing on the preliminary dissolution report, the dissolution committee must submit the report to the village board of directors. At this time, the board will schedule a time to conduct a public hearing on the proposed dissolution. The notice for this public hearing must be issued in the village's official newspaper 10-20 days prior to the date of the hearing. If, at this hearing, the board adopts the dissolution resolution then the dissolution plan must be sent to the town supervisor, as well as posted in full in the village's official newspaper.

### **Village Residents Vote on Dissolution**

Approved propositions for village dissolution are put to a vote of the village residents at the next general or special election for officers following the village board's hearing on the report. If the proposition for village dissolution is approved by a majority of the voters in the village, then a certificate of the election must be filed with the clerks of each town and county in which part of the village is situated. Should the dissolution of the Village be approved, then the Village will officially dissolve on the 31<sup>st</sup> day of December (date of dissolution) in the year following the vote.

### **Implementation of the Dissolution Plan**

If the dissolution proposition and plan are approved, then the Village is obligated to carry out the dissolution as spelled out in the plan. The Village will cease to exist as an incorporated entity on the 31<sup>st</sup> day of December in the year following the vote, and in the intervening time, the Village must work closely with the Town in order to execute the dissolution plan.

Any assets that remain the property of the Village as of the date of dissolution become the property of the Town, unless otherwise stipulated by the dissolution plan approved by voters. However, according to New York State's Village Law, former Village residents remain responsible for payment of the Village's outstanding debts.

Unless the dissolution plan specifies some alternative, services formerly provided by the Village must be continued by the Town and funded either through the Town-wide General or Highway budget or through the creation of one or more Town special districts (see Articles 12 and 12-A in Town Law for more information on the formation of Special Districts). Finally, all of the laws and regulations of the Village continue, and are enforced by the Town, for a period of two years following the date of dissolution, unless the plan specifies otherwise.

## The Lake George Dissolution Study

---

### Project Background

The Village of Lake George, NY has made a commitment to further enhance the efficiency and effectiveness of municipal services. The Village has previously explored opportunities for consolidated or shared services in the Street and Highway Department, Water Department, Sanitation Department, and Buildings and Grounds Departments with the Town of Lake George. To take this effort a step further, in 2009 the Village Board established a Dissolution Study Committee to consider the benefits and drawbacks associated with the dissolution of the Village. As with all village dissolutions in New York State, a vote on Village dissolution must be preceded by a dissolution study.

For the purposes of conducting this study, the Village of Lake George retained Fairweather Consulting. The dissolution study that was conducted aimed to provide value to the community in the areas of public value, economic value, and by creating the possibility for a leveraging of local commitment. In the area of public value, the study sought to identify a service configuration that enables the most cost-effective delivery of services to enhance the quality of life in the Lake George area, something that is important to both residents and the local business community. In the area of economic value, the study outlines a means for the efficient provision of local services to minimize the net fiscal impact of local government, thereby improving the business climate in the Village area and reducing or minimizing the tax burden on Town residents both within and outside the Village. In the area of local commitment, the dissolution study builds upon the previous Village initiatives to rationalize the provision of local services in the Town and Village of Lake George.

In pursuit of these goals, the dissolution study prepared by Fairweather Consulting focuses on the three major issues involved in village dissolution: service continuity, fiscal issues, and non-fiscal issues. These topics are addressed in detail within this final report prepared by Fairweather Consulting at the conclusion of the dissolution study process.

## **Service Inventory**

The first stage in the dissolution study conducted by Fairweather Consulting involved the creation of a comprehensive service inventory. Such an inventory allowed for the isolation and quantification of individual services and, upon completion, the service inventory served as a resource for creating varied dissolution scenarios. The following sections explain the steps in this process in detail.

### **Data Collection**

The first step in constructing a comprehensive service inventory was to collect basic fiscal data from the Town and Village of Lake George. Fairweather Consulting contacted each municipality to obtain the operating budget of the most recent fiscal year, tax rate calculation info including assessed valuation and equalization rates, the capital budget with an inventory of fixed assets, actual expenditures of the Village from the most recent fiscal year, financial statements, the employee handbook, an inventory of the equipment in the Village, and staff rosters for the Town and the Village.

### **Services Provided by the Village of Lake George**

Once basic fiscal data was obtained, the next step was to identify village municipal departments. Through this process, Fairweather Consulting identified heads and trustee chairs of each department, with whom interviews were scheduled to obtain individual department data. These in person interviews lasted approximately one hour, and aimed to identify the services that the individual department provides, the personnel requirements of the department, the total costs, revenues, assets and equipment of the department, the budget codes from the most recent village budget that fall within the department, as well as additional service continuity issues, including difficulties that the department may have following the dissolution of the Village. These department interviews were the first step in quantifying village departments at the service level.

Following the interviews with department heads, Fairweather Consulting was able to identify all of the services that were provided by municipal departments in the village of Lake George (see Table 1). This was an important step in the process of conducting the dissolution study. This step allowed for the creation of a Service Inventory that provides a snapshot of the services provided by the Village of Lake George, the cost of providing each of these services, the revenues that are associated with each of these services, and the net cost of each of these services. Through repeated consultation with department heads and the Village Clerk, Fairweather Consulting refined this list to most accurately reflect the actual cost of providing each service. The importance of drilling the analysis down to the service level is explained in the section below.

Services Provided by the Village of Lake George	
Building Repair/Maintenance	Peace Officers
Benefits & Insurance Administration	Mayor and Mayor's Secretary
Budgeting	Recreation Services (incl. Rec Center)
Capital Projects (Admin/Budgeting)	Tourism Related Services (incl. Occupancy Tax)
Count/Deposit Parking Meter Receipts	Village Board
Elections Officer	Justice Court/Parking Violations Bureau
Financial Reporting	Gardens, Flower Beds and Lawns
Fire Dept Purchasing/Billing	Parks (incl. Fountains)
Licenses & Fees	Street Trees
Notary Public	Zoning and Planning
Payroll	Sewer
Purchasing	Street Lights
Records Management	Cleanup of Lawn Debris
Secretary to Village Board	Storm Drains and Culverts
Tax Collection	Litter Patrol
Vital Statistics	Parking/Meter Collection & Maintenance
Code Enforcement	Sidewalks (incl. Plowing/Shoveling)
Fire Department	Snow Removal
Beaches	Special Event Support
Leaf Cleanup	Street Maintenance
Public Docks	Street Sweeping
Historian	Woodshop
Legal	Water
Bus Transportation	Other Post-Employment Benefits

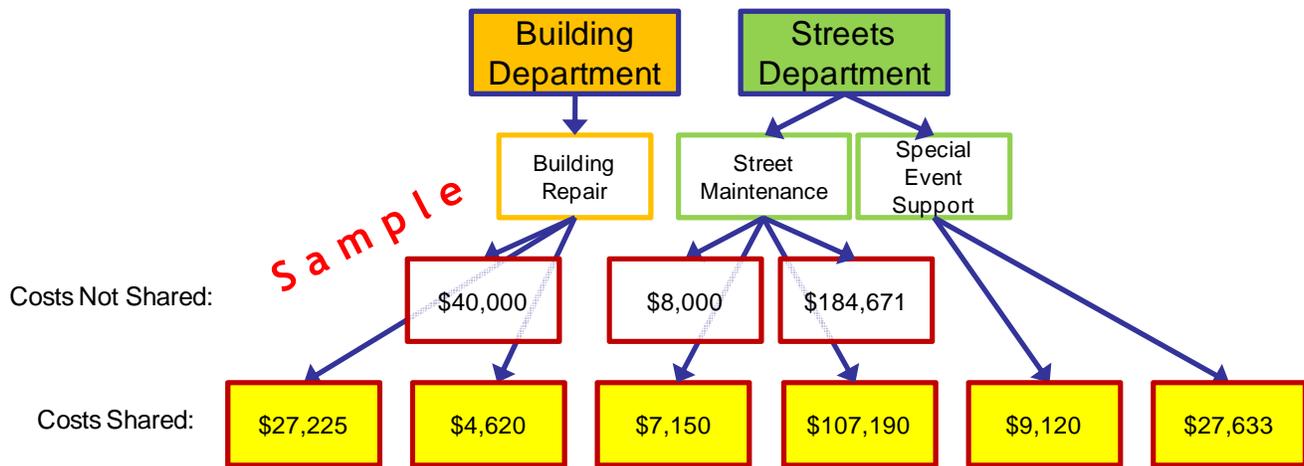
**Table 1: The Village of Lake George provides numerous municipal services to its residents.**

### Costs, Revenues, Assets and Debts

Although not represented as such in the Village budget, Fairweather Consulting focused on analyzing the costs, revenues, assets and debts of the village at the service level. This was done because our study looks at the impact of dissolution on Village services, not departments as a whole. Since some departments provide multiple services, it is possible that, upon dissolution, some of these services will be continued while others will be eliminated. Thus, drilling down to the service level allows for a more precise analysis of the impact of Village dissolution on services.

During an interview with each department head, Fairweather Consulting asked a series of questions about the individual services that his/her department provides. Once these individual services were identified, and the expenses/revenues of the department collected, it became possible to assign a percentage of the department's assets and revenues to each service. Fairweather Consulting also confirmed the equipment that is used by each department, and for which services. This again allowed for a greater degree of precision in determining the assets of the department. Since some services of a department may continue, and some may

be eliminated, assigning assets to services allows for an understanding of what would happen to individual assets upon dissolution. An example of how this analysis was conducted to determine the cost of providing individual services can be found in Figure 3.



**Figure 2: The costs of providing each service can be found combining the cost of the services that are not shared with a percentage of the cost of the service that is shared with other services.**

This process, assigning a percentage of the department’s budget to individual services, as well as determining the assets held by the department and their usage rates for each service, enabled for a precise analysis of the cost of providing each service, as well as the revenues generated by each service. A sample of the Service Inventory constructed by Fairweather Consulting detailing the costs, revenues, and resulting net cost of providing each service is shown in Table 2 and can be found in its entirety in Appendix A. This analysis allowed Fairweather Consulting to construct numerous scenarios that involved variable levels of service consolidation or elimination. These scenarios are explained in detail in the next section of this report.

#	Service Name	Cost of Service (2008-09)	Revenues from Service (2008-09)	Net Cost of Service (2008-09)
1	Building Repair/Maintenance	\$ 71,845.00	\$ 65,150.00	\$ 6,695.00
2	Benefits & Insurance Administration	\$ 35,736.29	\$ -	\$ 35,736.29
4	Budgeting	\$ 14,944.09	\$ -	\$ 14,944.09
5	Capital Projects (Admin/Budgeting)	\$ 731,675.43	\$ 114,950.00	\$ 616,725.43
6	Count/Deposit Parking Meter Receipts	\$ 4,637.35	\$ -	\$ 4,637.35
7	Elections Officer	\$ 2,793.29	\$ -	\$ 2,793.29
8	Financial Reporting	\$ 56,740.44	\$ -	\$ 56,740.44
9	Fire Dept Purchasing/Billing	\$ 4,467.04	\$ -	\$ 4,467.04
10	Licenses & Fees	\$ 11,810.87	\$ 49,470.00	\$ (37,659.13)

**Table 2: The costs, revenues, and resulting net cost of each service is the basis for a more precise analysis of the fiscal impact of each dissolution scenario. The table above is only a partial listing – for the complete listing see Appendix A.**

The debts of the Village departments were also analyzed (Table 3). However, since debts remain the responsibility of former Village residents upon dissolution it was only necessary to identify and quantify them in order to understand the tax burden that will remain with former Village residents following dissolution.

District After Dissolution	Description	Iss. Date	Original Amount	Rate	Mat. Date	Outstanding
Hamlet Districts	Street Sweeper	2004	\$109,790	4.15%	2009	\$22,000
Hamlet Districts	Lakefront Walkway Ext.	2003	\$400,000	4.00%	2018	\$241,000
Hamlet Districts	Visitor Center	2006	\$960,000	5.50%	2030	\$840,000
Hamlet Districts	Gaslight Village	2008	\$150,000	3.55%	2013	\$150,000
<b>Total Hamlet Districts Debt.</b>						<b>\$1,253,000</b>
Sewer District	Composting Facility	1999	\$191,476	5.00%	2009	\$19,147
Sewer District	Sand Washing Equipment	2006	\$166,000	4.05%	2011	\$99,600
<b>Total Sewer District Debt.</b>						<b>\$118,747</b>
Special District	Shorelines S.A.D.	1998	\$650,000	5.10%	2027	\$430,000
<b>Total Special District Debt.</b>						<b>\$430,000</b>
Water District*	Clean Water Act	1999	\$924,534	4.75%	2016	\$495,000
Water District*	Ottawa St. Water Treatment Plant	1999	\$223,000	0.00%	2020	\$122,350
Water District*	Route 9 Water Main & Tank	2003	\$861,000	0.00%	2033	\$717,500
Water District*	Middle Road Tank Improvements (1 yr BAN)	2008	\$135,000		2009	\$135,000
<b>Total Water District Debt*</b>						<b>\$1,469,850</b>
Fire District	Fire Building	2008	\$3,200,000	4.50%	2033	\$3,200,000
<b>Total Fire District Debt</b>						<b>\$3,200,000</b>
<b>Grand Total Debt</b>						<b>\$6,471,597</b>

**Table 3: The debt of the Village will remain the responsibility of former Village residents following dissolution. This table shows the current debts, and is described in Appendix B. For debt schedules and calculation of future debt payments, see Appendix C.**

### Identification and Analysis of Dissolution Scenarios/Alternatives

Once the required data was collected from the Town and from each Village department, Fairweather Consulting began the process of analyzing the data to determine the potential fiscal impacts of dissolution. The final fiscal impact, however, varies based on a number of factors, such as which services are continued and which are discontinued, whether costs are shared with residents outside the former Village or borne entirely by former Village residents, etc. Some factors are beyond the scope of this study, as was explained to the Dissolution Steering Committee. Upon dissolution, much of the way that services are delivered, and the costs those services imply, is determined by Town officials. It is likely that some cost savings may accrue simply due to the increased efficiency of a single, town-wide government. However, we have not attempted to quantify such savings. In the sections below we outline the anticipated fiscal impact of a range of scenarios involving various configurations of the services now provided by the Village. We also provide our recommended scenario. Should Village residents confirm this or any other scenario through approval of a dissolution proposition, it will be critical for the Town and the Village to work together prior to the execution of the dissolution in order to identify economies of scale and other efficiencies that may reduce the final cost of services post-dissolution.

In order to provide Village and Town residents with an understanding of the options available, a Dissolution Study must examine several possible scenarios for the provision of services after dissolution, as well as alternatives to dissolution, weighing the fiscal and non-fiscal impacts of each feasible option. Over the course of the study, Fairweather Consulting presented several scenarios and alternatives to the Dissolution Study Committee, beginning with a simple scenario where all Village and Town costs are aggregated, depicting the unlikely but illustrative situation in which dissolution results in no change to existing costs or revenues, but simply a shift in who collects those revenues and generates those expenses.

Using this simple example as a basis to explain the process of analyzing the fiscal impact of each scenario, Fairweather Consulting gathered input from the committee to form a baseline dissolution scenario. This baseline scenario, and the others that followed it, detailed the disposition of each Village service after dissolution, identifying which services would be discontinued, which would be taken on as town-wide services (and paid through a levee on the Town tax base), and which would be handled through the creation of a special improvement district (and paid through a levee on property within the district).

The following table describes the disposition of services for each of the dissolution scenarios that Fairweather Consulting examined in detail, after which follows a detailed description of fiscal impacts and non-fiscal issues.

Disposition of Services for Three Possible Dissolution Scenario							
Status Following Village Dissolution*	Scenario 1	Scenario 2	Scenario 3		Scenario 1	Scenario 2	Scenario 3
Building Repair/Maintenance	SD	TW	TW	Peace Officers	SD	SD	TW
Benefits & Insurance Administration	SD	TW	TW	Mayor and Mayor's Secretary	SD	D	D
Budgeting	SD	TW	TW	Recreation Services (incl. Rec Center)	SD	TW	TW
Capital Projects (Debt Service)	SD	SD	SD	Tourism Related Services (incl. Occupancy Tax)	SD	SD	TW
Count/Deposit Parking Meter Receipts	SD	SD	TW	Village Board	SD	D	D
Elections Officer	SD	D	D	Justice Court/Parking Violations Bureau	SD	SD	TW
Financial Reporting	SD	TW	TW	Gardens, Flower Beds and Lawns	SD	SD	TW
Fire Dept Purchasing/Billing	SD	SD	TW	Parks (incl. Fountains)	SD	SD	TW
Licenses & Fees	SD	TW	TW	Street Trees	SD	SD	TW
Notary Public	SD	D	D	Zoning and Planning	SD	TW	TW
Payroll	SD	TW	TW	Sewer	SD	SD	SD
Purchasing	SD	TW	TW	Street Lights	SD	SD	TW
Records Management	SD	TW	TW	Cleanup of Lawn Debris	SD	TW	TW
Secretary to Village Board	SD	D	D	Storm Drains and Culverts	SD	TW	TW
Tax Collection	SD	TW	TW	Litter Patrol	SD	TW	TW
Vital Statistics	SD	TW	TW	Parking/Meter Collection & Maintenance	SD	SD	TW
Code Enforcement	SD	TW	TW	Sidewalks (incl. Plowing/Shoveling)	SD	SD	TW
Fire Department	SD	SD	TW	Snow Removal	SD	TW	TW
Beaches	SD	TW	TW	Special Event Support	SD	TW	TW
Leaf Cleanup	SD	SD	TW	Street Maintenance	SD	TW	TW
Public Docks	SD	SD	TW	Street Sweeping	SD	TW	TW
Historian	SD	TW	TW	Woodshop	SD	TW	TW
Legal	SD	TW	TW	Water	SD	SD	SD
Bus Transportation	SD	SD	TW	Other Post-Employment Benefits	SD	SD	SD

\* D = Service Discontinued, TW = Service incorporated into Town-wide budget, SD = Service provided through Special District

**Table 4: Service continuity differs depending on the chosen dissolution scenario. This table describes the disposition of each service under each scenario that is described in the following sections.**

## **Fiscal Impact Methodology**

In the section that follows, we present the results of our fiscal analysis. The section describes in detail the fiscal impact of one potential outcome after dissolution, and it represents Fairweather Consulting's recommended configuration of services. During development of this study, Fairweather Consulting and the Dissolution Study Committee reviewed several other potential outcomes after dissolution, including the creation of multiple special districts. The fiscal analysis of these scenarios is provided as an appendix to this report. All of these analyses, for which detailed tables and figures are included in Appendix D, are based on a fiscal model created by Fairweather Consulting utilizing data provided by the Village and Town of Lake George.

Our fiscal analyses use budget data from the most recent available Town and Village budgets. The drawback of this approach, particularly given the timing of Village elections and the completion of this study, is that budget amounts are likely to change somewhat between the completion of this study and the actual vote on Village dissolution. To assist the Village in developing accurate cost/benefit estimates closer to the dissolution vote, Fairweather Consulting will provide the Village with an electronic copy of our fiscal models.

Another important component of our fiscal analysis is the assignment of individual costs, revenues and assets to services provided by the Village. As discussed in previous sections, this process allows us to look at a range of scenarios for the disposition of Village services – some may be discontinued, some will become town-wide services, and some may be delivered through special districts. However, Village budgets are not designed to allocate costs, revenues and assets to services, so our models include estimated allocations for each cost, revenue and major asset to one or more of the Village's services. These estimated allocations were validated by Village officials, but they may change over time and require revision prior to the vote.

Due to limitations in available data, and to reduce the complexity of the analyses, Fairweather Consulting assumed that special districts created through the dissolution, if any, would have the same boundaries as either the former Village or the Town. This assumption is necessary since assessed values of properties were not readily available for other, new special district boundaries. Our fiscal analyses frequently leave the Water Department/Special District out of calculations since costs for water services are typically covered through user fees rather than property taxes.

Finally, since Village Law states that payment of debts of the former Village remains the responsibility of former Village property owners after dissolution, we have assumed in all cases that these debt payments are a cost borne solely by former Village residents. Included in this expense are post-employment benefits for former and current Village employees, which are estimated at current levels. These debts are a major driver of

continued costs to former Village residents, and in the sections that follow, we discuss methods for reducing these costs and increasing the savings to former Village residents after dissolution.

**Scenario 3 – No Special Districts for “Hamlet” Services**

All of the previous scenarios (see Appendix D) assumed that a good deal of the services now provided by the Village would be continued through special districts. However, it is also possible that the Town would choose not to create these special districts, with the exception of the Fire, Water, and Sewer districts, and would instead incorporate former Village services into the town-wide budget. While this may sound costly to TOV residents, it is important to remember that outstanding debts and obligations of the Village are, by default, covered by a tax levee against property in the former Village. With these costs assigned to former Village residents, there is virtually no benefit to Town taxpayers in going through the lengthy and costly process of establishing special districts for services to the former Village. While eliminating the special districts presented in Scenario 2 means that the costs of these services enter the Town’s general budget, the corresponding revenues from sources such as parking fees, fines, and other non-property tax sources, also flow into the town-wide budget, greatly offsetting the increase in costs. As a result, the impact of Scenario 2 and Scenario 3 to TOV taxpayers is virtually the same.

Disposition of Services - Scenario 3								
Status Following Village Dissolution	D	TW	SD		D	TW	SD	
Building Repair/Maintenance		X		Peace Officers		X		
Benefits & Insurance Administration		X		Mayor and Mayor's Secretary	X			
Budgeting		X		Recreation Services (incl. Rec Center)		X		
Capital Projects (Debt Service)			X	Tourism Related Services (incl. Occupancy Tax)		X		
Count/Deposit Parking Meter Receipts		X		Village Board	X			
Elections Officer	X			Justice Court/Parking Violations Bureau		X		
Financial Reporting		X		Gardens, Flower Beds and Lawns		X		
Fire Dept Purchasing/Billing		X		Parks (incl. Fountains)		X		
Licenses & Fees		X		Street Trees		X		
Notary Public	X			Zoning and Planning		X		
Payroll		X		Sewer			X	
Purchasing		X		Street Lights		X		
Records Management		X		Cleanup of Lawn Debris		X		
Secretary to Village Board	X			Storm Drains and Culverts		X		
Tax Collection		X		Litter Patrol		X		
Vital Statistics		X		Parking/Meter Collection & Maintenance		X		
Code Enforcement		X		Sidewalks (incl. Plowing/Shoveling)		X		
Fire Department		X		Snow Removal		X		
Beaches		X		Special Event Support		X		
Leaf Cleanup		X		Street Maintenance		X		
Public Docks		X		Street Sweeping		X		
Historian		X		Woodshop		X		
Legal		X		Water			X	
Bus Transportation		X		Other Post-Employment Benefits			X	

\* D = Service Discontinued, TW = Service incorporated into Town-wide budget, SD = Service provided through Special District

**Table 5 - Disposition of current Village services under Scenario 3.**

**Fiscal Impact**

In Scenario 2, the services included in the “hamlet” special districts generated revenues to balance out the associated costs of those services. In Scenario 3, when these revenues and costs are both moved into the town-wide general budget, the shift has no new impact on TOV taxpayers. As with Scenario 2, which involved the creation of special districts, creating no special districts would result in an estimated \$32 increase in the TOV taxpayer’s average annual tax bill, an increase of 9%, in Scenario 3. It is possible that this increase would be reduced through cost-savings that result from merging the Village’s departments into existing Town departments, particularly under this scenario, where special districts are not created.

Additionally, this estimate does not take into account the myriad fees that TOV taxpayers would incur in the process of establishing special districts, which could easily make options that involve creation of special districts more costly for TOV taxpayers. Furthermore, any savings that accrue as Town departments take on former Village services and gain new efficiencies and economies of scale would pass directly on in the form of lower costs for all Town residents.

Scenario 3 would also result in a savings Village taxpayers that is slightly less than that in Scenario 2. It is estimated that Scenario 3 would decrease the average Village taxpayer’s annual bill by \$396, a 24% decrease.

The net fiscal impact to TOV and former Village taxpayers under Scenario 3 is summarized below.

Town Outside Village		per \$1,000	Village		per \$1,000
Townwide General Tax Rate Was	\$	1.74	Village Tax Rate Was	\$	8.07
Townwide General Tax Rate <b>Increases</b> By	+ \$	0.21	Village Tax Rate <b>Decreases</b> By	- \$	(8.07)
Townwide General Tax Rate Is	= \$	1.95	Village Tax Rate Is	= \$	-
TOV General Tax Rate Was	\$	-	Townwide General Tax Rate Was	\$	1.74
TOV General Tax Rate <b>Decreases</b> By	- \$	-	Townwide General Tax Rate <b>Increases</b> By	+ \$	0.21
TOV General Tax Rate Is	= \$	-	Townwide General Tax Rate Is	= \$	1.95
TOV Highway Tax Rate Was	\$	-	New Townwide Highway Tax Rate Was	\$	-
TOV Highway Tax Rate <b>Decreases</b> By	- \$	-	New Townwide Highway Tax Rate <b>Increases</b> By	+ \$	0.05
TOV Highway Tax Rate Is	= \$	-	New Townwide Highway Tax Rate Is	= \$	0.05
New Townwide Highway Tax Rate Was	\$	-	Tax Rate For Hamlet Districts Was	\$	-
New Townwide Highway Tax Rate <b>Increases</b> By	+ \$	0.05	Tax Rate For Hamlet Districts <b>Increases</b> By	+ \$	3.26
New Townwide Highway Tax Rate Is	= \$	0.05	Tax Rate For Hamlet Districts Is	= \$	3.26
Fire District #1 Tax Rate Was	\$	0.30	New Fire District Tax Rate Was	\$	-
Fire District #1 Tax Rate <b>Decreases</b> By	- \$	(0.30)	New Fire District Tax Rate <b>Increases</b> By	+ \$	0.23
Fire District #1 Tax Rate Is	= \$	-	New Fire District Tax Rate Is	= \$	0.23
New Fire District Tax Rate Was	\$	-	New Sewer District Tax Rate Was	\$	-
New Fire District Tax Rate <b>Increases</b> By	+ \$	0.23	New Sewer District Tax Rate <b>Increases</b> By	+ \$	1.97
New Fire District Tax Rate Is	= \$	0.23	New Sewer District Tax Rate Is	= \$	1.97
<b>Total Tax Rate Was</b>	\$	2.04	<b>Total Tax Rate Was</b>	\$	9.81
<b>Total Tax Rate <b>Increases</b> By</b>	+ \$	0.19	<b>Total Tax Rate <b>Decreases</b> By</b>	- \$	(2.35)
<b>Total Tax Rate Is</b>	= \$	2.23	<b>Total Tax Rate Is</b>	= \$	7.45
Median Home Value	\$	168,000	Median Home Value	\$	168,000
Average Tax Bill Was	\$	343	Average Tax Bill Was	\$	1,648
Average Tax Bill Is	\$	375	Average Tax Bill Is	\$	1,252
<b>Net Tax Increase</b>	<b>\$</b>	<b>32</b>	<b>Net Tax Decrease</b>	<b>\$</b>	<b>(396)</b>
Percent Tax Increase		9%	Percent Tax Decrease		-24%

**Figure 3 - Impact of Scenario 3 on the taxes paid by residents in the Town Outside Village and the Village.**

**Non-Fiscal Issues**

As described above, one of the initial reasons for analyzing Scenario 2, where special districts are created to continue most current Village services, was the expressed desire to retain a degree of control over the services provided after dissolution. As we have explained, however, the special districts are created and controlled by the Town, so no number of special districts can eliminate the need to come to a consensus about how services will be provided and the way in which service quality will be assured after dissolution. Scenario 3 assumes that such an agreement can be made between the Town and the Village, so that Village residents may remain assured that the services they believe to be critical to maintaining the Village's unique character will be continued at the level that they have come to expect. However, Scenario 3, which assumes that the majority of Village services will be continued as Town-wide services, does not rely on an agreement with the Town in order to guarantee that revenues from "hamlet" services are dedicated to offsetting the cost of those services to former Village residents.

### **Scenario 3a – No Special Districts for “Hamlet” Services, Plus Payment for Assets**

This variation on Scenario 3 assumes that the Village is able to sell its surplus assets and property, as described in Appendix B, at 20% of their total replacement value. Through the liquidation of these assets, the Village will retire a portion of its debt, thereby decreasing the debt service payments required of former Village residents after the Village dissolves. For the purposes of this analysis, we assume that these assets are purchased by a third-party, and that the purchase does not have any impact on TOV taxpayers.

#### **Fiscal Impact**

Appendix B describes the assets and property that may be sold prior to Village dissolution. The total replacement value of surplus equipment is estimated at \$2,455,695. Fairweather Consulting has not performed a valuation study of these assets. Instead, we assume that the surplus value of these assets will be 20% - 25% on average. Taking the conservative low-estimate, this suggests that the Village could generate \$491,000 by selling these surplus items. Additionally, as described in Appendix B, several Village properties may be sold prior to Village dissolution. Taking the assessed value of these properties (without buildings), Fairweather Consulting estimates that the Village could generate an additional \$500,000 to \$650,000. In total, by generating \$991,000 through the sale of assets and property, the Village can reduce its total debt service payment for 2009 by \$105,000. This in turn increases the average Village taxpayer's savings from \$396 under Scenario 3 to \$508 under Scenario 3a. Scenario 3a thus offers a 31% decrease in the average Village taxpayer's annual bill when compared to current tax rates. Additional analyses related to the value of surplus assets are included in Appendix C.

The taxpayer impact to TOV residents in Scenario 3a is identical to that realized in Scenarios 2 and 3. The full taxpayer impact to TOV and Village residents is depicted below.

Town Outside Village		per \$1,000
Townwide General Tax Rate Was	\$	1.74
Townwide General Tax Rate <b>Increases</b> By	+ \$	0.21
Townwide General Tax Rate Is	= \$	1.95
TOV General Tax Rate Was	\$	-
TOV General Tax Rate <b>Decreases</b> By	- \$	-
TOV General Tax Rate Is	= \$	-
TOV Highway Tax Rate Was	\$	-
TOV Highway Tax Rate <b>Decreases</b> By	- \$	-
TOV Highway Tax Rate Is	= \$	-
New Townwide Highway Tax Rate Was	\$	-
New Townwide Highway Tax Rate <b>Increases</b> By	+ \$	0.05
New Townwide Highway Tax Rate Is	= \$	0.05
Fire District #1 Tax Rate Was	\$	0.30
Fire District #1 Tax Rate <b>Decreases</b> By	- \$	(0.30)
Fire District #1 Tax Rate Is	= \$	-
New Fire District Tax Rate Was	\$	-
New Fire District Tax Rate <b>Increases</b> By	+ \$	0.23
New Fire District Tax Rate Is	= \$	0.23
Total Tax Rate Was	\$	2.04
Total Tax Rate <b>Increases</b> By	+ \$	0.19
Total Tax Rate Is	= \$	2.23
Median Home Value	\$	168,000
Average Tax Bill Was	\$	343
Average Tax Bill Is	\$	375
<b>Net Tax Increase</b>	<b>\$</b>	<b>32</b>
Percent Tax Increase		9%

Village		per \$1,000
Village Tax Rate Was	\$	8.07
Village Tax Rate <b>Decreases</b> By	- \$	(8.07)
Village Tax Rate Is	= \$	-
Townwide General Tax Rate Was	\$	1.74
Townwide General Tax Rate <b>Increases</b> By	+ \$	0.21
Townwide General Tax Rate Is	= \$	1.95
New Townwide Highway Tax Rate Was	\$	-
New Townwide Highway Tax Rate <b>Increases</b> By	+ \$	0.05
New Townwide Highway Tax Rate Is	= \$	0.05
Tax Rate For Hamlet Districts Was	\$	-
Tax Rate For Hamlet Districts <b>Increases</b> By	+ \$	2.59
Tax Rate For Hamlet Districts Is	= \$	2.59
New Fire District Tax Rate Was	\$	-
New Fire District Tax Rate <b>Increases</b> By	+ \$	0.23
New Fire District Tax Rate Is	= \$	0.23
New Sewer District Tax Rate Was	\$	-
New Sewer District Tax Rate <b>Increases</b> By	+ \$	1.97
New Sewer District Tax Rate Is	= \$	1.97
Total Tax Rate Was	\$	9.81
Total Tax Rate <b>Decreases</b> By	- \$	(3.02)
Total Tax Rate Is	= \$	6.79
Median Home Value	\$	168,000
Average Tax Bill Was	\$	1,648
Average Tax Bill Is	\$	1,140
<b>Net Tax Decrease</b>	<b>\$</b>	<b>(508)</b>
Percent Tax Decrease		-31%

**Figure 4 - Impact of Scenario 3a (with the sale of surplus assets) on the taxes paid by residents in the Town Outside Village and the Village.**

### Non-Fiscal Issues

As with Scenario 2a, the major non-fiscal issue related to Scenario 3a has to do with Village Law on the disposition of assets upon dissolution. Any assets owned by the Village as of the dissolution date become property of the Town. To the extent possible, it is in the best interest of Village taxpayers to liquidate those assets not required for the provision of services after dissolution, and to use those assets to retire debt of the former Village. Doing so may have a significant impact on the fiscal impact to former Village residents. However, such an arrangement requires the Village to identify assets that are not required by the Town for the provision of services to Village residents, and either to agree to terms with the Town for the purchase of surplus assets or to sell these assets to third-parties.

### Alternatives to Dissolution

During the completion of the Dissolution Study, the committee inquired about alternatives to dissolution such as the creation of a coterminous Town/Village. The committee was interested in understanding the potential benefits and drawbacks, as well as the process of creating a coterminous Town/Village. A presentation from the New York Conference of Mayors, which is available on the project web site ([www.lakegeorge.ning.com](http://www.lakegeorge.ning.com)), provided some helpful insight into the process of establishing a coterminous Town/Village, which is summarized in the following section.

## **Process of Creating a Coterminous Town/Village**

New York State law provides four means for creating a coterminous Town/Village.

1. A new Village may be incorporated in a Town that has no pre-existing incorporated Villages, with the same boundaries as the Town.
2. An existing Village may annex all of the property outside of the incorporated area, thereby creating a Village with the same boundaries as the Town.
3. The State Legislature may adopt a special act that creates the coterminous Town/Village.
4. The existing Town, through a public petition under Article Five of Town Law, may be divided into two Towns, one of which has the same boundaries as the current Village.

## **Feasibility of a Coterminous Town Village**

The first of these options does not apply in Lake George, since the Town of Lake George already includes an incorporated Village (Lake George). The third option, though technically possible, seems unlikely, particularly since only two such cases exist in New York State's history, and both were implemented in the 19<sup>th</sup> century. The following excerpt from the NYS Department of State's Office of General Council explains the process involved with creating a coterminous Town/Village through an Article Five petition:

An Article Five petition may be signed by any registered voter of the town, whether a resident of the village or not. The petition must contain signatures totaling at least five per cent of the total number of votes cast in the town for the office of Governor at the last gubernatorial election--but not less than 100 in a first-class town or not less than 25 in a second-class town. The petition must be submitted to the county legislative body, which must hold a public hearing and then make a determination whether to grant the petition. The petition may only be granted by a two-thirds vote of the county legislative body. If granted, there will then be a referendum on the division of the town. All registered town voters, including residents of the village, will be eligible to vote on the proposition to divide the town.

This process seems burdensome at best, and highly unlikely given the multiple layers of approval required. Likewise, the second option described above requires approval by residents of the unincorporated Town through a referendum, preceded by approval by both the Village and Town Boards.

While these processes may be more expeditious than the dissolution process itself, all of them inevitably involve a high level of cooperation between the Village and the Town, and most require referenda involving residents of the unincorporated Town. Even if the tax increases to TOV taxpayers is minimal, none of these options is likely to garner significant support outside the Village, and for this reason, Fairweather Consulting does not recommend that the Village pursue the option of a coterminous Town/Village government.

## **Other Alternatives to Dissolution**

Throughout the Dissolution Study, Fairweather Consulting intentionally directed effort toward creating inventories and analyses that can be useful to the Village of Lake George even if the Village chooses not to

pursue dissolution. Our Service Inventory, our Draft Plan for Disposition of Assets and Debts, and our fiscal impact models are all provided to the Village of Lake George as part of this Dissolution Study, and are configured to allow the Village to review opportunities for consolidation and sharing of services with the Town of Lake George.

### **Recommended Scenario**

Based on the fiscal analyses presented above and on our assessment of the various non-fiscal issues affecting the feasibility of each of the dissolution scenarios and alternatives to dissolution, Fairweather Consulting recommends that the Village of Lake George proceed with a vote on Scenario 3a. Under this scenario, all services except the Mayor, Village Board, Secretary to the Village Board, Elections Officer, and Notary would be continued. The Town would create new special districts to provide services currently provided by the Village Water Department, the Village Sewer Department, and the Village Fire Department, with revenues for those services generated by a tax levee against the benefited real-property owners. All other services would be incorporated into the existing structure of the Town's departments and would be paid through revenues generated by those services and, if necessary, through an increase in the Town-wide tax rate. Prior to adopting a resolution and preparing for a vote at the March 2011 election, the Village and Town should establish contracts that spell out any agreed arrangements regarding service levels and purchase of assets.

As described above, the reduction of Village debt through the sale of assets prior to dissolution is a key component of the fiscal rationale behind our recommendation. Appendix C describes the impact that the expected reduction in long-term debt could have on the remaining taxes that would be paid by Village residents after dissolution. While any government must incur debts in order to provide certain services to its constituents, once the dissolution plan is approved by voters, any assets not necessary for the provision of services should be used to reduce the legacy burden that these debts place on residents of the former Village. This effort to reduce debt is the most effective way for the Village to reduce the taxes paid by former Village residents.

These and other details regarding the implementation of Scenario 3a are explained in the draft Dissolution Plan and Proposition that follows. The Dissolution Plan, which is required by Village Law, is intended to explain to voters what the dissolution means with regard to the services they receive now and the services they will receive after dissolution, as well as the costs of those services now and the costs after dissolution.

## The Lake George Dissolution Plan and Proposition

---

### DISSOLUTION PLAN OF THE VILLAGE OF LAKE GEORGE

*Date of Vote: March \_\_\_\_, 2011*

**STATE OF NEW YORK**

**COUNTY OF WARREN**

**VILLAGE OF LAKE GEORGE**

### PROPOSITION NUMBER \_:

PROPOSITION FOR THE DISSOLUTION OF THE VILLAGE OF LAKE GEORGE, DISPOSITION OF VILLAGE PROPERTY, ESTABLISHMENT OF TOWN SPECIAL IMPROVEMENT DISTRICTS, AND ESTABLISHMENT OF THE LAKE GEORGE FIRE DISTRICT.

Shall the Village of Lake George be dissolved; shall Village property be disposed of as follows; and shall the Town of Lake George establish the Lake George Fire District:

- 1. Effective Date:** The Village of Lake George will officially dissolve on December 31, 2012.
- 2. Continuation of Services:** Following the dissolution of the Village of Lake George, the Town of Lake George will assume the duties and functions of the Village and continue to provide certain services once provided by the Village. The cost of certain specific services will be met by fees or taxes levied on real property located within the bounds of Special Improvement Districts established by the Town Board as explained in paragraphs 6 through 13 of this Dissolution Plan.
- 3. Village Laws, Ordinances, Rules and Regulations:** In accordance with Village Law Section 19-1910, all Local Laws, Ordinances, Rules and Regulations of the Village of Lake George that are in effect on the date of the dissolution of the Village will be enforced and administered by the Town of Lake George for a period of two (2) years from the date of dissolution, unless the Town of Lake George deems otherwise. At the end of the two (2) year time period all Local Laws, Ordinances, Rules and Regulations of the Village of Lake George will become null and void *unless* the Town Board of the Town of Lake George enacts certain Village laws or ordinances as the Town's own laws and ordinances.
- 4. Positions Eliminated:** The offices and positions of Mayor, Village Trustees, Superintendent of Public Works, Superintendent of Streets, Zoning Administrator, Village Clerk, Registrar of Vital Statistics, Deputy Registrar of Vital Statistics, Subregistrar of Vital Statistics, Fire Clerk, Village Historian, and Village Attorney shall be abolished upon the dissolution of the Village of Lake George.
- 5. Transfer of Village Employees:** With the exception of the positions of Mayor, Village Trustees, Fire Clerk, Village Historian, and Village Attorney, the Town of Lake George will hire all current Village employees and such employees shall

be retained by the Town for at least one year as the Town establishes appropriate staffing levels for the continuation of services provided to the former Village. These individuals will become paid employees of the Town. Employees of the Village Water Department and Village Sewer Department will work under the direction of the Superintendent of Highways. The Village Fire Clerk shall be employed by the Lake George Fire District created under this dissolution plan. As required to provide continuity of services, all other village employees will be assigned to appropriate positions in Town government.

**6. Water District:** The Town Board of the Town of Lake George will create and establish by resolution a Special Improvement District to be known as the “Town of Lake George Water District” as provided by Section 19-1914 of the Village Law and by Articles 12 and 12-A of the Town Law. The operation of this district will be subject to the decisions of the Town Board. Costs of operating the Water District will be met by user fees levied on real property owners who own land within the Water District’s boundaries *and* whose property receives water from the public water system. All of the real property lying within the bounds of the Water District will be subject to the indebtedness of such district, including any outstanding obligations and bonds issued at the time of construction of the public water supply system. All property, facilities, infrastructure, and equipment used by the Village for operating and maintaining the water system will be turned over to the Town at no cost. The boundary of this District will be coterminous with the boundary of the Village.

**7. Sewer District:** The Town Board of the Town of Lake George will create and establish by resolution a Special Improvement District to be known as the “Town of Lake George Sewer District” as provided by Section 19-1914 of the Village Law and by Articles 12 and 12-A of the Town Law. The operation of this district will be subject to the decisions of the Town Board. Costs of operating the Sewer District will be met by user fees levied on real property owners who own land within the Sewer District’s boundaries *and* whose property is connected to the sewer system. All of the real property lying within the bounds of the Sewer District will be subject to the indebtedness of such district, including any outstanding obligations and bonds issued at the time of construction of the public water supply system. All property, facilities, infrastructure, and equipment used by the Village for operating and maintaining the water system will be turned over to the Town at no cost. The boundary of this District will be coterminous with the boundary of the Village.

**8. Fire District:** Prior to the dissolution of the Village, the Town Board of the Town of Lake George will create and establish by resolution a Fire District to be known as the “Lake George Fire District” encompassing the entire Town of Lake George. The costs of operating this Fire District will be will be met by taxes levied on the benefited real property located within the bounds of the Lake George Fire District.

**9. Disposition of Fire Department:** Prior to the dissolution of the Village but following the establishment of the Lake George Fire District, the Board of Trustees of the Village of Lake George will turn over to the Lake George Fire District all of the Village’s rights, title, and interest in the Lake George Volunteer Fire Department, Inc. All property, buildings, vehicles, and equipment owned by the Village and used by the Lake George Volunteer Fire Department, Inc. for the purpose of firefighting will be turned over, at no cost, to the Lake George Fire District.

**10. Outstanding Debts and Obligations:** The Town of Lake George will assume any and all outstanding debts and obligations of the Village of Lake George including post employment benefits for Village employees. In accordance with Village Law Section 19-1912, this debt will be levied on real property that lies within the boundaries of Lake George

Village until it is paid off. The annual levy for servicing this debt shall be calculated as the annual payments due on the debt minus the amortized annual value of all fixed assets conveyed by the Village to the Town through this Proposition with the exception of assets conveyed to the Sewer, Water and Fire districts. The value of these fixed assets shall be their depreciated value as listed in the Village Financial Statements for the fiscal year ending May 31, 2010. This value shall be amortized over 24 years using an interest rate of zero percent (0%).

**16. Disposition of All Other Property:** The Village of Lake George will turn over, at no cost, to the Town of Lake George all real property and miscellaneous property not specifically disposed of in the preceding paragraphs.

**AS TO PROPOSITION NO.\_:**

Total number of votes recorded in favor of Proposition No.\_:

Total number of votes recorded in opposition to Proposition No.\_:

Total number of spoiled votes:

Total number of votes cast:

# Appendix A

## Lake George Village Dissolution Study: Services Inventory

---

#	Service Name	Cost of Service (2008-09)	Revenues from Service (2008-09)	Net Cost of Service (2008-09)
1	Building Repair/Maintenance	\$ 71,845.00	\$ 65,150.00	\$ 6,695.00
2	Benefits & Insurance Administration	\$ 35,736.29	\$ -	\$ 35,736.29
4	Budgeting	\$ 14,944.09	\$ -	\$ 14,944.09
5	Capital Projects (Admin/Budgeting)	\$ 731,675.43	\$ 114,950.00	\$ 616,725.43
6	Count/Deposit Parking Meter Receipts	\$ 4,637.35	\$ -	\$ 4,637.35
7	Elections Officer	\$ 2,793.29	\$ -	\$ 2,793.29
8	Financial Reporting	\$ 56,740.44	\$ -	\$ 56,740.44
9	Fire Dept Purchasing/Billing	\$ 4,467.04	\$ -	\$ 4,467.04
10	Licenses & Fees	\$ 11,810.87	\$ 49,470.00	\$ (37,659.13)
11	Notary Public	\$ 36.00	\$ -	\$ 36.00
12	Payroll	\$ 4,652.35	\$ -	\$ 4,652.35
13	Purchasing	\$ 13,491.12	\$ -	\$ 13,491.12
14	Records Management	\$ 1,195.53	\$ -	\$ 1,195.53
15	Secretary to Village Board	\$ 8,966.45	\$ -	\$ 8,966.45
16	Tax Collection	\$ 1,883.29	\$ 633,750.00	\$ (631,866.71)
17	Vital Statistics	\$ 1,390.53	\$ 100.00	\$ 1,290.53
19	Code Enforcement	\$ 38,368.52	\$ -	\$ 38,368.52
25	Fire Department	\$ 176,535.48	\$ 199,732.00	\$ (23,196.52)
27	Beaches	\$ 32,945.60	\$ 1,700.00	\$ 31,245.60
28	Leaf Cleanup	\$ 24,505.78	\$ -	\$ 24,505.78
29	Public Docks	\$ 22,552.89	\$ 21,570.00	\$ 982.89
30	Historian	\$ 4,012.37	\$ -	\$ 4,012.37
32	Legal	\$ 49,867.24	\$ -	\$ 49,867.24
34	Bus Transportation	\$ 9,000.00	\$ -	\$ 9,000.00

#	Service Name	Cost of Service (2008-09)	Revenues from Service (2008-09)	Net Cost of Service (2008-09)
35	Peace Officers	\$ 132,873.94	\$ -	\$ 132,873.94
36	Mayor and Mayor's Secretary	\$ 92,999.50	\$ -	\$ 92,999.50
37	Recreation Services (incl. Rec Center)	\$ 112,734.25	\$ 41,980.00	\$ 70,754.25
38	Tourism Related Services (incl. Occupancy Tax)	\$ 212,200.81	\$ 112,580.00	\$ 99,620.81
39	Village Board	\$ 41,785.37	\$ -	\$ 41,785.37
40	Justice Court/Parking Violations Bureau	\$ 19,835.64	\$ 45,140.00	\$ (25,304.36)
41	Gardens, Flower Beds and Lawns	\$ 44,305.16	\$ -	\$ 44,305.16
44	Parks (incl. Fountains)	\$ 64,401.47	\$ 500.00	\$ 63,901.47
45	Street Trees	\$ 8,900.74	\$ -	\$ 8,900.74
47	Zoning and Planning	\$ 25,649.19	\$ 3,250.00	\$ 22,399.19
49	Sewer	\$ 716,071.21	\$ 405,661.00	\$ 310,410.21
52	Street Lights	\$ 112,652.89	\$ -	\$ 112,652.89
54	Cleanup of Lawn Debris	\$ 12,252.89	\$ -	\$ 12,252.89
55	Storm Drains & Culverts	\$ 12,500.00	\$ 700.00	\$ 11,800.00
56	Litter Patrol	\$ 31,088.69	\$ -	\$ 31,088.69
57	Parking/Meter Collection & Maintenance	\$ 49,773.66	\$ 515,565.00	\$ (465,791.34)
58	Sidewalks (incl. Plowing/Shoveling)	\$ 44,102.89	\$ -	\$ 44,102.89
59	Snow Removal	\$ 56,505.78	\$ 300.00	\$ 56,205.78
60	Special Event Support	\$ 36,752.89	\$ 3,500.00	\$ 33,252.89
61	Street Maintenance	\$ 281,668.77	\$ 22,500.00	\$ 259,168.77
62	Street Sweeping	\$ 39,505.78	\$ -	\$ 39,505.78
64	Woodshop	\$ 14,652.89	\$ -	\$ 14,652.89
66	Water	\$ 795,151.07	\$ 757,400.00	\$ 37,751.07
67	Other Post-Employment Benefits	\$ 112,051.55	\$ -	\$ 112,051.55
		<b>\$ 4,394,469.96</b>	<b>\$ 2,995,498.00</b>	<b>\$ 1,398,971.96</b>

## Appendix B

# Lake George Village Dissolution Study: Draft Plan for Disposition of Assets and Debts

---

This document provides a detailed breakdown of the assets and debts of the Village of Lake George as of the beginning of the 2008-2009 fiscal year (June 1, 2008). Using data provided by the Village, Fairweather Consulting compiled separate lists of land, buildings, machinery & equipment, and infrastructure assets and long-term debt obligations of the Village. **These estimates are not intended to represent the market value of assets, but rather the replacement cost of assets, or the depreciated book value (if available), which will serve as a starting point for estimating the possible market value of the Village's assets.**

Equipment and machinery included in the figures below is limited to items with a cost greater than or equal to \$2,000. Where depreciation schedules were available, a depreciated book value is provided. Otherwise, the value of each asset (with the exception of land) is equal to the cost of that asset or the replacement cost new (if less than the original cost). For land, the assessed value and estimated full market value are provided.

The following table shows the total value of assets owned by the Village.

Asset Type	Assessed Value (Land and Buildings)	Assessed Value (Land Only)	Full Market Value (Land and Buildings)	Cost/Replacement Cost New	Depreciated Book Value
Land	\$2,722,908	\$2,504,237	\$4,297,587	-	-
Buildings	-	-	-	\$16,174,287	\$16,207,691
Machinery & Equipment	-	-	-	\$2,852,667	\$2,353,141
Infrastructure	-	-	-	\$1,866,700	\$1,862,266
<b>Total</b>	<b>\$2,722,908</b>	<b>\$2,504,237</b>	<b>\$4,297,587</b>	<b>\$20,893,653</b>	<b>\$20,423,098</b>

The table below shows the Village's current long-term debt and the district whose residents would be responsible for any remaining debt after dissolution.

District After Dissolution	Description	Issue Date	Original Amount	Rate	Maturity Date	Outstanding
Hamlet Districts	Street Sweeper	2004	\$109,790	4.15%	2009	\$22,000
Hamlet Districts	Lakefront Walkway Ext.	2003	\$400,000	4.00%	2018	\$241,000
Hamlet Districts	Visitor Center	2006	\$960,000	5.50%	2030	\$840,000
Hamlet Districts	Gaslight Village	2008	\$150,000	3.55%	2013	\$150,000
<i>Total Hamlet Districts Debt</i>						<i>\$1,253,000</i>
Sewer District	Composting Facility	1999	\$191,476	5.00%	2009	\$19,147
Sewer District	Sand Washing Equipment	2006	\$166,000	4.05%	2011	\$99,600
<i>Total Sewer District Debt</i>						<i>\$118,747</i>
Special District	Shoreline S.A.D	1998	\$650,000	5.10%	2027	\$430,000
<i>Total Special District Debt</i>						<i>\$430,000</i>
Water District*	Clean Water Act	1999	\$924,534	4.75%	2016	\$495,000
Water District*	Ottawa St. Water Treatment Plant	1999	\$223,000	0.00%	2020	\$122,350
Water District*	Route 9 Water Main & Tank	2003	\$861,000	0.00%	2033	\$717,500
Water District*	Middle Road Tank Improvements (1 yr BAN)	2008	\$135,000		2009	\$135,000
<i>Total Water District Debt*</i>						<i>\$1,469,850</i>
Fire District	Fire Building	2008	\$3,200,000	4.50%	2033	\$3,200,000
<i>Total Fire District Debt</i>						<i>\$3,200,000</i>
<b>Grand Total Debt</b>						<b>\$6,471,597</b>

\*All expenses of the Water Department, including debt service, are paid with revenues generated by user fees, not by a tax levee.

In the sections below, detailed lists of the Village’s assets (with values greater than or equal to \$2,000) are provided, along with the outstanding debt associated with each asset (if any). Separate asset lists are provided for each proposed special district, and include all of the current Village assets that are deemed necessary for the special district to provide services. The remaining assets are grouped into an “Other Village Assets” category.

While the total value of non-land assets owned by the Village is over \$20,000,000, it is important to note that many of the Village’s assets will continue to be used in the provision of services to former Village residents. The table below provides a breakdown of the Village’s non-land assets by the special district that will utilize them after dissolution in the provision of services to former Village residents.

District	Cost/Replacement Cost New	Depreciated Book Value
Hamlet Districts*	\$4,429,098	\$4,280,131
Sewer District	\$5,884,785	\$5,810,796
Water District	\$4,761,103	\$4,461,965
Fire District	\$4,269,411	\$4,159,144
Other Assets	\$2,455,695	\$1,749,955
<b>Total</b>	<b>\$21,405,207</b>	<b>\$20,461,960</b>

\*Hamlet Districts includes the Lighting District, Sidewalk District, Public Dock District, Public Parking District, and Parks District

Our analysis assumes that the assets assigned to a future special district will not be sold, but rather will be turned over to the Town or Fire District (as appropriate), perhaps under a contract to ensure that these assets are used in the provision of services to the residents within the new special districts and that, if sold, the proceeds from these assets will be used to retire the debt of the former Village. Counting only the assets that are not needed to provide services within special districts, the replacement value of Village assets to be liquidated upon dissolution is \$2,455,695. Furthermore, since most of these assets are valued based on their original cost, this is a best-case estimate; the actual market value of these assets could be significantly lower.

The sections that follow describe the planned disposition of Village-owned assets upon dissolution of the Village. By default, all assets owned by the Village upon dissolution are turned over to the Town unless otherwise stipulated in the Village’s dissolution plan. The lists of assets that follow are intended to provide the Village and the Town with the information that they will require to determine the appropriate plan for the Village’s assets upon dissolution. The values provided in these lists are estimates provided by the Village and should not be taken as the market value of the assets. Instead, these values provide a framework for the Village and Town to discuss the viable alternatives for disposition of Village assets upon dissolution.

## Land

This table lists the assessed value and estimated market value of land owned by the Village for which no known conditions exist preventing its sale. In the column labeled "Disposition," we have indicated that several parcels are expected to remain in use within one or more of the "Hamlet" special districts. Land with significant existing development is typically classified under buildings and is included in the asset lists in later sections of this document.

ID	Disposition	Description	Asset Type	Assessed Value (Land and Buildings)	Assessed Value (Land Only)	Full Market Value (Land and Buildings)	Remaining Debt
616	Fire	Helen Street - Fire Dept. Annex (251.14-4-32)	Land	\$76,800	\$27,200	\$120,000	
	<i>Total Fire</i>			<i>\$76,800</i>	<i>\$27,200</i>	<i>\$120,000</i>	<i>\$0</i>
617	Hamlet	Ottawa Street - James St. Parking Lot (251.18-3-9)	Land	\$39,800	\$30,300	\$62,188	
626	Other	Rec Center - Landfill (263.03-1-1.1)	Land	\$122,100	\$61,200	\$201,818	
627	Other	Rec Center - Private Forest (263-3-4)	Land	\$84,200	\$84,200	\$139,174	
621	Hamlet	Beach Road - Docks (251.18-3-66)	Land	\$351,500	\$351,500	\$549,219	
622	Hamlet	Beach Road - Docks and Restrooms (251.18-3-67)	Land	\$744,500	\$744,500	\$1,163,281	
623	Hamlet	Beach Road - Parking Lot (251.18-3-69)	Land	\$618,600	\$557,000	\$966,563	
	<i>Total Hamlet</i>			<i>\$1,960,700</i>	<i>\$1,828,700</i>	<i>\$3,082,243</i>	<i>\$0</i>
615	Other	Rte 9 Vacant Land (251.10-3-45)	Land	\$41,300	\$41,300	\$64,531	
624	Other	Gaslight Village (19% interest)	Land	\$544,008	\$526,737	\$879,592	\$150,000
625	Other	Hadley-Luzerne - Private Wild & Forest (263-1-6)	Land	\$21,800	\$21,800	\$21,800	
628	Other	Lakeshore Dr. - Tahoe Pump Station (251.07-1-66)	Land	\$78,300	\$58,500	\$129,421	
	<i>Total Other</i>			<i>\$685,408</i>	<i>\$648,337</i>	<i>\$1,095,344</i>	<i>\$150,000</i>
<b>Grand Total</b>				<b>\$2,722,908</b>	<b>\$2,504,237</b>	<b>\$4,297,587</b>	<b>\$150,000</b>

## Hamlet Districts Assets

Many of the assets now owned by the Village would continue to be used exclusively for the provision of services to residents of the former Village. These services will be provided through a series of special districts (collectively referred to as the Hamlet Special Districts), and since the assets will continue to benefit the same residents, the Village would allow ownership of these assets to transfer to the Town upon dissolution, without any payment or credit. All debts associated with these assets will be paid by residents of the new Hamlet Districts.

ID	Hamlet Districts Assets	Asset Type	Acquired	Cost	Replacement Cost	Useful Life	Deprec. (2007- 08)	Acc. Deprec. (5/31/2008)	Book Value	Remaining Debt
565	Visitor Center, 1 Beach Road	Building	5/31/2007	\$1,593,037	\$665,800	30	\$53,101	\$106,203	\$1,486,834	\$840,000
613	Shoreline Improvements	Infrastructure		\$650,000	\$650,000				\$650,000	\$430,000
575	Village Pier, Canada Street	Building	N/A	\$410,000	\$410,000				\$410,000	

ID	Hamlet Districts Assets	Asset Type	Acquired	Cost	Replacement Cost	Useful Life	Deprec. (2007-08)	Acc. Deprec. (5/31/2008)	Book Value	Remaining Debt
630	Lakefront Walkway Ext (Lower Montcalm to Lower Amherst and Shepard Park Improvements)	Infrastructure		\$400,000	\$400,000				\$400,000	\$241,000
577	Park Bath, Canada Street	Building	N/A	\$302,700	\$302,700				\$302,700	
631	Lake Avenue Park (Beach, stormwater, lighting improvements)	Infrastructure		\$240,000	\$240,000				\$240,000	
633	Schuyler Street Stormwater Project	Infrastructure		\$150,000	\$150,000				\$150,000	
88	315 Model 90 Eagle 2000 Meters	Infrastructure	2000-2001	\$96,998	\$96,998				\$96,998	
470	ELGIN PELICAN SWEEPER	Equipment	5/31/2005	\$109,790	\$109,790	15	\$7,319	\$29,277	\$80,513	\$22,000
593	Band Stand, Canada Street	Building		\$52,000	\$52,000				\$52,000	
596	Docks, Beach Road	Building		\$36,400	\$36,400				\$36,400	
634	New Docks	Equipment		\$27,900	\$27,900				\$27,900	
597	Water Fountain Structure, Canada Street	Building		\$24,876	\$24,876				\$24,876	
333	2007 FORD F350	Equipment	1/1/2006	\$31,469	\$31,469	7	\$4,496	\$13,487	\$17,982	
302	(12) Sternberg Lights	Equipment	2000-2001	\$16,418	\$16,418				\$16,418	
321	2004 4510 4WD TRACTOR	Equipment	2004-2005	\$13,952	\$13,952				\$13,952	
308	STERNBERG STRAIGHT ST LIGHTS	Equipment	2006-2007	\$13,325	\$13,325				\$13,325	
606	Playground Equipment, Canada Street	Building		\$12,352	\$12,352				\$12,352	
340	TREE HOUSE PLAY SYSTEM	Equipment	2007-2008	\$12,352	\$12,352				\$12,352	
91	1 Price Mgmt. Software	Equipment	2000-2001	\$11,490	\$11,490				\$11,490	
90	3 Husky FS2 hnd-held Terminals	Equipment	2000-2001	\$10,197	\$10,197				\$10,197	
326	1998 NEW HOLLAND SKID STEER	Equipment	2004-2005	\$10,000	\$10,000				\$10,000	
95	Schlumberger DGLine CBV Pay & Display Meter (multit-space)	Infrastructure	2001-2002	\$9,995	\$9,995				\$9,995	
301	(10) Sternberg Lights	Equipment	1998-1999	\$9,778	\$9,778				\$9,778	
307	6 STERNBERG CANDY CANES	Equipment	2005-2006	\$9,600	\$9,600				\$9,600	
342	Multi-space pay & display meter	Equipment	2002-2003	\$9,445	\$9,445				\$9,445	
299	(10) Sternberg Lights	Equipment	1997-1998	\$9,204	\$9,204				\$9,204	
298	(10) Sternberg Lights - Verde Green	Equipment	1996-1997	\$8,950	\$8,950				\$8,950	
472	10 Sternberg Lamposts	Equipment	1994-1995	\$8,850	\$8,850				\$8,850	
319	2004 Artic Cat 4-Stroke Bearcat Snowmobile 660 cc Wide Track w/ Aux. Radiator Install.	Equipment	2003-2004	\$8,200	\$8,200				\$8,200	
109	23 METERS	Infrastructure	2004-2005	\$7,082	\$7,082				\$7,082	
297	(14) Adjusta Post Lights	Equipment	1985-1986	\$6,800	\$6,800				\$6,800	
83	37 Meters & Parts	Infrastructure	1986-1987	\$6,660	\$6,660				\$6,660	

ID	Hamlet Districts Assets	Asset Type	Acquired	Cost	Replacement Cost	Useful Life	Deprec. (2007-08)	Acc. Deprec. (5/31/2008)	Book Value	Remaining Debt
331	1 - HUSQVARNA MDL IZ5223T MOWER	Equipment	2006-2007	\$6,390	\$6,390				\$6,390	
315	26 - COINBOX	Equipment	2006-2007	\$5,941	\$5,941				\$5,941	
19	Coin Counter w/tray,stand,bag hldr	Equipment	1999-2000	\$5,075	\$5,075				\$5,075	
84	53 Meter Casings, 20 Mechanisms	Infrastructure	1987-1988	\$4,928	\$4,928				\$4,928	
314	26 - SINGLE EAGLE PKG METERS	Equipment	2006-2007	\$4,809	\$4,809				\$4,809	
34	KYOCERA MITA COPIER W/INTERNAL DOC FEEDER SN K3028670 SN D3293455	Equipment	2005-2006	\$4,806	\$4,806				\$4,806	
353	36 Banners (Fam Fest, Sum Fest)	Equipment	2001-2002	\$4,684	\$4,684				\$4,684	
300	(5) Sternberg Lights	Equipment	1997-1998	\$4,602	\$4,602				\$4,602	
312	3 UNITS - ENC - REFURBISH UPGRADE SOFTWARE TO MATCH UNITS	Equipment	2004-2005	\$4,500	\$4,500				\$4,500	
108	LINE LAZER 3900 III STRIPER	Equipment	2004-2005	\$4,298	\$4,298				\$4,298	
87	John Deere 4x2 Gator	Equipment	2000-2001	\$4,250	\$4,250				\$4,250	
304	4-Streetlight Posts	Equipment	2001-2002	\$4,172	\$4,172				\$4,172	
306	3 STERNBERG STRAIGHT ST LIGHTS	Equipment	2005-2006	\$4,077	\$4,077				\$4,077	
89	144 Connection Cross Bars	Infrastructure	2000-2001	\$3,960	\$3,960				\$3,960	
476	4 Sternberg Lamposts	Equipment	1994-1995	\$3,740	\$3,740				\$3,740	
475	4 Sternberg Lamposts	Equipment	1994-1995	\$3,540	\$3,540				\$3,540	
327	1998 SNOWBLOWER	Equipment	2004-2005	\$3,500	\$3,500				\$3,500	
305	(2) Sternberg Candy Cane Lights	Equipment	2002-2003	\$3,080	\$3,080				\$3,080	
323	2006 4510 4WD TRACTOR - FRONT END LOADER	Equipment	2004-2005	\$3,048	\$3,048				\$3,048	
110	PELICAN COIN COUNTER	Equipment	2005-2006	\$2,795	\$2,795				\$2,795	
41	DELL OPTIPLEX GX520SYSTEM	Equipment	2006-2007	\$2,547	\$2,547				\$2,547	
347	8 FIVE FOOT SNOWFLAKES	Equipment		\$2,535	\$2,535				\$2,535	
60	42 PLASMA FLAT PANAL	Equipment	2006-2007	\$2,498	\$2,498				\$2,498	
471	6 Bench Ends -	Equipment	1991-1992	\$2,401	\$2,401				\$2,401	
334	3 - ALUMINUM BLEACHERS	Equipment	2006-2007	\$2,379	\$2,379				\$2,379	
330	16 FT LANDSCAPE TRAILER. MODEL C7 16 L 70. VIN 1G91A16285S203056 PLATE L63122	Equipment	2004-2005	\$2,350	\$2,350				\$2,350	
366	(11) 5' Snowflakes	Equipment	2001-2002	\$2,277	\$2,277				\$2,277	
329	750lb 304 Stainless Steel Estate Fertilizer Spreader, Floatation tires, grd. Drive w/salt attachment	Equipment	2004-2005	\$2,070	\$2,070				\$2,070	

ID	Hamlet Districts Assets	Asset Type	Acquired	Cost	Replacement Cost	Useful Life	Deprec. (2007-08)	Acc. Deprec. (5/31/2008)	Book Value	Remaining Debt
350	Power Amplifier, Mixer & misc.	Equipment	1998-1999	\$2,028	\$2,028				\$2,028	
328	1998 BROOM	Equipment	2004-2005	\$2,000	\$2,000				\$2,000	
<b>Total</b>				<b>\$4,429,098</b>	<b>\$3,501,861</b>				<b>\$4,280,131</b>	<b>\$1,533,000</b>

### Sewer District Assets

Some of the assets now owned by the Village are used exclusively for the provision of sanitary sewer services. These assets would transfer to the new Sewer District upon dissolution of the Village. No payment or credit would be required since the new district encompasses the same residents as the former Village. All debts associated with these assets will be paid by residents of the new Sewer District.

ID	Sewer District Assets	Asset Type	Acquired	Cost	Replacement Cost	Useful Life	Deprec. (2007-08)	Acc. Deprec. (5/31/2008)	Book Value	Remaining Debt
566	Shepard Park Pump Station, Canada Street	Building	N/A	\$1,409,000	\$1,409,000				\$1,409,000	
567	Trickling Filter, 1 Treatment Avenue	Building	N/A	\$719,000	\$719,000				\$719,000	
571	Sewer Lab, 1 Treatment Avenue	Building	N/A	\$503,900	\$503,900				\$503,900	
572	Sludge Press Building, 1 Treatment Avenue	Building	N/A	\$482,300	\$482,300				\$482,300	
574	Final Clarifier Building, 1 Treatment Avenue	Building	N/A	\$432,900	\$432,900				\$432,900	
580	EQ Holding Tank, 1 Treatment Avenue	Building	N/A	\$262,400	\$262,400				\$262,400	
581	Pump House, 1 Treatment Avenue	Building	N/A	\$199,800	\$199,800				\$199,800	
632	Composting Plant (25% interest in plant and all improvements)	Infrastructure		\$191,476	\$191,476				\$191,476	\$19,147
582	Primary Clarifier #3, 1 Treatment Avenue	Building	N/A	\$177,900	\$177,900				\$177,900	
583	Primary Clarifier #1, 1 Treatment Avenue	Building	N/A	\$172,000	\$172,000				\$172,000	
584	Primary Clarifier #2, 1 Treatment Avenue	Building	N/A	\$172,000	\$172,000				\$172,000	
463	SAND WASHING EQUIPMENT RAWSON MDL 530 TROMMEL SCREEN SN 64406 TRIO TIRE WASHER SN 6806 RAWSON MDL RC6024 RADIAL STACKER SN 637506	Equipment	2006-2007	\$163,828	\$163,828				\$163,828	\$99,600
585	Pole Barn, 1 Treatment Avenue	Building	N/A	\$112,900	\$112,900				\$112,900	
589	Aluminum Building, Birch Ave	Building		\$75,712	\$75,712				\$75,712	
590	Pump Station, Bolton Road	Building		\$72,800	\$72,800				\$72,800	
592	Waste Water Holding Tank, Birch Ave	Building		\$53,768	\$53,768				\$53,768	
594	Diversion Structure, Birch Ave	Building		\$43,992	\$43,992				\$43,992	
443	924G-00 Caterpillar Wheelloader w/ the following items:	Equipment	5/31/2003	\$68,679	\$68,679	15	\$4,579	\$27,472	\$41,207	
636	2003 Ford F550 Dump Truck Diesel (1FDAF57D93ED73740)	Equipment		\$37,336	\$96,998				\$96,998	
638	2008 FORD F350 PICK UP DIESEL GREEN	Equipment		\$33,438	\$33,438				\$33,438	

ID	Sewer District Assets	Asset Type	Acquired	Cost	Replacement Cost	Useful Life	Deprec. (2007-08)	Acc. Deprec. (5/31/2008)	Book Value	Remaining Debt
	(1FTWF31R28EE43062)									
454	2005 FORD F250 4X4	Equipment	2004-2005	\$23,676	\$23,676				\$23,676	
598	Valve Building (6), Birch Ave	Building		\$22,869	\$22,869				\$22,869	
373	Control Panel/pump system	Equipment	1999-2000	\$18,500	\$18,500				\$18,500	
600	Diversion Chamber (5), Birch Ave	Building		\$18,228	\$18,228				\$18,228	
601	Compressor, Birch Ave	Building		\$17,700	\$17,700				\$17,700	
465	97 KAWASAKI WHEEL LOADER	Equipment	5/31/1998	\$59,229	\$59,229	15	\$3,949	\$43,435	\$15,794	
602	Storage Building, Birch Ave	Building		\$15,600	\$15,600				\$15,600	
436	1993 Ford Tractor - Model 1715w/ 2010 snowblower	Equipment	2000-2001	\$14,285	\$14,285				\$14,285	
456	JOHN DEERE 4120 TRACTOR	Equipment	2004-2005	\$13,952	\$13,952				\$13,952	
372	Rotator Sewer Jet	Equipment	1997-1998	\$13,834	\$13,834				\$13,834	
403	Muffin Monster	Equipment	1991-1992	\$13,492	\$13,492				\$13,492	
369	Muffin Monster - cast iron 24" chamber	Equipment	1992-1993	\$13,000	\$13,000				\$13,000	
412	Muffin Monster	Equipment	1993-1994	\$13,000	\$13,000				\$13,000	
450	6L - V8 Diesel Eng./6 spd Trans (Vin#1FDAF57P93ED73740)	Equipment	5/31/2004	\$37,336	\$37,336	7	\$5,334	\$26,669	\$10,667	
608	Waste Diversion, Birch Ave	Building		\$10,400	\$10,400				\$10,400	
377	MUFFIN MONSTER GRINDER INCL CORE CHG	Equipment	2005-2006	\$9,825	\$9,825				\$9,825	
439	Cured In Place Project	Equipment	5/31/2002	\$32,250	\$32,250	10	\$3,225	\$22,575	\$9,675	
374	Control Panel @ Shepard Park	Equipment	5/31/2003	\$22,500	\$22,500	10	\$2,250	\$13,500	\$9,000	
405	Used Muffin Monster	Equipment	1991-1992	\$8,312	\$8,312				\$8,312	
423	3" Dbl.Disc Pump	Equipment	1997-1998	\$7,752	\$7,752				\$7,752	
396	2000 gl.dbl.Wall Tank @ Shepard Park	Equipment	1988-1989	\$7,650	\$7,650				\$7,650	
466	MODULAR DIVIT ARM, ETC.	Equipment	2007-2008	\$7,256	\$7,256				\$7,256	
370	Yeomans Sewage Pump @ Shepard Park	Equipment	1995-1996	\$6,950	\$6,950				\$6,950	
371	Yeomans Pump @ Shepard Park	Equipment	1995-1996	\$6,950	\$6,950				\$6,950	
459	FLUID DYNAMICS UNIT	Equipment	2004-2005	\$6,645	\$6,645				\$6,645	
440	Rebuild/Exchange Muffin Monster	Equipment	2001-2002	\$6,607	\$6,607				\$6,607	
401	2 Telescopic Sludge Valves	Equipment	1990-1991	\$5,960	\$5,960				\$5,960	
378	8120.22 - VHS TAPES FOR SEWER LINES CONVERTED TO DVD. SOFTWARE PACKAGE W/MAIN. AGREEMENT.	Equipment	2007-2008	\$5,500	\$5,500				\$5,500	
444	48" forks OPT 5B	Equipment	2002-2003	\$5,002	\$5,002				\$5,002	

ID	Sewer District Assets	Asset Type	Acquired	Cost	Replacement Cost	Useful Life	Deprec. (2007-08)	Acc. Deprec. (5/31/2008)	Book Value	Remaining Debt
431	Roots Air Blower	Equipment	1999-2000	\$4,981	\$4,981				\$4,981	
414	Gorman Rupp Pump	Equipment	1994-1995	\$4,000	\$4,000				\$4,000	
404	Grd.Water Sampl Equip	Equipment	1991-1992	\$3,732	\$3,732				\$3,732	
419	XL Mixer - 1.5hp motor	Equipment	1997-1998	\$3,723	\$3,723				\$3,723	
611	Gas Storage Building, Birch Ave	Building		\$3,390	\$3,390				\$3,390	
457	460X LOADER W/73" BUCKET	Equipment	2004-2005	\$3,048	\$3,048				\$3,048	
402	208V Pump w/30' Cable	Equipment	1991-1992	\$3,019	\$3,019				\$3,019	
407	ABS Pump w/Impeller	Equipment	1992-1993	\$2,999	\$2,999				\$2,999	
408	ABS Pump w/Impeller	Equipment	1992-1993	\$2,999	\$2,999				\$2,999	
409	ABS Pump w/Impeller	Equipment	1992-1993	\$2,999	\$2,999				\$2,999	
446	Tool carrier coupler OPT 5F	Equipment	2002-2003	\$2,970	\$2,970				\$2,970	
447	Cast iron impeller w/ mounted stainless steel wear ring	Equipment	2002-2003	\$2,934	\$2,934				\$2,934	
437	Ford 7108 Quick Attach Loader w/60" bucket	Equipment	2000-2001	\$2,700	\$2,700				\$2,700	
417	Mohawk Hyd.Lift	Equipment	1995-1996	\$2,665	\$2,665				\$2,665	
399	Submersible Pump	Equipment	1990-1991	\$2,664	\$2,664				\$2,664	
434	Goulds Multi-Stage pump	Equipment	1999-2000	\$2,350	\$2,350				\$2,350	
438	Wacker STP400	Equipment	2001-2002	\$2,150	\$2,150				\$2,150	
458	673 ROTAR TILLER 73" WIDTH	Equipment	2004-2005	\$2,074	\$2,074				\$2,074	
<b>Total</b>				<b>\$5,884,785</b>	<b>\$5,944,447</b>				<b>\$5,810,796</b>	<b>\$118,747</b>

## Water District Assets

Some of the assets now owned by the Village are used exclusively for the provision of water treatment/distribution services. These assets would transfer to the new Water District upon dissolution of the Village. No payment or credit would be required since the new district encompasses the same residents as the former Village. All debts associated with these assets will be paid by residents of the new Water District.

ID	Water District Assets	Asset Type	Acquired	Cost	Replacement Cost	Useful Life	Deprec. (2007-08)	Acc. Deprec. (5/31/2008)	Book Value	Remaining Debt
564	Water Treatment Plant (and all Water buildings)	Building	5/31/1999	\$5,808,000	\$4,151,500	30	\$193,600	\$1,936,000	\$3,872,000	\$1,334,850
635	Middle Road Tank Improvements	Building	2008-2009	\$335,000	\$335,000				\$335,000	\$135,000
563	300 WATER METERS	Infrastructure	8/24/2007	\$33,252	\$33,252	15	\$2,217	\$4,434	\$28,818	
637	2009 FORD ESCAPE HYBRID It blue (1FMCU59X9KA25206)	Equipment		\$26,052	\$26,052				\$26,052	

548	METERS, TRANSMITTERS - BLAIR SUPPLY CORP.	Infrastructure	2005-2006	\$24,823	\$24,823				\$24,823	
499	2001 Ford F550 from Sanitation Dept(VIN# 1FDAF57F91EA73118)	Equipment	2002-2003	\$20,000	\$20,000				\$20,000	
500	2004 FORD F350 4 X 4 BLUE	Equipment	2004-2005	\$17,590	\$17,590				\$17,590	
551	1 - RADIO READ METERS	Infrastructure	2006-2007	\$16,648	\$16,648				\$16,648	
501	2004 FORD F350 - OPTIONS	Equipment	2004-2005	\$13,545	\$13,545				\$13,545	
493	Backhoe Loader	Equipment	5/31/2001	\$28,509	\$28,509	15	\$1,901	\$15,205	\$13,304	
605	Valve Structure, Smith Street	Building		\$12,480	\$12,480				\$12,480	
506	ORION MOBILE UPGRADE	Equipment	2007-2008	\$12,300	\$12,300				\$12,300	
607	Valve Center, Middle Road & Summit Drive	Building		\$10,920	\$10,920				\$10,920	
560	92 MDL 25 READERS @ 108.30 EA	Infrastructure	2006-2007	\$9,964	\$9,964				\$9,964	
555	80 MDL 25 READERS @ 108.30 EA	Infrastructure	2006-2007	\$8,644	\$8,644				\$8,644	
498	Utility Billing Software w/6 mos maintenance,	Equipment	2002-2003	\$6,601	\$6,601				\$6,601	
550	1- RADIO READ METERS	Infrastructure	2006-2007	\$6,442	\$6,442				\$6,442	
505	GARAGE PKG	Equipment	2007-2008	\$4,000	\$4,000				\$4,000	
535	Airman Used Air Compressor	Equipment	2001-2002	\$3,953	\$3,953				\$3,953	
561	31 VARIOUS RADIO READ METERS	Infrastructure	2006-2007	\$3,662	\$3,662				\$3,662	
512	Booster Pump w.install.	Equipment	1995-1996	\$3,250	\$3,250				\$3,250	
527	Mohawk Hyd. Lift	Equipment	1995-1996	\$2,665	\$2,665				\$2,665	
502	DELL OPTI PLEX FX620 - 2 DESKTOPS COMPLETE. CROY7B1 HR0Y7B1	Equipment	2006-2007	\$2,549	\$2,549				\$2,549	
526	(2) 6'x 6' Steel Trench Boxes	Equipment	1993-1994	\$2,320	\$2,320				\$2,320	
519	1500 GAL CHLORINE TANK	Equipment	2006-2007	\$2,269	\$2,269				\$2,269	
556	20 MDL 25 RTR METER HEADS @ 108.30 EA.	Infrastructure	2006-2007	\$2,166	\$2,166				\$2,166	
<b>Total</b>				<b>\$6,417,603</b>	<b>\$4,761,103</b>				<b>\$4,461,965</b>	<b>\$1,469,850</b>

## Fire District Assets

Some of the assets now owned by the Village are used exclusively for the provision of fire protection and prevention services. These assets would transfer to the new Fire District upon dissolution of the Village. No payment or credit would be required since the new district encompasses the same residents as the former Village. All debts associated with these assets will be paid by residents of the new Fire District.

ID	Fire District Assets	Asset Type	Acquired	Cost	Replacement Cost	Useful Life	Deprec. (2007-08)	Acc. Deprec. (5/31/2008)	Book Value	Remaining Debt
614	New Firehouse	Building		\$3,200,000	\$3,200,000				\$3,200,000	\$3,200,000

ID	Fire District Assets	Asset Type	Acquired	Cost	Replacement Cost	Useful Life	Deprec. (2007-08)	Acc. Deprec. (5/31/2008)	Book Value	Remaining Debt
140	70'Aerial Platform truck	Equipment	1995-1996	\$383,774	\$383,774				\$383,774	
129	Walk-In Rescue Fire Apparatus	Equipment	1991-1992	\$212,680	\$212,680				\$212,680	
183	2003 ALF Custom Pumper	Equipment	5/31/2003	\$275,742	\$275,742	15	\$18,383	\$110,297	\$165,445	
215	JEEP GRAND CHEROKE WJH74 4 DOOR - LAREDO WHITE	Equipment	2004-2005	\$18,147	\$18,147				\$18,147	
199	1 THERMAL IMAGING CAMERA	Equipment	2004-2005	\$14,849	\$14,849				\$14,849	
193	Rechargeable Batteries & Carrying Case	Equipment	2003-2004	\$13,975	\$13,975				\$13,975	
188	Epson EMP820 2500 ANSI Lumen LCD Projector/	Equipment	2003-2004	\$9,566	\$9,566				\$9,566	
151	20 Motorola Minitor Pagers - 375 EA	Equipment	1998-1999	\$7,500	\$7,500				\$7,500	
148	Extrication Unit	Equipment	1997-1998	\$7,195	\$7,195				\$7,195	
212	6 SETS - TURNOUT PANTS AND COATS	Equipment	2004-2005	\$6,830	\$6,830				\$6,830	
154	16 Motorola Prtbl. 160ch Radios - 400 EA	Equipment	1999-2000	\$6,400	\$6,400				\$6,400	
225	5 TURN OUT GEAR	Equipment	2005-2006	\$5,907	\$5,907				\$5,907	
175	6 sets of Globe GX7 Turnout Gear	Equipment	2002-2003	\$5,904	\$5,904				\$5,904	
244	4 SETS TURNOUT GEAR	Equipment	2007-2008	\$5,457	\$5,457				\$5,457	
124	Air System (tank, reg., hose,bags)	Equipment	1990-1991	\$5,404	\$5,404				\$5,404	
132	2 hale HP400 Portable Fire Pump	Equipment	1993-1994	\$5,400	\$5,400				\$5,400	
163	6 Cairns Metro Black Helmets	Equipment	2000-2001	\$5,040	\$5,040				\$5,040	
166	(2) Scott Air Pak50 - 4.5 w/ 30 Min -Carbon Cyl	Equipment	2001-2002	\$4,616	\$4,616				\$4,616	
150	(4) Storage Tanks	Equipment	1998-1999	\$4,383	\$4,383				\$4,383	
142	Hale 18hp Prtbl. Pump w/flood lite	Equipment	1995-1996	\$4,334	\$4,334				\$4,334	
149	Hurst Roadrunner Combo Tool	Equipment	1998-1999	\$4,017	\$4,017				\$4,017	
159	Minolta	Equipment	2000-2001	\$3,648	\$3,648				\$3,648	
158	L.P.ACS Telephone System	Equipment	2000-2001	\$3,516	\$3,516				\$3,516	
138	ML2H Mighty Lite Power Unit w/handle	Equipment	1994-1995	\$3,450	\$3,450				\$3,450	
173	100' lengths 5" Hose	Equipment	2002-2003	\$3,386	\$3,386				\$3,386	
139	ML50 Cutter (Rescue tool)	Equipment	1994-1995	\$3,255	\$3,255				\$3,255	
201	4 ADAPTERS, HEADSETS, RADIOS, CHARGERS, BATTERIES, MICROPH	Equipment	2004-2005	\$3,174	\$3,174				\$3,174	
242	4 - TURNOUT GEAR - COATS	Equipment	2006-2007	\$3,028	\$3,028				\$3,028	
245	7 - MINITOR V PAGERS	Equipment	2007-2008	\$3,003	\$3,003				\$3,003	
192	Globe NFPA GX 7 Fire Coats(5)	Equipment	2003-2004	\$2,879	\$2,879				\$2,879	

ID	Fire District Assets	Asset Type	Acquired	Cost	Replacement Cost	Useful Life	Deprec. (2007-08)	Acc. Deprec. (5/31/2008)	Book Value	Remaining Debt
216	3 - 4.5 60 MIN. CARBON CYLINDER	Equipment	2005-2006	\$2,661	\$2,661				\$2,661	
178	(6) Motorola Minitor IV Pagers/2 Freq.	Equipment	2002-2003	\$2,633	\$2,633				\$2,633	
164	10 Globe GX-7 32" Coats &	Equipment	2001-2002	\$2,630	\$2,630				\$2,630	
143	(4) Wheeler Strobe Bar Lights	Equipment	1995-1996	\$2,625	\$2,625				\$2,625	
198	1 INSTALL CAMERA SYS TO MONITOR APPAR BAY	Equipment	2004-2005	\$2,490	\$2,490				\$2,490	
227	4 - 4.5 30 MIN BTLS	Equipment	2006-2007	\$2,434	\$2,434				\$2,434	
137	Para-Pakhammer 90	Equipment	1994-1995	\$2,399	\$2,399				\$2,399	
191	Globe Bunker Pants (5)	Equipment	2003-2004	\$2,300	\$2,300				\$2,300	
136	Motorola Cross-Band Repeter	Equipment	1994-1995	\$2,269	\$2,269				\$2,269	
49	Gold Leaf Wood Sign- LGFire	Equipment	1991-1992	\$2,200	\$2,200				\$2,200	
243	4 - TURNOUT GEAR PANTS	Equipment	2006-2007	\$2,164	\$2,164				\$2,164	
224	3 SCOTT BACK FRAME KIT	Equipment	2005-2006	\$2,117	\$2,117				\$2,117	
221	1 LATITUDE LAPTOP	Equipment	2005-2006	\$2,023	\$2,023				\$2,023	
135	Delux 5000 watt Generator	Equipment	1994-1995	\$2,008	\$2,008				\$2,008	
<b>Total</b>				<b>\$4,269,411</b>	<b>\$4,269,411</b>				<b>\$4,159,114</b>	<b>\$3,200,000</b>

### Other Village Assets

The remaining assets of the Village are not required for the provision of services by special districts to the former Village residents. Upon dissolution, ownership of any such remaining assets will be turned over to the Town. However, should any of these assets not be required by the Town in the provision of Townwide services, the Village will seek to sell such assets prior to dissolution. Proceeds from the sale of these assets would be used to reduce Village indebtedness prior to dissolution.

ID	Description	Asset Type	Acquired	Cost	Replacement Cost	Useful Life	Deprec. (2007-08)	Acc. Deprec. (5/31/2008)	Book Value	Remaining Debt
573	Maintenance Garage/Office, 1 Schuyler Street	Building	N/A	\$448,000	\$448,000				\$448,000	
576	Old Garage, 1 Schuyler Street	Building	N/A	\$355,200	\$355,200				\$355,200	
579	7 Bay Garage, 1 Schuyler Street	Building	N/A	\$278,900	\$278,900				\$278,900	
578	Village Hall, 26 Old Post Road	Building	5/31/1997	\$283,116	\$678,000	30	\$9,437	\$113,246	\$169,870	
586	Bathroom, 1 Transfer Road	Building	N/A	\$78,600	\$78,600				\$78,600	
281	JOHN DEERE 444J LOADER	Equipment	6/18/2007	\$83,677	\$83,677	10	\$8,368	\$16,735	\$66,942	
591	Storage Building, Schyler Street	Building		\$59,072	\$59,072				\$59,072	
272	2004 International 7600SFA 4x2 truck -VIN 1HTWZAGR24J088366 (\$50,420) w/ Viking Plow Options(	Equipment	5/31/2004	\$97,686	\$97,686	10	\$9,769	\$48,843	\$48,843	

	\$42,879) & Non-Contract Options (44,387.10)									
595	Wood Shop, Schyler Street	Building		\$43,680	\$43,680				\$43,680	
254	96 FORD PICKUP W/ PLOW	Equipment	1996-1997	\$21,253	\$21,253				\$21,253	
275	99 FORD 350 UTILITY BODY	Equipment	2004-2005	\$20,000	\$20,000				\$20,000	
260	SKID STEER LOADER W/CANOPY ETC	Equipment	2000-2001	\$19,710	\$19,710				\$19,710	
639	2008 FORD F350 GAS RACK DUMP white (1FDWF32508EE54228)	Equipment		\$16,122	\$16,122				\$16,122	
603	Office, Transfer Road	Building		\$15,600	\$15,600				\$15,600	
604	Salt Shed Building, Schyler Street	Building		\$15,496	\$15,496				\$15,496	
274	04 FORD F350 4X4	Equipment	2004-2005	\$31,469	\$31,469	7	\$4,477	\$17,909	\$13,560	
262	BACKHOE LOADER	Equipment	5/31/2001	\$28,509	\$28,509	15	\$1,901	\$15,205	\$13,304	
609	Storage Shed, Transfer Road	Building		\$9,152	\$9,152				\$9,152	
259	2000 STERLING DUMP TRUCK	Equipment	5/31/2000	\$83,099	\$83,099	10	\$8,310	\$74,789	\$8,310	
28	Dell-PowerEdge 840	Equipment	2008	\$4,064	\$4,064				\$4,064	
268	2003 F350 PickUp Truck (VIN - 1FTSF31F73EA93747)	Equipment	5/31/2003	\$28,150	\$28,150	7	\$4,021	\$24,129	\$4,021	
261	TENCO ONE WAY SNOWPLOW	Equipment	2000-2001	\$3,950	\$3,950				\$3,950	
292	Fisher 8' 6" Snow Plow w/ Installation	Equipment	2001-2002	\$3,800	\$3,800				\$3,800	
17	Norstar Comp Telephone System	Equipment	1997-1998	\$3,375	\$3,375				\$3,375	
294	Model 2118 Snowblower 67" w	Equipment	2002-2003	\$3,240	\$3,240				\$3,240	
293	Snow pusher - Model SP10	Equipment	2001-2002	\$3,000	\$3,000				\$3,000	
276	8' Fisher Plow	Equipment	2004-2005	\$2,899	\$2,899				\$2,899	
46	Phone System/Office	Equipment	1990-1991	\$2,873	\$2,873				\$2,873	
71	Hotsy Hot Water Pressure Washer	Equipment	2001-2002	\$2,800	\$2,800				\$2,800	
67	Mohawk Hydraulic Lift	Equipment	1995-1996	\$2,665	\$2,665				\$2,665	
21	Norstar Flash 2 Voicemail	Equipment	2000-2001	\$2,550	\$2,550				\$2,550	
42	DELL OPTIPLEX GX520SYSTEM	Equipment	2006-2007	\$2,547	\$2,547				\$2,547	
265	VA132W-HD 10' WING W/SO ARMS	Equipment	2001-2002	\$2,343	\$2,343				\$2,343	
267	61/2 FT X 16 FT TRAILER (MODEL 616TL5)	Equipment	2002-2003	\$2,195	\$2,195				\$2,195	
15	Controlled Signer	Equipment	1997-1998	\$2,020	\$2,020				\$2,020	
<b>Total</b>				<b>\$2,060,811</b>	<b>\$2,455,695</b>				<b>\$1,749,955</b>	<b>\$0</b>

# Appendix C

## Lake George Village Dissolution Study: Debt Schedules

---

## Debt Service Schedule

The following table lists all of the outstanding debts of the Village of Lake George as of the date of this report. The table shows the amount of principle outstanding for each loan, the annual payment amount, and the annual payment schedule for the repayment in full of the original amount of each debt. Full amortization schedules for each debt are provided later in this appendix.

Each debt is also assigned to a district after dissolution. However, while the debt may belong to a particular department within the Village, Village Law provides that former Village residents are responsible for payment of debts of the former Village after dissolution. As such, the Total Debt Payment row (bottom of the table) shows the estimated annual debt service payments that will be borne by Village residents following dissolution.

District After Dissolution	Description	Issue Date	Original Amount	Rate %	Maturity Date	Outstanding Principle	Annual Payment	2009 Debt Service	2010 Debt Service	2011 Debt Service	2012 Debt Service	2013 Debt Service	2014 Debt Service	2015 Debt Service	2016 Debt Service	2017 Debt Service	
Hamlet Districts	Street Sweeper	2004	\$109,790	4.15%	2009	\$23,779	(\$24,766)	(\$24,766)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Hamlet Districts	Lakefront Walkway Ext.	2003	\$400,000	4.00%	2018	\$291,801	(\$35,976)	(\$35,976)	(\$35,976)	(\$35,976)	(\$35,976)	(\$35,976)	(\$35,976)	(\$35,976)	(\$35,976)	(\$35,976)	
Hamlet Districts	Visitor Center	2006	\$960,000	5.50%	2030	\$918,501	(\$72,994)	(\$72,994)	(\$72,994)	(\$72,994)	(\$72,994)	(\$72,994)	(\$72,994)	(\$72,994)	(\$72,994)	(\$72,994)	
Hamlet Districts	Gaslight Village	2008	\$150,000	3.55%	2013	\$150,000	(\$33,269)	(\$33,269)	(\$33,269)	(\$33,269)	(\$33,269)	(\$33,269)	\$0	\$0	\$0	\$0	
<b>Total Hamlet Districts Debt</b>			<b>\$1,619,790</b>			<b>\$1,384,081</b>	<b>(\$167,006)</b>	<b>(\$167,006)</b>	<b>(\$142,240)</b>	<b>(\$142,240)</b>	<b>(\$142,240)</b>	<b>(\$142,240)</b>	<b>(\$108,971)</b>	<b>(\$108,971)</b>	<b>(\$108,971)</b>	<b>(\$108,971)</b>	
Sewer District	Composting Facility	1999	\$191,476	5.00%	2009	\$23,616	(\$24,797)	(\$24,797)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Sewer District	Sand Washing Equipment	2006	\$166,000	4.05%	2011	\$103,525	(\$37,340)	(\$37,340)	(\$37,340)	(\$37,340)	\$0	\$0	\$0	\$0	\$0	\$0	
<b>Total Sewer District Debt</b>			<b>\$357,476</b>			<b>\$127,141</b>	<b>(\$62,138)</b>	<b>(\$62,138)</b>	<b>(\$37,340)</b>	<b>(\$37,340)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
Special District	Shoreline S.A.D	1998	\$650,000	5.10%	2027	\$520,361	(\$43,409)	(\$43,409)	(\$43,409)	(\$43,409)	(\$43,409)	(\$43,409)	(\$43,409)	(\$43,409)	(\$43,409)	(\$43,409)	
<b>Total Special District Debt</b>			<b>\$650,000</b>			<b>\$520,361</b>	<b>(\$43,409)</b>										
Water District*	Clean Water Act	1999	\$924,534	4.75%	2016	\$525,465	(\$80,481)	(\$80,481)	(\$80,481)	(\$80,481)	(\$80,481)	(\$80,481)	(\$80,481)	(\$80,481)	(\$80,481)	\$0	
Water District*	Ottawa St. Water Trtmt Plant	1999	\$223,000	0.00%	2020	\$127,429	(\$10,619)	(\$10,619)	(\$10,619)	(\$10,619)	(\$10,619)	(\$10,619)	(\$10,619)	(\$10,619)	(\$10,619)	(\$10,619)	
Water District*	Route 9 Water Main & Tank	2003	\$861,000	0.00%	2033	\$717,500	(\$28,700)	(\$28,700)	(\$28,700)	(\$28,700)	(\$28,700)	(\$28,700)	(\$28,700)	(\$28,700)	(\$28,700)	(\$28,700)	
Water District*	Middle Rd Tank Imp. (1 yr BAN)	2008	\$135,000		2009	\$135,000	(\$135,000)	(\$135,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
<b>Total Water District Debt*</b>			<b>\$2,143,534</b>			<b>\$1,505,394</b>	<b>(\$254,800)</b>	<b>(\$254,800)</b>	<b>(\$119,800)</b>	<b>(\$39,319)</b>							
Fire District	Fire Building	2008	\$3,200,000	4.50%	2033	\$3,200,000	(\$215,805)	(\$215,805)	(\$215,805)	(\$215,805)	(\$215,805)	(\$215,805)	(\$215,805)	(\$215,805)	(\$215,805)	(\$215,805)	
<b>Total Fire District Debt</b>			<b>\$3,200,000</b>			<b>\$3,200,000</b>	<b>(\$215,805)</b>										
<b>Grand Total Debt</b>			<b>\$7,970,800</b>			<b>\$6,736,977</b>											
<b>Total Debt Payment</b>								<b>(\$743,157)</b>	<b>(\$743,157)</b>	<b>(\$558,595)</b>	<b>(\$558,595)</b>	<b>(\$521,254)</b>	<b>(\$521,254)</b>	<b>(\$487,985)</b>	<b>(\$487,985)</b>	<b>(\$487,985)</b>	<b>(\$407,504)</b>

The next table shows the same debts as the table above, but illustrates how the sale of surplus Village property and assets (estimated market value = 20% of replacement value for un-depreciated equipment) could be applied to paying down outstanding debt, and would result in lower debt service payments for residents of the former Village after dissolution. For the purposes of this analysis, it is assumed that proceeds from the sale of surplus assets would be used to pay down the most costly debt first (debt with the highest interest rate).

District After Dissolution	Description	Issue Date	Original Amount	Rate %	Maturity Date	Outstanding Principle	One-Time Payment	New Annual Payment	2009 Debt Service	2010 Debt Service	2011 Debt Service	2012 Debt Service	2013 Debt Service	2014 Debt Service	2015 Debt Service	2016 Debt Service	2017 Debt Service
Hamlet Districts	Street Sweeper	2004	\$109,790	4.15%	2009	\$23,779		(\$24,766)	(\$24,766)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Hamlet Districts	Lakefront Walkway Ext.	2003	\$400,000	4.00%	2018	\$291,801		(\$35,976)	(\$35,976)	(\$35,976)	(\$35,976)	(\$35,976)	(\$35,976)	(\$35,976)	(\$35,976)	(\$35,976)	(\$35,976)
Hamlet Districts	Visitor Center	2006	\$960,000	5.50%	2030	\$918,501	\$918,501	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Hamlet Districts	Gaslight Village	2008	\$150,000	3.55%	2013	\$150,000		(\$33,269)	(\$33,269)	(\$33,269)	(\$33,269)	(\$33,269)	(\$33,269)	(\$33,269)	\$0	\$0	\$0
<b>Total Hamlet Districts Debt</b>			<b>\$1,619,790</b>			<b>\$1,384,081</b>	<b>\$918,501</b>	<b>(\$94,012)</b>	<b>(\$94,012)</b>	<b>(\$69,246)</b>	<b>(\$69,246)</b>	<b>(\$69,246)</b>	<b>(\$69,246)</b>	<b>(\$69,246)</b>	<b>(\$35,976)</b>	<b>(\$35,976)</b>	<b>(\$35,976)</b>
Sewer District	Composting Facility	1999	\$191,476	5.00%	2009	\$23,616	\$23,616	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sewer District	Sand Washing Equipment	2006	\$166,000	4.05%	2011	\$103,525		(\$37,340)	(\$37,340)	(\$37,340)	(\$37,340)	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Sewer District Debt</b>			<b>\$357,476</b>			<b>\$127,141</b>	<b>\$0</b>	<b>(\$37,340)</b>	<b>(\$37,340)</b>	<b>(\$37,340)</b>	<b>(\$37,340)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Special District	Shoreline S.A.D	1998	\$650,000	5.10%	2027	\$520,361		(\$43,409)	(\$43,409)	(\$43,409)	(\$43,409)	(\$43,409)	(\$43,409)	(\$43,409)	(\$43,409)	(\$43,409)	(\$43,409)
<b>Total Special District Debt</b>			<b>\$650,000</b>			<b>\$520,361</b>	<b>\$0</b>	<b>(\$43,409)</b>									
Water District*	Clean Water Act	1999	\$924,534	4.75%	2016	\$525,465	\$48,883	(\$72,994)	(\$72,994)	(\$72,994)	(\$72,994)	(\$72,994)	(\$72,994)	(\$72,994)	(\$72,994)	(\$72,994)	\$0
Water District*	Ottawa St. Water Trtmt Plant	1999	\$223,000	0.00%	2020	\$127,429		(\$10,619)	(\$10,619)	(\$10,619)	(\$10,619)	(\$10,619)	(\$10,619)	(\$10,619)	(\$10,619)	(\$10,619)	(\$10,619)
Water District*	Route 9 Water Main & Tank	2003	\$861,000	0.00%	2033	\$717,500		(\$28,700)	(\$28,700)	(\$28,700)	(\$28,700)	(\$28,700)	(\$28,700)	(\$28,700)	(\$28,700)	(\$28,700)	(\$28,700)
Water District*	Middle Rd Tank Imp. (1 yr BAN)	2008	\$135,000		2009	\$135,000		(\$135,000)	(\$135,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Water District Debt*</b>			<b>\$2,143,534</b>			<b>\$1,505,394</b>	<b>\$0</b>	<b>(\$247,313)</b>	<b>(\$247,313)</b>	<b>(\$112,313)</b>	<b>(\$39,319)</b>						
Fire District	Fire Building	2008	\$3,200,000	4.50%	2033	\$3,200,000		(\$215,805)	(\$215,805)	(\$215,805)	(\$215,805)	(\$215,805)	(\$215,805)	(\$215,805)	(\$215,805)	(\$215,805)	(\$215,805)
<b>Total Fire District Debt</b>			<b>\$3,200,000</b>			<b>\$3,200,000</b>	<b>\$0</b>	<b>(\$215,805)</b>									
<b>Grand Total Debt</b>			<b>\$7,970,800</b>			<b>\$6,736,977</b>	<b>\$991,000</b>										
<b>Total Debt Payment</b>								<b>(\$637,879)</b>	<b>(\$637,879)</b>	<b>(\$478,113)</b>	<b>(\$478,113)</b>	<b>(\$440,773)</b>	<b>(\$440,773)</b>	<b>(\$407,503)</b>	<b>(\$407,503)</b>	<b>(\$407,503)</b>	<b>(\$334,509)</b>

The one-time payment is based on estimated market values for equipment (20% of replacement cost) and assessed value of Village property. Together, our conservative estimate is that by selling these assets the Village could raise \$991,000 that could be used to pay off Village debts. Obviously, if the amount raised by the Village varies, so do the future debt payments of former Village residents. To reflect this, the following table shows the net fiscal impact to Village taxpayers as the one-time payment varies from \$0 (worst case scenario) to \$1,500,000 (best case scenario).

	Scenario 3				Scenario 3a			
<i>Realized Value of Surplus Equipment &amp; Land</i>	\$0	\$250,000	\$500,000	\$750,000	\$991,000	\$1,000,000	\$1,250,000	\$1,500,000
<i>Resulting Decrease in Avg Village Taxpayer's Bill</i>	(\$396)	(\$417)	(\$438)	(\$459)	(\$508)	(\$509)	(\$550)	(\$588)
<i>% Decrease</i>	-24%	-25%	-27%	-28%	-31%	-31%	-33%	-36%

The remainder of this appendix comprises estimated individual amortization schedules for each of the Village's debts. These schedules were used for the purposes of this analysis, and while they may differ from the actual amortization schedules for each debt, they serve as a reasonable basis for our estimates.

District After Dissolution	Description	Issue Date	Original Amount	Rate	Maturity Date	Outstanding
Hamlet Distric	Street Sweeper	2004	\$109,790	4.15%	2009	\$22,000

Loan Amount (pv)	109,790
Interest Rate (rate)	4.15%
Total # of Periods (Nper)	5

Payment per Period	\$ 24,765.82
Total Interest Paid	\$ 14,039.12

Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
					\$	109,790.00
1	24,765.82	4,556.29	4,556.29	20,209.54	20,209.54	89,580.46
2	24,765.82	3,717.59	8,273.87	21,048.24	41,257.78	68,532.22
3	24,765.82	2,844.09	11,117.96	21,921.74	63,179.51	46,610.49
4	24,765.82	1,934.34	13,052.30	22,831.49	86,011.00	23,779.00
5	24,765.82	986.83	14,039.12	23,779.00	109,790.00	0.00

District After Dissolution	Description	Issue Date	Original Amount	Rate	Maturity Date	Outstanding
Hamlet Distric	Lakefront Walkwa	2003	\$400,000	4.00%	2018	\$241,000

Loan Amount (pv)	400,000
Interest Rate (rate)	4.00%
Total # of Periods (Nper)	15

Payment per Period	\$ 35,976.44
Total Interest Paid	\$ 139,646.60

Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
					\$	400,000.00
1	35,976.44	16,000.00	16,000.00	19,976.44	19,976.44	380,023.56
2	35,976.44	15,200.94	31,200.94	20,775.50	40,751.94	359,248.06
3	35,976.44	14,369.92	45,570.86	21,606.52	62,358.46	337,641.54
4	35,976.44	13,505.66	59,076.53	22,470.78	84,829.23	315,170.77
5	35,976.44	12,606.83	71,683.36	23,369.61	108,198.84	291,801.16
6	35,976.44	11,672.05	83,355.40	24,304.39	132,503.24	267,496.76
7	35,976.44	10,699.87	94,055.27	25,276.57	157,779.81	242,220.19
8	35,976.44	9,688.81	103,744.08	26,287.63	184,067.44	215,932.56
9	35,976.44	8,637.30	112,381.38	27,339.14	211,406.58	188,593.42
10	35,976.44	7,543.74	119,925.12	28,432.70	239,839.28	160,160.72
11	35,976.44	6,406.43	126,331.55	29,570.01	269,409.29	130,590.71
12	35,976.44	5,223.63	131,555.18	30,752.81	300,162.10	99,837.90
13	35,976.44	3,993.52	135,548.69	31,982.92	332,145.03	67,854.97
14	35,976.44	2,714.20	138,262.89	33,262.24	365,407.27	34,592.73
15	35,976.44	1,383.71	139,646.60	34,592.73	400,000.00	0.00

District After Dissolution	Description	Issue Date	Original Amount	Rate	Maturity Date	Outstanding
Hamlet District	Visitor Center	2006	\$960,000	5.50%	2030	\$840,000

Loan Amount (pv)	960,000
Interest Rate (rate)	5.50%
Total # of Periods (Nper)	24

Payment per Period	\$ 72,994.37
Total Interest Paid	\$ 791,864.92

Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
					\$	960,000.00
1	72,994.37	52,800.00	52,800.00	20,194.37	20,194.37	939,805.63
2	72,994.37	51,689.31	104,489.31	21,305.06	41,499.43	918,500.57
3	72,994.37	50,517.53	155,006.84	22,476.84	63,976.27	896,023.73
4	72,994.37	49,281.30	204,288.15	23,713.07	87,689.34	872,310.66
5	72,994.37	47,977.09	252,265.23	25,017.29	112,706.63	847,293.37
6	72,994.37	46,601.14	298,866.37	26,393.24	139,099.86	820,900.14
7	72,994.37	45,149.51	344,015.88	27,844.86	166,944.73	793,055.27
8	72,994.37	43,618.04	387,633.92	29,376.33	196,321.06	763,678.94
9	72,994.37	42,002.34	429,636.26	30,992.03	227,313.09	732,686.91
10	72,994.37	40,297.78	469,934.04	32,696.59	260,009.68	699,990.32
11	72,994.37	38,499.47	508,433.50	34,494.90	294,504.58	665,495.42
12	72,994.37	36,602.25	545,035.75	36,392.12	330,896.71	629,103.29
13	72,994.37	34,600.68	579,636.43	38,393.69	369,290.40	590,709.60
14	72,994.37	32,489.03	612,125.46	40,505.34	409,795.74	550,204.26
15	72,994.37	30,261.23	642,386.70	42,733.14	452,528.88	507,471.12
16	72,994.37	27,910.91	670,297.61	45,083.46	497,612.34	462,387.66
17	72,994.37	25,431.32	695,728.93	47,563.05	545,175.39	414,824.61
18	72,994.37	22,815.35	718,544.28	50,179.02	595,354.40	364,645.60
19	72,994.37	20,055.51	738,599.79	52,938.86	648,293.27	311,706.73
20	72,994.37	17,143.87	755,743.66	55,850.50	704,143.77	255,856.23
21	72,994.37	14,072.09	769,815.75	58,922.28	763,066.05	196,933.95
22	72,994.37	10,831.37	780,647.12	62,163.00	825,229.05	134,770.95
23	72,994.37	7,412.40	788,059.52	65,581.97	890,811.02	69,188.98
24	72,994.37	3,805.39	791,864.92	69,188.98	960,000.00	0.00

District After Dissolution	Description	Issue Date	Original Amount	Rate	Maturity Date	Outstanding
Hamlet Distric	Gaslight Village	2008	\$150,000	3.55%	2013	\$150,000

Loan Amount (pv)	150,000
Interest Rate (rate)	3.55%
Total # of Periods (Nper)	5
Payment per Period	\$ 33,269.26
Total Interest Paid	\$ 16,346.32

Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
					\$	150,000.00
1	33,269.26	5,325.00	5,325.00	27,944.26	27,944.26	122,055.74
2	33,269.26	4,332.98	9,657.98	28,936.29	56,880.55	93,119.45
3	33,269.26	3,305.74	12,963.72	29,963.52	86,844.07	63,155.93
4	33,269.26	2,242.04	15,205.75	31,027.23	117,871.30	32,128.70
5	33,269.26	1,140.57	16,346.32	32,128.70	150,000.00	0.00

District After Dissolution	Description	Issue Date	Original Amount	Rate	Maturity Date	Outstanding
Sewer District	Composting Facility	1999	\$191,476	5.00%	2009	\$19,147

Loan Amount (pv)	191,476
Interest Rate (rate)	5.00%
Total # of Periods (Nper)	10
Payment per Period	\$ 24,797.02
Total Interest Paid	\$ 56,494.18

Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
					\$	191,476.00
1	24,797.02	9,573.80	9,573.80	15,223.22	15,223.22	176,252.78
2	24,797.02	8,812.64	18,386.44	15,984.38	31,207.60	160,268.40
3	24,797.02	8,013.42	26,399.86	16,783.60	47,991.19	143,484.81
4	24,797.02	7,174.24	33,574.10	17,622.78	65,613.97	125,862.03
5	24,797.02	6,293.10	39,867.20	18,503.92	84,117.89	107,358.11
6	24,797.02	5,367.91	45,235.11	19,429.11	103,547.00	87,929.00
7	24,797.02	4,396.45	49,631.56	20,400.57	123,947.57	67,528.43
8	24,797.02	3,376.42	53,007.98	21,420.60	145,368.17	46,107.83
9	24,797.02	2,305.39	55,313.37	22,491.63	167,859.79	23,616.21
10	24,797.02	1,180.81	56,494.18	23,616.21	191,476.00	0.00

District After Dissolution	Description	Issue Date	Original Amount	Rate	Maturity Date	Outstanding
Sewer District	Sand Washing E	2006	\$166,000	4.05%	2011	\$99,600

Loan Amount (pv)	166,000
Interest Rate (rate)	4.05%
Total # of Periods (Nper)	5
Payment per Period	\$ 37,340.49
Total Interest Paid	\$ 20,702.46

Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
					\$	166,000.00
1	37,340.49	6,723.00	6,723.00	30,617.49	30,617.49	135,382.51
2	37,340.49	5,482.99	12,205.99	31,857.50	62,474.99	103,525.01
3	37,340.49	4,192.76	16,398.75	33,147.73	95,622.72	70,377.28
4	37,340.49	2,850.28	19,249.03	34,490.21	130,112.93	35,887.07
5	37,340.49	1,453.43	20,702.46	35,887.07	166,000.00	0.00

District After Dissolution	Description	Issue Date	Original Amount	Rate	Maturity Date	Outstanding
Special District	Shoreline S.A.D	1998	\$650,000	5.10%	2027	\$430,000

Loan Amount (pv)	650,000
Interest Rate (rate)	5.10%
Total # of Periods (Nper)	29

Payment per Period	\$ 43,408.88
Total Interest Paid	\$ 608,857.40

Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
					\$	650,000.00
1	43,408.88	33,150.00	33,150.00	10,258.88	10,258.88	639,741.12
2	43,408.88	32,626.80	65,776.80	10,782.08	21,040.95	628,959.05
3	43,408.88	32,076.91	97,853.71	11,331.96	32,372.92	617,627.08
4	43,408.88	31,498.98	129,352.69	11,909.89	44,282.81	605,717.19
5	43,408.88	30,891.58	160,244.27	12,517.30	56,800.11	593,199.89
6	43,408.88	30,253.19	190,497.46	13,155.68	69,955.79	580,044.21
7	43,408.88	29,582.25	220,079.72	13,826.62	83,782.42	566,217.58
8	43,408.88	28,877.10	248,956.81	14,531.78	98,314.20	551,685.80
9	43,408.88	28,135.98	277,092.79	15,272.90	113,587.09	536,412.91
10	43,408.88	27,357.06	304,449.85	16,051.82	129,638.91	520,361.09
11	43,408.88	26,538.42	330,988.26	16,870.46	146,509.37	503,490.63
12	43,408.88	25,678.02	356,666.28	17,730.85	164,240.23	485,759.77
13	43,408.88	24,773.75	381,440.03	18,635.13	182,875.35	467,124.65
14	43,408.88	23,823.36	405,263.39	19,585.52	202,460.87	447,539.13
15	43,408.88	22,824.50	428,087.88	20,584.38	223,045.25	426,954.75
16	43,408.88	21,774.69	449,862.58	21,634.18	244,679.44	405,320.56
17	43,408.88	20,671.35	470,533.93	22,737.53	267,416.96	382,583.04
18	43,408.88	19,511.73	490,045.66	23,897.14	291,314.11	358,685.89
19	43,408.88	18,292.98	508,338.64	25,115.90	316,430.00	333,570.00
20	43,408.88	17,012.07	525,350.71	26,396.81	342,826.81	307,173.19
21	43,408.88	15,665.83	541,016.54	27,743.04	370,569.85	279,430.15
22	43,408.88	14,250.94	555,267.48	29,157.94	399,727.79	250,272.21
23	43,408.88	12,763.88	568,031.36	30,644.99	430,372.78	219,627.22
24	43,408.88	11,200.99	579,232.35	32,207.89	462,580.67	187,419.33
25	43,408.88	9,558.39	588,790.74	33,850.49	496,431.16	153,568.84
26	43,408.88	7,832.01	596,622.75	35,576.86	532,008.02	117,991.98
27	43,408.88	6,017.59	602,640.34	37,391.29	569,399.31	80,600.69
28	43,408.88	4,110.64	606,750.97	39,298.24	608,697.55	41,302.45
29	43,408.88	2,106.42	608,857.40	41,302.45	650,000.00	0.00

District After Dissolution	Description	Issue Date	Original Amount	Rate	Maturity Date	Outstanding
Water District	Clean Water Act	1999	\$924,534	4.75%	2016	\$495,000

Loan Amount (pv)	924,534
Interest Rate (rate)	4.75%
Total # of Periods (Nper)	17
Payment per Period	\$ 80,481.26
Total Interest Paid	\$ 443,647.48

Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
					\$	924,534.00
1	80,481.26	43,915.37	43,915.37	36,565.90	36,565.90	887,968.10
2	80,481.26	42,178.48	86,093.85	38,302.78	74,868.68	849,665.32
3	80,481.26	40,359.10	126,452.95	40,122.16	114,990.84	809,543.16
4	80,481.26	38,453.30	164,906.25	42,027.96	157,018.80	767,515.20
5	80,481.26	36,456.97	201,363.22	44,024.29	201,043.09	723,490.91
6	80,481.26	34,365.82	235,729.04	46,115.45	247,158.54	677,375.46
7	80,481.26	32,175.33	267,904.38	48,305.93	295,464.47	629,069.53
8	80,481.26	29,880.80	297,785.18	50,600.46	346,064.93	578,469.07
9	80,481.26	27,477.28	325,262.46	53,003.98	399,068.91	525,465.09
10	80,481.26	24,959.59	350,222.05	55,521.67	454,590.58	469,943.42
11	80,481.26	22,322.31	372,544.37	58,158.95	512,749.53	411,784.47
12	80,481.26	19,559.76	392,104.13	60,921.50	573,671.03	350,862.97
13	80,481.26	16,665.99	408,770.12	63,815.27	637,486.30	287,047.70
14	80,481.26	13,634.77	422,404.88	66,846.50	704,332.80	220,201.20
15	80,481.26	10,459.56	432,864.44	70,021.71	774,354.51	150,179.49
16	80,481.26	7,133.53	439,997.97	73,347.74	847,702.25	76,831.75
17	80,481.26	3,649.51	443,647.48	76,831.75	924,534.00	0.00

District After Dissolution	Description	Issue Date	Original Amount	Rate	Maturity Date	Outstanding
Water District	Ottawa St. Water	1999	\$223,000	0.00%	2020	\$122,350

Loan Amount (pv)	223,000
Interest Rate (rate)	0.00%
Total # of Periods (Nper)	21
Payment per Period	\$ 10,619.05
Total Interest Paid	\$ -

Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
					\$	223,000.00
1	10,619.05	0.00	0.00	10,619.05	10,619.05	212,380.95
2	10,619.05	0.00	0.00	10,619.05	21,238.10	201,761.90
3	10,619.05	0.00	0.00	10,619.05	31,857.14	191,142.86
4	10,619.05	0.00	0.00	10,619.05	42,476.19	180,523.81
5	10,619.05	0.00	0.00	10,619.05	53,095.24	169,904.76
6	10,619.05	0.00	0.00	10,619.05	63,714.29	159,285.71
7	10,619.05	0.00	0.00	10,619.05	74,333.33	148,666.67
8	10,619.05	0.00	0.00	10,619.05	84,952.38	138,047.62
9	10,619.05	0.00	0.00	10,619.05	95,571.43	127,428.57
10	10,619.05	0.00	0.00	10,619.05	106,190.48	116,809.52
11	10,619.05	0.00	0.00	10,619.05	116,809.52	106,190.48
12	10,619.05	0.00	0.00	10,619.05	127,428.57	95,571.43
13	10,619.05	0.00	0.00	10,619.05	138,047.62	84,952.38
14	10,619.05	0.00	0.00	10,619.05	148,666.67	74,333.33
15	10,619.05	0.00	0.00	10,619.05	159,285.71	63,714.29
16	10,619.05	0.00	0.00	10,619.05	169,904.76	53,095.24
17	10,619.05	0.00	0.00	10,619.05	180,523.81	42,476.19
18	10,619.05	0.00	0.00	10,619.05	191,142.86	31,857.14
19	10,619.05	0.00	0.00	10,619.05	201,761.90	21,238.10
20	10,619.05	0.00	0.00	10,619.05	212,380.95	10,619.05
21	10,619.05	0.00	0.00	10,619.05	223,000.00	0.00

District After Dissolution	Description	Issue Date	Original Amount	Rate	Maturity Date	Outstanding
Water District	Route 9 Water M	2003	\$861,000	0.00%	2033	\$717,500

Loan Amount (pv)	861,000
Interest Rate (rate)	0.00%
Total # of Periods (Nper)	30
Payment per Period	\$ 28,700.00
Total Interest Paid	\$ -

Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
					\$	861,000.00
1	28,700.00	0.00	0.00	28,700.00	28,700.00	832,300.00
2	28,700.00	0.00	0.00	28,700.00	57,400.00	803,600.00
3	28,700.00	0.00	0.00	28,700.00	86,100.00	774,900.00
4	28,700.00	0.00	0.00	28,700.00	114,800.00	746,200.00
5	28,700.00	0.00	0.00	28,700.00	143,500.00	717,500.00
6	28,700.00	0.00	0.00	28,700.00	172,200.00	688,800.00
7	28,700.00	0.00	0.00	28,700.00	200,900.00	660,100.00
8	28,700.00	0.00	0.00	28,700.00	229,600.00	631,400.00
9	28,700.00	0.00	0.00	28,700.00	258,300.00	602,700.00
10	28,700.00	0.00	0.00	28,700.00	287,000.00	574,000.00
11	28,700.00	0.00	0.00	28,700.00	315,700.00	545,300.00
12	28,700.00	0.00	0.00	28,700.00	344,400.00	516,600.00
13	28,700.00	0.00	0.00	28,700.00	373,100.00	487,900.00
14	28,700.00	0.00	0.00	28,700.00	401,800.00	459,200.00
15	28,700.00	0.00	0.00	28,700.00	430,500.00	430,500.00
16	28,700.00	0.00	0.00	28,700.00	459,200.00	401,800.00
17	28,700.00	0.00	0.00	28,700.00	487,900.00	373,100.00
18	28,700.00	0.00	0.00	28,700.00	516,600.00	344,400.00
19	28,700.00	0.00	0.00	28,700.00	545,300.00	315,700.00
20	28,700.00	0.00	0.00	28,700.00	574,000.00	287,000.00
21	28,700.00	0.00	0.00	28,700.00	602,700.00	258,300.00
22	28,700.00	0.00	0.00	28,700.00	631,400.00	229,600.00
23	28,700.00	0.00	0.00	28,700.00	660,100.00	200,900.00
24	28,700.00	0.00	0.00	28,700.00	688,800.00	172,200.00
25	28,700.00	0.00	0.00	28,700.00	717,500.00	143,500.00
26	28,700.00	0.00	0.00	28,700.00	746,200.00	114,800.00
27	28,700.00	0.00	0.00	28,700.00	774,900.00	86,100.00
28	28,700.00	0.00	0.00	28,700.00	803,600.00	57,400.00
29	28,700.00	0.00	0.00	28,700.00	832,300.00	28,700.00
30	28,700.00	0.00	0.00	28,700.00	861,000.00	0.00

District After Dissolution	Description	Issue Date	Original Amount	Rate	Maturity Date	Outstanding
Water District	Middle Road Tan	2008	\$135,000		2009	\$135,000

Loan Amount (pv)	135,000
Interest Rate (rate)	0.00%
Total # of Periods (Nper)	1

Payment per Period	\$ 135,000.00
Total Interest Paid	\$ -

Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
					\$	135,000.00
1	135,000.00	0.00	0.00	135,000.00	135,000.00	0.00

District After Dissolution	Description	Issue Date	Original Amount	Rate	Maturity Date	Outstanding
Fire District	Fire Building	2008	\$3,200,000	4.50%	2033	\$3,200,000

Loan Amount (pv)	3,200,000
Interest Rate (rate)	4.50%
Total # of Periods (Nper)	25

Payment per Period	\$ 215,804.89
Total Interest Paid	\$ 2,195,122.24

Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
					\$	3,200,000.00
1	215,804.89	144,000.00	144,000.00	71,804.89	71,804.89	3,128,195.11
2	215,804.89	140,768.78	284,768.78	75,036.11	146,841.00	3,053,159.00
3	215,804.89	137,392.16	422,160.93	78,412.73	225,253.73	2,974,746.27
4	215,804.89	133,863.58	556,024.52	81,941.31	307,195.04	2,892,804.96
5	215,804.89	130,176.22	686,200.74	85,628.67	392,823.71	2,807,176.29
6	215,804.89	126,322.93	812,523.67	89,481.96	482,305.67	2,717,694.33
7	215,804.89	122,296.25	934,819.92	93,508.64	575,814.31	2,624,185.69
8	215,804.89	118,088.36	1,052,908.27	97,716.53	673,530.84	2,526,469.16
9	215,804.89	113,691.11	1,166,599.39	102,113.78	775,644.62	2,424,355.38
10	215,804.89	109,095.99	1,275,695.38	106,708.90	882,353.52	2,317,646.48
11	215,804.89	104,294.09	1,379,989.47	111,510.80	993,864.32	2,206,135.68
12	215,804.89	99,276.11	1,479,265.58	116,528.78	1,110,393.10	2,089,606.90
13	215,804.89	94,032.31	1,573,297.89	121,772.58	1,232,165.68	1,967,834.32
14	215,804.89	88,552.54	1,661,850.43	127,252.35	1,359,418.03	1,840,581.97
15	215,804.89	82,826.19	1,744,676.62	132,978.70	1,492,396.73	1,707,603.27
16	215,804.89	76,842.15	1,821,518.77	138,962.74	1,631,359.47	1,568,640.53
17	215,804.89	70,588.82	1,892,107.59	145,216.07	1,776,575.53	1,423,424.47
18	215,804.89	64,054.10	1,956,161.69	151,750.79	1,928,326.32	1,271,673.68
19	215,804.89	57,225.32	2,013,387.01	158,579.57	2,086,905.90	1,113,094.10
20	215,804.89	50,089.23	2,063,476.24	165,715.66	2,252,621.55	947,378.45
21	215,804.89	42,632.03	2,106,108.27	173,172.86	2,425,794.41	774,205.59
22	215,804.89	34,839.25	2,140,947.52	180,965.64	2,606,760.05	593,239.95
23	215,804.89	26,695.80	2,167,643.32	189,109.09	2,795,869.14	404,130.86
24	215,804.89	18,185.89	2,185,829.21	197,619.00	2,993,488.14	206,511.86
25	215,804.89	9,293.03	2,195,122.24	206,511.86	3,200,000.00	0.00

Appendix D  
Lake George Village Dissolution Study:  
Other Fiscal Analyses

---

## Appendix D – Fiscal Analysis of Other Dissolution Scenarios

### Scenario 1 – Special Districts for All Current Village Services

The first scenario examined by the committee involved the creation of special districts to provide all of the same services that the Village currently provides. Obviously, this outcome is neither feasible nor desirable. However, by assigning all of the service costs, revenues and assets to special districts, we are able show that, in order to result in a decreased tax burden to Village residents, some of the Village’s current services must either be discontinued or shifted to the Town as town-wide services. This scenario was the starting point for our discussion with the committee on which options are feasible, and how the disposition of services affects the fiscal impact of each scenario.

Disposition of Services - Scenario 1								
Status Following Village Dissolution*	D	TW	SD		D	TW	SD	
Building Repair/Maintenance			X	Peace Officers				X
Benefits & Insurance Administration			X	Mayor and Mayor's Secretary				X
Budgeting			X	Recreation Services (incl. Rec Center)				X
Capital Projects (Debt Service)			X	Tourism Related Services (incl. Occupancy Tax)				X
Count/Deposit Parking Meter Receipts			X	Village Board				X
Elections Officer			X	Justice Court/Parking Violations Bureau				X
Financial Reporting			X	Gardens, Flower Beds and Lawns				X
Fire Dept Purchasing/Billing			X	Parks (incl. Fountains)				X
Licenses & Fees			X	Street Trees				X
Notary Public			X	Zoning and Planning				X
Payroll			X	Sewer				X
Purchasing			X	Street Lights				X
Records Management			X	Cleanup of Lawn Debris				X
Secretary to Village Board			X	Storm Drains and Culverts				X
Tax Collection			X	Litter Patrol				X
Vital Statistics			X	Parking/Meter Collection & Maintenance				X
Code Enforcement			X	Sidewalks (incl. Plowing/Shoveling)				X
Fire Department			X	Snow Removal				X
Beaches			X	Special Event Support				X
Leaf Cleanup			X	Street Maintenance				X
Public Docks			X	Street Sweeping				X
Historian			X	Woodshop				X
Legal			X	Water				X
Bus Transportation			X	Other Post-Employment Benefits				X

\* D = Service Discontinued, TW = Service incorporated into Town-wide budget, SD = Service provided through Special District

**Table 1 - Disposition of current Village services under Scenario 1.**

### Fiscal Impact

Clearly, since no services are eliminated and none are transferred to the Town’s town-wide budget in this scenario, no cost savings are achieved. As stated above, it is possible, simply due to the consolidation of departments when the Village dissolves, that there may be new efficiencies or economies of scale that result in cost savings, even in this hypothetical scenario. However, such savings are beyond the scope of this study.

The fiscal impact of this scenario, expressed in dollar-terms, is \$0. All services are continued through special improvement districts, at the same cost and with the same revenues as generated in the past. From a taxpayer standpoint, the impact of this scenario depends on how the Town chooses to allocate revenues that are generated now by the Village (e.g. parking meter revenues, grants, etc.). Upon dissolution, it is likely that these revenues will flow into the Town's general fund. If these revenues are not directed toward the special district services that the Town would provide to former Village residents, then the impact to Village residents would be significant. If, on the other hand, the Town directed revenues amounting to the Village's current non-property tax revenues to the newly created special districts, this scenario would result in no additional taxes, but also would generate no savings, for residents of both the Village and the Town-Outside-of-Village (TOV).

### **Non-Fiscal Issues**

One of the reasons we chose to begin the discussion on scenarios for dissolution with this scenario was to highlight several important aspects of the Village dissolution process in New York State. First, while dissolution itself is an act of the Village independent of the Town, and while the Town is required to continue the services provided by the Village unless otherwise stipulated in the dissolution plan, the Town has a wide degree of latitude when it comes to determining how those services will be provided and paid for. In order to pay for the services provided to former Village residents, the Town may assess a levee against the property in the former Village through the creation of special districts. In some cases, however, the revenues generated by the special district may flow into the Town's general fund, thereby requiring higher tax rates in the special districts than might otherwise be necessary.

For this reason, one of the major non-fiscal issues that must be addressed in each of the scenarios examined in this report is the development of mutually beneficial agreements between the Town and the Village regarding the sharing of revenues between the Town and any special districts created to provide services to former Village residents.

### **Scenario 2 – Mix of Special Districts and Town-wide Services**

The first feasible scenario that the committee requested Fairweather Consulting to analyze involved a combination of outcomes for each of the services currently provided by the Village. Some services, such as the Elections Officer, the Mayor, and the Board of Trustees would be eliminated as they are unnecessary following the dissolution. All remaining services would be continued, and though the final decision remains with the Town, this scenario assumes that some of those remaining services would become part of the Town's town-wide budget and some would be handled through special improvement districts. A summary of the disposition of each service for this scenario is provided below.

Disposition of Services - Scenario 2								
Status Following Village Dissolution	D	TW	SD		D	TW	SD	
Building Repair/Maintenance		X		Peace Officers				X
Benefits & Insurance Administration		X		Mayor and Mayor's Secretary	X			
Budgeting		X		Recreation Services (incl. Rec Center)		X		
Capital Projects (Debt Service)			X	Tourism Related Services (incl. Occupancy Tax)				X
Count/Deposit Parking Meter Receipts			X	Village Board	X			
Elections Officer	X			Justice Court/Parking Violations Bureau				X
Financial Reporting		X		Gardens, Flower Beds and Lawns				X
Fire Dept Purchasing/Billing			X	Parks (incl. Fountains)				X
Licenses & Fees		X		Street Trees				X
Notary Public	X			Zoning and Planning		X		
Payroll		X		Sewer				X
Purchasing		X		Street Lights				X
Records Management		X		Cleanup of Lawn Debris		X		
Secretary to Village Board	X			Storm Drains and Culverts		X		
Tax Collection		X		Litter Patrol		X		
Vital Statistics		X		Parking/Meter Collection & Maintenance				X
Code Enforcement		X		Sidewalks (incl. Plowing/Shoveling)				X
Fire Department			X	Snow Removal		X		
Beaches		X		Special Event Support		X		
Leaf Cleanup			X	Street Maintenance		X		
Public Docks			X	Street Sweeping		X		
Historian		X		Woodshop		X		
Legal		X		Water				X
Bus Transportation			X	Other Post-Employment Benefits				X

\* D = Service Discontinued, TW = Service incorporated into Town-wide budget, SD = Service provided through Special District

**Table 2 - Disposition of current Village services under Scenario 2.**

Although it remains uncertain how the Town would choose to handle revenues generated by the services provided within the new special districts, this scenario assumes that some of those revenues would be assigned to the special district itself, and would decrease the amount of revenue to be generated by the district through a tax levee. In its future discussions with the Town, the Village should seek to validate this assumption and to develop a contract with the Town that specifies which revenues will be directed to the special districts and which will go into the general fund.

**Fiscal Impact**

By eliminating some of the services that the Village currently provides, this scenario results in an overall savings of nearly \$150,000 per year. However, as with all scenarios, these savings may increase as the Town takes over services currently provided by the Village and attains greater efficiencies through consolidation of services. In this scenario, these savings accrue to residents of the former Village, who, on average, would see a decrease of about \$405 in their annual tax bill. On the other hand, because some of the services formerly provided and paid by the Village would now be provided and paid by the Town, through it's town-wide general fund, there is a slight increase in the taxes on residents of the TOV. The estimated taxpayer impact for this scenario is described in the figure below.

Town Outside Village	per \$1,000	
Townwide General Tax Rate Was	\$	1.74
Townwide General Tax Rate <b>Increases</b> By	+ \$	(0.43)
Townwide General Tax Rate Is	= \$	1.31
TOV General Tax Rate Was	\$	-
TOV General Tax Rate <b>Decreases</b> By	- \$	-
TOV General Tax Rate Is	= \$	-
TOV Highway Tax Rate Was	\$	-
TOV Highway Tax Rate <b>Decreases</b> By	- \$	-
TOV Highway Tax Rate Is	= \$	-
New Townwide Highway Tax Rate Was	\$	-
New Townwide Highway Tax Rate <b>Increases</b> By	+ \$	0.62
New Townwide Highway Tax Rate Is	= \$	0.62
Fire District #1 Tax Rate Was	\$	0.30
Fire District #1 Tax Rate <b>Decreases</b> By	- \$	-
Fire District #1 Tax Rate Is	= \$	0.30
New Fire District Tax Rate Was	\$	-
New Fire District Tax Rate <b>Increases</b> By	+ \$	-
New Fire District Tax Rate Is	= \$	-
<b>Total Tax Rate Was</b>	\$	2.04
<b>Total Tax Rate Increases</b> By	+ \$	0.19
<b>Total Tax Rate Is</b>	= \$	2.23
Median Home Value	\$	168,000
Average Tax Bill Was	\$	343
Average Tax Bill Is	\$	375
<b>Net Tax Increase</b>	<b>\$</b>	<b>32</b>
Percent Tax Increase		9%

Village	per \$1,000	
Village Tax Rate Was	\$	8.07
Village Tax Rate <b>Decreases</b> By	- \$	(8.07)
Village Tax Rate Is	= \$	-
Townwide General Tax Rate Was	\$	1.74
Townwide General Tax Rate <b>Increases</b> By	+ \$	(0.43)
Townwide General Tax Rate Is	= \$	1.31
New Townwide Highway Tax Rate Was	\$	-
New Townwide Highway Tax Rate <b>Increases</b> By	+ \$	0.62
New Townwide Highway Tax Rate Is	= \$	0.62
Tax Rate For Hamlet Districts Was	\$	-
Tax Rate For Hamlet Districts <b>Increases</b> By	+ \$	3.53
Tax Rate For Hamlet Districts Is	= \$	3.53
New Fire District Tax Rate Was	\$	-
New Fire District Tax Rate <b>Increases</b> By	+ \$	(0.03)
New Fire District Tax Rate Is	= \$	(0.03)
New Sewer District Tax Rate Was	\$	-
New Sewer District Tax Rate <b>Increases</b> By	+ \$	1.97
New Sewer District Tax Rate Is	= \$	1.97
<b>Total Tax Rate Was</b>	\$	9.81
<b>Total Tax Rate Decreases</b> By	- \$	(2.41)
<b>Total Tax Rate Is</b>	= \$	7.40
Median Home Value	\$	168,000
Average Tax Bill Was	\$	1,648
Average Tax Bill Is	\$	1,243
<b>Net Tax Decrease</b>	<b>\$</b>	<b>(405)</b>
Percent Tax Decrease		-25%

**Figure 1 - Impact of Scenario 2 on the taxes paid by residents in the Town Outside Village and the Village.**

While a slight increase in taxes is possible for residents in the TOV, it is highly likely that savings from increased efficiency in the delivery of these services (for example, through elimination of personnel over time through attrition, or from a reduced need for duplicative equipment and contractual services) would offset these increases, bringing the impact to TOV residents closer to \$0. As stated above, we encourage the Town and the Village to discuss such cost-saving opportunities as part of the process of establishing contracts and agreements for service provision after dissolution.

### Non-Fiscal Issues

In our initial discussions with the Dissolution Steering Committee, there was a strong opinion that some level of control should be maintained over the provision of services within the former Village after dissolution. While the special districts proposed in this scenario are ultimately controlled by the Town, the use of special districts affords a slightly greater amount of control over services by placing the financial burden of those services directly upon the residents of the former Village. Services considered critical to maintaining the unique character of the Village, one of its greatest strengths, could be handled initially with the same staffing, roles, and service levels as Village residents and businesses currently enjoy, making it easier to provide a consistent level of service. By shouldering the cost of those services through a special district tax levee, residents of the former Village are likely to maintain a higher level of control over those services than they might if all Town taxpayers share the cost.

## **Scenario 2a – Mix of Special Districts and Town-wide Services, Plus Payment for Assets**

Building on Scenario 2, Fairweather Consulting responded to questions from the committee by reviewing the Village's current assets and debts to determine whether the sale of assets prior to dissolution might have a significant affect on the fiscal impact of dissolution. Upon dissolution, it is likely that some of the Village's assets will no longer be required for the provision of services by special districts, and that these assets may be sold and proceeds used to reduce the Village's debt (thereby reducing the tax burden on former Village residents by reducing or eliminating annual debt service payments). Based on our Service Inventory, which assigned each asset to the services that utilize that asset, Fairweather Consulting was able to determine which assets are not required for service provision under Scenario 2. The value of these surplus assets, however, is difficult to assess since the Village does not record a depreciated value for most items. Due to the lack of available alternatives, Fairweather Consulting utilized asset values as reported in the Village's asset tracking inventory and insurance valuation reports, which often included only the replacement cost or original purchase cost of items. A full list of assets and their values is provided in Appendix B.

### **Fiscal Impact**

Using these values, the estimated replacement cost of surplus assets (excluding land) under Scenario 2 is \$2,455,695. Compared to the current debt of the Village, \$6,471,597 (debt from all funds), this is a significant figure. Even if the Village is only able to realize 20% of the replacement value, the sale of surplus assets, combined with the sale of surplus Village property valued at \$648,337 could generate enough revenue to reduce the Village debt by \$991,000, which, in turn, could decrease the Village's 2009 debt service payment from approximately \$740,000 to \$638,000 (for more information on the Village's debts and future debt service payments, see Appendix C – Debt Schedules). This savings would translate into a decrease in the tax rate on former Village residents used to raise revenues for payment of debt service. An average taxpayer could save an additional \$99 per year, bringing the total savings for the average Village taxpayer under Scenario 2a to \$504, or 31%. The adjusted taxpayer impact is shown below.

Town Outside Village	per \$1,000	
Townwide General Tax Rate Was	\$	1.74
Townwide General Tax Rate <b>Increases</b> By	+ \$	(0.43)
Townwide General Tax Rate Is	= \$	1.31
TOV General Tax Rate Was	\$	-
TOV General Tax Rate <b>Decreases</b> By	- \$	-
TOV General Tax Rate Is	= \$	-
TOV Highway Tax Rate Was	\$	-
TOV Highway Tax Rate <b>Decreases</b> By	- \$	-
TOV Highway Tax Rate Is	= \$	-
New Townwide Highway Tax Rate Was	\$	-
New Townwide Highway Tax Rate <b>Increases</b> By	+ \$	0.62
New Townwide Highway Tax Rate Is	= \$	0.62
Fire District #1 Tax Rate Was	\$	0.30
Fire District #1 Tax Rate <b>Decreases</b> By	- \$	-
Fire District #1 Tax Rate Is	= \$	0.30
New Fire District Tax Rate Was	\$	-
New Fire District Tax Rate <b>Increases</b> By	+ \$	-
New Fire District Tax Rate Is	= \$	-
<b>Total Tax Rate Was</b>	\$	2.04
<b>Total Tax Rate <b>Increases</b> By</b>	+ \$	0.19
<b>Total Tax Rate Is</b>	= \$	2.23
Median Home Value	\$	168,000
Average Tax Bill Was	\$	343
Average Tax Bill Is	\$	375
<b>Net Tax Increase</b>	<b>\$</b>	<b>32</b>
Percent Tax Increase		9%

Village	per \$1,000	
Village Tax Rate Was	\$	8.07
Village Tax Rate <b>Decreases</b> By	- \$	(8.07)
Village Tax Rate Is	= \$	-
Townwide General Tax Rate Was	\$	1.74
Townwide General Tax Rate <b>Increases</b> By	+ \$	(0.43)
Townwide General Tax Rate Is	= \$	1.31
New Townwide Highway Tax Rate Was	\$	-
New Townwide Highway Tax Rate <b>Increases</b> By	+ \$	0.62
New Townwide Highway Tax Rate Is	= \$	0.62
Tax Rate For Hamlet Districts Was	\$	-
Tax Rate For Hamlet Districts <b>Increases</b> By	+ \$	2.94
Tax Rate For Hamlet Districts Is	= \$	2.94
New Fire District Tax Rate Was	\$	-
New Fire District Tax Rate <b>Increases</b> By	+ \$	(0.03)
New Fire District Tax Rate Is	= \$	(0.03)
New Sewer District Tax Rate Was	\$	-
New Sewer District Tax Rate <b>Increases</b> By	+ \$	1.97
New Sewer District Tax Rate Is	= \$	1.97
<b>Total Tax Rate Was</b>	\$	9.81
<b>Total Tax Rate <b>Decreases</b> By</b>	- \$	(3.00)
<b>Total Tax Rate Is</b>	= \$	6.81
Median Home Value	\$	168,000
Average Tax Bill Was	\$	1,648
Average Tax Bill Is	\$	1,143
<b>Net Tax Decrease</b>	<b>\$</b>	<b>(504)</b>
Percent Tax Decrease		-31%

**Figure 2 - Impact of Scenario 2a (with the sale of assets) on the taxes paid by residents in the Town Outside Village and the Village.**

**Non-Fiscal Issues**

According to Village Law, the assets of the Village become property of the Town when the dissolution is complete. This situation has raised concerns with some members of the committee about fairness and equity. Since the assets have some value, and the debts incurred to acquire them will continue to be paid by former Village residents, there is a great interest in selling those assets that will not be used to provide services to former Village residents after dissolution.

One alternative discussed with the committee is to inquire with the Town regarding their interest in using and purchasing surplus assets of the Village. While we highly recommend that the Town and the Village discuss this option, the Village should also remain open to selling unneeded assets to private parties prior to dissolution, since it is uncertain whether the Town would be interested in purchasing assets. However, it is important to point out that any significant purchase of assets by the Town would likely increase Town tax rates, perhaps to the extent that such an agreement is infeasible. The most promising situations for discussion would involve future purchases that the Town already expects to make, which could be avoided through the transfer of assets from the Village. In such cases, it may be more likely that the Town would be interested in reaching some agreement with the Village in order to acquire these assets.

## **Scenario 2b – Mix of Special Districts and Town-wide Services, No Revenue Sharing**

Like Scenario 2a, this scenario is a variation on Scenario 2. In Scenario 2, a number of special districts are created in order to provide services that are currently provided by the Village after dissolution. Initially, we assume that a portion of the revenues generated by these special district services would be returned to the special districts in order to offset the cost of providing those services. If this arrangement is not agreed to by the Town, or if these revenues are otherwise lost after dissolution, the net tax levee for these services increases, resulting in an increase in the tax rates for these special districts. Scenario 2b examined the fiscal impact to taxpayers if no non-property tax revenues are received by the newly created special districts.

NOTE: The Water Department generates revenues through user fees. In all cases, we anticipate that these fees would continue to be dedicated to the Water District, and as such, the Water District's situation remains unchanged in Scenario 2b.

### **Fiscal Impact**

Without the fees generated by parking meter receipts and parking fines, the special districts that provide services within the former Village after dissolution in Scenario 2 would generate much greater net cost to residents of the former Village. These revenues totaled \$561,000 in 2008-09, and removing them from the special districts' budgets would increase the average former Village taxpayer's bill post-dissolution from \$1,648 to \$1,960. On the other hand, since these revenues would flow into the Town's general fund, resulting in a lower town-wide tax levee, the average TOV taxpayer's bill would decrease by \$153. The average taxpayer impact under Scenario 2b is depicted below.

Town Outside Village	per \$1,000	
Townwide General Tax Rate Was	\$	1.74
Townwide General Tax Rate <b>Increases</b> By	- \$	(0.83)
Townwide General Tax Rate Is	= \$	0.91
TOV General Tax Rate Was	\$	-
TOV General Tax Rate <b>Decreases</b> By	- \$	-
TOV General Tax Rate Is	= \$	-
TOV Highway Tax Rate Was	\$	-
TOV Highway Tax Rate <b>Decreases</b> By	- \$	-
TOV Highway Tax Rate Is	= \$	-
New Townwide Highway Tax Rate Was	\$	-
New Townwide Highway Tax Rate <b>Increases</b> By	+ \$	(0.08)
New Townwide Highway Tax Rate Is	= \$	(0.08)
Fire District #1 Tax Rate Was	\$	0.30
Fire District #1 Tax Rate <b>Decreases</b> By	- \$	-
Fire District #1 Tax Rate Is	= \$	0.30
New Fire District Tax Rate Was	\$	-
New Fire District Tax Rate <b>Increases</b> By	+ \$	-
New Fire District Tax Rate Is	= \$	-
Total Tax Rate Was	\$	2.04
Total Tax Rate <b>Increases</b> By	+ \$	(0.91)
Total Tax Rate Is	= \$	1.13
Median Home Value	\$	168,000
Average Tax Bill Was	\$	343
Average Tax Bill Is	\$	190
<b>Net Tax Increase</b>	<b>\$</b>	<b>(153)</b>
Percent Tax Increase		-45%

Village	per \$1,000	
Village Tax Rate Was	\$	8.07
Village Tax Rate <b>Decreases</b> By	- \$	8.07
Village Tax Rate Is	= \$	-
Townwide General Tax Rate Was	\$	1.74
Townwide General Tax Rate <b>Increases</b> By	- \$	(0.83)
Townwide General Tax Rate Is	= \$	0.91
New Townwide Highway Tax Rate Was	\$	-
New Townwide Highway Tax Rate <b>Increases</b> By	+ \$	(0.08)
New Townwide Highway Tax Rate Is	= \$	(0.08)
Tax Rate For Hamlet Districts Was	\$	-
Tax Rate For Hamlet Districts <b>Increases</b> By	+ \$	8.90
Tax Rate For Hamlet Districts Is	= \$	8.90
New Fire District Tax Rate Was	\$	-
New Fire District Tax Rate <b>Increases</b> By	+ \$	(0.03)
New Fire District Tax Rate Is	= \$	(0.03)
New Sewer District Tax Rate Was	\$	-
New Sewer District Tax Rate <b>Increases</b> By	+ \$	1.97
New Sewer District Tax Rate Is	= \$	1.97
Total Tax Rate Was	\$	9.81
Total Tax Rate <b>Decreases</b> By	- \$	(1.86)
Total Tax Rate Is	= \$	11.67
Median Home Value	\$	168,000
Average Tax Bill Was	\$	1,648
Average Tax Bill Is	\$	1,960
<b>Net Tax Decrease</b>	<b>\$</b>	<b>313</b>
Percent Tax Decrease		19%

Figure 3 - Impact of Scenario 2b on the taxes paid by residents in the Town Outside Village and the Village.

### Non-Fiscal Issues

Since the dissolution plan adopted by the Village board and approved by Village voters is not a contract, it is not sufficient to simply spell out a revenue sharing strategy in the plan. Instead, the Town and the Village must engage in discussions about how revenues from services such as parking should be handled after dissolution. If special districts are created, the Town and the Village should create a contract that describes how revenues from those special districts are to be allocated in the Town's budget, and the effect that such a strategy will have on taxpayers throughout the Town.

Appendix E  
Lake George Village Dissolution Study:  
Questions & Answers from the Dissolution  
Committee Public Hearing

---

## Appendix E – Questions & Answers from the Dissolution Committee Public Hearing

---

On Thursday, May 14<sup>th</sup>, after providing official notice according to the required timeframes, the Lake George Dissolution Study Committee held a Public Hearing to review the draft Dissolution Study and Proposition. During the Public Hearing, Fairweather Consulting described the study and presented its recommendation – that the Village proceed with dissolution at the next regular election using the configuration represented by Scenario 3a (see the main report for more details on this scenario, or Appendix D for other scenarios examined by the committee).

During the Public Hearing, a number of questions were fielded from the meeting’s participants. In this appendix, we provide answers to each of the questions posed during the Public Hearing.

### **Question #1 – How many signatures would be required on a petition that would bring the Dissolution Plan and Proposition to a vote at an election other than the regular Village election in March 2011?**

According to Village Law, Article 19-1900 (Proposition for dissolution), a petition for dissolution requires the signatures of one-third of the number of resident electors qualified at the last general or special village election. However, according to Village Law, Article 9-912 (Propositions – submission and special election) if the petition requests that the referendum for dissolution be held at any time other than the regular general Village election or a special Village election, that the petition requires twice the number of signatures as would otherwise be required. As such, signatures totaling two-thirds of the qualified resident electors would be required to vote on the issue of dissolution prior to March 2011.

If a petition with signatures totaling two-thirds of the qualified resident electors is filed within one year of the completion of the current Dissolution Study, the Village Board may reconvene the Dissolution Committee to either reaffirm the existing study or make appropriate updates to the prior study. Before submitting the reaffirmed or revised study to the Village Board, the committee should hold a Public Hearing. This is the procedure recommended by the Department of State, but DOS representatives have noted that there is no case law on this issue to provide guidance as to the appropriate process.

### **Question #2 – How did the current study decide that the boundaries of the new sewer district (created after dissolution) would be the same as the current Village boundaries?**

Upon dissolution, the Village’s sewer system would likely become a special district of the Town of Lake George. This could happen in one of two ways: the Town could expand its existing Caldwell Sewer District to incorporate the area of the former Village, or the Town could establish a new, second Sewer District separate

from the Caldwell district. For the purposes of this study, we opted for the second alternative since this option involves the least effort on the part of the Town of Lake George. This Dissolution Plan attempts to avoid making any assumptions about whether or not the Town of Lake George will cooperate by revising the boundaries of its existing special districts. However, if the Town chooses to expand the Caldwell district to cover the area of the former Village, the consolidated district may present opportunities for cost-savings and increased efficiencies through the reduction, over time, of staff, equipment and/or contractual expenses.

**Question #3 – What has been the support of the Town of Lake George in the development of the Dissolution Study for the Village of Lake George?**

Since dissolution is a Village action, the role of the Town in the completion of this study has been limited. However, when approached with specific questions, representatives from the Town have, on the whole, been cooperative and forthcoming. A greater level of engagement between the Town and the Village will be required in order to address some of the outstanding questions about topics such as the employment of Village staff by the Town after dissolution, the transfer of Village assets to the Town and the creation of special districts. We encourage the Town and Village Boards to meet to discuss these issues, and, perhaps, to form a joint committee to work on agreements that would provide a higher level of certainty about the service-delivery and tax impacts of dissolution.

**Question #4 – Is there a more accurate number that could be used for the median home value in the Town outside of the Village?**

In our fiscal impact analysis, we presented a series of figures to demonstrate the impact that each of the scenarios reviewed by the Dissolution Committee is expected to have on taxpayers in the Village and in the Town outside of the Village. As a way of making the fiscal impact more accessible to the average resident, we presented the expected increase or decrease in the tax bill on a home at the median value. At the time that this analysis was performed the most recent available figures were used for the median home value in the Village of Lake George and the Town of Lake George outside of the Village. However, home values have been declining steadily since this analysis was performed, and the median value is likely to have changed. Likewise, over time, the budgets used for our analysis will change as new fiscal years begin in the Town and the Village. For these reasons, we will submit to the Dissolution Committee the spreadsheet model that we used to conduct the fiscal impact analysis so that the figures may be updated as the March 2011 election approaches. In the meantime, residents can use the following method to get a more accurate sense of the impact that our recommended scenario (3a) will have on their bills for Town and Village taxes:

**Resident of the Town Outside of Village:**

The post-dissolution configuration described in Scenario 3a would increase the tax rate for a taxpayer in the Town Outside of Village by \$0.19 per \$1,000 of assessed value. To see how this impacts your tax bill, compare the results of the following calculations:

$$\text{New Tax Bill for Town and Fire Taxes} = \frac{\text{Assessed Value of Your Home}}{1,000} \times \$2.23$$

$$\text{Current Tax Bill for Town and Fire Taxes} = \frac{\text{Assessed Value of Your Home}}{1,000} \times \$2.04$$

The first number minus the second number is the increase in your Town and Fire tax bills after the dissolution of the Village of Lake George.

**Resident of the Village:**

The post-dissolution configuration described in Scenario 3a would decrease the tax rate for a taxpayer in the Village by \$3.02 per \$1,000 of assessed value. To see how this impacts your tax bill, compare the results of the following calculations:

$$\text{New Tax Bill for Town, Fire, Special District Taxes} = \frac{\text{Assessed Value of Your Home}}{1,000} \times \$6.79$$

$$\text{Current Tax Bill for Town and Village Taxes} = \frac{\text{Assessed Value of Your Home}}{1,000} \times \$9.81$$

The second number minus the first number is the decrease in your Town and Village tax bills after the dissolution of the Village of Lake George.

**Question #5 – Why are we suggesting that Village employees should be let go after dissolution?**

In the draft proposition language included in the final report, we suggest that the Town and the Village agree that Village employees will be transferred to the Town for a period of at least one year following the dissolution of the Village. Following this period, the former Village employees would be subject to the same employment terms as other Town employees, and would be retained only if their positions were deemed necessary for the Town to provide services to its residents.

Since the dissolution occurs on December 31<sup>st</sup> of the year following the approval of the referendum on dissolution by Village voters, this agreement would provide a transition period of 2 – 3 years for employees of the Village (depending on when the referendum is put to a vote). After the one-year period following

dissolution has expired, the Town would be free to adjust its staffing in order to provide Town services under the new situation. We feel that this provides the best balance by providing a long transition period for former Village employees, while acknowledging that the Town must remain free to terminate employment according to its contracts with its employees.

**Question #6 – Will the Town be divided up into Wards following the dissolution of the Village?**

How the Town of Lake George wishes to handle its elections following the dissolution of the Village is a Town decision, subject to Town Law.

**Question #7 – The Village’s land use program has been approved by the APA. Would the APA be required to sign-off on the dissolution proposition, since as it is currently worded it implies that Village zoning would be in effect for a period of only 2 years following dissolution?**

To the best of our knowledge, the Village’s designation as a Hamlet under the APA’s Adirondack Park Land Use and Development Plan would not change as a result of dissolution. If, however, after dissolution the Town of Lake George wishes to make changes to the zoning or land use planning within the former Village, these changes may require the approval of the APA.

**Question #8 – Who will pay for retiree benefits for former Village employees after the Village dissolves?**

Employees who are employed by the Village of Lake George upon retirement will receive retirement benefits according to their contract with the Village. The costs of these benefits will be a tax levee upon the property within the former Village, as stipulated by Village Law, Article 19-1912 (Village obligations). These costs have been estimated and figured into the fiscal analysis presented in this study.

**Question #9 – Would dissolution of the Village result in added expenses for the Town’s Planning Board?**

It is possible that the budget for the Town’s Planning Board would increase as a result of the dissolution of the Village and the elimination of the Village Planning Board. To account for this potential increase in costs, our analysis shifts the current Village budget for Planning and Zoning services to the Town’s General Fund budget. This assumes that the new cost to the Town for planning and zoning services to the former Village would be not more than the current cost of the Village’s planning and zoning services.