

DEPARTMENT OF STATE
EXECUTIVE SUMMARY
TOWN OF LIBERTY – CONSOLIDATIONS AND DISSOLUTIONS

Community Profiles

The Town and Village of Liberty are located in Sullivan County in the Hudson Valley/Down State region of New York State. The Town is average in size and in the proportion of revenues obtained from federal and state aid. The Village is also average in size, but is fiscally distressed despite receiving lower than average revenues from federal and state aid. The Village of Liberty is one of only three Villages in New York at 90% or more of their tax limitation – the Village is at 91%.

2005	Town of Liberty	NYS Town Average	Village of Liberty	NYS Village Average
Population	9,632	9,326	3,975	3,385
Revenue from State and Federal Aid	12.1%	14.2%	6.4%	10.1%

Background

In 2004, the Town and Village reached a joint consensus to undertake a study of shared services opportunities and consideration of a full consolidation of the Town and Village. The financial woes of the Village played a key role in a renewed push to focus on collaboration and consolidation. The inability to revitalize the Village's downtown due to high taxation levels and the perception among residents that there are inefficiencies of service are looming concerns of Village residents and officials. A fear of bankruptcy remains as well, along with the various unknowns associated with its implications. Currently, the property tax rate in the Town of Liberty is \$44.00 per thousand of assessed value, while the Village rate is \$66.00 per thousand of assessed value, with the Village providing more services than the Town. There is a less favorable opinion of consolidation in the Town outside the Village, because of the tax burdens and financial deficits of the Village, which would be partially transferred to the Town in the event of full consolidation.

Funding

The Town of Liberty applied for an SMSI grant in the amount of \$100,000 to study the feasibility of collaborating on the provision of services or undertaking a full consolidation of the Town and Village. The application was approved and the contract executed by the applicant.

Outcome

The study is ongoing.