

My rationale on vote for the dissolution of the Village of Corinth

I voted for option A and option D, basically not to dissolve the Village of Corinth. The single biggest reason is that I felt that the risk is not worth the reward of dissolution. There are far too many uncertainties and not enough concrete items. Some of the issues are as follows:

- The savings to village residents would be estimated at about \$145 with Epcor not challenging their assessment. The risk is, if they challenge and win, it could end up costing the village residents \$449. This is without legal fees included. We have already been down this road with International Paper Co.
- Final legal fees for dissolution were never even factored into to the overall savings.
- AIM funding is also a very cloudy picture at best.
- With dissolution, village taxes will go down (If the EPCOR taxes remain constant), but the majority of the people actually live in the town and will see their taxes increase by \$48 per every \$100,000.
- There also has been talk of resident's water bills being substantially increased as a result.
- It could lead to increased cost to run our fire department as per discussions at our meetings.

I really do feel that there are far too many uncertainties and that the realized savings could actually turn out to be increased taxes. I feel that the risk is not worth the possible reward! In closing, I will say I came in with an open mind and listened intently at every meeting and that is why I voted the way I did. I think that sharing services as much as possible would be the better alternative.

Submitted by Scott D. Sprague

8/11/10

I wanted to comment on my vote not to dissolve the Village of Corinth and not to put it to a vote, but to continue exploring the ways services could be shared.

As a current Town of Corinth resident who grew up in the Village of Corinth, I started work on this Committee with the feeling that this study should be one of dollars and services. I felt then as I do now, that I did not have any preconceived opinion of how it would or should come out.

Considering that the Village of Corinth was incorporated quite a while after the Town of Corinth was founded, I realized that the Village residents felt they had needs of services within their boundaries which the balance of the Town did not. I honestly do not feel that there is any change in the need for the services. Services such as lighting, sidewalks, sewer, water and garbage pickup, are obviously very important to the residents of the Village. The fact that the Village residents have a Board solely dedicated to their interests I believe would be important to a Village resident.

For quite a few years I have attended both Village and Town meetings and I have seen over the years that the Village of Corinth has many more issues to deal with than the Town of Corinth, as far as services are concerned. This is one of the reasons I feel it is not possible for the work done by the Village office personnel to be integrated into the Town office personnel with only ½ position being added. I also do not think it is reasonable for the Town Board to add all of the work and decisions of the Village Board without adding Board Members and/or compensation. This is the one area which appears to have a savings if there was a dissolution.

After reviewing each department in the Village, we found very little which could be done away with. It appears to me that if the sole interest is to save dollars, the only way this could be done is to do away with services now enjoyed by the Village residents, which I do not feel is realistic.

The final recap shows a possible annual savings of \$150, with a possible additional annually of \$450 would indicate that there is probably no good reason for the Village to dissolve.

In conclusion I would like to say that I have enjoyed the lively discussions during these meetings and feel it has been very worthwhile. My largest concern is that the Village taxpayer will wind up paying much more than they are today for the same or less services.

Respectfully submitted, Renee L. Baker

SUMMARY LETTER

AFTER REVIEWING ALL THE INFORMATION FROM THE STUDY, I FEEL THERE ARE TOO MANY UNCERTAINTIES MANY OF WHICH COULD ACTUALLY COST THE VILLAGE TAXPAYERS MORE THAN THEY PAY NOW. I DON'T THINK WE SHOULD DISSOLVE THE VILLAGE.

HOWEVER, I DO THINK THE BOARD SHOULD BRING THE ISSUE UP FOR A PUBLIC VOTE BEFORE THEY ARE FORCED TO BY A PETITION WHICH WOULD TAKE ALL CONTROL OUT OF THEIR HANDS.

I KNOW THAT IT WILL BE A DIFFICULT TIME FOR THE VILLAGE BOARD AND I WISH TO THANK THEM FOR ALL THE EFFORT THEY WILL PUT INTO THIS.

I WILL SUPPORT WHATEVER THEIR DECISION IS.

GOD BLESS

WILLIAM FULLER

8/26/10

TO: Tim Murphy
Chairman - Corinth Shared Service/Dissolution Feasibility Study Committee

FROM: Tim Hanchett
Committee Member - Town of Corinth

SUBJ: Recommendation Summary

I recommend that dissolution is not the preferred option nor put to vote. I recommend that efforts be reinvigorated to find and implement innovative alternatives such as combining departments and sharing services. The recommendation is based on the following:

- 1) Uncertainty of EPCOR funding which has the potential to increase a Village resident's tax bill by as much as 40% with no real change in services presently provided.
- 2) Potential increase in a current Town resident's tax bill as much as 12 to 13% with no real change in services presently provided.
- 3) Due to the poor financial condition of NYS government, my expectation is that NYS will not follow through with AIM (Aid and Incentives to Municipalities) funding. Coupled with the fact that the actual cost that would be incurred to implement dissolution is not well defined. (bang for buck) There is potential for a "small bang for a big buck".

Village residents should be encouraged to engage in and understand whether changing a name from Village to Special District truly creates real tangible and significant savings to a Village resident while continuing to receive presently provided services. Is it worth the effort? The cost to repair roads, repair a dam or install a water filtration plant (large upcoming expenditures not included in the CGR report) does not change simply by changing a name from "Village" to "Special Districts".

The Committee's focus was primarily on fiscal affect (tax dollar) as would be expected. Little time was spent discussing other non-fiscal aspects of dissolution. Village residents (2,377 potential voters within 1 square mile) will experience less representation (voice in government) if dissolution of the village were to occur. For example, existing village ordinances and zoning laws could be later changed or even nullified by vote from a wider geographical field of voters (the addition of 3,868 new potential voters within the existing town 58 square miles). An existing zoning law or village ordinance important to the village 2,377 potential voters within the denser area of the Village (1 square mile) may not be as significant or as important to the 3,868 new potential voters located a distance away within the 58 square miles of the town. If dissolution were to occur, the same Village residents votes that passed a village zoning law or ordinance could be reversed even with no change in the village residents desire (votes) to maintain it on the books. Quality of life and village identity, subjective in nature, is another non-fiscal aspect of dissolution one must consider that can not simply be summarized on a spread sheet.

I was somewhat disappointed in the relatively small public turn out for the committee meetings. All village residents need to be encouraged to engage in and understand all aspects of dissolution (fiscal and non-fiscal) should dissolution ever come to a vote. If the Village Board were to put dissolution to a vote without a petition, it would be obligatory of the board to ensure that all village residents are directly provided all possible forms of information (fiscal and non-fiscal) with clear definition of the pros and cons. With or without a petition, I feel it would be incumbent for the Village Board to go to great lengths (above and beyond the minimum required by law) to inform each and every resident of the Village should dissolution ever come to a vote in the future.

It has been a pleasure and an education to have the privilege to sit as a member of this committee.

Tim Hanchett
(Committee Member - Town of Corinth)

(1)

To: The Honorable Mayor Winslow
Village Board Members
Citizens of the Village of Corinth

August 11, 2010

Allow me to preface what I am about to convey with these thoughts.

The problems faced at the local level are a direct result of failed policies in Albany and in Washington D.C..

Unfunded mandates as well as decades of deficit spending have left the state and federal governments financially bankrupt, ultimately passing the burden down to the lowest level, the citizen, particularly the hapless homeowner. We are expected to pick up the slack with our hard earned dollars, while the powers that be spend our children's future away.

Legislation such as NAFTA and GATT, though good for short term corporate gain, have in the long term, only succeeded in exporting our higher paying manufacturing jobs, and in the process weakened the middle class; the consumer.

We as a community, now find ourselves attempting to save a fistful of dollars while others spend trillions.

Let us not be divided, we did not cause this predicament we, as a nation are in. Yet we are forced to deal with the circumstances as they exist.

Over the past several months we have learned much. The state was to help us with any consolidation with A.I.M. funding of some \$400,000 for an undetermined length of time. This we have discovered will not be.

E.P.C.O.R.. a local business, has not assured us that they would not request a decrease in the amount they pay to our separate governments, if we consolidate. Most likely they would, this could result in a potential 40% increase of the current village residents tax rate.

Consolidation would result in no savings from the highway departments, increased expense to operate our fire department as well as potential increased costs for water and sewer districts.

The village could unilaterally reduce their expenses by reducing some of the services they now provide such as refuse pick-up, brush and leaf removal, full time police protection as well as other areas of minor savings. In doing so they would continue to maintain their autonomy as a governing body.

If consolidation were to take place, village residents may save a few hundred dollars per year. Yet, if EPCOR renegotiates their payments downward, as International Paper did several years ago, and fire department costs increase, village residents could pay up to 40% more in taxes according to the C.G.R. study. Why take the chance?

Let us continue to look at the big picture. The Town and Village of Corinth combine to make up a wonderful community. When disaster strikes, we always come together. This was displayed to me on a personal level, when our family went through a very rough time a few short years ago. For this, I am truly grateful.

If we as taxpayers truly want to reduce our tax burden, we should encourage our elected representatives to eliminate the property based school tax. This could potentially be achieved by increasing the state sales tax to cover this burdensome expense.

When it comes to local government, there apparently are not many areas where savings can be realized. We need to have our streets maintained, our water and waste systems functioning, fire protection as well as other fixed costs.

In my humble opinion, the potential minor savings to Village residents to not justify the risk of a large tax increase if things do not go according to the best case scenario.

Let us keep the lines of communication open. We are all in this together and in time all may yet be well.

Sincerely,



Jeff Collura

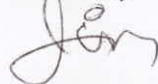
To the Members of the Village Board. I have been asked to submit in writing the reason for my recommendation on dissolution.

I believe that it should go to referendum for many reasons, most of which were discussed over the last ten months, but for me the two most important reasons are:

1. This is the most important decision Village residents have had to make in the last 100 years and will shape this community for the next 100 years. With a decision this important it is my believe that 2,800 people should make that decision, not a committee of twelve or five people setting on the Village Board. (Remember this is America).
2. If you elect not to go to referendum you are going to get a petition that is going to force a vote, if the Village residents vote yes, you have 180 days to consolidate. If you go to referendum and it is a yes vote, you will have time to do it in an orderly fashion. So if I were you I would put those egos to bed and use some common since.

P.S. Before you make any decisions you may want to hold one more public hearing with just Village residents. It may help you to better understand what they are thinking.

Sincerely,



James Hopkins

FYI

T.J. HOOKER—THOOKER@POSTSTAR.COM

New York State Attorney General and Democratic candidate for governor Andrew Cuomo answers questions from members of the press at the Charles R. Wood Theater in Glens Falls on Wednesday. The campaign stop is part of his 'Drive for a New NY' tour where he plans to visit all 62 counties in the state. Standing with him are his three daughters Michaela, Moriah and Cara.

July 22, 2010 Cuomo vows change

Candidate for governor makes stop on RV tour

By MAURY THOMPSON
thompson@poststar.com

GLENS FALLS ♦ Andrew Cuomo pulled in to Glens Falls in a B Touring Cruiser brand RV to make his case why New Yorkers should elect him governor.

But his campaign is about more than becoming the state's top elected official, the Democratic candidate said Wednesday.

It's about building a citizen movement to change dysfunctional state government.

"I want to get elected in November, but more I want to change the trajectory of the state in January. And that we have to do together my friends," Cuomo, now the state attorney general, told about 100 people gathered in the second-floor meeting room at the Charles R. Wood Theater.

★ Cuomo said his approach to changing government will focus on reducing spending,



DEREK PRUITT—DPRUITT@POSTSTAR.COM

Democratic gubernatorial candidate Andrew Cuomo greets campaign volunteer Joe Rabito of Albany during Cuomo's 'Drive for a New NY' RV tour stop in Glens Falls on Wednesday.

More online

Go to the All Politics is Local blog on poststar.com for more coverage of Cuomo's visit.

capping local property taxes and providing incentives to encourage local government consolidation.

★ "As governor, I would say to local governments that do consolidate and merge, I'll give you financial incentive to accomplish the act and actually a financial incentive

if you successfully complete the consolidation," he said, speaking with the media after his speech.

There is room for consolidation of state agencies as well, he said in his speech.

"We have 1,000 state agencies right now. Do you really think we need all 1,000 state agencies?" he said.

Cuomo's visit was part of an 11-day tour through 21 upstate counties, traveling in

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ANDREW CUOMO ON:

Fiscal management:

"There is a universal rule of economics, which I explain to my daughters all the time. You can only spend what you have. It's time we remember that rule in the state government of New York."

Understanding of upstate issues:

"I am from — quote, unquote — downstate originally. But I have been all over this state for many years. You don't get all these gray hairs for nothing."

Urgency of reform:

"It's almost like a hangover arrogance that we have in New York that we think businesses have to be here, you know, because we are New York and businesses have to be here. ... They will move. Businesses can move. Businesses are mobile."

To: Study Committee & Village Board

From: T. Murphy, member

Re: Rational for Vote

Below are listed reasons for my vote on July 21st, 2010, relative to our feasibility study over the past 10+ months. I've attached excerpts from a state-wide study conducted a couple of years ago that forgoes specific dollars and cents figures of Corinth's situation, but focuses on New York State in general.

Reasons for not dissolving now:

- 1) Minimal saving by village residents at the expense of town residents.
- 2) To many unknown costs, that if underestimated, would undermine any potential gains.
- 3) The uncertainty of EPCOR and AIM money.
- 4) Personnel costs, duties, benefits, etc. are taken to lightly. It would be opening a "can of worms".

Recommendations:

- 1) Work with the Town to bring Village budget into the same calendar year format.
- 2) Limit the use of "consultants". There are untapped resources out there that should be utilized. It will require better planning, but less expensive.
- 3) Be prepared to deal with the issue of "dissolution" once again as things change over time. Our study is good for today only.

To: Village Board

From: T. Murphy, Chrm.
Corinth Shared Service/ Dissolution Study Committee

Subj: Excerpts from Government Efficiency- The Case for Local Control
Prepared by Wendell Cox, Demographic, Inc.
May 2008 for the NYS Assoc. of Towns

The following is taken from the "Executive Summary" of the above-cited reference, and is edited by me in the interest of brevity.

In 2007, then Governor Eliot Spitzer created a Commission to consider the consolidation of local governments as a means of reducing costs and thus real property taxes. It was apparent from the beginning that they assumed larger governments would result in less expensive and more efficient government to residents of NYS. We (NYS Assoc. of Towns) believed their assumption ran contrary to the findings of previous commissions and private organizations studying this issue.

Wendell Cox of Demographic, Inc. is a recognized expert in preparing reports that compare the efficiency and costs of local governments to larger governments. His analyses makes it quite apparent that smaller local governments provide services to their residents more efficiently and afford New Yorkers a greater voice in their governance through more access to local officials.

Study Conclusions In Brief

Conclusion #1: Government consolidation does not improve government efficiency.

- Consolidation often expands services and forces them upon those who may not want or need them, which increases spending.
- Consolidation leads to higher personnel costs because of the larger organized labor force it produces and because differing labor contracts are routinely harmonized with the highest compensation rate and least productive work rules.
- Consolidation detaches people from their local governments, marginalizes their influence on their immediate surroundings and facilitates greater influence of interests such as labor unions and the state.

Conclusion #2: Nationally, states with larger governments are not more efficient.

- Tax and spending competitiveness must be evaluated at the state and local level, not just at the local level. New York relies on local governments to a very high degree (first in taxation, forth in spending).
- If the "bigger is better" theory of government efficiency were valid, New York would be among lowest spending and taxing states, since its average jurisdictions are larger than two-thirds of other states.

Conclusion #3: There is a strong association between smaller units of local government and greater government efficiency in New York.

- Forced local government consolidation would likely lead to higher taxes and spending levels, reduced government efficiency, and a less competitive New York.

Conclusion #4: Claims that local government consolidation would improve New York's competitiveness are not supported by the experience.

- New York has serious competitiveness difficulties and proposals to consolidate government would likely retard the states competitiveness even more, i.e. examine major metropolitan trends in the Frost Belt, of which New York is a part. In the Frost Belt, higher employment growth has been associated with smaller units of government.

Note on Efficiency: As used here, it is a measure of cost effectiveness. When less is spent to provide a defined quantity and quality of a good or service, there is greater efficiency.

Village of Corinth
Shared Services Study
August 11, 2010

In 2008, the Village and Town of Corinth governments had asked taxpayers to respond to surveys with general questions relating to the services provided and in what direction the community should be headed. Included was a question that simply asked "Should the Village and Town study consolidating"? A majority of the respondents indicated such a study was needed. As a result, the mayor and board members of the Village of Corinth obtained funding and authorized a study to determine the merits of sharing Village services with the Town of Corinth. The scope of the study was to review and document the most recent year's services provided by both governmental units, determine the costs of operations, and translate those costs into a tax rate(s). It would then be determined what services could or should be shared and any corresponding savings; or should both governments remain intact without any change; or should the Village consider dissolving and consolidating with the Town of Corinth.

The study was conducted by analysts from the Center for Governmental Research (CGR) and Camoin Associates and was paid for by a State grant. A committee consisting of six Village residents and six Town residents was formed. The committee was to review the study while it was still in progress, to analyze its findings, and to make any necessary and relevant changes to provide direction to the analysts. The committee first met on September 30, 2009 and reviewed the final report and made a decision on July 21, 2010. During this period, several interim meetings were held to review and discuss any research accomplished. Although most of these meetings were for committee members, all meetings were open to the public. Additionally, two meetings were held where the public was invited to make comments.

On July 21, 2010, a final report was issued. After considerable discussion and debate, mostly on issues and themes which had already been discussed at previous meetings, a vote was taken. There were eleven committee members present. Ten members voted to not dissolve the Village, to not consolidate with the Town and to not put it up to a Village referendum. One committee member voted to not make any recommendation on dissolution but to put it up for a Village referendum. All eleven members also voted that the Village board should consider the sharing of certain specific services. Those services were the ones provided by the Zoning and Planning Board and the Building Inspector.

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There were several reasons for the majority decision of the committee. These are discussed in detail further below. Generally, it was determined:

- 1- Consolidation would not lower the total costs for Village residents but would only increase them.
- 2- There were too many unknown variables which could negatively impact the tax rates. These included the possible elimination of revenue from Capital Power, restrictive funding for repairs to the existing infrastructure (i.e., streets, upper reservoir dam), increases in highway department costs (i.e., salaries and insurance), and an increase in fire protection costs.
- 3- Most of the current services provided by the Village would still be provided after consolidation through the creation of special districts. However, the same users would still have to pay all of the associated special district costs some of which would increase. There would not be any new users added to any of the districts to contribute to the costs of operation.
- 4- The quality of the services provided may not remain at the same level. After consolidation, there would be an increase in duties at all Town government levels with no corresponding increase, but more likely a reduction, in staff and representation.
- 5- Subsidies would most likely end. Certain costs currently charged to all or most Village taxpayers would only be charged to the special district users.

The following details the various services provided by the Village and the impact of sharing or consolidating these services with the Town.

1. Village Board

This cost would be eliminated from the budget. However, all of the duties performed by the current Village Board members would have to be absorbed by the Town Board. Although some Town Board members indicated that it would be no problem to absorb all of the Village Board duties and at no increase in salary, no formal review of actual duties was ever done. It is difficult to find that everyone involved would be willing to take on additional responsibility without either an increase in salary and/or additional assistance.

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2. Clerk - Treasurer

This cost, in part, would be eliminated from the budget. The Town clerk stated that she could perform the same duties as the Village clerk. Although this may be true, there was no analysis of work loads. The Town may have to hire back some help to handle the additional work volume. Additionally, no definitive analysis was done to determine who would handle the Treasurer duties and how much help would be needed.

3. General Government

Although it would appear there may be some initial savings in the operation of general government, it was equally certain that as a direct result, some Town expenses would increase. For instance, due to an increase in Town staff, the Town would be put into a different insurance class resulting in a rate increase. Additionally, other costs such as Town attorney fees would also increase. Combining all of these increases with the elimination of other costs would likely result in little or no savings.

4. Fire Department

The Fire Department would no longer be owned and operated by the Village. Since NYS Town law does not allow a Town government to own and operate a fire department, a fire district or fire protection district would have to be established. As a direct result, the new Fire Department would have to hire a clerk, attorney, and secretary to do all of the current work performed by Village staff. Based upon a comparison with area fire districts, this would increase annual Fire Department costs by at least \$100,000.

5. Garbage Pickup

Garbage pickup would become a special district. It is currently subsidized by Capital Power (EPCOR) and a few other businesses which do not use the service. There is no guarantee that these businesses would still pay or have to pay for this service. This could increase the users' annual costs in the new special district by as much as \$70,000.

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6. Highway Department

All Village Highway Department employees would be transferred to the Town. At least two of these employees would have to become employees of the water and sewer district. Although not certain, the Town should replace these two employees on the Highway Department. Also, current Town employees are paid at a higher rate than Village employees. An adjustment for the difference in pay would have to be made. This annual increase, based upon keeping the status quo, would be \$20,000. Additionally, the Town Highway Supervisor would have an increase in staff as compared to current Town staffing levels. It is not unreasonable to expect an increase in salary for both the increase in staff and duties.

7. Water & Sewer

Water and sewer services would become a new special district. Currently, the Village Highway Department uses their equipment for water and sewer repairs and service. Only a portion of this usage is charged back to the water and sewer users. The new special district would not be able to share equipment and would have to purchase and maintain their own equipment (i.e., pickup, backhoe, dump truck) at an additional annual cost to the users.

8. Street Repairs

Street repairs are currently paid for by all Village residents. After consolidation, the water and sewer district users would have to pay for water and sewer improvements, the sidewalk district users would have to pay for the sidewalks and curbs, and all former Village and the Town taxpayers would have to cover the cost of street resurfacing. The latest estimate to rehab Walnut Street is \$2.3 million. The special district users (i.e., water, sewer, sidewalk) could have to pay several hundred thousand dollars or more of these repairs without any contribution from other taxpayers.

9. Dam Repairs

The dam at the upper reservoir needs to be repaired. The current estimates range from \$500,000 to \$800,000. Currently, the repairs would be paid for by all Village taxpayers. After consolidation, just the water district users would pay for the repairs.

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10. Capital Power (EPCOR)

Capital Power has a PILOT (Payment In Lieu of Taxes) agreement with the Village, Town and school district. In 2009, the Village share was nearly \$800,000 and represented approximately half of all Village revenue. After consolidation, it is unknown if the agreement would still be valid possibly ending any remaining payments and putting future agreements for commensurate amounts in jeopardy.

11. Town Taxes

All Village taxpayers currently pay for some but not all Town costs. After consolidation, the former Village taxpayers would now have to pay toward all Town costs.

12. Sheriff Department

The Village currently has a contract with Saratoga County to provide one deputy to cover the Village 24 hours per day. After consolidation, it is unknown if the Town would agree to provide the same coverage since that one deputy would now have to cover the entire Town and it would obviously take more than one deputy per shift to provide the current coverage. The Town cannot contract with the County to provide coverage to just the area of the Village unless the State passes special legislation creating such a district. The most likely result of consolidation is a loss in police coverage for the Village residents.

There were many other issues which were discussed but not resolved. The Village has debt from prior projects (i.e., Hamilton Avenue & Center Street rehabs, new fire station) and must pay retiree benefits. These costs would most likely be assumed by all former Village taxpayers only. Current Town residents cannot be expected to assume these costs. Distribution of Village assets and the use of any revenue from their sale was not explored in detail. It was also not known the cost of legal fees to consolidate. And the list goes on and on. Generally, these issues would be discussed in a dissolution plan. Even though they may be difficult to quantify, they do impact the committee's final decision. They would have a great deal of impact on the taxpayers if the Village and Town were to consolidate. It was generally decided that such an impact would be negative.

It is apparent that consolidation is not feasible at this time. That is not to say that if conditions were to change in the years to come that it should never be studied again. It should. However, it is not appropriate or cost effective now. Consider all of the unknown variables. What if only one or two of them actually changes and for the worse? This could result in a much greater financial burden and a disruption in services. Consider also that the Village was formed decades ago for specific reasons including to provide certain services that reasonably could not be provided outside of the Village proper. In the end, it must be

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considered what would be accomplished through consolidation. The benefits must outweigh the drawbacks. There should be a reduction in costs. Services must remain at the same level or improve. This study showed that, most likely, a great deal of effort would be expended for absolutely nothing in return.

Kevin Granger