

Corinth Shared Service/Dissolution Feasibility Study Public Meeting and Committee Meeting

March 31, 2010 6 pm, Fire Hall

Committee Members Present: Tim Hanchett, Jim Hopkins, Jeff Collura, Ed Byrnes, Bill Fuller, Dick Lucia, Tim Murphy (Chairman), Scott Sprague, Kevin Granger, Melanie Denno.

Others Present (non-voting): Rose Farr, Andy Kelley, Art Lozier, Shawn Eggleston, Nicole Colson

Consultants: David Liebschutz (CGR), Michael N'dolo (Camoin)

The public meeting was called to order by Mr. Murphy at 6:00 pm.

Mr. Murphy announced the opening of the public meeting and invited Mr. Liebschutz to present materials for the public. Mr. Liebschutz presented a PowerPoint titled Dissolution/Shared Services Feasibility Study – “Fiscal Analysis” – March 2010 covering all the various service areas of the Village, the possible scenarios for dissolution and the fiscal ramifications of each. Mr. Liebschutz stated that the scenarios presented were “draft” in nature and nothing had been decided on by the committee of the consultants. Questions from the committee during the presentation involved the EPCOR settlement, AIM bonus payments, budget stress at the state, etc. Mr. Murphy asked the public to provide their comments on the materials presented.

Comment: (Bob Hudak): Question about whether the spreadsheet would be made available to the public. Mr. Liebschutz stated that the presentation would be available on the website following the meeting.

Comment: (Jim Murray): Read prepared remarks about the importance of saving taxpayers money and encouraging the committee to take a hard look at dissolving the village.

Comment: (Bob Hudak): The fiscal problems of state, national and local governments must be addressed and we can not rely on the state paying for local government functions.

Comment: (Joe Duguay): Regarding the tax revenue to come from EPCOR – should be thought about in the same way as the Ticonderoga IP plant after dissolution.

Comment: (Mr. Hopkins): question on the process, does it make sense for the committee to approach this as a feasibility study first and then the plan later. Question on whether the Village Board will put this to a vote. There were several responses from other committee members about process.

Upon no further comments from the general public, Mr. Murphy thanked the public and closed the public meeting at 7:05. Mr. Murphy then called the committee meeting to order and asked for a review of the meeting minutes from the March 10th committee meeting. Mr. Brynes asked that the draft minutes be changed to reflect that Mr. Hopkins, not he, had suggested inviting the Mayor of Ticonderoga to speak to the committee. Upon a motion and with unanimous approval, the minutes were approved with this modification.

Mr. Murphy asked if the committee had any general comments about the analysis before moving to a service-by-service look. Mr. Lozier commented that the summary of impacts was somewhat misleading because the money “saved” was largely due to a reduction in services and that individual citizens would have to pay for the private provision of these services (e.g., garbage fees) if the dissolution occurred. Mr.

Collura commented that there were significant shifts of costs from village residents to town outside of village (TOV) residents and that TOV residents would likely see taxes rise. Mr. Murphy commented on the EPCOR arrangement. [Due to a prior engagement, Mr. Liebschutz left the meeting at 7:20 and requested that Mr. N'dolo lead the discussion.] A general discussion followed on the 2004 survey of village residents and whether those survey respondents had the information necessary to provide an informed response. Mr. Sprague asked for a clarification on debt. Mr. N'dolo replied that water and sewer debt would be the responsibility of the respective district and general obligation debt would be paid for by a new special district. However, the debt issued for the fire hall is one that could be transferred, with agreement by the third party, depending on how the fire protection services were provided in the future (ie. If a Fire District, the debt could be transferred to the Fire District; if a Fire Protection District, debt could be transferred to the Town if the Town so agrees). Mr. Granger asked how a special district might be created after dissolution if not included in the dissolution plan. Mr. N'dolo replied that at least one special district must be included in the dissolution plan because general obligation debt must be paid for by Village residents and that a new water district and sewer district would have to be formed. If no other special districts were formed to cover former Village services, then the Town would not be obligated to provide those services to former Village residents.

Mr. Hopkins stated that, in his view, crossing guards, lighting and sidewalks should be a townwide charge because they benefit all Town residents, not just Village residents. Mr. Byrnes stated that many people think Village dissolution means that the Town absorbs all debt. Mr. Hopkins presented the committee with handouts detailing his own fiscal analysis of dissolution.

Mr. Murphy then directed Mr. N'dolo to continue with the discussion of fiscal impacts of dissolution. What followed was a service-by-service review of the three scenarios for each service area and a discussion by the committee of the most likely scenario to be discussed in the final feasibility study.

Village Board

The committee agreed that 100% savings would result if the Village dissolved under all three scenarios.

Clerk/Treasurer

Ms. Farr suggested that none of the scenarios presented were necessary. Mr. Farr stated that no Village clerk positions need be transferred to the Town. Instead, the Town would eliminate one of its part time clerks and make the other part time clerk a full time position. Ms. Farr estimated that making a part time clerk into a full time position would cost the Town approximately an additional \$20,000 in salary and benefits. Therefore, the entire \$98,314 of Village salaries/benefits would be eliminated for a net savings from efficiencies of \$78,314. Mr. Lucia commented on the treasurer functions and said that his budget staff could likely handle with no further staff increases. However, Mr. Lucia stated that he was speaking only as an individual and not on behalf of the Town Board. Further, he wanted to bring all of these options to a special meeting of the Town Board, with Town representatives on the committee, to discuss and come to a consensus on the Town's position on each service/scenario. Ms. Denno likewise said that she would request a special meeting of the Village Board with representatives of the committee to discuss the Village Board's position on the matters at hand. Ms. Colson stated that there is a fee for central data processing related to the software used for billing water/sewer and that the Town would have to pay for the software license. She will look into the license cost. Ms. Farr stated that her billing system may have that capability, but that there may be an add-on cost for that. She would look into that cost before the next meeting.

Other General Government

Mr. N'dolo reviewed the scenarios in detail. Mr. Lucia stated that he has requested a quote from his attorney as to the likely fee if the Village dissolved and he had to oversee a larger municipal operation. Question from committee regarding the proceeds from the sale of Village Hall. Mr. N'dolo said the committee could recommend to pay down debt, give proceeds to special district or give proceeds to Town. Committee tentatively agreed that Village Hall would be sold with proceeds paying down debt. However, since the sale price is not known, the amount of proceeds would not be calculated as part of the fiscal analysis.

Crossing Guard

The committee tentatively agreed that the responsibility for the crossing guard would transfer to the Town.

Sheriff

The committee tentatively agreed that the total elimination of the sheriff contract was not feasible and that the cost would transfer to a special district. [Specifically, that the current scenario one is not possible and that only scenario two and three would be considered in the future.]

Fire Department

Mr. N'dolo reviewed each scenario in detail and answered questions on the difference between a Fire District and a Fire Protection District. Scenario 1a is a single "Fire Protection District" and Scenario 1b is a single "Fire District". The committee tentatively agreed that scenario 1a (fire protection district for the entire Town) seemed the most favorable but that the Village Board and Town Board would have to discuss this before any final decision would be made.

Building Department

Mr. Lucia stated that he would need to talk with his Town Board and building department head before commenting on this service. (No tentative agreement from the committee.)

Highway Department

The committee tentatively agreed that scenario three was the most likely case, such that no reductions in staff were possible at either the Town or Village.

Mr. Murphy asked the committee whether, given the late hour and lengthy meeting, the committee should be adjourned and the remainder of the discussion tabled. Upon discussion and with agreement from the committee, Mr. Murphy proposed meeting dates of May 6th and May 20th at 6:30 for the next two committee meetings. Mr. Murphy asked that the Village Board and Town Board meet, as described, prior to May 6th to provide the committee with clarity on the remaining questions.

Mr. Murphy provided a brief summary of recent articles on various village dissolution initiatives across the state and the committee asked if such articles could be circulated to members for review.

Upon motion of committee with unanimous approval, Mr. Murphy adjourned the meeting at 8:50.