

Dissolution/Shared Services
Feasibility Study
“Fiscal Analysis”
March 2010

Town and Village of Corinth, NY
Prepared by the Center for Governmental Research, Inc.

CGR *Inform & Empower*

Fiscal Analysis I – Major Service Categories: Village Board

Color Coding

Efficiencies

Special District

Elimination of Service

Village Board		
BOARD OF TRUSTEES		
PERSONAL SERVICES	\$	20,500.00
CONTRACTUAL EXP.	\$	11,500.00
SS & Med	\$	1,537.50
MAYOR		
PERSONAL SERVICES	\$	12,360.00
CONTRACTUAL EXP.	\$	1,000.00
SS & Med	\$	927.00
Total - Village Board	\$	47,824.50

Scenarios			
	One	Two	Three
	\$ 47,824.50	\$ 47,824.50	\$ 47,824.50
	\$ 47,824.50	\$ 47,824.50	\$ 47,824.50

Descriptions of Scenarios

One - 100% savings

Two - 100% savings

Three - 100% savings

Fiscal Analysis II – Clerk/Treasurer

Clerk/Treasurer Functions	Scenarios		
	One	Two	Three
PERSONAL SERVICES	\$ 63,235.00		
Est Emp Benefits & WC	\$ 35,079.61		
Total - Clerk/Treasurer	\$ 98,314.61	\$ 48,457.43	\$ 24,747.50
		\$ 9,200.00	\$ 9,200.00

Descriptions of Scenarios

One - Eliminate Village Dept Clerk (\$25,250) and Village PT Acct Clerk (\$9,200) plus associated emp benefits. Transfer Village clerk to Tow n.

Two - Eliminate Village PT Acct Clerk (\$9,200) and reduce Tow n PT Clerk(s) by \$10,000. Village Clerk and Dept Clerk transfer to Tow n.

Three - Eliminate PT Acct Clerk. Village Clerk and Dep Clerk transfer to Tow n. No reduction at Tow n.

Color Coding

Efficiencies
Special District
Elimination of Service

Fiscal Analysis III – Other General Government

Other General Government	
INDEPENDENT AUDITING	\$ 5,200.00
ATTORNEY	\$ 41,000.00
ELECTIONS	\$ 500.00
VILLAGE HALL	
JANITORIAL	\$ 1,040.00
Est Emp Benefits & WC	\$ 576.94
CONTRACTUAL EXP.	\$ 25,900.00
CENTRAL DATA PROC.	
EQUIPMENT	\$ 500.00
CONTRACTUAL EXP	\$ 5,400.00
UNALLOCATED INS.	\$ 117,000.00
Less Worker's Comp - Duplicate	\$ (20,000.00)
Less Worker's Comp - Moved to	\$ (32,000.00)
Less Fire Dept Accident Insuran	\$ (2,863.00)
MUN. ASSOC. DUES	\$ 2,500.00
OTHER GEN. GOV. SUPP.	\$ 14,200.00
CONTINGENCY	\$ 40,000.00
Less Unused Contingency	\$ (20,000.00)
PUBLIC SAFETY ADMIN.	\$ 200.00
Total - Other General Govern	\$ 179,153.94

Color Coding

Efficiencies
Special District
Elimination of Service

Scenarios		
One	Two	Three
\$ 90,430.64	\$ 74,216.94	\$ 46,700.00
\$ 90,430.64	\$ 74,216.94	\$ 46,700.00

Descriptions of Scenarios

All scenarios include 100% savings in Independent Auditing, Elections, Mun. Assoc, Dues, Other Gen Gov Support, Contingency, Pub Saf Admin.

One - 20% reduction in attorney. Sell Village Hall, 100% reduction in cost. No central data processing. Insurance cost goes down 10%.

Two - 15% reduction in attorney. Sell Village Hall, \$5,000 in general items transfer to Town. 50% central data processing. Insurance remains flat.

Three - 10% reduction in attorney. Village Hall transferred to Town. Keep all central data proc. Insurance remains flat.

Fiscal Analysis IV – Crossing Guard

Crossing Guard		
PERSONAL SERVICES	\$	16,780.00
SS & Med	\$	1,258.50
Total - Crossing Guard	\$	18,038.50

Descriptions of Scenarios

- One - Eliminate
- Two - Eliminate
- Three - Special District

Scenarios			
	One	Two	Three
	\$ 18,038.50	\$ 18,038.50	\$ -
	\$ -	\$ -	\$ 18,038.50
	\$ 18,038.50	\$ 18,038.50	\$ 18,038.50

Color Coding

Efficiencies
Special District
Elimination of Service

Fiscal Analysis V – Sheriff

Sheriff	
CONTRACTUAL	\$ 301,500.00
Total - Sheriff	\$ 301,500.00

Scenarios			
	One	Two	Three
	\$301,500.00	\$ 90,450.00	\$ -
	\$ -	\$211,050.00	\$301,500.00
	\$301,500.00	\$301,500.00	\$301,500.00

Descriptions of Scenarios

One - Eliminate contract.

Two - Reduce service 30% through negotiation with County, cost transfers to special district.

Three - Special District

Color Coding

Efficiencies
Special District
Elimination of Service

Fiscal Analysis VI – Fire Department

Color Coding

Efficiencies

Special District

Elimination of Service

FIRE DEPARTMENT	
PERSONAL SERVICES	\$ 2,300.00
Est Emp Benefits & WC	\$ 1,275.92
EQUIPMENT	\$ 70,131.00
CONTRACTUAL	\$ 180,250.00
Reserves	\$ 100,000.00
Fire Hall Debt Service	\$ 139,362.00
Fire Dept Accident Insurance	\$ 2,863.00
LOCAL PENSION FUND FIRE	\$ 30,000.00
Total - Fire Department	\$ 526,181.92

Scenarios		
One	Two	Three
\$526,181.92	\$526,181.92	\$526,181.92
\$526,181.92	\$526,181.92	\$526,181.92

Descriptions of Scenarios

One - a new Fire District is created and expanded across the Town or Fire Protection District expands to cover Village - COST SHIFT

Two - a new Fire District is created in the Village. Existing TOV Fire Protection District continues. COST SHIFT

Three - New Fire Protection District for Village. TOV continues existing Fire Protection District. No shift.

Fiscal Analysis VII – Building Department

Building Department	
PERSONAL SERVICES	\$ 16,011.00
SS & Med	\$ 1,200.83
CONTRACTUAL	\$ 2,000.00
Total - Building Department	\$ 19,211.83

Scenarios		
One	Two	Three
\$ 19,211.83	\$ 9,211.83	\$ -
\$ 19,211.83	\$ 9,211.83	\$ -

Descriptions of Scenarios

One - Town's department picks up services, no additional cost.

Two - Town's department picks up services with some additional cost (\$10,000).

Three - Village's bldg dept employee transfers to Town.

Color Coding

Efficiencies
Special District
Elimination of Service

Fiscal Analysis VIII – Highway Dept.

Highways	
MAINT OF ROADS	
PERSONAL SERVICES	\$ 254,134.00
Est Emp Benefits & WC	\$ 140,980.80
EQUIPMENT	
CONTRACTUAL	\$ 97,750.00
GARAGE	\$ 37,300.00
SNOW REMOVAL	
PERSONAL SERVICES	\$ 97,336.00
Est Emp Benefits & WC	\$ 53,997.13
Less Sidewalks Snow Rem	\$ (10,000.00)
EQUIPMENT	
CONTRACTUAL	\$ 98,000.00
Reserves for DPW and Lemont	\$ 70,000.00
Total - Highways	\$ 839,497.93

Discussion: Currently, 50% of Supt (\$26,085) and 20% of Dep Supt (\$7,676) are charged to this category. Remainder of Supt salary currently charged to water (\$20,868, 40%) and sewer (\$5,217, 10%). Remainder of Dep Supt salary currently charged to water (\$19,190, 50%) and sewer (\$11,514, 30%). At the same time, the one full time employee of the sewer district (Bill Kloss) is expected to retire shortly and will need to be replaced. The Village is currently training members of the DPW to get the appropriate licensing for the sewer plant. In addition, the Village will build a water filtration plant that will need to be staffed. Village has \$33,287 in overtime labor and \$18,500 in PT labor.

Scenarios		
One	Two	Three
\$133,577.03	\$ 78,383.41	\$ -
\$133,577.03	\$ 78,383.41	\$ -

Descriptions of Scenarios

All scenarios assume that both Supt and Dep Supt become full time employees of new Water/Sewer Districts. Salary move of \$33,761 + emp ben.

One - Above + Eliminate one FT employee (\$35,500 plus emp ben), half of PT labor (\$9,250) and half of overtime (\$16,643.50)

Two - Above + Eliminate half of PT labor (\$9,250) and half of overtime (\$16,643.50).

Three - Above + Town must hire staff to replace labor of Supt and Dept Supt (\$50,601.02).

Color Coding

Efficiencies
Special District
Elimination of Service

Fiscal Analysis IX – Street Lighting

STREET LIGHTING	Scenarios		
	One	Two	Three
CONTRACTUAL	\$ 45,800.00	\$ 45,800.00	\$ -
Total - Street Lighting	\$ 45,800.00	\$ 45,800.00	\$ -

Descriptions of Scenarios

One - Special District

Two - Special District

Three - Lighting becomes Townwide charge. COST SHIFT

Color Coding

Efficiencies
Special District
Elimination of Service

Fiscal Analysis X – Sidewalks

SIDEWALKS	
CONTRACTUAL	\$ 8,000.00
Sidewalks Snow Removal Est.	\$ 10,000.00
Total - Sidewalks	\$ 18,000.00

Scenarios		
One	Two	Three
\$ -	\$ 18,000.00	\$ -
\$ 18,000.00	\$ -	\$ -
\$ 18,000.00	\$ 18,000.00	\$ -

Descriptions of Scenarios

One - Eliminate

Two - Special District

Three - Sidewalks become Townwide charge. COST SHIFT

Color Coding

Efficiencies
Special District
Elimination of Service

Fiscal Analysis XI – Misc. Community Services

Misc Community Services	
PARKS/BEACH	
PERSONAL SERVICES	\$ 7,500.00
SS & Med	\$ 562.50
EQUIPMENT	
CONTRACTUAL	\$ 11,275.00
YOUTH	
PERSONAL SERVICES	\$ 13,735.00
SS & Med	\$ 1,030.13
CONTRACTUAL	\$ 3,100.00
BEAUTIFICATION COMM.	\$ 2,400.00
SHADE TREE	\$ 2,500.00
HOME & COMM. SERVICE	\$ 5,000.00
Total - Misc Community Serv	\$ 47,102.63

Color Coding

Efficiencies
Special District
Elimination of Service

Scenarios			
	One	Two	Three
	\$ 19,337.50	\$ 19,337.50	\$ -
	\$ 27,765.13	\$ 17,865.13	\$ -
	\$ 47,102.63	\$ 37,202.63	\$ -

Descriptions of Scenarios

One - Parks & Beach become Special District charge. Eliminate other services.

Two - Parks & Beach becomes a Special District charge, Youth transfers to Town, rest is eliminated.

Three - Town assumes all functions. COST SHIFT.

Fiscal Analysis XII – Planning/Zoning Boards

Planning And Zoning Boards	
PLANNING BOARD	\$ 12,430.00
ZONING BOARD	
PERSONAL SERVICES	\$ 3,280.00
SS & Med	\$ 246.00
CONTRACTUAL	\$ 11,380.00
Total - Planning and Zoning	\$ 27,336.00

Scenarios		
One	Two	Three
\$ 27,336.00	\$ 13,668.00	\$ 6,834.00
\$ 27,336.00	\$ 13,668.00	\$ 6,834.00

Descriptions of Scenarios

One - absorbed by the Town at no additional cost.

Two - absorbed by the Town at 50% of current cost.

Three - absorbed by the Town at 75% of current cost.

Color Coding

Efficiencies
Special District
Elimination of Service

Fiscal Analysis XIII – Garbage

Garbage		
CONTRACTUAL	\$	162,700.00
Total - Garbage	\$	162,700.00

Scenarios			
	One	Two	Three
\$	-	\$162,700.00	\$162,700.00
\$	\$162,700.00	\$-	\$-
\$	\$162,700.00	\$162,700.00	\$162,700.00

Descriptions of Scenarios

One - Eliminate service or charge fee.

Two - Special District.

Three - Special District.

Color Coding

Efficiencies
Special District
Elimination of Service

Fiscal Analysis XIV – Retiree Benefits

Retiree Benefits	
Retiree Benefits	\$ 47,000.00
Total - Retiree Benefits	\$ 47,000.00

Scenarios			
	One	Two	Three
Retiree Benefits	\$ 47,000.00	\$ 47,000.00	\$ -
Total - Retiree Benefits	\$ 47,000.00	\$ 47,000.00	\$ -

Descriptions of Scenarios

One - Special District.

Two - Special District.

Three - Town assumes cost. COST SHIFT.

Color Coding

Efficiencies
Special District
Elimination of Service

Fiscal Analysis XV – Shared Services w/ Town

Shared Services with Town		
PROGRAMS FOR AGING	\$	6,400.00
Less one-time expense	\$	(5,000.00)
OTHER ECONOMIC DEV.	\$	5,000.00
LIBRARY	\$	13,500.00
CELEBRATIONS	\$	10,400.00
Total - Shared Services	\$	30,300.00

Scenarios			
	One	Two	Three
	\$ 6,060.00	\$ 3,030.00	\$ -
	\$ 6,060.00	\$ 3,030.00	\$ -

Descriptions of Scenarios

One - Cost assumed by Town, Town reduces services 20%. COST SHIFT.

Two - Cost assumed by Town, Town reduces services 10%. COST SHIFT.

Three - Town assumes cost. COST SHIFT.

Color Coding

Efficiencies
Special District
Elimination of Service

Fiscal Analysis XVI – Changes to Employee Cost

Changes to Employee Cost		Scenarios		
		One	Two	Three
Scenario One	\$ -			
Scenario Two	\$ (20,000.00)	\$ -	\$ (20,000.00)	\$ (40,000.00)
Scenario Three	\$ (40,000.00)	\$ -	\$ (20,000.00)	\$ (40,000.00)

Descriptions of Scenarios

One - Employee transfers from Village to Town cause no increase in underlying cost (increases minus decreases = 0)

Two - Health care savings cancelled out. Town's wage scale increase causes \$20,000 additional costs.

Three - Net health care net increase of \$20,000 plus wage scale increase of \$20,000.

Employee costs: The Village has a more general health insurance coverage for its employees (ie. covers a larger portion of premiums) than the town. Therefore, transferring a Village employee to the Town would cost the Town less in premiums on a per-employee basis. However, we have been informed that if the Town crosses the 50-employee threshold, the Town's policy premiums could go up, possibly by as much as 20% (see letter from insurance agents) depending on what riders the Town opts into. In addition, Town Highway employees have a high wage scale than Village employees of the same classification. Presumably, a Village employee transferred to the Town would therefore cost more in wages.

Color Coding

Efficiencies

Special District

Elimination of Service

Fiscal Analysis XVII – Summary

Color Coding
Efficiencies
Special District
Elimination of Service

Summary of Changes			
	Scenarios		
	One	Two	Three
Costs Moved to Special District	\$ 414,973	\$ 806,723	\$ 785,074
Costs Moved to New Fire (Protection) District	\$ 526,182	\$ 526,182	\$ 526,182
Elimination of Services	\$ 534,064	\$ 129,384	\$ -
Efficiency Gain	\$ 366,837	\$ 228,052	\$ 70,559
Total Changes to New Town Budget	\$ 1,842,055	\$ 1,690,340	\$ 1,381,814
Of Which, the "Highway Fund"	\$ 151,577	\$ 96,383	\$ -
Of Which, the "General Fund"	\$ 1,690,478	\$ 1,593,957	\$ 1,381,814
Village Costs Shifted to Town + Increases	\$ 868,741	\$ 1,020,457	\$ 1,328,983
Total Adjusted Village Budget	\$ 2,710,797	\$ 2,710,797	\$ 2,710,797

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

Summary of Tax Changes

Summary of Changes - Owner of a House Assessed at \$100,000							
	Current	With AIM			Without AIM		
		One	Two	Three	One	Two	Three
Current Village Resident							
Village/Town tax	\$717	\$257	\$456	\$512	\$354	\$552	\$609
Water Fee	\$164	\$167	\$182	\$198	\$167	\$182	\$198
Sewer Fee	<u>\$254</u>	<u>\$311</u>	<u>\$311</u>	<u>\$311</u>	<u>\$311</u>	<u>\$311</u>	<u>\$311</u>
Total	\$1,135	\$734	\$948	\$1,021	\$831	\$1,045	\$1,118
Change		-\$401	-\$187	-\$114	-\$304	-\$90	-\$18
Current TOV Resident not a Water/Sewer User							
Village/Town tax	\$391	\$257	\$267	\$341	\$354	\$363	\$438
Change		-\$134	-\$124	-\$50	-\$37	-\$27	\$47
Current TOV Resident who is a Water User*							
Village/Town tax	\$391	\$257	\$267	\$341	\$354	\$363	\$438
Water Fee	\$266	\$270	\$295	\$321	\$270	\$295	\$321
Sewer Fee	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total	\$657	\$527	\$562	\$662	\$624	\$659	\$758
Change		-\$130	-\$95	\$5	-\$33	\$2	\$102
Current TOV Resident who is both a Water & Sewer User**							
Village/Town tax	\$391	\$257	\$267	\$341	\$354	\$363	\$438
Water Fee	\$266	\$270	\$295	\$321	\$270	\$295	\$321
Sewer Fee	<u>\$378</u>	<u>\$462</u>	<u>\$462</u>	<u>\$462</u>	<u>\$462</u>	<u>\$462</u>	<u>\$462</u>
Total	\$1,035	\$990	\$1,024	\$1,124	\$1,086	\$1,121	\$1,221
Change		-\$45	-\$10	\$89	\$52	\$86	\$186

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

**There 22 units in the Town of Corinth (outside the Village) that have both water and sewer.

An additional 117 water units are in the Town of Luzerne and are not considered here.