

## Plan Summary

This document presents a proposed dissolution plan that is recommended to the Village Board. This report has nine sections.

- Section I is a summary of Village's employees and services that will be changing based on the dissolution of the Village.
- Section II presents an overview of the elector initiated dissolution plan process, addresses the specific requirements set forth in GML 17-A §774, and other explanatory commentary.
- Section III is a summary of demographic and socio-economic data to highlight current and past trends to aid municipal officials with understanding trends as they may relate to future decisions on service delivery to the area of the former Village.
- Section IV is a discussion of existing government services and functions currently delivered by the Village of Port Henry directly, and their related cost according to the 2015-2016 Village budget, a description of the proposed post-dissolution conditions for the continued delivery of municipal services, and the mechanism that will be used to furnish services to former Village residents.
- Section V outlines the existing Village assets including real property, Village equipment, and personal property and a description of the proposed plan for the disposition or transfer of such assets.
- Section VI is a summary of existing Village liabilities as well as the appropriated fund balances and indebtedness and a description of the proposed plan for such liabilities and indebtedness.
- Section VII is a summary of the existing Village local laws, ordinances, rules or regulations, Boards, Committees and Commissions in effect on the date of dissolution, and the proposed plan of action upon dissolution.
- Section VIII presents the projected tax impact of the proposed dissolution plan.
- Section IX contains other pertinent matters pertaining to dissolution, including the creation of Town special districts for debt in the area of the former Village.

## Required Dissolution Plan Elements

In accordance with General Municipal Law (GML) Article 17-A §774, the Village of Port Henry as the governing body may, by resolution, endorse the proposed Dissolution Plan to commence dissolution implementation under this article. As required, this document sets forth, in detail, the Dissolution Plan of the Village of Port Henry as developed by the Dissolution Study Steering Committee and accepted by the Village of Port Henry Village Board, which hereby includes the following:

- a) The name of the local government entity to be dissolved:
  - The Village of Port Henry, New York.

b) The territorial boundaries of the entity:

- The Village of Port Henry has a total area of approximately 1.5 square miles and is located wholly within the Town of Moriah in Essex County, New York. The Village is located in the east-central portion of the Town along Lake Champlain.

c) The type and/or class of the entity:

- The type of entity is a Village as defined in New York State Village Law.

d) A fiscal estimate of the cost of dissolution:

- The fiscal estimate of the cost of the dissolution is approximately \$110,000 which will be funded primarily with a New York State Local Government Efficiency Grant. This includes \$34,000 to implement the Dissolution Plan; \$25,000 in legal fees; \$12,000 for the incorporation of the Village's Zoning Law and Regulation of Parking Along Main and Broad Streets Law; \$12,000 for the purchase of a sidewalk snowplow\*, \$12,000 related to the creation of the Port Henry Fire District #3; \$10,000 to aid in the transfer of the Village's Water and Waste Water Treatment Plants to account for software, training, and Water District #3 extension; Fees and salaries related to staff transition: \$5,000.
- Upon dissolution, the projected tax rates for former Village property-owners would decrease by approximately 36.2%, an estimated savings of \$706.71 on a property with an assessed value of \$100,000. Town property-owners would see an estimated increase of 34.2%, which is equivalent to an increase of \$264.24 on a property with an assessed value of \$100,000, not including the projected Citizen Empowerment Tax Credit (CETC) savings. Former Village property-owners will still be required to pay their water and sewer user fees, and per unit rates for Special District costs. Applying 100% of the projected CETC, it is estimated that Village tax rates will decrease by 44.7%, an estimated savings of \$872.52 per \$100,000 for a former Village taxpayer. Town tax rates would increase by 3%, an estimated increase of \$25.32 per \$100,000 of assessment. See section VIII for more details. (All tax rates are projections and estimates; all budget adjustments are subject to approval by the Town of Moriah Town Board.)

e) Any plan for the transfer or elimination of public employees:

- The Village positions and functions of Mayor, Board of Trustees, Treasurer, Tax Collector, Attorney, Election Inspectors, Code Enforcement Officer, and all Zoning Board members will be eliminated upon dissolution.
- The Village Clerk's position will be transferred to the Town based on her placement on the Civil Service Exam. The position will include 30 hours of Clerk/Accountant Clerk work.
- Upon dissolution, the Town will assume control of the water and sewer plant operations. Departments will be split into "Water and Sewer Plant Operations" and "Water and Sewer Infrastructure". The Town will transfer the Village's two (2) Water Department employees to take on the role of Superintendent and Assistant Plant Operator to run Plant

Operations. In addition, one Village DPW employee will be brought on as a Deputy Supervisor to assist in the Water and Sewer Infrastructure Department.

- The Town has expressed the need for an additional full-time employee to be added to the Building and Grounds Department. One employee from the Village's DPW Department will be transferred to the Town's Building and Grounds Department.
  - The three remaining DPW personnel in the Village will be transferred to the Town's Highway Department (Pending CDL requirement is met).
  - Based on an increased workload, it is recommended that the Town of Moriah increase the budget for Code Enforcement Officer from \$16,467 to \$25,000.
  - The Village of Port Henry Fire Department will obtain a category 501(c)(3) in order to qualify as a tax-exempt nonprofit organization. A joint Town/Village Fire District will be created. The Port Henry Fire District #3 will include the Village boundary and the Fire Protection boundaries north and south of the Village. A joint Fire District is the best option to keep the Village Fire Department at its current location in order to serve the surrounding community and keep its identity. The Town and Village will appoint five (5) commissioners. The current volunteers for the Village's Fire Department will continue as volunteers for the New Fire District. The new tax levy will be \$1.57/1,000.
  - All employees to be transferred to the Town of Moriah are subject to approval by the Town of Moriah Town Board.
- f) The entity's assets, including but not limited to real and personal property, and the fair value thereof in current money of the United States:
- The Village of Port Henry assets, as of January 1, 2016 total \$14,952,870.11 in real and personal property, buildings, vehicles and equipment, assessed values of real property, and comparable sale prices for similar vehicles and equipment. These assets are recommended to be transferred as they continue to be beneficial to the provision of future services.
- g) The entity's liabilities and indebtedness, bonded and otherwise, and the fair value thereof in current money of the United States:
- The Village currently has six bonds totaling \$2,161,084.
  - The Village is set to incur debt for approximately \$56,980 in general debt for the existing fire truck \$32,341 and additional debt of \$24,639. The debt of the fire truck is recommended to be paid off or the costs will be transferred to the debt district. The sewer debt is a result of a recent capital upgrade and the balance owed is \$1,840,589. The sewer plant also incurred \$263,515 for plant improvements. The Village has also incurred a USDA loan for the reconstruction of water main with a principle of \$246,000.
  - A Village employee is currently receiving disability benefits; costs associated with this claim may need to be accounted for with a special debt district if the disability claim is not concluded by the dissolution date.

- h) Any agreements entered into with the town in which the entity is situated in order to carry out the dissolution:
- The Village and Town have worked together to create a just and fair Dissolution Plan. The Plan was developed by Village and Town liaisons with the best interest of all residents in the Village of Port Henry and Town of Moriah in mind. See Section VI for more details.
- i) The manner and means by which the residents of the entity will continue to be furnished municipal services following the entity's dissolution:
- All services currently provided by the Village, other than garbage and recycling pick-up will be provided by the Town of Moriah. The Town will limit snow removal along sidewalks on Main Street from Whitney Street to the Village line on North Main Street and Broad Street. Additional services include the following: local government representation, court services, clerical and administrative services, public building and property maintenance where applicable, street lighting, code enforcement services, road maintenance, repair, snow removal and salt applications, park, beach, and cemetery maintenance, fire and medical services, and community beautification.
  - Water and sewer services will be provided to the former Village by the Town and will continue to be based on additional fees as an extra charge to all residents. Water supply will be billed directly to the residents as part of a special district and a special district for the sewer system.
  - Police services and assessment functions are currently provided by the Town and will not be impacted by dissolution.
- j) Terms for the disposition of the entity's assets and the disposition of its liabilities and indebtedness, including the levy and collection of the necessary taxes and assessments therefore:
- A Village Debt District will be created to cover any former Village liabilities that may occur prior to date of dissolution or as a result of dissolution. These liabilities include:
    - A Village employee is currently receiving disability benefits; costs associated with this claim will be accounted for in the special debt district if the disability claim is not concluded by the dissolution date.
    - The outstanding Ford F150 bond for water/sewer, dump truck bond for DPW, pickup truck bond for DPW, and PNCEF fire truck lease will be paid off by the time that the Village dissolves. It is recommended that the fire truck be paid off prior to dissolution. If not paid off the remaining balance of \$32,341 will be addressed to the debt district. In addition, the Village has a lease with First Niagara for a Payloader which comes to \$22,954.06.
    - A USDA bond of \$246,000 for the reconstruction of the Village's water main and an EFC bond related to \$263,515 in improvements and repairs to the Water Filtration Plant will become part of the special Water District for the former Village. The new bond related to the improvements to the WWTP and sewer infrastructure come to \$1,840,589 and will become part of the special Sewer District for the former Village.

- All remaining assets shall be transferred to the Town.
- k) Findings as to whether any local laws, ordinances, rules or regulations of the entity shall remain in effect after the effective date of the dissolution or shall remain in effect for a period of time other than as provided by GML Article 17-A §789:
- All Village local laws, ordinances, rules or regulations, in effect on the date of dissolution shall remain effective for a period of two years following dissolution. Such local laws, ordinances, rules or regulations shall be enforced by the Town within the limits of the dissolved Village as if they had been duly adopted by the Town Board. At any point during the two year period, the Town Board shall have the power to review, adopt, amend or repeal such local laws, ordinances, rules or regulations. If no action is taken by the Town Board within the two year period, the law(s) will be automatically repealed. (A full list of Local Laws are provided in Section VI)
  - Zoning Law currently is not adopted but is anticipated to be adopted prior to dissolution.
  - The Village of Port Henry recommends that the Town adopt its Zoning Law to reflect similar land use and density requirements for the former Village.
  - The Village of Port Henry recommends that the Town adopt its Parking Law to reflect similar parking regulations in the former Village.
  - The Village recommends that the Town develop a more stringent Fire Burning Law. This would include determining an appropriate distance that residents should be allowed to burn from their homes.
- l) The effective date of the proposed dissolution:
- The Village of Port Henry proposes to dissolve effective March 31, 2017.
- m) The time and place or places for a public hearing or hearings on the proposed dissolution plan pursuant to section seven hundred seventy-six of this title:
- The public hearing is scheduled to be held on **Tuesday, April 5, 2016 at 7 p.m.** The public hearing will be held at the **Knights of Columbus: 4253 Main Street, Port Henry, NY 12974.**
- n) Any other matter desirable or necessary to carry out the dissolution:

## **Effective Dissolution Date**

The Village of Port Henry will dissolve effective March 31, 2017.

## **Public Hearing on the Dissolution Plan**

The Village of Port Henry is scheduled to hold an official public hearing on **Tuesday, April 5, 2016 at 7 p.m.** The public hearing will be held at the **Knights of Columbus: 4253 Main Street, Port Henry, NY 12974.**