

The background of the slide features a photograph of a two-story stone building with red shutters and a central entrance, set against a blue sky with white clouds. A diagonal white line divides the image from the bottom right corner. On the right side, there is a faded, tilted image of a historical marker.

Village of Fort Johnson

PROPOSED Dissolution Plan

August, 2022

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Acknowledgments

Laberge Group would like to acknowledge and thank the members of the Village of Fort Johnson Board of Trustees and the members of the Amsterdam Town Board.

Village of Fort Johnson

Hon. Michael Simmons, Mayor
Hon. William Maines, Deputy Mayor
Hon. James Bartone, Trustee
Hon. Kimberly Simmons, Trustee
Hon. William Smith, Trustee

Town of Amsterdam

Hon. Thomas P. DiMezza, Town Supervisor
Hon. David Thibodeau, Deputy Supervisor
Hon Brent Phetteplace, Councilman
Hon. Mary Maines, Councilman
Hon. Ronald DiCaprio, Councilman

The Village of Fort Johnson established a Steering Committee to frame the critical elements of the Dissolution Plan; particularly the post dissolution services, staffing and potential fiscal impact. Laberge Group would like to recognize the significant contributions of the members of the Steering Committee as well as Village Clerk, Barbara Smith:

Steering Committee:

Michael Simmons, Mayor
William Maines, Deputy Mayor
Thomas P. DiMezza, Town Supervisor
David Thibodeau, Deputy Town Supervisor

Laberge Group would also like to extend our sincere appreciation to the many staff members who provided valuable insights on operations and who collected and submitted significant data and program information, local input, and guidance throughout the process in order to produce this Proposed Dissolution Plan for the residents of the Village of Fort Johnson and Town of Amsterdam.



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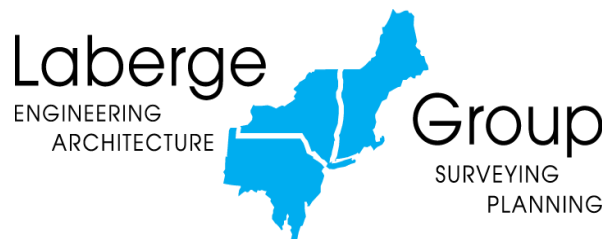


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I. Executive Summary

Why Consider Dissolution at this Time?

The Village of Fort Johnson is a small community with less than 500 residents located wholly within the Town of Amsterdam in Montgomery County, New York. The Village of Fort Johnson government has not only played a central role in providing needed services for residents, but it has played a significant role in framing the community's identity through its public places, its community events, its traditions and its familiarity and easy access for residents to the government serving them.

Fort Johnson has a long history of good governance, responsiveness to constituents and delivery of quality services; however, as with other small villages across New York State, the Village is finding it increasingly challenging to operate their small government effectively and efficiently. Like other small villages, Fort Johnson has had difficulty recruiting candidates for elected office. The Village has only 2 full time staff in the Public Works Department and one part-time central administrative staff position. The governance and operation of such a small village is proving to be extremely challenging and the long term sustainability of the model is at risk.

In response, the Village Board of Trustees determined it is in the best interest of Village residents to revisit a community discussion and decision making process on the pros and cons of dissolution. The Board determined that it would be in the resident's best interest to evaluate the potential for improved services and reduced taxpayer costs should the village government dissolve and the Town of Amsterdam assume the governance role and service provision in the Village. They recognize that the Town government is larger, operates with greater resources and a larger organizational infrastructure including multiple departments, full time department heads and a larger staff that can offer both increased sustainability and stability. The Town of Amsterdam's Town Supervisor and Town Board have been very supportive of the Village's situation and have worked cooperatively with the Village throughout the process.

The Village Mayor and the Board of Trustees understand only too well the pride and sense of identity that residents, including themselves, have for the Village of Fort Johnson. They understand what the Village government has meant to the community. However, at this time, these values must be weighed against the increasing pressures of operating a small village government and the potential for service improvements; enhanced operational stability and the potential for property tax reductions for Village residents.

What is a Board Initiated Dissolution Process?

The New N.Y Government Reorganization and Citizen Empowerment Act (Article 17-A of the General Municipal Law) provides a legal process for a Village Board of Trustees to initiate a dissolution process. Pursuant to this statute, a Board-Initiated Village dissolution process requires the Village Board to develop and adopt a detailed plan for dissolution that is then taken to the Village voters to affirm or reject. The plan is required to address post dissolution governance, services, impact on property taxes, costs to dissolve, an accounting and plan of disposition of Village assets and liabilities and plan for employees among other items.

On February 24, 2022, the Village of Fort Johnson Board of Trustees voted to explore the option of dissolution of the Village government. The Village Board of Trustees applied for and received a New York State Citizen Reorganization Grant to support the study of dissolution and the development of this Proposed Dissolution Plan.

Upon acceptance of the Proposed Dissolution Plan by the Board of Trustees, a public hearing will be set for citizen input and feedback. At that point, the Village Board can decide to end the process or amend the Plan and adopt a Final Plan. Upon adoption of a Final Plan, the referendum is set for the Village electorate on dissolution. The voters will be asked one question: “Should the Village of Fort Johnsons dissolve? “Yes” or “No.” An affirmative vote is a vote to **dissolve** the Village. If the vote fails, the issue of dissolution may not be brought up for four years.

How Was this Proposed Dissolution Plan Developed?

It was critical to the Board of Trustees that the plan development process involve key stakeholders not only from the Village, but from the Town as well. This collaborative approach increases the likelihood of a plan that the Town will support and can realistically be implemented. In addition, involving the Town early on provides for the greatest ability to have a successful transition focused on the continuity of services for the residents of the Village.

The Village Board of Trustees established a Steering Committee including the Mayor, the Deputy Mayor, the Town Supervisor and Deputy Town Supervisor to oversee the process and to frame the critical elements of the Proposed Plan. The Plan development process was driven by ongoing consultation with local Town and Village experts, and included numerous interviews and work sessions with Village and Town leadership as well as staff who provided invaluable input into the process.

It was also important to the Board of Trustees that the process be transparent and provided for citizen input throughout the process. A robust citizen engagement process was put in place and citizen input and feedback was instrumental in the framing the Proposed Dissolution Plan.

How will services and functions of the Village change?

Based upon the process outlined in Article 17-A, the Village Board of Trustees is charged with developing a Dissolution Plan detailing a number of items including the date of dissolution, what services and how the services will be provided post dissolution and the disposition of Village assets and liabilities among other items.

The Draft Plan includes a proposed date of dissolution of the Village of Fort Johnson of December 31, 2023. Effective with this date, all policies and decisions related to the Village of Fort Johnson including the services to be delivered, the service delivery models, land use policy, administration and enforcement, spending, taxing, and staffing and employment will rest with the Amsterdam Town Board. The Steering Committee’s goals were to develop a Dissolution Plan that would:

- Provide comparable services for Village residents as they currently receive,
- Deliver the services effectively and efficiently,
- Recognize the need to preserve Fort Johnson’s unique character within the Town of Amsterdam, and
- Reduce the property taxes paid by Village residents.

Table 1: Summary of Potential Conditions Post Dissolution Resident Checklist, the checklist on the following pages, summarizes the potential outcomes of a dissolution identified during the plan development process. The purpose of this checklist is to assist each voter in making an informed decision by providing objective information on the impact that a dissolution would potentially have on (1) the provision of services, (2) their level of representation in local government, and (3) cost and taxation implications. This description of potential post-dissolution conditions is offered as a tool to assist voters in evaluating the “Pros” of dissolution (why they might vote “Yes”) as well as the “Cons” of dissolution (why they might vote “No”).

Table 1: Potential Conditions Post Dissolution Resident Checklist

	PRO	CON
REPRESENTATION		
Dissolution will result in the elimination of existing Village governance structures, including the Village Mayor and the Board of Trustees who are elected exclusively by, and who represent and set policy for, the area currently known as the Village. Post dissolution, Village residents may have a smaller voice. Currently Village residents have sole input into Village decisions. Upon dissolution, the Town Board, elected on a town-wide basis will make all decisions.	<input type="checkbox"/>	<input type="checkbox"/>
GOVERNANCE STABILITY AND SUSTAINABILITY		
The Village is a relatively small community with less than 500 residents. As many smaller village governments are experiencing, it is becoming increasingly challenging to recruit candidates for elected positions as well as staff. This is raising concern for the future stability of the Village governance. The Village has a very part-time central administrative position and 2 public works staff. Long term stability may be difficult and could require additional staff and expenses.	<input type="checkbox"/>	<input type="checkbox"/>
The Town of Amsterdam has a larger population, a larger tax base and more resources. It has a larger organizational infrastructure with full time administrative positions, department heads and a larger workforce.		
IMPACT ON PROPERTY TAX RATES		
Village property taxpayers will experience an elimination of their Village property tax levy and a likely elimination of additional property taxes covering the sewer system debt service. Currently there is no Town-wide or Town outside Village property tax. Town officials indicate that the net increase in costs to the Town are relatively small and can be absorbed without establishing a Town property tax.	<input type="checkbox"/>	<input type="checkbox"/>
CITIZEN EMPOWERMENT TAX CREDIT (CETC)		
The Citizen Empowerment Tax Credit (CETC) is provided to encourage the dissolution of local governments. Post consolidation, a credit up to 15% of the combined Town and Village property tax levies <u>is provided to the Town</u> on an annual basis. Because the Town currently does not levy a general or highway fund property tax, the CETC benefit is relatively small. Based on 2021-2022 Village tax levy, the CETC would be approximately:	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> • 100% of CETC \$19,944 • 70% of CETC \$13,961 (minimum amount to be applied to tax reduction) 		
NOTE: The funds are subject to annual New York State appropriations.		

Table 1: Potential Conditions Post Dissolution Resident Checklist

	PRO	CON
PUBLIC WORKS SERVICES		
The Village Public Works Department provides summer and winter maintenance services of all Village streets, refuse and recycling collection, sewer system maintenance and break fixes, parks maintenance, and Village facility maintenance. Post dissolution, the Town Highway Department will continue all public works services. The Town will fund refuse and recycling collection which will be provided by the Town through a private hauler. The Village will be served by the full Town Highway Department and it is anticipated that the Town will add one laborer position and part time hours to support the summer and winter maintenance of the Village roads, and maintenance of the Village Parks and sewer lines.	<input type="checkbox"/>	<input type="checkbox"/>
The Town expressed its commitment to continuing to providing the level of snow and ice control services the Village Public Works Department has historically provided. The Town is cognizant of the importance of staying ahead of storms given the steep hills within the Village particularly at commuter times. The Town indicated they would continue to clear intersections to provide the necessary visibility. The Town will apply the necessary staffing resources to assure quality services to the Village residents.		
FIRE SERVICES		
The Village Fire Department provides fire service through a relationship with the Fort Johnson Volunteer Fire Company, Inc., a not-for-profit organization. The Village owns the base Fire House facility and provides annual funding to the Company to support its fire protection services in the Village.		
Towns, by law, cannot operate fire departments. The Town established a Fort Johnson Fire Protection District as a means to provide services to an area of Town outside the Village of Fort Johnson but contiguous to the Village. Fire Protection Districts also provides the legal framework for the Town to tax the parcels within the District for the services.	<input type="checkbox"/>	<input type="checkbox"/>
The preferred post dissolution fire service model would be the extension of the existing Town Fire Protection District to include the area currently known as the Village, and to continue to contract with the Fort Johnson Volunteer Fire Company for services providing continuity in service delivery for Village residents. As part of the expanded Fire Protection District, former Village properties will be assessed property taxes to cover the fire protection services. The Plan proposes to transfer the Fire House and Village Hall/DPW facility to the Fire Company.		
VILLAGE STREETLIGHTS		
There was consensus that it would be in the best interests of the Village residents to maintain the Village street lighting program. The Plan proposes to include the Village streetlights into the existing Town street lighting program.	<input type="checkbox"/>	<input type="checkbox"/>

Table 1: Potential Conditions Post Dissolution Resident Checklist

	PRO	CON
SEWER SERVICES		
Currently the Village provides sewer services to all parcels within the Village. Post dissolution, the Town would continue the services as they are currently provided. The post dissolution Plan calls for the Town to create a Fort Johnson Sewer District as the means to continue services, charge fees and tax as necessary for any capital improvements as the Village currently does. All properties and assets supporting the provision of sewer services will transfer to the Town to support the operation of the Fort Johnson Sewer District.	<input type="checkbox"/>	<input type="checkbox"/>
PARKS		
The two Village parks are valued public spaces used by many in the community. The proposed Plan is to transfer the Ted Ellenwood Park and the park located on Brandt Street to the Town. The Town Highway Department would maintain the parks.	<input type="checkbox"/>	<input type="checkbox"/>
VILLAGE REAL AND PERSONAL PROPERTY		
Prior to dissolution, the Village has the opportunity to sell its property or transfer properties to entities to continue provision of services. The Plan provides for the transfer of the Fire House and the Village Hall/DPW facility to the Fort Johnson Volunteer Fire Company. The proposed plan is to transfer the Village satellite salt and sand storage facility and fueling station to the Town to support the operations in the Village. The majority of the Village public works equipment and vehicles will be transferred to the Town to support operations; particularly in the Village area. Any outstanding equipment will then be sold and the liquidation of these assets can be used to offset any outstanding liabilities of the Village.	<input type="checkbox"/>	<input type="checkbox"/>
QUALITY OF LIFE LOCAL LAWS AND CODES		
Based on Article 17-A of GML, the Village laws and codes remain on the books for two years post dissolution except that the Town may repeal, amend and incorporate into the Town Code at any time post dissolution. Should the Village vote to dissolve, a review and integration of the Village Codes is recommended in order to address the unique issues of the area formerly known as the Village. Zoning and land use planning codes are already centralized at the Town level. There are a number of other safety and quality of life codes that the Village and Town have both adopted. However, there are Village Codes that address unique characteristics of the Village such as its road system and the density of its housing that the Town will consider for incorporation into Town laws/codes.	<input type="checkbox"/>	<input type="checkbox"/>

Table 1: Potential Conditions Post Dissolution Resident Checklist

	PRO	CON
CODE ENFORCEMENT AND BUILDING INSPECTION		
The Village and Town already have consolidated Planning Board and Zoning Board of Appeals functions at the Town level with land use codes also consolidated. The Village Code Enforcement and Building Inspection function is provided on a part-time basis. The Town services are provided on a part-time basis and the Town and Village currently employ the same officer. The Town will marginally increase the hours as needed to cover the Village.	<input type="checkbox"/>	<input type="checkbox"/>
ADMINISTRATION, FISCAL AND LEGAL SERVICES		
The Village administrative staff is a part-time Village Clerk/Treasurer. Post dissolution, the Town anticipates a marginal increase in workload and will provide for the necessary increase in needed part-time staff hours.	<input type="checkbox"/>	<input type="checkbox"/>
EMPLOYEE CONSIDERATIONS		
The Village Clerk/Treasurer and one full-time laborer were planning on retiring in the near future whether the Village votes to dissolve or not. The Town recognizes the value of employing the other Village DPW laborer who can bring the knowledge and expertise of the Village infrastructure and services to the Town operations.	<input type="checkbox"/>	<input type="checkbox"/>
TOWN-WIDE SERVICES		
All existing services currently provided by the Town on a town-wide would continue unchanged.	<input type="checkbox"/>	<input type="checkbox"/>
LEGACY DISTRICT		
Village leadership and staff indicate that <u>the Village will have limited or no outstanding liabilities at the time of dissolution</u> . The Village has one outstanding bond that was issued more than 20 years ago for sewer infrastructure improvements. Village officials indicate that Village would use its assets to retire the remaining debt prior to dissolution.	<input type="checkbox"/>	<input type="checkbox"/>
Should there be any unanticipated liabilities or debt at the time of dissolution, Article 17-A states that that the Village property taxpayers would hold the responsibility for payment. The Town would create a “Legacy District” for the purpose of assessing and outstanding liabilities to the former Village taxpayers.		

Summary of Fiscal Impact

Potential Post-Dissolution Recurring Cost Savings

Potential Recurring Savings

The Village of Fort Johnson taxpayers will experience a significant reduction in their property taxes. Town outside Fort Johnson taxpayers will experience minimal, if any, impact.

The study process included a modeling of potential impacts of dissolution on the property tax levy based on the service assumptions developed during the development of the Dissolution Plan as well as the impact of the Citizens Empowerment Tax Credit. The modeled fiscal impacts are **projections only** and are provided to show what tax impact could be anticipated if the Village of Fort Johnson were to dissolve based upon the service and cost changes recommended in this Proposed Dissolution Plan. The fiscal model and estimates used reflect the current budgets of the Village and Town available at the time of the development of this Dissolution Plan.

The 2021/2022 general fund tax levy for the Village of Fort Johnson was \$132,960 and the sewer fund included \$40,200 in a property tax charge for infrastructure debt service. The Town of Amsterdam currently has no General or Highway tax levy. The dissolution of the Village is anticipated to result in a significant reduction in property taxes for Village residents and no impact or limited impact to the Town taxpayers. **Table 2: Projected Property Tax Rate Impacts** summarizes the current Village property tax rates and the projected post dissolution tax rate. As the table indicates, the Village property tax is eliminated, no Town property tax is anticipated by the Town and the only anticipated property tax for Village taxpayers will be for fire protection service through the Fort Johnson Fire Protection District.

Table 2: Projected Property Tax Rate Impacts

Estimated Property Tax Rate Impact Village Property Tax Payer					
	Current	Model - Post Dissolution			
Fund	Current Rate/\$1,000	No CETC	70% CETC	100% CETC	Change in Rate
Village	\$86.71	\$0.00	\$0.00	\$0.00	
Fort Johnson Fire Protection District	\$0.00	\$22.87	\$22.87	\$22.87	
Village Sewer	\$0.00	\$0.00	\$0.00	\$0.00	
Town General & Highway	\$0.00	\$0.00	\$0.00	\$0.00	
Town Outside Village General and Hwy	0.00	0.00	\$0.00	\$0.00	
Total No CETC	\$86.71	\$22.87			-73.6%
Total 70% CETC	\$86.71		\$22.87		-73.6%
Total 100% CETC	\$86.71			\$22.87	-73.6%
	Per Parcel				
Sewer Fund Cost <u>Per Parcel</u>	\$185.45	\$0.00	\$0.00	\$0.00	Elimination

Note: County and School District Taxes are not impacted by a Village dissolution

There are several factors contributing to the positive impact on Village taxpayers. First, as the rate table indicated, should the Village electorate vote to dissolve, Village officials indicate that the Village will use its assets to pay off the sewer fund infrastructure debt which would then eliminate the \$185 per parcel charge on the property tax bill. Secondly, the merger of Village and Town operations resulted in efficiencies and cost savings. Finally, Town Officials indicate that the Town is in a positive financial position and current and anticipated trends in revenues and expenses will enable the Town to absorb the anticipated net cost increase resulting from dissolution without the need to impose a property tax. **Table 3: Estimated Impact on Fort Johnson Homeowner – Median Home Value** and **Table 4: Estimated Impact on Village Homeowners** depict the projected property tax impact post dissolution.

Table 3: Estimated Impact on Fort Johnson Homeowner – Median Home Value

Fort Johnson Homeowner - Estimated Property Tax Fiscal Impact				
Median Single Home Assessed Value				
Median Assessed Value - \$6,030		Current Village and Town Tax Bill	Post Dissolution Town Tax Bill (No CETC)	Estimated Savings
Estimated Full Value	\$67,000			
Median Assessed Value (2021 Rolls)	\$6,030			
Est. Property Tax Payment		\$523	\$138	
Est. Sewer Debt Cost Per Parcel		<u>\$185</u>	<u>\$0</u>	-
Total		\$708	\$138	\$570
<i>If 70% of CETC is applied to offset taxes, the savings estimate is:</i>				\$570
<i>If 100% of CETC is applied to offset taxes, the savings estimate is:</i>				\$570

Table 4: Estimated Impact on Village Homeowners

Village of Fort Johnson Single Family Home	
Estimated Impact on Property Tax Bill	
Assessed Value	Estimated Savings ¹
\$4,000	\$431
\$5,000	\$492
\$6,020	\$555
\$7,000	\$615
\$8,000	\$676
\$10,000	\$798
\$12,000	\$922
\$14,000	\$1,044
\$16,000	\$1,166
<i>1. Includes the elimination of the sewer fund charge on the property tax bill.</i>	

One Time Transition and Implementation Costs

Dissolving a Village government and ramping up a Town government to assume the services in the Village is a significant undertaking. There will be one-time costs associated with these transition and initial implementation activities. Preliminary costs are estimated to be in the range of \$75,000 to \$100,000 depending on what is finally determined to be needed and what can be accomplished in-house. Examples of transition costs include, but are not limited to: legal and consultant services to facilitate the transition, handle land transactions and perform draft code and local law modifications and repeals; temporary fiscal services to close out Village financials after dissolution; transition of Village records; moving expenses; one-time equipment and software costs; and development of a map, plan and reports for the creation of the Fort Johnson Sewer District and the extension of the Fort Johnson Fire District to include the area current known as the Village of Fort Johnson..

The Town and Village are eligible for Citizen's Re-organization Empowerment Grant (CREG) funds that can be used to support transition and implementation costs. In total the Village and Town are eligible for \$50,000 in grant funds for transition/implementation grant. The grant requires a 10% match. The Town also has the option to use up to 30% of its annual CETC funds to support costs associated with the implementation phase.

II. Introduction

Background on Board-Initiated Reorganization

Pursuant to General Municipal Law Article 17-A §773(2), a Board-Initiated Village dissolution process requires the Village Board to develop and adopt a detailed plan for dissolution that is then taken to the Village voters to affirm or reject.

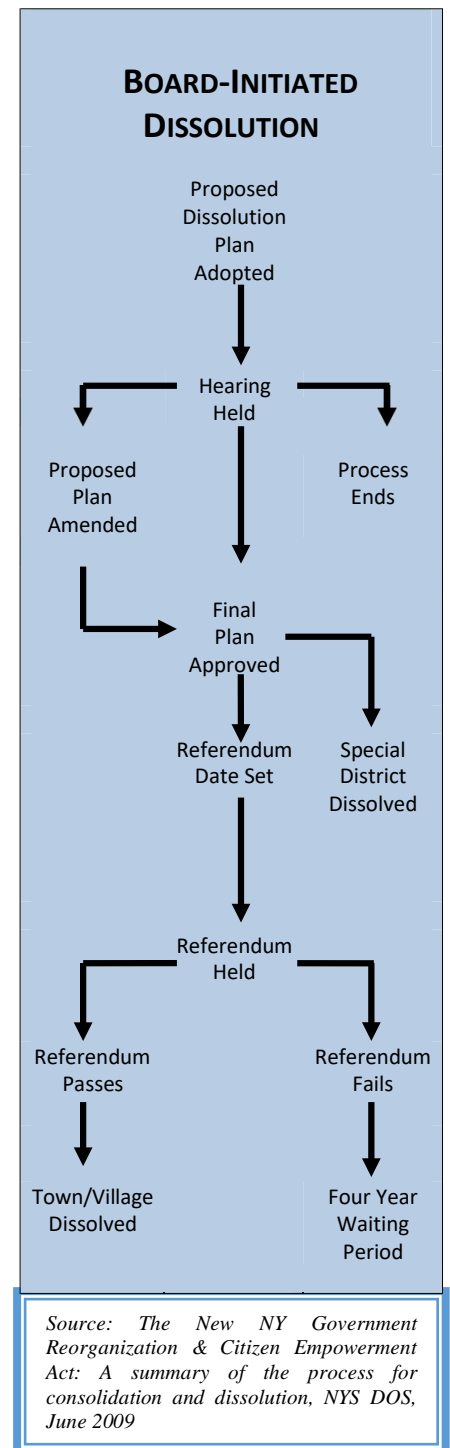
On February 24, 2022 the Village Board of Trustees voted to initiate a process to develop a Dissolution Plan for consideration by Village residents. It was important to the Board of Trustees that the process engage key Village and Town elected officials, staff and other subject matter experts so that the plan would be based in facts, doable and assured for continuity of services. To that end the Board of Trustees established a Dissolution Steering Committee comprised of the Village Mayor, Deputy Mayor, the Town Supervisor and Deputy Town Supervisor. The Steering Committee with input from the subcommittees framed the key elements of the Plan.

The Village engaged Laberge Group to facilitate the process, conduct the necessary analyses, prepare documents and conduct citizen engagement. The primary objectives were to review current and potential post dissolution services and service delivery systems, evaluate costs, tax levy and taxpayer impacts and to address critical transition action steps necessary to assure for continuity of services.

What are the steps in a Board Initiated Dissolution?

Article 17-A of the NYS General Municipal Law lays out the legal process for a Board initiated dissolution:

- The Village Board must accept by resolution the Proposed Dissolution Plan.
- The Proposed Dissolution Plan must be displayed and made readily available in a public place and posted on the Village website along with a summary of the plan [§775(1)].
- The Village Board must arrange for publication of the summary of the proposed Dissolution Plan in a newspaper of general circulation within the entity at least once each week for four successive weeks [§775(3)].
- The Board of Trustees must cause the proposed Dissolution Plan to be mailed to the Town Supervisor [§775(4)].
- As part of the Dissolution Plan, the Board of Trustees must set a time and place for one or more public hearings on the proposed plan. The hearing or hearings must be held 35 to 90 days after adoption of the resolution endorsing the proposed plan [§776(1)].
- The Village Board of Trustees must give notice of each public hearing in a newspaper of general circulation within the Village, and on the website at least 10 days but not more than 20 days before the date of the hearing [§776(2)].
- Once the final hearing on the proposed Dissolution Plan is closed:



- The Village Board of Trustees may decline to proceed further with dissolution proceedings [§776(3)] or;
- The Village Board of Trustees may amend the proposed dissolution plan. No later than 5 business days after the plan is amended, a summary and copy of the proposed plan must be displayed and made readily available in a public place within the entity and posted on a website maintained by the entity, or by the village, town or county in which the entity is located [§776(3), (4)].
- Approval of the final Dissolution Plan must occur within 180 days from the close of the last public hearing on the proposed plan [§776(3)].
 - At the same time the Board of Trustees must enact a resolution calling for a referendum. The resolution must establish a date for a referendum, name the village to be dissolved, and contain other matters addressed in the law [§777(1), (2)].
 - The referendum must be held at least 60 but no more than 90 days after the enactment of the resolution calling for the referendum [§780(1)].
- Notice of the referendum must be published in a newspaper of general circulation within the Village at least once each week for four successive weeks prior to the referendum [§780(2)].
- If the referendum to dissolve fails, the dissolution process may not be initiated again for the same purpose for at least four years from the date of the referendum [§781(4)].
- If the referendum to dissolve passes, the dissolution will become effective on the date specified in the dissolution plan [§778].

The Village of Fort Johnson and the Town of Amsterdam were asked to provide valuable local input and guidance through a series of work sessions which focused on a review of the village and town budgets, financial obligations, future taxes, and governance as well as discussions about service continuity should the Village dissolution vote pass. Each community was asked to consider sensitive issues, such as what services currently performed by the Village will be continued to be provided by the Town; what services will be terminated; the various mechanisms to continue and finance certain services; the future of existing Village employees, what potential Village laws and regulations will require the Town's attention, and the overall potential fiscal impact of dissolution on Village and Town taxpayers. This interim report is the culmination of the Village and Town's initial ideas about what options would best serve the community if the Village dissolves in order to provide the public with an understanding of a potential post dissolution scenario. It is not a guarantee nor has this Interim Report been adopted by either the Town or Village.

What will happen after the Referendum?

The registered Village of Fort Johnson voters will be asked to vote "yes" or "no" on a proposition to dissolve the Village. If the referendum fails, (i.e., the majority of the votes cast are "no"), dissolution of the Village will not take place and the dissolution process may not be initiated again for the same purpose for at least four years from the date of the referendum [§781(4)].

If the referendum passes (i.e., the majority of votes cast are "yes"), the dissolution will become effective on the date specified in the dissolution plan [§778]. The Village Board must take the necessary steps to shut down the Village government by the date specified in the plan.

Funding for Dissolution Plan Development and Implementation

The Village of Fort Johnson applied for a grant through the Citizens Re-Organization Empowerment Grant (CREG) program, which is administered by the New York Department of State Division of Local Government Services, through the Local Government Efficiency Program (LGE). The Village is entitled to a 50% matching grant up to \$25,000 in grant funding to develop the Dissolution Plan. Upon subsequent implementation of the Dissolution Plan, the Village will be refunded its local match except for 10% of the approved project cost.

Should the electorate vote “yes” for dissolution of the Village, the Village and Town are eligible for up to \$50,000 in grant funds to support implementation. The implementation grant is subject to a 10% match.

Village of Fort Johnson Collaborative Dissolution Plan Development Process

While Article 17-A requires the Village Board to develop and approve a Dissolution Plan; however, in reality, the decisions related to what services, how they will be delivered and how they will be paid for ultimately rest with the Town of Amsterdam. The Village Board established a Dissolution Plan development process that recognized the important role of the Town in the future of Village residents and the municipal services they will receive going forward.

As such, the Village Board and the Town Board agreed to work together on the development of the Plan. The Village Board established a Dissolution Plan Steering Committee comprised of the Village Mayor, the Deputy Mayor, the Town Supervisor and the Deputy Town Supervisor. The Steering Committee worked to frame the key elements of the Dissolution Plan. Staff from both the Village and the Town participated in the process. They participated in interviews, meeting and provided valuable data and information on the services provided as well as critical input into framing the services and service delivery post dissolution.

The dissolution planning process considered the following critical questions:

- What services are delivered by the Village of Fort Johnson and the Town of Amsterdam today?
- What services currently performed by the Village will be continued to be provided by the Town?
- Will Village services be changed in some manner or eliminated?
- How will dissolution potentially affect existing Village employees?
- What are the potential property tax implications of dissolution?
- What are liabilities and assets of the Village and what are their values? What is the plan for disposition of these liabilities and assets?
- What are the financial obligations of the Village, and how will these obligations be managed and financed by the Town?
- What is the effective date of the dissolution?

Planning Process Transparency

Ongoing communication with Village residents was a critical Plan development element. The process for Plan development as outlined in Article 17-A requires a Public Hearing after the adoption by the Village Board of Trustees on the Proposed Dissolution Plan with the Village Clerk. The Village of Fort Johnson

initiated and carried out the following citizen access and input opportunities during the development of the Plan:

- Development and maintenance of a dedicated website for the residents of Fort Johnson on the Dissolution Plan which delivered information about the dissolution process, timelines, updates, power point presentations, opportunities for public input, and a copy of the proposed Plan.
- FAQ Section that was updated weekly on the website.
- Hosted an initial Public Informational Meeting on April 13, 2022.
- A Brochure on the potential impacts of dissolution on Village residents will be prepared prior to public hearing.
- Public Hearing on the proposed dissolution plan is scheduled for September 6, 2022.

III. Situational Overview

The Village of Fort Johnson is located wholly within the Town of Amsterdam in Montgomery County, New York. The Village is on the north bank of the Mohawk River at the influx of the Kayaderosseras Creek and is west of and contiguous to the City of Amsterdam. **Appendix A: Location Map** depicts the location of the Village and Town and also depicts the relatively larger land area of the Town (29.7 square miles) as compared to the Village land area (.7 square miles).

Table 5: Municipal Characteristics Summary provides data for both the Village of Fort Johnson and the Town of Amsterdam. Such factors can influence the services provided, the service delivery models used by different municipalities and the costs to deliver such services. The Village is a small community with an estimated population of 467 and a population density of 667.1 persons per square mile based on the US Census American Community Survey (ACS) 2015-2019. The Town's estimated population is 5,990 of which 467 are estimated to live in the Village of Fort Johnson and 5,523 individuals are estimated to live outside the Village of Fort Johnson. Median household income data from the American Community Survey shows Town median household incomes above the medium household incomes in the Village.

Table 5: Municipal Characteristics Summary

Municipal Characteristics Summary			
	Village of Fort Johnson	Town Outside Village	Town of Amsterdam
Population	467	5,523	5,990
Land Area (square miles)	0.7	29.0	29.7
Population per square mile	667.1	190.4	201.7
Households	259	2,343	2,602
Median Household Income	\$54,141	Not Available	\$62,005
<i>US Census American Community Survey (ACS) 2015-2019</i>			

IV. Plan Summary

Required Dissolution Plan Elements

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

a) **The name of the local government entity to be dissolved:**

The Village of Fort Johnson, New York.

b) **The territorial boundaries of the entity:**

The Village of Fort Johnson has a total area of 0.7 square miles in land area and is located wholly within the Town of Amsterdam, Montgomery County, New York. The Village is located along the Mohawk River in the southern portion of the Town.

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:**

One-time Transition and Implementation Costs

Dissolving a Village government and ramping up a Town government to assume the services is a significant undertaking. There will be associated one-time costs associated with these transition and initial implementation activities. Preliminary estimates are in the range of \$75,000 to \$100,000 depending on what is finally determined is needed and what can be accomplished in-house. Examples include, but are not limited to legal and consultant services to facilitate the transition; temporary fiscal consultant services to close out Village financials; financial audits; asset appraisals; sale and liquidation of assets; moving expenses and one-time equipment and software costs.

The Town and Village are eligible for Citizen's Re-organization Empowerment Grant (CREG) funds that can be used to support transition and implementation costs. The Town and Village combined are eligible for transition/implementation grant funds up to \$50,000 which require a 10% match. The Town has the option to use up to 30% of its annual CETC funds to support costs associated with the implementation phase. The funds could be used, for example, to purchase equipment, vehicles, software, hardware or temporary professional services needed to facilitate the implementation of expanded Town services into the Village.

Impact on Property Taxpayers Post Dissolution

Based on the input from the Village Board of Trustees, Town Board, Village and Town staff and local stakeholders, the Dissolution Plan Steering Committee developed a set of post dissolution conditions that outline the services and general service delivery models that may be used to serve the Fort Johnson community. The property tax impact on the taxpayers in the Village of Fort Johnson was then modeled to give a projected snapshot of the fiscal impact. As described in the **Executive Summary** and in more detail in **Section X Fiscal Impacts of Dissolution** of this Plan,

the Village property taxpayer is estimated that experience a 76% reduction in their property taxes. The Village property tax is eliminated and Town Officials do not anticipate that the dissolution will require the establishment of a Town general or highway fund property tax. The Village taxpayers will fund fire services through property taxes to support the Fort Johnson Fire Protection District.

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

The Village and Town worked collaboratively together to identify needed positions post dissolution. The Village currently has two full time positions, both in the Public Works Department. One of these laborers is planning to retire and the Town of Amsterdam indicated that they would have a need for an additional DPW laborer and would employ the remaining Village employee. In addition, the Village has a part time Village Clerk/Treasurer who has indicated a desire to retire.

The creation of all positions is subject to legislative action by the Town Board and the final job descriptions, salaries and benefits will follow current Town policies and NYS and County Civil Service.

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 Fort Johnson's primary assets include real and personal property, buildings, vehicles and equipment and anticipated cash balances. See **Section VI. Assets and Property Dispositions** of this Plan for detailed listing and the estimated full value of the Village assets.

It is the intention of the Village to transfer the Fire House and the Village Hall/DPW facility to the Fort Johnson Fire Company. The proposed plan includes the transfer of the Village's two parks and the Village's satellite DPW storage facility and fueling station to the Town of Amsterdam. The two vacant Village properties will be publicly sold or transferred to the Town.

The Village's public works vehicle fleet and equipment inventory will be transferred to the Town of Amsterdam to support the provision of services primarily in the area currently known as the Village of Fort Johnson. One truck will be transferred to the Fire Company. All remaining Village equipment will be sold to other municipalities and/or through public auction. Should assets be sold after dissolution, proceeds will be placed in escrow to offset outstanding Village liabilities.

Village Officials anticipate using all cash assets remaining after payment of all current liabilities to retire the remaining sewer infrastructure bond.

g) The entity's liabilities and indebtedness, bonded and otherwise, and the fair value thereof in current money of the United States:

The Village has one outstanding bond through the New York State Environmental Facilities Corporation that was issued for sewer infrastructure improvements. The total bond issue was an interest free bond and totaled \$1,140,000. More than 20 years of payments have been made and as of the proposed dissolution date of 12/31/23, the outstanding debt on the EFC sewer bond is estimated to be \$349,000. Village Officials indicate that Village cash assets will be used to retire this liability prior to the date of dissolution.

At this time, Village officials indicate that they have no other material long term liabilities or pending law suits. The Village has no long term retiree health benefit costs or compensated balances. There may be outstanding employee benefits; however Village officials do not anticipate

not anticipate payments to exceed \$5,000. **Section VII. Village Liabilities and Disposition Plan** of this Plan provides a review of the Village's estimated liabilities of the Village of Fort Johnson and plan for disposition.

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 fair and implementable Dissolution Plan. The Dissolution Plan was developed by Village and Town liaisons with the best interest of all residents in the Village of Fort Johnson and Town of Amsterdam. Should the need arise to provide continuity of services or to facilitate a smooth transition, the Village may enter into inter-municipal agreements with the Town to provide public works, sewer or other Village services prior to dissolution.

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 primary services currently provided by the Village will be provided by the Town of Amsterdam post dissolution. This includes maintenance of streets, snow and ice control, sewer services, collection of refuse and recycling, parks maintenance, building inspector, street lights and support for senior services. Service delivery models; however, may have distinctions from the current Village service delivery. For example, the Town will fund the refuses and recycling collection services but the service will be provided by a private contractor. **Section VI. Dissolution of Government Services, Function and Employees** provides a detailed overview of current operations and anticipated conditions post dissolution including changes in service delivery.

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:

Upon liquidation of Village assets, the proceeds and any additional Village cash assets will be placed in an escrow account to be established and managed by the Town to be held for the purpose of funding outstanding Village liabilities. These liquidated assets will be used in the first instance to pay for any outstanding accounts payable of the Village.

Should any unanticipated Village liabilities arise prior to dissolution, pursuant to Article 17-A of the GML, the Town may establish a Village legacy district to levy any property taxes to the properties formerly located with the Village of Fort Johnson to cover any Village long term liabilities that exceed the value of the liquidation of Village assets.

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.

Pursuant to 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 up to two years following dissolution or until such time as the Town board shall adopt, repeal or integrate such laws into the Town code. 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.

Town Officials recognize the importance of incorporating certain Village codes and local laws into the Town Code as they address unique community issues relative to area currently known as the Village. Rather than leaving the Village Code in force post dissolution, at the time of dissolution, the Town intends to incorporate the necessary sections of the Village Code into the Town Code and repeal the balance of the provisions of Village Code that are duplicative, no longer applicable or in conflict with Town Code. This model maintains the important Village Code elements but enables the Town to have one administration and enforcement of its codes.

Given the importance of a strong municipal code and the work involved in updating and integrating the codes and local laws, initiating the integration of the codes and law laws during the dissolution transition phase would be considered by the Town. **Section IX. Village Law and Regulations** of this Plan provides a detailed review and set of recommendations relative to Village codes and local laws. Examples of Village codes being considered for incorporation include establishing speed limits and parking restrictions on certain Village roads and truck prohibitions on certain Village roads.

l) The effective date of the dissolution:

The Village of Fort Johnson proposes to dissolve effective December 31, 2023.

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 planned to be held on September 6, 2022 at the Fort Johnson Village Hall located at 1 Prospect Drive, Fort Johnson, NY 12070.

n) Any other matter desirable or necessary to carry out the dissolution:

None identified.

Effective Dissolution Date

The Village of Fort Johnson will dissolve effective **December 31, 2023**.

Public Hearing on the Dissolution Plan

The public hearing is set to be held on September 6, 2022 at the Fort Johnson Village Hall located at 1 Prospect Drive, Fort Johnson, NY 12070

V. Dissolution of Government Services, Functions & Employees

The following is a summary of all services and functions currently provided to Village residents and the proposed post dissolution conditions for the continued delivery of municipal services to former Village residents upon dissolution.

The dissolution planning process was overseen by a Dissolution Plan Steering Committee. The Steering Committee evaluated current services, service levels and the service delivery systems in the Village and in the Town. Through a series of meetings, the Steering Committee reviewed how desired and essential services would be continued for Village residents post dissolution. The Steering Committee carefully considered what services, how the services would be delivered and the cost of those services.

From this base of understanding, the Steering Committee developed a framework for the services, functions and resources needed for the Town to provide municipal services to the area currently known as the Village. This included a review of the new costs that the Town will incur and a recommended course of action.

The proposed post dissolution conditions outlined in this report represent a favorable and effective way to implement Village dissolution. The Steering Committee balanced the goal of maintaining services, the community character, and quality of life that is valued by the Village with the fair and equitable services that are available to and enjoyed by all Town residents. The report outlines the manner and means by which Village residents will continue to be furnished municipal services upon dissolution and the plan for employment opportunities for Village employees with the Town of Amsterdam in accordance with GML Article 17-A §774(e) & (i).

As stated earlier, post dissolution, all decisions related to services, service levels and the service delivery systems needed to serve the area currently known as the Village of Fort Johnson will rest with the Town of Amsterdam. It is anticipated that the Town budget will include the staff, facilities, services and resources necessary to serve the residents of the former Village of Fort Johnson.

Village Mayor and Village Board of Trustees

The Village is currently governed by an elected Mayor and a Village Board of Trustees made up of four elected members. The Mayor and Trustees are currently responsible for setting all policy and for overseeing all Village operations, including finances, staff, and the use of Village property and equipment.

Post Dissolution Conditions:

The Town Supervisor and Town Board will assume all governing responsibilities for the area formerly known as the Village of Fort Johnson. There will no longer be a Village Mayor or Board of Trustees.

Central Services

The Village employs an appointed part time Village Clerk/Treasurer. The Clerk/Treasurer is responsible for maintaining Village files and records, issuing birth and death certificates, managing human resources and insurances, taking minutes of Board of Trustees meetings, preparing public notices for all Board and Committee meeting and fielding phone calls, emails, and walk-in requests for information on all Village services. In addition, the Village Clerk/Treasurer is responsible for maintaining the Village's financial

records, balancing and reconciling bank accounts, property tax preparation, billing, and collection, payroll, and assisting in the development and management of the Village budget. The position is also responsible for accounts payable and receivable and providing technical assistance to the Mayor and Board of Trustees.

The Village has a part-time Village Attorney to provide counsel to the Mayor and Board of Trustees on a variety of municipal matters.

Post Dissolution Conditions:

The Village dissolution eliminates the Village Clerk/Treasurer and the Village Attorney positions. Administrative activity in the Town is anticipated to increase for clerk and fiscal functions and the Town anticipates an increase in part-time hours. The Town Finance Department shall absorb the fiscal functions; however, temporary financial support will be needed for a period up to one year to close out Village finances and prepare and file the necessary reports to the Federal and New York State governments. The Town Attorney's Office will be responsible for all legal matters.

Department of Public Works

Village Department of Public Works

The Village of Fort Johnson has a part-time Superintendent and two laborer positions in the Public Works Department. The Department is responsible for the maintenance and snow and ice control of the Village's road system. **Table 6: Road Centerline Mileage**, summarizes the road mileage and ownership makeup for both the Village and the Town road systems. The Village maintains 4.19 miles and the Town maintains 19.78. Absorption of the Village roads represents approximately a 21% increase. **Appendix B: Listing of Municipal Roads** provides an inventory of the existing Village Roads that will become the responsibility of the Town of Amsterdam.

Table 6: Road Centerline Mileage

Current Village and Town Road Systems		
	Village	Town
Centerline Mileage	4.19	19.78
Total Lane Mileage	8.38	38.63
<i>Source: New York State Department of Transportation Highway Inventory, 2021</i>		

Snow Plowing and Removal: During a typical snow and ice event, the Village can complete each run within 1.5 to 2 hours. The Village has a number of steep roads that present unique plowing challenges. The Village employs smaller snow plowing trucks to maneuver and handle the steep inclines as large snow plowing equipment have difficulty handling the inclines. The Village crew starts early to ensure that the Village roads on the steep hills are clear for passage by the time of early morning commutes. Due to the narrow streets in the Village, after the streets are plowed, it is typical that Village intersections have the snow removed in order to provide access; particularly in heavy snow storms. The snow is placed in the parking lot

of Ellenwood Park. It is important to note that the Village has an ordinance prohibiting parking on Village streets and this is particularly important during the winter season.

Street and Streetscape Maintenance: The public works staff provide pothole repair using both cold and hot patch. The majority of paving is done through contract using Consolidated Highway Improvement Program funds. Small paving projects are often accomplished through shared services arrangements with the Town of Amsterdam and/or the Village of Hageman. The Town provides street sweeping services for the Village and it is done on an annual basis. The Department staff provide mowing, weed whacking and tree trimming along Village streets. Any large tree removals or trimming is done through contract. The Village has no striping on Village owned roads. The Public Works staff maintain the storm sewer system which includes approximately 40-50 catch basins that are cleaned annually by hand.

Sidewalks: There is approximately ½ mile of sidewalks in the Village along Route 67. The property owners are responsible to keep the walks clear of debris and snow and ice. Village Public Works has no responsibility for clearing sidewalks.

Refuse and Recycling Collection Refuse is picked up weekly and recycling is picked up monthly by the Village staff. Both the refuse and recycling collection operations take two staff approximately 5 hours to complete. The Village does not provide yard waste or fall leaf pick up from Village residents; however, the Village staff do provide leaf clean up and removal on Village properties.

Parks Maintenance: The Village Public Works Department provides maintenance services at the two Village owned parks. Ellenwood Park is an 8 acre park and formerly had skating rink. The staff mow the lawn and trim up the grounds. The second park is located at the end of Brandt Street is approximately 1 acre in size and is home to the Village's Memorial Site. Much of the maintenance is provided by volunteers.

Village Owned Facility Maintenance: The Village staff are also responsible for the cleaning and maintenance of Village facilities including Village Hall/DPW facility and multiple storage facilities.

Town Highway Department

The Town of Amsterdam Highway Department is staffed with a Highway Superintendent, 6 full time and 4 part time staff. The Department is responsible for the traditional summer and winter maintenance of its 20 mile road system. In addition, the Town, under contract with New York State, provides mowing and snow plowing services for the State's 40 miles of highways in the Town. In addition, the Highway Department is responsible for the oversight of the Town's water and sewer services. The Town snow plowing system covers 60 miles of Town and State roads. The Department currently operates 5 snow runs and in a snow storm with 1" of snow an hour, a route is typically completed within 4 hours.

Post Dissolution

Town Officials indicate that it is the Town's intention to provide the Village with the services they are currently accustomed to receiving. Village Public Works and Town Highway Officials assisted in the evaluation of the services and service delivery models for services to Village residents post dissolution. Based on the review of the Village highway, sewer and park services, the Town recommends the addition of one laborer to their crew and additional funding for part-time staff and/or overtime; particularly to support snow and ice control runs. New York State Consolidated Highway Improvement Program funding (CHIPS) would not be impacted by a dissolution. The Town government should receive an amount equivalent to that which the Town and the former Village would otherwise have received separately. **Table 7: Public Works**

Services Post Dissolution, located on the following page outlines the public works services and the anticipated services models post dissolution.

Table 7: Public Works Services Post Dissolution

<i>Post Dissolution Conditions:</i>		
Service	Village Current	Post Dissolution
Snow Plow	1.5 to 2 hour run. Given that many Village roads are on steep hills, the routes are initiated early in the morning before commuter traffic.	The Town will assume responsibility of the Village snow plowing will work with the Village to develop a snow removal system that recognizes the unique needs in the Village (particularly on the steep hills). The Town indicates they will provide the necessary resources to provide similar response as provided by the Village. The Town will maintain the satellite storage and fueling facility in the Village to support operations in the Village
Snow Removal	The Village removes snow from intersections to assure for the necessary visibility and safety.	The Town will continue the Village practice of removing snow from intersections to assure for the necessary visibility and safety.
Refuse and Recycling Collection	Refuse pick up is 1 time/week. Recycling pick up is 1 time/ month. Both services provided by Village staff. Upon request, the Village picks up large items. The Village hosts one clean-up day each year.	Refuse pick up will be 1 time /week. Recycling pick up will be 1 time/ week. The Town contracts with private hauler and funds the service. The hauler hosts 2 small item collection days each year. The Town hosts 2 clean up drop off days each year for residents to discard bulk items.
Summer Maintenance	Maintenance of Village properties, parks, roads and streets. The Town provides the street sweeping.	The Town will assign a full time staff person to focus on the maintenance of the parks and roads and streets in the Village.
Street Lights	The Village currently contracts with National Grid for the illumination and maintenance of 91 fixtures.	The Town indicates they will incorporate the Village lights into its program.
Sidewalk Snow	Property owners are responsible for snow and ice control on sidewalks.	The Town program will be the same.

Refuse Collection

The Village of Fort Johnson Public Works Department provides refuse collection services weekly and recycling collection services monthly.

The Town of Amsterdam contracts with a private provider for the collection of refuse and recycling. Both collections are provided on a weekly basis. The Town service is funded through the Town Operating Budget and the preliminary cost estimate for the extended coverage to Village residents is \$38,000. The Town contractor offers 2 special collections day per year for small junk items. In addition, the Town Highway Department hosts 2 bulk and white goods drop off events each year.

Post Dissolution Conditions:

Post dissolution, the Town will amend its private hauler contract to extend refuse and recycling services to Village residents on a weekly basis. The costs will be included within the Town Operating Budget. Village residents will be able to use the Town bulk and white goods drop off days held each twice each year.

Land Use Planning, Zoning, Building Administration and Code Enforcement

Zoning and land use planning in the Village of Fort Johnson fall under the Town of Amsterdam's jurisdiction. The Town of Amsterdam Planning Board and Zoning Board of Appeals currently cover the area currently known as the Village of Fort Johnson. Given that zoning and land use planning laws and operations are already consolidated at the Town level, a dissolution of the Village would have limited impact on Village residents.

The Village of Fort Johnson employs a part time Building Inspector to enforce the Town zoning code and property related Village local laws and ordinances and to manage the building permit process in the Village. The position is currently filled by a person holding the same position in the Town. Upon dissolution, the code enforcement and building permitting functions will be performed by the Town Building Inspector. The Village and Town agree that the Town workload would increase slightly and the hours of the Town Building Inspector would be correspondingly increased.

Post Dissolution Conditions

The Planning Board and Zoning Board of Appeals functions are already consolidated at the Town level and services will continue as currently provided. The current building administration and code enforcement functions will be absorbed by the Town Building Inspector. Village land use will be incorporated into the Town's Zoning Code.

Street Lighting

The Village of Fort Johnson illuminates 91 streetlights. The streetlights are owned and maintained by National Grid. The Village has requested an updated listing from National Grid of the location of all the lights to provide to the Town should the dissolution occur. The Village entered into an agreement with National Grid for a conversion of the street lighting to Light Emitting Diode (LED) in order to reduce the utilization of electricity and to provide for long term reduction of costs.

Post-dissolution, the Town will incorporate the operation and maintenance of the street lights into its existing street lighting program. The 2021/2022 Village appropriation for Village Streetlight illumination is \$12,500 with historical costs running slightly less.

Post Dissolution Conditions:

The plan is for the Town to continue the existing street lighting within the Village. The Town will incorporate the streetlights into the Town streetlight program and will fund the street lighting program through the Town outside Village general fund as is currently done for other streetlights in the area of the Town outside the Villages.

Fire Prevention & Control

The Village of Fort Johnson Fire Department currently provides fire protection services through an agreement with the Fort Johnson Fire Company, a not-for-profit organization. The Fort Johnson Fire Company operates out of the Village Fire House. The Village Fire House is on property owned by the Village of Fort Johnson. The base Fire House, that includes the three main bays, is owned by the Village. The Fire Company funded, built and owns an addition on the Fire House that includes a kitchen facility. The Village leases the property and the base Fire House to the Fire Company for \$1 per year. The Village also provides \$20,200 annually in support of fire protection services for Village residents.

The Town of Amsterdam established the Fort Johnson Fire Protection District to provide fire protection services to an area of the Town outside the Village yet contiguous to the Village. The Town currently contracts with the Village of Fort Johnson and the Fort Johnson Fire Company for fire protection services and the 2022 appropriation was \$270,000. The property owners in the Fort Johnson Fire Protection District pay for these services on their property taxes.

There is consensus that should the electorate vote to dissolve the Village, the optimal plan is to have the Town extend its current Fort Johnson Fire Protection District to include the area currently known as the Village of Fort Johnson. This will provide continuity of service for residents. It is recommended that the Town of Amsterdam have prepared a map, plan and report necessary to provide the legal definition of the service area for purposes of service coverage and taxation.

There was also consensus that the Village of Fort Johnson transfer the Fire House, its property and the Village Hall/DPW facility to the Fort Johnson Fire Company for the purpose of supporting the delivery of fire services for the residents of the Fire Protection District. It is recommended that a covenant be placed in the deed that should the Fire Company no longer use the any of these properties for the purpose of fire protection, the Town of Amsterdam would obtain property control and should the property be sold proceeds shall be used for the benefit of the taxpayers of Fort Johnson Fire Protection District.

Post Dissolution Conditions:

The preferred plan is for the Town to extend the existing Fort Johnson Fire Protection District to include the area known as the Village of Fort Johnson and continue to contract with the Fort Johnson Fire Company for the delivery of fire protection services.

The Village of Fort Johnson plans to transfer the Village Fire House, its property and the Village Hall/DPW facility to the Fort Johnson Fire Company for the purpose of providing fire protection. It is recommended that deed covenants be included that define control of the property should it no longer be used for purposes of fire projection for Fire Protection District residents.

Sewer

The Village of Fort Johnson provides public sewer service to all parcels and housing units within the Village. The Village has a contract with the City of Amsterdam for disposition of the Village wastewater. All wastewater flows to the City of Amsterdam. The Village operates two pump stations and also has multiple properties requiring grinder pumps. The Village contracts with a private vendor for the maintenance of it pumps.

Village sewer services are funded through fees based on water use calculated by unit usage and a charge for administration and maintenance costs shared on a per parcel basis. Currently there is also annual debt service costs related to infrastructure improvements which are scheduled to end in 2031. The debt service is funded using a per unit charge per parcel included on the Village property tax bill.

There was consensus that the optimal post dissolution plan is for the Town to create a Fort Johnson Sewer District that includes the area currently known as the Village of Fort Johnson and to continue operations as they currently exist. All properties and assets supporting the provision of sewer services will transfer to the Town to support the operation of the Fort Johnson Sewer District. In order to create the Sewer District, the Town will need to have prepared a map, plan and report as required by NYS Town Law.

The post dissolution sewer use fee and administration and maintenance fee methodologies are anticipated to remain similar to the current methodologies. The Village is optimistic that should the Village dissolve, there will be sufficient assets to pay off the remaining sewer debt liability. If this were to occur, there would not be a debt service charge on the property tax bill for this bond issue. It is important to note, however, that there could be new debt issued sometime in the future to support the sewer infrastructure and the funding methodology would be determined at that time.

The Town of Amsterdam currently provides sewer services to other areas of the Town and also has a contract with the City of Amsterdam for the disposition of wastewater. The Town has indicated that at some future point, an evaluation of integration of the Village and Town systems may be warranted in order to determine if there are efficiencies to be gained.

Post Dissolution Conditions:

Upon dissolution, the preferred plan includes the creation of a Fort Johnson Sewer District, the definition of which would include the area currently known as the Village of Fort Johnson. The Sewer District will be established as a mechanism for the Town to continue services to the Village residents and as a mechanism to charge user fees to the users of the service.

Water Service

The Village of Fort Johnson does not currently provide water services and all properties are served by private wells. As such water services are not impacted by a proposed dissolution of the Village.

Village Records

The Village has a combination of paper and electronic records. The paper records are stored at Village Hall with some off site. It is estimated that there are the equivalent of 40-50 boxes of hard copy records. There is potential to reduce the volume of records by conducting an assessment of the records using the NYS Local Government records retention schedule. In addition, the Village has records stored in various electronic formats. Should the Village votes opt to dissolve, the Village Clerk and the Town Clerk plan to coordinate the transition of Village electronic and hard copy records to the Town.

Staffing and Employee Considerations

Discussions of dissolution raise discussion regarding: 1) the determination of the additional staffing needed by the Town to provide expanded services necessary to cover the Village and 2) the impact on current Village employees. These considerations include issues of salaries, benefits such as health coverage and retiree health care, unions, civil service, pensions and seniority, etc.

In the case of the Village of Fort Johnson, the Village staff is very small and the transition issues are limited. **Table 8: Current Village of Fort Johnson Staffing** details the current filled positions in the Village of Fort Johnson.

Table 8: Current Village of Fort Johnson Staffing

Current Village of Fort Johnson Staffing			
Department	Title	Full Time	Part Time
Elected Officials			
	Mayor		1
	Trustees		4
Central Administration			
	Village Clerk/Treasurer		1
	Village Attorney		1
Public Works			
	Superintendent		1*
	Laborers	2	
Building Inspector			
	Building Inspector		1
	Total Filled Positions	2	8
* The Superintendent is a part-time position held by a Village Trustee.			

Post Dissolution Town Staffing Needs and Current Village Staff

The Town's assessment is that it will need to hire one full time laborer position in the Highway Department; additional part-time hours of the building inspector and additional part time hours of administrative support services necessary to cover the anticipated increase in workload.

It is anticipated that one of the two full time Village Public Works employees is planning to retire and the Town has indicated that they would hire the other current Village laborer employee. It is the desire of the current Village Clerk/Treasurer to retire. The current Village Building Inspector is also the Building Inspector for the Town and any increase in Town workload can be handled through additional part-time hours.

Collective Bargaining Agreement, Employee Wages and Benefits

The Town Highway staff are represented by the Teamsters Local 294 of the International Brotherhood of Teamsters. Post dissolution, the wages, benefits and other work conditions of employees hired into the Town Highway Department shall be subject to the terms and conditions in the Local 294 Collective Bargaining Agreement.

Any other employees hired by the Town as a result of the dissolution of the Village shall receive salary, benefits and work conditions as determined by the Town.

Agreements, Contracts and Grants

The Village of Fort Johnson has a number of agreements and contracts with varying providers, entities and other governments. During the transition phase these agreements should be evaluated in the context of the dissolution to determine which ones will remain in effect post dissolution and be assumed by the Town and which ones may need execution of termination notifications and termination clauses. All active agreements and contracts will need to be made available to the Town so that they can abide by any terms and conditions of the contracts, pay outstanding accounts payable, etc.

The terms of any Federal and New York State grants that have funded the procurement of real or personal property should be reviewed for use/disposition conditions that need to be considered should the Village residents elect to dissolve. In addition the Village and Town shall coordinate with funding agencies to reassign, re-contract or complete reports for projects still open post dissolution.

Conclusions

Based upon the post dissolution service delivery models and conditions described above and the projected staffing needs by the Town, a fiscal analysis was developed to model the potential post-dissolution impact on Village of Fort Johnson, Town-outside Village and town-wide only taxpayers. The fiscal analysis is described in the **Section IX. Fiscal Analysis** of this Dissolution Plan.

VI. Village Assets and Proposed Disposition

This section details the Village assets, their estimated values and a proposed disposition plan for the assets. In accordance with GML Article 17-A §774(f), Village assets include but are not limited to real and personal property, the estimated current fair value thereof, and cash assets.

Village-owned Real Property

Village-owned real property is listed below in **Table 9: Village-owned Real Property**. The estimated full values are based on the application of the equalization rate to the property 2021 Assessed Value. The proposed disposition plan for each of the properties is also outlined below.

Table 9: Village-owned Real Property

Village of Fort Johnson Village Owned Properties							
Property	SBL	Use	Code	Acres	Assessed Value	Full Value ¹	Proposed Disposition
91 Fort Johnson Ave.	23.19-1-7	Material & Fuel Storage	441		TBD	TBD ²	Transfer to Town
Fort Johnson Ave.	38.7-2-15	Ted Ellenwood Park	963	8.3	\$2,200	\$24,444	Transfer to Town
Young Ave.	38.8-1-27	Paper Street	910		\$150	\$1,667	Transfer to Town
Prospect St.	38.12-2-44	Residential Vacant Land	311		\$500	\$5,556	Sale
4 Fort Johnson Ave	38.43-1-4	Village Hall/ DPW Garage	651		\$11,800	\$131,111	Transfer to Fort Johnson Fire
Brant Ave.	38.43-1-31	Park	963	1	\$2,250	\$25,000	Transfer to Town
Prospect St.	38.43-1-39	Fire House	552		\$14,600	\$162,222	Transfer to Fort Johnson Fire
Note 1: Full Value calculated using 2021 Assessed Value and the Equalization Rate							
Note 2: The value is being updated.							
Source: 2021 Town Assessment Roles							

The proposed disposition plan for the Fire House and Village Hall/DPW properties is to transfer them to the Fort Johnson Fire Company to continue to use the property as their base of operation for fire protection services. The proposed plan is to transfer the property at no cost; however it is recommended that provisions be put in the deed that requires the property to be used for fire protection services or if no longer needed for fire protections, the Town shall obtain property control and any proceeds of a sale would go to the benefit of the Fort Johnson Fire District. The Steering Committee and the Town Highway Department have indicated that the Village satellite highway materials storage facility located at 91 Fort Johnson Road would be beneficial to the Town highway operations in the Village of Fort Johnson. Having a facility on the west end of the Town will make operations more efficient and the Plan proposes the transfer of the property to the Town at no cost.

The two Village Parks will transfer to the Town for continuation as public parks. The park located on Brant Avenue was donated to the Village by New York State and according to the Village Clerk, this park been formally designated as parkland by New York State. In addition, both parks host components of the Village

sewer infrastructure and post dissolution, it is anticipated that sewer infrastructure system would remain at these sites.

Village-owned Personal Property

Like real property, personal property owned by the Village of Fort Johnson may be sold and liquidated for the benefit of Village property owners. Personal property includes vehicles, large equipment, office equipment, furniture, tools, parts inventory, and any other miscellaneous items.

The most valuable personal property owned by the Village includes public works department vehicles and equipment and sewer system equipment such as pumps and generators. The Public Works Department inventoried the equipment and provided a listing of equipment and the proposed disposition of the equipment is presented in **Table 10: Village-owned Vehicles and Equipment**.

Table 10: Village-owned Vehicles and Equipment

Village of Fort Johnson			
Village Owned Vehicles			
Dept	Equipment Description	Estimated Value ¹	Disposition Plan
Sewer	2000 John Deere Back Up	\$ 20,010	Town
Sewer	2000 Olymian Trailer Mounted Generator	\$ 21,032	Town
Sewer	2000 Gorman Ramp Pump	\$ 2,163	Town
Sewer	2000 T-100-9 Tripod	\$ 4,458	Town
Sewer	2000 140-5G Work Winch	\$ 2,662	Town
Sewer	2000 Environmental One Grinder Pump	\$ 3,245	Town
Sewer	10 Individual Grinder Pumps	\$ 60,000	Town
Sewer	Muffin Mounter	\$ 25,000	Town
DPW	2000 Ford F450 Dump Truck	\$ 41,824	Fire Co.
DPW	2005 Chevrolet Silverado with Sander	\$ 32,000	Town
DPW	2020 Chevrolet Silverado Plow Truck Sander	\$ 80,000	Town
DPW	Trench Bucket	\$ 4,000	Town
DPW	Digging Bucket	\$ 3,000	Town
DPW	2000 Fisher 9' Minute Mount Plow	\$ 4,449	Town
DPW	2008 New Holland Tractor	\$ 11,848	Town
DPW	2008 Bill Goat Leaf Vac	\$ 3,375	Town
DPW	2008 Wood Finish Mower	\$ 15,000	Town
DPW	2015 John Deere 310 K Backhoe	\$ 78,000	Town
Note 1: Estimated Values based on staff projections & recent auctions of similar equipment.			

The sewer system equipment is recommended to be transferred to the Town of Amsterdam to support the continued operation of sewer services for the proposed new Fort John Sewer District. The balance of the public works equipment is also proposed to be transferred to the Town to support services; particularly in the Village. The Village owns other small equipment and furniture that can be liquidated through auction or

negotiated sale with other municipalities. Pursuant to Article 17-A, any remaining Village personal property at the time of dissolution will become the property of the Town of Amsterdam.

Village of Fort Johnson Fund Balance

Table 11: Village Balance Sheet for Fiscal Year Ending 5/31/18 was included in the 2018 Annual Update Document (AUD), the Village's latest financial report filed with the Office of the New York State Comptroller. The Village of Fort Johnson reported in this filing that the fund balance in the General Fund totaled \$179,213; of which \$64,262 was unassigned unappropriated. For the same year, the fund balance in the Sewer Fund totaled \$133,886 of which \$91,903 was unappropriated. Based on Village Treasurer's Report and bank account balances, Village officials indicate that the General Fund cash position and fund balance have materially improved and state that as of 5/31/21, the General Fund cash position increased to approximately \$330,000 and that the Sewer Fund cash balance has essentially remained constant. Based on the Village's accounting practices in both the General and Sewer funds, Village Officials indicate that this also reflects a similar increase in the fund balance. Village officials indicate that the 2018/2019 through the 2021/2022 AUDs are being prepared and will be completed in the near future.

Table 11: Village Balance Sheet FY Ending 5/31/18

Village of Fort Johnson Balance Sheet for FY Ending 5/31/ 2018		
	GENERAL	SEWER
Assets		
Cash	96,255	91,903
Total Cash	96,255	91,903
Cash Special Reserves	82,958	41,983
Total Restricted Assets	82,958	41,983
Assets	179,213	133,886
Total Assets & Deferred Outflows of Resources	179,213	133,886
Fund Balance		
Capital Reserve	37,790	41,983
Total Restricted Fund Balance	37,790	41,983
Assigned Appropriated Fund Balance	77,160	0
Assigned Unappropriated Fund Balance	0	91,903
Total Assigned Fund Balance	77,160	91,903
Unassigned Fund Balance	64,262	0
Total Unassigned Fund Balance	64,262	0
Fund Balance	179,213	133,886
Total Liabilities, Deferred Inflows of Resources	179,213	133,886
<i>Source: NYS Office of the State Comptroller</i>		

Village Officials indicate that the plan is to use the outstanding cash assets to offset the outstanding Village debt and eliminate/ reduce the sewer fund levy that covers the annual debt service. The details of the current debt are outlined in the Outstanding Debt section of this Proposed Plan.

Bank Accounts, Village Financial Books and Records

Upon dissolution, all records, books and papers shall be deposited with the Town Clerk of the Town of Amsterdam and they shall become a part of the records of the Town. The Town will keep Village accounts open for a period of approximately three to six months to handle accounts receivable, accounts payable and to reconcile the expenses with the budgeted amounts and allow vendors to submit invoices for services rendered and not billed prior to dissolution and for claims processed but not received prior to Village dissolution.

The Village currently maintains its financial records in spreadsheets and paper records. It will be important for the Village and Town to coordinate the transfer of those electronic records along with the paper records to the Town. Upon dissolution, Town officials will need to be added as signatories to any bank accounts which remain open.

The Town will be responsible to provide for the preparation and submission of all Village Federal and New York State filings and report preparations. This includes all end of year employer filings and the submission of any outstanding Annual Financial Reports to the Office of the New York State Comptroller.

VII. Village Liabilities and Disposition Plan

This section outlines the dissolution plan for transferring or disposing of the Village's current liabilities and indebtedness in accordance with GML Article 17-A §774(g) & (j)

Debt and Other Liabilities

The Village of Fort Johnson has limited long term liabilities. The Village has one outstanding bond through the New York State Environmental Facilities Corporation that was issued for sewer infrastructure improvements. The total bond issue was an interest free bond and totaled \$1,140,000. More than 20 years of payments have been made and as of the proposed dissolution date of 12/31/23, the outstanding debt on the EFC sewer bond is estimated to be \$349,000.

At this time, Village officials indicate that they have no other material long term liabilities or pending law suits. The Village has no long term retiree health benefit costs or compensated balances. There may be outstanding employee benefits; however they are not anticipated to exceed \$5,000.

Disposition of Debt and Other Liabilities

Pursuant to Article 17-A of the GML, should at the time of dissolution, any unanticipated liabilities remain at the time of dissolution that exceed the remaining Village fund balance, the outstanding liabilities shall be assumed by the Town and shall be a charge upon the taxable property within the limits of the Village of Fort Johnson. In this instance a legacy district would be established as a mechanism to tax the property owners in the Village for the net Village liability costs. The cost would be assessed annually upon property tax bills for all former Village property taxpayers.

Village officials indicate that the plan is to retire the sewer fund debt prior to dissolution using existing Village cash assets and therefore a legacy district will likely not be needed. This means that there would no longer be a sewer fund levy upon Village property tax payers to cover outstanding debt. It should be kept in mind; however, that there is always the potential for unforeseen liabilities or lawsuits prior to dissolution or a determination that the final assets at close out of the Village's final fiscal year are insufficient to cover the liabilities. In this instance, the Town would be required to set up a Village legacy district to fund the liabilities.

Article 17-A also states that the Town Board shall have all powers with respect to the debts, liabilities and obligations as the governing body of the dissolved entity possessed prior to its dissolution, including the power to issue town bonds to redeem bond anticipation notes issued by the dissolved entity. If needed, the Village and Town may agree to establish an escrow account that will be managed by the Town to hold any Village assets needed to offset remaining liabilities post the close out of the Village's final fiscal year.

XIII. Village Laws and Regulations

Pursuant to GML Article 17-a §789, all local laws, ordinances, rules or regulations of the Village remain in effect for a period of two years post the effective date of dissolution unless repealed or modified and incorporated in the Town Code by the Town Board. 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.

Rather than leaving the Village Code in force post dissolution, at the time of dissolution, the Town intends to incorporate the necessary sections of the Village Code into the Town Code and repeal the balance of the provisions of Village Code that are duplicative, no longer applicable or in conflict with Town Code. This approach maintains the important Village Code elements specific to the needs of the Village but enables the Town to have one administration and enforcement of its codes. The Village and Town plan to initiate this process during the dissolution transition phase and minimally, the Village Code will be reviewed for conflicts with the Town Code and the necessary repeals and/or modifications will be put in place.

Table 12: Village of Fort Johnson Summary of Local Laws and Ordinances, located on the following page, is a summary of Village Codes and Local Laws presented during this plan development phase. This table also provides *preliminary* guidance to help inform the code review process. The Village codes and local laws have been broken into four categories to facilitate the review process should the electorate vote to dissolve:

N/A = No Longer Applicable

M = Modify: Modification to Town Code may be beneficial based on unique aspects or components specific to Fort Johnson

T = Town Code to be Utilized: The Town Code covers the Village subject matter and the minor differences in Code have limited utility

R = Review: Given unique aspects specific to Fort Johnson, Local Law needs more in depth review and/or may need policy determination by the Town.

IX. Village Laws and Regulations (Other than Zoning)

Table 12: Village of Fort Johnson Summary of Local Laws and Ordinances

<u>Village of Fort Johnson Local Laws</u>			
<u>Village Local Laws and Ordinances</u>	<u>Town Code</u>		<u>Notes</u>
1931 Ordinance License for Peddling	1992 Ordinance Regulation/ Licensing Vending, Hawking & Peddling	T	Repeal Village's and utilize Town ordinance.
1950 Limitation of Speed on Streets to 30 miles/hour.	None Identified	M	Confirm Town does not have similar Town Law. Recommend Town evaluate benefits of incorporating.
1956 & 1971 Amendment - Heavy Weight Truck Prohibition on Heavy Weight Trucks Over 18,000 pounds	None Identified	R	Confirm Town does not have similar Town Law. Recommend Town evaluate benefits of incorporating.
1965 Ordinance Dumping	None Identified	R	Confirm Town does not have similar Town Law. Recommend Town evaluates benefits of incorporating.
1974 Ordinance Mergner Road Truck Prohibition	None	M	Prohibits Thru Traffic on Mergner Rd. due to steepness. Recommend Town's consideration.
1974 LL Removal/ Repair of Buildings	NY Uniform Fire Prevention & Building Code	R	Review Local Law to determine if it provides additional protections.
1975 LL#2 Building Permit	Art.11 Admin & Enforcement	T	Repeal Village's local law and utilize Town's code.
1975 LL #1 Construction, Ownership and Maintenance of Pools	Art. 8.28 Swimming Pools	T	Repeal Village's and utilize Town's code.
1976 Property Protection Law	NY Uniform Fire Prevention & Building Code	R	Review Local Law to determine if it provides additional protections.
1979 LL#1 Possession and Consumption of Alcohol & Open Container	None Identified	R	Review to determine if any unique need to Village
1984 LL #1 Termination of Village Assessing Unit	N/A	N/A	N/A

IX. Village Laws and Regulations (Other than Zoning)

1985 LL#1 Village Employees	N/A	N/A	N/A
1986 LL #1 Amendment to 1977 LL #1 (1977 LL not found)	N/A	N/A	Recommend further research
1987 LL #2 Fire Prevention and Building Code	NY Uniform Fire Prevention & Building Code	T	N/A
1990 LL #1 Regulating the Operation and Maintenance of Adult Book Stores	Zoning, Art. 8.33	R	Village Prohibits Use. Town Code allows for use in M-1 District. Review impact
1992 LL #1 Removal of Snow from Sidewalks	None Identified.	M	Confirm Town does not have similar Town Law. Recommend modification to Town Code to include this law.
1995 LL #1 Limiting/Prohibiting Operating/Parking of Heavy Vehicles (10,000 lbs.) Update of 1971 & 1956 LLs	None Identified	R	Confirm Town does not have similar Town Law. Recommend Town evaluate benefits of incorporating.
1996 LL #2 Prohibiting Parking on Streets 12:00 am to 6 am.	No Town Local Law	M	Town to modify its ordinance to include this prohibition for the area currently known as Fort Johnson.
1996 #1 Property Maintenance Law	Copy not identified; however, Building Inspector indicated Town adopted the same or similar Law	R	Confirm Town has same law. If so, repeal the Village law and utilize the Town's local law.
2000 LL #2 Fair Housing Policy	None identified	R	Unless the Town has or will apply for HUD Funding, the Village indicated no longer applicable.
2005 LL #1 Animal Control	LL 2004 - #1 Dog Control	R	Compare local laws and determine if the Village's law can be repealed.
2000 LL #1 Sewer Use Law	No Town Law	M	The Town will need to create by local law the Fort Johnson Sewer District and will need to incorporate specifics of the Village Sewer Use Law.
2001 LL#1 Amendment to Sewer Use Law – Installment Payments & Penalties	No Town Law	M	See Above
2003 LL# 1 Mobile Home Law	Zoning Art. 4 Use Regs & Art. 8.26	R	A comparison with Town Codes by District Uses is recommended.

IX. Village Laws and Regulations (Other than Zoning)

2010 LL #1 Outdoor Wood Burning Furnaces Law	Zoning, Art. 7. 34	M	The Village has higher standards re: types of furnaces allowed, summer use prohibitions, etc. Modifications to the Town Code may be warranted.
Lepper Road Truck Prohibition (Village officials indicated there is a local law; however, a copy was not identified)	No Town Law	M	Prohibits Thru Traffic by trucks on Lepper Rd. due to slope of the road. Locate Village Local Law for consideration for incorporation by the Town.
2013 LL #1 Regulating Placement of Portable Basket Ball Goals	No Town Law	M	Prohibits placement in public roads and right of ways. Given safety concerns on Village roads, the Town will consider this for the area currently known as the Village of Fort Johnson.
Village Officials identified that there is a Local Law Prohibiting the Discharge of Firearms. (LL not identified)	No Law Identified	R	Need to determine if there exists a Village and/or Town code.

Should the Village electorate dissolve, a comprehensive review of Village documents is recommended to identify copies of all Village local laws. The Village can reach out to the New York State Department of State for copies of adopted local laws that were filed with the Secretary of State prior to January 1, 1998.

IX. Fiscal Impact of Dissolution

In accordance with GML Article 17-A §774 (2d), the Dissolution Plan must include a fiscal estimate of the cost of dissolution. This includes a review of both the one-time costs related to the transition and implementation of the dissolution and the long term fiscal impact on the residents and taxpayers of the Village of Fort Johnson and the Amsterdam Town-outside-Village of Fort Johnson taxpayers and residents.

Transition and Implementation Activities and Related Costs

Dissolving a Village government and ramping up a Town government to assume the services is a significant undertaking. There will be associated on-time costs associated with these transition and initial implementation activities. Preliminary estimates are anticipated to be in the range of \$75,000 to \$100,000 depending on what is finally determined is needed and what can be done accomplished in-house. Examples include:

- Consultant services to facilitate the Village and Town dissolution transition and implementation phases.
- Legal/consultant services to support property transactions and review of Village and Town local laws to determine necessary repeal of Village laws and incorporation of others into Town Laws and codes, etc.
- Temporary fiscal services for the Town post dissolution needed to close out Village fiscal books and prepare and submit all required Federal and New York State filings and reports.
- Independent financial audit(s).
- Costs associated with the sale of personal properties.
- Development of a map, plan and report necessary by the Town to extend the current Fort Johnson Fire Protection District to include the area currently known as the Village of Fort Johnson.
- Development of a map, plan and report by the Town for the creation of a Fort Johnson Sewer District to serve the area currently known as the Village of Fort Johnson.
- Streamlining, organizing, digitizing and moving of Village records.
- Merging or incorporating certain village laws and codes into the Town code.

The Town and Village are eligible for Citizen’s Re-organization Empowerment Grant (CREG) funds that can be used to support transition and implementation costs. The grant funds available to the Town and Village combined is \$50,000. While the CETC credit is small, the Town also has the option to use up to 30% of its annual CETC funds to support costs associated with the implementation phase.

Post Dissolution Fiscal Impact Methodology

The study modeled a post dissolution Town budget, property tax levy and tax rates. The study used the 2021/2022 Village Budget, the 2022 Town Budget and the annual financial filings with the Office of the State Comptroller as the base of the analysis. The figures presented in this model are **projections only** and are based on post dissolution services and associated costs outlined in this Proposed Dissolution Plan. The information in this section is a representation of the data available at the time of the development of this Proposed Dissolution Plan.

Current Property Tax Levies

Table 13: Adopted 2021/2022 Village Budget Summary details the appropriations, revenues, appropriated surplus and tax levy included in the Village General and Sewer Fund budgets.

Table 13: Adopted 2021/2022 Fort Johnson Budget Summary

Village of Fort Johnson 2021/2022 Budget				
	Expenditures	Revenues	Appropriated Fund Balance	Property Tax
General Fund	\$294,910	\$85,950	\$76,000	\$132,960
Sewer Fund	\$182,693	\$142,493	\$0	\$40,200
Source: Village of Fort Johnson 2021/2022 Budget				

The Adopted 2022 Town Operating Budget including all funds including is depicted in **Table 14: Adopted 2022 Town of Amsterdam Budget**. It is important to note that the Town does not have a town-wide or town outside village tax levy.

Table 14: Adopted 2022 Town of Amsterdam Budget

Town of Amsterdam 2022 Adopted Budget				
Fund	Approp	Revenues	Appropriated Fund Balance	Levy
General	\$1,004,621	\$955,954	\$48,667	\$0
General B	\$507,600	\$485,965	\$21,635	\$0
Highway B	\$1,047,500	\$1,001,500	\$46,000	\$0
Water	\$1,049,400	\$1,034,400	\$15,000	\$0
Sewer	\$512,500	\$512,500	\$0	\$0
Total	\$4,121,621	\$3,990,319	\$131,302	\$0
Fire Protection Districts	\$961,074	\$0	0	\$961,074

Calculation of the Citizen Empowerment Tax Credit (CETC)

The **Citizen Empowerment Tax Credit (CETC)** is an annual incentive offered to municipalities that reorganize under Article 17-A of the General Municipal Law. The CETC is equivalent to fifteen percent (15%) of the combined Town and Village real property tax levies in the year prior to dissolution of the Village or \$1,000,000, whichever is less. As depicted in **Table 15: Citizens Empowerment Tax Credit**, in the instance of Fort Johnson and the Town of Amsterdam, the CETC is estimated to be \$19,944 based on 2021/2022 Village tax levy. As stated earlier, the Town had not town-wide or part-town property tax levy. By law, a minimum of 70% (\$13,961) of the CETC must be applied as a reduction to the Town tax levy. The remaining 30% (\$5,983) may be used at the Town's discretion.

Table 15: Citizens Empowerment Tax Credit

Village of Fort Johnsons and the Town of Amsterdam		
Estimated Citizens Empowerment Tax Credit		
Maximum CETC for Tax Reduction	100%	\$19,944
Minimum CETC for Tax Reduction	70%	\$13,961
Maximum CETC for Capital Projects	30%	\$5,983
*CETC is contingent upon annual New York State appropriations and is not a guarantee.		
Calculations based on 2021/2022 Village Levy and 2022 Town Tax Levy. The final CETC is based on the municipal budgets in the year prior to dissolution.		

Projected Town Budget Impact

The Town of Amsterdam currently has no General or Highway tax levy. There is an estimated net cost increase to the Town general and highway funds of approximately \$89,724 post dissolution necessary to continue to provide the services formerly provided by the Village. Fortunately the majority of Village revenues including sewer fees, sales tax revenues, mortgage tax, AIM funding, Consolidated Highway Program (CHIPS) funds and franchise fees will shift to the Town.

Town officials indicate that the estimated \$89,724 in net cost increase can be absorbed within the current Town budget and not require the levying property tax in the Town General or Highway funds. This is due to the current and projected trends of Town revenues exceeding Town expenses. This is explained primarily by the positive trends in revenues such as sales tax and the anticipated receipt of CETC funding.

The Village's net cost for fire service, estimated at \$22,800 will shift to the Fort Johnson Fire Protection District levy.

Currently the Village has a per unit charge on the annual Village property tax bill and this is used to fund sewer infrastructure debt services. Village Officials have stated that Village assets will be used to retire this debt prior to dissolution. A summary of these impacts is depicted in **Table 16: Post Dissolution Estimated Impact on Town Levy**.

Table 16: Post Dissolution Estimated Impact on Town Levy

Village of Fort Johnson Projected Fiscal Impact On Town Tax Levy							
	Town of Amsterdam 2022 Adopted Budget				Town Post Dissolution Estimated Impact		
Fund	Approp	Revenues	Appropriated Fund Balance	Town Levy	Village Net Cost Shift	Town Absorption of Net Cost ¹	Town Levy Increase
General	\$ 1,004,621	\$ 955,954	\$ 48,667	\$ -	\$ 19,479	\$ (19,479)	\$ -
General B	\$ 507,600	\$ 485,965	\$ 21,635	\$ -			\$ -
Highway	\$ 1,047,500	\$1,001,500	\$ 46,000	\$ -	\$ 70,245	\$ (70,245)	\$ -
SW	\$ 1,049,400	\$1,034,400	\$ 15,000	\$ -	\$ -	\$ -	\$ -
SS	\$ 512,500	\$ 512,500	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 4,121,621	\$3,990,319	\$ 131,302	\$ -	\$ 89,724	\$ (89,724)	\$ -
FJ Hamlet Sewer District ²	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FJ Fire District	\$ 270,000	\$ -	\$ -	\$270,000	\$ 22,800	\$ -	\$ 22,800
1. Town Officials indicate that the Town Budget can absorb the Village's net cost increases given its projected trends in revenues & expenditures and the CETC.							
2. Village Officials plan to pay off the sewer fund debt service prior to dissolution which eliminates this tax levy post dissolution.							

Projected Property Taxpayer Impact

Based on the modeling developed, the Village taxpayers will no longer have a Village property tax and will continue to enjoy no Town General or Highway fund property taxes. The Village taxpayers will; however, continue to fund fire services through the extended Fort Johnson Fire Protection District. The estimated impact on Village taxpayers is a 73.6% decrease in their property tax and the elimination of the \$185.45 per parcel charge on the property tax bill for the sewer fund debt service. Town taxpayers outside the Village of Fort Johnson currently pay no general highway fund property taxes and this is anticipated to remain the same after dissolution. **Table 17: Projected Property Tax Rate Impacts** summarizes the potential impact on Village property tax rates and shows the impact with and without the application of the CETC.

Table 17: Projected Property Tax Rate Impacts

Estimated Property Tax Rate Impact Village Property Tax Payer					
	Current	Model - Post Dissolution			
Fund	Current Rate/\$1,000	No CETC	70% CETC	100% CETC	Change in Rate
Village	\$86.71	\$0.00	\$0.00	\$0.00	
Fort Johnson Fire Protection District	\$0.00	\$22.87	\$22.87	\$22.87	
Village Sewer	\$0.00	\$0.00	\$0.00	\$0.00	
Town General & Highway	\$0.00	\$0.00	\$0.00	\$0.00	
Town Outside Village General and Hwy	0.00	0.00	\$0.00	\$0.00	
Total No CETC	\$86.71	\$22.87			-73.6%
Total 70% CETC	\$86.71		\$22.87		-73.6%
Total 100% CETC	\$86.71			\$22.87	-73.6%
	Per Parcel				
Sewer Fund Cost Per Parcel	\$185.45	\$0.00	\$0.00	\$0.00	Elimination

Note: Dissolution of the Village does not impact county or school district property taxes.

To assist Fort Johnson residents evaluate the impact on their combined current Town and Village property taxes to the potential post dissolution model, an estimated impact on the tax bill for a single family home with the median assessed value is shown in **Table 18: Estimated Impact on Fort Johnson Homeowner – Median Home Value**. A sample of property tax savings based on a range of assessed values for single family homes in the Village is presented in **Table 19: Estimated Impact on Fort Johnson Homeowner**. Please note the analysis includes the loss of a Village tax, the loss of the sewer fund property tax charge and the continuance of a property tax bill for fire protection services.

Table 18: Estimated Impact on Fort Johnson Homeowner – Median Home Value

Fort Johnson Homeowner - Estimated Property Tax Fiscal Impact				
Median Single Home Assessed Value				
Median Assessed Value - \$6,030		Current Village and Town Tax Bill	Post Dissolution Town Tax Bill (No CETC)	Estimated Savings
Estimated Full Value	\$67,000			
Median Assessed Value (2021 Rolls)	\$6,030			
Est. Property Tax Payment		\$523	\$138	
Est. Sewer Debt Cost Per Parcel		<u>\$185</u>	<u>\$0</u>	-
Total		\$708	\$138	\$570
<i>If 70% of CETC is applied to offset taxes, the savings estimate is:</i>				\$570
<i>If 100% of CETC is applied to offset taxes, the savings estimate is:</i>				\$570

Note: County and School District Taxes are not impacted by the dissolution. This model does not include the County and School District taxes that Village taxpayers will continue to pay.

Table 19: Summary of Estimated Impact of Dissolution on the Village Property Tax Bill

Village of Fort Johnson - Single Family Home	
Estimated Impact on Property Tax Bill	
Assessed Value	Estimated Savings ¹
\$4,000	\$431
\$5,000	\$492
\$6,020	\$555
\$7,000	\$615
\$8,000	\$676
\$10,000	\$798
\$12,000	\$922
\$14,000	\$1,044
\$16,000	\$1,166
1. Includes the elimination of the sewer fund charge on the property tax bill.	
Note: County and School District Taxes are not impacted by the dissolution. This model does not include the County and School District taxes that Village taxpayers will continue to pay.	

Given the assessment by Town Officials that the net cost increase resulting from the dissolution can be absorbed by the current Town budget, there is no impact on the Town taxpayers outside the Village of Fort Johnson as depicted in **Table 20: Projected Dissolution Impact - Town Taxpayers outside the Village of Fort Johnson.**

Table 20: Projected Dissolution Impact - Town Taxpayers outside the Village of Fort Johnson

Estimated Property Tax Rate Impact					
Town Property Taxpayer outside Village of Fort Johnson					
	Current	Model - Post Dissolution			
Fund	Current	No CETC	70% CETC	100% CETC	Impact
Town General & Highway	\$0.00	\$0.00	\$0.00	\$0.00	None
TOV General & Highway	\$0.00	\$0.00	\$0.00	\$0.00	None
Total No CETC	\$0.00	\$0.00			None
Total 70% CETC	\$0.00		\$0.00		None
Total 100% CETC	\$0.00			\$0.00	None

Note: County and School District Taxes are not impacted by the dissolution. This model does not include the County and School District taxes that Village taxpayers will continue to pay

X. Plan Implementation – Recommended Action Steps

This section outlines recommended action steps necessary to facilitate the dissolution in accordance with GML Article 17-A §774(n). The actions are identified by Village or Town; however, many of the steps will required coordination between the Village and the Town.

Village of Fort Johnson

- Arrange for the preparation and submission of New York State Citizen Empowerment Re-organization Grant for Dissolution Implementation.
- Arrange for the preparation of the AUDS and any financial audits.
- Take the necessary legal actions to transfer Village properties and equipment to the Town and the Fort Johnson Fire Company.
- Make arrangements for the sale of Village assets not planned for transfer to the Town or the Fire Company.
- Prior to disposition of Village property, review the disposition and future use terms and conditions of grant agreements that funded the purchase of and or improvement to Village property, equipment or vehicles prior to the disposition to ensure the Village follows all terms.
- Streamline, organize, digitize and move Village records.
- Organize and provide copies of all Village agreements and contracts to the Town and identify those that may continue, need actions or will be relevant post dissolution.
- Finalize the aggregation of the Village local laws and ordinances and work with the Town to identify Village laws and ordinances that may be beneficial for the Town to incorporate into the Town Code.
- General Municipal Law (GML) CHAPTER 24, ARTICLE 17-A, TITLE 3 § 787 requires that the governing body shall cause notice to be given, in the same manner as notice for a proposed dissolution plan pursuant to section seven hundred seventy-five of this title, requiring all claims against the Village, excluding any of its outstanding securities, to be filed within a time fixed in the notice, but not less than three months or more than six months, and all claims not so filed shall be forever barred. At the expiration of such time the governing body shall adjudicate claims so filed, and any resident of the entity at the time of the effective date of the dissolution may appear and defend against any claim so filed, or the governing body may in its discretion appoint some person for that purpose.

Town of Amsterdam

- Engage the temporary financial consultant services necessary to close out the Village financial operations, address accounts payable and receivable and prepare and file all outstanding Federal and New York State financial reports.
- Conduct a review of the current Village laws and codes and incorporate Village laws and codes that may have specific value to the area currently known as the Village of Fort Johnson in the Town Code.
- Take necessary actions to extend the area currently known as the Village of Fort Johnson in the Fort Johnson Fire Protection District and to assure ability to levy property taxes on this area. This shall include having the necessary map, plan and report prepared and taking the other necessary steps as outlined in Town Law 12-A.

- Take necessary actions to create a Fort Johnson Sewer District that covers the area currently known as the Village of Fort Johnson in the Fort Johnson Fire Protection District and to assure ability to levy property taxes on this area. This shall include having the necessary map, plan and report prepared and taking the other necessary steps as outlined in Town Law 12-A.
- Village officials do not anticipate any outstanding Village liabilities post dissolution. However, should unanticipated liabilities occur, the Town would need to establish a “Fort Johnson Legacy District” as provided by Article 17-A §790, as a means to pay for the outstanding debt. Article 17-A states that the Town will assume the responsibility of any outstanding Village debt or liabilities. Costs related to the debt and liabilities will be met by taxes levied on the benefited real property located within the bounds of the District which is coterminous with the boundary of the former Village of Fort Johnson.
- Make the necessary filing with the New York State Comptroller documenting the dissolution of the Village as necessary to obtain the Citizen Empowerment Tax Credit (CETC).
- Make necessary changes to Town property tax bills (if any) including the NYS requirement that the CETC be detailed on the tax bill. For each fiscal year following the effective date of the dissolution, a statement shall be placed on each property tax bill for such municipality in substantially the following form: “Your property tax savings this year resulting from the State Citizen Empowerment Tax Credit received as the result of local government re-organization is \$_____.”
- Arrange for the preparation and submission of New York State Citizen Empowerment Re-organization Grant.
- Finalize the medium and location for the repository of Village records – electronic and paper.

Joint Actions

- Development, authorization and execution of Inter-municipal Agreements between the Town and the Village necessary to provide for continuity of municipal services to the residents of the Village during the transition period.
- Coordinate the designation of Town officials as signatory on various Village bank accounts and other documents post dissolution.

APPENDICES

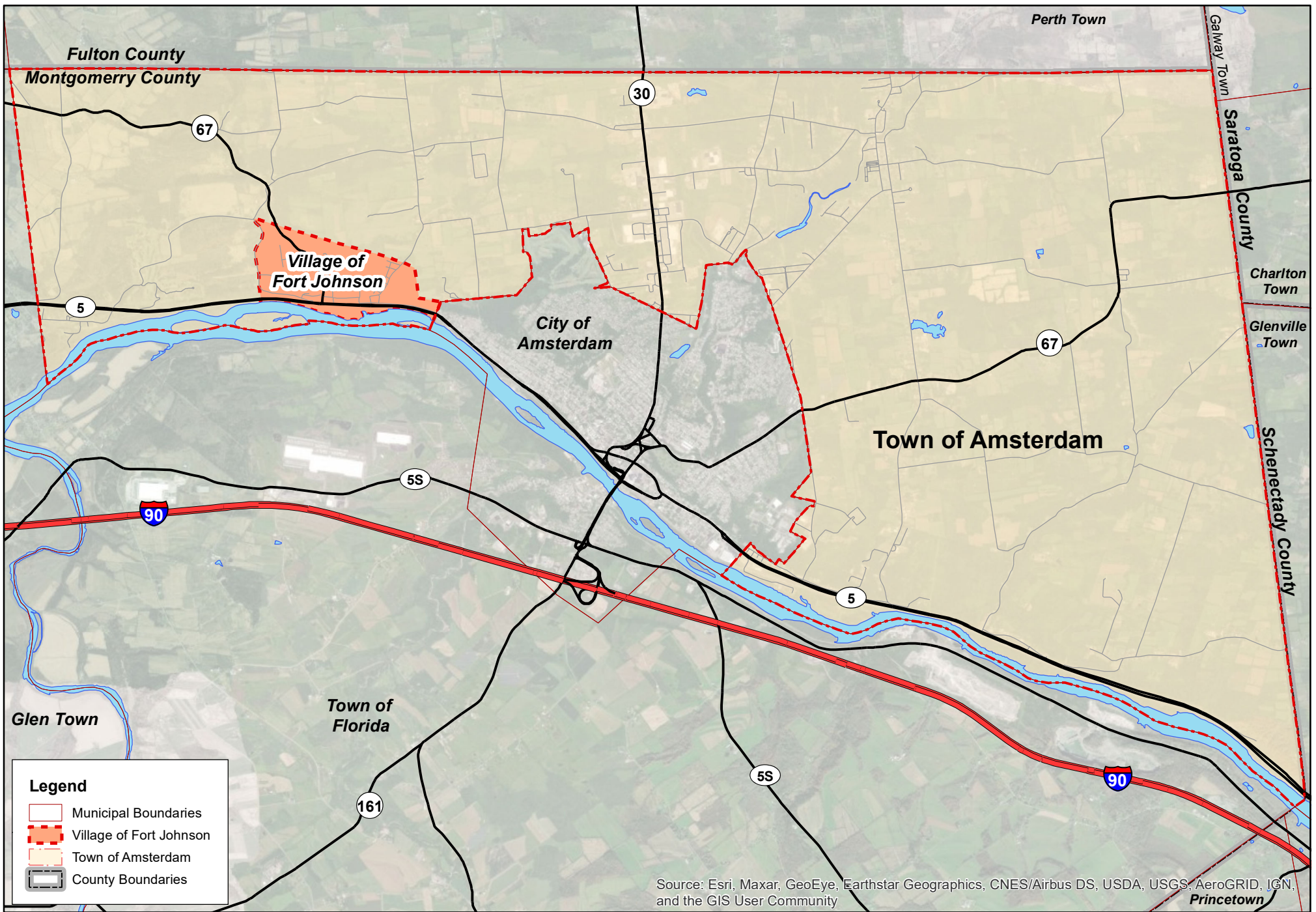
APPENDIX A

Village of Fort Johnson

And

Town of Amsterdam

Location Map



APPENDIX B

Village of Fort Johnson

Road Listing Summary

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6/22/21

Geocode: **1179**
 NYSDOT Region: 2

State	County								DIV	No. of	One	Pvt	Pvt	Shldr	Med	Med	Func	
<u>DOT ID</u>	<u>Route</u>	<u>Road#</u>	<u>Road/ Street Name</u>	<u>Start of Section</u>	<u>End of Section</u>	<u>Beg MP</u>	<u>End MP</u>	<u>Length</u>	<u>Hwy</u>	<u>Lanes</u>	<u>Way</u>	<u>Type</u>	<u>Width</u>	<u>Width</u>	<u>Type</u>	<u>Width</u>	<u>Class</u>	<u>NHS</u>
123402			ROCHESTER ST	HIGHLAND AVE	DEAD END	0.07	0.12	0.05		2		A	18	0	None		19	
123403			TESSIERO DR	OAK ST	EAST DEAD END	0.00	0.14	0.14		2		A	18	0	None		19	
123404			TROY ST	LEPPER RD	HIGHLAND AVE	0.00	0.04	0.04		2		U	19	0	None		19	
123404			TROY ST	HIGHLAND AVE	DEAD END	0.04	0.08	0.04		2		U	12	0	None		19	
123405			UTICA ST	LEPPER RD	HIGHLAND AVE	0.00	0.03	0.03		2		U	19	0	None		19	
123406			VALLEY ST	FT JOHNSON AVE	DEAD END	0.00	0.03	0.03		2		U	26	0	None		19	
123407			VETERANS DR	DEAD END SOUTH	IRELAND DR	0.00	0.06	0.06		2		U	18	0	None		19	
123407			VETERANS DR	IRELAND DR	DEAD END NORTH	0.06	0.18	0.12		2		U	17	0	None		19	
123408			YOUNG ST	BRANT AVE	ORMOND AVE	0.00	0.29	0.29		2		A	18	0	None		19	
123408			YOUNG ST	ORMOND AVE	PROSPECT ST	0.29	0.36	0.07		2		A	18	0	None		19	
123408			YOUNG ST	PROSPECT ST	E MAIN ST	0.36	0.43	0.07		2		A	18	0	None		19	

Lane-Miles Total: 8.38

State	County						DIV	No. of	One	Pvt	Pvt	Shldr	Med	Med	Func			
<u>DOT ID</u>	<u>Route</u>	<u>Road#</u>	<u>Road/ Street Name</u>	<u>Start of Section</u>	<u>End of Section</u>	<u>Beg MP</u>	<u>End MP</u>	<u>Length</u>	<u>Hwy</u>	<u>Lanes</u>	<u>Way</u>	<u>Type</u>	<u>Width</u>	<u>Width</u>	<u>Type</u>	<u>Width</u>	<u>Class</u>	<u>NHS</u>
THERE ARE NO COUNTY ROADS IN THIS Village of Fort Johnson																		