

Village of Lake George

Interim Study of Dissolution
August, 2022



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Acknowledgments

Laberge Group would like to acknowledge and thank the members of the Village of Lake George Board of Trustees and the Town of Lake George Town Board for their leadership and direction throughout the development of this study of dissolution.

Village of Lake George

Hon. Robert M. Blais, Mayor
Hon. John Earl, Deputy Mayor
Hon. Joseph Mastrodomenico Jr, Trustee
Hon. Raymond Perry, Trustee
Hon. John Root, Trustee

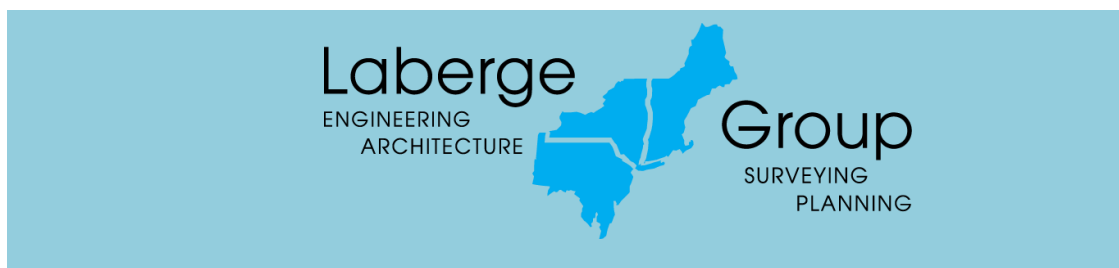
Town of Lake George

Hon. Dennis Dickenson, Town Supervisor
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Hon. Marisa Muratori, Town Council Member
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I. Executive Summary

What is the Dissolution of a Village?

On May 18, 2022 a petition calling for a referendum on dissolution of the Village of Lake George was submitted to the Village Board of Trustees in accordance with the New N.Y. Government Reorganization and Citizen Empowerment Act (Article 17-A of the General Municipal Law). The Village Board, as required by law, passed a resolution calling for a referendum on the proposed dissolution by the electors to be held on September 13, 2022. The dissolution process will follow the Voter-Initiated timeline outlined in General Municipal Law Article 17-A (*see flow chart on page 16*).

On September 13, 2022 the voters will be asked one question: “Should the Village of Lake George dissolve? “Yes” or “No.” An affirmative vote is a vote to **dissolve** the Village and is **not a vote to study the issue**. If the vote fails, the issue of dissolution may not be brought up again for four years.

Should the vote be in the affirmative, the Village Board is required to develop a Final Dissolution Plan per Article 17-A of the General Municipal Law approximately six months from the September 13, 2022 referendum (180 days). The Final Dissolution Plan is subject to a permissive referendum. Unlike the first petition, which required signatures of only 10% of the electorate to initiate dissolution, at least 25% of the electorate must sign a second petition to trigger a second vote on whether to accept the Final Dissolution Plan. If a second petition is submitted and the second vote fails, dissolution cannot be brought up again for four years.

What is an Interim Study of Dissolution?

Purpose of this Study

The purpose of this study is to outline the process of dissolution pursuant to Article 17-A of the General Municipal Law, describe the current individual and joint municipal governance, provide pertinent information regarding current services and service delivery systems, and highlight potential post-dissolution conditions, including a model of the potential fiscal impacts on Village taxpayers and key issues that voters may choose to consider while making their decision.

The formal process established in Article 17-A for a voter-initiated dissolution charges the Village with the responsibility of developing a Dissolution Plan AFTER the September 13, 2022 vote on dissolution and only if the referendum passes. However, the Village Board of Trustees has chosen to undertake this **Interim Study of Dissolution** prior to the referendum to assist the citizens of the Village in making an informed decision. This Interim Study is provided to answer as many questions as possible, yet this study presents only one possible model of the post-dissolution conditions, and in some instances, details options that would need review post the referendum, should the electorate vote yes to dissolution. It should be remembered, should the Village electorate vote “yes” to dissolution, ultimately all decisions post dissolution will rest with the Town of Lake George Town Board. In addition, it is important to note that the Town Board is not required to follow the Village’s Plan.

The Village and Town governments provided valuable local input and guidance to the consultant through multiple interviews with elected officials, department heads, and staff members. Village and Town staff

provided information, data and reports related to governance, budgets, financial obligations, future taxes, services and service delivery models. The stakeholders were asked to consider sensitive issues, including which services currently performed by the Village would be continued to be provided by the Town government; if any services should be terminated; if there are opportunities for cost savings, how would services best be delivered, how services will be financed; what is the plan for existing employees, what potential Village laws and regulations would require the Town government's attention, and the overall potential fiscal impact of a potential dissolution on Village and Town outside the Village taxpayers. This interim study is a non-binding review of potential options post dissolution.

How will Governance, Services, and Functions of the Village Change?

This study can only present a possible model of services and outline alternatives, possible cost savings and possible impact on property taxes to help guide citizen discussions and each voter's decision-making process. The assumptions and models used in this study were informed from input from Village and Town officials; however, were not voted upon by any governing body and are not binding on the Town should the Village vote to dissolve. It is also important to remember that this Interim Study of Dissolution provides only an estimate of the potential impact at this specific point in time. We cannot know, ultimately, how the Town will provide services to the area of the former Village if it is dissolved, what the actual savings will be or whether estimated tax decreases (or increases) will continue.

Post Dissolution Municipal Electorate

Should the electorate of the Village vote to dissolve, decisions on all issues impacting current Village residents will be the responsibility of the Town Board controlled by officials elected on a town-wide basis.

A primary consideration related to the possible dissolution of the Village of Lake George is the change in voter representation that will occur. Currently all Village decisions regarding the governance, policies, services and taxation are made by the Village Mayor and Board of Trustees which is comprised of, and elected by, Village residents only. If the voters elect to dissolve the Village, services currently delivered by the Village including public works, fire, water, sewer services, parks and special events will no longer be provided by the Village and all decisions regarding services and service delivery will shift to the Town of Lake George.

Should the Village residents vote to dissolve, there will no longer be elected Village positions or offices. The Town will assume responsibility for all the decisions, services and related costs and revenues. The Town Board may establish special districts such as water and sewer and a fire district or fire protection district to continue services to Village residents. All current Village Local Laws, Codes, Rules and Regulations, including zoning and other land use regulations may remain in place for up to two years post dissolution. However, the Town Board may adopt, eliminate or amend any of the provisions of the Code post dissolution and prior to the 2-year limit. If after two years the Town Board has not adopted these codes, rules or regulations, the Village laws, rules and regulations will be considered repealed.

Table 1: Summary of Potential Conditions Post Dissolution Resident Checklist summarizes the potential outcomes of a dissolution identified during the Interim Study 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”). In addition, **Appendix A: Frequently Asked Questions** provides a summary of the questions and answers posed during the study process.

Table 1: Potential Conditions Post Dissolution

Resident Checklist	PRO	CON
REPRESENTATION AND GOVERNANCE		
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. All decisions that were formerly made by the Village Board of Trustees would become the responsibility of the Town Board that represents the entire the Town.	<input type="checkbox"/>	<input type="checkbox"/>
VILLAGE RESIDENTS MAY HAVE A SMALLER VOICE IN GOVERNMENT. Currently Village residents have sole input into Village decisions. Upon dissolution, the Town Board, elected on a town-wide basis will make all decisions. Village voters will make up a smaller proportion of the Town-wide voters reflecting a potential dilution in representation and a potential dilution of Village priorities.		
EFFECTIVENESS AND EFFICIENCIES		
The Village, with less than 1,000 residents and the Town as a whole, including the Village has a total population of approximately 3,400 residents. It has been argued that a community of this size may benefit; particularly in the long term, from a streamlined governance structure with one governing body, staff and operations to support the needs of the residents and the taxpayers.	<input type="checkbox"/>	<input type="checkbox"/>
EXISTING SHARED SERVICES AND DIVISION OF LABOR		
It is often common to assume that significant areas of duplication can be eliminated by combining local governments; however, the Village and Town of Lake George already share significant services and already have a strong and well-functioning “ division of labor ” that exists between the Village and Town on a number of critical services. The Village has taken the lead role in tourism and special events. The Village operates water, sewer, fire, parking meter management and beautification services for the Village and areas of the Town outside the Village. In turn, the Town operates Town-wide services such as the Justice Court, the ambulance district, town-wide assessing and animal control. The Town and Village share the Director of Planning and Zoning.	<input type="checkbox"/>	<input type="checkbox"/>
Opportunities for cost efficiencies and economies of scale were identified in the study; however due to this strong sharing of services and division of labor, the opportunities for significant cost savings through the elimination of significant duplication and gained efficiencies were limited.		

Resident Checklist

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UNIQUE ROLE IN REGION'S TOURISM ECONOMY & LOCAL QUALITY OF LIFE

The Village Government plays a significant and strategic role in promoting regional tourism. This has required continued focus and dedication of the Village elected officials and staff and in particular the dedication of the Mayor who estimates that 50% of his time is dedicated to this role. It requires continuous development of new projects and cultivation of partnerships, planning, organizing and promotion of a comprehensive program of nearly 100 special events, celebrations, concerts and/or fireworks each year.

Lake George, commonly known as the Queen of the American Lakes, is credited with attracting 3 million visitors to the region each year and is responsible for generating \$2 Billion in economic activity in the Lake George Region.¹ The Village, Town and the surrounding area is a famous summertime tourist location.

A recent study by the Lake Champlain Lake George Regional Planning Board found that the tourism industry accounts for approximately 65% of the jobs in the Town of Lake George and 61% in the Village.²

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The Village has invested significantly in its public spaces, parks and facilities including the Visitors Center, Shepard Park, Charles Wood Park, the public docks, its expansive Recreation Center and its robust beautification program. The tourism and special events role has also required significant effort from the Public Works Department and administrative support from the staff in the Clerk and Treasurer's office.

It is recommended that a position dedicated to tourism and special events be created. The fiscal model assumed \$50,000 for the function. It is also recommended that the Town continue to dedicate the public works and administrative services that have historically supported the specials events programs and tourism strategies. Without dedicated special events planning, revenues will decrease and have a negative impact on the Town budget post-dissolution.

CITIZEN EMPOWERMENT TAX CREDIT (CETC)

The Citizen Empowerment Tax Credit (CETC) is provided to encourage the dissolution of local governments. Post dissolution, a credit up to 15% of the combined Town and Village property tax levies is provided to the Town on an annual basis. By law, 70% of the tax credit must be used for property tax reduction on a town-wide basis (not just to the former Village). The Town has the discretion to use the remaining 30% to further reduce taxes or for other purposes. Based on current Village and Town tax levies, the CETC is estimated to be:

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- **100% of CETC \$494,527**
- **70% of CETC \$346,169**

NOTE: The funds are subject to annual New York State appropriations.

¹ Williams, Stephen (August 24, 2019). "Advanced research making Lake George "smartest" in world". dailygazette.com.

² The Lake Champlain Lake George Regional Planning Board, "Assessment of the Economic Value of Clean Water in Lake George", December 2020

Resident Checklist

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VILLAGE ASSETS

The Village is in a strong financial position and has a healthy fund balance. The Village also has established a number of reserves and owns significant real property, equipment and vehicles. Should the voters elect to dissolve, the Village is required, pursuant to General Municipal Law, Article 17A, to develop a disposition plan for its assets. The Town will become the owners of any assets remaining after the date of dissolution.

The Village leadership has indicated that preliminarily the Village would use its cash assets and a number of its reserves to offset the long term liabilities of the Village taxpayers. The fiscal model used \$6,103,000 in assumed available assets.

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There was also discussion that the Village would potentially sell some of its property, vehicles and equipment; however, the specific decisions as to what would be disposed through negotiated sales, transfers at no cost or through public sale is not known at this time. For purposes of modeling, \$1,000,000 in sales were presumed.

This study assumed the application of the estimated cash assets and the liquidation of some of the Village assets to be used to offset the long term liabilities of the Village taxpayers. Any assets remaining at dissolution become assets of the Town.

VILLAGE LIABILITIES AND LEGACY DISTRICT

Pursuant to General Municipal Law Article 17-A, post dissolution, the Town assumes the long term liabilities of the Village and makes them a charge upon the Village property taxpayers. The primary long term liabilities of the Village include retiree health care and outstanding bond issues; including the new waste water treatment plant. However, it is typical for the debt service related to water, sewer and fire capital improvements to be paid through the new Sewer District, Water District and Fire District/Protection and shared by the users of the service including users outside the Village. The fiscal modeling assumed this structuring.

This Interim Study fiscal model also assumed that the Village would apply its assets to offset short term miscellaneous liabilities, retiree health costs and debt service associated with the Visitors Center, the Collection System and the recently purchased vac-truck. In addition, assets would be applied to the offset the net cost of the WWTP to reduce the amount needed for long term bonding resulting in reduced debt service.

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Should there be outstanding liabilities that are not funded as above or there are unanticipated liabilities, the Town would create a “Legacy District” for the purpose of assessing outstanding liabilities to taxpayers in the area currently known as the Village of Lake George.

At this time, Village officials indicate that there is no known pending settlements or litigation that would create a long term liability.

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IMPACT ON PROPERTY TAX RATES

It is anticipated that Village property taxpayers will experience a reduction in their combined Village and Town property taxes based on this fiscal modeling and assumptions used in this Interim Study. The tax reduction is related to:

- The application of Village assets to offset long term Village debt;
- The Citizen's Empowerment Tax Credit;
- The shifting of both revenues and expenses to a Town-wide base and to designated special districts; and
- Modest cost savings.

Should the Village apply its assets to offset its long term liabilities, the preliminary estimated impact to the Village taxpayers' combined Village and Town taxes is an approximately

29.1% decrease if there was no application of CETC.

32.5% decrease when the minimum 70% of the CETC is applied to reduce taxes,

33.9% decrease when 100% of the CETC is applied to reduce taxes.

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The application of assets to reduce long term liabilities is significant to the post dissolution impact on tax rates. To illustrate this impact, a fiscal model in which the Village did not apply any of its assets to offset the long term liabilities was run. The Village taxpayers' property tax reductions would be significantly less and estimated at 6.84% with no CETC, 10.19% with 70% CETC and 11.61% with an application of 100% of the CETC to offset taxes.

Town taxpayers outside the Village would experience:

An increase of 11.4% in their Town property taxes if no CETC is provided,

A reduction of 3.5% with the application of 70% of the CETC

A reduction of 10.0% reduction with the application of 100% of the CETC.

Notes:

1. The fiscal modeling does not include School District or County taxes which are not affected by the dissolution of the Village.
2. The analysis was based on the information known at the time of the S

CONTROL OF VILLAGE PARKING FEES

The Village currently collects significant revenues such as parking fee revenues; the majority of which are not paid by Village residents. The Village uses these revenues to offset Village taxpayer costs. Should the Village dissolve, these parking revenues will become Town-wide revenues for use in the Town General and/or Highway funds. These revenues would no longer be used for the purposed envisioned by the Village nor to offset post dissolution costs specific to the Village as they will offset costs Town-wide.

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BOARD OF TRUSTEES ALTERNATIVE TO DISSOLUTION

The Dissolution Study identified that the Village has a significant fund balance and owns significant property. During the study process, the Village indicated that should the Village dissolve, the assets should be used to offset liabilities. The study process also identified that the use of Village assets to offset Village liabilities contributed to the majority of the projected post dissolution property tax reduction for Village taxpayers.

Upon seeing the impact that the Village assets had on the post dissolution analysis, the Village Board has put forth an alternative to dissolution. On August 15, 2022, the Village Board of Trustees adopted a resolution proposing the following:

- To commit up to a total of \$3,000,000 of existing fund balance to reduce the present tax rate. Such funds will be used solely to pay off existing long-term debt if possible, reduce short-term debt connected to the construction of WWTP or be applied to the unexpended fund balance of the budget. Utilization of those must result in a decrease in the Village tax rate per thousand of a minimum of 35%.
- To enter into a study of consolation and annexation, subject to approval of the Town Board, to be completed prior to March 1, 2023.

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Prior to the petition for dissolution being filed, Laberge Group shared with the Village that there are alternative legal avenues for the Village and Town to merge. Pursuant to Article 17-A Title 2 of the General Municipal Law, the Town and Village are authorized to consolidate. The consolidation process requires the development and adoption of a Joint Consolidation Agreement detailing the terms of the consolidation and it also requires a “yes” vote by both the electorate of the Village and the Town outside the Village. The second alternative is to create a Coterminous Village-Town pursuant to Article 17 of the General Municipal Law. **Appendix H: NYS Department of State Legal Memorandum LG06: Coterminous Town-Village** provides detail on this model.

EMPLOYEE CONSIDERATIONS

The Town leadership has preliminarily indicated that it would be in the best interest of the Village and the Town for the Town to hire the full time and most of the part time Village employees. The preliminary discussions indicate that the Village employee’s time in service with the Village would be recognized for purposes of earning benefits such as longevity and benefit accruals. It is anticipated that the salaries will generally follow the Town salary schedule and where necessary consider market pricing for positions requiring certification and special training.

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To address the increase in scope and level of responsibility of Town government, it leaders and impacted department heads, there will be re-organization and salary considerations that the Town will have to evaluate. The specifics were not developed during the Interim Study process; however, the post dissolution fiscal model included funds to support the re-organization and salary considerations.

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WASTE WATER TREATMENT SERVICES

Post dissolution, the preliminary preferred model would be the establishment of the Hamlet of Lake George Sewer District by the Town. The new District would continue the provision of sewer services to the residents of the Village and to other existing users outside the Village including the Town's Caldwell Sewer District. The Town would assume ownership of the plant and equipment.

Town leadership recognizes that the Town staff does not have the credentialed professionals and experienced staff necessary to operate a WWTP and would add the budgeted Village WWTP positions and would prefer to hire the Village WWTP staff.

Preliminary discussions with Town leadership indicate that the terms of compensation for services between the Hamlet District and the Caldwell District will continue to be based on the terms of the existing terms of the current Inter-municipal agreement. Similarly the Town preliminarily indicated that the terms for the School District and the Hearthstone Camp Ground would remain the same. There are a small number of other residential users that currently generate \$20,000 in fees that are charged a premium of approximately 25% and preliminary discussions with the Town indicated the terms would remain the same.

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The Village will likely issue long term bonds to fund the net cost of the WWTP and retiring the BAN prior to dissolution. The project cost is estimated at \$24.5M and after the application of grant funding the net cost is estimated at \$9,075,000. The fiscal model assumes that the Village will apply cash assets to reduce the \$9,075,000 net cost which will reduce the debt service. It is anticipated that the debt service will be paid by the users of the Hamlet of Lake George Sewer District and its customers that include the Caldwell Sewer District and others based on the current cost sharing terms.

WATER SERVICES

The Village provides water to all Village properties and to properties outside the Village in the Town of Lake George. The water system requires operators with certifications and expertise to assure for the public health of users. The Town does not currently have the needed certified staff to operate a facility.

If dissolution occurs, the Town would assume control of the Village water treatment system and would have the new responsibility for the operation of the water system. The Town would create a new Hamlet of Lake George Water District to cover the area formerly known as the Village. Town representatives recognize that the Town will need to hire the Village's Water Division staff to operate the service.

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The Village has a user fee schedule based on flow that covers operation, maintenance and debt service. The Town outside Village users are charged higher rates which the Village has indicated is to cover the historical investments the Village has made in the system. While the Town leadership preliminarily indicated that they would initially see operations and rate schedules remaining the same, concerns have been raised that the impact of dissolution on water rates is currently unknown as the Village would no longer control the water, the assets and rate setting. Should the rates be equalized, Village users could experience an increase in their rates.

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FIRE SERVICES

Unlike Villages, Town governments are not authorized to operate Fire Departments. The Town and key stakeholders will have to determine which model of fire service governance will be established to provide fire services. Regardless of the governance model, there is consensus that it is desirous that the Lake George Volunteer Fire Company be the contracted service provider.

Option 1: Creation/Extension of a Fire Protection District

The Town of Lake George could establish a new Fire Protection District that would serve the area currently known as the Village of Lake George. The Town could also explore the option of extending the current Fire Protection District #1 to include the Village. The Fire Protection District is an administrative unit of Town government. The Town would contract for services from the Lake George Fire Company.

Option 2: The Town of Lake George creates a Fire District

The Fire District would be a separate local government with its own elected Board of Commissioners that would cover the area of the former Village of Lake George or it could also include the area of the current Town Fire Protection District #1. The Fire District Board would be initially appointed by the Town and subsequently elected by voters in the District. The District would have its own budget, would levy taxes and could incur debt. However, there are logistical issues that complicate implementation that would have to be addressed. The District cannot be created until the dissolution occurs and the new Fire District Board would not have the ability to levy, bill and collect taxes until after the dissolution occurred.

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Option 3: Create a Joint Town-Village Fire District Before the Date of Dissolution

Should the electorate vote to dissolve, the Town and Village could consider the creation and implementation of a Joint Village-Town Fire District in advance of the date of dissolution that would include the entire area of the Village and the area currently in Fire Protection District #1. Upon dissolution, the Joint Fire District would become a Town Fire District.

PUBLIC WORKS SERVICES

The Village Public Works Streets Division maintains all Village streets, curbs, sidewalks, all Village facilities and its many open spaces and parks. The Department also operates a robust Village beautification program and is responsible for the set-up, cleanup and breakdown more than 60 events per year and the operation of 2 shifts during the summer to clean and maintain the public spaces.

Different than the Village, the Town Highway Department is focused on the maintenance of its streets and highway system and the operation of its Transfer Station. The Town also has a Building and Grounds Department.

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All agree that efficiencies can be gained such as consolidating vehicle maintenance, reorganizing snow routes, realigning functions such as street light maintenance and building and grounds maintenance to maximize efficiencies, consolidating and centralizing fleet management and fleet deployment, potentially reducing the size of the fleet and eliminating duplication in administrative duties.

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PUBLIC WORKS SERVICES (continued)

However, limited duplication in the core services and functions was found. The functions and staffing in both the Village and Town were assessed during this study process as well as in other studies and the preliminary findings are that the Town and Village street maintenance functions already have a strong division of labor; that the summer and winter maintenance of the streets is very different and that neither the Village or Town currently have excess capacity. It was a consensus that the Town would need to hire the full complement of the Village staff. The Public Works section of this report outlines options for initial organizational structure for public works.

Neither the Town nor the Village current facilities have the capacity to handle a consolidated operation. Either the Town will need the Village facilities or identify alternative space.

VILLAGE STREETLIGHTS

There was a consensus that it would be in the best interests to maintain the Village street lighting program and incorporate it into the Town program.

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LAND USE PLANNING, ZONING, ADMINISTRATION & ENFORCEMENT

Currently the Village and Town have different zoning laws, rules and regulations reflecting each community's Comprehensive Plan, vision, land use values and needs; however the Town and Village share the same Planning Director. The Town anticipates the need for the part time Village Code Enforcement officer and Office assistant to handle the expanded workload.

There consensus that it will be important for the Town to take great care to protect the unique nature of both the Village and the Town outside the Village through careful structuring of the land use governance structures, operations, land use policy and zoning codes. Upon dissolution, the Village will no longer appoint Planning Board and Zoning Board of Appeals representatives. A preliminary option would be to utilize the alternate board member slots on both Town Boards to immediately integrate current Village board members onto the Town Boards and reconstitute the Boards with representation of both the Village and the area outside the Village.

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The Village and Town have different zoning codes reflecting each community's Comprehensive Plan, vision, land use values and needs. The preliminary goal would be for the Town to integrate critical sections of the Village Zoning Law into to the Town Code; reflecting the uniqueness of the Village's historical development rather than leaving the Village Code in force post dissolution. This model maintains the important Village Code elements but enables the Town to have one administration and enforcement of its zoning codes.

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ADMINISTRATION, FISCAL, AND LEGAL SERVICES

Currently both the Village and the Town have a central administration, fiscal office and both contract for legal and engineering services. Opportunities to gain economies of scale were identified such as the elimination of the duplication of preparation of annual budgets, maintenance of one set of books; preparation of 1 annual report; however there will be new services and special districts and there will clearly be increased activity requiring additional staffing. In addition, the Town will have the responsibility to close out the financials for the Village and prepare and submit required reports to the Federal and NYS government agencies. It is anticipated that initially the Town would need the full time administrative employees and that initially there would be savings from less part time staff and the elimination of other central service costs. Long term, there is likely the opportunity for further position attrition.

QUALITY OF LIFE LAWS, RULES AND REGULATIONS

While there are similarities in the Town and Village Codes, the Village's Codes include a focus on a number of quality of life issues addressing its densely populated community that is also a regional tourism hub. A comprehensive review and integration of the Codes will be required to ensure for the quality of life of residents and visitors.

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Post Dissolution Potential Impact on Property Taxes

In a dissolution of a village government, a number of financial dynamics simultaneously occur and it is the aggregation of the multiple changes that determines the ultimate impact on tax rates for Village and Town outside Village property taxpayers. The model presented was based on the information available during the study process.

Potential Tax Rate Impacts

The Village property taxpayers will experience a property tax savings prior to the application of the CETC. The application of the tax credit increases the savings. Town outside the Village taxpayers will see a tax increase without the CETC and tax savings with an application of the CETC.

The study process developed a fiscal model of a potential post dissolution Town budget, levy and rates. The study aggregated all of the factors identified below and in the case of the dissolution of the Village of Lake George, the key factors impacting post dissolution tax levies, tax rates and ultimately property tax bills include: 1) the utilization of Village assets to offset in part long term costs; 2) the positive impact of the Citizen Empowerment Tax Credit; 3) the tax shifts from the Village to the Town-wide tax base and to the Village tax districts and 4) the modest net cost savings resulting from gained efficiencies.

It is common to assume that a merger of governments would result in significant elimination of duplication and gained efficiencies; however, in the case of the Village of Lake George, the anticipated cost savings explain only a small percentage of why the Village taxpayers would see a property tax reduction.

Application of Village Assets to Offset Legacy Costs: The Village has a very healthy fund balance, a number of reserves and owns significant property and equipment. The Village also has long term liabilities including retiree health and debt service, often termed legacy costs, which would be paid solely by the Village taxpayers post dissolution. Village leadership has indicated that if the Village residents chose to dissolve, Village assets should be used to reduce these long term liabilities of the Village property taxpayers. The Village may; however, decide to use these resources for alternative purposes such as repayment to current taxpayers or make other investments and this in turn would increase both the legacy costs and the anticipated post dissolution tax rates for taxpayers in the former Village.

This fiscal model assumes that the cash assets (modeled at \$6,103,000) and liquidated property assets (estimated at \$1,000,000) are projected to be sufficient to offset the retiree health benefits and debt service on the Visitors Center, the Collection System and the vac-truck and in part reduce the net costs of the new Waste Water Treatment Plant which results in a reduction in long term financing needed. The \$1,000,000 is not based on identified properties or equipment; but rather is presented for illustrative purposes only. The model, however, also assumes that should the Village sell property or equipment, there would likely be a similar cost for property and equipment on the part of the Town.

To understand the significance of the application of assets to offset the liabilities, a fiscal model in which the Village did not apply any of its assets to offset the long term liabilities was run. The Village taxpayers' property tax reductions would be significantly less and estimated at 6.84% with no CETC, 10.19% with 70% CETC and 11.61% with an application of 100% of the CETC to offset taxes.

Tax Levy Shifting: The amount of Village tax levy shifting to the Town General and Highway will be spread over the town-wide tax base which is significantly greater than the Village tax base thus reducing the Village taxpayer's share. The model also assumes the shifting of a portion of the Village Fire and Sewer

tax levy to fund the newly created Hamlet of Lake George Fire District/Protection District and Sewer District. These property tax levies remain on the Village property tax base. A Hamlet Water District is proposed; however, there is no levy related to the Water District.

Efficiencies, Economies of Scale & Other Savings: There are opportunities for efficiencies and cost savings that have been applied to the fiscal model. However based on the current level of shared services and the strong division of labor between the Village and Town, the dissolution results in limited cost savings.

Citizens Empowerment Tax Credit (CETC): The CETC is applied to offset the Town General and Highway property tax levy.

A summary of the pre dissolution Village and Town levies and rates and the modeled post dissolution Town levies and rates is presented in **Appendix G: Fiscal Analysis of Potential Impact of Dissolution**. This model is based on a number of assumptions and reflects only one model of many models. In this study model, prior to any application of the CETC, preliminarily estimates are that the Village taxpayers would experience a 29.1% reduction. With the application of 70% of the CETC, the reduction is estimated to be 32.5% and with application of 100% of the CETC, the property tax reduction is estimated to be 33.9%. The property taxpayer impact is summarized in **Table 2: Projected Impact on Village Property Tax Rates**.

Table 2: Projected Impact on Village Property Tax Rates

Village Property Taxpayer					
	Current	Model - Post Dissolution			
Fund	Current Rate/ \$1,000	No CETC	70% CETC	100% CETC	Change in Rate
Village	\$5.79	\$0.00	\$0.00	\$0.00	
Town General & Highway	\$1.26	\$1.45	\$1.20	\$1.10	
EMS District	\$0.40	\$0.40	\$0.40	\$0.40	
Fire Protection District	\$0.00	\$0.48	\$0.48	\$0.48	
Hamlet Sewer District	\$0.00	\$2.95	\$2.95	\$2.95	
Lake George Hamlet Water District	\$0.00	\$0.00	\$0.00	\$0.00	
Legacy District	0.00	0.00	\$0.00	\$0.00	
Total No CETC	\$7.45	\$5.28			-29.1%
Total 70% CETC	\$7.45		\$5.03		-32.5%
Total 100% CETC	\$7.45			\$4.93	-33.9%
Note 1: This model does not include County or School District property taxes as they are not impacted by dissolution. Note 2: These rates are based on a series of assumptions outlined in the fiscal section of this report. Any change in assumptions will impact the tax rates. Note 3: The most significant assumption made in this model, is that significant Village cash assets and sale of some of t Village property would be used to offset in part the long term Village taxpayer liabilities. If no assets were applied, the estimated tax rate reductions would be 6.18% with no CETC as compared to 29.1%.					

Should the Village electorate vote to dissolve, it is recommended that the Village obtain an actuarial study of the estimated long term retiree health benefit costs and complete a thorough analysis of outstanding debt and debt service.

The Town Assessor indicated that a typical single family home in the Village has an assessed value of approximately \$264,000. **Table 3: Estimated Post Dissolution Village Property Owner Tax Impact,**

models the potential impact of dissolution on Village property owners taxes based on a range of assessed values and includes the impact on the typical single family home.

Table 3: Estimated Post Dissolution Village Property Owner Tax Impact

Village and Town of Lake George Current Village Property Owner Taxes (Combined Village and Town Taxes) and Estimated Post Dissolution Village Property Owner Taxes							
	Current	Estimated Post Dissolution Tax Bill Impact					
Taxable Assessed Value	Current Village and Town Tax	Tax (No CETC)	Savings (No CETC)	Tax Bill (70% of CETC)	Savings (70% CETC)	Tax Bill (100% of CETC)	Savings (100% of CETC)
\$150,000	\$1,118	\$792	\$325	\$755	\$363	\$739	\$379
\$250,000	\$1,863	\$1,321	\$542	\$1,258	\$605	\$1,232	\$631
\$264,000	\$1,967	\$1,395	\$573	\$1,329	\$638	\$1,301	\$667
\$350,000	\$2,608	\$1,849	\$759	\$1,762	\$846	\$1,724	\$884
\$500,000	\$3,726	\$2,641	\$1,085	\$2,517	\$1,209	\$2,463	\$1,262
\$750,000	\$5,589	\$3,962	\$1,627	\$3,775	\$1,814	\$3,695	\$1,894
\$1,000,000	\$7,452	\$5,283	\$2,169	\$5,034	\$2,418	\$4,927	\$2,525

Note: This does not include County or School District Taxes as they are not impacted by a Village dissolution.

Table 4: Impact on Town outside Village Property Tax Rates, presents an estimated model of the impact on the Town outside Village property taxes including the Town General Fund, Highway Fund and the EMS Taxing District. As depicted below, in this model, Town outside Village taxpayers would experience an estimated increase of 11.4% in their taxes without the application of the CETC. With 70% of the CETC applied to reduce taxes, the tax rate would decrease by 3.5% and with an application of 100% of the CETC, the tax rate would be reduced by 10.0%.

Table 4: Impact on Town outside Village Property Taxes

Estimated Property Tax Rate Impact Per \$1,000 TAV Town Outside Village Property Taxpayer					
	Current	Model - Post Dissolution			
Fund	Current	No CETC	70% CETC	100% CETC	Change in Rate
Town General & Highway	\$1.26	\$1.45	\$1.20	\$1.10	
EMS District	\$0.40	\$0.40	\$0.40	\$0.40	
Total No CETC	\$1.66	\$1.85			11.4%
Total 70% CETC	\$1.66		\$1.60		-3.5%
Total 100% CETC	\$1.66			\$1.50	-10.0%
Fire District #1	\$0.34	\$0.370	N/A	N/A	8.8%

Note 1: This model does not include County or School District property taxes as they are not impacted by dissolution.

Note 2: Caldwell Sewer District will likely see increases in rates related to the upgraded WWTP; however, they are not included in this analysis as they would have happened with or without dissolution.

The Town Assessor indicated that a typical single family home in the Town outside the Village has an approximate assessed value of \$600,000. **Table 5: Estimated Post Dissolution Town outside Village Property Owner Tax Impact** models the potential impact of dissolution on Town outside the Village taxpayers based on a range of assessed values and includes the impact on a typical single family home.

Table 5: Estimated Post Dissolution Town outside Village Property Owner Tax Impact

Town Outside Village of Lake George Property Taxpayer Estimated Post Dissolution Town Tax Bill							
	Current	Post Dissolution					
Taxable Assessed Value	Current Town Tax General & EMS	No CETC	No CETC Savings	70% of CETC	70% CETC Savings	100% of CETC Tax	100% of CETC Savings
\$150,000	\$249	\$278	(\$28)	\$240	\$9	\$224	\$25
\$250,000	\$415	\$463	(\$47)	\$401	\$15	\$374	\$41
\$350,000	\$582	\$648	(\$66)	\$561	\$21	\$524	\$58
\$500,000	\$831	\$926	(\$95)	\$801	\$29	\$748	\$83
\$600,000	\$997	\$1,111	(\$114)	\$962	\$35	\$898	\$99
\$750,000	\$1,246	\$1,389	(\$142)	\$1,202	\$44	\$1,122	\$124
\$1,000,000	\$1,662	\$1,852	(\$190)	\$1,603	\$59	\$1,496	\$166
Note 1. This does not include the Sewer Districts, Fire Districts or Water Districts.							
Note 2. The Caldwell Sewer District will likely see rate increases in tax bills related to the WWTP Capital Improvements; however, this will occur regardless of the Village 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 anticipated to be in the range of \$200,000 to \$250,000 depending on what is finally determined to be needed and what can be accomplished in-house. Examples of potential expenses include, but are not limited to:

- Legal and consultant services to facilitate the transition and implementation phases of dissolution.
- Temporary fiscal services to close out Village fiscal books and prepare and submit all required Federal and New York State filings and reports.
- Independent financial audit(s).
- Property Appraisals.
- Costs associated with the sale of real estate and personal properties.
- Actuarial Assessments of retiree health care costs.
- Streamlining, organizing, digitizing and moving of Village records.
- Integration of Village codes, rules and regulations into the Town Code.
- Costs associated with data, software and hardware transitions and startup.
- Development of an updated Town Comprehensive Plan and Zoning Ordinance that includes the Village.
- Development of map, plan and report documents necessary to support the Town Board actions to create the Hamlet of Lake George Fire District/Fire Protection District, Water District and Sewer District.

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 activities. 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 Voter-Initiated Reorganization

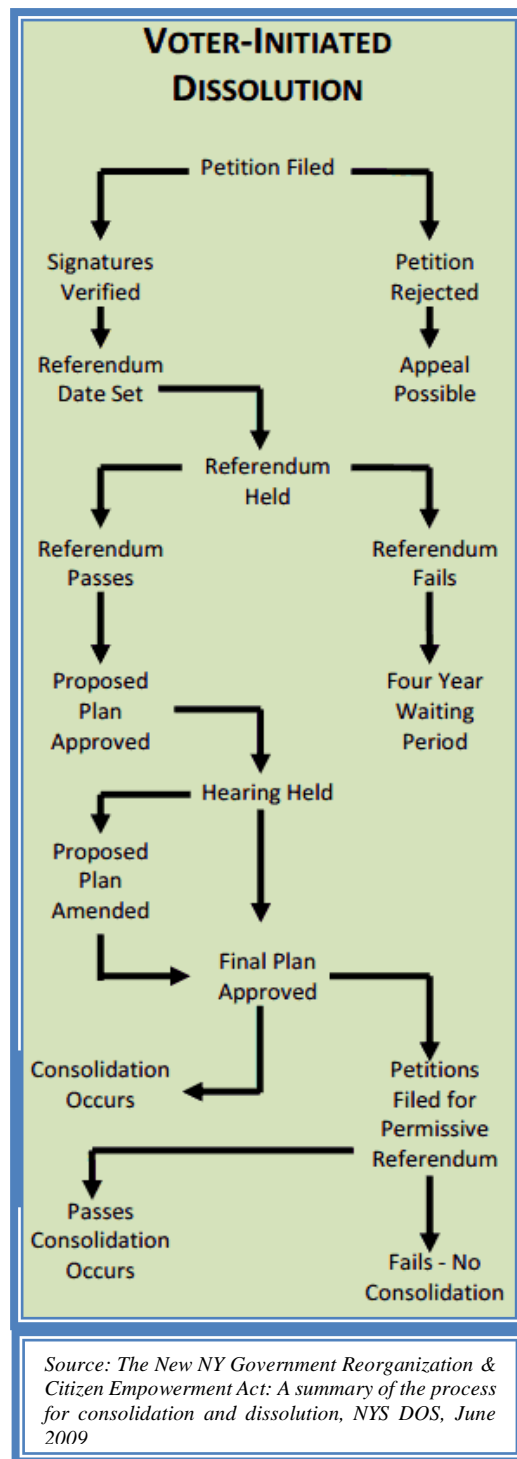
Unlike a Board-Initiated process, in a Voter Initiated process, the full detailed plan for dissolution will not be developed until after the referendum affirms whether or not the dissolution will take place. However, in order to provide the voters of the Village of Lake George with information on local governance and the fiscal impacts of dissolution, the Village initiated the development of the Interim Study of Dissolution. The Village Board hired Laberge Group to develop a study that identifies likely impacts related to governance, services and projected fiscal impacts.

Through the process of the Study of Dissolution, the Village of Lake George and the Town of Lake George were asked to provide valuable local input and guidance to the consultant 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 were 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 study 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.

The formal Citizen Initiated Dissolution Plan is prescribed in New York State law to occur after the referendum on dissolution. It is also important to note, that the referendum vote is to dissolve the Village, not to do a study.

What will happen after the Referendum?

On September 13, 2022 the registered Village of Lake George voters will be asked to vote "yes" or "no" on a proposition to dissolve the Village of Lake George. Dissolution is a process whereby a Village ceases to exist as a government entity. Governance will be provided by the Town of Lake George. 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 a period of four years from the date for the referendum in accordance with NYS GML Article 17-A.



If the referendum passes (i.e., the majority of votes cast are “yes”), the Village Board will be required to meet within 30 days of the referendum and organize the planning process. The Village Board is required to develop and accept a complete plan of dissolution within 180 days of the meeting. The Dissolution Plan will include the required elements of General Municipal Law Article 17-A, Title 3 §774, and will specify when the Village, as a separate government, will cease to exist; which municipal services will continue after dissolution; how the costs of those services will be paid for; a fiscal estimate of the cost of dissolution; how Village-owned assets will be transferred or disposed of; how any remaining liabilities and debts will be paid for following the entity's dissolution; and findings as to whether any local laws, ordinances, rules or regulations of the Village shall remain in effect after the effective date of the dissolution.

Following the development and acceptance of this Dissolution Plan by the Village of Lake George, the Village will facilitate a public hearing on the Dissolution Plan which must happen no sooner than 35 days and no more than 90 days from the date of acceptance. Following the public hearing the Dissolution Plan will be finalized and adopted. Registered voters in the Village of Lake George will then have 45 days to petition for a permissive referendum on the Final Dissolution Plan. **If no petition is filed, then dissolution occurs on the date included in the Dissolution Plan.**

If a petition containing signatures from not less than 25% of the registered voters of the Village is filed with the Village Clerk, a second referendum will be held to determine whether the majority of Village voters approve implementation of the Final Dissolution Plan. Should the vote be “yes”, the dissolution will occur as provided for in the Dissolution Plan developed after the September 13, 2022 referendum. Should the vote be “no”, dissolution does not occur and cannot be considered for four years.

What are the Required Components of the Dissolution Plan?

Pursuant to Article 17-A General Municipal Law, Title 3, §774, the proposed elector initiated dissolution plan developed post the referendum shall include:

- (a) The name of the village to be dissolved;
- (b) The village’s territorial boundaries;
- (c) The fact that the local government entity is a village;
- (d) A fiscal estimate of the dissolution’s cost;
- (e) Any plan for transferring or eliminating the village’s employees;
- (f) The village’s assets, including but not limited to real and personal property, and the fair value thereof;
- (g) The village’s liabilities and indebtedness, bonded and otherwise, and the fair value thereof;
- (h) Any agreements entered into with the town or towns in which the village is situated in order to carry out the dissolution;
- (i) The manner and means by which municipal services will be furnished to the village residents after the village’s dissolution;
- (j) The terms for disposing of the village’s assets, liabilities and indebtedness, including the levying and collecting of necessary taxes and assessments therefor;
- (k) Findings as to whether any of the village’s local laws, ordinances, rules or regulations will remain in effect after the dissolution’s effective date and, if so, for how long (pursuant to General Municipal Law § 789, if the plan does not provide otherwise, a village’s local laws, including

zoning, remain in effect for two years after the village dissolves, although the town may amend or repeal such laws at any time);

- (l) The proposed dissolution's effective date;
- (m) The time and place(s) for the public hearing(s) on the proposed dissolution plan held pursuant to General Municipal Law § 776; and
- (n) Any other matter desirable or necessary to carry out the dissolution.

Interim Study of Dissolution

It is important to note that this Interim Study of Dissolution is not intended to be a detailed Dissolution Plan but rather is designed to inform residents of the issues and potential costs and benefits related to dissolution in order to assist residents in making an informed decision. Ultimately, the decisions regarding service delivery and related costs and revenues will be decided by the Village of Lake George Dissolution Plan. This Interim Study of Dissolution is designed to provide the residents information in the following areas to assist in their decision-making process:

- Demographic, socio-economic and fiscal data.
- Impact on representation and governance.
- Summary listing of the Village Codes, identification of associated Town Codes and a preliminary review of potential issues to be addressed to integrate the codes in a manner that protects the unique characteristics and needs of the Village yet streamline the Village and Town codes to provide for a single code for administration and enforcement. The Village laws, rules and regulations shall stay in effect for two years from dissolution; however, within two years of the effective date of dissolution, the Town government shall adopt new laws, rules and regulations necessary to redress conflicts and/or ambiguities for the common administration and governance.
- Town and Village services and functions including current operations, existing personnel, municipal-owned equipment and other fixed assets. This section identifies possible alternatives for the delivery of services if the Village dissolves. Certain service areas have multiple service delivery options. Where consensus was reached, a preferred option was identified and where consensus was not reached within the short timeframe of the study, the range of options are outlined.
- The financial impact model that reflects the initially preferred options.
- Village assets including fixed assets such as land, facilities and equipment.
- Village liabilities including long term and short debt, accrued benefits, etc.
- Current profile of the current fiscal condition of the Village including a review of fund balance.
- Modeling of the fiscal impact of dissolution on both the Town and Village property taxpayers.
- Other factors and considerations to assist residents in their decision making.

Situational Overview

The Village of Lake George is wholly contained within the Town of Lake George in Warren County, New York. The Town and Village are located at the southern end of Lake George commonly known as the Queen of American Lakes. **(See Appendix B: Town of Lake George and Village of Lake George Location Map).** The Village and Town are approximately 50 miles north of Albany and 200 miles north of New York City.

The Village land area is a less than one square mile and has an estimated population of 953 residents. The Town has a land area of 30 square miles and a total population including the Village of 3,419. The median household income in the Town is nearly double that of the median household income in the Village. **Table 6: Village of Lake George and the Town of Lake George Characteristics**, summarizes key characteristics for both the Village and the Town.

Table 6: Village of Lake George and the Town of Lake George Characteristics

Municipal Characteristics Summary			
	Village of Lake George	Town Outside Village	Town of Lake George
Population	953	2,466	3,419
Land Area (square miles)	0.6	29.5	30.1
Population per square mile	1,588	84	114
Households	502	966	1,468
Median household income	\$44,755	Not Available	\$87,279
US Census American Community Survey (ACS) 2016-2020			

III. Governance and Potential Service Impacts

This section provides a summary of the current governance, services, service delivery and staffing in the Village and presents possible post dissolution services and service delivery models. It is important to note that there are often multiple options and should the Village electorate vote “yes”, a more defined plan of dissolution is mandated by law. Most importantly, should the electorate vote to dissolve, all final decisions on services, service levels and service delivery will ultimately rest with the Town Board post dissolution.

The post dissolution model presented considered areas of efficiencies and cost saving opportunities related to dissolution regardless of the final form of governance. In cases where services or personnel are shared through existing agreements between the Town and Village, it is noted as such.

Governance

Post Dissolution Municipal Electorate

Should the electorate of the Village vote to dissolve, decisions on all issues impacting current Village residents will be the responsibility of the Town Board controlled by officials elected on a town-wide basis.

A primary consideration related to the possible dissolution of the Village of Lake George is the change in voter representation that will occur. Currently all Village decisions regarding the governance, policies, services and taxation are made by the Village Board of Trustees which is comprised of, and elected by, Village residents only. If the voters elect to dissolve the Village, services currently delivered by the Village including public works, fire, water, sewer, parks, community beautification and special event services will no longer be provided by the Village and all decisions regarding services and service delivery will shift to the Town of Lake George.

There will no longer be elected Village positions or offices. There will no longer be a Village budget. The Town budget will define the spending priorities and levels and will control the revenues formerly received by the Village. The Town may establish new or expand existing special districts such as water, sewer and, fire to provide identified services to Village residents and to use the special district to tax the Village residents and other users for these services. All of these decisions will ultimately be made by the Town Board.

History of Shared Services and Existing Division of Labor

It is often common to assume that significant areas of duplication can be eliminated by combining local governments; however, the Village and Town of Lake George already share significant services and already have a strong and well-functioning “**division of labor**” that exists between the Village and Town on a number of critical services. As would be expected, the primary service areas delivered by the Village reflect services found in communities that are densely populated and are a large tourist destination such as water, sewer, public works, fire, community beautification and special events. Existing shared services and are summarized below:

- **Water:** The Village Water Service provides water to Village residents and extends water services to Town residents outside the Village. The water service is managed and operated by the Village Public Works Department. The Village also provides weekend coverage for the Town’s Diamond Point Water District.

- **Waste Water Treatment Services:** The Village owns and operates a new waste water treatment plant that services the Village of Lake George, the Town's Caldwell Sewer District, New York State Hearshstone Campground and other Town outside Village customers.
- **Caldwell Sewer District:** Pursuant to the agreement between the Village and Town titled the Caldwell Sewer District Maintenance agreement, the Village provides inspection and maintenance services for pump stations and collection system for the District.
- **Fire Services:** The Village Fire Department provides services to the Town's Fire Protection District #1 through an inter-municipal agreement. Fire Protection District #1 encompasses the majority of the Town outside the Village.
- **Joint Planning Services:** Through an inter-municipal agreement, the Village and Town share a Planning and Zoning Director.
- **Beautification and Beach Services Swap:** The Town currently manages the life guard program for the Village beaches and in return the Village maintains the beautification program at Gateway Park for the Town.
- **Special Events and Tourism:** The Village has assumed the local leadership and implementations roles for tourism and special events. The Town provides financial support for these functions through its sharing of some of the Town's occupancy tax with the Village.
- **Parking Meter Management:** Village Public Works staff conduct the collections from and maintenance of Town parking meters as well as the Village's meters.
- **Town-wide Assessment:** The Town Assessor provides Town-wide assessment services, including the Village.
- **Ambulance Services:** The Town funds ambulance services on a town-wide basis, including the Village.
- **Justice Court:** The Town provides Justice Court services on a town-wide basis, including the Village.
- **Animal Control:** The Town provides animal control services on a Town-wide basis, including the Village.
- **Transfer Station:** The Town operates and maintains the Transfer Station.

Mayor and the Village Board of Trustees

The Village chief elected official is the Village Mayor. The Board of Trustees is comprised of the Mayor and four elected Trustees. The Board of Trustees is part-time and is responsible for setting all policy, rules and regulations for the Village and overseeing all Village operations.

Post Dissolution Conditions:

Post dissolution, the position of Mayor and the Village Board of Trustees will be eliminated. All policy, budgets and taxing decisions will rest with the Town of Lake George Town Supervisor and Town Board.

Tourism, Special Events, Concerts and Celebrations

Lake George, commonly known as the Queen of the American Lakes, is credited with attracting 3 million visitors to the region each year and is responsible for generating \$2 Billion in economic activity in the Lake George Region.³ The Village, Town and the surrounding area is a famous summertime tourist location and the Village of Lake George is the southern gateway to the Lake George and Adirondack tourism and recreational region. A recent study by the Lake Champlain Lake George Regional Planning Board found that the tourism industry accounts for approximately 65% of the jobs in the Town of Lake George and 60% in the Village.⁴

The Village Government plays a significant and strategic role in promoting regional tourism. This has taken focus and dedication of the Village elected officials and staff and in particular the dedication of the Mayor who estimates that 50% of his time is dedicated to tourism promotion and special events. It requires continuous development of new projects and cultivation of partnerships, planning, organizing and promotion of a comprehensive program of nearly 100 special events, celebrations, concerts and/or fireworks each year.

The Village has invested significantly in its public spaces, parks, facilities and services including the Visitors Center, Shepard Park, Charles Wood Park, the public docks and its expansive Recreation Center and its robust beautification program. The Village's tourism and special events role also involves significant effort on the part of the Public Works Department and administrative support from the staff in the Clerk-Treasurer office.

Post Dissolution Conditions:

Given the economic impact of tourism, it will be critical to the Town, the County, and the region that this dedicated focus on tourism promotion within the area known as the Village continue. Should the Village dissolve, it is recommended that a position dedicated to tourism and special events be created and supported by the Town, and it is assumed that the public works and administrative support will be continued by the Town. The fiscal model included \$50,000 for the special events function.

Village Clerk and Village Treasurer

Village Clerk and Village Treasurer Functions

The central Village administrative budgeted positions include an appointed Village Clerk, Village Treasurer, a Payroll Clerk, a Water Clerk and a part time position.

The Village Clerk's Office is responsible for maintaining all Village records, property tax preparation, billing, and collection, payroll, birth and death certificates, business permits, human resource functions including health insurance administration, preparing Board of Trustees agendas and taking meeting minutes, preparing public notices for all Board and Committee meetings, fielding phone calls, emails, walk-in requests, and providing information on all Village services. In addition, the office manages grants obtained by the Village. The Village Clerk functions as a central point within the Village organization,

³ Williams, Stephen (August 24, 2019). "Advanced research making Lake George "smartest" in world". dailygazette.com.

⁴ The Lake Champlain Lake George Regional Planning Board, "Assessment of the Economic Value of Clean Water in Lake George", December 2020

coordinating day to day Village operations and communicating with department heads. In addition, the Village Clerk is the Freedom of Information Officer and the Records Management Officer.

The Village Treasurer and staff are responsible for the preparation of the annual Village Budget, maintaining the Village financial records, preparing and filing all Federal and NYS fiscal reports including the Annual Financial Report, fiscal planning, preparation of the Village annual operating budget, managing the Village's long-term financing and providing guidance to the Mayor and the Village Board of Trustees on a number of financial matters. The office is responsible for the billing and collection of water fees, as well as managing all Village fees including parking and sewer fees. Additional responsibilities include centralized purchasing, entering fiscal data into the fiscal management systems, making journal entries and banking functions. The office is also responsible for payroll, all fee collections. Finally, in addition to their primary functions, the payroll clerk and water clerk provide general fiscal and administrative supports to the office.

The Town Clerk and Town Comptroller Functions

The Town Clerk's office consists of a full time Town Clerk and Deputy Clerk. The Town Clerk manages the Town Board calendar, prepares public notices and agendas and records all Town Board meetings. The Town Clerk currently collects property taxes for the Town in January and the School District taxes in September. The Clerk issues marriage and death certificates, dog licenses, business permits and Town transfer station permits. The Town Clerk also manages the sale of plots at Evergreen Cemetery, coordinates the weekly Senior Transportation program and manages the in-house mail operation for Town government.

The Town Clerk is the Freedom of Information Officer and Records Management Officer for the Town. Village records other than zoning and other land use records are stored at Town Hall.

The Town Comptroller's Office budgeted positions include the Comptroller, a part-time Deputy Comptroller (vacant) and a part-time clerk. The Office is responsible for the preparation and management of the annual operating budget; maintenance of all accounting of Town finances, conducting or cause to be conducted audits of court financial records, all accounts payable and receivable and preparation of all required Federal and New York State financial reports including the annual financial report (Annual Updated Document). The Office monitors and manages the multiple revenue streams including mortgage tax, franchise tax, departmental revenues, and occupancy tax among others. The Comptroller also plans for short and long term financing and is responsible for securing financing for capital. The Comptroller manages contracts; collects program fees and undertakes special fiscal analyses for the Town Board.

The Comptroller's Office is responsible for many Human Resource functions including payroll, civil service and benefits administration of 1) workers' compensation, 2) disability insurance, 3) employee health insurance, 4) New York State employee retirement system reporting and 5) employee accrual management.

The Comptroller's Office also performs the majority of the purchasing functions and serves as the Town's coordinator of Information Technology (IT) Services. The services are provided by an outside vendor; however, the in-house coordination and administration is the responsibility of the Comptroller.

Post Dissolution

There are certainly administrative and fiscal economics of scale and efficiencies that can be obtained by the merging of the functions. There will no longer be Village property taxes to manage. There will be support

for one elected board rather than two, the preparation of one budget, one set of financial books, and one AUD to prepare rather than two. It is recognized; however, that each of these items will be larger and more complex than the existing Town functions.

Town leadership indicated the preliminary plan would be for the Town to assume the four full time Village staff pending civil service review. The roles in the Town will be different and titles such as Village Clerk and Village Treasurer will no longer exist and new titles reflecting the re-organized functions would need to be created. The post dissolution model anticipates immediate savings in part time and seasonal staffing. Once the dissolution transition and implementation are completed and operations are streamlined, the Town indicated it would evaluate the opportunity for further efficiencies and cost savings through attrition.

The Village Clerk- Village Treasurer's Office function as one administrative office whereas the Town Clerk's Office and the Comptroller's Offices are separate offices. The Town Clerk proposed the Clerk's Office assume the Village functions that align with the current Town Clerk's functions including the licensing and permitting functions including death certificates, special events permits and business permits, records management functions and the role of the Freedom of Information Law (FOIL) Officer. Town tax collections will not change except there will likely be additional special districts. The Town Clerk will continue all board related supports and recognizes that the volume of items and actions will materially increase due to the addition of the Village activity.

Based on the preliminary review, the balance of the functions would shift to the Town Comptroller's Office. Should the Village elect to dissolve, the new governance model presents an opportunity to realign and re-organize the functions of the combined Village and Town fiscal and human resource operations. Preliminary discussions include the creation of a Human Resources position to manage payroll; coordinate mandatory training compliance; employee onboarding; Civil Service and benefits administration and administer Town employee policies and procedures. The Village staff can be integrated between similar Town and Village functions including central purchasing functions, revenue collection functions and assist with other office assignments. The clerk assigned to water meter reading and quarterly billing, collection and tracking will continue to perform those functions. This will enable the Comptroller to focus on the expanded budget preparation and, AUD preparation, fiscal planning, management of long term financing, special projects for the Town Board, and coordination of information technology services.

Post Dissolution Conditions:

Preliminary planning indicates that the Town will assume the existing full time Village administrative and fiscal employees. This will enable the Town to re-organize operations and perform the close out of the Village's fiscal operations. These functions include accounts payable and receivable, preparation and filing of all the Federal and NYS reports including the final annual fiscal report for the Village.

The merger of operations presents opportunities for reorganization and the realigning of functions not feasible as two separate offices.

A merger of operations will provide for immediate cost savings in part-time and seasonal employees. Post dissolution, the Town will evaluate the opportunities for additional economies of scale, efficiencies and the potential for future cost savings through attrition.

Legal Services Functions

The Village contracts for part-time legal services to provide functions of the Village Attorney as well as for any specialty legal services as needed. The Village Attorney provides counsels to the Village Board of Trustees, prepares and reviews contracts, conducts legal research and manages lawsuits and other legal matters that come before the Village.

The Town of Lake George contracts for the part-time services of a Town Attorney. Should the electorate vote to dissolve the Village, the Town Attorney will continue to be the attorney for the Town; however, now with expanded responsibilities. There will be more and complex services, infrastructure and employees and expanded land use issue, codes, rules and regulations and expanded and diversified municipal codes, rules and regulations. Examples of areas that may result in efficiencies is that there will now be one governing board process to support as opposed to two. As such, the workload post dissolution may gain a certain level of efficiency but will likely not materially change as compared to the combined legal services currently provided in the Town and Village.

Post Dissolution Conditions:

The post-dissolution model assumes that there will be a marginal increase in the legal services, to assist with the increased volume and diversity of workload; however, there is a presumed small increase in efficiency.

Engineering Services

The Village and Town both currently contract for part-time engineering services. The level of contract engineering services needed is often associated with projects under development. The Town will be taking on significantly more infrastructure than it currently manages. This includes the water and sewer collection and distribution systems, more facilities, more streets, culverts, etc. It is not anticipated that material savings can be achieved through dissolution, particularly in the short term, as the Town will need to increase engineering services post-dissolution.

Post Dissolution Conditions:

Post-dissolution, the Town will need additional engineering services to assist with the increased volume and diversity of workload; however, there may be a slight increase in efficiency.

Land Use Planning, Zoning, Administration and Enforcement

The Village has an Office of Planning and Zoning. The Director is a shared position with the Town of Lake George through an inter-municipal agreement. The Director is a Town employee. The shared Director position has created significant opportunity for coordination between the Town and the Village. The Office also includes a half-time Code Enforcement Officer and a part-time Planning and Zoning Clerk that assists with officer operations and provides support to the Planning Board and Zoning Board of Appeals. These two positions are held by Village employees.

The Village of Lake George Planning Board consists of one (1) Planning Board Chair and six (6) Planning Board members. The Planning Board responsibilities include: interpretation, updates, and amendments to

the land use regulations and zoning; review and approval of site plans, subdivisions, and variances; and the review of SEQR.

The Village of Lake George Zoning Board of Appeals (ZBA) consists of one (1) Zoning Board Chair and four (4) Zoning Board members that have the responsibility to make interpretations of the Zoning Law, issue or deny Special Use Permits and issue or deny variances. Should the Village elect to dissolve, the Village Planning Board and Zoning Board of Appeals will be eliminated.

The processes in the Town and Village are fairly similar; however the zoning codes and other codes relative to land use are different reflecting not only the urban/rural dichotomy but the geographic features and the historical nature of development of the Village of Lake George and the Town of Lake George. Pursuant to Article 17-A of the General Municipal Law, the Village laws, codes and rules may continue for up to two years; however, within those two years, the Town may adopt, repeal or amend the Village laws, codes, rules, and regulations. At the end of two years, any Village laws, codes, rules or regulations not incorporated into Town laws and/or codes, shall be deemed repealed.

Post Dissolution Conditions:

There was consensus that it will be very important for the Town to take great care to protect the unique nature of both the Village and the area outside the Village through careful structuring of the land use governance structures, operations and land use policy and zoning codes.

- The Village and Town agree that the workload of the current Village staff cannot be absorbed by the Town staff as both operations are already working at capacity. The preliminary plan provides for the integration of the Village employees into the Town Planning and Zoning Office.
- Upon dissolution, the Village will no longer appoint Planning Board and Zoning Board of Appeals representatives. It is recommended that the Town reconstitute a Town Planning Board and the Town Zoning Board of Appeals with fair representation of both the Village and the area outside the Village as soon as practical. The Town Code provides for two alternate members for both Boards. Initially, the Town could utilize the alternate board member slots as a mechanism to immediately appoint and integrate current Village Board members onto the Town Boards. The historical knowledge and expertise on Village zoning and land use planning will be critical to the Town Boards that will now have town-wide jurisdiction.
- It is anticipated that at the time of dissolution, the Town will integrate critical sections of the Village Zoning Law into the Town Code; reflecting the uniqueness of the Village's historical development. Rather than leaving the Village Zoning and other land use Codes in force post dissolution, the preliminary plan would be to include the critical elements of the Village Code into the Town Code at the time of dissolution. This model maintains the important Village code elements but enables the Town to have one administration and enforcement of its Codes.

Sewer Services

Current Service System

The Village owns and operates a Wastewater Treatment Plan (WWTP) plant which was recently updated and modernized. The Village's WWTP staff also maintain the Village sewer collection system. The WWTP operation is currently a division with the Department of Public Works. The Village treatment plant staffing includes: 1 Chief Waste Water Treatment Plant Operator, 1 Assistant 2 Waste Water Treatment Plant Operator and 5 Sanitation Laborer positions.

The Village currently provides sewer services for all Village properties. The Wastewater Treatment Plant and collection maintenance program are included in the Village's general fund with the net cost funded through the Village's property tax. The Village; however, is working with a consultant to develop a user rate formula methodology for Village users which could potentially be in place at the time of dissolution.

The largest outside user is the Town's Coldwell Sewer District pursuant to an Inter-municipal Agreement between the Village and the Town. The Village also provides wastewater services for the NYS Hearthstone Point Campground and the Lake George School District. In addition, the Village provides services to a number of other users outside the Village based on use charge methodology that includes a 25% outside Village use charge. The cost sharing between the Village and the Caldwell Sewer District is based the proportional share of flow. All expenses including operations, maintenance, administration and debt service are shared proportionally based on flow after a proportional offset of private hauling revenues and a set-aside for capital reserves. The Village bills the Town directly and the Town in turn, using a user rate system, bills the District users.

Pursuant to the Caldwell Sewer District Maintenance agreement between the Town and the Village, the Village provides inspection and maintenance services for pump stations and collection system for the Caldwell Sewer District. This includes emergency response as well as cleaning of 20% of the lines each year using the Village vac truck.

Based on preliminary discussions with Town leadership, the Hamlet of Lake George Sewer District would continue the relationship with the Coldwell Sewer District and all other users in a manner consistent with current IMAs and formulas for the provision of sewer treatment services and the compensation thereof.

Material to the discussion is the capital improvement project and financing for the new wastewater treatment plant. The capital project is estimated at a total cost of \$24.5M. The Village aggressively pursued grants and the preliminary net cost after grants is estimated at \$9.075M. The Village has secured bond anticipation notes (BANs) to finance the project in the short term. Upon finalization of the project's final costs and grants, the Village anticipates issuing long term bonds to fund the net cost of the wastewater treatment plant capital project. This study anticipates the elimination of the short term financing and the issuance of long term bonds prior to dissolution.

Post Dissolution Conditions:

Post dissolution, the preliminary preferred model would be the establishment of the Hamlet of Lake George Sewer District and the continuation of the Caldwell Sewer District. The new District would continue the provision of sewer services to the residents of the Village and to other existing users outside the Village including the Caldwell Sewer District. The Town would assume ownership of all of the plant and equipment. Additional considerations include:

- Town leadership recognizes that the Town staff does not have the credentialed professional and experience staff necessary to operate a WWTP and would add all of the budgeted Village WWTP positions and would prefer to hire all of the Village WWTP staff.
- The Hamlet of Lake George Sewer District would continue to provide wastewater treatment services to the Caldwell Sewer District, the School District, Hearthstone Point Campgrounds and other users outside the Village. Town leadership indicated that the current compensation terms as are included in existing inter-governmental agreements and other rate arrangements would remain in place.
- Preliminary discussions with Town leadership indicate that the terms of compensation for services with District and users outside the Village would be based on the current terms.
- It is also anticipated that the WWTP staff would also continue to provide collection system maintenance services for the Caldwell Sewer District as is the current practice.
- The study assumes that the Village will likely be issuing long term bonds to fund the net cost after grants and paying off the current BAN prior to dissolution.
- For purposes of this study, it is assumed that cost sharing between the new Hamlet and the Caldwell Sewers Districts will be based on flow and the Hamlet District property owners will continue to pay based on taxable assessed value. It should be noted, that prior to a potential dissolution, the Village may introduce a new sewer rate system and it is also possible that the Town could decide to employ a new rate methodology as well.
- This is a preliminary model. Should the Village elect to dissolve, all decisions post dissolution will be the responsibility of the Town Board.
- Long term, the Town may consider conducting an evaluation to determine if there are any benefits to consolidating the new District and the Caldwell Sewer District.

Water Services

The Village Water Service services 2,800 residents in the Village and Town of Lake George with more than 1,400 service connections. It is important to note that a material number of customers are hotels, motels, restaurants serving the thousands of visitors to the area each day during the tourist seasons. The budgeted Village water system staff includes 1 Chief Water Plant Operator, a Water Plant Operator and 3 Water Laborers. The Town does not currently have staff with the required certifications and experience to operate the water treatment plant and as such the consensus is that the full complement of Village Water Service staff are needed and that it will be critical to maintain staff that have the expertise and certifications necessary to manage operations and provide for safe drinking water.

The Village owns and operates its water treatment system and owns and maintains the water distribution system that includes 9 water mains and approximately 18 miles of lines in the Village and two water storage tanks. The system's water supply is Lake George and the water is pumped from its pumping station on Beach Rd. to the water treatment plant.

The Town operates the Diamond Point Water District that serves less than 100 customers. The District which is a well water system and very different than the Village's system. Discussions with the certified water operators indicate that the differences in the systems are significant and it is suggested that they remain separate at this time. The Town allocates a Highway staff member to maintain the Diamond Point Water District; however, Village staff also provide services to the Diamond Point Water District

The Village has implemented remote meter reading systems which have significantly reduced the time dedicated to meter reading. Currently a clerk in the Village Clerk's Office manages the billing for the water services. Currently the fees cover operations, administration, and maintenance and debt service. Pursuant to the Village's Code, the current schedule of payment is as follows:

- Village users are charged \$5.63/1,000 gallons/quarter up to 50,000 gallons/quarter and the minimum charge is \$62.63/quarter. Above 50,000 gallons, the charge is \$6.23/1,000 gallons/ quarter.
- Users in the Town, outside the Village are charged \$6.47/1,000 gallons/quarter up to 50,000 gallons/quarter and the minimum charge is \$70.62/quarter. Above 50,000 gallons, the charge is \$7.07/1,000 gallons/ quarter. The Town post dissolution would control the decisions related to the operation, maintenance and rate schedules. Town leadership indicated a desire to continue the rate system as is.

Post Dissolution Conditions:

Preliminary discussions with Town officials indicate that the preferred post dissolution model would be to establish a Hamlet of Lake George Water District with boundaries the same as the current Village as the means to continue the provision of water services. The Town would assume ownership of the plant and equipment and would assume responsibility for operations. The preliminary plan includes:

- The Town would hire the same complement of positions and titles as are in the Village Water Department and would prefer to hire all the Village staff with the needed credentials and experience.
- The Hamlet of Lake George Water District would continue to sell water to Town-outside-Village users. The preliminary model assumes that the Water District would charge user fees similar in structure to the existing rate structure; however, concern has been raised that should the Town decide to equalize the rates between the Village and Town outside the Village rate payers, there would be a negative impact on the new Hamlet of Lake George Water District. A Preliminary estimate of the impact on the new District would be a loss in new revenues in a range of \$40,000-\$50,000 a year.
- It is important to remember, these assumptions and the model are only that a model. Post dissolution, the Town Board will be responsible for all decisions.

Public Works Services

Overview

The Village Department of Public Works and the Town Highway Department are very different organizations performing different functions. While there are similarities between the Town and Village streets operations, there are major differences that assist in defining the opportunities and limitations for economies of scale and efficiencies through consolidation. The Town Highway Department is a traditional Highway Department with a mission focused primarily on the maintenance of the Town's highway, culvert and bridge systems and operation of the Town Transfer Station and maintenance of cemeteries. The Town operations, particularly its snow and ice control program, is driven by the low population density and Town's terrain which includes steep hills and winding roads.

Like many villages in New York State, the Village Streets Division provides a significantly broader array of services than does the Town Highway Department and those functions will be described in detail below. The Village Public Works Department is not only responsible for its streets, highways and culvert summer and winter maintenance programs, but also provides building and grounds services, public space and parks maintenance, downtown beautification services and support for Village special events and operates the sewer and water systems. The Village Department is overseen by a DPW Superintendent and all of the divisions report directly to the Superintendent. This section will address the streets maintenance, community beautification, parks maintenance and special events operations and support. The water and sewer services are detailed in previous chapters of this Interim Study.

Streets Maintenance Operations

The Streets Division is supervised by a DPW Foreman and includes 10 laborer positions as well as a team for parking meter enforcement that includes: 1 part-time laborer and 3 part time meter enforcers. The Division is responsible for the maintenance and mowing of the Village's streets. As **Table 7: Village and Town Road and Culvert Systems** indicates, the Village is responsible for the maintenance of 7.44 center lane miles of streets as compared to the 32.77 center land miles that the Town of Lake George maintains. **Appendix C: Village of Lake George Streets Listing** provides an inventory of the existing Village streets that would transfer to the Town should the electorate vote yes.

Table 7: Village and Town Road and Culvert Systems

Current Village and Town of Lake George Road and Culvert Systems		
	Village	Town
Centerline Mileage	7.44	32.77
Total Mileage	14.47	61.71
Bridges	1	0
Large Culverts (5 – 20 ft. span)	0	15
Small Culverts (< 5 ft. span)	~200	0
<i>Source: NYS Department of Transportation Local Highway Inventory 2021 and the Village DPW and Town Highway Departments</i>		

The Town handles more miles of roads and deals with its steep terrain and winding roads and in contrast the Village Streets Division is managing a tighter street design, higher population density, parking issues and the significant impact of summer tourism.

The Village Streets Division's road maintenance program includes pothole filling, crack sealing, mowing in the Village road right-of-ways. The Streets Division is responsible for snow plowing and snow removal on all Village streets. The service model employs 6 runs and in response to a typical snow storm it takes approximately 2.5 to 3 hours to complete. The snow has to be removed from a significant percentage of the streets in the Village. The snow is collected and dumped at the Recreation Center. In most snow storms, all staff are deployed to maintain the streets and remove the snow; including a number of staff from other divisions. Winter operations also include the snow removal on all sidewalks throughout the Village. The Department is responsible for the maintenance of the storm sewer system. The Village provides street sweeping throughout the Village on a routine basis in conformance with MS4 regulations. This includes drain cleaning and the replacement and/or rebuilding of catch basins. In addition, the Village Public Works Department provides a spring time brush and a leaf pick up program in the fall that runs from the end of October to end of December. The Village picks up bagged leaves and yard clippings during late spring and summer.

Special Events Operations and Parks Maintenance

As part of the focus on tourism, the Village hosts numerous celebrations, concerts, a farmer's market and special events throughout the year. The Streets Division is responsible for set up, cleanup and breakdown of approximately 60 events per year; many of which are held at Wood Park. Wood Park is a shared park; partially owned by the Village and Warren County. Warren County maintains the park; however the Village Streets Division is responsible to provide support for all events and concerts in the park. The Village owns a large stage that is often used for large concerts and events and the Streets Division staff are responsible for setting up and taking down this stage for each of the events.

The Streets Division is also responsible for maintenance at Shepard Park located in the Village Center. The Park has a large green space, beach front and public docks. The Streets Division also maintains Blais Park and Walkway and the Lake Avenue Park. During the summer, the Streets Division operates two shifts per day in order to keep with the maintenance of rest rooms, park grounds, the beach and other facilities, refuse collection and mowing. With the many visitors and events, the Streets Division is responsible for the ongoing and often multiple clean ups per day on Village streets and in Village parks and collection of refuse from the numerous receptacles located throughout the Village.

The Village also operates a Recreation Center which is a year round facility open to the public. The Recreation Center is a 345 acre facility that includes 3 baseball fields, a softball field, a soccer field, a dog park, cross country ski trails, restrooms, garage/snack bar and a parking lot. The Center is heavily used by the public. Numerous tournaments are held at the Center. All of these assets are cleaned and maintained by a full time Grounds Supervisor and a seasonal worker.

Village Beautification

The Village invests heavily in its beautification mission. The Village has a crew of 1 full time supervisor/master gardener and 7 part time staff that are dedicated to plantings, mulching, weeding, watering and maintaining all the plantings throughout the Village including all of the parks. Throughout the year, the beautification team is also responsible for building, rebuilding and set up and take down of all

holiday displays and maintenance of the Village fountain. Through a shared services arrangement with the Town, the Village team also provides all of the beautification services for the Gateway Project.

Parking Meters Maintenance and Enforcement

A strong parking system is critical to a tourist community. It is also a source of revenue that supports the Village operations, special events, and beautification programs that are critical to building and sustaining a robust tourism industry. The parking metering system includes 35 kiosks and 168 single meters. The Streets Division is responsible for the maintenance and collection of money from all Village meters twice per week. In addition, the Village performs collections and provides maintenance of Town and County meters.

Facilities Maintenance

In addition to the parks, the Village is responsible for the cleaning and maintenance of the Village Hall, DPW facilities, the Visitors Center, and the Fire House.

Street Lighting

The Streets Division currently maintains and illuminates decorative street lamps owned by the Village, as well as illuminating additional street lights that are owned and maintained by the local utility company within the Village (**Appendix D: Village of Lake George Street Light Inventory**).

Town Highway Department

The Town Highway Department provides traditional highway services and operates the Town's Transfer Station. The Department staffing includes: 1 Superintendent, 1 Working Foreman, 6 MEOs, 1 Laborer, 1 MEO/Mechanic and 1 MEO/Mechanic Helper. Staffing for the Transfer Station includes a Working Supervisor and 1.5 laborers. One of the Town MEOs is assigned part time to the Diamond Point Water District Operations.

Town Buildings and Grounds Department

The Town Buildings and Grounds Department is headed by a Supervisor. Staffing includes 7 laborer positions and part time position assigned to cemetery maintenance. The Department is responsible for the maintenance and cleaning of all Town facilities and all Town grounds and public spaces. The Town facilities include the Town Center, Court House, Highway Buildings, Veterans Corner, and the Senior Center. The Department also maintains Usher Park and Beach, Diamond Point Beach and multiple cemeteries. The Department is also responsible for the maintenance of approximately 100 Town-owned decorative lamps. The Town illuminates another 300 street lights owned and maintained by the utility company.

The Town Building and Grounds Department historically provided all grounds services for the Village, Shepard Park and provided mowing services and ball field maintenance services for the Village Recreation Center. This will be helpful should the Village voters elect to dissolve.

DPW/Highway Facilities

The Village and Town each have large public works/highway facilities. Prior studies have indicated that neither the Town nor Village facilities could handle the needs of both operations. Post-dissolution, the Town will require more space for staff. It is assumed that the Village's main complex and ancillary facility would transfer to the Town.

Post Dissolution Conditions:

Should the Village electorate vote to dissolve, the re-organization of Village public works functions, Town Highway and Town Buildings and Grounds presents opportunities for streamlining operations and re-organizing similar functions to gain efficiencies. However, it was the consensus of both the Town and Village Department leadership that initially merged operations will require the full complement of both the Village DPW, Town Highway, and Town Building and Grounds Departments. All agree that, as the staff merge, efficiencies and cost savings can be achieved. There are opportunities to pool equipment and vehicles to the vehicle and equipment fleet. There are identified streets on the north end of the Village that are more similar to Town roads and there would be advantages for the Highway Department to assume the maintenance, as well as snow and ice control functions for these routes. The street light maintenance functions can be integrated.

There are many options for re-organization; however, the following are a set of options/considerations that emerged through the study process:

- There was consensus that the full complement of Village budgeted positions should be shifted to the Town, with the preferred approach of hiring Village employees pending civil service review.
- There is opportunity to re-organize; however, it was recognized that a phased approach to re-organization is warranted in this specific situation. The unique role that the Village DPW plays; particularly the Streets Division's support of tourism, special events, and community celebrations, presents a set of challenges for integration into the Town Highway Department.
- Create a new Hamlet Services Department that would include a Sewer Division, a Water Division, and a Lake George Hamlet Streets Division that would be responsible for the streets maintenance, hamlet snow plowing and removal, sidewalk plowing, support for tourism and special events, parking meters town-wide, and street light maintenance town-wide. This unit would initially be staffed with Village Streets, Sewer and Water Division staff.
- Shift all facility and grounds cleaning and maintenance and beautification functions to the Town Building and Grounds Department. The Village beautification division and Grounds Supervisor would report to this department. .
- Maintain the Town Highway operations to provide Town highway maintenance, snow and ice control, and operation of the Transfer Station. The Town Highway Department could assume responsibility for those Village roads that are similar to the Town roads in terms of techniques and equipment used in maintenance and snow and ice control. Merger of the vehicle and equipment maintenance services could be considered for phase one re-organization under the Highway Department.
- Should the Village electorate vote to dissolve, based on current New York State Department of Transportation instructions, the Town would receive Consolidated Highway Funding (CHIPS) in an amount equivalent to that which the former Town and Village would otherwise have received.
- Post-dissolution, the Town will require significantly more facilities to accommodate the expansion of services, equipment, and vehicles. It is assumed that the Village transfer the main complex and the ancillary facility to the Town.

Fire Services

Current Services

The Village of Lake George provides fire protection to the residents of the Village through a relationship with the Lake George Volunteer Fire Company, Inc., a not for profit 501(c) 3 corporation. Through a contract with the Town, the Village Fire Department also provides fire protection services to Town's Fire Protection District #1 which encompasses a large section of the Town of Lake George. As **Table 8: Lake George Fire Department Activity** indicates, the Department is very active.

Table 8: Lake George Fire Department Activity

Lake George Fire Department	
2020 Activity	
Fire Calls	313
First Responder Calls	61

The Village of Lake George owns and maintains the current fire house located at 179 Ottawa Street, Lake George. The Village provides financial support for operations costs, workers compensation, and the length of service award program (LOSAP). The Village owns and maintains fire vehicles, apparatus and equipment.

Post Dissolution

The consensus of Town and Village leadership that the desired means of providing fire services post dissolution would be through a continued relationship with the Lake George Volunteer Fire Company, Inc. There are; however, options as to the governance structure for fire services that need to be considered by the Town. Towns, unlike Villages, cannot operate municipal fire departments. Towns are authorized to create Fire Districts or Fire Protection Districts to serve areas outside villages within the Town.

A Fire Protection District is an administrative unit of the town rather than a separate local government. The Town contracts with Fire Companies, Fire Districts or Fire Departments for services. There is no separate board of commissioners and the budget is set by the Town. In comparison, Fire Districts are separate political subdivisions established for the purpose of providing fire protection in a designated area of the town. A Fire District has its own elected board, can levy taxes and incur debt. The following summarizes the key options that the Town could consider:

Option 1: Fire Protection District

1A. The Town of Lake George could establish a new Fire Protection District that that would specifically serve the area currently known as the Village of Lake George. The Town would contract with the Lake George Fire Company for the provision of services and utilize the Fire Protection District to levy taxes.

1B. The Town could also opt to extend the current Town Fire Protection District #1 to include the area currently known as the Village of Lake George.

In either Option 1A or 1B, the Town would contract with the Lake George Voluntary Fire Department, Inc. for services. Different than the Village Fire Department system, in this model, there is no Town

Fire Department and as such the volunteer fire company would take new functions including administration, coordination of maintenance, procurement of needed supplies, fiscal management, training and insurances.

The New York State Office of the State Comptroller document titled Fire Protection in New York State: How Is It Provided in Your Community states, “Depending on the contract, the fire protection entity can provide this service using its own equipment, or the Town can acquire its own firefighting apparatus and equipment for use in the fire protection district. Any contract must specify a “definite sum” for all services rendered under the contract and, generally, must be for a definite period of time, not to exceed five years. The fire protection district’s budget is part of the town’s annual budget. The cost of these contracted services and any other fire protection district expenses is levied against the properties within the district.”

Prior to dissolution, it will be critical to determine the post dissolution ownership of the Village owned Fire House and fire apparatus so that it is available and ready for use for Fire Protection Services. Prior to dissolution, the Village has the option to sell, transfer or have a negotiated sale for its assets.

Option 2: Fire District

2A. Pursuant to NYS Town Law, a town board may establish a fire district. The new Fire District would be a separate local government with its own Board of Commissioners that would be elected by the voters of the former Village of Lake George and the current Town Fire Protection #1; however, the initial Board is appointed by the Town Board. The District would have its own budget, would levy taxes and could incur debt. The new Fire District could continue the relationship with the Lake George Volunteer Fire Department, Inc. for the delivery of fire services.

In the Village dissolution scenario, there are legal and logistical issues that complicate implementation of this model at the time of dissolution. If the community stakeholders determine this to be the preferred governance model, evaluation of how to accomplish it should begin as soon as possible. Logistically, the Fire District serving the Village cannot be established until after the dissolution occurs. As such, the new Fire District Board could not take any actions until the dissolution occurred and they would not have the ability to levy taxes and subsequently bill and collect taxes until after the dissolution occurred.

Option 3: Create a Joint Town-Village Fire District Before the Date of Dissolution

If the Fire District model is determined to be the preferred governance option, one alternative would be for the Town and Village to create and implement a Joint Village-Town Fire District in advance of the date of dissolution that would include the entire area of the Village and the area currently in Fire Protection District #1. This would enable the Joint District to be established prior to dissolution. The initial board would be appointed by the Town and Village and subsequently by the voters in the Joint District. Subsequently, upon dissolution of the Village, the Joint District would become a Town Fire District.

Prior to dissolution, it will be critical to determine the post dissolution ownership of the Village owned Fire House and fire apparatus so that it is available and ready for use for Fire Protection Services. Prior to dissolution, the Village has the option to sell, transfer or have a negotiated sale for its assets.

Post Dissolution Conditions:

Unlike Villages, Town governments are not authorized to operate Fire Departments. As such, the Town and key stakeholders will have to evaluate and determine which model of fire service governance will be established to provide fire services. Regardless of the governance model, there is consensus that it is desirous that the Lake George Volunteer Fire Company be the contracted with to provide the service. The governance options identified are:

Option 1: Creation/Extension of a Fire Protection District

The Town of Lake George could establish a new Fire Protection District that that would specifically serve the area currently known as the Village of Lake George. The Town could also explore the option of extending the current Fire Protection District #1 to include the area currently known as the Village of Lake George. The Fire Protection District is an administrative unit of Town government. The Town would contract for services from the Lake George Fire Company.

Option 2: The Town of Lake George creates a Fire District to serve the area currently known as the Village of Lake George.

Pursuant to NYS Town Law, a Town Board may establish a fire district; however, in the scenario of the dissolution of the Village, there are legal and logistical issues that complicate implementation of this model and would have to be evaluated to determine the legal and logistical feasibility. For example, the District cannot be established until after the dissolution occurs. As such, the new Fire District Board could not take any actions until the dissolution occurred and they would not have the ability to levy taxes and subsequently bill and collect taxes until after the dissolution occurred.

The Fire District would be a separate local government with its own Board of Commissioners that would be elected by the voters of the former Village of Lake George; however, the initial Board is appointed by the Town Board. The District would have its own budget, would levy taxes and could incur debt. The board would be initially appointed by the Town and subsequently elected by voters in the District.

Option 3: Create a Joint Town-Village Fire District Before the Date of Dissolution

On alternative would be for the Town and Village to create and implement a Joint Village-Town Fire District in advance of the date of dissolution that would include the entire area of the Village and the area currently in Fire Protection District #1. Upon dissolution, the Joint Fire District would become a Town Fire District.

Fire House, Apparatus and Equipment: If dissolution occurs, critical decisions will have to be made to assure that the fire service will have a Fire House, apparatus and equipment necessary to provide services without disruption. These decisions would need to be made in conjunction with the fire service governance decisions and should be made well before the date of dissolution.

Organizational and Employee Considerations

Employee Considerations

Discussions of dissolution include considerations of the impact on current employees. These considerations include post-dissolution employment, civil service issues, salaries and benefits and retiree benefits. The Village's 30 full time positions, 5 part-time elected positions and approximately 24 part time and seasonal positions are depicted in **Table 9: Current Village Positions**.

Table 9: Current Village Budgeted Positions

Village of Lake George 2022-2023 Budgeted Staffing			
Department	Title	FT	PT/ Seasonal
Mayor	Mayor		1
Board of Trustees	Trustees		4
Court	Parking Clerk		1
Clerk/Treasurer	Treasurer	1	
Clerk/Treasurer	Clerk	1	
Clerk/Treasurer	Payroll Clerk	1	
Clerk/Treasurer	Office Clerk		1
Clerk/Treasurer	Summer Help		1
DPW	Super of Public Works	1	
DPW	DPW Foreman	1	
DPW	DPW Laborer	10	1
Parking Enforcement	DPW Laborer		1
Parking Enforcement	Meter Enforcer		3
Parks	Grounds Supervisor	1	
Parks	Laborer Parks		1
Parks	Laborer - Wood Park		1
Firehouse	Cleaner		1
Cleaning	Cleaner		1
Beautification	Supervisor/Laborer	1	
Beautification	Laborer		7
Sewer	WWTP Chief Operator	1	
Sewer	Assistant WWTP Operator	1	
Sewer	Sanitation Operator	5	
Water	Superintendent	1	
Water	WTP Operator	1	
Water	Water Laborer	3	
Water	Water Billing Clerk	1	
Teen Center	Teen Center Supervisor		1
Teen Center	Teen Center PT		1
Historian	Historian		1
Planning Secretary	Planning/Zoning Clerk		1
Code Enforcement	Code Enforcement Off.		1
Total		30	29

The assessment by Town and Village leadership and department heads is that initially the Town will need the full complement of Village full time positions and the majority of part time positions. Preliminary discussions with Town officials indicate that they understand the importance of retaining the skills and experience of the Village employees and it is the preliminary intention to hire the Village employees. However, hiring will be contingent on civil service rules and terms and conditions of Town.

The Town of Lake George and Village of Lake George fall under the jurisdiction of the Warren County Civil Service and the New York Civil Service System and their rules and regulations. The Town is required to follow the Civil Service rules that control eligibility for positions and hiring. Each position will need to be reviewed relative to job title, job specification, job classification and employee status. Should dissolution occur, a number of civil service considerations and actions will be required. Should the Village electorate choose to dissolve, early consultation with the Warren County Civil Service Office is recommended during the development of the Dissolution Plan.

Post dissolution salaries would be set by the Town. The Town's stated preliminary approach will be to take into consideration current Town salary scales, fairness and market needs; particularly for positions requiring certifications and high level of technical skills. Based on preliminary discussions, Village employees' time in service would be recognized by the Town for purposes of determination of Town longevity, earning of accruals and post-employment benefits. **Appendix E: Village and Town Employee Benefits** summarizes the current benefits provided. The Village and Town both provide health care benefits for their employees; however, the plans have differences and the employee cost sharing formulas are different.

Village leadership indicate that Village retirees at the time of dissolution will continue to receive their post-employment benefits and those will be a charge upon the property owners of the Village of Lake George. The Village may choose to offset this long term liability with an application of its assets as is assumed in the fiscal model presented in this Study of Dissolution.

Organizational Considerations

To address the increase in scope and level of responsibility of Town government, Town leaders and impacted department heads, there will be re-organization and salary considerations that the Town will have to evaluate. For example, as the volume of policy, management and administrative activities increases, there will be the need for increased central administration and coordination. There are multiple ways that this can be accomplished and a thorough evaluation of the current roles and responsibilities and the anticipated new or enhanced functions needed, the Town can define the optimal organizational model that best fits the Town's needs.

Given that this is an Interim Study of Dissolution, there was not time for the Town to evaluate and design the optimal post dissolution re-organizational. Should the voters elect to dissolve, there Town would use the time after the referendum to address both the re-organization and salary considerations. While the specifics were not developed during the Interim Study process; the post dissolution fiscal model included funds to support the potential re-organization and salary considerations.

Agreement, Contracts and Grants

The Village of Lake George has a number of agreements and contracts with varying providers, entities and other governments. If the Village voters decide to dissolve the Village, 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 will be assumed by the Town and which ones may need execution of termination notifications and termination clauses. At the time of dissolution, 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 Village of Lake George has been the recipient of a number of grants in recent years. If the Village is dissolved, these grant agreements should all be reviewed in the context of the dissolution to assure that any grant agreement terms and conditions regarding long term use and/or limitations or asset disposition are abided by in the dissolution process. In addition the Town would need to coordinate with funding agencies, vendors, to reassign, re-contract or complete reports for projects still open post dissolution.

IV. Village Local Laws and Codes

Land Use Policy, Laws and Regulations

Pursuant to GML Article 17-A, §789, all Village local laws, ordinances, rules and 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. Any Village local laws, ordinances, rules or regulations that remain on the book shall be enforced by the Town within the limits of the dissolved Village as if they had been duly adopted by the Town Board.

The Village of Lake George has a compact development pattern on small-to-medium sized lots, with a well-defined street pattern and distinct commercial, mixed-use and residential neighborhoods. As a result, the Village's zoning law has been structured to promote this pattern of development. The Town of Lake George's zoning and land use codes has evolved in a different pattern due to its more rural and suburban nature.

As previously noted, the Town and Villages share a professional planner but have separate Planning Board and Zoning Boards and utilize separate zoning and land use laws. There are some key differences between the laws that will need to be addressed should the Village elect to dissolve. It is anticipated the Town would seek to integrate key sections of the Village Zoning Law into the Town's, reflecting the uniqueness of the Village's compact historical development pattern. This approach would maintain the important Village land use elements, thus preserving the existing regulatory approach for this higher density, small lot section of the Town. Rather than leaving the Village Zoning Code in force post dissolution, the preliminary plan would be to include significant components of the Village Zoning Code into the Town Code at the time of dissolution. This model maintains the important Village Code elements but enables the Town to have one administration and enforcement of its zoning codes. The Town and Village both have subdivision laws. Preliminary discussions indicate that the Town may want to evaluate and integrate key elements of the Village Code as needed and repeal others at the time of dissolution. Given that the Village and Town share a planner with significant knowledge and experience of the two zoning codes, this is a doable and practical approach.

If the Village voters elect to dissolve the Village, the Town may want to consider updating its Comprehensive Plan in order to evaluate and integrate the Town's and former Village's land uses, development patterns, and long-term vision and goals. This process would also include a more in depth review of the former Village land use regulations that were initially incorporated into the Town Code.

Village Local Laws and Codes other than Land Use and Zoning

If the Village votes to dissolve, then upon dissolution, pursuant to GML Article 17-A, §789, all local laws, ordinances, rules or regulations of the Village in effect on the date of the dissolution remain in effect for up to two years post the effective date of dissolution, except that the Town Board may adopt as part of the Town law, repeal or modify such laws, ordinances, rules and regulations. At the end of two years, any remaining Village laws are considered repealed.

Rather than leaving the Village Code in force post dissolution, at the time of dissolution, the Town may want to consider incorporating the necessary sections of the Village Code into the Town Code and repealing 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 is strongly recommended. Should the Village Code not be integrated upon dissolution, minimally, the Village Code must be reviewed for conflicts with the Town Code and the necessary repeals and/or modifications need to be put in place.

There are a number of Village of Lake George Codes that address quality of life issues typically found in communities with limited land area that are centers of tourism with thousands of vacationers, and food, lodging and entertainment venues. In addition, the Village is a relatively dense community and a number its codes address quality of life issue addressing the needs of the residents. Examples include housing standards for multi-family, rental and mixed occupancy structures, winter emergencies, sidewalk and specific vehicle and traffic provisions among others. Should the voters elect to dissolve, there are a number of quality of life Village codes that the Town may want to incorporate specifically for the area known as the Village of Lake George.

Table 10: Summary of the Code of the Village of Lake George outlines the current Village Code updated as of February 14, 2022 and identifies the section of Town Code most relevant. The Village Clerk has indicated that there have not been any local laws adopted since the last codification. This table also provides preliminary guidance to help inform constituents on key issues important to the Village. **Table 10: Summary of the Code of the Village of Lake George** uses the following coding system to identify potential actions relative to the various codes should the Village electorate vote “yes.”

NA = No Longer Applicable: No Longer Applicable, Repeal

M = Modify Town Code: Similar to an existing Town Code, but may have unique aspects or components to be considered for inclusion or modification to Town Code

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: Differences exist; issues need detailed review

V= Incorporate Village Code: The Town may want to consider including Village Codes. Typically these include quality of life codes specific to the Village’s role in tourism and its population density.

Table 10: Summary of the Code of the Village of Lake George

Code of Village of Lake George					
Part I – Administrative Legislation					
Village Chapters		Action	Town Chapters		Notes
1	General Provisions	NA	1	General Provisions	Repeal Village Code.
5	Appearance Ticket	R		Various	A review of Town authorizations for appearance tickets and authorizations for public servants should be conducted to ensure coverage of Village authorizations.
13	Assessment	NA	4	Assessor	Repeal Village Code.
17	Business Improvement District	T	7	Business Improvement District	Repeal Village Code.
21	Defense & Indemnification	NA		None Identified	Review for Modification of Town Code.
23	Drug Free Workplace	NA		None Identified	Review for Need for Inclusion in Town Code.
25	Ethics, Code	NA	15	Ethics, Code of	Repeal Village Code.
34	Officers & Employees	NA		None Identified	Repeal Village Code.
38	Peace Officers	R		None Identified	Review need for inclusion in Town Code.
42	Planning and ZBA Boards	NA	175	Zoning	Repeal Village Code.
44	Procurement	NA	34	Procurement	Repeal Village Code.
50	Traffic Violations Bureau	R		None Identified	Review for potential inclusion in the Town Code.

Part II –General Legislation					
Village Code		Action	Town Code		Notes
55	Adult Uses	R	48	Adult Entertainment	A review of the Village and Town codes should be conducted to assess need to incorporate Village Codes.
58	Alarms	T	49	Alarms	Repeal Village Code.
59	Alcoholic Beverages	R	52	Alcoholic Beverages	Review exceptions clause in Village Code for potential inclusion in Town Code.
63	Animals	M	57	Animals	The codes are similar; however potential Town code modifications for inclusion of Village requirements such as prohibition of livestock animals in Village limits should be reviewed for the hamlet.
78	Building Construction	R		Various	Review for potential modifications of Town Codes to address any Village specific needs.
82	Building, Numbering Of	T	61	Building, Numbering Of	Repeal Village Code.
86	Buildings, Unsafe	R	63	Buildings, Unsafe	Review distinctions between codes and determine if modifications to Town Code are warranted.
90	Curfew	V		None Identified	The Town may want to consider including this quality of life code for the hamlet.
91	Development Moratorium	NA		None Identified	Repeal Village Code.
95	Docks	V		None Found	Incorporate Village Code into Town Code.
105	Fire Hazards	R		None Found	Village Code authorizes Fire Chief to address fire hazards and directs Chief to report. Recommend Town to review Code for potential modification of Town Code.
106	Fire Prevention	T	80	Fire Prevention & Building Construction	Codes material the same. Repeal Village Code.

IV. Village Local Laws and Codes

110	Fireworks & Fire Arms	V		None Identified	Town may want to consider incorporating Village Code specific for the area currently known as the Village.
114	Flood Damage Prevention	R/T	83	Flood Damage Prevention	Preliminary review indicates the Codes are similar. Prior to dissolution a formal review is recommended.
118	Food, Drink & Retail Establishments	V		Non Identified	Village code involves sanitation, window service and outside furnishings. Town may want to consider incorporating Village Code specific for the area currently known as the Village.
122	Games of Chance	T	86	Games of Chance	Repeal Village Code.
130	Lawn Fertilizer	T	78	Fertilizer	Codes materially the same. Repeal Village Code.
135	Licenses & Permits	R	99	Licenses, Occupational	Codes have differences and a review is recommended to integrate the Village codes that address the nature of the Village activities.
137	Littering: Garbage and Refuse	V	103	Littering	Village Code addresses a number of garbage & refuse issues unique to the concentrated business district and densely populated neighborhoods. Town may consider incorporating codes specific to the area currently known as the Village.
143	Navigation	V	96	Lake Vessels, Speed Limits	Town may consider incorporating codes specific to the area currently known as the Village.
148	Parks & Recreation	V&M	117	Parks, Beaches & Recreation Areas	Include codes for Shepard, Lake Ave., Blaise Park and the Recreation Center and modify Town Code to integrate the Village and Town codes for Charles Wood Park.

IV. Village Local Laws and Codes

157	Peddling & Soliciting	M	120	Peddling & Soliciting	Village Code is similar to Town Code; however has elements that the Town may want to integrate specific to the area currently known as the Village.
158	Property Maintenance	R	NA	NYS Property Maintenance Code	Determine if Village Code goes beyond NYS Property Maintenance Codes included in the NYS Uniform Code.
166	Sewers	V	136	Sewer Districts	Create Article 2 Hamlet of Lake George Sewer District of Chapter 136 of Town Code to incorporate the rules and regulations for the new District.
167	Sex Offender Dwelling Registration	R	90	Sex Offender Occupancy Licenses	A review of both codes is recommended as policy decisions may be needed.
168	Sidewalk Café	V		None Identified	Incorporate Village code into Town code specific to the area currently known as the Village.
170	Skating, Skateboarding, Coasting & Sliding	V		None Identified	Incorporate Village code into Town code specific to the area currently known as the Village.
174	Snow Removal & Emergency Conditions	M		Non identified	Address components of Village Code that meet unique needs of area currently known as the Village.
177	Special Events Parking & Highway Closures	V		None Identified	Incorporate Village code into Town code specific to the area currently known as the Village.
180	Storm Sewer System	T	147	Storm Sewer System	Codes are similar. A final review for any differences is recommended.
182	Street Performers & Entertainment	T		None Identified	Address components of Village Code that meet unique needs of area currently known as the Village.

IV. Village Local Laws and Codes

186	Streets & Sidewalks	V	112	Notification of Defects	Address components of the Village code that are unique to the Village including the Village general provisions; excavation on sidewalks and streets; and sidewalk and street specifications. Notification of Defects provisions are quite similar.
191	Tattooing & Piercing	V		None Identified	Address components of Village Code that meet unique needs of area currently known as the Village.
195	Taxing	NA	153	Taxation	Repeal Village Code.
199	Taxicabs	V		None Identified	Address components of Village Code that meet unique needs of area currently known as the Village.
201	Trees	T		LL 2-2021	Laws are essentially the same. Repeal Village Code.
204	Vehicles, Abandoned or Junked	V		None Identified	Address components of Village Code that meet unique needs of area currently known as the Village.
208	Vehicle & Traffic	M	163	Vehicle & Traffic	Modify to include components of Village Code that address unique needs of area known as Village such as devices, signals, one-ways; pedestrians, speed limits, safety zones, etc.
209	Vending Machines	V		None Identified	Address components of Village Code that meet unique needs of area currently known as the Village.
213	Water	M	169	Water	Modify Town Code to include provisions for the new Hamlet of Lake George Water District. Include relevant elements of Village Code.

V. Village Assets

In accordance with GML Article 17-A §774(f) & (j), Village assets include, but are not limited to, its cash assets and its real and personal property. This section details the Village assets. Currently estimated values have not developed; however, for the Village's real property, the 2021 full value assessments by the Town Assessor were included and for the equipment and vehicles, the replacement values provided by the Village's insurance provider were also included. It should be noted that the replacement values will be much greater than the current resale value of vehicles and equipment.

Should the electorate vote for dissolution, the mandated Dissolution Plan requires: 1) An accounting of the Village's entity's assets including cash assets, real and personal property and the estimated current fair value thereof; 2) Accounting of the Village's liabilities and indebtedness and the fair value thereof; and 3) the terms for the disposition of all existing assets, liabilities and indebtedness of the Village.

Should the Village electorate vote to dissolve, it will be critical for the Village to determine the disposition plan for all of its assets well in advance of the date of dissolution. The property and equipment disposition plans will need to determine which properties and equipment will transfer to the Town or other entities for the continued provision of public services. This also includes decisions as to whether the properties will be transferred at no cost or a negotiated price. Decisions will have to be made on the property that will sold through public auction.

The Village has both considerable assets and liabilities. Should the Village electorate vote to dissolve, the Village may want to consider having an independent audit of the Village financials conducted as well as obtaining appraisals of certain Village owned properties.

Fund Balance

At the time of the writing of this study, the Village had not completed its annual financial report ending May 31, 2022. The Village fund balance levels reported in its annual report to the New York State Office of the Comptroller for fiscal year ending 5/31/21 are presented in **Table 11: Village Fund Balance**.

Table 11: Village Fund Balance

Village of Lake George Fund Balance Fiscal Year Ending 5/31/21		
	General Fund	Water Fund
Reserved Benefits	\$44,671	\$6,408
Capital Reserve	\$1,489,095	\$85,986
Restricted for Service Award Program	<u>\$474,208</u>	<u>\$0</u>
Restricted	\$2,007,974	\$92,394
Assigned Appropriated	\$500,000	\$76,544
Assigned Unappropriated	\$0	\$637,583
Unassigned Fund Balance	<u>\$3,304,305</u>	<u>\$0</u>
Total Fund Balance	\$5,812,279	\$806,521
<i>Source: NYS Office of the Comptroller, Village of Lake George AUD Filing FYE 5/31/21</i>		

The General Fund unassigned unappropriated fund balance was \$3,304,305 at the end of 2020/2021 and \$500,000 of fund balance was appropriated in the 2021/2022 Budget. The Village Treasurer indicated that the Village did not use any of the appropriated fund balance in 2020/2021 and in fact has preliminarily estimated that the Village will likely add to unassigned fund balance by approximately \$2,200,000. Based on this preliminary estimate, the unassigned fund balance in the general fund would be more than \$5,300,000. For purposes of this study, the cash assets of the Water Fund were not included as there is no current tax levy. Should the Village elect to dissolve, the Village would also have to decide how to structure the use of the Water Fund assets, including using the funds to offset water fund debt.

In addition, the Village has established a number of reserves for future needs that total well more than \$1,400,000. At the end of 5/31/22 the Village had reserves for the wastewater treatment plant of \$583,000, fire service reserve of \$480,288, highway services reserves of \$209,000, street improvements in the amount of \$72,715 as well as a number of other smaller reserves.

It is impossible at this time to know exactly how much Village's fund balance will be at the time of dissolution; however, this fiscal model assumes that the Village will have cash assets of \$5.3M and approximately 50% of the reserves (reserves for miscellaneous items and the WWTP reserves) totaling \$6,103,000.

Real Property

The Village of Lake George owns a number of properties, many improved and others not improved. Village properties are located both inside the Village, as well as areas outside the Village in the Town of Lake George. Properties owned outside the Village are primarily associated with the Village's Recreation Center and contiguous forest property and properties associated with the provision of water and sewer services.

The properties owned by the Village of Lake George are depicted in **Table 12: Village Owned Properties**. The table outlines the property address and current use, as well as the full value determined by the Town Assessor for the 2021 tax rolls. At this early stage, Village and Town leadership's preliminary thinking is that the majority of the Village properties will be needed by the Town or other entities for public purpose and there is limited property for sale by public auction; however determinations have not been made; nor have the terms of property transfers been discussed. It is commonly known that the Town does not have adequate office space to accommodate the Village employees; nor does the Town's Highway facilities have space for the Village's DPW operations and storage needs. The sewer treatment and water treatment plants would be transferred to the Town for the benefit of the Village water and sewer system users. The parks and other open spaces would be transferred to the Town for continued use as parks and recreation space.

The Village does have the right to sell its property through public auction or transfer properties for public purpose at a negotiated sale price. Given the tight timeframe for this study it was not feasible nor practical to evaluate how the Village properties would be given to the Town or other entities, or for certain properties would it entail a negotiated sale. At this time, no appraisals of Village properties have been conducted. Should the electorate vote to dissolve, it is recommended that should the Village have properties under consideration for sale, the Village have to properties appraised so that a more accurate representation of the property value can be provided which will facilitate better disposition planning for assets and liabilities.

For any properties that are to be sold that have had grant support, the grant agreement terms should be reviewed to determine if there are any disposition conditions.

Table 12: Village Owned Properties

Village of Lake George Village Owned Properties					
Property	SBL	Use	Code	Acres	Full Value ¹
26 Old Post Rd.	Town Prop	Village Hall (building only)	N/A		\$348,858
Route 9	251.10-3-45.1	Vacant Strip of Property	311	0.38	\$6,900
215 Ottawa Street	251.14-1-41	Water Treatment Facility	823	1.1	\$2,900,400 ²
Ottawa Street	251.14-1-42	Water Treatment Facility	311	0.64	\$39,600
Canada Street	251.14-3-34	Vacant narrow lot	311	0.14	\$12,600
Helen Street	251.14-4-32	Small structure w/parking	312	0.24	\$142,200
179 Ottawa Street	251.13-4-45	Fire House	179	0.53	\$1,825,000
Ottawa Street	251.18-3-9	Parking Lot	653	0.34	\$112,200
60 McGillis Ave.	251.18-3-22	DPW Storage Facility	312	0.34	\$146,800
Canada Street	251.18-3-52	Shepard Park	963	0.72	\$1,690,000
Canada Street	251.18-3-53	Shepard Park	560	1.74	\$2,401,000
Canada Street	251.18-3-54	Shepard Park/Pier	448	0.63	\$1,651,000
1 Beach Road	251.18-3-65	Visitors Center	652	0.11	\$978,000
Beach Road	251.18-3-66	Shepard Park Access	963	0.1	\$525,000
Helen Street	251.18-4-65	Public Works	651	1.66	\$730,000
17 Westbrook Rd.	264.06-2-52	Charles Wood Park ³	330	4.18	\$1,329,000
22 Lake Avenue	N/A	Lake Road Pocket Park	N/A		N/A
Route 9N	263.00-3-5	Recreation Center	591	49.1	\$216,300
99 Transfer Station Rd.	264.03-1-1-1	Recreation Center	852	83.1	\$322,500
Off Middle Line Rd	251.06-1-42	Water Tank	822	0.92	\$254,000
Prospect Mountain Rd	263.00-3-8	Water Supply	822	30.6	\$15,300
Near Northway	263.00-3-11	Water Supply	822	28.7	\$14,400
Route 9	238.00-1-5	Vacant	311	1.15	\$30,400
21 Treatment Rd.	264.-10-1-61	Sewage Treatment Plant	853	29.6	\$3,906,036
614 Prospect St.	251.00-1-2	Water Supply	822	0.89	\$605,300
Big Hollow Rd.	251.05-1-16	Water Supply	822	0.75	\$47,500
Rt. 9N	263.00-3.4	Forest Lands	910	210	\$136,400
1. This is the full value of properties presented in the 2021 Town Assessment Rolls.					
2. The Full Value of the Waste Water Treatment Plan was prior to the \$24.4M project.					
3. Charles Wood Park is owned 2/3 by Warren County and 1/3 owned by the Village.					
Source: 2021 Town of Lake George Assessment Roll					

Personal Property

Like real property, personal property owned by the Village of Lake George may be 1) transferred at no cost; 2) transferred via negotiated sale to entities for continued public purpose; or 3) sold at auction. The liquidated assets can be used to reduce Village liabilities and debt. The Village-owned personal property includes vehicles, large equipment, office equipment, furniture, tools, parts inventory and other items. Vehicles make up the primary items of value. **Appendix F: Village of Lake George Vehicle and Equipment Listing** details the major vehicles and other equipment currently owned by the Village. During preliminary discussions with the Village DPW and Town Highway Superintendents, there would be a need for the equivalent on the combined Town and Village fleet; however, there may be identified pieces of equipment that would be considered duplicative and could reduce the size of the combined fleet.

The Village does have the right to sell or transfer the equipment and vehicles for public purpose at a negotiated sale price and they can sell their personal property assets at a public auction. Village leadership indicated that should the electorate dissolve, the Village should use its assets to offset Village property taxpayers costs and indicated that the Village would likely sell property for this purpose. Given the tight timeframe for this study it was assumed that the majority of equipment and vehicles will be transferred to the Town or Fire Service for public purpose use; however, it was not feasible nor practical in the timespan of this study to determine whether there would be any compensation. The illustration purposes, the model assumed generation of \$1,000,000 through the sale of property.

Disposition of Assets

It is impossible at this time to know exactly how much assets the Village will have at the time of dissolution. The Village Mayor indicated that a combination of cash assets and the liquidation of some property through sale would provide assets that could be used to offset the long term liabilities of the Village taxpayers. For purposes of this fiscal model, the analysis assumes that the Village would have cash assets of \$5.3M and approximately 50% of the current reserves available to offset long term liabilities. Specifically, the total combined cash assets and reserves were assumed at an estimate of \$6,103,000. Given that there was discussion of potential sale of Village property, the model used for illustrative purposes \$1,000,000 in liquidated assets in addition to the \$6,103,000 of assumed cash assets.

The model assumes that the cash assets would be used to offset Village's short term liabilities, long term retiree health benefit liabilities and the debt service on the Visitors Center, the Collection System and the recently purchased vac-truck and to reduce the net cost of the WWTP capital improvement project prior to issuing long term bonds which reduces the projected annual debt service for the project.

It is important to note that the \$1,000,000 in liquidate property assets is not based on identified properties or equipment; but rather is presented for illustrative purposes only. The model, however, also assumes that should the Village sell property or equipment, there would likely be a similar cost for property and equipment on the part of the Town.

As stated earlier, the Village Board of Trustees may elect to use their fund balance in an alternative manner than assumed in this mode and the final fund balance at the time of dissolution may be very different than it is currently. This would obviously change the estimated property tax impact.

Bank Accounts, Village Books and Records

As with most small local governments, the Village has multiple bank accounts used for specific purposes. Should the Village residents vote to dissolve, the Village will be monitoring its fund balance and cash flow carefully. The timing of payment of obligations and liabilities and liquidation of assets will need to be closely coordinated in order that the Village has the necessary cash to pay its obligations prior to making final determinations as how much of the Village assets can be used to offset its long term liabilities.

Upon dissolution, all records, books and papers shall be deposited with the Town Clerk of the Town of Lake George 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. Upon dissolution, Town officials will need to be added as signatories to any bank accounts that the Village determines should 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 reporting and the submission of the Village's outstanding Annual Financial Report to the Office the New York State Comptroller. As part of this transition, the Town will need to determine the resources necessary to close out the Village finances.

VI. Village Liabilities and Indebtedness

Outstanding Bond and Bond Anticipation Notes

Table 13: Village of Lake George Outstanding Bond and BAN Liabilities details the outstanding principal for each current bond issue and each current Bond Anticipation Note. In addition, changes anticipated, including the issuance of long term bonding for the wastewater treatment plant improvements, and a proposed disposition plan using a dissolution date of 12/31/24 was modeled to show the estimated outstanding balance of each of the issues as of 12/31/24. The model assumed the application of Village assets as a means to offset Village's long term retiree health benefit costs and the annual debt service for the Sewer Collection System project, the Visitor Center and the vac-truck. The model also assumed the application of some of the assets to reduce the net cost of the WWTP capital improvement project prior to issuing the long term bond. This will reduce the WWTP annual debt service.

Table 13: Village of Lake George Outstanding Bond and BAN Liabilities

Village of Lake George -Estimated Liabilities and Liability Disposition Plan								
Issue	Maturity Date	Per AUD Filed with the OSC Outstanding 5/31/21	Est. Outstanding 5/31/22	Est. Outstanding 5/31/23	Est. Outstanding 5/31/24	Less Application of Assets to offset Debt or Legacy Debt Service	Proposed Model - Disposition Plan	
FIRE								
Fire Truck	8/1/2024		\$66,094	\$32,682	\$0	\$0		
Fire House	4/1/2033		\$1,485,000	\$1,350,000	\$1,215,000	\$0		
Subtotal Fire			\$1,485,000	\$1,350,000	\$1,215,000	\$0	\$1,215,000	Debt Service - Fire Protection
WATER								
Water Tank	10/30/2033		\$344,300	\$315,600	\$286,900	\$0		
Water Sys Improvement	11/1/2036		\$770,000	\$730,000	\$690,000	\$0		
50% of Vac Truck			\$227,116	\$185,955	\$144,794	\$0		
Subtotal Water			\$1,341,416	\$1,231,555	\$1,121,694	\$0	\$1,121,694	Debt Service -Water District
SEWER COLLECTION								
Collection System	11/1/2040		\$1,180,000	\$1,125,000	\$1,070,000	(\$1,070,000)	\$0	Assets to pay for Debt Service
WWTP								
WWTP Improvements #2	3/1/2045		\$1,365,000	\$1,315,000	\$1,265,000	\$0		
WWTP Improvements	1/1/2064		\$0	\$0	\$9,075,000	(\$1,587,588)		Assets to Reduce Bond Total
Subtotal WWTP			\$1,365,000	\$1,315,000	\$10,340,000	(\$1,587,588)	\$8,752,412	Debt Service - Sewer Districts
ALL OTHER VILLAGE DEBT								
Canada Street	4/1/2023		\$56,122	\$0	\$0	\$0		
Visitors Center	4/13/2030		\$320,000	\$280,000	\$240,000	(\$240,000)		Assets to pay for Debt Service
Vac Truck -50%			\$227,116	\$185,955	\$144,794	(\$144,794)		Assets to pay for Debt Service
Subtotal Other Debt			\$603,238	\$465,955	\$384,794	(\$384,794)	\$0	
Subtotal Bond		\$6,038,560	\$5,974,654	\$5,487,510	\$14,131,488	(\$3,042,382)	\$11,089,106	Debt Service - Various Fund
WWTP BAN		\$14,316,726	\$17,427,500	\$16,927,500	\$0	\$0	\$0	N/A
Total Debt		\$20,355,286	\$23,402,154	\$22,415,010	\$14,131,488	(\$3,042,382)	\$11,089,106	Debt Service - Various Funds

Retiree Health Care Costs

Village employees that retire and meet established criteria are provided health care post retirement. Based on information provided by the Village Treasurer there are approximately 24 retirees receiving retiree health insurance in the General Fund and 3 in the Water Fund. For retirees that are not yet Medicare

eligible, the benefit is the MVP EPO Platinum Plan. Retirees eligible for Medicare are enrolled in a Humana MAP product and in addition the Village pays the Medicare Part B Premium for this population. The retiree shares are based upon criteria established by the Village including date of hire, age and other conditions. For purposes of this study, it was assumed that there would be 9 additional employees/elected officials taking advantage of the retiree health benefit.

The total long-term liability for retiree health care costs is not known as it would require an actuarial analysis specific to the retirees at or near the time of dissolution; however a simple analysis was completed for the purposes of the study. Given the Village's level of cash assets, it is assumed for modeling purposes, that the assets are more than enough to fund this long term liability and therefore not a charge upon the legacy district. Should the Village choose to use its assets for other purposes, then the annual cost would be a charge upon the Village property taxes through the legacy district.

Other Liabilities

Village Officials indicated that there are currently no outstanding legal judgements or pending litigation that could materially impact the Village liabilities. As to be expected, there are pending tax certiorari cases; however, they are not any of materiality according to the Town Assessor.

Employees accrue vacation each year based on years of service. At the time of separation from the Village, the value of the accrued vacation balances is owed to the employee. This and other small item liabilities have been accounted for in the modelling. The Village also has estimated compensated balances; however, the Village has established a cash reserve for these estimated payments.

At the time of dissolution, the Village may have liabilities that are currently not anticipated. Any such liability would be a charge against the property taxpayers in the Village.

Disposition of Liabilities

Preliminary discussions with Village leadership suggest that the Village of Lake George would use its cash assets and the proceeds of the liquidation of some of its real and personal property to offset outstanding liabilities and reduce the payments of Village property taxpayers.

The model estimated cash assets at \$6,103,000 and an estimated \$1,000,000 from the sale of Village property. It is recommended that the assets available upon dissolution be used to pay off all outstanding accounts payable, one-time liabilities, compensated absences, vacation accruals, unemployment benefits, etc. The model assumes that the Village would use the assets to offset the retiree health benefits and the outstanding debt service on the Visitors Center, the Collection System and the recently purchased vac-truck. The model applied \$1,573,000 of the total assets (this includes \$573,000 of the WWTP Reserve funds) to reduce the net cost of the WWTP capital improvement project prior to issuing long term debt. This will reduce the annual debt service on the project.

The debt service costs of the WWTP, Water system and Fire services is assumed to be funded through the newly created special districts and made a charge upon the users of the services, both inside and outside the Village.

Pursuant to Article 17-A, should the liabilities of the Village of Lake George, that exceed the offset of fund balance and sales proceeds, shall be assumed by the Town and shall be a charge upon the taxable property within the limits of the Village of Lake George. In order to fund the long-term liabilities, a **Village Legacy**

District would be established as a mechanism to tax the property owners in the Village to pay for the net Village liability costs. The cost will be assessed annually on property tax bills for all property taxpayers. Please note that the debt services associated with the Sewer, Water and Fire District/Fire Protection District is placed as a cost within the respective special districts and made a charge upon the District users and any other users provided service.

Article 17-A also states that the Town Board shall have all powers with respect to the debts, liabilities and obligations that 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.

It is recommended that the Village and Town establish an escrow account that will be managed by the Town to hold the cash assets that are still remaining after the Village finances are closed at the time of disposition.

Post Dissolution Conditions:

It is estimated that there are significant cash assets that the Village could use to offset a significant amount of the Village's liabilities including retiree health and a percentage of the bonded debt. It is anticipated that there will remaining liabilities associated with the debt service related to the new Fire District/Protection District, the new Sewer District and the new Water District that will remain after application of the Village assets. The fiscal model assumes that the outstanding debt related to the 3 Districts would become a charge upon the former Village users as well as the users outside the Village.

Should the Village cash and liquidated property assets not be sufficient to cover the liabilities outlined in the study, the remaining liabilities will become a charge upon the taxable property within the limits of the former Village of Lake George.

The presented model is only one of many models. The final determination will be based on decisions relative to use of Village assets, the ultimate level of the cash assets as well as decisions then made by the Town board post dissolution.

VII. Fiscal Impact of Dissolution

The fiscal impact of a dissolution involves both the one time transition and implementation costs of the dissolution that occur prior to and immediately following the dissolution and the long term fiscal impact on the residents and taxpayers of the Village of Lake George and the Town outside Village taxpayers.

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 one-time costs associated with this undertaking. Preliminary estimates are in the range of \$200,000 to \$250,000 depending on what is finally determined to be needed and what can be accomplished in-house. Examples of potential expenses include, but are not limited to:

- Legal and consultant services to facilitate the transition and implementation phases of dissolution.
- Temporary fiscal services to close out Village fiscal books and the preparation and submission of all New York State and Federal filings including the Village's financial report.
- Independent financial audit(s).
- Costs associated with the sale of real estate and personal properties.
- Actuarial Assessments.
- Appraisals.
- New equipment.
- Streamlining, organizing, digitizing and moving of Village records.
- Integration of Village codes, rules and regulations into the Town Code.
- Costs associated with data, software and hardware transitions and startup.
- Development of an updated Town Comprehensive Plan and Zoning Ordinance that includes the Village.
- Development of map, plan and report documents necessary to support the Town Board actions to create:
 - The Hamlet of Lake George Fire District/Fire Protection District
 - The Hamlet of Lake George Water District
 - The Hamlet of Lake George Sewer District

The Town and Village are eligible for Citizen's Re-organization Empowerment Grant (CREG) funds 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.

Current Property Tax Levies

The 2022/2023 Village Operating Budget totaled \$7,578,790 and included a property tax levy of \$1,540,491 as depicted in **Table 14: Adopted 2022/2032 Village of Lake George Budget Summary**. The Village budget is comprised of a General Fund with appropriations of \$6,532,915 and a Water Fund with appropriations totaling \$1,045,875. As the **Table 14** located on the following page depicts, the Village property tax levy is all in the Village General Fund.

Table 14: Adopted 2022/2023 Village of Lake George Budget Summary

Village of Lake George Adopted 2022/2023 Budget				
	Appropriations	Revenues	Appropriated Fund Balance	Property Tax Revenues
General Fund	\$6,532,915	\$4,277,424	\$715,000	\$1,540,491
Water Fund	\$1,045,875	\$1,045,875	\$0	\$0
Total	\$7,578,790	\$5,323,299	\$715,000	\$1,540,491
<i>Source: Village of Lake George Adopted 2022/2023 Budget</i>				

Table 15: Town of Lake George 2022 Adopted Budget Summary includes the appropriations, revenues and net tax levies for the Town General and Highway Funds and special districts.

Table 15: Town of Lake George 2021 Adopted Budget Summary

Town of Lake George Adopted 2022 Budget				
	Appropriations	Revenues	Appropriated Fund Balance	Property Tax Revenues
General Fund	\$2,838,489	\$907,136	\$175,000	\$1,756,353
Part Town Fund	\$962,426	\$862,426	\$100,000	\$0
Highway TOV Fund	\$1,566,343	\$1,516,343	\$50,000	\$0
General & Highway Funds	\$5,367,258	\$3,285,905	\$325,000	\$1,756,353
Special Districts				
Fire District #1	\$366,495	\$0	\$0	\$366,495
Fire District #2	\$19,500	\$0	\$0	\$19,500
Caldwell Sewer District Debt	\$31,089	\$0	\$0	\$31,089
Caldwell Sewer District O&M	\$1,062,500	\$657,200	\$79,000	\$326,300
EMS District	\$785,000	\$230,000	\$0	\$555,000
Diamond Point Water	\$47,211	\$47,211	\$0	\$0
Special Districts Subtotal	\$2,311,795	\$934,411	\$79,000	\$1,298,384
Grand Total	\$7,679,054	\$4,220,317	\$404,000	\$3,054,736
<i>Source: Town of Lake George Adopted 2022 Budget</i>				

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 property tax levies of the Town and Village or \$1,000,000, whichever is less. It is important to note that the calculation does not include special district levies. The CETC is subject to the limits of annual New York State appropriations; and, as such it is important to understand the tax impact of the dissolution with and without the CETC in order to evaluate the full range of possible fiscal impacts. As depicted in **Table 16: Citizens Empowerment Tax Credit**, 100 % of the tax credit would be an estimated annual payment of \$494,527. By law, a minimum of 70% (\$346,169) of the CETC must be applied as a reduction to the Town tax levy. The remaining 30% (\$148,358) may be used for a variety of other costs such as capital improvements or implementation costs.

Table 16: Citizens Empowerment Tax Credit

Village and Town of Lake George Citizens Empowerment Tax Credit		
Maximum CETC for Tax Reduction	100%	\$494,527
Minimum CETC for Tax Reduction	70%	\$346,169
Maximum CETC for Capital Projects	30%	\$148,358
*CETC is contingent upon annual New York State appropriations and is not a guarantee. Calculations based on 2022/2023 Village Levy and 2022 Town Tax Levy		

Understanding the Post Dissolution Fiscal Impact

The Interim Study of Dissolution modeled a post dissolution Town budget, property tax levy and tax rates. The study used the 2022/2023 Village Budget and the 2022 Town Budget as the base of the analysis. The figures presented in this model are **projections only for one of many scenarios**. The information in this study is a representation of the data available at the time of the development of this study. The post dissolution fiscal impact model projects a reduction in the combined Town and Village property taxes for Village tax payers. It is common to assume that in a merger of governments it would be related to the economies of scale and efficiencies gained; however in the case of the Village of Lake George, the anticipated cost savings explain only a small percentage of why the Village taxpayers would see a property tax reduction. There are 4 primary factors influencing the property tax impact in this fiscal model:

Application of Village Assets: The largest factor influencing the post dissolution property tax reduction for Village property owners is the application of Village assets to offset long term liabilities. The Village has a very healthy fund balance, a number of reserves and owns significant property and equipment. If the Village were to dissolve, this fiscal model assumes that the cash and reserved cash (estimated in the study model at \$6,103,000) and liquidated property assets (model presumed \$1,000,000) are projected to be sufficient to offset in total the Legacy District costs and reduce the net cost of the WWTP project prior to bonding. The legacy costs include outstanding debt service for the Sewer Collection System, the Visitors Center, and the share of the vac-truck debt service not assigned to the new Hamlet Water District truck. The legacy costs also include the retiree health benefits. Should the Village electorate vote to dissolve, it is recommended that the Village obtain an actuarial study of the estimated long term costs of the retiree health benefit and a thorough analysis of outstanding debt and debt service be completed as well.

It is important to note that the \$1,000,000 is not based on identified properties or equipment; but rather is presented for illustrative purposes only. The model does; however, assume that should the Village sell property or equipment, there is an equal need for property and equipment on the part of the Town post disposition. It should be noted that the Village may choose to use its assets for alternative purposes such as repayment to current taxpayers which would change the fiscal model and would result in different property tax impacts.

- **Tax Levy Shifting:** Part of the Village net costs will shifting to the Town General and Highway Fund will be spread over the town-wide tax base which is significantly greater than the Village tax base. The Town outside Village funds have no tax levy and as such there is no tax levy that would shift to the Town wide base including the Village. The model also assumes the shifting of Village tax levy to the

newly created Hamlet of Lake George Fire District/Protection District and Sewer District. A Hamlet Water District is proposed; however, there is no levy related to the Water District.

- **Efficiencies, Economies of Scale & Other Savings:** As identified in the Service Section of this study, there are opportunities for efficiencies; however based on the current level of shared services and a strong division of labor between the Village and Town, relative to the overall combined Village and Town operations, the cost savings are limited. The majority of the cost savings were found in the general services operations including salaries, other than personal services and in fringe benefits.
- **Citizens Empowerment Tax Credit:** The Citizen Empowerment Tax Credit (CETC) is applied to offset the Town General and Highway property tax levy.

Assumptions Used in the Analysis

- The fiscal analysis assumed the creation of the following districts: Fire District/Fire Protection District, Sewer District and Water District.
- This post dissolution model assumes that the Village will not only apply the available fund balance including approximately 50% of the reserves in the amount of \$6,103,000 but will also apply \$1,00,000 of the liquidated value of property sales to offset Village taxpayer long term liabilities.
- Salaries and longevities used in the model took into account the Town salary schedules and the potential market impacts of positions requiring certifications and/or specialty training and experience.
- Employee health benefit costs were based on the Town's schedule of Town and employee cost sharing.
- Retiree health benefit cost was based on an assumption of 9 additional retirees and the current Village retiree health plan and retiree cost sharing.
- This fiscal model takes into account the implications of the Waste Water Treatment Plant (WWTP) capital improvement project. The Village currently has a Bond Anticipation Note for the short term financing and prior to dissolution the Village anticipates shifting to a long term bond. This model assumes the use of \$1,000,000 of unassigned fund balance and \$573,000 in the WWTP Capital Reserve to be applied to offset the net WWTP project costs prior to bonding which will reduce the amount of the annual debt service payments. The debt service for the existing WWTP Project #2 and the new debt service for the new WWTP project were included in the costs of the new Hamlet Sewer District.
- The current fiscal terms between the Caldwell Sewer District and the Village are assumed as the post dissolution relationship between the Caldwell Sewer District and the new Hamlet of Lake George Sewer District. Similarly, the compensation arrangements for Hearthstone Campground, the School District and other residential users were assumed to remain the same as they stand today.
- The outstanding fire service debt has been allocated to the new Hamlet of Lake George Fire District/Protection District and the water system debt service was placed as a cost in the Water District.
- General fund revenues including sales tax revenues, NYS Aid such as Consolidated Highway Improvement Program (CHIPS), mortgage tax, franchise fees and AIM funding will go the Town General and Highway Funds. Village departmental revenue such as the large parking meter proceeds that are linked to the general fund activities will become Town-wide revenues. Revenues associated with the services of the newly created Water and Sewer Districts will flow to these Districts. The

revenue estimates were determined primarily from the Village's 2022/2023 budget but also considered historical actuals and current service agreements. The \$715,000 of Village appropriated fund balance was not assumed in the estimation of transferred revenues to the Town.

- The fire services costs are assumed to be shared based on assessed value across all users in the system. The budget was increased by \$40,000 reflecting the added administrative and fiscal responsibilities of the Fire District/Fire Protection District.
- Given the increased responsibilities of the Town leaders and the impacted department heads, the model made provisions for additional costs associated with re-organization and salary considerations.
- Given the significance of tourism to the local economy, the fiscal model assumes funding to support a special events and tourism coordination function at \$50,000.

Table 17: Shifts of the Village Levy by Fund, outlines the modeled shift in appropriations, revenues and resultant tax levy increase projected to impact the Town budget. The levy shifts are allocated by Town fund. As can be seen in this table, the current Village tax levy is \$1,540,491 and the total levy estimated to shift to the Town totals \$1,209,058; a reduction of \$331,433. Evaluating the shift in levy by fund is important in determining the assessed value used to spread the levy and ultimately the tax rates that impact the property tax payers. As can be seen, the new Hamlet of Lake George Fire District/Protection District, Sewer District and Water District have been incorporated into the projected post dissolution impact on the post dissolution increase in tax levy.

Table 17: Shifts of the Village Levy by Fund

Village of Lake George Budget Summary and Projected Shift in Levy to Town of Lake George								
	Pre Dissolution	Post Dissolution						
	2022/2023 Village Budget Summary	To Town General & Highway Funds	To Hamlet of Lake George Water District	To Hamlet of Lake George Sewer District	To Hamlet of Lake George Fire District	To Fire District #1	To Legacy District	Total Shift to Town
Village General Fund	\$6,532,915	\$3,131,622	\$0	\$1,763,523	\$526,340	\$32,073	\$441,616	\$5,895,173
Village Water Fund	\$1,045,875	\$0	\$1,045,875	\$0	\$0	\$0	\$0	\$1,045,875
Total Appropriations	\$7,578,790	\$3,131,622	\$1,045,875	\$1,763,523	\$526,340	\$32,073	\$441,616	\$6,941,048
General Fund Revenues	\$4,277,424	\$2,867,390	\$0	\$978,542	\$0	\$0	\$0	\$3,845,932
General Fund Appropriated Surplus	\$715,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water Fund Revenues	\$1,045,875	\$0	\$1,045,875	\$0	\$0	\$0	\$0	\$1,045,875
Fire District #1 Revenues					\$398,568	\$0		
Assets to Offset Legacy Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$441,616	\$441,616
Revenues	\$6,038,299	\$2,867,390	\$1,045,875	\$978,542	\$398,568	\$0	\$441,616	\$5,731,990
Property Tax Levy	\$1,540,491	\$264,232	\$0	\$784,981	\$127,772	\$32,073	\$0	\$1,209,058
<i>Note 1: Impact based on service models assumed in this study; illustrative only.</i>								
<i>Note 2: Town Fire District #1 is assumed to share the increase in costs associated with the loss of the Village administrative and fiscal services.</i>								

Projected Post Dissolution Property Tax Impact

A summary of the pre dissolution Village and Town levies and tax rates and the post dissolution Town levies and rates is presented in **Appendix G: Fiscal Analysis of Potential Impact of Dissolution**. The estimated reduction in property taxes to be paid by current Village taxpayers is in large part due to the use of Village assets to offset long term liabilities and the shifting of Village general and highway fund costs to the significantly larger Town-wide property tax base. This study model, prior to any application of the CETC, preliminarily estimates that the Village taxpayers would experience a 29.1% reduction. With the application of 70 % of the CETC, the reduction is estimated to be 32.5% and with application of 100% of

the CETC, the property tax reduction is estimated to be 33.9%. The impact on the property taxpayers is summarized in **Table 18: Projected Impact on Village Property Tax Rates.**

Table 18: Projected Impact on Village Property Tax Rates

Village Property Taxpayer					
	Current	Model - Post Dissolution			
Fund	Current Rate/ \$1,000	No CETC	70% CETC	100% CETC	Change in Rate
Village	\$5.79	\$0.00	\$0.00	\$0.00	
Town General & Highway	\$1.26	\$1.45	\$1.20	\$1.10	
EMS District	\$0.40	\$0.40	\$0.40	\$0.40	
Fire Protection District	\$0.00	\$0.48	\$0.48	\$0.48	
Hamlet Sewer District	\$0.00	\$2.95	\$2.95	\$2.95	
Lake George Hamlet Water District	\$0.00	\$0.00	\$0.00	\$0.00	
Legacy District	0.00	0.00	\$0.00	\$0.00	
Total No CETC	\$7.45	\$5.28			-29.1%
Total 70% CETC	\$7.45		\$5.03		-32.5%
Total 100% CETC	\$7.45			\$4.93	-33.9%

Note 1: This model does not include County or School District property taxes as they are not impacted by dissolution.
 Note 2: These rates are based on a series of assumptions outlined in the fiscal section of this report. Any change in assumptions will impact the tax rates.
 Note 3: The most significant assumption made in this model, is that significant Village cash assets and sale of some of the Village property would be used to offset in part the long term Village taxpayer liabilities. If no assets were applied, the estimated tax rate reductions would be 6.18% with no CETC as compared to 29.1%.

The application of assets to reduce long term liabilities is significant to the post dissolution impact on tax rates. To illustrate this impact, a fiscal model in which the Village did not apply any of its assets to offset the long term liabilities was run. The Village taxpayers' property tax reductions would be significantly less and estimated at 6.84% with no CETC, 10.19% with 70% CETC and 11.61% with an application of 100% of the CETC to offset taxes.

Table 19: Estimated Post Dissolution Village Property Owner Taxes, models the potential impact of dissolution on Village property owners taxes based on a range of assessed values and includes the impact on the typical single family home value of \$264,000 as estimate by the Town Assessor.

Table 19: Estimated Post Dissolution Village Property Owner Taxes

Village and Town of Lake George Current Village Property Owner Taxes (Combined Village and Town Taxes) and Estimated Post Dissolution Village Property Owner Taxes							
	Current	Estimated Post Dissolution Tax Bill Impact					
Taxable Assessed Value	Current Village and Town Tax	Tax (No CETC)	Savings (No CETC)	Tax Bill (70% of CETC)	Savings (70% CETC)	Tax Bill (100% of CETC)	Savings (100% of CETC)
\$150,000	\$1,118	\$792	\$325	\$755	\$363	\$739	\$379
\$250,000	\$1,863	\$1,321	\$542	\$1,258	\$605	\$1,232	\$631
\$264,000	\$1,967	\$1,395	\$573	\$1,329	\$638	\$1,301	\$667
\$350,000	\$2,608	\$1,849	\$759	\$1,762	\$846	\$1,724	\$884
\$500,000	\$3,726	\$2,641	\$1,085	\$2,517	\$1,209	\$2,463	\$1,262
\$750,000	\$5,589	\$3,962	\$1,627	\$3,775	\$1,814	\$3,695	\$1,894
\$1,000,000	\$7,452	\$5,283	\$2,169	\$5,034	\$2,418	\$4,927	\$2,525

Note: This does not include County or School District Taxes as they are not impacted by a Village dissolution.

Table 20: Impact on Town outside Village Property Tax Rates, presents an estimated model of the impact on the Town outside Village property taxes.

Table 20: Impact on Town outside Village Property Taxes

Estimated Property Tax Rate Impact Per \$1,000 TAV Town Outside Village Property Taxpayer					
	Current	Model - Post Dissolution			
Fund	Current	No CETC	70% CETC	100% CETC	Change in Rate
Town General & Highway	\$1.26	\$1.45	\$1.20	\$1.10	
EMS District	\$0.40	\$0.40	\$0.40	\$0.40	
Total No CETC	\$1.66	\$1.85			11.4%
Total 70% CETC	\$1.66		\$1.60		-3.5%
Total 100% CETC	\$1.66			\$1.50	-10.0%
Fire District #1	\$0.34	\$0.370	N/A	N/A	8.8%
Note 1: This model does not include County or School District property taxes as they are not impacted by dissolution.					
Note 2: Caldwell Sewer District will likely see increases in rates related to the upgraded WWTP; however, they are not included in this analysis as they would have happened with or without dissolution.					

The Town Assessor indicated that a typical single family home in the Town outside the Village has an assessed value of \$600,000. **Table 21: Estimated Post Dissolution Town outside Village Property Owner Tax Impact** models the potential impact of dissolution on Town outside the Village property taxpayers based on a range of assessed values and includes the impact on the typical single family home.

Table 21: Estimated Post Dissolution Town outside Village Property Owner Tax Impact

Town Outside Village of Lake George Property Taxpayer Estimated Post Dissolution Town Tax Bill							
	Current	Post Dissolution					
Taxable Assessed Value	Current Town Tax General & EMS	No CETC	No CETC Savings	70% of CETC	70% CETC Savings	100% of CETC Tax	100% of CETC Savings
\$150,000	\$249	\$278	(\$28)	\$240	\$9	\$224	\$25
\$250,000	\$415	\$463	(\$47)	\$401	\$15	\$374	\$41
\$350,000	\$582	\$648	(\$66)	\$561	\$21	\$524	\$58
\$500,000	\$831	\$926	(\$95)	\$801	\$29	\$748	\$83
\$600,000	\$997	\$1,111	(\$114)	\$962	\$35	\$898	\$99
\$750,000	\$1,246	\$1,389	(\$142)	\$1,202	\$44	\$1,122	\$124
\$1,000,000	\$1,662	\$1,852	(\$190)	\$1,603	\$59	\$1,496	\$166
Note 1. This does not include the Sewer Districts, Fire Districts or Water Districts+A12.							
Note 2. The Caldwell Sewer District will likely see rate increases in tax bills related to the WWTP Capital Improvements; however, this will occur regardless of the Village dissolution.							

Village Board of Trustees Alternative to Dissolution

The Dissolution Study identified that the Village has a significant fund balance and owns significant property. During the study process, the Village indicated that should the Village dissolve, the assets should be used to offset liabilities. The study process also identified that the use of Village assets to offset Village

liabilities contributed to the majority of the projected post dissolution property tax reduction for Village taxpayers.

Upon seeing the impact that the Village assets had on the post dissolution analysis, the Village Board of Trustees has put forth an alternative to dissolution. On August 15, 2022, the Village Board of Trustees adopted a resolution stating the following:

- To commit up to a total of \$3,000,000 of existing fund balance to reduce the present tax rate. Such funds will be used solely to pay off existing long-term debt if possible, reduce short-term debt connected to the construction of WWTP or be applied to the unexpended fund balance of the budget. Utilization of those funds must result in a decrease in the Village tax rate per thousand of a minimum of 35%.
- To commit to entering into a study of consolidation and annexation, subject to approval of the Town Board, to be completed prior to March 1, 2023.

Prior to the petition for dissolution being filed, Laberge Group shared with the Village that there are multiple alternative legal avenues for the Village and Town to merge. Different than the legal process of a Village dissolution, pursuant to Article 17-A Title 2 of the General Municipal Law, the Town and Village are authorized to consolidate. The consolidation process requires the development and adoption by both boards of a Joint Consolidation Agreement that details the terms of the consolidation and it also requires a “yes” vote by both the electorate of the Village and the Town outside the Village. The second alternative is to create a Coterminous Village-Town pursuant to Article 17 of the General Municipal Law. This local government re-organization requires annexation. **Appendix H: NYS Department of State Legal Memorandum LG06: Coterminous Town-Village** provides detail on this model.

The Village Board of Trustees has indicated that this will provide residents with a choice that materially reduces their Village property taxes and provides the necessary time for the Village and Town governments and the residents and taxpayers to evaluate the models of consolidation and the potential impacts of this major decision. In addition, this alternative approach also enables the residents of the Town outside the Village to vote on the presented model.

APPENDICES

APPENDIX A

FAQs

Village of Lake George Study of Dissolution

Frequently Asked Questions

1. Will only Village residents be able to vote or will all Town residents have the right to vote?

Only registered voters in the Village can vote in the referendum.

2. Is the Town obligated to govern the Village if the vote is positive? If not, what happens?

Should the residents of the Village vote to dissolve the Village, there will no longer be a Village government. As such, all services and governance will be provided by the Town.

If the Village does not vote to dissolve, governance and service delivery remain the same as it is today.

3. Please explain the funds offered by NY State in perpetuity of \$500,000 per year. How these funds are required to be allocated, among which taxpayers, etc.? I believe there is a general "misconception" or "belief" that this money would be used to pay off debt service left on the Village assets (if people vote to dissolve the Village). From the public meeting information, it seemed more like \$350,000 would be applied directly to the Town tax amount, and then the taxpayers' taxes would be lessened by that amount, with the remaining \$150,000 going to something else? Please make this crystal clear to us.

Per the NYS law, the CETC is provided to the Town in perpetuity. We are preliminarily calculating it as approximately \$500,000 pending the final municipal budgets in the year prior to dissolution.

State law mandates that at least 70% be used to lower the Town tax levy (remember that is for **all property owners** including those in the former Village as the Village government would have been dissolved).

The discussion at the Public Meeting regarding the \$350,000 was a minimum utilization of the CETC to lower taxes. We have not progressed far enough yet in the plan development to determine or even speculate on how the funds may be used. The Town could choose to use all of it to lower the property tax levy, or use the \$150,000 for other purposes. That is **an annual decision by the Town Board** as they develop their fiscal budgets.

Please note that the remaining 30% can be used for Town budgeted items. The debt service that remains in the legacy "district" (this is not a real district, only a line item on the tax bill to pay for legacy debts/costs) or the sewer district are not Town budgeted items and the funds cannot be used to pay down that debt. Town-wide funds **cannot be used to reduce costs** in special districts.

4. At the recent public hearing it was mentioned that there were historical reasons for the creation of villages in New York. (a) What were those reasons? (b) Do any of those reasons still apply to the Village of Lake George today? (c) What is a good reason for maintaining the Village as a separate political entity from the town? (d) What is a good reason for dissolving the Village?

Unfortunately these questions are value and/or judgement questions – both of which are not ours to make. Our role is to provide unbiased information on the process and the potential outcome from which you can determine the reasons for or against dissolution.

Question A -

As far as historical reasons for the creation of villages, there are many including but not limited to:

- Along trade routes for economic development
- To provide for water and/or sewer infrastructure
- Public protection (former forts or strategic locations)
- Ports of entry
- Land Use control
- Political considerations

Question B -

As far as whether or not these reasons still apply to the Village of Lake George, we have not researched the historical reasoning for the creation of the Village Lake George and as such are not in a position to make a judgement.

Questions C and D -

The Interim Study of Dissolution will outline potential changes resulting from a dissolution of the Village of Lake George government. Each community is different, and each voter needs to decide for themselves whether or not the reasons for or against dissolution outweigh each other.

5. Where can village residents obtain an online copy of the Village Budget for the current fiscal year?

Please contact the village clerk to obtain a copy of the village budget(s).

6. Since this is a citizen-initiated plan, there appears there will be no dissolution plan created prior to the vote to dissolve the village. How can village residents understand which village expenses will still remain a 'village taxpayer' obligation after dissolution?

The Village is creating an Interim Dissolution Study that will provide information for residents to review prior to the referendum. You are correct, a Final Dissolution Plan is not created until after the vote.

7. What does this ultimately mean for Lake George and the business's around it?

Thank you for your inquiry, however, your question is too broad for us to provide an answer to. Please refer to the Draft Interim Report for our findings when it is complete. In short, a village dissolution means that the governance and service delivery will be provided by the Town, and the government of the Village of Lake George will cease to exist.

The Interim Report will provide a service delivery model and the fiscal impact to property owners and should be available for review towards the end of August.

Please refer to the FAQ section of the project website for additional answers to frequent questions as there may be information pertaining to additional specific questions contained therein.

8. How will property and school taxes be affected for residents of the Village? How will the cost of other services be affected? What changes in development will be anticipated in and around Lake George Village?

Dissolution does not affect school or county taxes.

Changes in development are not part of the scope of this Interim Report and suggest that you speak with the Village and Town Planning Department about upcoming developments.

9. I have a question. In March of 2009 the Village prepared a proposed Dissolution Plan of the Village of Lake George. After dealing with the many basic issues, including the establishment of several "Special Improvement Districts" for such as Water, Sewer, Lighting etc., the Proposal contained a catchall provision Paragraph 15 which provided: "Outstanding Debts and Obligations: The Town of Lake George will assume any and all outstanding debts and obligations of the Village of Lake George...In accordance with Village Law Section 19-1912, this debt will be levied on real property that lies within the boundaries of Lake George Village until it is paid off. The annual levy for servicing this debt shall be calculated as the annual payments due on the debt minus the amortized annual value of all fixed assets conveyed by the Village to the Town through this Proposition. The value of these fixed assets shall be their depreciated value as listed in the Village Financial Statements for the fiscal year ending... This value shall be amortized over 24 years using an interest rate of zero percent (0%)." One of the major issues concerning the proposed dissolution of the Village concerns the Wastewater Treatment Plant and its related debt. Using that particular asset and related liability please explain the tax and debt service ramifications for the Village property owners under this proposed 24-year amortization of the debt at zero interest. Note that the debt was last estimated at approximately \$6M, with the Village obliged to pay approximately \$500K annually. Please include in your explanation the impact of the anticipated annual State tax credit of \$475,000 to the town, if the Village is dissolved. This credit would appear to be particularly pertinent to any question of whether the town's assumption of the debt obliges the town to repay it in any shorter period contractually required by the obligation.

Dissolution of villages is now governed by the New NY Local Government Re-organization Act and Citizen Empowerment Act adopted in 2010, (specifically General Municipal Law Article 17-a). Outstanding debts and liabilities are addressed in Section §790 of the statute and its states, "The outstanding debts, liabilities and obligations of the dissolved local government entity shall be assumed by the Town in which the dissolved Village was situated and shall be a charge upon the taxable property within the Village entity (entity dissolved) collected in the same manner as town taxes. The town board shall have all powers with respect to such debts and obligations as the board of trustees would have had if the village had not been dissolved, including the power to issue town bonds to redeem bond anticipation notes issued by the village." This is essentially the same as the language that was historically found in Village Law Section 19 which was superseded by Article 17-a of GML.

In response to your question regarding the debt for the Waste Water Treatment Plant (WWTP) post dissolution, any debt remaining at the time of dissolution will become a charge upon the users in the sewer districts benefiting from the WWTP (as is currently allocated). This debt will be amortized over time pursuant to the terms of final agreement. We are currently working to calculate the impacts of this bonding as well as all existing bonding, other liabilities and potential offsetting assets; all of which will be included in the fiscal impact section of the Interim Study of Dissolution. Similarly, debt service payments for other special district functions including water and fire will continue to be a charge to the

system users. All long term debt and long term liabilities will be funded through an annual legacy taxing district tax levy upon the properties in the Village based on taxable assessed valuation.

The CETC, estimated at approximately \$496K, becomes a revenue to the Town of Lake George post dissolution and will be applied to the town-wide Town budget. Town revenues may not be used to support special districts.

10. It appears from Section 790, assuming that the opinions are borne out in your study and possibly reflected in any proposed plan of dissolution, that concerns of Village residents that they may lose the assets and the revenue (particularly the parking fees and the CETC) while being left holding the bag in the form of tax levies to satisfy the asset related debts are valid. It seems that, if there are good reasons to end the separate village government, which appears to have been the interest of the state in enacting Local Government Reorganization Act and Citizen Empowerment Act, then consolidation under Title 2 of the Act would be the way to go, since under Sections 707 and 708 consolidation appears to allow for the two governments to agree as to disposition of assets and assumption of debt, and not otherwise be restricted as provided by Section 790. So that brings me back to one of my original questions. In light of the state's interest in shrinking government, are there good reasons to terminate the separate government of the village, such that an initiative to consolidate ought to be fairly considered? If that is more of a political question than Laberge Group is able or prepared to answer, I will understand. But it would help to better inform my opinion to have some professional guidance.

You are correct that it is not for us to give reasons for or against dissolution – as our charge is to provide unbiased information from which residents can choose their path forward.

Per your comments, as this is a dissolution vote under Article 17-A, it is not for us to determine whether or not a consolidation effort would have been a better option. The petition was for dissolution, so until that process comes to an end, consolidation cannot be taken up.

Under a dissolution all assets that are not sold prior to dissolution become the property of the town as a whole, all debts incurred by the Village are to be paid by the former village residents via a legacy district; the CETC goes to all taxpayers in the Town including those in the former village; and there is no ability for parking fees to be directed solely to the hamlet of Lake George.

11. Is it true that the residents of the Village are already liable for the debt associated with the Waste Water Treatment Plant, as well as any other debt associated with assets in special districts that may be transferred to the Town upon dissolution of the Village? If so, then isn't it true that the residents of the Village will benefit from the CETC reduction in their taxes even if the CETC is not directly applied to the treatment plant debt itself?

The Waste Water Treatment Plant debt will be the responsibility of the Village and will be funded through the new Hamlet Sewer District and will be shared with the Caldwell Sewer District. Debt not associated with a special district is the responsibility of the Village and net of any assets applied to reduce the cost, is a charge upon the properties in the former Village. The CETC will go to the Town and minimally 70% must be used as an offset to the Town-wide property tax levy.

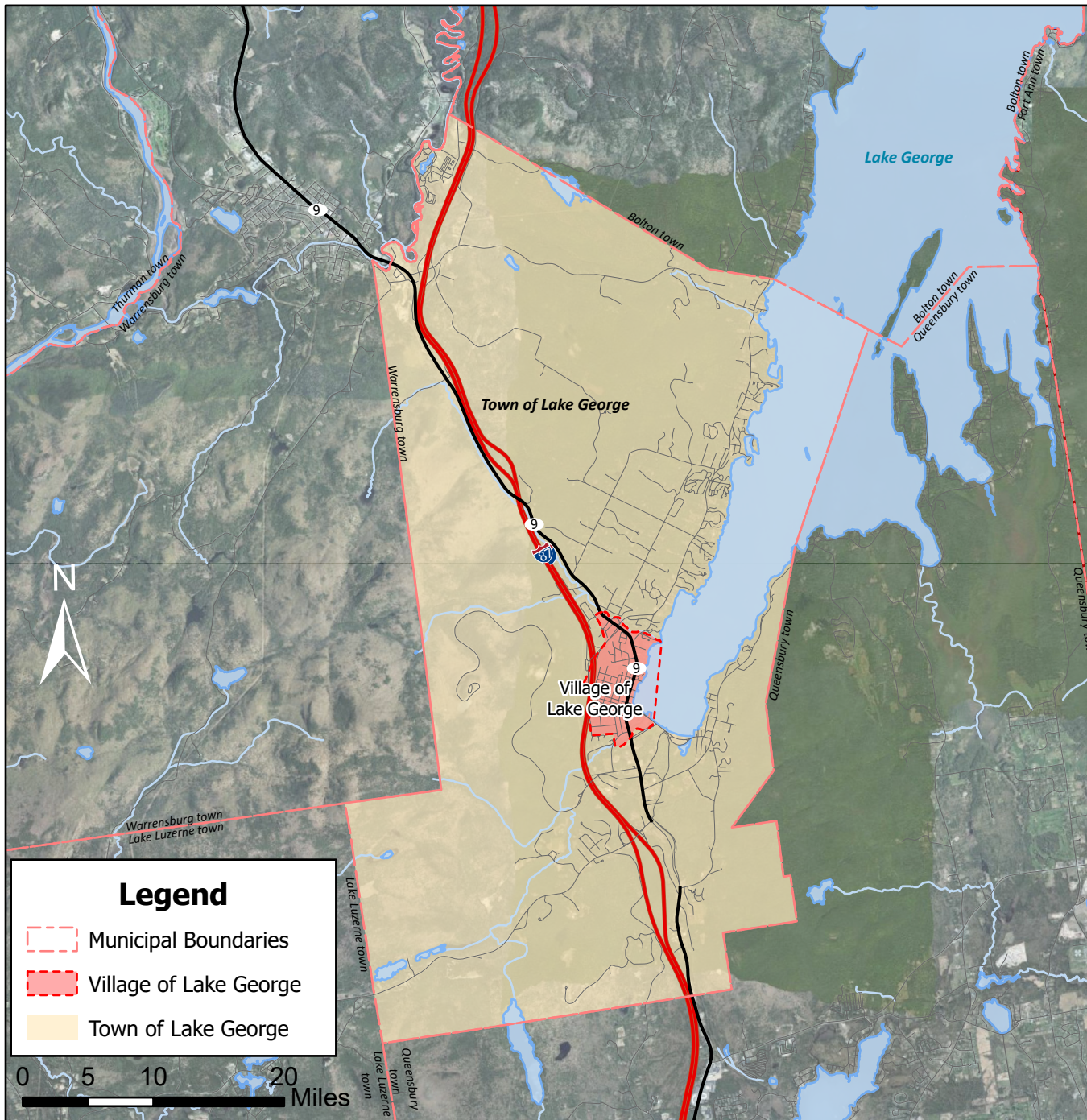
12. As a town landowner and full time town resident, what is the benefit/detriment of dissolution to town residents?

Unfortunately in a Village dissolution, the Town government and its residents do not have a vote or any formal input into dissolution.

Based on the Final Dissolution Plan, there will be no impact to services currently provided to Town residents.

APPENDIX B

Village and Town of Lake George Location Map



Location Map

Lake George Village, Warren County, New York

APPENDIX C

Village of Lake George

Street Listing

New York State Department of Transportation

Local Roads Listing

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Municipality: Village of Lake George
Warren County

Geocode: 1256
NYSDOT Region: 1

Jurisdiction: Village

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>
116712			AMHERST ST	HELEN ST	CANADA ST	0.00	0.15	0.15		2		A		0	None		19	
116712			LOWER AMHERST ST	CANADA ST	DEAD END	0.15	0.24	0.09		2		A		0	None		19	
116714			BRADLEY ST	CANADA ST	VILLAGE LINE	0.00	0.11	0.11		2		A	26	0	None		19	
116715			CALDWELL AVE	COOPER ST	HELEN ST	0.00	0.13	0.13		2		A	28	0	None		19	
116716			CHERRY ST	BRADLEY ST	DEAD END	0.00	0.10	0.10		1		A	17	0	None		19	
116717			CHESTNUT ST	DEAD END	COOPER ST	0.00	0.05	0.05		2		A	24	0	None		19	
300777			CHESTNUT ST	COOPER ST	DIESKAU ST	0.00	0.21	0.21		2		A	18	0	None		19	
116718			COOPER ST	MOHICAN ST	WEST ST	0.00	0.45	0.45		2		A	27	0	None		19	
116718			COOPER ST	WEST ST	DEAD END	0.45	0.53	0.08		2		A	37	0	None		19	
116719			CORTLAND ST	SEWELL ST	MOHICAN ST	0.00	0.22	0.22		2		A	26	0	None		19	
116720			DIESKAU ST	SEWELL ST	MOHICAN ST	0.00	0.17	0.17		2		A	27	0	None		19	
116720			DIESKAU ST	MOHICAN ST	MCGILLIS AVE	0.17	0.34	0.17		2		A	32	0	None		19	
116721			HAMMOND ST	NELSON ST	NORMAN ST	0.00	0.06	0.06		2		A	26	0	None		19	
116722			HELEN ST	MOHICAN ST	MCGILLIS AVE	0.00	0.13	0.13		2		A	30	0	None		19	
116722			HELEN ST	MCGILLIS AVE	MONTCALM ST	0.13	0.25	0.12		2		A	26	0	None		19	
116722			HELEN ST	MONTCALM ST	AMHERST ST	0.25	0.45	0.20		2		A	26	0	None		19	
116723			HENDRICK ST	JAMES ST	MONTCALM ST	0.00	0.01	0.01		1		A	13	0	None		19	
116723			HENDRICK ST	MONTCALM ST	AMHERST ST	0.01	0.10	0.09		2		A	19	0	None		19	
116723			HENDRICK ST	AMHERST ST	DEAD END	0.10	0.21	0.11		1		A	17	0	None		19	
116724			HOLLY DR	MOUNTAIN DR	HAMMOND ST	0.00	0.19	0.19		2		A	30	0	None		19	
116725			IROQUOIS ST	DEAD END	AMHERST ST	0.00	0.04	0.04		1		A	14	0	None		19	
116725			IROQUOIS ST	AMHERST ST	MONTCALM ST	0.04	0.15	0.11		2		A	20	0	None		19	
116725			IROQUOIS ST	MONTCALM ST	DEAD END	0.15	0.21	0.06		2		A	16	0	None		19	
116726			JAMES ST	HELEN ST	HENDRICK ST	0.00	0.04	0.04		2		A	22	0	None		19	
116726			JAMES ST	HENDRICK ST	OTTAWA ST	0.04	0.07	0.03		1	Y	A	5		None		19	
116727			JOGUES FARM RD	MOUNTAIN DR	OLD POST RD	0.00	0.15	0.15		2		A	25	0	None		19	
116728			KNIGHT LA	CORTLAND ST	DEAD END	0.00	0.06	0.06		2		A	25	0	None		19	
116729			KUROSACA LN	CANADA ST	DEAD END	0.00	0.05	0.05		2		A	24	0	None		19	
116730			LAKE AVE	CANADA ST	DEAD END	0.00	0.12	0.12		2		A	30	0	None		19	
116731			MAPLE ST	CANADA ST	CHERRY ST	0.00	0.12	0.12		1		A	10	0	None		19	
116732			MCGILLIS AVE	COOPER ST	CANADA ST	0.00	0.29	0.29		2		A	42	0	None		19	
116733			MOHICAN ST	PROSPECT ST	CANADA ST	0.00	0.37	0.37		2		A		0	None		19	
116734			MONTCALM ST	SMITH ST	CANADA ST	0.00	0.36	0.36		2		A	38	0	None		19	
116735			MOUNTAIN DR	JOGUES FARM RD	CANADA ST	0.00	0.21	0.21		2		A	35	0	None		19	
116736			NELSON ST	HAMMOND ST	SHAW ST	0.00	0.08	0.08		2		A	25	0	None		19	
116737			NORMAN ST	HAMMOND ST	SHAW ST	0.00	0.10	0.10		2		A	25	0	None		19	

New York State Department of Transportation

Local Roads Listing

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Municipality: Village of Lake George
Warren County

Geocode: 1256
NYSDOT Region: 1

Jurisdiction: Village

State	County								DIV	No. of	One	Pvt	Pvt	Shldr	Med	Med	Func	
DOT ID	Route	Road#	Road/ Street Name	Start of Section	End of Section	Beg MP	End MP	Length	Hwy	Lanes	Way	Type	Width	Width	Type	Width	Class	NHS
116738			OLD POST RD	MOUNTAIN DR	DEAD END	0.00	0.25	0.25		2		A	30	0	None		19	
116739			OTTAWA ST	MCGILLIS AVE	MONTCALM ST	0.00	0.14	0.14		2		A	38	0	None		19	
116739			OTTAWA ST	MONTCALM ST	AMHERST ST	0.14	0.26	0.12		2		A	40	0	None		19	
116739			OTTAWA ST	AMHERST ST	MOUNTAIN DR	0.26	0.44	0.18		2		A	40	0	None		19	
116740			PARK PL	MCGILLIS AVE	DEAD END	0.00	0.03	0.03		2		A	25	0	None		19	
116743			PETTIS ST	NELSON ST	NORMAN ST	0.00	0.07	0.07		2		A	27	0	None		19	
116744			PHILIP ST	PROSPECT ST	CORTLAND ST	0.00	0.26	0.26		2		A	25	0	None		19	
301778			PINE POINT LANE	CANADA STREET	END OF PUBLIC R	0.00	0.04	0.04		2		A	18	0			19	
116745			PROSPECT ST	VILLAGE BOUNDA	MOHICAN ST	0.00	0.22	0.22		2		A		0	None		19	
116747			SCHUYLER ST	DEAD END	CALDWELL AVE	0.00	0.04	0.04		2		A	20	0	None		19	
116747			SCHUYLER ST	CALDWELL AVE	MCGILLIS AVE	0.04	0.12	0.08		2		A	32	0	None		19	
116747			SCHUYLER ST	MCGILLIS AVE	MONTCALM ST	0.12	0.26	0.14		2		A	28	0	None		19	
116747			SCHUYLER ST	MONTCALM ST	WEST ST	0.26	0.33	0.07		2		A	27	0	None		19	
116748			SEWELL ST	LAKE GEORGE V/L	CANADA ST	0.00	0.19	0.19		2		A	27	0	None		19	
116749			SHAW ST	NELSON ST	NORMAN ST	0.00	0.07	0.07		2		A	18	0	None		19	
116750			SHERRILL ST	DEAD END	MOHICAN ST	0.00	0.10	0.10		2		A		0	None		19	
116751			SMITH ST	DEAD END	WEST ST	0.00	0.20	0.20		2		A	20	0	None		19	
116752			WEST ST	DEAD END	HELEN ST	0.00	0.21	0.21		2		A		0	None		19	

Centerline Miles Total: 7.44

Lane-Miles Total: 14.47

Jurisdiction: County County-maintained roads are shown below for reference.

State	County								DIV	No. of	One	Pvt	Pvt	Shldr	Med	Med	Func	
DOT ID	Route	Road#	Road/ Street Name	Start of Section	End of Section	Beg MP	End MP	Length	Hwy	Lanes	Way	Type	Width	Width	Type	Width	Class	NHS
115485		51	BEACH RD	US 9	CR69 WEST BROOK	0.00	0.39	0.39	Y	4		A	40	0	Flush	4	17	
115485		51	BEACH RD	CR69 WEST BROOK	CR6 FT GEORGE R	0.39	0.49	0.10		4		A	40	0	None		17	
115502		69	W BROOK RD	LAKE GEORGE VL	CR 51	0.21	0.30	0.09		2		A	24	0	None		17	

Centerline Miles Total: 0.58

Lane-Miles Total: 2.14

APPENDIX D

Village of Lake George

Streetlight Inventory

2019

ID	LOCATION	POLE	STREET NAME	WATTAGE	LED SIZE	LED LTR
62019899		5	AMHERST ST	70	24	B
62020042		6	AMHERST ST	250	96	D
62019901		8	AMHERST ST	250	96	D
62019902		10	AMHERST ST	150	48	C
62019922		3	BRADLEY ST	70	24	B
62019923		5	BRADLEY ST	70	24	B
37343637		1 1/2	CALDWELL AVE	70	24	B
62019924		2	CALDWELL AVE	70	24	B
62019925		3	CALDWELL AVE	70	24	B
62019926		1	CANADA ST	400	210	F
62019927		2	CANADA ST	250	96	D
62019928		3	CANADA ST	250	96	D
62019929		4	CANADA ST	250	96	D
62019964		5	CANADA ST	250	96	D
62019965		6	CANADA ST	250	96	D
62019930		7	CANADA ST	400	210	F
62019966		8	CANADA ST	250	96	D
62019967		9	CANADA ST	250	96	D
62019968		11	CANADA ST	250	96	D
62019969		12	CANADA ST	250	96	D
62019931		13	CANADA ST	400	210	F
62019932		14	CANADA ST	250	96	D
62019933		15	CANADA ST	250	96	D
62019934		16	CANADA ST	250	96	D
62019935		17	CANADA ST	250	96	D
62019936		18	CANADA ST	150	48	C
62019937		19	CANADA ST	250	96	D
62019938		20	CANADA ST	250	96	D
62019940		21	CANADA ST	250	96	D
62019941		22	CANADA ST	250	96	D
62019943		24	CANADA ST	250	96	D
62019944		25	CANADA ST	250	96	D
62019945		26	CANADA ST	250	96	D
62019946		27	CANADA ST	400	210	F
62019948		239	CANADA ST	400	210	F
62019949		240	CANADA ST	1000	210	F
62019950		241	CANADA ST	250	96	D
62019951		1/2	CANADA ST	250	96	D
62019952		243	CANADA ST	250	96	D
62019953		244	CANADA ST	250	96	D
62019954		245	CANADA ST	250	96	D
62019955		247	CANADA ST	250	96	D
62019956		248	CANADA ST	250	96	D
62019957		249	CANADA ST	400	210	F

National Grid
Streetlights
Inventory

248 total

62019958	250	CANADA ST	250	96	D
62019959	251	CANADA ST	250	96	D
62019960	252	CANADA ST	250	96	D
62019961	253	CANADA ST	250	96	D
62019963	254	CANADA ST	1000	210	F
62019962	254	CANADA ST	400	210	F
62019970	1-1	CANADA ST	250	96	D
62019971	2-1	CANADA ST	250	96	D
62019972	3-1	CANADA ST	250	96	D
62019973	4-1	CANADA ST	250	96	D
62019974	5-1	CANADA ST	250	96	D
62019975	6-1	CANADA ST	250	96	D
62019976	8-1	CANADA ST	250	96	D
62019977	9-1	CANADA ST	250	96	D
62019978	11-1	CANADA ST	250	96	D
62019979	12-1	CANADA ST	250	96	D
62019980	13-1	CANADA ST	250	96	D
62019981	14-1	CANADA ST	250	96	D
62019982	15-1	CANADA ST	250	96	D
62019983	16-1	CANADA ST	250	96	D
62019939	20-1	CANADA ST	250	96	D
62019942	23-A	CANADA ST	250	96	D
62019947	27-1	CANADA ST	250	96	D
62020078	40-A	CANADA ST	250	96	D
62020075	39	CANADA ST ST	250	96	D
62019984	1	CHERRY ST	70	24	B
62019985	5	CHESTNUT ST	70	24	B
62019986	2	COOPER ST	70	24	B
62019987	4	COOPER ST	70	24	B
62019988	6	COOPER ST	70	24	B
62019989	8	COOPER ST	70	24	B
62019990	10	COOPER ST	70	24	B
62019991	12	COOPER ST	100	24	B
62019992	13	COOPER ST	70	24	B
62019993	15	COOPER ST	70	24	B
62019994	16	COOPER ST	70	24	B
62019995	17	COOPER ST	70	24	B
62019996	19	COOPER ST	70	24	B
62019998	20	COOPER ST	70	24	B
62019999	15-1	COOPER ST PATHWAY	70	24	B
62020000	3	COURTLAND ST	70	24	B
62020001	4	COURTLAND ST	70	24	B
62020002	6	COURTLAND ST	70	24	B
62020003	7	COURTLAND ST	70	24	B
62020004	2	DIESKAU ST	70	24	B

62020005	4	DIESKAU ST	70	24	B
62020006	6	DIESKAU ST	70	24	B
62020007	7	DIESKAU ST	70	24	B
62020008	9	DIESKAU ST	70	24	B
62020009	11	DIESKAU ST	70	24	B
62020010	13	DIESKAU ST	70	24	B
62020014	12	ENTRANCE	150	48	C
62020015	13	ENTRANCE	150	48	C
62020016	14	ENTRANCE	150	48	C
62020017	15	ENTRANCE	150	48	C
62020018	B	RT	150	48	C
62020019	C	RT	150	48	C
62020020	D	RT	150	48	C
62020021	E	RT	150	48	C
62020022	F	RT	150	48	C
62020023	2	HAMMOND ST	70	24	B
62020024	4	HAMMOND ST	70	24	B
62020025	1	HELEN ST	70	24	B
62020026	3	HELEN ST	70	24	B
62020027	6	HELEN ST	70	24	B
62020028	8	HELEN ST	70	24	B
62020029	10	HELEN ST	70	24	B
62020030	13	HELEN ST	70	24	B
62020031	14	HELEN ST	70	24	B
62020032	14-1	HELEN ST	70	24	B
62020033	15-A	HELEN ST	70	24	B
62020034	6-C	HELEN ST	70	24	B
62020035	9-3	HENDRICK ST	250	96	D
62020036	9-3	HENDRICK ST	70	24	B
62023815	9-B	HENDRICK ST	70	24	B
62020037	1	HOLLY DR	70	24	B
62020038	3	HOLLY DR	70	24	B
62020046	1 1/2	IROQUOIS ST	70	24	B
62020044	2	IROQUOIS ST	70	24	B
62020045	3	IROQUOIS ST	70	24	B
62023858	5	IROQUOIS ST	70	24	B
62020041	6	IROQUOIS ST	70	24	B
62024511	7	IROQUOIS ST	100	24	B
62020043	11	IROQUOIS ST	70	24	B
62020039	3-1	IROQUOIS ST	70	24	B
62020040	1-B	IROQUOIS ST	70	24	B
62020048	7	JAMES ST	70	24	B
62020049	9	JAMES ST	70	24	B
62023816	7-A	JAMES ST	250	96	D
62020050	9-A	JAMES ST	250	96	D

62020051	1	JOQUES FARM RD	70	24	B
62020052	2	JOQUES FARM RD	70	24	B
62020053	3	JOQUES FARM RD	70	24	B
62020054	4	JOQUES FARM RD	70	24	B
62020055	5	JOQUES FARM RD	70	24	B
62020056	1	KNIGHTS LN	70	24	B
62020057	3-1	KUROSACA LN	70	24	B
62020059	1	LAKE AVE	70	24	B
62020060	2	LAKE AVE	70	24	B
62020061	3	LAKE AVE	70	24	B
62020062	4	LAKE AVE	70	24	B
62020063	5	LAKE AVE	70	24	B
62020065	29	WARRENSBURG RD	250	96	D
62020066	30	WARRENSBURG RD	250	96	D
62020067	31	WARRENSBURG RD	250	96	D
62020068	32	WARRENSBURG RD	250	96	D
62020069	33	WARRENSBURG RD	250	96	D
62020070	34	WARRENSBURG RD	250	96	D
62020071	1/2	WARRENSBURG RD	250	96	D
62020072	36	WARRENSBURG RD	250	96	D
62020073	37	WARRENSBURG RD	250	96	D
62020074	38	WARRENSBURG RD	250	96	D
62020077	40	WARRENSBURG RD	250	96	D
62020079	41	WARRENSBURG RD	250	96	D
62020080	42	WARRENSBURG RD	250	96	D
62020064	28-A	WARRENSBURG RD	250	96	D
62020076	38-A	WARRENSBURG RD	250	96	D
62020082	1	LAKE SHORE DR	250	96	D
62020083	3	LAKE SHORE DR	250	96	D
62020084	4	LAKE SHORE DR	250	96	D
62020085	5	LAKE SHORE DR	250	96	D
62020086	6	LAKE SHORE DR	250	96	D
62020089	37-A	PARK N R	250	96	D
62020089	37-A	PARK N R	250	96	D
62020092	2-1/2	LOWER AMHERST ST	250	96	D
62020094	1	MCGILLIS ST	250	96	D
62020095	2	MCGILLIS ST	150	48	C
62020096	3	MCGILLIS ST	70	24	B
62020097	4	MCGILLIS ST	70	24	B
62020098	6	MCGILLIS ST	70	24	B
62020099	8	MCGILLIS ST	70	24	B
62020100	9	MCGILLIS ST	70	24	B
62020101	10	MCGILLIS ST	70	24	B
62020102	12	MCGILLIS ST	70	24	B
62020103	14	MCGILLIS ST	70	24	B

62020105	3	MOHICAN ST	70	24	B
62020106	4	MOHICAN ST	70	24	B
62020107	5	MOHICAN ST	70	24	B
62020108	7	MOHICAN ST	70	24	B
62020109	9	MOHICAN ST	70	24	B
62020110	11	MOHICAN ST	70	24	B
62020111	12	MOHICAN ST	70	24	B
62020112	12-2	MOHICAN ST	70	24	B
62020104	1-A	MOHICAN ST	70	24	B
62020113	5	MONTCALM ST	250	96	D
62020114	6	MONTCALM ST	70	24	B
62020115	7	MONTCALM ST	250	96	D
62020117	11	MONTCALM ST	70	24	B
62020118	13	MONTCALM ST	70	24	B
62020119	14	MONTCALM ST	100	24	B
62020120	15	MONTCALM ST	70	24	B
62020121	5	MOUNTAIN DR	70	24	B
62020122	5-1	MOUNTAIN DR	70	24	B
62020123	1	NELSON ST	70	24	B
62020124	2	NELSON ST	70	24	B
62020125	4	NELSON ST	70	24	B
62020127	12	OLD POST RD	100	24	B
62020128	13-1	OLD POST RD	100	24	B
62020129	1	OTTAWA ST	70	24	B
62020132	2	OTTAWA ST	70	24	B
62020133	2 1/2	OTTAWA ST	70	24	B
62020134	3	OTTAWA ST	70	24	B
62020138	7	OTTAWA ST	70	24	B
62020140	8	OTTAWA ST	70	24	B
62020141	8 1/2	OTTAWA ST	70	24	B
62020142	9	OTTAWA ST	70	24	B
62023833	10	OTTAWA ST	400	210	F
62020131	1/2	OTTAWA ST	250	96	D
62020144	11-1	OTTAWA ST	70	24	B
62020130	1-A	OTTAWA ST	250	96	D
62020135	4-H	OTTAWA ST	70	24	B
62020145	2	PARK PL	250	96	D
62020146	3	PETTIS ST	70	24	B
62020147	2	PHILLIP ST	70	24	B
62020148	2 1/2	PHILLIP ST	70	24	B
62020149	4	PHILLIP ST	70	24	B
62020150	5	PHILLIP ST	70	24	B
62020151	6	PHILLIP ST	70	24	B
62020153	1	PINE POINT LN	70	24	B
62020154	2	PINE POINT LN	70	24	B

62020156	30	PROSPECT ST	70	24	B
62020157	31	PROSPECT ST	70	24	B
62020158	32	PROSPECT ST	70	24	B
62020155	33-1	PROSPECT ST	100	24	B
62020159	13	SCHUYLER HIGHTS	70	24	B
62020160	14	SCHUYLER HIGHTS	70	24	B
62020161	1	SCHUYLER ST	70	24	B
62020162	3	SCHUYLER ST	100	24	B
62020163	6	SCHUYLER ST	70	24	B
62020164	12-2	SCHUYLER ST	70	24	B
62020165	2	SEWELL ST	70	24	B
62020166	3	SEWELL ST	70	24	B
62020167	5	SEWELL ST	70	24	B
62020168	7	SEWELL ST	70	24	B
62020169	2	SHAW ST	70	24	B
62020126	3	SHAW ST	70	24	B
62020170	2	SHERILL ST	70	24	B
62020171	2	SMITH ST	70	24	B
62020172	4	SMITH ST	70	24	B
62020173	5	SMITH ST	70	24	B
62020175	2	WEST ST	70	24	B
62020176	3	WEST ST	70	24	B
62020177	5	WEST ST	70	24	B
62020178	8	WEST ST	70	24	B

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APPENDIX E

Village and Town of Lake George

Employee Benefits

Village and Town of Lake George Employee Benefits		
(Summary for Study Purposes Only. See official municipal documents.)		
	Village	Town
Full time Definition	30 or more hours/week	40 or more hours/week
Longevity	At the completion of 5 years -\$500 added to base salary, an additional \$500 every five years up the 25 th year and an additional \$100 each year thereafter.	After completion of 1 years \$100 2 years \$200 3 years \$300 4 years \$400 5 years \$500 10 years \$1,000 15 years \$1, 500 20 years \$2,000 25 years \$2,500
Overtime/Call-In	OT=1.5 salary Call in – Minimum 2 hrs.	OT =1.5 salary
Holidays	10 paid per year – FT only	13 paid
Vacation	Yrs. 2-5 – 2 weeks Yrs. 6-30 – 3 weeks Yrs. 31 or more – 4 weeks Carryover limited to 3 years of accruals.	After completion of: 1 year 5 2 years 10 5 years 15 6 years 16 7 years 17 8 years 18 9 years 19 10 years 20 11 years 21 12 years 22 13 years 23 14 years 24 15 or more 25 No carryover without Board approval; however, carried over as sick leave
Sick	Full time employees only Year 2 and beyond: 6 days/year Maximum accrual 60 days	FT and year round part time (prorated) Max 13 days/year based on hours worked. Maximum accumulation: 120 days Hire prior to 3/31/18 or earlier can get paid out or credit to NYSERS. After 4/4/18 or after only credit to NYSERS. “Good attendance” bonus
Personal	FT employees only 3 per year (no carryover)	FT employees only (prorated) 3 days/year after first year New employee 1.5 days after 6 mos.
Bereavement	3 days – primary 1 day - secondary	

Employee Health	<p>Option: MVP EPO Platinum</p> <p>Range of employee share based on year of hire: 15%, 25%, 55%</p> <p>Reimbursement program</p> <p>Offer self- insurance reimbursement program for copays.</p>	<p>Options:</p> <ol style="list-style-type: none"> 1. MVP EPO Gold 2. MVP EPO Silver 3. CDPHP EPO Gold 4. CDPHP HMO Gold <p>Town sets annual caps on Town contribution for single, employee +child, 2 person and family contracts.</p>
Dental	<p>Self Insurance Program</p> <p>Maximum \$500/year/person.</p> <p>\$25 Deductible</p> <p>Contribution \$32/mo.</p>	<p>Provide Dental for full time employees at a capped Town contribuiton</p>
Rx	<p>Self Insurance</p> <p>Maximum \$1,000/person/year</p> <p>\$250 Deductible</p>	<p>Town offers a plan</p> <p>Town pays a portion of the premium at a capped rate.</p>
Retiree Health	<p>For retirees before 1/20/88: Vesting for health and dental after 20 years of service and NYSERS or 10 yrs. of service, 55 yrs. old and NYSERS</p> <p>For those after 1/20/88 or after:</p> <ul style="list-style-type: none"> • 10 yrs. and NYSERS: may stay but 0% Village contribution, no Rx or dental. • 15-19 years of svc, 55 & NYSERS Village share 50%; not Rx/Dental • 20+ years, 55 & NYSERS: Retiree pays same share as when an employee 	<p>For full time retirees and spouses meeting qualifying criteria.</p> <p>Pre-Medicare eligible: Current options as employees</p> <p>Medicare eligible: Medicare becomes primary and Town provide supplemental.</p> <p>Retirees before 1993: Town 100%</p> <p>Retirees 1993 or after: Town share has a cap (Upon death of retiree, spouse may continue and pay 100%.)</p>

APPENDIX F

Village and Town of Lake George Vehicle and Equipment Listing

Village of Lake George			
Vehicles and Equipment			
<u>Dept</u>	<u>Make/Model</u>	<u>Year</u>	<u>Insurance Replacement Value</u>
DPW	Ford F150 Pickup	2020	\$ 27,141.00
DPW	Ford F550 Dump Truck	2022	\$ 55,340.00
DPW	International Dump	2004	\$ 125,000.00
DPW	GAC Utility Trailer	2005	\$ 2,350.00
DPW	Artie Cat Snowmobile	2004	\$ 8,200.00
DPW	Western Dump	2010	\$ 150,000.00
DPW	Ford F250	2011	\$ 34,547.00
DPW	Ford F350 w/plow	2012	\$ 46,758.00
DPW	Ford F150 pickup	2013	\$ 20,223.00
DPW	Ford F150 pickup	2013	\$ 20,102.00
DPW	Sterling Sewer Vac TRU	2005	\$ 100,000.00
DPW	Ford F250Truck	2014	\$ 21,040.00
DPW	John Deere 560 KM Gator	2012	\$ -
DPW	Ford F250 w/snowplow	2015	\$ 22,447.00
DPW	Ford F150 Pickup	2014	\$ 23,572.00
DPW	Western Dump w/plow	2015	\$ 184,075.00
DPW	Bobcat S450 Skid Steer	2015	\$ 37,711.00
DPW	Ford F550 Dump	2016	\$ 50,453.00
DPW	Ford F550 Dump w/PI	2016	\$ 55,943.00
DPW	Homesteader Challenge Trailer w/pipeca	2016	\$ 93,750.00
DPW	GAC Trailer	2016	\$ 7,000.00
DPW	Ford F250 Pickup	2016	\$ 32,494.00
DPW	Ford Escape	2017	\$ 23,671.00
DPW	Ford F550 Dump w/PI	2017	\$ 56,969.00
DPW	Ford Escape Hybrid	2009	\$ 26,502.00
DPW	John Deere 310SL Backhoe	2017	\$ -
DPW	Ford F250 Pickup	2019	\$ 28,193.00
DPW	John Deere 444K wheel Load	2019	\$ 150,000.00
DPW	Ford F550 Dump Truck	2019	\$ 49,312.00
DPW	Bobcat Excavator	2018	\$ 48,672.00
DPW	Tymco Sweeper	2018	\$ 156,620.00
DPW	International Dump	2004	\$ 125,000.00
Sanitattion	Western Star 4900FA	2010	\$ 150,000.00
Water 50% Streets 50%	Sterling Sewer Vac Truck	2005	\$ 100,000.00
DPW	Western Star Dump 4700SF	2015	\$ 184,075.00
Water	Ford F550	2016	\$ 50,453.00
DPW	Ford FSS0	2016	\$ 55,943.00
DPW	Ford F550 Dump	2017	\$ 56,969.00
	Ford F550	2019	\$ 49,312.00

APPENDIX G

Fiscal Analysis of Potential Impact of Dissolution

**Village of Lake George
Interim Study of Dissolution
Framework and Assumptions Use for Fiscal Modeling**

The Interim Study includes only one fiscal model out of many models. The fiscal model is based on a framework that includes a series of assumption related to the estimated expenditure, revenues and tax levy that will shift to the Town. It is also take into account how the tax levy will shift between the Town General and Highway Funds and the newly created special districts.

The fiscal impact model indicates that there is a reduction in the property tax for Village property tax payers. It is important to identify why there is a proposed reduction in property taxes. It is common to assume that in a merger of governments it would be related to the economies of scale and efficiencies gained; however in the case of the Village of Lake George, the anticipated cost savings explain only a small percentage of why the Village taxpayers would see a property tax reduction. There are 4 primary factors influencing the property tax impact in this fiscal model:

- **Application of Village Assets:** The largest factor influencing the post dissolution property tax reduction for Village property owners is the application of Village assets to offset long term liabilities. The Village has a very healthy fund balance, a number of reserves and owns significant property and equipment. If the Village were to dissolve, this fiscal model assumes that the cash and reserved cash (estimated in the study model at \$6,103,000) and liquidated property assets (model presumed \$1,000,000) are projected to be sufficient to offset in total the Legacy District costs and reduce the net cost of the WWTP project prior to bonding. The legacy costs include outstanding debt service for the Sewer Collection System, the Visitors Center, and the share of the vac-truck debt service not assigned to the new Hamlet Water District truck. The legacy costs also include the retiree health benefits. Should the Village electorate vote to dissolve, it is recommended that the Village obtain an actuarial study of the estimated long term costs of the retiree health benefit and a thorough analysis of outstanding debt and debt service be completed as well.

It is important to note that the \$1,000,000 is not based on identified properties or equipment; but rather is presented for illustrative purposes only. The model does; however, assume that should the Village sell property or equipment, there is an equal need for property and equipment on the part of the Town post disposition. It should be noted that the Village may choose to use its assets for alternative purposes such as repayment to current taxpayers which would change the fiscal model and would result in different property tax impacts.

- **Tax Levy Shifting:** Part of the Village net costs will shifting to the Town General and Highway Fund will be spread over the town-wide tax base which is significantly greater than the Village tax base. The Town outside Village funds have no tax levy and as such there is no tax levy that would shift to the Town wide base including the Village. The model also assumes the shifting of Village tax levy to the newly created Hamlet of Lake George Fire District/Protection District and Sewer District. A Hamlet Water District is proposed; however, there is no levy related to the Water District.
- **Efficiencies, Economies of Scale & Other Savings:** As identified in the Service Section of this study, there are opportunities for efficiencies; however based on the current level of shared services and a strong division of labor between the Village and Town, relative to the overall combined Village and Town operations, the cost savings are limited. The majority of the cost savings were found in the general services operations including salaries, other than personal services and in fringe benefits.

- **Citizens Empowerment Tax Credit:** The Citizen Empowerment Tax Credit (CETC) is applied to offset the Town General and Highway property tax levy.

Assumptions Used in the Analysis

- The fiscal analysis assumed the creation of the following districts: Fire District/Fire Protection District, Sewer District and Water District.
- This post dissolution model assumes that the Village will not only apply the available fund balance including approximately 50% of the reserves in the amount of \$6,103,000 but will also apply \$1,00,000 of the liquidated value of property sales to offset Village taxpayer long term liabilities.
- Salaries and longevities used in the model took into account the Town salary schedules and the potential market impacts of positions requiring certifications and/or specialty training and experience.
- Employee health benefit costs were based on the Town's schedule of Town and employee cost sharing.
- Retiree health benefit cost was based on an assumption of 9 additional retirees and the current Village retiree health plan and retiree cost sharing.
- This fiscal model takes into account the implications of the Waste Water Treatment Plant (WWTP) capital improvement project. The Village currently has a Bond Anticipation Note for the short term financing and prior to dissolution the Village anticipates shifting to a long term bond. This model assumes the use of \$1,000,000 of unassigned fund balance and \$573,000 in the WWTP Capital Reserve to be applied to offset the net WWTP project costs prior to bonding which will reduce the amount of the annual debt service payments. The debt service for the existing WWTP Project #2 and the new debt service for the new WWTP project were included in the costs of the new Hamlet Sewer District.
- The current fiscal terms between the Caldwell Sewer District and the Village are assumed as the post dissolution relationship between the Caldwell Sewer District and the new Hamlet of Lake George Sewer District. Similarly, the compensation arrangements for Hearthstone Campground, the School District and other residential users were assumed to remain the same as they stand today.
- The outstanding fire service debt has been allocated to the new Hamlet of Lake George Fire District/Protection District and the water system debt service was placed as a cost in the Water District.
- General fund revenues including sales tax revenues, NYS Aid such as Consolidated Highway Improvement Program (CHIPS), mortgage tax, franchise fees and AIM funding will go the Town General and Highway Funds. Village departmental revenue such as the large parking meter proceeds that are linked to the general fund activities will become Town-wide revenues. Revenues associated with the services of the newly created Water and Sewer Districts will flow to these Districts. The revenue estimates were determined primarily from the Village's 2022/2023 budget but also considered historical actuals and current service agreements. The \$715,000 of Village appropriated fund balance was not assumed in the estimation of transferred revenues to the Town.
- The fire services costs are assumed to be shared based on assessed value across all users in the system. The budget was increased by \$40,000 reflecting the added administrative and fiscal responsibilities of the Fire District/Fire Protection District.
- Given the increased responsibilities of the Town leaders and the impacted department heads, the model made provisions for additional costs associated with re-organization and salary considerations.

- Given the significance of tourism to the local economy, the fiscal model assumes funding to support a special events and tourism coordination function at \$50,000.

Village of Lake George - Post Dissolution Analysis												
		2022	2022	Dissolution Levy	Village Assets to Offset	CETC	Post Dissolution	Post Dissolution	Current Village	Current Town	Post Dissolution Town	Post Dissolution Village
		TAV	Levy	Shift	Liabilities	Impact	TAV	Town Levy	Tax Rate	Tax Rate	Taxpayer	Taxpayer
Village General		\$ 266,060,235	\$ 1,540,491	N/A	N/A	N/A	N/A	N/A	\$ 5.7900	N/A	N/A	\$ -
A Fund Townwide	NO CETC	\$ 1,390,792,368	\$ 1,756,353	\$ 264,232	\$ -	\$ -	\$ 1,390,792,368	\$ 2,020,585	N/A	\$ 1.2628	\$ 1.4528	\$ 1.4528
A Fund Townwide	70% CETC	\$ 1,390,792,368	\$ 1,756,353	\$ 264,232	\$ -	\$ (346,169)	\$ 1,390,792,368	\$ 1,674,416	N/A	\$ 1.2628	\$ 1.2039	\$ 1.2039
A Fund Townwide	100% CETC	\$ 1,390,792,368	\$ 1,756,353	\$ 264,232	\$ -	\$ (494,527)	\$ 1,390,792,368	\$ 1,526,058	N/A	\$ 1.2628	\$ 1.0973	\$ 1.0973
Fire Prot Dist. #1		\$ 1,076,419,865	\$ 366,495	\$ 32,073	\$ -	\$ -	\$ 1,076,419,865	\$ 398,568	N/A	0.3405	\$ 0.3703	\$ 0.3703
Hamlet Fire District		\$ 266,060,235	0	\$ 127,772			\$ 266,060,235	\$ 127,772			\$ -	0.480237771
Hamlet Sewer District		N/A	\$ -	\$ 784,981	*	\$ -	\$ 266,060,235	\$ 784,981	N/A	N/A	N/A	\$ 2.9504
Hamlet Water District		N/A	\$ -	\$ -	\$ -	\$ -	\$ 266,060,235	\$ -	N/A	N/A	N/A	\$ -
Legacy District		N/A	\$ -	\$ 441,616	\$ (441,616)	\$ -	\$ 266,060,235	\$ -	N/A	N/A	N/A	\$ -
EMS		\$ 1,390,792,368	\$ 555,000	\$ -	\$ -	\$ -	\$ 1,390,792,368	\$ 555,000	N/A	0.3991	0.3991	\$ 0.3991
Caldwell Sewer District Debt		\$ 198,996,400	\$ 31,089	\$ -	\$ -	\$ -	\$ 198,996,400	\$ 31,089		\$ 0.1562	\$ 0.1562	N/A
Caldwell Sewer District O&M		6019 units	\$ 326,300		\$ -		6019 units	\$ 438,542		\$ 54.21	\$ 72.86	N/A
* Sewer District Costs Offset by WWTP Reserve												
NOTE: The Interim Study of Dissolution included one fiscal model of many fiscal models. The fiscal model is based on the attached fiscal model framework and set of assumptions. Any changes in the framework or the assumptions will impact this fiscal model.												

APPENDIX H

NYS Department of State

Legal Memorandum LG06: Coterminous Town-Village

WHAT IS A COTERMINOUS TOWN-VILLAGE?

A coterminous town-village is a unique form of local government organization. Geographically, one town and one village share the same boundaries. Depending on how the coterminous unit is formed, the town and the village function together as a single local government or as two separate local governments. As a single unit of government, the governing body of one unit of the coterminous government serves as the governing body of the other unit. This process results in one of the forms of government being the primary form of government – either town or village – effectively eliminating the other as far as administration is concerned. Where the coterminous entity functions as two local governments, separate officers and boards are chosen or selected and both town and village entities possess governance authority.

Currently, there are five coterminous town-villages in New York: Mount Kisco, Harrison and Scarsdale, in Westchester County, Green Island in Albany County, and East Rochester in Monroe County.

A coterminous town-village can be created in several ways. One way is for a new village to be incorporated in a town which has no existing villages, with the new village having the same boundaries as the existing town. This method would comply with the prerequisites for forming a new village under Village Law, §2-200. The coterminous Town-Villages of Harrison and Scarsdale were created in this way.

Another method is for an existing village to use the procedures of General Municipal Law, Article 17, to annex all of the adjacent territory in its town lying outside the village. Essentially, the village would expand its boundaries to become coterminous with the town. For this to occur, there would have to be no other villages already in existence in the town. Additionally, the procedure requires approval of both the existing village and town governing boards, plus the approval of the voters at a referendum held in the outlying territory which is to be annexed.

A third method is for the State Legislature to adopt a special act creating the coterminous town-village. Since it would be for the benefit of only two municipalities, such a special act would require that the two existing governments send a "home rule request" to the Legislature to enact the bill. In the special act, the boundaries of the new municipality would be set forth, and other provisions would be written regarding governmental administration, disposition of real property and other assets and obligations of the existing municipalities. Although a referendum is not required by any existing general statute, the Legislature may condition the creation of the town-village on the approval of the voters at a referendum. By utilizing the method of a special act, the boundaries of the new town-village could follow an existing town or village boundary, or they could follow newly-drawn boundaries. Both the Village and the Town of Green Island were created by separate acts of the State Legislature in the 19th Century.

A fourth method is for a public petition to be submitted under Article Five of the Town Law, calling for the division of the existing town into two towns, one of which would have the same boundaries as an existing village. The coterminous Town-Villages of Mount Kisco and East Rochester were created in this way, although in each of those cases two existing towns were divided to create the new town. The formation of Mount Kisco was also later ratified by an act of the State Legislature.

An Article Five petition may be signed by any registered voter of the town, whether a resident of the village or not. The petition must contain signatures totaling at least five per cent of the total number of votes cast in the town for the office of Governor at the last gubernatorial election--but not less than 100 in a first-class town or not less than 25 in a second-class town. The petition must be submitted to the county legislative body, which must hold a public hearing and then make a determination whether to grant the petition. The petition may only be granted by a two-thirds vote of the county legislative body. If granted, there will then be a referendum on the division of the town. All registered town voters, including residents of the village, will be eligible to vote on the proposition to divide the town.

Regardless as to how a coterminous town-village is created, there is permanent State legislation governing administration in the municipality once it has been created. Article 17 of the Village Law contains detailed provisions concerning such issues as alteration of boundaries, election of officers, their powers and duties, bonds and other indebtedness, assessments, and the administration of improvement districts. For example, Article 17 requires that, in a new town created with the same boundaries as an existing village, a referendum must be held to determine whether the voters wish the local government to operate "principally as a village" or "principally as a town." After the election, there will thereafter be a single governing body, with the members holding office as both the town and the village board, but functioning primarily as either the one or the other.

If a new village is incorporated to embrace the entire territory of an already-existing town, the town board may submit a proposition to the voters as to whether they wish the board of trustees to function also as the town board. (If at least 50 taxpayers petition for such an election, then the town board has no choice: it is required to submit the proposition to the voters.) If the voters turn down the proposition, then there will continue to be separate village and town boards, although the municipalities are coterminous.

Article 17 also provides that the creation of a coterminous town-village shall not affect the existence or boundaries of any school district or change the levy or collection of taxes for any school district. Similarly, the jurisdiction of existing town and village courts must be extended to cover any judicial actions pending at the time of creation of the new municipality.

Even though the new coterminous municipality may function primarily either as a town or as a village, it will be required to continue to perform at least some of the functions of both. The change of municipal status to that of a coterminous town-village will have a fiscal impact that cannot be determined until a thorough study has been conducted. While additional local assistance may be forthcoming, there will be additional expenditure responsibilities as well.