

Village of New Paltz, New York

Dissolution Study and Proposed Plan - Update



PUBLIC MEETING #2 – APRIL 29, 2025

LABERGE GROUP

MUNICIPAL SOLUTIONS TEAM



BEN H. SYDEN, AICP
VICE PRESIDENT



KATHLEEN A. ROONEY
LOCAL GOVERNMENT
SPECIALIST

OVERVIEW OF PRESENTATION

- Meeting Decorum
- Acknowledgments
- What is a Board Initiated Dissolution Plan?
- The Board Initiated Dissolution Planning Process
- How Will Dissolution Impact Governance?
- How Will Dissolution Impact Services?
- What will happen with Village Assets and Liabilities?
- What will happen with Village Local Laws?
- What is the Fiscal Impact of Dissolution?
- Public Comments and Questions and Answers

Q&A FOLLOWING THIS PRESENTATION

To allow time for the maximum number of attendees to participate:

- Questions will be answered on a first-come / first served basis, toggling between online participants and in-person participants.
 - Zoom participants: please type your questions into the chat function on Zoom.
 - In-person participants: please sign-up on the sheet provided.
- If we run out of time to address all questions, we will post the Questions / Comments link again at the end of the Q&A session so that you can ask your question there.
- To provide the greatest opportunity for the largest number of community members to be heard, please refrain from asking a question that has already been asked.

www.labergegroup.com/newpaltz

ACKNOWLEDGMENTS

Laberge Group would like to acknowledge and thank the members of the Village of New Paltz Board of Trustees and the New Paltz Town Board.

Village of New Paltz

Tim Rogers, Mayor
Alexandria Wojcik, Deputy Mayor
William Wheeler-Murray, Village Trustee
Stevie Susta, Village Trustee
Stana Weisburd, Village Trustee

Town of New Paltz

Amanda Gotto, Town Supervisor
Kitty Brown Deputy Supervisor
Esi Lewis, Councilperson
Edgar Rodriguez, Councilperson
Randall Leverette, Councilperson

We would also like to extend our sincere appreciation to the many staff members, community stakeholders and volunteers who provided valuable insights and who collected and submitted data and program information, local input, and guidance throughout the process in order to produce this Proposed Plan for the residents of the Village of New Paltz and the Town of New Paltz.

WHAT IS A DISSOLUTION PLAN?

- A Dissolution Plan must address all the legal requirements outlined in Article 17-A of the New York State General Municipal Law.
- Prior to the Referendum by the Village electorate, the Plan provides residents with information of how the Dissolution might affect them:
 - Impact on governance and representation
 - Future conditions for services
 - Estimated impact on property taxes
 - Accounting and Disposition Plan for the Village's Assets and Liabilities
 - Potential Impact on Existing Village Local Laws and Codes
 - Potential plan for the transfer/elimination of employees
 - Proposed Date of Dissolution
 - Cost of Dissolution
- Post Dissolution the Plan is Non-binding on the Town.

BOARD INITIATED DISSOLUTION PLANNING PROCESS

**WE ARE
HERE**



Collect and Analyze Data & Stakeholder Input

Study the Impacts of Dissolution

Develop Study Document and
DRAFT Proposed Dissolution Plan

Village Board Endorse
DRAFT Proposed Dissolution Plan

Hold Public Hearing
on DRAFT Proposed Plan

Revise the Proposed
Dissolution Plan as Needed

Village Board Vote to Stop the Process or Amend/Adopt
Final Dissolution Plan & Set Referendum Date

REFERENDUM

TENTATIVE PROCESS TIMELINE

January 15, 2025 - Village Board held first informational meeting.

April 29, 2025 - Village Board held second informational meeting.

June 3, 2025 - Village Board votes to consider endorsement of the DRAFT Proposed Village of New Paltz Dissolution Plan.

July 9, 2025 - Public hearing on DRAFT Proposed Plan at a meeting of the Village Board of Trustees.

August 6, 2025 - Meeting of the Board of Trustees to either vote to stop the process or adopt the amended/ final Proposed Dissolution Plan and set a date for the referendum.

November 4, 2025 - Preliminary date for the referendum by Village electorate only should the Village choose to continue the process.

December 31, 2026 - Proposed Date of Dissolution.

LOCALLY DRIVEN PLANNING PROCESS

PROJECT STEERING COMMITTEE

Tim Rogers, Mayor

Amanda Gotto, Town Supervisor

Kitty Brown, Deputy Supervisor

Stana Weisburd, Village Trustee

Nikkie Neilson, Citizen Representative

Kathleen (KT) Tobin, Citizen Representative

Michael Zierler, Citizen Representative

SUBJECT MATTER WORKGROUPS

LAND USE WORKGROUP

Tim Rogers, Mayor
Amanda Gotto, Town Supervisor
Kitty Brown, Deputy Supervisor
Stana Weisburd, Village Trustee
Zack Bialecki, Village Planning Board Chair
Sean O'Sullivan, Village ZBA Chair
Adele Ruger, Town Planning Board Chair
Rich Whitney, Town Environmental Conservation Board Chair
Michel Baden, Village Director of Planning, Zoning and Codes
Thomas Tyron, Town Director of Planning, Zoning and Codes

FIRE SERVICE WORKGROUP

Tim Rogers, Mayor
Amanda Gotto, Town Supervisor
Kitty Brown, Deputy Supervisor
Stana Weisburd, Village Trustee
William DuBois, Former New Paltz Fire Company President
Patrick Koch, Fire Chief
Cory Wirthmann, Former Fire Chief

SUBJECT MATTER WORKGROUPS

PUBLIC WORKS

Tim Rogers, Mayor
Amanda Gotto, Town Supervisor
Stana Weisburd, Village Trustee
Bleu Terwilliger, Village Superintendent of Public Works
Christopher Marx, Town Highway Superintendent
Village Public Works Staff

ADMINISTRATION AND FINANCE

Tim Rogers, Mayor
Amanda Gotto, Town Supervisor
Kitty Brown, Deputy Supervisor
Stana Weisburd, Village Trustee
Nancy Branco, Village Clerk Treasurer
Jean Gallucci, Town Comptroller
Rosanna Mazzaccari Rosenkranse, Town Clerk
William Frank, Village Attorney
Joseph Moriello, Town Attorney

PLANNING PROCESS

PROJECT WORKGROUPS

- Reviewed Data & Analyses
- Proposed Preferred Post Dissolution Framework for Services & Service Models
- Provided Input on Post Dissolution Resource Needs
- Strategized Approaches to Integration of Local Laws, Land Use Boards, etc.
- Framed Options to Support Smooth Transition

KEY STAKEHOLDERS

- Provided Data & Information
- Participated in interviews
- Provided Ongoing Input & Feedback on Current & Potential Post Dissolution Services, Service Delivery and Fiscal Condition
- Identified Key Issues
- Recommended Approaches to Post Dissolution Service and Service Delivery

COLLABORATION

COMMUNICATION

LOCAL OWNERSHIP

COMMUNITY ENGAGEMENT

WORK **CLOSELY** WITH THE COMMUNITY
TO PROACTIVELY ADDRESS CONCERNS

PUBLIC MEETINGS

- Share facts and dispel misconceptions
- Answer questions
- First step toward building consensus, finding common ground, and collaborating on solutions

PROJECT WEBSITE AND ONLINE Q & A

- Forms available online to foster dialog and address questions and concerns
- All documents and FAQ on the project website
- Website updated regularly as new information is available

www.labergegroup.com/newpaltz

TRANSPARENT

AVAILABLE

ACCESSIBLE

PRELIMINARY TEST FOR THE VOTER: DOES IT MAKE SENSE OR CENTS?



Governance: How will the proposed dissolution impact who and how decisions are made related to Village services and codes?

Fiscal Impact: Will the proposed dissolution reduce the current Village's costs now or in the future?

Services and Community Norms: Will the proposed dissolution:

- Continue/discontinue various Village services?
- Improve the current delivery of Village services?
- Deliver services more efficiently?
- Maintain/change Village zoning codes?
- Maintain or change quality of life codes and their enforcement?



**HOW WILL DISSOLUTION
IMPACT GOVERNANCE?**

WHY CONSIDER RE-ORGANIZATION NOW?

- The Village and Town of New Paltz have **studied Village-Town government re-organization for almost 2 decades.**
- The Village and Town have **successfully accomplished** numerous joint projects.
- Still see **the long term opportunity for efficiency and cost effectiveness** outlined in the Fairweather Report.
- **Citizen Empowerment Tax Credit of \$1,000,000 annually:**
 - **70% Minimum for Tax Savings** **30% Address Community Needs**

WHY CONSIDER RE-ORGANIZATION NOW?

- **Frustration Caused by Town-Village Boundaries:** The overlapping governments and the legal boundaries between create limitations. Extension of water outside the Village is often cited as an example. There have been multiple situations which required the annexation of property by the Village. Examples where it was not possible - property must be contiguous.
- **Unified Decision Making is streamlined, faster and less cumbersome.** Next level of joint opportunities are more projects that will tax the shared decision making process:
 - Approval of two governing bodies rather than one an time consuming.
 - Potential for lost opportunities.
- **Capital Planning and Asset Management** –without regard to Village and Town lines.
- **Leverage Efficiencies:** savings; to optimize strategic cost saving initiatives, fill service gaps.
- **Resiliency:** A larger government may better weather **fiscal challenges, staff turnovers and disasters.**

Concerns Heard Throughout the Process:

- **There is no guarantee for the post-dissolution conditions.**
 - This is correct. However, it has been a Joint Village-Town planning process. Both Village and Town leadership teams expressed a commitment to carry out the Plan elements and to proactively address these concerns.
- **Will there be diminished focus on the unique service delivery models currently applied individually within the Village and in the Town-outside-Village?**
 - The proposed plan recommends protection of the unique services and service delivery models utilized in both the Village and the area outside the Village.
- **Will constituents have less access to their representatives or staff?**
 - A streamlined governance model could increase access and accountability.
- **“If it’s not broken why change?”**
 - There are opportunities to leverage savings, improve services and to seize opportunities easier for one government than two.
- **Village employees provide excellent services. Will they continue to provide services?**
 - Village employees are the #1 asset to consider. It will be critical to work with Ulster County Civil Service and representatives of the collective bargaining units to ensure the protection of the Village public servants that have served their community.

Potential to Turn Efficiencies into Cost-Effective Improvements and Savings

Fiscal and Administrative Services:

- Efficiency gained by elimination of duplication of maintenance of accounts, Federal and state reporting including the annual financial report, property tax billing, etc.
- Efficiency gains can create cost savings and to free up experienced staff to develop Town-wide cost-saving strategies, to handle increased grant writing and administration responsibilities, and to repurpose staff to handle functions needing attention such as records management, specialized analyses, etc.

Planning/Zoning/Codes Eliminate duplications and leverage efficiencies to increase professional support for volunteer boards, enhanced proactive enforcement strategies, increased inspection capacity, advance automated workflow and AI tools and streamline administrative support to achieve even greater efficiencies and/or savings.

Potential to Turn Efficiencies into Cost-Effective Improvements and Savings

Public Works re-alignment opportunities: Re-purpose efficiency gains to leverage experienced staff time for service expansions, capital improvement planning and expanded preventive maintenance work plans.

Enhance organizational capacity: Leverage efficiencies to free up knowledgeable staff from task based functions to focus on innovative solutions and **cost effective service delivery strategies.**

Enhance organizational resiliency better able to weather economic down turns, manage community emergencies/disasters and mitigate impacts of periodic staffing turnover.

Streamline equipment and facilities: Evaluate use of equipment use and needs overtime. Sell identified surplus equipment and avoid future costs. **Streamline into 1 municipal Hall and 1 DPW Garage.**



**HOW WILL DISSOLUTION
IMPACT SERVICES AND SERVICE DELIVERY?**

CURRENT VILLAGE AND TOWN PUBLIC WORKS

Current Village Public Works Organization

- Total of 9.5 Staff : 1 Superintendent of Public Works, 1 Municipal Worker Supervisor, 1 Water/Wastewater Maintenance Worker, 1 Municipal Worker III, 4 Municipal Worker II, 1 Municipal Worker 1, seasonal workers and a part-time typist.
 - The department **functions as one unit.**
 - Approximately 50% of workload is Water and Sewer . 4.5
 - Approximately 50% of workload - public works functions. 4.5
- Total 9.0

Current Town Public Works Organization

- Total of 16 Staff : 1 Superintendent of Highways, 2 Working Supervisors, 6 Motor Equipment Operations, 1 Mechanic, 3 Municipal Worker II, 1 Transfer Station Operator, 1 Transfer Station Attendant and 1 Secretary.
 - Department is organized into **3 divisions:**
 - **Superintendent.** 1
 - **Highway** includes 2 supervisors, 3 MEOs & a mechanic. 9
 - **Building and Grounds** 3 Municipal Workers. 3
 - **Transfer Station Operations** 2 staff. 2
 - Limited Water and Sewer Operations (in Highway).
- Total 16

WATER & SEWER SERVICES

Current Village Water Service

- Serves the majority of properties within the Village as well as Town Water Districts 1, 2, 3 and 4.
- Operates & maintains a water treatment plant and access roads, two storage tanks, 4 reservoirs , 4 wells, a pump station and 37 miles of distribution system, maintenance of property on lands above water source transmission line.

Current Village Sewer Service

- Serves the majority of properties within the Village as well as Town Sewer Districts 1, 5 and 50.
- Operates & maintains a waste water treatment plant, 4 pump stations, hundreds of manholes and 23 miles of collection system.

Post Dissolution

- Town would create a new **Water District** and a **new Sewer District**. The boundaries of both would be the same as the current Village boundaries. Continue services to all current users inside and outside Village.
- Town would assume ownership of all the assets and all maintenance and operations responsibilities and agreement obligations.
- All Village public works staff would transfer to the Town to provide skills and to maintain the system and Town will contract with a trained water treatment operator.

Village Public Works Service Delivery	Current Village	Post Dissolution	Key Differences with Town Operations
21 lane miles of streets & streetscape maintenance including Curbs/Shade Trees/Parking Lots/ Sidewalks	✓	✓	Town focus is paving 116 lane miles (wider roads; road-side ditching, & tree maintenance.) Limited streetscape.
Snow Plowing involves 9 routes and includes snow removal	✓	✓	Village operations slowed by curbs, on street parking; sidewalks, pedestrian traffic, etc.
Management & Maintenance & of Hundreds of Parking Meters	✓	✓	Town does not manage or maintain parking meters.
Maintains all Village facilities & Elting Family Cemetery	✓	✓	Cemetery Maintenance is a long term agreement.
Spring Clean Up – Bulk Item Pick Up	✓	✓	Town does not provide; propose Special Hamlet Refuse District
Brush Pick Up	✓	✓	Village operations slowed by curbing, on-street parking, narrow streets
Bagged Leaf Pick-up	✓	✓	Town does not provide service.
Loose leaf pick up	✓	✓	Village on-street parking, etc. limits use of one man operation used in the Town.
Maintenance/cleaning - 433 Catch Basins & Storm Sewer System	✓	✓	Town focused on maintenance of road-side ditching and culverts
Parks, Trails and Public Spaces	✓	✓	Town performs similar functions.
Beautification Program/Special events	✓	✓	Town performs similar functions

POST-DISSOLUTION PUBLIC WORKS SERVICES

Post Dissolution Preferred Service Delivery Model:

- Provide all Village services and embrace the distinctions in service delivery model
- Transfer over all Village Public Works Staff.
- Create a discrete **“Water, Sewer & Town Center Division”** within the Town Public Works structure to provide all the current Village services & include the Village staffing.
- The new Division to be headed by the current Village Superintendent of Public Works reporting to the elected Highway Superintendent.
- Assign the 3 part-time parking enforcement officers to this Division for supervision.
- Creation of a **Refuse District specific to the area currently known as the Village of New Paltz** to continue the Spring Clean Up Refuse Pick Up program.
- Continued illumination of **Village streetlights**.

POST-DISSOLUTION PUBLIC WORKS SERVICES

Post Dissolution Public Works Equipment and Vehicles

- Initially plan to transfer over all of the Village equipment. During transition year and the first year of operations evaluate the equipment needs and plan for the sale of identified surplus and streamline the fleet going forward. (Future Avoided Costs)

Post Dissolution Highway Garage

- Neither facility can handle both the Village and Town staffing and equipment. Transfer the Village garage to the Town. Strategically plan long term facility solution.

NYS Consolidated Highway Improvement Program (CHIPS) Funding

- Village CHIPS funding would be transferred to the Town on an ongoing basis.

POST-DISSOLUTION FIRE SERVICE

Current Fire Services

- Village Fire Department provides fire services in cooperation the New Paltz Fire Department Inc. ,a not for profit volunteer fire company that provides the volunteer firefighters.
- Serves the Village and the total area of the Town outside the Village
- Village owns the Fire house located on the New Paltz Volunteer Fire company land and the Village owns all of the trucks and equipment.

Post Dissolution Fire Service

- Unlike Villages, Town governments cannot operate Fire Departments.
- Fire Service Workgroup and Steering Committee consensus:
 - Current service is excellent.
 - Maintain the current model of a Fire Protection District.
 - The community has previously studied the governance models - Fire Protection District and Fire District and if there is community interest it can certainly be revisits; however, this decision that is better addressed outside of the dissolution discussion.
- Town and the New Paltz Volunteer Fire Company would enter into an agreement for the delivery of the service that would lay out the roles and responsibilities.
- Town would own and maintain the Fire House and all the trucks and equipment.

POTENTIAL POST DISSOLUTION - CENTRAL ADMINISTRATION

Current Village Clerk/Treasurer

- Coordinates Village operations w/ Mayor, Board of Trustees, staff & the public.
- Issues permits, maintains Village records, is the FOIL Officer.
- Handles accounts payable /accounts receivable, purchasing, prepares annual financial report and other mandated filings; prepares draft budget and manages budget; collects property taxes; manages long term debt; handles employee benefits and prepares payroll input.
- Provides administrative support (.5 FTE) to the Planning Board.
- Bills, collects and manages accounts receivable for water and sewer payments and manages parking ticket collections and accounts receivable.

Post Dissolution

- Initial need for all administrative staff (less 1 via a planned retirement).
- Functions & staff will be assumed by the Town Comptroller's Office and Clerk's Office. Consider possible assignment of fiscal/admin staff to the Water and Sewer Division for billing and collection of water and sewer rents and parking enforcement payments.
- Leverage freed staff time to focus on developing creative cost savings strategies such as employee health costs that don't negatively impact employees, application of new technologies, etc.

POST DISSOLUTION VILLAGE ZONING LAWS

GENERAL MUNICIPAL LAW (GML) ARTICLE 17-A §774 (K)

All Village local laws or ordinances remain in effect for up to 2 years post dissolution unless repealed or modified by the Town and shall be enforced by the Town within the former Village as if they had been duly adopted by the Town Board.

PREFERRED INTEGRATION APPROACH

Recommended by the Joint Village-Town Land Use Workgroup

- Apply a “Hybrid” zoning adoption approach - retain critical aspects of Village zoning unique to the Village such as the Zoning Districts and bulk schedules while streamlining generalized sections to limit redundancy and inconsistencies such as those related to administration and enforcement.
- Initiate the development of the integration process upon an affirmative vote by the Village electorate. This will provide 3 years in total to complete the integration process before the Village zoning codes can no longer remain in effect.
- Consideration by the Village of a short term land use moratorium prior to the date of dissolution.

LAND USE PLANNING, ZONING & CODE ENFORCEMENT

Zoning Board of Appeals The Town ZBA would assume adjudication of Zoning Law in the Village.

Planning Board The Town Planning Board would assume the responsibilities of the Village Planning Boards.

Recommendations

- Create a temporary Advisory Committee, comprised of former Village Planning and Zoning Board member, to provide technical advice and input to the Town Planning Board and ZBA..
- Create a Town Design Review Board to review architectural design within the hamlet, or town-wide, depending on the Town's direction and include former Village land use board members on the Town design board.
- Reconstitute the Planning Board and ZBA to include former Village of New Paltz land use board members as seats become available.
- Retain all Town and Village professional staff in order to provide increased support to the volunteer Planning, ZBA and other boards that will experience a post-dissolution workload increase.
- Retain all Town and Village code enforcement staff needed to administer and enforce the NYS Uniform Code and Energy Code, Zoning and other local codes.

VILLAGE QUALITY OF LIFE LOCAL LAWS

Village Quality of Life Codes, Rules and Regulations

- Village has a number of quality of life codes relative to its population density, small lot sizes many of which are unique to the Village and others that may be similar to Town codes but not necessarily the same. Examples include:
 - Rental Property Regulations & Registration
 - Short Term Rentals
 - Affordable Housing
 - Keeping of Animals
 - Speed limits on Village streets
 - Parking Regulations
 - Water and Sewer

Post Dissolution

- Village Codes/laws remain in place up to 2 years unless incorporated into Town law, repealed or amended and incorporated into Town law. After 2 years deemed repealed.
 - Initiate code integration process as soon as practical after an affirmative vote on dissolution.
 - Prioritize codes for immediate review, adoption/amendment.
 - Town incorporates Village specific local laws.
 - Use the 2 years to evaluate and update/amend/add local Town laws that are similar but not the same as Village Local Laws to streamline administration and enforcement.
 - Repeal Village Local Laws no longer relevant.



**WHAT IS THE PLAN FOR DISPOSITION OF VILLAGE
ASSETS AND LIABILITIES?**

VILLAGE OWNED PROPERTY AND EQUIPMENT PRELIMINARY DISPOSITION PLAN

Preferred Disposition Plan is to Transfer all Property, Infrastructure, Equipment and Vehicle Fleet to the Town of New Paltz:

- **Water and Sewer Infrastructure and Property** for the benefit of all system users.
- **Parks, recreation assets, rail trail and public space properties**
- **Fire House facility.** The Town will also assume the 99-year land lease with the volunteer fire company.
- **Village Hall** Currently Town Hall operations are located in rented trailers and cannot accommodate expanded operations. The Village Hall will be needed in short term to handle the expanded staff. In the long term, this property could be renovated and utilized as the new Town Hall.
- **Public Works Garage** The current Town Highway Garage is not large enough to accommodate the expanded staff or equipment.
- **Ann Oliver House** would transfer to the Town until the construction project and any related grant terms are satisfied.
- **All Other properties.**

As any property or equipment are determined to no longer be needed, they would be sold and the proceeds would be used to offset outstanding Village liabilities.

PROPOSED DISPOSITION PLAN FOR VILLAGE CASH ASSETS

Village of New Paltz General Fund Balance Disposition Plan

General Fund	5/31/24	Proposed Disposition Plan
Capital Reserve - Restricted	\$1,266,467	Fire service equipment purchases anticipated to be made prior to dissolution.
Restricted Repairs	\$80,872	Sidewalk projects are anticipated to be completed prior to dissolution.
Restricted for Debt	\$33,764	Offset to debt service to be made prior to dissolution.
Restricted for LOSAP	\$462,902	Volunteer firefighter retirement program should transfer to Town as a reserve.
Restricted Other	\$0	N/A
Assigned & Appropriated	\$164,000	In Village final fiscal year, there would be no appropriation of fund balance.
Unassigned Unappropriated	\$889,482	All remaining fund balance at the time Village closes its final fiscal year would be used to offset Village liabilities.
Total Fund Balance	\$2,897,487	

Source: Village of New Paltz Finance Report filed with NYS OSC FYE 5/31/24.

Sewer and Water Funds Disposition Plan

Remaining fund balances will shift to the new Water and Sewer Districts for the benefit of all water and sewer system users..

Trust Accounts and Reserves Cash Assets Disposition Plan

The Village has a number of trust and custodial accounts and reserves such as the Elting Cemetery fund, the Wood Ponds wetland account and the Parkland Reserve fund as well as trust and agency accounts such as the Planning Board escrow accounts. It is recommended that they transfer to the Town for continuation of their purpose.

Village Liabilities

- Bonds and BANS
- Compensated Absences
- Outstanding Workers' Compensation
- Retiree Health Insurance
- Fire Service -LOSAP Liability
- Unknown Liabilities
 - New Lawsuits
 - Settlements and Claims
 - New Workers Comp Cases

Bonds

- Water Tower and Meters Bond will be paid off in September of 2026
- Water Treatment Facility Bond is estimated to have \$2,750,000 remaining principal as of May of 2026. This debt is currently funded by water system users and it is anticipated that this will continue until the bond maturity date.

Bond Anticipation Notes (BANS)

- Village Hall Roof BAN (current principal = \$500,000) is anticipated to be paid off prior to dissolution.
- Village has various BANS supporting upgrades to the water system.
 - Village estimates that there will be \$2.22M in outstanding debt related to the well development project which will be paid off utilizing the NYC DEP grant funding for the project of an equal amount.
 - Village estimates that there will be approximately \$4.48M of BAN principal outstanding as of May 31, 2026 that is currently and would continue to be as annual debt service funded by the water system users.

DISPOSITION PLAN FOR LIABILITIES PHASED APPROACH

Phase I: Eliminate/Mitigate liability prior to dissolution

- Workers Compensation – Pay out potential case settlements where appropriate.
- Pay off General Fund BAN for Village Hall roof.
- Reconcile Town Fire Service inter-municipal agreement refund of unspent funds.

Phase II: Use Village fund balance and liquidated assets to mitigate short term liabilities

- Compensated Absences and any other short term liability
- Establish an escrow account with Village assets to be used to smooth out annual retiree health legacy costs.

Phase III: Long Term Liabilities

- Water Debt (Bond and BANs) to be funded by water system users.
- **Legacy Costs**
 - Retiree Health - Liability will be funded through property taxes on the properties of the former Village. Use escrow funds to smooth annual liability payments.
- Unknown Liabilities - There may be additional liabilities unknown at this time, that may be a charge upon the property owners in the former Village such as settlements and law suits. Other liabilities related to water, sewer or fire services may become a charge upon the service users.



**WHAT IS THE ESTIMATED
FISCAL IMPACT OF DISSOLUTION?**

TRANSITION AND IMPLEMENTATION COSTS

- **One-time costs related to shutting down the Village and ramping up an expanded Town. Examples include:**
 - Legal Costs
 - Property Transactions
 - Updating Agreements
 - Integration of Village and Town Zoning Laws
 - Integration of Other Village Codes into the Town Code
 - Information Services
 - Networking
 - E-mail System
 - Website
 - Software
 - Map, Plan and Reports
 - Special Districts: Water, Sewer, Fire, etc.

FISCAL IMPACT - VILLAGE PROPERTY OWNER

- Village of New Paltz Taxpayers will see a reduction in property taxes.
- What are the factors driving the fiscal impact?
 - Citizens Empowerment Tax Credit (CETC)
 - Shift of Village costs to Town wide Property Tax Base (Town outside Village taxpayers share in these costs).
 - Shift of Town-outside-Village highway levy (\$2,019,000) to the Town-wide levy (Post-Dissolution, Village taxpayers share in these costs).
 - Reduction in net costs resulting from both cost reductions such as elimination of Village Mayor and Board costs; minor central staff and contractual costs and the loss or reduction in revenues such as the loss of gross utility tax.
 - Level of legacy costs that would remain a charge upon the property taxpayers located in the former Village.

Citizen Empowerment Tax Credit (CETC)

CETC is equal to 15% of the combined Village and Town Tax levies in the year prior to dissolution or \$1,000,000, whichever is less. 15% of the combined New Paltz Town and Village levy is greater than \$1M so the CETC equals \$1,000,000.

Village of New Paltz and the Town of New Paltz		
Citizens Empowerment Tax Credit		
Maximum CETC for Tax Reduction	100%	\$1,000,000
Minimum CETC for Tax Reduction	70%	\$700,000
Maximum CETC -Discretionary	30%	\$300,000
1. CETC is ongoing annual payment contingent upon annual New York State appropriations as is most State Aid.		
2. The final CETC equals 15% of the combined tax levies in the year prior to dissolution OR \$1M; whichever is less. In New Paltz 15% of the combined ley is greater than \$1M so the CETC = \$1M.		

Village 2024/2025 Levy

\$ 1,566,233

Town 2025 Levy*


\$12,360,324

** A, B, D and DB Funds*

FISCAL IMPACT - VILLAGE PROPERTY OWNER

Estimated Property Tax Rate Impact Village of New Paltz Property Taxpayer					
	Current	Model - Post Dissolution			
Village	Current Rate/ \$1,000	No CETC Rate/ \$1,000	70% CETC Rate/ \$1,000	100% CETC Rate/ \$1,000	Change in Rate
Village	\$4.91	\$0.00	\$0.00	\$0.00	
Town General & Highway	\$8.69	\$11.08	\$10.49	\$10.23	
Fire Protection District ¹	\$0.00	\$0.42	\$0.42	\$0.42	
Village Legacy	\$0.00	\$0.52	\$0.52	\$0.52	
Village Refuse District	\$0.00	\$0.05	\$0.05	\$0.05	
Total No CETC	\$13.60	\$12.07			-11.3%
Total 70% CETC	\$13.60		\$11.48		-15.6%
Total 100% CETC	\$13.60			\$11.23	-17.5%
<i>Note 1: The Fire Protection District rate above reflects the operating costs. The Village will have retired the fire house debt prior to dissolution. For purposes of the fiscal model, the 10 year average annual debt service net of revenues was carried over to the Town general fund for all Village debt service other than water and sewer. It was shifted to the Town General fund for modeling purposes, but covers highway and fire debt service as well. Given that they are on the same tax base, placing the modeled solely in the general fund has not impact.</i>					
<i>Note 2: The analysis does not include the Public Library Fund as it would not be impacted by dissolution.</i>					
<i>Note3: Dissolution does not impact School District or County tax levies or rates.</i>					

FISCAL IMPACT - VILLAGE PROPERTY OWNER

Village of New Paltz Single Family Home									
Median TAV	Taxable Assessed Value	Combined T& V Current Tax	Savings						
			No CETC		70% CETC		100% CETC		
	\$60,000	\$816	\$92.00	11.3%	\$127.29	15.6%	\$142.41	17.5%	
	\$100,000	\$1,360	\$153.33	11.3%	\$212.14	15.6%	\$237.35	17.5%	
	\$150,000	\$2,040	\$229.99	11.3%	\$318.21	15.6%	\$356.02	17.5%	
	\$216,400	\$2,943	\$331.80	11.3%	\$459.08	15.6%	\$513.62	17.5%	
	\$250,000	\$3,400	\$383.32	11.3%	\$530.36	15.6%	\$593.37	17.5%	
	\$300,000	\$4,080	\$459.98	11.3%	\$636.43	15.6%	\$712.05	17.5%	
	\$400,000	\$5,441	\$613.31	11.3%	\$848.57	15.6%	\$949.40	17.5%	
	\$500,000	\$6,801	\$766.63	11.3%	\$1,060.71	15.6%	\$1,186.75	17.5%	
	\$600,000	\$8,161	\$919.96	11.3%	\$1,272.86	15.6%	\$1,424.10	17.5%	

ESTIMATED IMPACT OF DISSOLUTION TOWN OUTSIDE VILLAGE

Town Outside Village Property Taxpayer					
	Current	Model - Post Dissolution			
Town-outside Village	Rate/ \$1,000	No CETC Rate/ \$1,000	70% CETC Rate/ \$1,000	100% CETC Rate/ \$1,000	Change in Rate
Town General & Highway	\$8.69	\$11.08	\$10.49	\$10.23	
TOV General & Highway	\$2.32	\$0.00	\$0.00	\$0.00	
TOV Fire Protection District operating costs only ¹	\$0.27	\$0.42	\$0.42	\$0.42	
Total No CETC	\$11.29	\$11.50			1.9%
Total 70% CETC	\$11.29		\$10.91		-3.3%
Total 100% CETC	\$11.29			\$10.66	-5.6%

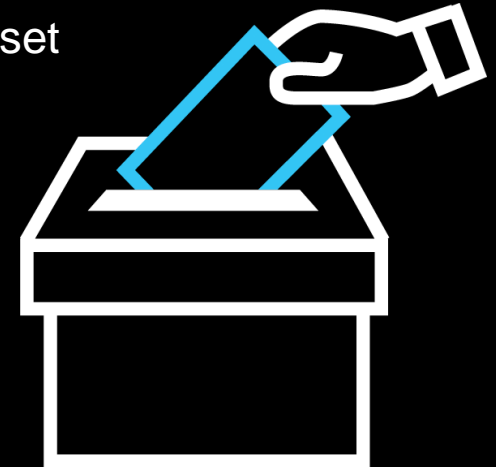
*Note 1: The 2025 Town fire protection district tax rate is \$0.71/\$1,000 of TAV. There will be 2 factors impacting the Fire Protection District rate for taxpayers outside the Village. The fire house debt service will be paid off and there should be a reduction in the rate. This factor is not related to dissolution and so it is not included in the impact analysis above. On an ongoing basis, there will be other capital expenses related to the fire service; however, likely not as high as has been experienced in the last 4 years. The Town rate associated with the operating costs is approximately \$0.27/\$1,000. The model assumes that there will be a town-wider protection district that would result in an approximate increase of \$0.15/1,000. **The net impact of the 2 factors would result in a reduction in the overall rate town outside village taxpayers currently pay.***

Note 2: The analysis does not include the Town Library District or other special districts as they are not impacted by dissolution.

Note 3: Dissolution does not impact School District or County tax levies or rates.

NEXT STEPS

- The Village Board of Trustees is anticipated to consider Endorsement of A Proposed Dissolution Plan of Dissolution **June 3, 2025**.
- Village Board to hold a public hearing on the Proposed Plan with tentative date of **July 9, 2025**.
- Village Board either votes to stop the process or adopt the Final Plan. Tentative Date: **August 6, 2025**. If the vote is “yes”, at the same meeting, the Board of Trustees must set the date for the Referendum on Dissolution
- The anticipated date for the referendum is **November 4, 2025** at Village Hall should the Village choose to continue the process.



WHAT HAPPENS POST REFERENDUM?

If the vote is “No”

- Dissolution will not take effect; nothing further will occur.
- Dissolution process may not be initiated again for 4 years from the date of the Referendum.
- Village and Town may focus on shared services with other entities to reduce costs and improve quality.
- The Village and Town or their residents can still pursue a consolidation, but that is very rare.

WHAT HAPPENS POST REFERENDUM?

If the vote is “Yes”

- Dissolution will occur on date set in the Dissolution Plan.
- Village will wind down Village Operations.
 - Transfer Properties & Sell and Liquidate Remaining Assets.
- Town will take steps to ramp up expanded operations.
 - Prepare Post Dissolution Budget.
 - Arrange for necessary staffing and equipment.
 - Create potential special districts such as Water District and Lighting District.
- Town and Village Continue Coordination to Assure for a Smooth Transition
 - If necessary, establish Inter-municipal Agreements (IMAs) for the provision of bridge services prior to dissolution.

Q&A FOLLOWING THIS PRESENTATION

To allow time for the maximum number of attendees to participate:

- Questions will be answered on a first-come / first served basis, toggling between online participants and in-person participants.
 - Zoom participants: please type your questions into the chat function on Zoom.
 - In-person participants: please sign-up on the sheet provided.
- If we run out of time to address all questions, we will post the Questions / Comments link again at the end of the Q&A session so that you can ask your question there.
- To provide the greatest opportunity for the largest number of community members to be heard, please refrain from asking a question that has already been asked.

www.labergegroup.com/newpaltz



Thank you!