

Village of Tannersville, New York

Dissolution Study and Plan



PUBLIC MEETING – AUGUST 20, 2024

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/tannersville

ACKNOWLEDGMENTS

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

Village of Tannersville

Hon. David Schneider, Mayor
Hon. David Kashman, Deputy Mayor
Hon. George Kelly, Trustee
Hon. Dylan Legg, Trustee
Hon. Gregory Thorpe, Trustee

Town of Hunter

Hon. Sean Mahoney, Town Supervisor
Hon. David Kukle, Councilperson
Hon. Raymond Legg, Councilperson
Hon. Ernest Reale, Councilperson
Hon. Dolph Semenza, 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 significant 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 Tannersville and the Town of Hunter.

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, 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

DISTINCTION BETWEEN DISSOLUTION AND CONSOLIDATION

	Dissolution	Consolidation
Definition	Termination of the Village	Creation of a new Town Government
Voting	Village voters only	Village voters and Town Voters
Process	Village develops the dissolution plan; however, Town government will make all decisions post dissolution.	Village and Town negotiate and execute a consolidation agreement prior to the vote.

BOARD INITIATED DISSOLUTION PLANNING PROCESS

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 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

**WE ARE
HERE**



TENTATIVE PROCESS TIMELINE

February 12, 2024 - Village Board voted to explore dissolution of the Village.

April 14, 2024 - Village Board held first informational meeting.

August 20, 2024 - Village Board held second informational meeting.

September 12, 2024 - Village Board endorsement of the Proposed Village of Tannersville Dissolution Plan.

November 4, 2024 - Public presentation and public hearing on Proposed Plan.

November 12, 2024 - Meeting of the Board of Trustees to either vote to stop the process or adopt the amended/ final Dissolution Plan and set a date for the referendum.

January 14, 2025 - Preliminary date for the referendum should the Village choose to continue the process.

December 31, 2025 Proposed Date of Dissolution.

LOCALLY DRIVEN PLANNING PROCESS

PROJECT OVERSIGHT

David Schneider, Mayor
David Kashman, Deputy Mayor
Robin Dumont, Village Clerk/Treasurer

PUBLIC WORKS WORKGROUP

David Schneider, Mayor
David Kashman, Deputy Mayor
Sean Mahoney, Town Supervisor
Robert Blain, Town Highway
Superintendent
Kerry Knoetgen, Public Works/Water
Robin Dumont, Village Clerk/Treasurer

LAND USE WORKGROUP

David Schneider, Mayor
David Kashman, Deputy Mayor
Sean Mahoney, Town Supervisor
David Kukle, Chair, Village ZBA
Marc Czermerys, Town Planning Board Chair
Robin Dumont, Village Clerk/Treasurer

COMMUNITY STAKEHOLDER INPUT

PUBLIC ENGAGEMENT, INPUT AND FEEDBACK

COLLABORATION

COMMUNICATION

LOCAL OWNERSHIP

PLANNING PROCESS

PROJECT WORKGROUPS

- Reviewed Data & Analyses
- Proposed Preferred Post Dissolution Framework for Services & Service Models
- Provided Input on Post Dissolution Staff and Other Resource Needs
- Strategized Approaches to Integration of Local Laws, Land Use Boards, Equipment, 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/tannersville

TRANSPARENT

AVAILABLE

ACCESSIBLE

KEY ISSUES AND TOUCHPOINTS

- **Representation and Voice in Government**
- **Village Identity**
- **Critical Services**
 - Water and Water Rates
 - DEP Sewer Services continued at no cost
 - Snow plowing of roads, sidewalks, public lots, etc.
- **Continued Focus on Community Development & Grants**
 - Successful completion of Downtown Revitalization Initiatives and the multiple Lake Front and Beach Improvement projects
 - Maintenance and operation of Village Parks and Public Spaces
 - Continued investment in water system assets
 - Future commitment to seeking grants for the Village
- **Respect Village Zoning and Quality of Life Local Laws and Codes**
- **Protection of Village assets for Village residents and taxpayers**



**HOW WILL DISSOLUTION
IMPACT GOVERNANCE AND SERVICES?**

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 to quality of life codes and their enforcement?

POST-DISSOLUTION VILLAGE GOVERNANCE

Representation and Governance

- Dissolution would 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 Village.
- Tannersville has a reputation for good governance, responsiveness to constituents and delivery of quality services.
- POST DISSOLUTION, the Town Board would be responsible for all decisions formerly made by the Village governance structure.

Village Residents May Have a Smaller Voice

- NOW, Village residents have sole input into Village decisions and make up 100% of the Village electorate.
- Village voters make up 20% of the Town-wide electorate reflecting a potential future dilution in representation and a potential reduction of focus on Village priorities.
- There are 395 Village registered voters as compared to 2,024 registered voters in the Town of Hunter.

POST-DISSOLUTION VILLAGE GOVERNANCE

Alternative Perspective – Long Term Sustainability

- The Village and Town are both relatively small communities.
 - Village - approximately 600 residents.
 - Town – approximately 2,976 residents.
- Merging the governments could create opportunities for **capacity building and efficiency gains**.
- A number of small village governments are finding it increasingly challenging to recruit candidates for elected positions as well as volunteers and staff.
- The Town of Hunter has a larger population, a larger tax base, and more resources.
- Combining governments could result in a **stronger organizational structure** with greater capacity and resiliency.

POST-DISSOLUTION PUBLIC WORKS SERVICES

Current Village Public Works Operations

- Staff : 1 Working Supervisor and 3 Laborers.
- Maintain streets/streetscape, parks, recreation facilities, public spaces, Village facilities, storm sewer system and DEP buy-out properties and provides beautification program and support special events.
- Provide street, access roads, side walks and parking lot snow plowing.
- Maintain all water system assets: 2 Plants, reservoirs, towers, lagoons, access roads, Dibbles Dame, the distribution system and metering systems.
- Fulfill maintenance obligations related to easement/ROW agreements related to the water system, sewer plant, school districts, etc.

Post Dissolution Preferred Town Model:

- Working Supervisor would be assigned full time to the Town Water Department and would report to the Town Supervisor/Board.
- The laborers would be assigned to the Highway Department reporting to the Town Highway Superintendent.
- Laborers would assist Water Department on an ongoing basis.
- Town continues with contracted Water Treatment Operator to provide regular and 24/7 emergency response services to oversee water plant operations & systems.

POST-DISSOLUTION PUBLIC WORKS SERVICES

Current Public Works Services	Post Dissolution
<p><u>Snow Plowing:</u> Typically the Village assigns 3 staff to street & access road plowing and 1 laborer to clear sidewalks & parking lots.</p>	<p>Town officials indicate they will provide the same response & resources as the Village.</p>
<p><u>Maintenance of Water System Assets:</u> 2 treatment facilities, 2 towers, reservoirs, lagoons, dams, access roads, distribution system, meters & properties.</p>	<p>Highway Department will commit the staff needed to support the Water Department on an ongoing basis.</p>
<p><u>Street Maintenance:</u> Maintenance of Village streets, streetscape & drainage systems.</p>	<p>The Town will maintain the Village streets, streetscape and drainage.</p>
<p><u>WTP, WWTP & Other Easement/ ROW Agreement Obligations:</u> Obligations include road maintenance, snow plowing & removal and sanding.</p>	<p>Town Highway Department will provide the necessary services to abide by the agreement obligations.</p>
<p><u>Parks and Public Spaces:</u> Maintenance of Rip Van Winkle, Upper Lake Rd. Memorial & Pocket Parks & Bike Path including regular collection of refuse.</p>	<p>Town Highway will assume responsibility for maintenance & upkeep of all parks, trails and public spaces.</p>
<p><u>Street Lights:</u> Illumination and maintenance of street lights and maintenance of 10 Village decorative fixtures.</p>	<p>Create a Lighting District w/ boundaries the same as the Village boundaries. Town Highway to maintain the 10 fixtures.</p>
<p><u>Beautification Program & Special Event Support</u></p>	<p>Town will continue the programs.</p>

POST-DISSOLUTION PUBLIC WORKS SERVICES

Post Dissolution Public Works Equipment and Vehicles

- Water system and parks and recreation equipment would transfer to the Town to provide continued services.
- Village to hold public auction of it's vehicles and equipment.
- The Village would offer the Town the right of first refusal to purchase identified vehicles and equipment through a negotiated sale.
- Town could potentially assume the public work operations 3-6 month prior to the date of dissolution.
 - Supports continuity of services.
 - Provides time for the Village to hold its public sale of the equipment and vehicles without disruption of services.

Post Dissolution Highway Garage

- Continuation of the plan to include the Village public works facility in the NYCDEP buy-out program with dedication of net proceeds to offset Village liabilities.

Consolidated Highway Improvement Program Funding

- New York State Consolidated Highway Improvement Program funding (CHIPS) would be transferred to the Town on an ongoing basis.

POST-DISSOLUTION WATER SERVICES

The Town of Hunter would:

- Create the **Tannersville Water District** with boundaries the same as current Village boundaries. Continue services to all current users inside and outside Village. Town would then extend the District to Town users.
- Assume ownership and responsibility for operations, capital improvements and maintenance of all water assets, properties and agreement obligations.
- Continue to contract for a **Water Treatment Plant Operator** to provide ongoing system maintenance, monitoring and 24/7 emergency response.
- Assign the **Working Supervisor** full time to the Water Department. Town Highway Department would provide staff support to Water Dept on an ongoing basis.
- Eliminate the “inside-outside Village” rate differentials over a 5 year period.
 - It is projected that a Village single family residential users would experience a 17% increase from their annual cost of \$500 to approximately \$575.
 - Village commercial base rates would also result in an estimated 17% increase.

(Note: Estimated rate change does not take into consideration any current department revenue short falls or future cost increases)

POST-DISSOLUTION SEWER SERVICES

Current Sewer Services

- NYC Department of Environmental Protection (NYCDEP) provides sewer services to Village properties and identified Town parcels based on a 1924 agreement.
- DEP owns/operates/maintains the Sewer Treatment Plant & collection system.
- Village owns the land and ROW/easement agreements. Village is obligated to provide services outlined in property easements/ROW agreements.
- System is funded 100% by NYCDEP.

Post Dissolution Sewer Svc. - NYCDEP Deputy Counsel wrote*:

- “The entity that assumes the Village’s powers related to sewage systems (“Successor Entity”) will also assume the Village’s rights and obligations under the Agreement. Paragraph 10 of the Agreement provides that if a party to the Agreement transfers its powers to another entity, then that entity shall assume “all the powers, rights, and duties... defined, reserved or prescribed” in the Agreement. The Successor Entity’s rights and obligations under the Agreement will be identical to the Village’s current rights and obligations. “
- “Because the City does not currently charge system users for sewer services, the Village’s dissolution will not alter that arrangement.”

* Letter from NYCDEP Deputy General Counsel, Paul J. Sagar to Village Attorney Tal Rappleyea dated July 8, 2024.

POTENTIAL POST DISSOLUTION - CENTRAL ADMINISTRATION

Current Village Clerk/Treasurer

- Coordinates Village operations w/ Mayor, Board of Trustees, staff & the public.
- Maintains Village records, FOIL Officer, birth/death certificates, Human Resources, prepares Board agendas, board meeting minutes and public notices.
- Handles accounts payable /accounts receivable, purchasing, prepares financial records for accountant; assist w/ budget development and manages budget; prepares and collects all tax payments and water billings; water meter readings; manages long term debt; prepares payroll input and provides support to the Mayor and the Board.
- Prepares & administers numerous grants. (Approaching 50% of time.)
- Secretary to the Planning Board and support for ZBA.

Post Dissolution

- Town officials recognize need for equivalent Village staffing levels.
- Create FT administrative position for grants administration, Water Dept. administration/fiscal services, Planning Board/ZBA support, special events and other administrative supports to be filled by the Village Clerk/Treasurer.
- Add part-time fiscal/admin hours to support expanded budget and fiscal workload.
- Add hours to Town Clerk to handle expanded records and permit issuance and collections functions.

POTENTIAL POST DISSOLUTION – JUSTICE COURT

Current Operations

- Village Court handled 397 cases in 2023.
- Village has one part time elected Justice and a part time court clerk.
- Village Court generates locally retained revenues that offset the majority of expenses.
- Town Court handled 1,177 cases in 2023.
- Town has 2 part time elected Town Justices and the equivalent of 2 part time court clerks.

Post Dissolution

- Town and Village Courts adjudicate the same categories of offenses.
- Village Justice Court would be eliminated at time of dissolution.
- Cases to be handled by the existing Town Justices.
- Town would increase part time court clerk hours to handle the increased workload.

LAND USE PLANNING, ZONING & CODE ENFORCEMENT

Land Use Workgroup agreed it will be important to protect the unique nature of both the Village and the area of Town outside the Village.

- Town and Village each have a Comprehensive Plan. Village has a Zoning Local Law. The Town is updating its Comprehensive Plan and considering Zoning.
- **Village Zoning Laws** Town officials indicate that continuation of the Village's zoning laws post dissolution makes sense.
- **Zoning Board of Appeals** Town would establish a ZBA to adjudicate Zoning Law.
- **Planning Board** The Town of Hunter's Planning Board would assume the responsibilities of the Village Planning Board (Board of Trustees) including site plan reviews, special permits and other planning functions. It would be beneficial for the Town Board to re-constitute its Planning Board to include representatives familiar with Village of Tannersville zoning.
- **Code Enforcement** Town recognizes the need to increase part-time code enforcement hours to handle the expanded NYS Building and Energy Code responsibilities, Zoning Enforcement and expanded Town code enforcement i.e., Short Term Rentals.

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

- Town would enforce the Village zoning codes for up to 2 years post dissolution.
- Provides the time necessary for the Town to:
 - Develop the direction of its Comp Plan and Town-wide zoning.
 - Evaluate the incorporation of Village Zoning Law into its larger Town zoning law.
 - Consider the Village zoning definitions & regulations in development of Town Zoning.
 - Integrate the primary articles of the Village law into the emerging town law.
- “Hybrid” zoning adoption - retain critical aspects of Village zoning unique to the Village such as the Zoning Districts and their respective regulations while streamlining generalized sections to limit redundancy and inconsistencies such as those related to administration and enforcement.

POST DISSOLUTION VILLAGE QUALITY OF LIFE LOCAL LAWS

Village Quality of Life Codes, Rules and Regulations

- Village has a number of unique quality of life codes relative to its population density, small lot sizes, water service, parks and recreational facilities. Examples include:
 - Water Ordinance
 - Park Regulations
 - Unlawful Motorized Vehicles – Bike Path
 - Designated Streets for No Parking Regulations – Winter Season
 - No parking in Village lots from 4am – 8am

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.
 - 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 such as those related to Village Organizational structures and operations.
- Town Local Law Opting out of NYS Cannabis Program – Potential Impact



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

VILLAGE OWNED PROPERTY / PRELIMINARY DISPOSITION PLAN

- **Water Infrastructure and Property:** Transfer to the Town for continued benefit of the Tannersville Water District.
- **Parks, recreation, bike trail and public spaces:** Transfer all to the Town for continued provision of parks and recreation services.
- **Village Hall/Fire House:** Sell and use proceeds to offset Village liabilities.
 - It is proposed that the timing of the sale accommodates the short term space needs of the Town and the Tannersville Fire District.
 - Town Hall has space limitations and Town is undertaking a space needs analysis and plan.
 - Fire District currently leases bays from the Village for the apparatus and equipment storage.
- **Public Works Garage:** Include it in the DEP flood buyout program. Transaction will likely not occur prior to dissolution date; however, a third party agreement could be used to protect Village assets.
- **55 Spruce Street:** It is anticipated that it will be sold prior to dissolution
- **Existing DEP Buyout Properties w/Conservation Easements:** Transfer to Town for ongoing property stewardship.
- **Sewer Property** Transfer to Town pursuant to the Sewer Agreement.

VILLAGE OWNED EQUIPMENT & VEHICLE DISPOSITION PLAN

Village of Tannersville Vehicles and Equipment				
Use	Year	Description of Large Pieces		Disposition Plan
Vehicles			Replacement Cost (2023) ¹	
PW	2015	GMC Pick-Up w/plow & side sander	\$40,000	Negotiated Sale w/Town or Public Sale
W	2016	GMC 1 Ton Dump Truck w/plow & sander	\$45,000	Transfer to Water District
PW	2021	Western Star Heavy Dump Truck w/plow & sander	\$192,600	Negotiated Sale w/Town or Public Sale ²
W	2024	GMC Utility Truck	\$66,636	Transfer to Water District
Large Equipment			Replacement Cost (2023)	
P/R	2015	Stage Mobile and Trailer	\$80,000	Transfer to Town
PW	2015	S450	\$98,000	Negotiated Sale w/Town or Public Sale
PW	2019	Bobcat w/buckets and snow blower (1966 HRs) - S220	\$106,000	Negotiated Sale w/Town or Public Sale
PW	2013	John Deere Backhoe w/2 front and 2 back buckets	\$100,000	Public Sale
General Equipment and Supplies			Cash Value (2023)	
Water Equipment and Supplies with Insurance Value Under \$10,000			\$66,892	Transfer to Water District
Parks/Rec/Special Event Equipment w/ Insurance Valued Under \$10,000			\$10,825	Transfer to Town
Public Works Equipment w/Insurance Valued Under \$10,000			\$29,832	Public Sale; Town interested in 2 mowers
<i>Note 1: Per Village's insurance broker, the insured amount for vehicles and large equipment less than 10 years old is based on replacement cost. Anything older and smaller items are insured at estimated cash value.</i>				
<i>Note 2: The Village plan is to sell this vehicle in 2024; however, should the Village electorate vote to dissolve, the plan would be to use the liquidated assets to offset liabilities.</i>				

VILLAGE FUND BALANCE

- The Fund Balance for fiscal year ending 5/31/23 is presented below. The General Fund actual fund balance at the close out of the Village last fiscal year would be available to offset Village liabilities. For purposes of the fiscal model, the unassigned and unappropriated fund balance for FY ending 5/31/23 was assumed.
- The model assumed the Village Water Fund fund balance would transfer to the Tannersville Water District.

Village of Tannersville Fund Balance Fiscal Year Ending 5/31/23		
	General Fund	Water Fund
Capital Reserve - Restricted	\$121,741	\$49,375
Subtotal Restricted	\$121,741	\$49,375
Subtotal Assigned & Appropriated	\$50,000	\$46,000
Subtotal Assigned & Unappropriated	N/A	\$394,727
Subtotal Unassigned & Unappropriated	\$249,811	N/A
Total Fund Balance	\$421,552	\$490,102

Source: Village of Tannersville Finance Report filed with NYS OSC FYE 5/31/23.

VILLAGE LIABILITIES

- **Outstanding Bonds** See chart next slide.
- **Compensated Absences** As of 5/31/23, the liability totaled \$34,182. The liability will be as of date of dissolution.
- **Retiree Health Benefits** Estimated at a current value of \$83,600.
- Village officials indicate that there are no pending lawsuits, judgements or settlements that would materially impact Village liabilities.

VILLAGE BOND LIABILITIES

Village of Tannersville - Outstanding Bonds and Bond Anticipation Notes

Issue	Fund	Issuance Date	Maturity Date	Total Issued/ Borrowed	Outstanding Principal 5/31/24	Preliminary Proposed Disposition Plan
BOND						
Snow Plow Bond	General	Dec 2020	Dec 2030	\$195,999	\$140,198	Liquidated Village assets would be applied to dispose of the debt. If there are insufficient funds, remaining debt service would be paid via Hamlet of Tannersville Legacy District.
Water Treatment Plant Upgrades - Bond - Environmental Facilities Corp. (0% Interest)	Water	Apr 2022	Oct 2051	\$2,249,788	\$2,099,788	It is estimated that there would be assets to <u>partially</u> offset debt service which would be applied in inverse order. Remaining debt service would continue to be paid by the Water District.
Water Tower Bond	Water	Mar 2023	Mar 2028	\$200,000	\$163,075	Liquidated Village assets would be applied to dispose of debt. If there are insufficient funds, remaining debt service would continue to be paid by the Water District.
Total					\$2,403,061	
BOND ANTICIPATION NOTES						
Upper Lake Road Park Improvements Bond Anticipation Note	General	Apr 2024	Apr 2025	\$900,000	\$900,000	The Villag received a NYS Department of State grant for park improvements. The BAN provides the short term cash flow necessary to complete the project and claim the funds. It is possible, based on the timing of the project that the BAN be renewed for a year.

Note: The Village anticipates issuing a second BAN necessary to front end the cost of the DRI connectivity and solar projects in an estimated amount of \$1,800,000.

**DISPOSITION
PLAN
FOR
ASSETS**

Fiscal Model - Disposition of Assets	
Phase I: Estimated Asset Values	
Unassigned & Unappropriated General Fund Balance 5/31/23	\$249,811
Equipment and Vehicles planned for sale ¹	\$318,000
Phase I Liquidated Assets Subtotal	\$567,811
Phase II: Estimated Asset Values	
Fire Hall/Village Hall ²	\$339,000
Liquidated Public Works Garage Flood Buyout ³	\$250,000
Phase II Estimated Assets Subtotal	\$589,000
<i>Note1: Insurance values used with discounts applied to account for depreciation, inventory reductions and the impact of sale by lot.</i>	
<i>Note 2 : Insurance replacement cost (\$520K) was discounted in consideration of third party agreement costs and depreciation.</i>	
<i>Note 3 : The preliminary buy-out is estimated at \$280,000 less third party share.</i>	

**DISPOSITION
PLAN
FOR
LIABILITIES**

Fiscal Model: Preliminary Plan for Disposition of Liabilities	
Phase I: Liabilities to be paid off in the first instance using the General Fund fund balance and liquidation of equipment and vehicles:	
Compensated Absences as of 5/31/23 ¹	\$34,182
Estimated Retiree Health Liability ²	\$83,600
Snow Plow Outstanding Debt Service as of 1/1/26	\$106,239
Water Tower Outstanding Debt Service as of 1/1/26	\$124,672
Total Estimated Phase I Liabilities	\$348,693
<i>Note 1: The compensated absences total will be that owed as of 12/31/25.</i>	
<i>Note 2 : Retiree health liability assumes an 8% /year increase until retirees reach 65.</i>	
Phase II: Water Treatment Plant Outstanding Debt Service as of 12/31/25	\$1,950,000
<i>Annual debt service payments are assumed to continue to be funded by water use fees. Liquidated assets from the property sales could offset <u>in part</u> this liability. The partial offset would eliminate the debt service payments in inverse order per bond terms.</i>	



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

FISCAL IMPACT - VILLAGE PROPERTY OWNER

- **Village of Tannersville Taxpayers will see a reduction in their combined property tax and water bills.**
- **What are the factors driving the reduction?**
 - **Shift of Village costs to Town outside Tannersville taxpayers**
The single largest factor in the Village property owner's savings.
(62% of the estimated savings).
 - **Citizens Empowerment Tax Credit (CETC)** Represents 26% of the Village taxpayer savings.
 - **Reduction in costs** Resulting from the reductions in Village governance structures, justice court, facility, equipment costs, etc., the loss of gross utility tax revenues and fire house rent and the likely increase in water fees account for approximately 3% of the savings.
 - Village of Tannersville and Town of Hunter have a strong division of labor and history of shared services which limits further economies of scale.
 - **Application of Village liquidated assets to offset long term Village liabilities** Accounts for approximately 9% of the overall impact.

Shift in From Village to Town Property Tax Base

- An estimated \$314,540 Levy would shift from the Village tax base to the Town tax base.
- An estimated \$31,041 in levy is projected to shift to the new Town-outside-Village tax base.
- An estimated \$26,165 in levy is estimated to remain on the Tannersville tax base (streetlights).

Taxable Assessed Value (TAV)

Village TAV	\$ 68,202,194
Town-wide TAV	\$394,227,225
NEW Town outside Village TAV	\$304,776,944

Citizen Empowerment Tax Credit (CETC)

CETC is an incentive = to 15% of the Combined Village and Town Tax Levies in the year prior to Dissolution that is paid annually in perpetuity to the Town.

Village 2023/2024 Levy **\$ 447,984**
Town 2024 Levy **\$ 2,754,851**

Village of Tannersville and the Town of Hunter		
Estimated Citizens Empowerment Tax Credit		
Maximum CETC for Tax Reduction	100%	\$480,425
Minimum CETC for Tax Reduction	70%	\$336,298
Maximum CETC -Discretionary	30%	\$144,128
<p><i>1. CETC is contingent upon annual New York State appropriations and is not a guarantee.</i></p> <p><i>2. Calculations based on 2023-2024 Village Levy and 2024 Town Tax Levy. The final CETC is based on the municipal budgets in the year prior to dissolution.</i></p>		
<p><i>Source: Village of Tannersville 2023-2024 Adopted Budget and 2024 Town of Hunter Adopted Budget</i></p>		

ESTIMATED IMPACT OF DISSOLUTION ON TOWN OF HUNTER TAX RATES

Fiscal Model of Estimated Post Dissolution Impacts on Town of Hunter Property Tax Rates

		Taxable Assessed Value	2024 Town & 23-24 Village Tax Levy	Dissolution Impact Levy Shift from Tannersville	CETC Impact	Post Dissolution Estimated Town Tax Levy	Post Dissolution TAV	Current Village Tax Rate	Current Town Tax Rate	Post Dissolution Town Tax Rates
Village Rate		\$68,529,541	\$447,984					6.537093		
<u>Town</u>										
General Fund			\$1,615,890	\$193,557						
Highway Townwide			<u>\$584,829</u>	<u>\$120,983</u>						
Total Townwide	NO CETC	\$394,227,225	\$2,200,719	\$314,540	\$0	\$2,515,259	\$394,227,225	N/A	5.582362	6.380227
Total Townwide	70% CETC	\$394,227,225	\$2,200,719	\$314,540	(\$336,298)	\$2,178,961	\$394,227,225	N/A	5.582362	5.527171
Total Townwide	100% CETC	\$394,227,225	\$2,200,719	\$314,540	(\$480,425)	\$2,034,834	\$394,227,225	N/A	5.582362	5.161576
B Fund - General TOV		\$236,574,750	\$26,787	\$15,496		\$42,283	\$304,776,944	N/A	0.113228	0.138734
BD Fund - Highway TOV		\$236,574,750	<u>\$527,345</u>	<u>\$15,545</u>		<u>\$542,890</u>	\$304,776,944	N/A	<u>2.229084</u>	<u>1.781271</u>
Total Town outside Village		\$236,574,750	\$554,132	\$31,041		\$585,173	\$304,776,944	N/A	2.342313	1.920005
Tannersville Lighting	N/A	N/A	N/A	\$26,165		\$26,165	\$68,202,194	N/A	N/A	0.383639
Grand Total			\$2,754,851	\$371,746		\$3,126,597				

Note 1: This is a model impact only. The ultimate post dissolution policies and fiscal decisions rest with the Hunter Town Board

Note 2: The post dissolution conditions do not include one time transition or implementation costs

Note 3: The estimated appropriations and revenues have been allocated to the relevant Town Funds

Note 4: CETC funds are paid annually in perpetuity; subject to annual New York State appropriations


Note 5: The 2024 Town Budget and the 2023/2024 Tannersville Budgets were used as the basis of the analysis

Note 6: This fiscal model used the post dissolution conditions included in the Proposed Dissolution Plan & detailed in the line item assessment provided in Appendix H: Fiscal Analysis.

FISCAL IMPACT - VILLAGE PROPERTY OWNER

Village of Tannersville Taxpayer Impact				
Estimated Fiscal Impact - Combined Property Tax and Annual Water Charge				
Village Single Family Home - Median Taxable Assessed Value \$81,000				
	Assessed Value	Current Village and Town Tax Bill	Post Dissolution Town Tax Bill (No CETC)	Estimated Savings
Assessed Value	\$81,000			
Estimated Village Tax Payment		\$529.5	\$0.0	
Estimated Town Tax Payment		\$452.2	\$703.4	
Estimated Annual Water Fee		\$500.0	\$575.0	
Total		\$1,481.7	\$1,278.4	
Estimated Savings - NO CETC				\$203
Estimated Savings 70% of CETC				\$272
Estimated Saving - 100% CETC				\$302
<i>Note 1: Dissolution does not impact school district or county property tax rates.</i>				
<i>Note 2: This is a projected model only based on the assumptions outlined in the Dissolution Plan. The ultimate impact will be determined by the Town of Hunter.</i>				

FISCAL IMPACT - VILLAGE PROPERTY OWNER

Village of Tannersville - Single Family Home									
Property Value			Current	Estimated Post Dissolution Savings			Estimated Savings Percentage		
Median	Full Value	Assessed Value	Annual Water Fee and Property Tax	Blended Annual Water Fee and Property Tax (No CETC)	Blended Annual Water Fee and Property Tax (70% CETC)	Blended Annual Water Fee and Property Tax (100% CETC)	No CETC	70% CETC	100% CETC
	\$113,514	\$42,000	\$1,009	\$69	\$105	\$120	6.8%	10.4%	11.9%
	\$135,135	\$50,000	\$1,106	\$97	\$139	\$158	8.8%	12.6%	14.3%
	\$162,162	\$60,000	\$1,227	\$131	\$182	\$204	10.7%	14.8%	16.6%
	\$191,892	\$71,000	\$1,360	\$169	\$229	\$255	12.4%	16.8%	18.8%
	\$218,919	\$81,000	\$1,482	\$203	\$272	\$302	13.7%	18.4%	20.4%
	\$245,946	\$91,000	\$1,603	\$238	\$315	\$349	14.8%	19.7%	21.8%
	\$270,270	\$100,000	\$1,712	\$269	\$354	\$390	15.7%	20.7%	22.8%
	\$297,297	\$110,000	\$1,833	\$303	\$397	\$437	16.5%	21.7%	23.8%
	\$324,324	\$120,000	\$1,954	\$337	\$440	\$484	17.2%	22.5%	24.8%
	\$351,351	\$130,000	\$2,076	\$372	\$484	\$530	17.9%	23.3%	25.5%
	\$378,378	\$140,000	\$2,197	\$406	\$525	\$577	18.5%	23.9%	26.3%
	\$386,486	\$143,000	\$2,233	\$416	\$538	\$591	18.6%	24.1%	26.5%

Note 1: Properties with lower assessed values will have less savings and those with a higher assessed value, have greater savings.

Note 2: Dissolution does not impact school district or county property tax rates.

Note 3: This is a projected model only based on the assumptions outlined in the Dissolution Plan. The ultimate impact will be determined by the Town of Hunter.

ESTIMATED IMPACT OF DISSOLUTION TOWN OF HUNTER TAXPAYERS OUTSIDE TANNERSVILLE

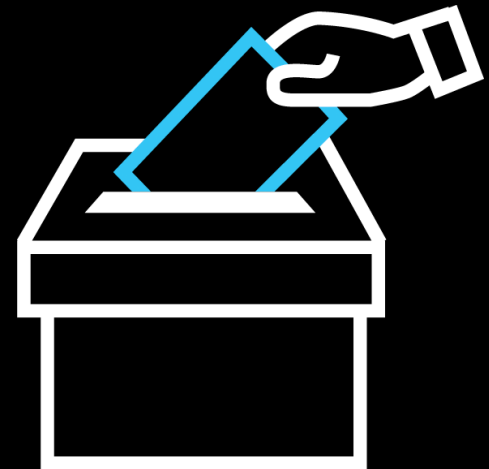
Town of Hunter Estimated Property Tax Rate Impact Town Outside Village Property Taxpayer (Rate/\$1,000 Taxable Assessed Value)					
Fund	Current	Model - Post Dissolution			
		No CETC	70% CETC	100% CETC	Change in Rate
Townwide General & Highway	\$5.58	\$6.38	\$5.53	\$5.16	
Town outside Village General and Highway	\$2.34	\$1.92	\$1.92	\$1.92	
Total No CETC	\$7.92	\$8.30			4.7%
Total 70% CETC	\$7.92		\$7.45		-6.0%
Total 100% CETC	\$7.92			\$7.08	-10.6%
<i>Note 1: <u>Village of Hunter taxpayers</u> only pay town-wide property taxes. As such, the post dissolution property tax rate is estimated to increase by \$.80 per \$1,000 TAV without an application of the CETC, to remain approximately the same with 70% application of the CETC and to decrease approximately 7.5% with an application of 100% of the CETC.</i>					
<i>Note 2: Dissolution does not impact school district or county property tax rates.</i>					
<i>Note 3: This is a projected model only based on the assumptions outlined in the Dissolution Plan. The ultimate impact will be determined by the Town of Hunter.</i>					

Village of Hunter Taxpayer Impact on their Town Property Taxes

No CETC: 14.3% property tax rate increase
 70% CETC: 0.86% property tax rate decrease
 100% CETC: 7.52% property tax rate decrease

NEXT STEPS

- The Village Board of Trustees is anticipated to consider Endorsement of A Proposed Dissolution Plan of Dissolution **September 12, 2024.**
- Village Board to host third public presentation and public hearing on the Proposed Plan with tentative date of **November 4, 2024.**
- Village Board either votes to stop the process or adopt the Final Plan. Tentative Date: **November 12, 2024.** At the same meeting, the Board of Trustees must set the date for the Referendum on Dissolution.
- The anticipated date for the referendum is **January 14, 2025** at Village Hall should the Village choose to continues 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/tannersville



Thank you!