

**DISSOLUTION STUDY COMMITTEE
FREQUENTLY ASKED QUESTIONS
AS OF 1/26/2011**

Q: Why do we have a village government?

A: The Town of Potsdam was established in 1806, and the Village of Potsdam was incorporated in 1831. Historically, villages across New York State and New England were formed when members of a community voted to create a village government in order to provide services above and beyond those being delivered by the town government—such as water, sewer, police, fire and rescue protection, courts, sidewalks, streetlights, highways, recreation, code enforcement and economic development.

Q: What is dissolution, and why are people talking about it?

A: Today, more and more officials and citizens throughout New York State are talking about dissolution as one way to reduce the cost of government. Dissolution is the act of dissolving a layer of government—in this case, the Village of Potsdam. Citizens who favor dissolution are willing to revert to having their services provided either by the town or through special districts, in the interest of reducing the cost of local government and increasing efficiency. Opponents of dissolution often fear that their interests would not be as well represented in town government as they are in the village government and that the level of services that they have come to expect may decline. Those on the fence want to know more about what dissolution would mean for their community, and are interested to know if there are alternatives that could also cut taxes and increase efficiency and effectiveness.

Q: What is the dissolution study committee's role in the dissolution process?

A: The village Board of Trustees appointed the Village of Potsdam Dissolution Study Committee to oversee a dissolution study. These 15 Potsdam residents come from both the town and village and are working together to put together a plan that attempts to answer two questions: 1) What would happen if the Village of Potsdam as a municipal entity ceased to exist tomorrow?, and 2) If the village remains, what can it do to operate more efficiently? If residents vote to dissolve the village, the plan will be used as a guideline by the town government to deliver services to the residents, businesses and taxpayers in the area that was formerly served by the village government. In short, the committee is working to figure out how a single government—the town—could provide municipal services for all of Potsdam. This is a proactive future planning exercise, and the committee hopes to bring together constituents from all perspectives as it compiles its report, to respect the vibrant diversity of our community.

Q: How will the committee develop the plan?

A: The members of the committee began with a simple question: What do we want from our local government and how do we get there? This process started with the belief that certain services are needed and desired within the greater Potsdam community. The committee is developing a fact-based description of what services are presently being provided, by whom and for whom, as well as accounting for what they cost to provide and how they are being paid for. Ultimately, the committee will synthesize the findings into an assessment of what services the community needs, wants and is willing to pay for. The plan will take into account how these services may vary in different areas in the town, and must accommodate state law. The committee will present its preliminary findings for community discussion, with a variety of possible service and cost alternatives. After receiving community input, the committee will craft a plan to propose how the town government can provide, either directly or through contracts, the services needed and desired for the entire Potsdam community.

Q: How will the plan help voters decide whether or not to dissolve the village?

A: The plan gives voters their best idea of how Potsdam will be governed and services will be provided if the village ceased to exist tomorrow. The plan will outline how the town will assume duties and contract with other agencies to provide services for the entire community. This may include the creation of special districts to provide some services. The plan will also include a financial analysis to project changes in the local property tax rates for both village and town-outside property owners, to show how dissolution would affect the tax rate for different constituents. This important information will be presented in detail to village residents, so that they understand exactly what would happen if they vote to dissolve the village.

Q: Will the committee consider alternatives to dissolution?

A: Absolutely. This is an important part of the study process. In addition to looking at how services are provided now and how they might be provided if the village were dissolved, the committee will also analyze ways to achieve efficiencies to lower the cost of government without dissolving the village. This may be achieved by sharing services and consolidating some common functions of town and village government. The final report will include a separate section with recommendations on how to save costs and reduce taxes without dissolving the village.

Q: Will the committee's report be the final step?

A: No. The committee will deliver its report, including the dissolution plan and shared services options, to the village Board of Trustees. The village board can then vote on whether to put the question of dissolution up to village voters by calling for a referendum. If trustees do not call a referendum vote on dissolution, village

residents can petition to force a vote. Under the New N.Y. Government Reorganization and Citizen Empowerment Act, which took effect in March 2010, voters can petition for a referendum vote on dissolution. The petition would need certified signatures from at least 10 percent of the electors (or registered voters) in the village. Only village residents can vote to dissolve the village.