

# CGR Clarifications

We correct three inaccurate statements in the Town's response to our report:

- Page 3 of the Town's response quotes the first of a two-part explanation of the basis of our model for a Village of Edgemont: "our report is based on the intentions expressed by the Edgemont Incorporation Committee (EIC) about what services the Village would offer and how it may provide them." The second part is "We add to the EIC's stated intentions the results of our research into what are the most likely ways the Village would constitute itself and provide services."
- Page 4 of the Town's response states that we chose to dismiss the Town's statement about collecting bonded debt all at once. In fact, this intention is mentioned in a footnote on Page 35.
- Also on Page 4, the Town states in its response that CGR chose not to include tax settlement funding in our forecasting. In fact, tax settlement funding is included in our Scenario 3.

We also address the Town's criticism of our decision to focus on projections for a single year of operations of the Village. We made this choice because we felt it would provide the greatest amount of clarity and enable the best possible comparison with the current state. We focused on costs for the community if the Village of Edgemont existed during 2024. The costs for government operations will likely escalate into the future. However, attempting to forecast costs into the future requires projecting numerous variables such as sales tax collections, the results of collective bargaining, the cost share of retirement contributions and increases in healthcare premiums. While projecting the expenses and revenues for a future municipality can be done with some degree of accuracy a single year, looking into the future brings a margin of error that grows substantially with each year forecasted.