

# CGR Benchmarking Data Analysis

Attorney Cost

# Legal/Attorney Costs

- Victor per capita spending on legal/attorney costs was significantly higher than the peer group 2009 budgeted levels
- Discussions were held with peers from each town
- From data gathering, no clear correlation could be made between volume data (tax rolls, licenses, population, etc.) and cost levels
- The following slides summarize each towns' legal operations

<b>Attorney</b>	<b>Per Capita</b>
Victor	\$19.88
Saratoga	\$8.98
Walworth	\$5.46
Ontario	\$5.43
S. Fayette	\$4.60
Exeter	\$3.39
Mendon	\$3.10
Clarkson	\$3.00

# Victor - Legal

- Much higher level of budgeted litigation compared to peer communities (\$100,000 compared to \$0 to \$25,000 for peers)
  - As litigation is “non-controllable” area, this was not included in our analysis
  - Non-litigation expense is on the high end of peer range, but much more reasonable
- RFP process performed during 2008
  - Hourly rate of \$140 was selected, comparable to peer rates
  - Other options proposed
    - Annual retainer of \$192,000
    - Combination of annual retainer and hourly fee

	Victor 09 B	Saratoga 10B	Walworth 09B	Ontario 09B	Mendon 09B	Clarkson 08B
Contract/capita	6.21	5.39	2.56	5.43	3.10	3.0
Litigation/capita	8.28	3.59	2.90	-	-	-

# Victor – 2009 Actual Spending

- 2009 attorney expenses exceeded budget by approximately \$155,000
  - Does not include \$56,000 of chargeback items
- From a review of Boylan Brown legal invoices, the top 12 costs areas were determined
  - The Town Board (general) category alone is greater than any of the peer group's total attorney budget
- Attorney expenses have declined
  - 2010 actual expense was \$337,000
  - 2011 budget is \$200,000, or \$14/capita

2009 Actual Spending (by category)		
Personnel Matter	\$ 120,000	36%
Town Board (general)	59,000	18%
Water/Sewer Districts	22,000	7%
Wellness Center	21,000	6%
Other Boards (general)	17,000	5%
Local Law Change	14,000	4%
Residential Matters	11,000	3%
Litigation	11,000	3%
Real Estate/Development	10,000	3%
Environmental	6,000	2%
Annexation	5,000	1%
Easements/Liens	4,000	1%
Assessments	3,000	1%
Wind Law	2,000	1%
Other	29,500	9%
Total before Chargebacks	\$ 334,500	

# Walworth

- 2009 budgeted attorney costs of \$47K
- Local attorney flat fee for standard municipal work
  - \$150/hr for lawsuits or law changes
  - Separate labor attorney for union negotiations, higher rate
  - Does not attend all meetings, calls the Town Supervisor the day of the Town Board meeting to determine if needed, only if requested for planning/zoning
  - All requests to involve legal counsel come to the Supervisor first - he gives the approval to involve the attorney
  - Legal fees are itemized on each bill and are charged to the individual departments who have incurred the charges
- Include developer chargebacks on attorney fees

## Attorney

Contractual

Litigation

Contract/capita

Litigation/capita

	Victor 09 B	Walworth 09B
Contractual	75,000	22,000
Litigation	100,000	25,000
Contract/capita	6.21	2.56
Litigation/capita	8.28	2.90

# Mendon

- 2009 budgeted attorney costs of \$27K
- Town attorney is “salaried”
  - Attends all Town Board meetings
  - Separate attorneys for the Planning and Zoning meetings. The Zoning attorney is a part-time Town employee and is paid a salary. The Planning Board attorney is paid a set amount per year, as specified by the Town
  - Attorneys attend all Planning and Zoning meetings
  - They have not gone out for an RFP on their attorneys – long term relationship
- Include developer chargebacks on attorney fees

	Victor 09 B	Mendon 09B
Attorney		
Personnel	-	25,570
Contractual	75,000	1,500
Litigation	100,000	-
Contract/capita	6.21	3.10
Litigation/capita	8.28	-

# Clarkson

- 2009 budgeted attorney costs of \$19K
- Attorney bills on an hourly basis at a rate of approx. \$150/hr
  - Lower rate is billed for town meetings
  - Long term relationship with attorney, familiar with the town and does not necessarily charge for phone calls - only items that have to be researched.
  - The attorney does attend every Town Board, Planning Board, and ZBA meeting
  - Hours may vary considerably based on activity levels, which were relatively low during this period
  - The employees don't have to ask the Supervisor for his approval to call the attorney, but know to make calls only when necessary
- Include developer chargebacks on attorney fees

	Victor 09 B	Clarkson 08B
<b>Attorney</b>		
Personnel	-	19,000
Contractual	75,000	-
Litigation	100,000	-
Contract/capita	6.21	3.0
Litigation/capita	8.28	-

# Ontario

- 2009 budgeted attorney costs of \$47K
- Local attorney at standard rate per hour

- \$160/hr partner, \$120/hr associate, \$35/hr paralegal
- Separate attorney for property matters
- Does not attend all meetings -- attends the 1st Town Board meeting each month; only attends the 2nd one if needed and approved by the Town Supervisor

**Attorney**  
Contractual  
Litigation  
Contract/capita  
Litigation/capita

	Victor 09 B	Ontario 09B
Contractual	75,000	55,000
Litigation	100,000	-
Contract/capita	6.21	5.43
Litigation/capita	8.28	-

# Saratoga

- 2009 budgeted attorney costs of \$50K
- 20 year relationship with local attorney, flat fee of \$2,500 per month
  - \$150/hr for non-standard work
  - Attends all meetings

	Victor 09 B	Saratoga 10B
Attorney		
Contractual	75,000	30,000
Litigation	100,000	20,000
Contract/capita	6.21	5.39
Litigation/capita	8.28	3.59

# Observations

- Victor rate per hour is comparable to peer group
  - Number of hours must be significantly higher
- Peers typically have an approval process to determine if attorney should be present at meetings or involved in a matter
  - Attorneys are typically not at all meetings

# Recommendations

- Implement an approval process to determine if attorney should attend meetings or get involved in a specific matter
- The number of legal hours should be tracked and reviewed to determine if a fixed fee arrangement could be beneficial
- Determine if there are any areas to reduce attorney hours
  - Possibly have staff draft resolutions