

Financial Advisory Council

September 10, 2022

Minutes

Present: Art Bassin, Carol Falcetti, Steve Olyha, Peter Scola, Will Maitland Weiss, Robert Wilcox, Michael Citrin, Steve Roberts, Ann Rader, Hugh Clark

The meeting was called to order at 9:32 AM by Art Bassin.

Highway Update

Because Jim Miller could not attend the entire meeting the Highway Update was first on the agenda. He explained that the Highway Department had a fairly normal month. Road repairs for the year have been completed as the allocated funds have been used. The new truck has arrived and hasn't yet been put into service. The crew is working on installing a plow versus hiring out for the job; this is to save some money.

The condition and size of the sand and salt shed continue to be an issue. In 2021 an estimate to replace it was \$175,000. The potential project was put on hold while Amy Gold, Town Board Member, conducted research on the amount of salt that's used. She consulted Carey Institute of Ecosystem Studies in Millbrook. The results of the study showed that Ancram's Highway Department uses substantially less salt than most municipalities do.

Jim Miller explained that the salt shed foundation is crumbling and that the condition and size of the shed limit the amount of product that can be stored, sometimes causing difficulties with keeping enough sand/salt mix to meet winter storm needs. In addition, mixing wet and dry materials, which the lack of storage dictates, cause difficulty and the use of 10% to 20% more salt than would be necessary otherwise.

After some discussion of what savings would add up to over a ten-year period, the conclusion is that this is an important capital investment and savings is not the driving force. Very possibly the construction of a new shed will take place in 2023.

Art Bassin asked for estimates on repair of the existing shed. Jim Miller commented that this would be band aides due to the degeneration of the foundation.

August financial reports & YE 2022 projection

There were no specific questions regarding the reports or projection.

Will Maitland Weiss asked about a possible increase or decline in the sales tax in 2023. Art Bassin replied that as far as it can be anticipated it will remain flat at around

\$400,000. Art Bassin asked if anyone has a hunch as to whether there will be a recession. Peter Scola said that he believes there will be but that it won't be excessive.

Steve Olyha said there may be a bit of a recession and believes it won't be terribly deep.

2023 Tentative Budget & Overview

Sales tax has been adjusted at \$400,000. Mortgage tax is anticipated to be very low based on relatively slowed home sales at \$50,000. There are potential earnings of \$30,000 earned by investing in Treasury bills if it's decided that the Town choose that; the remaining question is whether that amount be included in the budget. Medical cost for town employees is still unknown and the retirement fund cost will be up around 15%. Property tax income is projected to be flat at \$714,000.

2023-2027 Draft Capital Plan

This is a five-year look at Town finances and outlines projects that the Town is considering: worker/affordable housing, solar for the Highway garage, a pavilion, Town pool renovation, and Ancram Hamlet well water.

T-Bill Program - Cash flow trends

Steve Roberts advised not including the \$30,000 in interest earned from investing in T-bills in the budget. Art Bassin stated that his intention at this point is that the Town will talk to two banks about their rates and is thinking of investing in 13-week T-bills and continue to roll that over, potentially earning \$30,000 annually while not locking funds up for a long period. Various options were discussed regarding the options in interest rates and time commitments. Because this is all new Art Bassin recommends keeping it simple.

SIC Update - Pavilion, Housing, Water Survey, Solar

Frank Palumbo, engineer, met with Steve Olyha, Hugh Clark, Bonnie Hundt and several others at Blass Park. Steve Olyha discussed the idea of not only building a pavilion but also moving the playground and possibly adding pickle ball or other courts to the park which along with the pool, would create a recreational center. Parking was discussed at length. In two weeks, Mr. Palumbo will provide analysis of the site and potential lay-out of the proposed recreational center.

Boring will be done because the site was once a Town dump.

The group did not go to Town Hall to investigate the site. Due to the location of the pool at Blass Park, if a recreational center is created, Blass Park is the logical choice. Hugh Clark said that understanding the potential of the Town Hall site and having the same conversation there is essential. Steve Olyha said that he would go back to Palumbo and request the Town Hall site visit.

Bob Wilcox said that if the Town goes ahead with a recreation center a committee addressing the project will be important.

Ann Rader mentioned that there's a stream flowing through Blass Park and the set-back for streams is 150'. Municipalities are exempt from their own zoning; however, this may be a consideration. Art Bassin brought up the fact that the underground piping the stream flows through is collapsing and repair will be the Town's responsibility. This is all something for the engineer to study.

Regarding solar panels for the Town Garage, Suzan Flamm is exploring having an independent firm install panels and renting them to the Town.

The Town is investing in a water survey that's been mailed to Ancram Hamlet residents and businesses. Potentially, a hydrologist will be engaged to analyze the aquifer.

Other issues - town pool investment - \$200,000; property revaluation status. Town property tax revaluation.

A new liner and deck for the Town pool is being considered and the town is waiting for a proposal as a next step.

Regarding property revaluation, there are a number of houses that have improvements that are not on the record and those will now be added to the record and may cause increased property value for those structures. Ed Ferrato will consider each and decide whether the home owner will be required to go through the building permit process.

Because housing sales have slowed and prices dropped since the inception of the property revaluation the County is considering perhaps evaluating Ancram at 85% of fair market value. At 100% the Town would be over assessed. Assuming everyone's value goes up the same percentage amount, no one's taxes will change, but typically the higher value properties go up more than average, while lower value properties go up less than average.

Art Bassin adjourned the meeting at 10:39 AM.

Respectfully submitted,
Ann Rader

