

Ancram Financial Advisory Council

May 13, 2023

Minutes

Present: Art Bassin, Steve Olyha, Carol Falcetti, Peter Scola, Ann Rader, Michael Citrin

Art Bassin called the meeting to order at 10:00 A.M. on Zoom.

1. Financial reports

Art Bassin reported that electric and propane costs have risen. Electric consumption is higher due to the heat pump and price increases. The Town is over budget for utilities and will need to increase the annual budget by two-thousand dollars.

In reference to the Capital Plan and in regards to the Strategic Investment Committee list of projects, Art Bassin stated that if the Town invested in all, the Town would be very short of money in five years. He mentioned going to other sources such as incrementally raising money and/or turning to grants or postponing projects.

2. Investment Opportunities

Ann Rader read a summary written by Will Maitland-Weiss of the most recent Strategic Investment Committee meeting which took place on Zoom on May 11, 2023.

My summary is as follows:

- The SIC will recommend that the Town Council **appropriate up to \$35K** to fund the creation of a nonprofit Ancram Housing Trust. Funds will be used for legal services, for recruiting and establishing a Trust board, for some \$\$ in an opening bank account in anticipation of (part-time?) staffing and other operational costs. That the Housing Committee will add detail to this request, regarding the Salisbury model and the Fire District activity. That we believe a commitment of **some** money will galvanize action and leverage additional ANHNA and private donations. And that the Town Council should anticipate, as with the Salisbury model, that there could be a modest annual budget investment going forward--in part ensuring the coordination of Town Council and private nonprofit Trust interests.
- The SIC will support the Town spending up to \$3,000 for additional recommendations on **water solutions** from geohydrologist Steve Winkley (the task that is on the table). Additionally, James and others will be pursuing water-solution-thinking farther outside-the-box (NOT just a \$\$\$\$MMM municipal water system), which may lead to requests for County or State funding, or which may come back to the Town for investment. (No action at this time.)
- The SIC will come back to the Town in the near future with refreshed thinking on investment in more **solar/sustainable energy resources** to cover Town needs. (No action at this time.)
- The SIC will come back to the Town in the future to continue pursuing investment in multiple **community-building resources in Blass Field** in addition to the Town's ongoing investment in the pool and the summer camp. (No action at this time.)

- The SIC recommendation to invest \$67,500 in the physical and programmatic expansion at the **Ancram Opera House** stands.

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- The SIC continues to believe that Ancram can spend a portion of its current cash reserve AND meet annual operating expenses--even in this uncertain economy.

Regarding the formation of a Land Trust, Art Bassin questioned whether a Connecticut model, which is being studied, would address legalities in New York State. He suggested contacting an attorney for New York's Association of Towns, Lori Mithen-Demasi.

Regarding a water study in Ancram Hamlet, Steve Olyha had previously suggested funding to study potential solutions versus investing in a study of well yields. Art Bassin commended Steve on his input and agrees that is the most useful direction for the town to take. Steve had spent over an hour talking with hydrologist Steve Winkley about the up and down sides to potential solutions. Steve believes it's time to be practical and move away from the concept of large-scale municipal remediation. Steve went on to discuss various aspects of the issue, focusing on individual remediation.

On the question of solar, Steve Olyha mentioned that Suzan Flamm was questioned as to why an engineer would be hired when in fact the solar companies have the capability for site evaluation.

For a pavilion, Art Bassin noted that CT Male, the engineering consulting firm that the town consulted with, did a mediocre job. As a result, the town said it would pay \$3,000 versus the \$3,900 the firm billed. Ultimately, a figure of \$3,400 was settled on. Next it turned out the firm somehow did not receive the payment and there's been on-going phone tag between the town and the firm with no actual contact so far. It's been three weeks since Art Bassin called and to date there's no call back.

SIC recommended **\$67,500** for support for the expansion of the Ancram Opera house.

SIC states that it believes that even in the current uncertain economic conditions the town can afford to invest in these priorities. Art Bassin stated that should there be no resolution and raising of the debt ceiling on the Federal level, we will be seeing the uncertainty in the economy up front and realistically. It could have a major effect on all kinds of revenues which flow from the feds to the state, to the counties, to the towns.

Related to this, Art Bassin stated that the whole question of Medicaid funding is in jeopardy. The federal government sends money to the state for the counties to fund Medicaid funding. The state now intends to intercept that money and use it for other purposes so the counties are going to be stuck paying Medicaid on their own. That's going to have a dramatic impact on county taxes and will dramatically increase property taxes by about 10% to 15%. This has been incorporated into the state budget.

A wild card is the plan that New York City has to move "migrants" from New York City to the Hudson Valley. Columbia County doesn't have capacity for its own couple of hundred homeless. Ann Rader stated that Hudson is a sanctuary city so probably would not stop the importation of migrants. Because

resources, that is motel rooms, are already maxed with our own homeless, people could end up living on the streets.

3. Highway – bucket truck, plow truck, sand/salt shed

The highway department will invest \$184,000 in a new sand/salt shed. Currently, the salt shed is in the process of collapse so this is a very necessary investment. A new bucket truck has been delivered. Next are new truck bodies for two plow trucks with defective truck bodies which will be delivered before the end of the year. And in 2024 the town will be getting a new plow truck. The cost for all of the vehicles will be around \$450,000 plus there's also the cost of the sand/salt shed.

Art Bassin reports that the T-bills are still marching along and that the town has about \$1,700,000 invested in T-bills earning 4% to 5%.

There are no changes in ARPA. Investments have been for Boston Corner broadband and Neighbors Helping Neighbors for a van and labor to be used to pick up food for the food pantry effort.

4. Revaluation

Regarding the property revaluation assessment, May 24 is grievance day. Residents are reporting that Renee DeLeeuw, Assessor, has been patient, courteous, and helpful. Art Bassin stated that it looks like the average tax assessment town-wide is up 72%. Property owners whose evaluations are at that mark are about average and shouldn't see an increase in taxes.

The mortgage tax revenue came in at \$19,500, significantly lower than it had recently been. However, generally this amount is lower due to wintertime slow down in real estate transactions. It remains to be seen what the second installment due in October will be. The town has budgeted based on an anticipated \$50,000 in mortgage tax income. 1Q sales tax came in at \$102,000 which compares to a budget of \$110,000 so there's a shortfall there.

Art Bassin stated that the past ten years have been remarkable in that the town tax amount has gone down by about \$200,000, but that decrease has been covered by an increase in sales tax. If sales tax starts to deteriorate, for a variety of reasons, there will be issues with Ancram's sales tax levy. If the Medicaid issue is not neutralized then county taxes will go up. If we are hit with caring for a migrant population without state and federal aid, that will hurt taxes.

"There's a lot of uncertainty going forward!" – Art Bassin.

Art Bassin closed the meeting at 10:40 A.M.

Respectfully submitted,

Ann Rader

