

Financial Advisory Council

December 16, 2023

Attending: Art Bassin, Will Maitland-Weiss, Steve Olyha, Ann Rader, Carol Falcetti, Hugh Clark, Peter Scola, Jim Miller

1. November financial reports and updated year-end financial projections

Art Bassin stated that there hasn't been much change since last month. There is about \$1,250,000 in cash and T-Bills. Jim MacArthur and Steve Olyha are in the process of signing up with Key Bank as managers of the T-Bills.

2. 2024 Budget

Art Bassin mentioned that the economic environment is more sanguine now than a month ago because the Federal Reserve has announced that there will be several interest rate cuts over the next year. Everybody is talking about a soft landing. He is cautiously optimistic that 2024 will be a normal year. The sales tax income with the County is up about 1% which amounts to \$30,000 to \$40,000 for the town.

2a. 2024-2028 Capital Plan and ARPA investments

Jim MacArthur, the incoming Town Supervisor, is considering borrowing for the new plow truck and two new truck bodies versus spending outright. He's in touch with an attorney who works in that area and also the bank is on notice that he's interested in talking about that. This would mean using about \$90,000 from the fund balance annually for five years versus using \$450,000 in 2024. The interest rate would be 3.5% and could come down. As a point of reference, in 2020 when the town borrowed money the interest rate was 1% for municipalities.

Steve Olyha asked whether the \$4,000 that's been allocated for the Blass Field baseball field will be moved to the 2024 budget. Art Bassin replied that David Boice doesn't want to spend that amount right now but the amount will be in the fund balance should the Town Board want to re-allocate it.

The Town Board has allocated \$35,000 for affordable housing. At the time the funds were to go for attorney fees, etc. to establish an Ancram Land Trust. Since then, it's been decided that Ancram will join the county Land Trust. However, there will likely be uses for the money.

The \$67,500 allocated to the Ancram Opera House (now the Ancram Center for the Arts) the Town Board will consider once a number of criteria have been met. Should the buildings ever be sold the funds would be returned to the Town.

3. Investment opportunities – Housing, Water, Pavilion, Solar, Pool Playground, Pool Renovation, Town Hall – Painting, roof, rugs, etc.

The Town Hall needs painting, a new roof, rugs, etc. within the next five years. The other investment opportunities will be discussed in the future.

4. Highway Department

Jim Miller explained that the new salt shed is being filled and while the weather permits, tree-trimming is on-going. He's gotten bids on materials for next year and prices have increased. Other than that, due to the lack of snow storms, there hasn't been much overtime for employees.

5. Legal – Revaluation & O&G

The Town has resolved most of the Article 7 and Article 78 cases for Long Lake. The exceptions are two cases that haven't been scheduled for some time next year. The net reduction in taxes is about \$3,000 which will be reallocated to the rest of the tax base. The town tax rate increased from \$1.34 per thousand to \$1.35 per thousand. Legal fees amount to about \$8,000.

The O&G situation will be resolved during the next month or so.

6. Economic environment – moderating inflation and interest rates; price increases, money supply, sales tax, mortgage tax

Art Bassin stated that there are any number of opinions regarding the direction the economy will be taking. All we can do is be ready for whatever happens.

7. Other

Steve Olyha stated that Jim MacArthur will be continuing the Financial Advisory Council. Steve also commented that with the resignation of Art Bassin and Hugh Clark the Town will be encouraging some other members of the community to become involved with FAC.

Ann Rader encouraged Art Bassin and Hugh Clark to continue on the Financial Advisory Council.

Respectfully submitted,
Ann Rader