

To: Ancram Town Board
From: Art Bassin
Date: 4/12/2015
Subject: Supervisor's Report – April, 2015



Town Issues

1. Financial Report – We ended March with \$1.2 million in the bank. Revenues and spending for the three months ending March 31 28 were normal, and slightly under the first three months of 2014. Highway spending this year has been about \$14,000 under last year, and general fund spending has been about \$3,000 under the same period last year.

2. Plow truck financing – We asked five banks to take a look at financing our \$400,000 truck purchase over five years. Our current bank, the Bank of Greene County, came in with the best proposal at 1.99% with a 90 day rate guarantee and no prepayment penalty. Our annual payment for the two trucks will be about \$80,000, which is the amount of our annual contingent account budget. Assuming the highway department contributes \$40,000 to the annual cost of the truck payments, we will be able to handle the truck payments with no tax increase and still maintain a \$40,000 annual contingent budget for “emergencies. We will probably take down the loan late summer or early fall 2015, so our first \$80,000 payment will be due a year later. As you may recall, we had been paying \$40,000 a year plus interest for the garage loan we took down in 2010, which we paid off last summer. That loan was at 2.99%. By year end 2015 we should have a cash reserve of about \$700,000, up from the \$632,000 we ended 2014 with.

3. Pool & Lawn Maintenance Bids - Only two bids...one for the pool & lawn combined from Boice Homecare at \$21,380, and one for the lawn only from Herman's Lawn Care in Pine Plains for \$14,200. George and I will be checking references on Herman's, and contacting pool companies next week to see if anyone is interested in bidding on the pool maintenance contract on a stand-alone basis. If not (and no one has ever wanted to take this on in the past, other than Boice Homecare), and if we want to open the pool on schedule this summer, I will be recommending we accept the Boice bid.

4. Revaluation Process – Assessor Ken Leggett has mailed “property cards” to all property owners as the first step in the town-wide revaluation process. As you will recall, the Town Board approved working with the County to provide the revaluation analytic services, to keep costs low. If we had to do this on our own and hire a revaluation consultant, our costs would probably be over \$50,000.

5. Charter Franchise Agreement Do-over - Charter has notified us that the franchise agreement extension they sent us to approve, which we approved last month following a public hearing, was not the correct document. They have sent us a revised document, and want us to approve this one this month. You have seen the revised agreement. Some residents have made the argument that we should not renew the Charter agreement, because Charter has not been investing in upgrading their systems in our area to provide broadband. And while Charter holds the franchise, even though it's not an exclusive franchise, no other cable operator is going to want to come into the area. If we do not renew Charter, the theory is the 100 or so families who currently use Charter to get cable video programming could switch to DirecTV or Dish at about the same cost, and we would be in a better position to attract a cable operator from Pine Plains or Millerton who would be willing to invest more aggressively in an upgraded digital system that provides the “triple play” of video, telephone and broadband. Let's plan to discuss our options, which include extending the contract for only 1 year, to give us time to better understand the implications of not renewing.

County Issues

1. Airport - FAA approved the reclassification of the Airport from D II to B II, which reduces the required safety area (RSA) to 300 feet from 1000 feet. Implementing this will cost about \$200,000, not the \$3 million to \$4 million we were looking at if we had to do the 1000 foot RSA.

2. Pine Haven – BOS voted to sell Pine Haven to Premier. We are involved in negotiating the contract, and will apply to the NYS BOH for approval. The process could take a year. Premier will assume management

responsibility for the PH facility over the next few months, and should be able to improve operations and the economics of the facility before they actually close the deal and take it over.

3. Government Efficiency Plan – As part of Governor Cuomo’s tax cap & tax freeze program, municipalities (towns, villages, cities and counties), fire districts and school districts all have to file an “efficiency plan” by June 1, 2015, showing how they will achieve a 1% reduction in property taxes in 2017, 2018 and 2019. Property taxpayers in jurisdictions that file an acceptable tax saving plan by June 1 and stay within the 2% property tax cap will be eligible for rebates of any tax increases. The State is encouraging Counties to be the lead agency for these plans. Columbia County will need to identify about \$800,000 in savings. Ancram has to come up with \$8000. Fortunately, the County has made a series of cost savings decisions over the past few years which add up to over \$3 million a year, so we are in good shape. Savings have included: 1) sale of CHHA - \$500,000; 2) bid out property 7 liability insurance - \$400,000; 3) self-insure health insurance - \$1.3 million; 4) sale of Pine Haven - \$1 million. When town level savings are included, the total is likely to be over \$4 million.