

Fellow Canaan Residents - Annual Town Board Update

Town Finances

New York State (NYS) has now made permanent the annual Property Tax Cap Law, the lower of 2% or the inflation rate. Only New York City is exempt from the law. Municipalities and school districts can still override the Cap annually by enacting a local law with 60% of the vote. Canaan has never overridden the Cap since its inception in 2011. Canaan's cumulative town property tax increase for the past decade has only been \$3,425 (0.6%).

Canaan continues to be free of debt and litigation and receives one of the highest scores for financial strength among municipalities from the NYS Comptroller's Office. At the same time, it has one of the lowest property tax rates among towns in Columbia County at \$1.39 per \$1,000 of assessed value.

Our Assigned Reserves of \$160,421 at year end 2018 were lower than the prior year due to the purchase of a new Mack truck and a new mower for Stoddard Field. Our Unassigned Reserves of \$293,768 at year end 2018 were higher than the prior year because the Bristol Road Bridge replacement cost less than planned thanks to our Highway Department's participation.

The Town's bank accounts were moved from Key Bank to the Bank of Greene County with a much higher interest rate. The Town is now earning approximately \$7,500 more in interest annually.

New indoor and outdoor LED lights were installed at the Town Hall at a NYSEG subsidized cost of just over \$7,000. The lights will last for many years and save approximately \$1,200 in electricity costs annually. The Highway Garage was already converted. NYSERTA recently designated Canaan as a 'Clean Energy Community' and the Town now qualifies for up to \$35,000 of grant money for energy efficient improvements that meet the grant qualifications.

Included in this letter is a summary of Canaan's 2019 Budget and a comparative view of how much we pay in various property taxes. Visit our website, www.canaannewyork.org, for expanded financial information.

State of Emergency

The Town of Canaan declared a State of Emergency effective March 16th at 4:00 a.m. for a period of five days due to emergency conditions on the Town's gravel roads. The Town of Canaan has approximately forty miles of gravel roads, 80% of total Town road mileage. This emergency was produced by the cumulative effects of precipitation for several months followed by significantly warmer temperatures causing snow melt and quicker than normal thawing of the gravel road base. This resulted in six to eighteen inches of mud in many locations. Eleven of our twenty-six gravel roads were closed to through traffic and the remaining were barely passable, which was the worst road situation we experienced in twenty-five years.

The Town's Highway Department worked with local law enforcement and tow trucks to clear trapped vehicles. The Highway Department, working overtime and aided by Columbia County and the Towns' of Chatham and Ghent, added 4,000 tons of new material and re-graded the roads within a few days.

State Route 22

NYS DOT Region 8 has listed State Route 22 in Canaan and New Lebanon as their highest priority maintenance issue in Columbia County for years, but never secured the State funds to remedy the situation, only applying patches to the road, lately on a daily basis. The Towns' of Canaan and New Lebanon have made every attempt with DOT, our elected officials, and the press, to repair the section of State Route 22 between Peaceful Valley Road and State Route 20 in New Lebanon.

Beginning in June DOT will mill/grind three inches of old pavement and repave the most critical sections of Route 22 within two miles north and two miles south of State Route 295. Both Towns will continue to pursue capital funding sources with DOT to repair the entire stretch of Route 22.

Also in June, DOT will begin installing eight inch thick formed concrete slabs on either side of the I90/B-3 Bridge to enhance support for the increased truck traffic. This project will last a year and the bridge will have an alternate traffic light for only one open lane.

Transfer Station Sale

Covanta Energy has sold the Transfer Station at B-3 to Waste Connections' local affiliate, County Waste. Canaan's extended agreement ending 12/31/20 with Covanta for free resident garbage disposal and maintenance permits will continue to be honored by County Waste. Beginning in 2021 Canaan residents will continue to have garbage and maintenance permit privileges under the current procedures. The Town began collecting additional property taxes last year for this purpose and will pay County Waste a negotiated cost per ton for our residents' actual usage.

Ambulance Payments

After Lebanon Valley Protection Agency (LVPA) terminated operations to New Lebanon and Canaan in 2010, the Town Boards interviewed ambulance companies and selected Chatham Rescue Squad (CRS). CRS had to set up a station in Canaan, purchase a new ambulance, and hire more staff. These startup costs were borne by Canaan and New Lebanon and not the other towns in CRS's ambulance district. The NYS Board of Health, which oversees ambulance companies, allows independent contractual negotiations between ambulance companies and municipalities in their district. This method eventually led to escalating differences in how much each town in CRS's district was paying each year.

Over time CRS's operations became more fluid with ambulances from both stations in Ghent and Canaan serving the entire CRS district. Canaan and New Lebanon proposed a fairer payment structure between all towns in CRS's district, based on assessed value. Assessed value is used to determine our share of all property taxes (county, school, town, and fire protection). CRS agreed and implemented the new payment system in 2019 with a four year transition period. Canaan's share of CRS's district payment will be reduced by more than \$43,000 over this period. Ambulance payments are collected by the county, so this will reduce our Columbia County property taxes.

Broadband and Cable TV Franchises

Both Charter Spectrum and Consolidated Communications have installed fiber-optics on many roads to carry high-speed broadband internet service throughout Canaan. Spectrum began offering broadband internet service to their customers in 2018; Consolidated began offering service to their customers in April 2019. To find out if and when your address is going to be offered broadband service from either Spectrum or Consolidated visit the Town's website and look for the heading "Town of Canaan Broadband Update". The Town of Canaan Broadband Committee members will continue to work on achieving broadband service availability for everyone in Canaan. Spectrum/Charter Communications has been the sole cable TV franchise in the Town of Canaan; the Town Board recently approved an additional cable TV franchise for Consolidated Communications/Berkshire Cable.

Highway Equipment Purchases

The Town purchased a new six-wheel Mack truck in 2018, replacing a 2003 International model. In 2019 a new front loader will be purchased replacing a 2006 Case model. In 2020 another six wheel Mack Truck will be purchased replacing another 2003 International model. The purchase price for equipment after trade-ins or auctions is paid for out of our Highway Equipment Reserve or Consolidated Highway Improvement Plan funds (CHIPS) and has no impact on property taxes. The Town has an updated Equipment Replacement Plan that coordinates new purchases with assigned reserve levels to avoid tax increases.

Reminders

- **Seniors** meet at the Town Hall every Wednesday 11:00am to 1:00pm with lunch provided by Columbia County. **Columbia County Office of the Aging** (518-828-4258) provides home-delivered meals, nutrition education and counseling, and assistance on a variety of senior issues.
- The Town's **Summer Youth Swim Program** begins Monday, July 1 (registration and swim testing) and ends Friday, August 16. The program runs from 10:00 a.m. to noon, Monday through Friday, and includes instruction for ages two through adults. Complete the registration form online at the Town's website.

The Board wishes to extend our thanks to our resourceful, professional Highway Department, our invaluable and knowledgeable employees and Justices, and all our volunteers on various boards and committees for their generous assistance to Town officials and the community. We would also like to thank our volunteer fire companies, ambulance squad, and NYS/County police for their continued dedicated service to our public safety.

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