

Lake board eyes counties for funding

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ALBANY — Out of concern it might run out of money before an external reapportionment study can be completed, the Hudson River-Black River Regulating District will begin collecting money from five area counties to beef up its empty bank accounts.

Executive Director Glenn LaFave said the district will start collecting money from Albany, Rensselaer, Washington, Warren and Saratoga counties to cover some of the Hudson River area's \$4.5 million revenue shortfall. He said these counties benefit from the flood control of Conklingville Dam at the Great Sacandaga Lake.

"It will be based on how much they benefit so they don't have property losses, properties of a municipality that are not flooded because of our dam," LaFave said.

The district will use the Federal Emergency Management Agency's multi-hazard flood model to calculate the flood benefit, along with real property data and a geographic information system assessment model. LaFave said the district has not contacted the aforementioned counties to notify them of its intentions.

"We want to get some information and data together before we contact them," he said.

When asked how much the district hopes to collect from the counties, LaFave said "I assume it's going to be that amount ... The \$4.5 million. But it's to be determined. We have to use the software."

The regulating district board approved the internal study at its Dec. 8 meeting. The board previously authorized the hire of American Economics Group for \$122,000, who will perform an external reapportionment study, but according to a district press release, "that study may not be completed until June 2010," and the study would need board approval, with monies not coming in until the fall.

"An internal apportionment, performed by regulating district staff, could expedite the process by months," the release says.

LaFave said the internal process will get "immediate revenue."

He explained the regulating district's fiscal year starts July 1, so the internal process will fund this year's operations, and AEG's study will fund next year's.

LaFave said there "it's possible" the list of counties the district intends to receive funds from may change with AEG's study.

The district owes school taxes and will owe county taxes in January. "Those are financial obligations the board wants to take care of as soon as possible," LaFave said.

In Fulton County alone, the district owes \$936,000 in school taxes, and will have to pay over \$600,000 in property taxes to the county in January.

To further speed up the process of getting revenues, the board also authorized the engagement of Fiscal Advisors and Marketing, Inc., to assist in the issuance of a Tax Anticipation Note. A TAN is a short-term debt security issued in anticipation of future tax collections. TANs are generally issued by state and municipal governments to provide immediate funding.

According to district Chief Financial Officer Richard Leslie, the regulating district is a district corporation and has authority to issue the note.

LaFave said he is not sure how much the TAN will amount to, as it depends on the aforementioned study.

"We have to find out how much the levy is. The TAN is based on reapportionment."