The background of the slide is a light gray gradient. It is decorated with numerous realistic water droplets of various sizes. Some droplets are at the top left, some are scattered in the middle, and a large, prominent one is on the right side. The droplets have highlights and shadows, giving them a three-dimensional appearance.

WATER PROPERTY TAX EXEMPTION EQUALS EQUITY FOR WATER RATE PAYERS

VILLAGE OF OSSINING

APRIL 2021

BACKGROUND

- PUBLIC WATER INFRASTRUCTURE IS SOURCED THROUGH THE VILLAGE OF OSSINING'S WATER FUND VIA USAGE CHARGES PAID BY PROPERTY OWNERS AND RENTERS
- VILLAGE-OWNED WATER TREATMENT FACILITIES AND THE INDIAN BROOK RESERVOIR ARE LOCATED OUTSIDE OF THE VILLAGE, IN THE TOWN OF OSSINING, AND ARE CURRENTLY SUBJECT TO PROPERTY TAX (TAXES ON THESE PROPERTIES ARE COLLECTED FROM TOWN AND SCHOOL, WESTCHESTER COUNTY HAS ALREADY EXEMPTED THEM FROM COUNTY TAXES)
 - WATER RATE PAYERS FUND WATER INFRASTRUCTURE PROPERTY
 - AS PART OF THE RATE, WATER RATEPAYERS ARE PAYING FOR THE TAXES ON THAT WATER INFRASTRUCTURE
 - TAX EXEMPTION HELPS TO ENSURE THAT COSTS CONTRIBUTING TO THE WATER RATE ARE MINIMIZED


FACTORS DRIVING INCREASED ASSESSMENT ON VILLAGE-OWNED WATER PARCELS

- NEW WATER TREATMENT PLANT (MANDATED TO MEET CAPACITY AND WATER QUALITY NEEDS)
- INCREASED ASSESSMENT ON INDIAN BROOK RESERVOIR DUE TO INFRASTRUCTURE IMPROVEMENTS (\$9 MILLION OF VALUE ADDED FOR 2020 TAX ROLL WHICH DETERMINES 2021 TAX BILLS)





FACTORS THAT INFLUENCE WATER RATES

- PROPERTY TAXES PAID BY THE VILLAGE OF OSSINING ON WATER INFRASTRUCTURE
 - FEES PAID TO NYC FOR WATER FROM CROTON RESERVOIR
 - CHALLENGES ASSOCIATED WITH MAINTAINING WATER QUALITY
 - DEBT SERVICE ASSOCIATED WITH NEW PLANT CONSTRUCTION AND WATER INFRASTRUCTURE IMPROVEMENTS
 - ONGOING OPERATING EXPENSES ASSOCIATED WITH MAINTENANCE AND UPGRADES
 - INTER-MUNICIPAL AGREEMENT WITH TOWN OF OSSINING FOR WATER DISTRIBUTION
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CONTROLLING FACTORS THAT INFLUENCE WATER RATES

- **PROPERTY TAXES PAID BY THE VILLAGE OF OSSINING ON WATER INFRASTRUCTURE-** EXEMPTION ELIMINATES COST (ESTIMATED ANNUAL TAX BILL OF \$1.8 MILLION AT FULL ASSESSMENT)
- **FEES PAID TO NYC FOR WATER FROM CROTON RESERVOIR-** VARIABLE & SUBJECT TO NYC BUDGETS
- **CHALLENGES ASSOCIATED WITH MAINTAINING WATER QUALITY-** ENSURING STATE OF THE ART WATER TREATMENT TECHNOLOGY
- **DEBT SERVICE ASSOCIATED WITH NEW PLANT CONSTRUCTION AND WATER INFRASTRUCTURE IMPROVEMENTS-** COST CONTROL MEASURES INCLUDING:
 - CONSTRUCTION SUBJECT TO PUBLIC BIDDING PROCESS
 - BONDS SUBJECT TO PERMISSIVE REFERENDUM
 - 3RD PARTY CONSTRUCTION MANAGEMENT FIRM SELECTED TO OVER SEE PROJECT AND DESIGN CONSULTANT
 - \$3 MILLION IN GRANTS SECURED TO-DATE
 - CONTINUED APPLICATION FOR GRANT FUNDING WITH POTENTIAL OF \$10 MILLION PLUS
 - POTENTIAL USE OF ARP FUNDS AND/OR FEDERAL AND STATE SUPPORT FOR INFRASTRUCTURE
- **ONGOING OPERATING EXPENSES ASSOCIATED WITH MAINTENANCE AND UPGRADES** – ANTICIPATED AND DISCUSSED PUBLICLY VIA MULTI-YEAR BUDGET/MAINTENANCE SCHEDULE
- **INTER-MUNICIPAL AGREEMENT WITH TOWN OF OSSINING FOR WATER DISTRIBUTION**
 - ORIGINAL IMA DRAFTED IN 1968 IS OUTDATED
 - VILLAGE AND TOWN ARE COMMITTED TO NEGOTIATING AN IMA THAT WILL BE FAIR AND EQUITABLE WITH NO UNDUE BURDEN IMPOSED ON VILLAGE RATE PAYERS
 - IMA TERMS WILL BE PRESENTED IN PUBLIC MEETINGS

ANALYSIS SUMMARY

A COMPREHENSIVE ANALYSIS WAS DONE TO DETAIL THE IMPACT OF TAX EXEMPTION FOR HOUSEHOLDS IN ALL TAXING ENTITIES

- TOWN GENERAL: VILLAGE OF OSSINING, VILLAGE OF BRIARCLIFF, UNINCORPORATED TOWN
- TOWN UNINCORPORATED: UNINCORPORATED TOWN ONLY
- OSSINING SCHOOLS: VILLAGE OF OSSINING, VILLAGE OF BRIARCLIFF, UNINCORPORATED TOWN, NEW CASTLE, YORKTOWN
- OSSINING LIBRARY: VILLAGE OF OSSINING, VILLAGE OF BRIARCLIFF, UNINCORPORATED TOWN, NEW CASTLE, YORKTOWN

NOTE: FOR DISCUSSION, INFORMATION IS PRESENTED FOR THE SAME \$375K HOUSE

ANALYSIS SUMMARY

- NEW WATER TREATMENT PLANT IS CONSTRUCTED IN OSSINING, BRINGING TOTAL WATER PARCEL ASSESSMENT TO \$76M (\$6M EXISTING + \$70M ADDITIONAL), ADDED TO THE OSSINING PORTION OF THE ROLL:
 - INCREASES OSSINING'S SHARE OF THE LEVY SLIGHTLY
 - GAINS RELATED TO INCREASED ASSESSMENT ARE SHORT-LIVED AS THE PLANT WILL IMMEDIATELY BEGIN TO DEPRECIATE
 - GAINS WILL BE IMMEDIATELY OFFSET BY SEVERE INCREASES TO THE WATER RATE THAT THE VILLAGE WILL HAVE TO CHARGE TO OFFSET THE TAXES THAT CORRESPONDING TO THIS HIGHER VALUE
- NEW WATER TREATMENT PLANT IS CONSTRUCTED IN OSSINING, BUT IS TAX EXEMPT
 - DECREASES OSSINING'S SHARE OF THE SCHOOL LEVY SLIGHTLY
 - MARGINALLY INCREASES SCHOOL TAXES FOR EVERYONE
 - INCREASE TO WATER RATES ONLY DUE TO DEBT SERVICE CONTRIBUTION FROM WATER FUND

EXEMPTION = EQUITY

- FAILURE TO EXEMPT THE WATER PROPERTIES CAUSES **ALL TAX BILLS TO DECREASE SOMEWHAT** BUT **WATER BILLS INCREASE SIGNIFICANTLY**
- VILLAGE OF OSSINING RESIDENTS, ALONG WITH UNINCORPORATED OSSINING RESIDENTS, **WILL SEE DRAMATICALLY HIGHER WATER RATES** AS A RESULT OF THE CONSEQUENT TAXES THAT THE WATER FUND WILL NEED TO PAY TO THE VARIOUS TAXING ENTITIES
 - **HOUSEHOLDS AT THE LOWEST END OF THE VALUE SPECTRUM PAYING THE HIGHEST PROPORTION OF THEIR HOME VALUE IN UTILITIES**
- UNDER ANY SCENARIO, ALL TAXING ENTITIES GET THE SAME AMOUNT OF TAX DOLLARS, AS THE BUDGETS SET BY THE VARIOUS BOARDS (TOWN, SCHOOL AND LIBRARY) ARE UNCHANGED BY ANY OF THESE SCENARIOS – **NO ENTITY SEES A BUDGET REDUCTION**
 - WITH TAX EXEMPTION OF THE PROPERTIES, THE WATER FUND RATE PAYERS WOULD NO LONGER BE PAYING PROPERTY TAXES -- THOSE SAVINGS WOULD BE REDISTRIBUTED AMONG THE REST OF THE TAXPAYERS IN THE TAXING DISTRICT
 - MODEST COST TO TAXPAYERS IN THEIR TAX BILLS WILL SAVE OSSINING VILLAGE AND UNINCORPORATED TOWN WATER RATE PAYERS HUNDREDS OF DOLLARS IN WATER CHARGES ANNUALLY
 - SAVINGS WILL BE REALIZED BY SCHOOL AND LIBRARY WHEN THEY PURCHASE MUNICIPAL WATER
 - RESIDENTS OF BRIARCLIFF, NEW CASTLE AND YORKTOWN WHO FALL WITHIN THE SCHOOL AND LIBRARY'S TAXING DISTRICTS WILL SEE A SMALL ANNUAL TAX INCREASE WITHOUT THE BENEFIT ON THEIR WATER BILL (SINCE OSSINING DOES NOT PROVIDE WATER OUTSIDE OF TOWN LIMITS)
 - SCHOOL AND LIBRARY'S COSTS MAY GO UP IF THEIR WATER CHARGES INCREASE—HOWEVER, THEIR WATER BILLS WILL BE LESS STEEP WITH EXEMPTION
 - THESE RESIDENTS MAY END UP PAYING MORE IN THEIR SCHOOL AND LIBRARY TAXES TO COMPENSATE, SHOULD EXEMPTION NOT BE APPROVED

THERE ARE NO "LOSERS"

***IN THE INTEREST OF EQUITY, AND CREATING A SAFER, MORE AFFORDABLE WATER SOURCE
WE ARE ASKING THAT THE TOWN, SCHOOL AND LIBRARY BOARDS PASS A RESOLUTION
TO EXEMPT THE WATER PROPERTIES OWNED BY THE VILLAGE OF OSSINING***

NEW WATER TREATMENT PLANT IMPROVEMENTS

- THE LAST PLANT UPGRADE WAS IN 1986 AND THE EXISTING PLANT DOES NOT MEET STATE STANDARDS FOR MEETING MAXIMUM DEMAND ON PEAK USAGE DAYS
- LIMITING FACTORS ARE:
 - UNDERSIZED FILTERS
 - UNDERSIZED SEDIMENTATION BASINS, AND CHEMICAL FEED SYSTEMS
- CURRENTLY VILLAGE IS MEETING ALL EPA REGULATIONS – HOWEVER NEW LEAD AND COPPER REGULATIONS REQUIRE:
 - ENHANCED PH CONTROL
 - PRIMARY BARRIER ADDITIVE OF ORTHOPHOSPHATE TO PROTECT THE DISTRIBUTION SYSTEM AND RESIDENT-OWNED PLUMBING
- THE SEDIMENTATION BASINS WILL BE REPLACED WITH DISSOLVED AIR FLOTATION TECHNOLOGY
- SLUDGE PRODUCTION WILL BE REDUCED FROM 10 TRUCK LOADS OF SLUDGE BEING HAULED OFFSITE TO 4 TRUCK LOADS PER WEEK
 - LESS TRUCK TRAFFIC IN CROTONVILLE
- NEW PLANT WILL INCORPORATE A UV SYSTEM TO REMOVE CONTAMINANTS (SUCH AS MIB) IN OUR FINISHED DRINKING WATER
 - THIS PROCESS WILL:
 - GREATLY REDUCE CHLORINE FOR DISINFECTION
 - ELIMINATE TASTE AND ODOR ISSUES



APPENDIX (DOCUMENTS ATTACHED SEPARATELY)

- COMPLETE WATER EXEMPTION ANALYSIS
 - SCHOOL WATER CONSUMPTION ANALYSIS (WITH AND WITHOUT EXEMPTION)
 - JANUARY 19, 2021 PRESENTATION TOWN BOARD
 - WATER RATE ANALYSIS SUMMARY MEMO TO TOWN BOARD
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