I appreciate your invitation to give you some information which will enable you and the citizens of Freeport to pass judgment on the feasibility of the proposal made by Mr. Robert L. Christie in his address before you on October 24th.

I must compliment you on your restraint from taking action by resolution until you have had the opportunity to study the proposal.

Following the publication of Mr. Christie's statement, there has been a renewal of clamor that Freeport has done nothing in the last ten years towards progressive development -- it is particularly unfortunate that some of this criticism comes from our own citizens who can only see that the grass is greener on the other side of the street and who are completely unmindful of the leading position that Freeport has taken in the past.

Do you know that Freeport was the first village in Nassau County to operate a municipal light plant?

Do you know that Freeport was the first village in Nassau County to construct and operate an incinerator?

Do you know that Freeport was the first village in Nassau County to institute a permanent street paving program?

Do you know that Freeport was the first village in Nassau County to institute a complete sewer system and to construct the most improved type of sewage disposal plant?

Do you know that Freeport was the first village in Nassau County to erect a municipal stadium?

Do you know that Freeport was the first village in Nassau County to provide boulevard lighting of streets?

Do you know that Freeport was the first village in Nassau County to have a municipal bus terminal?

Do you know that Freeport and only one other village in Nassau County makes back door collections of garbage?

Do you know that Freeport was the second Village in Nassau County to operate its own water supply system?

Do you know that in the years 1926 to date there has been constructed in the Village of Freeport, public works and improvements to the amount of $1,018,660.25 of which $649,839.13 was contributed by the Federal Government, $97,111.31 out of a bond issue authorized by the people, $166,891.87 by sewer assessments and $85,418.54 out of the water funds and the annual budgets?
Of course, you either don't know these facts or you have forgotten them. These things, you may say, were done in the past. What about doing some more things?

I surely have no objection, if the taxpayers want to add to the tax burden. We still have a long time to go to pay for some of those things mentioned. There is still 25 cents out of every dollar in the budget to pay for the principal and interest on bonds for improvements we have long enjoyed.

There are some of us who have well intentioned but highly impractical ideas of what the Village should do. One gentleman considered it the duty of the Village Board to promote a department store and to vote an appropriation of $100,000, for that purpose. There is no end to suggestions for the spending of money by the Village. No one has been able to suggest any new sources of supply of the money he wants the Village to spend.

No system of finance, whether personal, mercantile, municipal, State or Federal, has yet been devised, which will provide the things we desire, without paying for them. It doesn't make the ultimate paying any simpler by taking money on hand for one purpose and using it for another purpose. The person who has a Christmas fund savings account which he spends on a Thanksgiving Day party, has had his party, but no money for Christmas.

Let me say that as a citizen and taxpayer, I am as strongly in favor of parks and playgrounds as any other citizen and taxpayer, and I am willing to pay my share, in the form of additional taxes, of the cost of acquiring, equipping and maintaining these parks and playgrounds. As a member of the Board of Trustees, however, I have no right to impose any additional tax burden on every other taxpayer to accomplish what I consider a desirable thing. I have repeatedly made my pledge that no bonds would be issued without a vote of the people.

Despite the undoubtedly well intentioned proposal of Mr. Christie, you cannot carry it out without paying for the acquisition or construction of parks by a bond issue and without paying for their maintenance by appropriations in the budget.

Mr. Christie is reported to have said, and I quote from the Nassau Daily Review-Star of October 25th:—

"A program of village improvements, centered around three major park projects and aimed to stir civic consciousness and planning in Freeport and place the community in the forefront of Nassau villages—could be achieved without adding a dollar to the residents' tax burden, Robert L. Christie, former village president, told members of the Freeport Lions Club last night.

"The plan outlined by Mr. Christie at a Lion's session in the Elks Clubhouse, included the creation of a bay front park at the foot of Ocean, Miller and Long Beach Avenues.

"The Speaker said that funds could be taken from the cash balance earned by the municipal lighting system, which, he declared, now amounts to more than $339,000, to finance the program he
proposed. Not more than $150,000 would be required, he estimated, to landscape and improve Randall Park, re-establish Hanse Park with the cooperation of the Long Island Park Commission and create a bay front park which would compare with waterfront parks of any Florida cities.

"The Village light and power plant is a modern, money-making concern that has earned a surplus which at present is in excess of $339,000," Mr. Christie asserted. "Whose money is that? It belongs to the people of the Village. During the past year the Village borrowed more than $114,000 from the lighting fund surplus, which then amounted to upwards of $454,000, to meet budget demands without raising the tax rate. The same procedure could be followed to finance these park improvements."

This ends my quotation from the article.

Let me first sharply check the accuracy of some of the statements ascribed to Mr. Christie. Mr. Christie should have known or could have found out that this Village Board did not borrow the sum of $114,000, during the fiscal year of 1938-39 to balance its budget. As a former President of the Village Mr. Christie knew this information was available to him.

What the Village did was to borrow $7933.28 under Item 662 of the 1939-40 budget, in payment of its loan. This loan was for:

(a) Rental for parking field Church Street and Merrick Road $1200.00
(b) Conditioning of parking field 1547.09
(c) Sanitation Department, extra labor on account of sickness 1979.37
(d) Hurricane Damage - Sanitation Dept. 763.82
(e) Hurricane Damage - Street Dept. 743.00
(f) Drain on Evans Avenue 1680.00

A Total of $7933.28

This sum of $7933.28 was placed in the budget for the fiscal year of 1939-40 and was paid back to the Village with interest in July, 1939.

Mr. Christie should have known or could have found out that Randall Park was given to and accepted by the Village under a "deed or gift," which provided that it was to be used for recreational purposes, hence the cinder track, baseball and football fields, instead of benches for women and children and landscaping.

Mr. Christie should also have known or could have found out that the filling in and construction of Hanse Park has been estimated to cost about $60,000. The Board of Trustees had such an estimate from its engineer when it submitted an application for a government project. These figures are in the files of the village.

Mr. Christie should have known or could have found out, that the anticipated requirements within a short time, of the power house and line department of the Village are
as follows:

- New engine, generator, erection and structural changes to power house: $216,262.03
- Merrick Road underground system: $30,495.00
- Sunrise Highway underground system: $49,534.95
- Power House, now stool girder: $10,000.00
- Standby hookup, minimum: $10,000.00

$316,391.98

Mr. Christie should have known or could have found out, that it was idle chatter to declare there was enough money in the Light Fund for its future requirements and yet leave $150,000 to pay for three parks. Did he take the trouble to find out that the cash in the Light Fund was just about enough for its requirements? Did he take the trouble to find out that to put Hansen Park into shape it would cost $60,000? Did he take the trouble to ascertain what the land would cost for the bay front park he proposes at the foot of Ocean, Miller and Long Beach Avenues or the cost of condemnation of the present buildings on the land? Did he take the trouble to find out the cost of filling this land above the highest tide, of top-soiling, of bulkheading, of drainage, of comfort stations, of landscaping and the many other items incidental to the construction of a real bay front park?

You may be sure he didn't, because he wouldn't have made such a rash statement that for $150,000, the Village could convert Randall Park into a landscaped park in place of a recreational field, construct Hansen Park and also a bay front park.

I can give you no estimate of the cost of acquiring land or buildings. I can tell you that the Village engineers' rough estimate of filling, top-soiling, drainage, landscaping, etc. would be a minimum of about $7,000 an acre. Bulkheading would cost about $15 a foot. Figure yourself what a ten, twenty-five or fifty acre park would cost to construct exclusive of land acquisition and bulkheading.

Only by a thorough engineering survey can you determine such cost, but an engineering survey costs money and it might be foolhardy to incur such an expense until the taxpayers indicate their readiness to pay for a park program.

I shall refer to this again.

I want now to talk about the so-called cash light fund, to have you understand what it is and to give you my view as to its use. Perhaps my explanation may serve to deter other well meaning citizens from presenting a dozen other plans for spending it for a dozen desirable and worthy purposes, other than the purpose for which it should be used. Whatever figure I give you are from the report for the year ending February 28, 1939, by Fred C. Berge & Company, the accountants for the Village.

The current liquid assets, consisting of cash and accounts receivable less reserve for uncollected accounts aggregated $394,940.97. The current and accrued liabilities consisting of accounts payable, consumers' deposits and interest thereon and miscellaneous items aggregated $71,323.12, leaving liquid assets of $323,617.85.
The error in which one readily falls is to assume that this asset is entirely free.

The Village is required under the uniform system of accounts prescribed by the Public Service Commission, to set aside, as an operating expense, a reserve for depreciation and obsolescence. This reserve fund is intended to supply the money required for replacements of worn out or obsolete equipment. The growth of the light plant of the Village from its small beginning was made possible by the use of the profits and accumulated reserve for betterments and improvements. There was only once in its history that the money needed for a new engine had to be raised by a bond issue of $200,000., that was for engine #6. That bond issue has been reduced to $96,000, and is only outstanding because all the bonds have not matured; the Village has purchased and holds $39,000 of this issue.

Engines 7 and 8 were purchased and installed within the last six years out of the moneys on hand representing an accumulation of profits and reserve. They cost together about $338,000.

The gross cost of the operating property used for its electric utility on February 28, 1939, was $2,231,902.76 against which there is an aggregate reserve for depreciation of $747,232.21, leaving a net value of $1,484,670.55 for its operating property.

You will note that the reserve of $747,232.21 for depreciation is greatly in excess of the free cash on hand of $323,617.85 for the good reason that part of the reserve has been used in the past for betterments and additions to the Light Plant.

Despite the fact that the two largest Diesel engines were installed only within the last six years, and despite the substantial cutting down of line losses, as a result of the growth of the Village and the reductions in light rates, the consumption of current is increasing at such a rate, that the Board of Trustees are being faced with the almost immediate prospect of providing an additional power reducing unit -- the estimated cost of which I have already given at about $216,000.

Should the $216,000. from the Light Fund be first used for a park or other general public improvements and then another $216,000. borrowed for the new engine?

You notice I am not talking about the legality of using the Light Fund for a park or other public improvement when we need the money for the plant. I haven't sought the opinion of the Village Counsel for the very good reason that it is not so much a question of legality as a question of the sanity of the board of trustees which chose to spend the money for a park instead of for the engine.

I have already itemized a number of other required betterments to our transmission service which will cost another $100,000. On my part, I would go slow in spending this $100,000, until there was a substantial replenishment of the cash on hand.

We must remember that the Village will not be able to make the same amount of profit it has made in the past.

The Public Service Commission restricts profits to a fixed return on the value of the useable property. On this
basis the Village had a net profit in the year ending February 28, 1939 of $107,425.80, but, out of this net profit, the Village has to deduct the cost of street lighting and other municipal services which in the same year, was $78,594.01, leaving an actual profit in hand of $28,831.79.

Need much be said about the caution you have the right to expect from the heads of any business which was trying to accumulate further cash reserves when the annual profit expectancy was so limited.

Present light rates are based in part on production cost of which the largest single item is fuel oil. The rise in the price of fuel oil becomes, therefore, a serious factor in these rates. The European war may skyrocket the cost of all materials. Good management may require the Village to take a licking for a time. Should we then raise the light rates? I would much sooner fall back on the cash on hand to carry the light plant through any such period of trouble, if it is ahead of us.

I think that every one who gives a second thought to the matter will agree with your Board of Trustees that it would become the object of condemnation if not worse, if it left its cupboard bare of cash, under the present circumstances and the uncertain outlook.

To digress a moment -- it seems to be the general idea that the taxpayers get nothing from the profits of our Light Plant. If we did not have the light plant, we would have had to add $78,594.01 to the budget. Now, the cost of free services to the Village consumes over 75% of the profits.

I think that any person must conclude that it would be extremely bad judgment to follow the proposal of Mr. Christie to use the light fund or any part of it, for park purposes.

This brings us to the question whether the park program proposed by Mr. Christie should be undertaken, by raising the money necessary, by a bond issue.

As I have already said, this is a question which should be decided by the taxpayers who are the ones who will be called upon to pay the principal and interest on the bonds.

I hazard a guess only, that the improvement of Hanse Park and the acquisition and construction of a bay front park of 50 acres including parking areas wherever it may be located, will together involve an expenditure of at least $300,000. This is a more guess.

To ascertain what the approximate cost would be, it would be necessary to obtain offers of property and an estimate by an engineer. We have a planning commission which up to now has been unable to do anything besides its legal functions because there was no appropriation in the budget for the expenses of engineering services.

The making of a complete survey of what public improvements would most benefit the Village with engineer's estimates of the cost of each proposal would give the taxpayers the opportunity to express their views on the items offered in the program. This opinion can be obtained by referenda at the next Village election.

What I have just suggested is not the result of Mr. Christie's proposal. It has been discussed by the members of the Board of Trustees for several months in the past. Your Board of Trustees, however, does not publicize a plan of
action until at least it has the money available to get it started.

I read in the Nassau Daily Review-Star of November 6, the letter of Mr. Charles H. Dilthey, who presented a very carefully studied view of the proposal of Mr. Christie.

Just one thing I would like to publicly answer: He asks why the Village did not obtain a Federal Government grant for a bay front park. In the first place, no grant could be obtained for land acquisitions; secondly, no grant could be obtained for work unless the Village owned the land at the time of the application; thirdly, the Hanse Park Improvement was turned down, fourthly, Freeport got its share, if not more than its share, of PWA and WPA projects. I think Mr. Dilthey will agree that with all the uncertainty as to how long the program would be continued and whether a project would be accepted, the Village would have been foolhardy to acquire land for a bay front park on a chance that a part of the cost of improving it would be contributed by the Federal Government.

The answer to Mr. Dilthey's question ending his letter: "When will Freeport get a waterfront park? Is, "When the taxpayers want to pay for it."

Now, if a substantial number of the good citizens of Freeport still agree with Mr. Christie, that, as a matter of policy, the light fund moneys should now be used for Hanse Park and a bay front park, let them submit to a referendum of the taxpayers, a proposition in some such form as this:-

"Shall the cash on hand in the Light Fund be used for the improvement of Hanse Park and the acquisition and construction of a bay front park?"

and, if any other group of citizens want to see this fund used for any other public improvement, let them offer their proposal to a referendum.

Just this in conclusion -- let us all have a little more faith in the standing of our Village, I have attended all the sessions of the State Conference of Mayors in the past six years and more. At these sessions, representatives of villages from all over the State, ask for information about problems confronting them. Hardly a single one of such problems had not been met and disposed of by Freeport. Without appearing to be boastful, I can say that many times Freeport is directly asked to give the solution.

This Village is still the most populated Village in Nassau County. The next Federal census will settle that officially. Forget all about the unofficial consuses. Look at the total vote cast in last Tuesday's election. Freeport cast the highest vote. There must be some good reason why our community attracts people to make their homes here. Some of you cannot see the forest, you see only the trees.

It is whispered, not so quietly, that rotati business attains a greater volume in a sister village than Freeport and that New York department stores are attracted to it and not to Freeport. What can the Board of Trustees do toward changing the geographical location of Freeport?

You say Freeport has its waterfront - true, but that waterfront is private property. The municipal corporation called the Village of Freeport cannot improve private property. If the owners of that waterfront do not take advantage of their physical advantages, the taxpayers cannot be asked to improve it for them.
A concrete suggestion was made not so long ago, to raise the grades of all the streets in the south end of the village. This single suggestion would have cost about $2,000,000.

There is always something which can be done to improve our Village. But that does not mean that we can do everything that everybody wants done. I venture to say that every one here has a pet project which he thinks is the best. There is no harm done in proposing any such project, but you must be prepared to answer at least two questions:

First: "How much will it cost?"
Second: "How is it to be paid for?"

You have to answer these questions before you make a new venture in your home or in your business. The Village of Freeport is also a business and these two questions bob up in everything that is done or is proposed to be done. How much and how to pay?

I sincerely trust that you understand that I came here to give whatever information I can and not to dampen your zeal to improve the Village.

The Board of Trustees is the servant of the people and not their master. You can also serve our Village by lending your talents to carry out any project of improvement which is within the reach of our pocketbook.

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ROBERT E. PATTERSON,
Mayor