

To: Ancram Town Board  
From: Art Bassin   
Date: 9/13/2010  
Subject: Supervisor's Report – August

## Financial Results – We continue to track at expected pace

**YTD August Financial Results:** Revenues through the end of August were \$1,179,000. For the rest of the year we expect an additional \$175,000 of income, for a full year total of \$1,354,000, compared to a budget of \$1,303,000. The \$175,000 in expected revenue includes \$100,000 in sales tax revenues, \$50,000 in state highway aid, and another \$25,000 - \$30,000 in a combination of additional mortgage tax revenues (\$13,000), tobacco settlement income (\$13,000), building department fees (\$4000) and justice court fines (\$4000).

Expenses through the end of August totaled \$897,000, and continue to track under budget and under last year. We are about \$12,000 under budget as of the end of August. Excluding capital spending, we have spent about \$100,000 less this year verses last year. Capital projects this year have totaled about \$105,000, including the solar panels (\$20,000), the new grader (\$33,500) and the garage (\$50,000). Cash in the bank was \$937,000 at the end of August.

**Full Year Estimates:** Based on expected spending for the balance of the year of about \$100,000 a month excluding the garage, we should spend an additional \$400,000 over the rest of the year. If we spend at this pace, and we get the \$175,000 in additional revenues we expect by the end of the year, we will end the year with about \$700,000 in the bank, excluding any garage related spending or borrowing.

## Garage Project

The garage bids came in last month, and totaled \$475,000, leaving \$25,000 within the \$500,000 garage project budget, for a contingency or to apply to the conversion of the milk factory building to a salt shed.

Site prep is done, and the drainage and grading work has been finished. We have awarded all the contracts. The building construction work started Monday, 9/13. So far we are still on track to have the new garage done by the end of the year.

I am discussing the terms for the \$400,000 garage loan with four banks, and will have a proposal for the Town Board to consider at the TB meeting. We are looking at five year and ten year terms, and at rates that are in the 3%-4% range. The banks are all willing to do a ten year term with no prepayment penalty for early payment, so we may be best off by talking a ten year loan and budgeting to pay it back in five years. Depending on circumstances over the next five years, the Town Board would have the flexibility to either pay \$80,000 in principal or \$40,000 in principal.

## Projects & Activities

1. **Community Days:** Revenues from Community Days totaled \$6600. Less costs, Community Day activities and events generated about \$4000 for the playground. Larry Saulpaugh, the individual injured when his tractor flipped over, continues to improve.
2. **2011 Budget:** I have to reviewed the Tentative 2011 budget with all Town Board members and Highway Superintendent Jim MacArthur. The outline of the budget continues to be 1) no property tax increase; 2) allocate \$92,000 a year to repay the proposed \$400,000 garage loan principal and interest over five years by reducing highway department spending by \$75,000 and general fund spending by \$25,000.

Highway Department reductions will come primarily from the road paving budget, by paving a mile or a mile and a half less road for the next few years, while keeping up maintenance. General Fund cost reductions will come from reduced spending on the rescue squad based on a "fair share" allocation of costs between towns, and reviewing/reducing our health insurance policy costs by \$10,000 to \$20,000.

Town law requires I file the Draft Budget with the Town Clerk by September 30. I will file with the Town Clerk at the September 16 Town Board meeting. The Town Clerk will then officially deliver a copy to each Town Board member. We will hold a public hearing on the budget immediately prior to the October 21 Town Board meeting. We will discuss the Budget again during that meeting, and will adopt it at the November meeting.

3. **Ramp for Ancramdale Polling Place:** Work has started on this project, and should be completed in October. While Neighbors Helping Neighbors raised about \$2500 at their Memorial Day BBQ, and while we hope to get some funds from the County & State to help pay for this, we will need about \$6000 for this effort. I plan to send around an email appeal for donations to the Ramp Fund later this month.
4. **Revaluation Review/GAR Report:** The Revaluation Review Committee is preparing a report on its findings and recommendations, which will be available next month.
5. **Auditing the Town's Books:** The Town is obligated to have its books audited annually, but no one can remember when the town last had this done. Given the recent problems in Kinderhook and Greenport with a bookkeeper stealing town funds, I think we need to get an outside professional in to audit our books and review our internal audit and control procedures and processes, and recommend how to strengthen them. See Resolution 5.
6. **Code Enforcement:** The Building inspector has reported that there are a small number of contractors and property owners who do not obtain building permits prior to starting work, and that there are a small number of property owners who do not respond to "notices to remedy violations" sent by the Building Department. The Zoning Revisions Committee is reviewing the zoning and building code enforcement process as part of the revision of the zoning law, and will be recommending a significant increase in the fines for zoning and code violations. I am discussing with experts in this area what else we can do to insure compliance with the town zoning law and the NY State Fire and Building Code, and what the legal enforcement process is and how it works. I will let you know what I find out. See Resolution 7.