

To: Ancram Town Board
From: Art Bassin
Date: 7/13/2014



Subject: July 2014 Supervisor's Report

Town Issues

- 1. Financial Report** - We ended June with \$1,169,000 in the bank, and pretty much on target in terms of revenues and expenses against the 2014 budget. Barring any unexpected surprises, we should end the year with between \$750,000 and 800,000 in the bank, which will be slightly ahead of year-end 2013.
- 2. 2015 Budget** – We will be targeting flat town property taxes again in 2015. This will be the fifth year of flat or lower town property taxes. 2015 highway and general fund spending should be flat to 2014, with non-tax revenues also flat to slightly higher than 2014. The major discretionary spending issue for us to discuss and decide is whether to include salary increases in the 2015 budget for town employees, and at what level.
- 3. Library Tax Referendum (414 Referendum)** – The RoeJan Community Library has announced it plans to ask Ancram voters to approve a \$30,000 payment to the Library again this year. The proposal, which was narrowly defeated in November 2013, will be on the ballot in November 2014. The Town currently gives the Library \$5000 a year. Hillsdale and Copake approved payments to the Library in 2013 under the 414 program. If the 414 referendum succeeds this fall, the "library tax" can either be part of the 2015 Ancram Town budget, or can be set up as a separate "taxing district" like the Lighting District and the Fire District, and be shown as a separate line on the January 2015 property tax bill. My recommendation is to set it up as a separate line on the tax bill, and take the money out of the Town budget. To do this, we need to pass a local law to this effect. I have attached a draft of the proposed 414 local law.

County Issues

- 1. Airport** – The County will apply for a \$300,000 FAA grant to fund the 300 foot safety area needed to bring the Airport into compliance with FAA safety regs. This may get done in 2014 or 2015, depending on the FAA. And as soon as we can get a new appraisal on the revised aviation easements needed, we will reopen discussions with the owners of the Meadowgreens Golf Course to see if we can work out an easement deal without having to initiate an eminent domain process. This will probably be a 2015 activity.
- 2. Pine Haven** – The RFP for proposals from private operators to buy PH from the County will probably be ready to issue by the end of July, with proposals expected to come back in September. The County has not decided to sell Pine Haven, but is interested in exploring that option as part of the discussion regarding the future of the nursing home. There is no agreement or full understanding yet on what PH is really costing the County's taxpayers. Loss estimates range from \$1-2 million a year from those who support staying in the nursing home business, to \$3-4 million a year, from those who want to exit the nursing home business. Proposals from possible buyers will help us understand if a private operator can operate the nursing home as well as or better than the County, at virtually no cost to the County's taxpayers. A second issue, whether or not to invest \$32 million in a new nursing home facility, is on hold until we sort out whether or not we want to stay in the nursing home business.
- 3. Insurance Issues** – The County will be opening up the property and liability insurance policies for bid again this year, and is exploring self-insuring the employee health insurance program. If the County decides to self-insure its health insurance program, it will contract with a traditional health insurance carrier to have access to its network of providers and to process the claims paperwork.