

To: Ancram Town Board
From: Art Bassin
Date: August 15, 2020
Subject: Supervisor's Report



1. July Financial Report – July numbers were as expected. Sales tax receipts through July YTD have were down about 5%, compared to the 40% risk we had been anticipating. If sales taxes come in down 10% for the year, not 40% we will end the year with about \$100,000 more in cash. Assuming we close on the plow truck loan, receive 80% in CHIPs funding (about \$136,000) and achieve the cost savings we have identified, we should end the year with about \$1.1 million -\$1.2 million in cash.

2. 2021 Budget – We will take a first look at the 2021 tentative budget at our meeting next week. Attached are drafts of 2021 budget assumptions, the 2021-2025 capital plan and the draft tentative budget, which indicates we are keeping property taxes flat but eliminating the \$130,000 in our contingent accounts for future capital spending, to offset the expected sales tax revenue deterioration of \$130,000. If sales taxes are down 10% next year, not 40% as is now assumed in the 2021 budget, revenues will be about \$100,000 better than budgeted and will allow us to restore funding to the contingent accounts. There are no new capital spending projects proposed for the next few years, but we will have about \$60,000 available as part of the NYSERDA grant to help fund a new TH HVAC system in 2021 when we determine what we want to do with the HVAC system. We also will have the \$1.1 million fund balance available if we need to make some unplanned capital investments. We will hold a public hearing on the tentative budget in September.

3. Building Department Capacity – Ed Ferratto has been working three and four days a week instead of the normal two days a week to keep up with building permit activity. YTD building department fees are 50% higher than last year. Ed is keeping track of his extra time, which we will compensate him for. It is likely that this heavy workload will continue into next year given a strong housing and home improvement market and the need to start inspections for short term rentals. Ed and I have been discussing the need to expand Building Department capacity this year and next by increasing Ed's time and hiring a deputy. The tentative 2021 budget assumes a 50% increase in building department staffing costs and a fee increase to cover those costs.