

**To: Ancram Town Board**  
**From: Art Bassin**  
**Subject: Supervisor's Report**  
**Date: July 15, 2023**



**1) Financial Report** – A normal financial month. Cash and T Bills at the end of June totaled about \$1,523,000. Our T-Bill portfolio is at \$1,427,000, and will be dropping over the rest of the year as we start paying for planned major projects. We are in a period of heavy spending which includes highway department road work (about \$180,000), the sand/salt shed (about \$185,000), the grant for the AOH (\$67,500) and the final payment on the Town Hall ASHP HVAC system (about \$38,000). Excluding T Bills, cash on hand at the end of June was about \$97,000. We have a treasury bill for \$200,000 maturing on 7/18 which will fund us for the next month or two, and we have \$1,250,000 of T Bills maturing in August. I anticipate we will be able to continue to invest \$1 million in short term (1, 2, 3 month) T Bills over the rest of the year. Yields on the 1, 2 and 3 month T Bills are all currently around 5.3%, so if yields stay steady, we could earn another \$25,000 in interest by the end of the year.

**2) 2024 Budget Process** – It's time to start the 2024 Budget Process. I plan to circulate 2024 budget requests to all department heads next week and hope to have a first draft of our 2024 budget by the August Town Board meeting. We will schedule public hearings on the Tentative Budget in September, on the Preliminary Budget in October and on the Final Budget in November. The major uncertainty related to the 2024 budget is the economic environment and impact of an uncertain economic environment on the likely levels of sales and mortgage taxes next year. We will have a better sense of sales and mortgage taxes before we have to finalize the budget, but current indications are that both sales and mortgage tax revenues could be significantly (\$50,000 to \$100,000) under 2022 and 2023 levels. While we can keep town taxes flat again in 2024 by using fund balance to compensate for this drop in revenues, we will have to factor a weaker sales and mortgage tax environment into our capital spending plans and consider postponing some major strategic investments, or getting grants to help fund projects.

**3) O&G Industries** – At the request of the Planning Board, ZEO Ed Ferratto had requested that O&G Industries provide information by July 1 regarding their mining activities over the past 5 years to determine if O&G discontinued operations for more than two years, which would terminate their non-conforming, pre-existing use mining status and require that they discontinue all mining activities. We have not yet heard back from O&G on this matter.

**4) Property Tax Exemptions** - The County has adopted laws establishing revised income levels for senior and low income/disabled property tax exemptions and providing property tax exemptions for volunteer firefighters and ambulance workers. While the Town has already passed a local law providing property tax exemptions for volunteer firefighters and ambulance workers, I recommend we adopt the County version of the firefighter/ambulance worker property tax exemption local law so there is no difference between our law and the County law. We will conduct public hearings on these three local laws prior to our July 20 Town Board meeting and consider them for adoption at our July meeting.