

Approved
July 11, 2016

**TOWN BOARD MEETING
TOWN OF TAGHKANIC
May 31, 2016**

Note all documents in these minutes may be clicked on and enlarged for your reading pleasure

7:02 pm: The Taghkanic Town Board held its Highway Project meeting on the above date at the Taghkanic Town Hall. Supervisor Erik Tyree opened the meeting with the Pledge of Allegiance, moment of Silence and Safety Review.

Present:	Erik Tyree	Supervisor
	Arthur McGuire	Board Member
	Richard Skoda	Board Member
	Ryan Skoda	Board Member (arrived at 7:05)
	Joyce Thompson	Board Member
	Ray Jurkowski	Town Engineer
	Cheryl Rogers	Clerk

Absent:

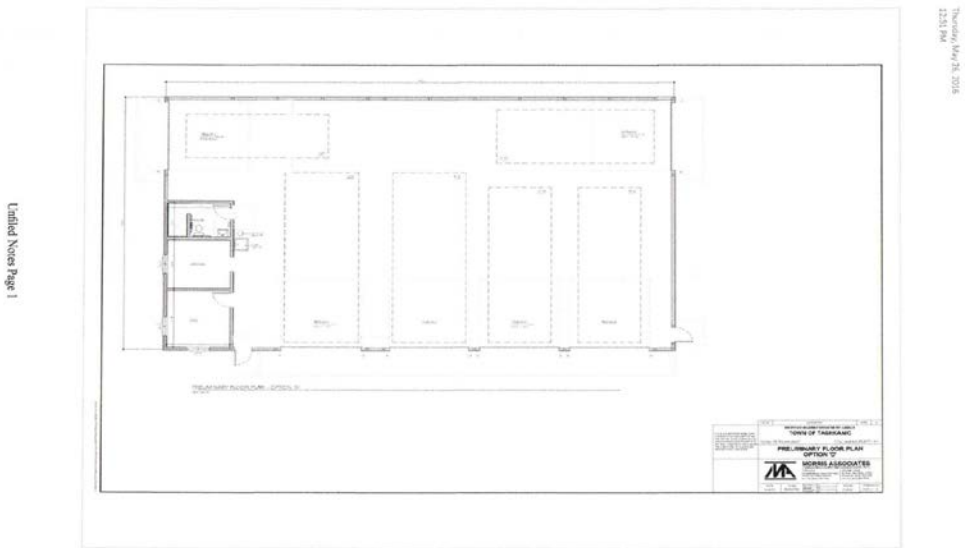
Building Project Update: Ray Jurkowski, Morris Assoc., Town Engineer, presented the Board with schematic architectural floor plan (**Design D**) 52' X 90' Garage with office, break room, bathroom with two front maintenance bays with 14' x 14' overhead doors and one rear bay with 14' X 14' overhead door.

George and I measured several pieces of equipment:

New truck (with plow) Truck #2:	13ft wide x 35 ft long
Truck #5 (with plow and sander):	11ft wide x 32 ft long
Loader:	9 ft wide x 25 ft long
Grader:	11ft wide x 28 ft long.

Based on the meeting May 25th and the above information I have updated the proposed floor plan that illustrates the foot print of the vehicles within the building. It appears that widening the building to 52 feet would provide adequate space. The building length would be 90 feet long. Please note that I have added additional width in the 1st truck bay since it is anticipated that this bay would be used for maintenance and additional room on each side of the vehicle would be beneficial.

NEXT REGULAR MEETING: Monday June 13, 2016



Ray Jurkowski: the rendering shows the new building in the same place as May 9th.



Summary of Estimated Costs:

52 x 90 Pole Barn Const. Garage Building (includes slab, electric, heating, insulation, siding)	4,680	\$125	\$ 585,000
		5% Const. Contingent	29,250
		10% Soft Cost (Eng., legal, Insp.)	<u>61,425</u>
			\$ 675,675

Building Additional Const. Cost

Storm water	\$ 5,000
Intersection Reconstruction	\$ 6,000
Landscaping	\$ 10,000
Asphalt Paving	\$ 25,000
Asbestos Abatement	\$ 25,000

Board Member Joyce Thompson presented the following information:

John Balli, President, Kinderhook Bank, responded within hours on Friday and sent out several scenarios to help with our funding deliberations.

The first attachment is a summary of the information he sent; Illustrative Bank Rates. He used 3% interest.

TOWN OF TAGHKANIC							
ILLUSTRATIVE ONLY - NOT A RATE QUOTE - KINDERHOOK BANK - ANNUAL RATE 3% COMPOUND PERIOD 15 YRS							
DATE	LOAN AMOUNT	PAYMENT TYPE	PAYMENT		TOTAL PAYMENTS	TOTAL INTEREST	TOTAL PRINCIPAL
1-Jul-16	537,207.08	FIXED PAYMENT	45,000.00	45,000.00	675,000.00	137,792.92	537,207.08
1-Jul-16	596,896.75	FIXED PAYMENT	50,000.00	50,000.00	750,000.00	153,103.25	596,896.75
1-Jul-16	550,000.00	FIXED PRINCIPAL OF 36,666.67	53,166.67	37,766.67	682,000.05	132,000.05	550,000.00
1-Jul-16	650,000.00	FIXED PRINCIPAL OF 43,333.33	62,833.33	44,633.33	805,999.95	155,999.95	650,000.00

Given the new numbers from Ray - \$675K - I thought it best to show the impact of the two most feasible scenarios:

1. \$596,897 with flat payments of \$50,000 annually for 15 years

NEXT REGULAR MEETING: Monday June 13, 2016

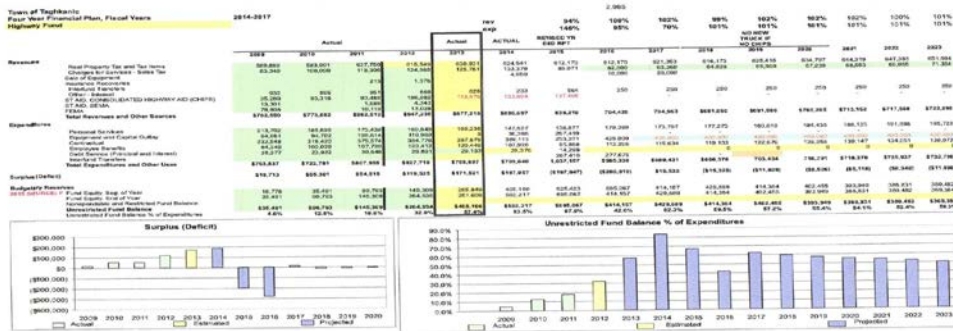
- \$550,000 with flat principal of \$36,667 resulting in decreasing payments annually.

The following charts shows our town finances compared to other municipalities in our state.



There are four spreadsheets projecting budgets out to 2023:

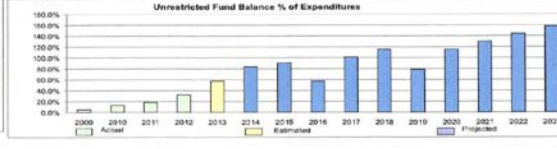
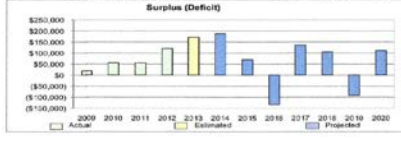
- General Fund with \$597K bond with a flat \$50K per annum debt payment for 15 years
- General Fund with \$550K bond with a variable annual amount beginning at \$53K and ending with \$38K over 15 years
- Highway Fund with CHIPS in which include the tax distribution changes as shown below
- Highway Fund without CHIPS in which include the tax distribution changes as shown below



NEXT REGULAR MEETING: Monday June 13, 2016

Town of Tighabito
Four Year Financial Plan, Fiscal Years 2014-2017
Highway Fund

	Actual				2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	2009	2010	2011	2012										
Revenues														
Real Property Tax and Fees	588,868	583,951	617,731	615,348	615,348	624,341	612,176	612,176	621,253	616,173	625,415	630,727	641,308	647,263
Transfer from State - Sales Tax	93,362	100,000	116,750	124,890	124,890	125,371	85,371	85,371	85,371	85,371	85,371	85,371	85,371	85,371
Transfer from State - Lottery						4,850								
Transfer from State - Other			214	1,416										
Interest														
Other Revenues	912	649	301	863	819	333	564	250	200	200	200	200	200	200
State Aid - UNIMODIFIED HIGHWAY AID (AHMF)	50,280	33,318	68,486	106,886	106,886	133,281	137,425	147,129	149,228	149,228	149,228	149,228	149,228	149,228
State Aid - OSM	13,951		1,389	4,243	4,243									
Fees	78,864		31,788	43,200	43,200									
Total Revenues and Other Sources	\$742,887	\$717,668	\$827,316	\$877,217	\$877,217	\$866,887	\$838,376	\$838,376	\$847,781	\$847,781	\$850,476	\$850,476	\$850,476	\$850,476
Expenditures														
Personnel Services	313,702	318,088	319,428	319,658	319,658	327,837	330,877	333,917	337,272	340,627	344,082	347,537	351,002	354,457
Equipment and Capital Outlay	18,081	33,708	120,212	119,880	119,880	36,381								
Contractors	322,548	316,428	325,274	334,778	337,478	289,112	281,271	420,809	420,809	420,809	420,809	420,809	420,809	420,809
Employee Benefits	64,246	700,024	197,721	120,412	120,412	107,228	95,000	112,286	115,844	119,402	122,960	126,518	130,076	133,634
Interest	38,377	23,923	30,549	28,891	28,891	39,478								
Capital Expenditures and Interest														
Other Expenditures														
Total Expenditures and Other Uses	\$713,857	\$712,764	\$827,289	\$827,718	\$827,718	\$767,646	\$767,646	\$808,239	\$808,239	\$808,239	\$808,239	\$808,239	\$808,239	\$808,239
Surplus (Deficit)	\$129,030	\$4,904	\$100,027	\$49,499	\$49,499	\$99,240	\$70,730	\$30,137	\$39,542	\$39,542	\$42,237	\$42,237	\$42,237	\$42,237
Regulatory Revenues														
Fund Balance - End of Year	16,718	30,489	91,258	141,368	141,368	405,180	439,423	483,667	527,910	572,153	616,396	660,639	704,882	749,125
Fund Balance - Start of Year	16,718	30,489	91,258	141,368	141,368	405,180	439,423	483,667	527,910	572,153	616,396	660,639	704,882	749,125
Unrestricted Fund Balance	\$35,461	\$60,793	\$142,385	\$283,836	\$283,836	\$308,217	\$324,543	\$340,869	\$357,195	\$373,521	\$389,847	\$406,173	\$422,500	\$438,826
Unrestricted Fund Balance % of Expenditures	4.9%	8.4%	17.4%	32.4%	32.4%	35.4%	37.9%	39.2%	40.5%	41.8%	42.8%	43.8%	44.8%	45.8%



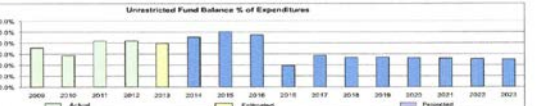
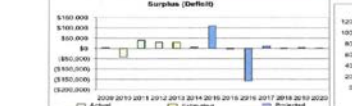
2015-16

2016-17 FIVE YEAR PLANNING TOOL WHEN MAY BE IN USE

Highway Fund WITH CHPTS

Town of Tighabito
Four Year Financial Plan, Fiscal Years 2014-2017
General Fund

	Actual				2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	2009	2010	2011	2012										
Revenues														
Real Property Taxes	1,012,000	1,012,000	1,012,000	1,012,000	1,012,000	1,012,000	1,012,000	1,012,000	1,012,000	1,012,000	1,012,000	1,012,000	1,012,000	1,012,000
Transfer from State - Lottery	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Transfer from State - Other														
Interest														
Other Revenues	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Total Revenues and Other Sources	\$1,212,000	\$1,212,000	\$1,212,000	\$1,212,000	\$1,212,000	\$1,212,000	\$1,212,000	\$1,212,000	\$1,212,000	\$1,212,000	\$1,212,000	\$1,212,000	\$1,212,000	\$1,212,000
Expenditures														
Personnel Services	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Equipment and Capital Outlay	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Contractors	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Employee Benefits	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Interest	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Capital Expenditures and Interest														
Other Expenditures														
Total Expenditures and Other Uses	\$1,100,000	\$1,100,000	\$1,100,000	\$1,100,000	\$1,100,000	\$1,100,000	\$1,100,000	\$1,100,000	\$1,100,000	\$1,100,000	\$1,100,000	\$1,100,000	\$1,100,000	\$1,100,000
Surplus (Deficit)	\$112,000	\$112,000	\$112,000	\$112,000	\$112,000	\$112,000	\$112,000	\$112,000	\$112,000	\$112,000	\$112,000	\$112,000	\$112,000	\$112,000
Regulatory Revenues														
Fund Balance - End of Year	100,000	200,000	300,000	400,000	400,000	500,000	600,000	700,000	800,000	900,000	1,000,000	1,100,000	1,200,000	1,300,000
Fund Balance - Start of Year	100,000	200,000	300,000	400,000	400,000	500,000	600,000	700,000	800,000	900,000	1,000,000	1,100,000	1,200,000	1,300,000
Unrestricted Fund Balance	\$100,000	\$200,000	\$300,000	\$400,000	\$400,000	\$500,000	\$600,000	\$700,000	\$800,000	\$900,000	\$1,000,000	\$1,100,000	\$1,200,000	\$1,300,000
Unrestricted Fund Balance % of Expenditures	9.1%	18.2%	27.3%	36.4%	36.4%	45.5%	54.6%	63.7%	72.8%	81.9%	91.0%	100.1%	109.2%	118.3%

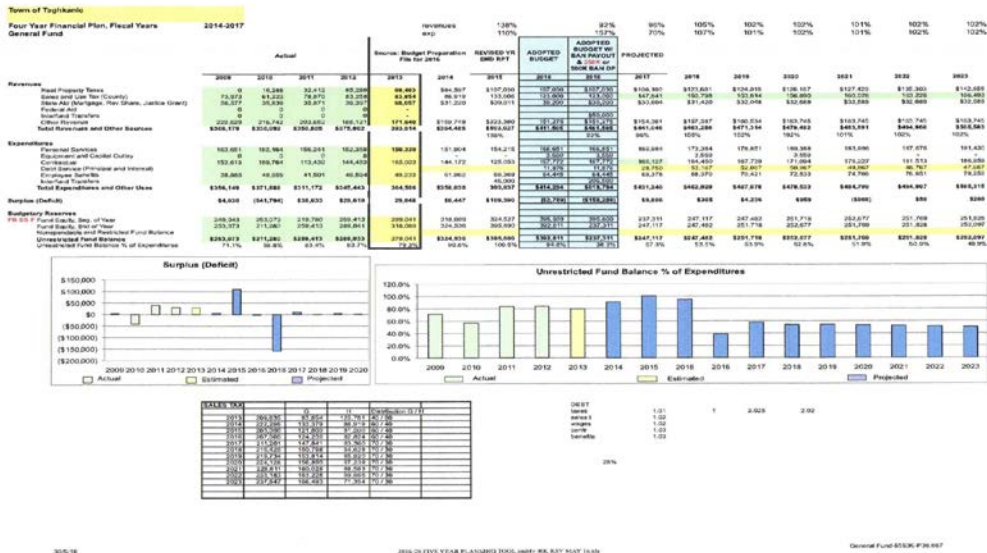


2015-16

2016-17 FIVE YEAR PLANNING TOOL WHEN MAY BE IN USE

General Fund WITH CHPTS

NEXT REGULAR MEETING: Monday June 13, 2016



These spreadsheets have used the following adjustments between Highway and General Fund Tax distribution:

- 2018: Add \$14,500 to General and Deduct \$14,500 from Highway
- 2022: Add \$6,600 to General and Deduct \$6,600 from Highway
- 2023: Add \$6,000 to General and Deduct \$6,000 from Highway

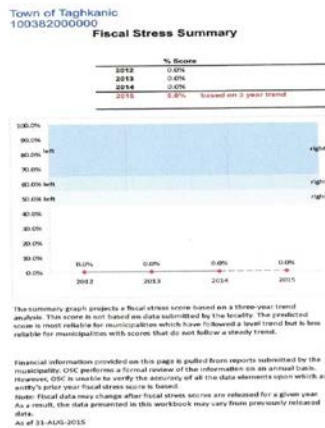
It does not appear to be necessary to take out the whole debt amount from Highway annually. Adjustment can be made as needed. It is very important to remember that there are many factors contributing to these projections and they may or may not be actual numbers at the time of budgeting each year. What does seem to be clear is that both funds can be kept healthy with the projected debt payment level.

Also attached are two pages from the state report on fiscal stress that compare our fund balance with those of other towns using several criteria. It should help us understand our position a bit better. The level we would reach with our debt payments is still healthy. It shows that we have room to address our infrastructure needs without moving into fiscal stress territory. Our score is "0" - that is very good! We do have two factors to watch:

1. Change in property value
2. Change in State and Federal Aid

Another factor to remember: This capital project adds **NO EXTRA TAXES**. The tax increases in the projected budget are the annual 1% or 2%.

NEXT REGULAR MEETING: Monday June 13, 2016



Indicator Scoring Summary

Fiscal Indicators	2013	2014	2013	2014	Score
1 Assigned & Unassigned Pay/Gross Exp (General Fund)	42.0%	44.4%	0	0	
Assigned & Unassigned Pay/Gross Exp (Combined Funds)	42.0%	44.4%	0	0	
2 Total Pay / Gross Exp (General Fund)	70.5%	68.8%	0	0	
Total Pay / Gross Exp (Combined Funds)	70.5%	68.8%	0	0	
3 # of Operational Deficits in Three Years or last year's deficit > 10%	0	0	0	0	
4 Cash Ratio (End/Beginning Inventory)	1728.5%	2297.0%	0	0	
5 Cash as a % of Monthly Exp	211.9%	258.4%	0	0	
6 Change from Prior Year (Debt/Reserves)	0.0%	0.0%	0	0	
7 Three Year Trend (Reserve/Debt or Ratio to last year)	38.8%	38.8%	0	0	
8 Three Year Trend (Reserve as a % of Revenue (1,2,3,4))	38.8%	38.8%	0	0	
9 Debt Service as a % of Revenue (1,2,3,4)	7.0%	7.0%	0	0	

Environmental Indicators

Indicator	Value	Score
1 Change in Population	17.3%	0
2 Change in Median Age	7.4%	0
3 Median Age of Population	48.3	0
4 Total Poverty Rate	14.0%	0
5 Change in Child Poverty Rate	11.0%	0
6 Change in Property Value (5 year avg)	-4.8%	0
7 Property Value per Capita	\$104,874	0
8 Change in Unemployment Rate	1.1	0
9 Unemployment Rate	8.3%	0
10 Change in Total Debt as County	2.4%	0
11 Relative to State and Federal Aid	13.0%	0
12 Change in State and Federal Aid	-12.4%	0
13 Constitutionality Score	70%	70%
14 Change in Sales Tax Revenues	76%	76%

No Dispute

1. Summary

TOWN OF TAGHKANIC - ILLUSTRATIVE RATES - JUNE 2016

NOT A RATE QUOTE - KINDERHOOK BANK - ANNUAL RATE 3% COMPOUND PERIOD 15 YRS							
DATE	LOAN AMOUNT	PAYMENT TYPE	PAYMENT		TOTAL PAYMENTS	TOTAL INTEREST	TOTAL PRINCIPAL
1-Jul-16	537,207.08	FIXED PAYMENT	45,000.00	45,000.00	675,000.00	137,792.92	537,207.08
1-Jul-16	596,896.75	FIXED PAYMENT	50,000.00	50,000.00	750,000.00	153,103.25	596,896.75
1-Jul-16	550,000.00	FIXED PRINCIPAL OF 35,056.67	53,166.67	37,766.67	682,000.05	132,000.05	550,000.00
1-Jul-16	650,000.00	FIXED PRINCIPAL OF 43,333.33	62,833.33	44,633.33	805,999.95	155,999.95	650,000.00
NOT A RATE QUOTE - THE BANK OF GREENE COUNTY - ANNUAL RATE 3.29% COMPOUND PERIOD 15 YRS							
6-Jun-16	527,000.00	FIXED PAYMENT	45,076.13	45,076.13	676,141.95	149,141.95	527,000.00
6-Jun-16	550,000.00	FIXED PAYMENT	47,043.40	47,043.40	705,651.00	155,651.00	550,000.00
6-Jun-16	585,000.00	FIXED PAYMENT	50,037.07	50,037.07	750,556.05	165,556.05	585,000.00
6-Jun-16	650,000.00	FIXED PAYMENT	55,596.74	55,596.74	833,951.10	183,951.10	650,000.00

31/5/16

2016 Illustrative Bank Rates.xlsx

MAY 16 BANK RATE ILLUSTRATIONS

- ✚ Board Member Joyce Thompson: my feeling is we can bond a high of \$500,000 and spend \$100,000.
- ✚ Supervisor Erik Tyree: I agree
- ✚ Board Member Arthur McGuire: we anticipate mortgage rates are going to rise over the next several months. We will be paying back at inflated rates. We need to move before this happens.
- ✚ Supervisor Erik Tyree: one last request – that one of the back bays be a wash bay.
- ✚ Ray Jurkowski: this can be done with a curtain.

Supervisor Erik Tyree motioned to move forward with Design D new building 52' X 90', seconded by Board Joyce Thompson.

Supervisor Erik Tyree	yes
Board Member Richard Skoda	yes
Board Member Ryan Skoda	yes
Board Member Arthur McGuire	yes
Board Member Joyce Thompson	yes

NEXT REGULAR MEETING: Monday June 13, 2016

Approved: **5 Ayes** **(Erik, Arthur, Joyce, Richard, Ryan)**
0 Nays
0 Absent

- ✚ Supervisor Erik Tyree, do we all agree that we would be able to do a \$50,000 fixed payment.
- ✚ Board Member Ryan Skoda: I agree with option #3 fixed principle and we pay cash of \$125,675.
- ✚ Board Member Arthur McGuire: we will likely be paying back with inflated dollars.
- ✚ Board Member Joyce Thompson: our next step as far as the finances is Bond Attorney Christine Chale.

Board Member Ryan Skoda motioned to grant Supervisor Erik Tyree to contract to hire Christine Chale as our Bond Attorney, seconded by Board member Richard Skoda.

Approved: **5 Ayes** **(Erik, Arthur, Joyce, Richard, Ryan)**
0 Nays
0 Absent

Board Member Ryan Skoda motioned to set the Public Hearing for June 13th at 7 pm at the Taghkanic Town Hall for the Monroe Analysis, seconded by Supervisor Erik Tyree.

Approved: **5 Ayes** **(Erik, Arthur, Joyce, Richard, Ryan)**
0 Nays
0 Absent

Reminder Public Information Meeting update on the Highway Project, Saturday June 11th at 9:30 am at the Town Hall.

Ray Jurkowski: I will update the information for the following for the public information meeting.

- ✓ New Short Form EAF
- ✓ Draft Resolution reaffirming project Negative Declaration
- ✓ Monroe

Truck: Board Member Ryan Skoda: I have a few more questions for George. As he is not here, I would ask that we discuss this on June 13th. All agreed.

Lowes Credit Card: Clerk Rogers informed the Board that the town has been approved and the card should be here within the next few days.

Newsletter: Board Member Ryan Skoda reported that Linda Swartz is going to tweak the layout and it should be ready to go to press soon.

Broadband Committee: Board Member Joyce Thompson reported the committee will be meeting sometime this week.

With no further business, on a motion by Board Member Richard Skoda, seconded by Board Member Arthur McGuire, the meeting was adjourned at 8:18 pm, carried unanimously by all members present. The next Regular meeting will be June 13, 2016 at the Taghkanic Town Hall.

NEXT REGULAR MEETING: Monday June 13, 2016

Audience: Debbie Colgrove

Ray Colgrove