

# TOWN OF CHATHAM - COMMITTEE MEETING MINUTES

**COMMITTEE:** Finance and Planning Committee

**MEETING CHAIR:** David Levow

**DATE:** 2-12-2021 **TIME:** 1:00 PM

**LOCATION:** Virtual meeting

**CALL TO ORDER:** Meeting called to order at 1:05 PM by Chairman David Levow

**COMMITTEE MEMBERS PRESENT:** David Levow (chair), Donal Collins (Supervisor), Tammy Shaw, John Breault, Tim Briney, Gabriella Sperry, Maurice Bowerman, Deborah Pierce

**ALSO IN ATTENDANCE:** Jeff Antalek (highway superintendent)

**APPROVAL OF PAST MINUTES:** minutes of 1-19-21 approved unanimously

## **AGENDA/DISCUSSIONS:**

John has been researching grants and believes there are some we might qualify for. He will report back.

Donal/Tammy reported that bids for the Albany Turnpike light will be opened Feb 23.

Discussion with no resolution or conclusions regarding the Hartigan Bridge slope failure. Some question as to who is responsible. No current cost information available for work required but an estimate a few years ago was \$76,000.

We are expecting to receive reimbursement for prior projects from the state which may help defray some of the above costs.

Lengthy discussion regarding the Highway DB fund and the upcoming need for equipment replacement and/or maintenance.

Donal, Jeff and Tammy went through major budget items looking for potential savings.

One town grader will have to be replaced at a cost of \$305,000. Suggested to finance for 10 years, 1.65%, \$33,336 annual payment.

We will also need one or two dump trucks at \$120,000 each.

Tammy provided the following information:

**Grader plus one 1-ton dump truck: \$120,000**

TOTAL: \$425,000

5-Year: Interest Rate: 1.25%      Annual Payment: \$88,213.90

10-year: Interest Rate: 1.65%      Annual Payment: \$46,451.51

**Grader plus two 1-ton dump trucks: \$240,000**

TOTAL: \$545,000

5-Year: Interest Rate: 1.25%      Annual Payment: \$113,121.35

10-year: Interest Rate: 1.65%      Annual Payment: \$59,567.23

We noted that one issue of highway bonds costing \$147,107/year will be paid off in June 2023 freeing up those funds although the highway equipment listed above (particularly the grader) will be required before then.

Jeff indicated that the trade-in or sale value of the equipment being replaced would not bring in a significant amount.

Discussed DB fund balance and equipment reserve as a possible source of funds. There is approximately \$200,000 in DB fund balance above the accountants' recommended amount after accounting for known drawdowns from the fund balance. No decision made.

Tammy and Jeff will draw up a list of all significant upcoming maintenance/capital projects/repairs/equipment purchases with best guess costs and timing. Also to include the other funds if significant.

**ANY OTHER BUSINESS THAT COMES BEFORE THE COMMITTEE AT THIS MEETING:**

Open item from prior meeting: David raised a question about the difference between the 2021 tax increase shown on the adopted budget of 1.67% and the Town Tax Levy increase shown on the tax bills of 2.40%. Tammy will call the county on this.

**ITEMS FOR FUTURE MEETINGS:** none

**NEXT MEETING:** Friday, March 12, 2021 at 1PM

**ADJOURNMENT:** 1:52 PM.

**MINUTES PREPARED BY:** David Levow