

Town of Malone
Regular Board Meeting
February 24, 2016

A regular meeting of the Malone Town Board was held Wednesday, February 24, 2016, at the Malone Town Offices, 27 Airport Rd., Malone, NY, commencing at 6:00 p.m.

PRESENT:

Supervisor Howard Maneely
Deputy Supervisor John Sullivan
Councilor Louise Taylor
Councilor Mary Scharf
Councilor Edward Lockwood
RECORDING SECRETARY: Denice Hudson, Town Clerk

ALSO PRESENT:

Andrea Stewart, Budget Officer
Lillian Anderson-Duffy, Town Attorney
Bruce Mallette, Highway Superintendent
Despo Baltoumas, Malone Telegram
Bruce Burditt, Malone
Nick Eells, Malone
Maura Maguire, Malone
Cameron Gallagher, Malone
Emory Laramay, Malone
M. Laramay, Malone
Jay Perras, Malone

CALL TO ORDER: Supervisor Maneely called the regular meeting to order at 6:00 p.m., with a pledge to the flag.

Malone Minor Hockey

Jay Perras, President of Malone Minor Hockey presented to the Board regarding the Malone Civic Center Rink Renovation Project. The Civic Center receives support financially from the Joint Recreation Commission of approximately \$46,000.00 a year and has an operating budget of \$165,000. The center has made improvements over the years, including a heating system, and cosmetic improvements to the building.

They are at a crossroads with the boards and glass. There have been issues over the past 5 or 6 years as the boards are 36 years old. They were originally installed at the 1980 Olympic rink in Lake Placid. Research has been completed over the past six months and a company from Minnesota has gone over the center and indicated issues of wear and tear and uneven boards, causing issues of safety concerns. Malone Minor Hockey has prided itself on being financially sound for the last several years and really truly running the board as a business. Money continues to be put back into the arena, and the money received takes care of the efficiencies we have, including \$5,500.00 a month for electric. This past year upgrades were made because we had a voluntary inspection of the building, and items needed to be fixed due to safety concerns. Approximately \$20,000.00 was spent this past year, and that was from us being financially responsible and able to run it as a business.

This project will cost approximately \$150,000.00. Knowing where we are financially as an association, and obviously where the municipalities are, we certainly understand this is not something we can pull out of a magic hat. Research has been done on financial options from a funding or financing standpoint and tried to look at it from a perspective of Malone Minor Hockey partnering with the Village and Town as we always have and potentially splitting this project three ways, with financing terms for a 5, 7 or possibly 10 year period. We feel the municipalities could look at budgets on a yearly basis and find some of that money to cover yearly payments. Speaking on behalf of Malone Minor Hockey, we could do the first year payment already. It is a financial burden we could definitely meet every year.

Councilor Scharf was at the Village presentation last week and indicated the Village was researching the issue. Mr. Perras stated that on the recommendation of the Mayor, they plan to meet with Andrea Dumas and the Rec Commission to layout a financial plan with the three parties involved, what we think the project will cost and financing options. Our goal would be to present back at the next Village Board Meeting

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in hopes we could get an agreement together. The biggest thing is the financing part. Malone Minor Hockey could not apply as we do not have enough yearly revenue. Malone Minor Hockey would really need the Village's support in underwriting the signing and forming an agreement on how those finances would be paid every year.

Councilor Scharf indicated we have a committee here; Ed Lockwood is on the Committee. Councilor Lockwood stated he was waiting to hear from Dan Marlow.

Mr. Perras indicated the information from the company which came from Minnesota is included in the package, which includes information on the plan. They also work with a National Joint Council which helps municipalities. They have a leasing party they work with, for a five, seven or 10 year term. It is when a municipality enters into an agreement on financing it is actually on a year to year basis. At the end of a fiscal year if the municipality decides they are closing the arena, there are no penalties. The boards get moved out and it is the end of the contract. There are some web addresses and links to give the Board a better understanding of the individuals we are working with. If all three parties are involved, and we put it out 10 years, it is a payment of \$550.00 to \$600 per month.

Councilor Scharf stated that with the monthly electric bills, they may want to consider calling a solar company as there are rebates and tax credits, and this may cut their electric bills significantly. If you are spending that kind of money in electricity, to miss out on this opportunity would be not good business sense. Mr. Perras stated they had a company come and they sent a specialist over. One of the challenges is the project scope is large with the size of the roof. You have to find investors to underwrite the project. Councilor Scharf suggested they contact another company. Mr. Perras indicated the civic center is on the list for the solar farm. Natural gas runs right up to the building, and we are waiting for it to come. Any way we can cut costs, it is money that we can put back into the community. Mr. Perras said he will explore this option.

Supervisor Maneely stated the arena is owned by the Village and per the agreement; the Village makes that part of their Joint Recreation. It is up to the Village to carry the ball here. Supervisor Maneely stated that legally we cannot just make donation. It is up to the Village to make it part of their Joint Recreation.

Supervisor Maneely further stated there was an important missing part in this discussion – the School. They are a very large tenant and should be sitting at the same table. Mr. Perras stated he has spoken with Eileen Kilcullen and she was going to be in touch with the Board and he believes it is something they are going to look into.

Councilor Scharf complimented Malone Minor Hockey on the support in the community with filling the hotels and restaurants during times of tournament. The Civic Center brings about as much tourism as any group in Malone and I think that is commendable.

Mr. Perras thanked the Board.

2014 Single Audit

Nick Eells presented the 2014 Single Audit. He stated when he audits any organization we talk to individuals, document payroll process, process for paying bills, then select a sample transaction, and make sure you are doing what you say you are doing, we also determine if there are any recommendations or weaknesses in processes. The audit itself is made up of three reports - Financial Statements, Yellow Book (Governmental Report) and Single Audit. The single audit process, every grant has a packet that comes with it that must be complied with. Expenditures are checked to be sure they are allowable expenditures under grant guidelines.

There are two types of financial statements, government wide financial statements and governmental financial statements. Governmental are fund balance statements, more current thinking, current year revenue, expenditures, fund balances. Government wide is long-term.

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Mr. Eells stated at the close of 2014 the Town's total assets exceeded liabilities by almost \$6.5 million. Most assets are cash and capital assets. Liabilities are broken down by current and long-term. Net assets increased by \$520,710.00, largely due to airport grant.

Current revenues and expenditures. Revenues increased by \$612,579.00, mainly due to grant monies. Expenses were \$3.5 Million, not from an increase in taxes, but monies given to the Town by the government to build a new asset.

The Revenue Chart shows not much fluctuation from 2013, and where revenue comes from year to year.

The Statement of Net Assets shows assets exceed liabilities, which is a little more detailed to show receivables, pre-paids.

The Balance Sheet shows fund balance of \$2.3 Million, with \$900,000 set aside in reserves for future equipment purchases.

In 2014 the Town purchased \$1.1 Million in capital assets.

Other Post-Employment Benefits shows obligation for current and future retirement benefits and health benefits. This is not the full liability. Each year you recognize 1/30 of the liability. There is disclosure with estimated full liability, and that is \$3 Million. We can estimate based on what we know today. This number can be controlled by the benefit.

Single audit documented a few weaknesses. You have a requirement to present financial statements in a certain way. It is not simple, so we assist in that process when we complete the audit. We put this finding in because we are not supposed to be part of that process, but it is a very complex thing to go through and this is very common for us.

Councilor Scharf asked if there was software available to make this easier. Mr. Eells said not for municipalities.

Some of the bank reconciliations were not being down timely and we made recommendations, and actions have been implemented to make this timelier.

The third one is based on capital assets. There is no real inventory for capital assets. We do track it. Councilor Scharf stated Bruce Mallette did an inventory for the garage in 2015, which was submitted in September of 2015.

Supervisor Maneely thanked Mr. Eells and Andrea Stewart for their work.

MINUTES:

Approval of February 10, 2016 Regular Meeting

Motion – Councilor Scharf

Second – Councilor Lockwood

Resolved (#68-2016) to accept the Minutes as written for February 10, 2016 Regular Meeting, adding Lillian Anderson-Duffy as an attendee.

CARRIED (4-0) – Supervisor Maneely – Abstain Deputy Supervisor Sullivan – Aye Councilor Taylor - Aye Councilor Scharf – Aye Councilor Lockwood – Abstain

REPORTS:

Motion – Deputy Supervisor Sullivan
Second – Councilor Scharf

Resolved (#69-2016) to accept the following reports for review and filing as written and placed in the file: Justices Gardner & Robert – 1/2016; Airport Lease Manager – as of 2/17/16.

CARRIED (5-0) – Supervisor Maneely – Aye Deputy Supervisor Sullivan – Aye Councilor Taylor - Aye Councilor Scharf – Aye Councilor Lockwood – Aye

Councilor Scharf mentioned Judge as \$16,000.00 and the old Judge \$13,000.00.

SUPERVISOR REPORTS:

Reminder of Bid Opening 2/25/2016 at 3:30 p.m. for transient aircraft rehabilitation and fuel farm projects.

SUPERINTENDENT OF HIGHWAYS:

Superintendent Mallette indicated the department was taking care of the roads. There are some froze on and they will be using the grater to peel off some of the rough roads. Councilor Lockwood asked if they have been able to keep up with the new shifts, and Superintendent Mallette stated they were.

Superintendent Mallette stated he would be heading to Albany lobbying for CHIPS monies. We received quite a bid of extreme winter recovery money last year.

BILLS FOR AUDIT & PAYMENT:

Motion – Councilor Scharf
Second – Councilor Taylor

Resolved (#70-2016): that the following bills, having been audited, Vouchers #188-217

General Fund (A) – Abstract #4	\$ 8,537.89
Part Town General (B) - Abstract #4	6.08
Hwy Townwide (DA) - Abstract #4	2,548.24
Highway Outside (DB) – Abstract #4	12,718.28/\$11,905.80
Sewer (G)	74.62
Trust & Agency (T) - Abstract #8	29,729.51

GRAND TOTAL: \$53,614.62/\$65,520.42

Discussion:

Add Voucher #218 in the amount of \$11,905.80 from Highway Outside fund to be added to bills for audit and payment.

Motion – Deputy Supervisor Sullivan
Second – Councilor Scharf

CARRIED (5-0) – Supervisor Maneely – Aye Deputy Supervisor Sullivan – Aye Councilor Taylor - Aye Councilor Scharf – Aye Councilor Lockwood – Aye

ADJOURN:

At 6:50 p.m.

Motion – Councilor Taylor
Second – Councilor Lockwood

Resolved (#71-2016) there being no further business to come before the Board that it adjourn, with the next meeting to be March 9, 2016 at 6:00 p.m., preceded by IDA Meeting at 5:45 p.m.

CARRIED (5-0) – Supervisor Maneely – Aye Deputy Supervisor Sullivan – Aye Councilor Taylor - Aye Councilor Scharf – Aye Councilor Lockwood – Aye

RESPECTFULLY SUBMITTED,


DENICE A. HUDSON, TOWN CLERK