

Town of Swanzey, New Hampshire
Revenue Development District Advisory Committee
Meeting Minutes – July 22, 2014

Note: Minutes are not final until reviewed and approved by the Committee. Review and approval of minutes generally takes place on the next regularly scheduled meeting of the Committee.

Present at Meeting: Chair Glen Page called the meeting to order at 1:00 p.m. Present were Chairman Page, Gary Davis, Steve Bittel, Bob Furlone

Absent: Larry Crowder

AGENDA ITEMS

Proposed Revenue Development District (TIF) General Obligation Notes Recommended Case

Bittel presented a recommendation for funding the Revenue Development District (TIF). Bittel suggested a 15 year amortized bond of \$2.1 million, with an annual debt service estimated at less than \$200,000 (depending on the interest rate). There was some discussion regarding any unexpected expenses that might occur. Page noted that the construction folks working on the Safford Drive Extension know what they are dealing with. Bittel asked if there would be any change orders; Page said that there is a change order for the removal of trees on Route 12 to accommodate new poles, but that won't be very costly. The committee agreed that \$2.1 million was a good number. Bittel noted the amount has a bit of a cushion in the amount should the tax increment revenue fall off.

Bittel discussed the document entitled "Resolutions of the Board of Selectmen Regarding Use of Bond Proceeds to Reimburse the Town for Expenses Related to the Extension of Safford Drive in the Swanzey Revenue Development District". The resolution, to be authorized by the Board of Selectmen, states that it is the intent of the Town to reimburse itself from proceeds of the Bonds for the payment of Project costs prior to issuance of the Bonds. Bittel asked the committee to recommend to the Board of Selectmen that the Town issue \$2.1 million in tax increment bonds and that the resolution as noted above be passed.

Motion was made by Page to recommend to the Selectmen to issue bonds of \$2.1 million to finance the Safford Drive project and recommend the resolution as stated in the "Resolutions of the Board of Selectmen Regarding User of Bond Proceeds to Reimburse the Town for Expenses Related to the Extension of Safford Drive in the Swanzey Revenue Development District". There was a second by Furlone. All were in favor. ***Motion passed.***

Furlone asked about excess funds and Bittel said there is separate accounting for Tax Increment Funds. Bittel would like to see a monthly payment of principal and interest, because that will take down the principal more quickly and save the Town some interest expense. Bittel will be having a discussion with the Town Administrator and Bookkeeper regarding Tax Increment and debt service cash flows and controls. Page said that once all bonds are paid off, the Tax Increment Funds will go into the General Fund.

ADJOURNMENT

Davis **moved** to adjourn, there was a second to the motion from Bittel and all were in favor. **Motion passed.** Adjournment occurred at 1:27 p.m.

Respectfully Submitted

A handwritten signature in black ink, appearing to read "Beverly Bernard". The signature is written in a cursive style with a large initial "B".

Beverly Bernard, Recording Secretary