

**TOWN OF BEDFORD
COMPTROLLER'S OFFICE**

Abraham Zambrano
Comptroller

Elisa Alaimo
Senior Bookkeeper



Alexandra O'Connor
Senior Account Clerk

Missy Harold
Senior Office Assistant

November 15, 2016

Honorable Supervisor and Town Board
Town of Bedford
Westchester County
Bedford Hills, NY 10507

Dear Supervisor Burdick and
Town Board Members Roberts, Carr, Kass and Scott:

The Ten Year Capital Plan for 2016 through 2025 presented to you over the past several weeks has been updated as discussed by the Town Board at the November 1st work session and if adopted by the Town Board, it will replace the previously adopted plan for years 2014 through 2022.

The projects included in the 10 year capital plan were submitted by the department heads in an effort to give the Town Board information about their departmental needs and promote coordinated planning with all Town Departments and Funds.

The total amount of the projects included in the new Capital Plan sum up to \$27,203,515 and is projected to add \$25,889,879 in debt; the balance of the funding will come from donations and from previously approved unspent capital funds. The total debt service over the life of the bonds will be \$35,283,179 based on our projected interest rates; this amount will be in addition to the current outstanding debt in the amount of \$36,799,627 which includes \$17,585,000 of debt attributed to the building of the water filtration plant in 2011; which was funded and partially subsidized by the New York State Environmental Facilities Corporation. The net outstanding Bond debt is \$15,400,907. Based on the accelerated rate at which current debt is being retired, the proposed additional borrowing will allow the Town to maintain debt service payments stable.

The Plan as presented includes \$11,565,280 for the General Fund; \$1,769,917 for the Water Districts; \$11,163,182 for the Highway Fund; and \$1,391,500 for the Park Districts. Projects in the plan vary from replacement of equipment, police station renovations, software upgrade, road rehabilitation, water mains replacement, public and traffic safety projects and improvements to parks among others.

Once the Town Board approves the plan, the Finance Department will be working with the Town's Bond Counsel and Financial Advisors to strategize the timing of the borrowing. Based on conversations we have had with the Town's Financial Advisors, we are anticipating that the projected interest rates being used to calculate future debt payments is sufficient in spite of the fact that short and long term bond rates increased after the elections. At this point, the bond market remains volatile and is expected to remain as such over the next few weeks. Short term notes are still below 1.5%, while long rates are just below 3%. Our estimates are based on 1.5% for BANs and 3.5% for BONDS.

Is it being anticipated at this time that the market will settle in the new year.

Sincerely,


Abraham J. Zambrano

425 CHERRY STREET, BEDFORD HILLS, NY 10507
Tel. 914.666.8283 • Fax 914.666.8025
E-mail: finance@bedfordny.gov • www.bedfordny.gov