

Village of Rhinebeck State of the Village 2018

Thank you for this opportunity to share with you the State of the Village 2018 financial report for the Village of Rhinebeck. This report provides a glimpse of accomplishments and milestones made over the past year and informs you of what is planned for 2018-2019.

I am proud to be part of the achievements and I am excited about the forward progress Mayor Bassett and the Village Board are making for the future of the Village.

The Finance office is responsible for all financial and accounting services for the Village. Our office coordinates the preparation of the annual budget, the accounts payable and receivables, payroll, utility billing, financial reporting, purchasing and the investment of Village funds.

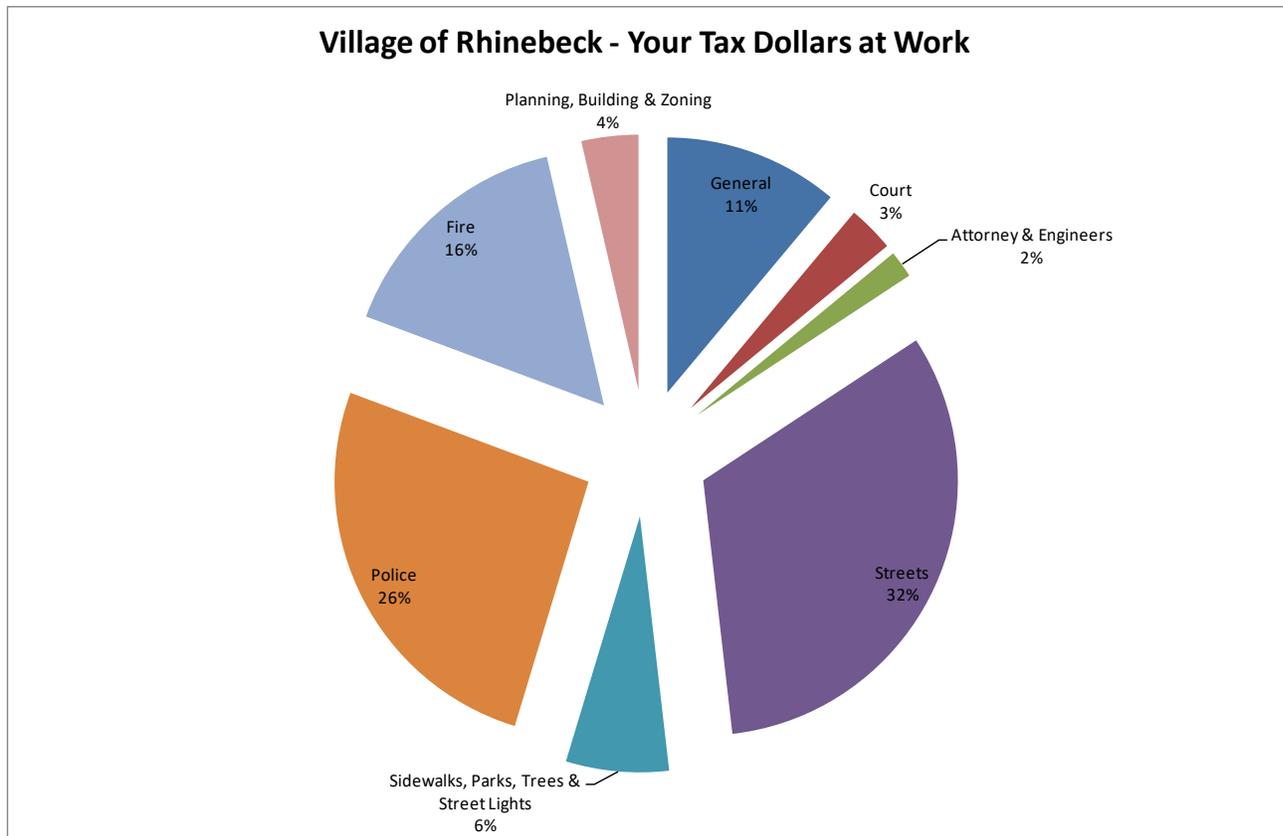
Financially - the Village ended the June 1, 2017 to May 31, 2018 fiscal year consistent and/or better than previous years. We continue our fiscal stewardship with careful planning and mindful budget management. This has improved our fiscal monitoring score to an impressive low score of 0% on the NYS Fiscal Stress Monitoring System.

The Village concluded the 2017-18 year with revenues of \$2,524,830 and expenses of \$2,191,355. Increasing the village's fund balance by \$333,475, bringing the unreserved fund balance to \$1,009,952.

It is the goal of the Village to achieve and maintain an unassigned fund balance in the general fund at fiscal year-end ranging from 15% to 25% of the subsequent year's budgeted expenditures. This fiscal year the target amount is set at %25 (\$603,833). This minimum fund balance is to protect against cash flow shortfalls related to timing of projected revenue receipts and to maintain a budget stabilization commitment. When combined with the unused prior years fund balance, there is an excess fund balance of \$406,119. It is recommended that this Fund Balance as surplus be for one-time expenditures that are non-recurring in nature and which will not require additional future expense outlays for maintenance, additional staffing, or other recurring expenditures.

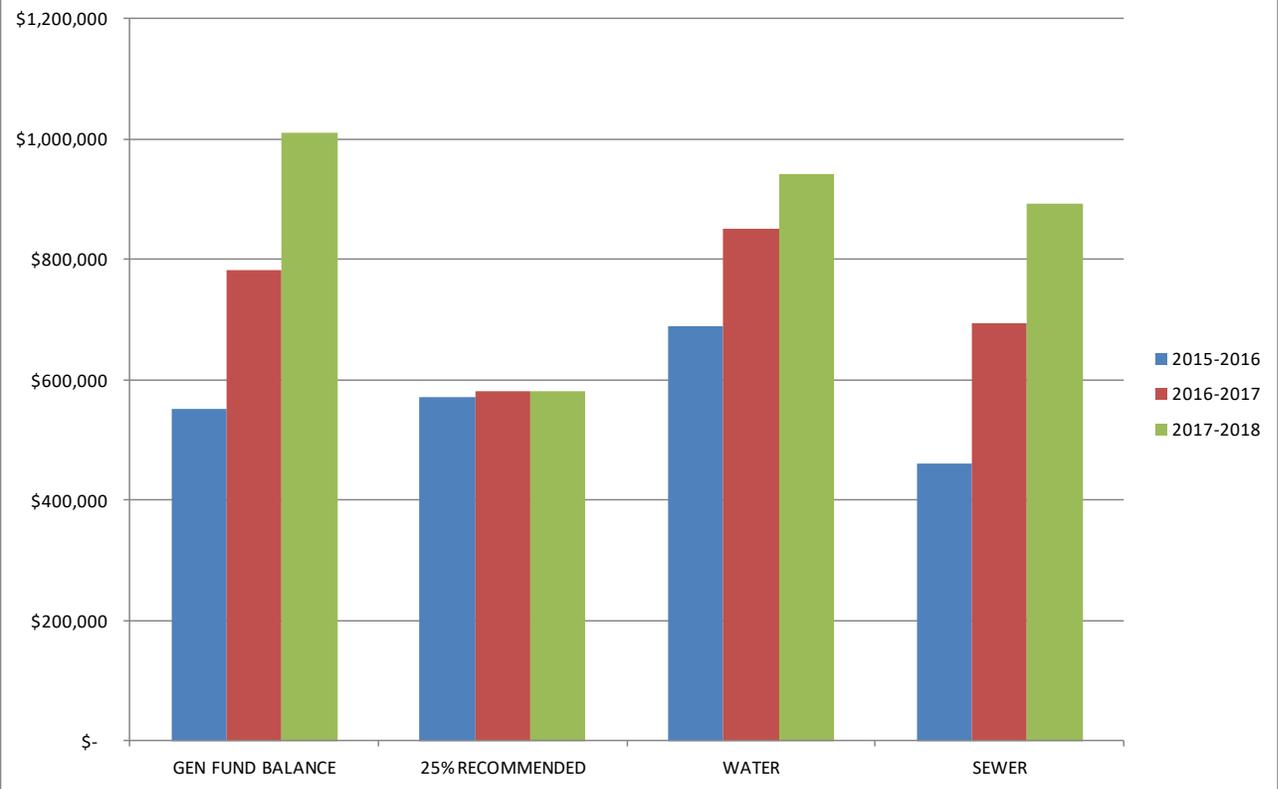
Revenues exceeded the budget, as there were additional services to the cell tower and an increase in building permits due to new business and growth in the village.

In terms of expenditures, this year a new Fire truck, Highway dump truck, and Police vehicle were purchased, A portion of Montgomery Street and Astor Drive were paved. Here at the Village Hall, improvements were made and storage shelving added for the Clerk's records management program. The phone system and computer operating systems were also upgraded.



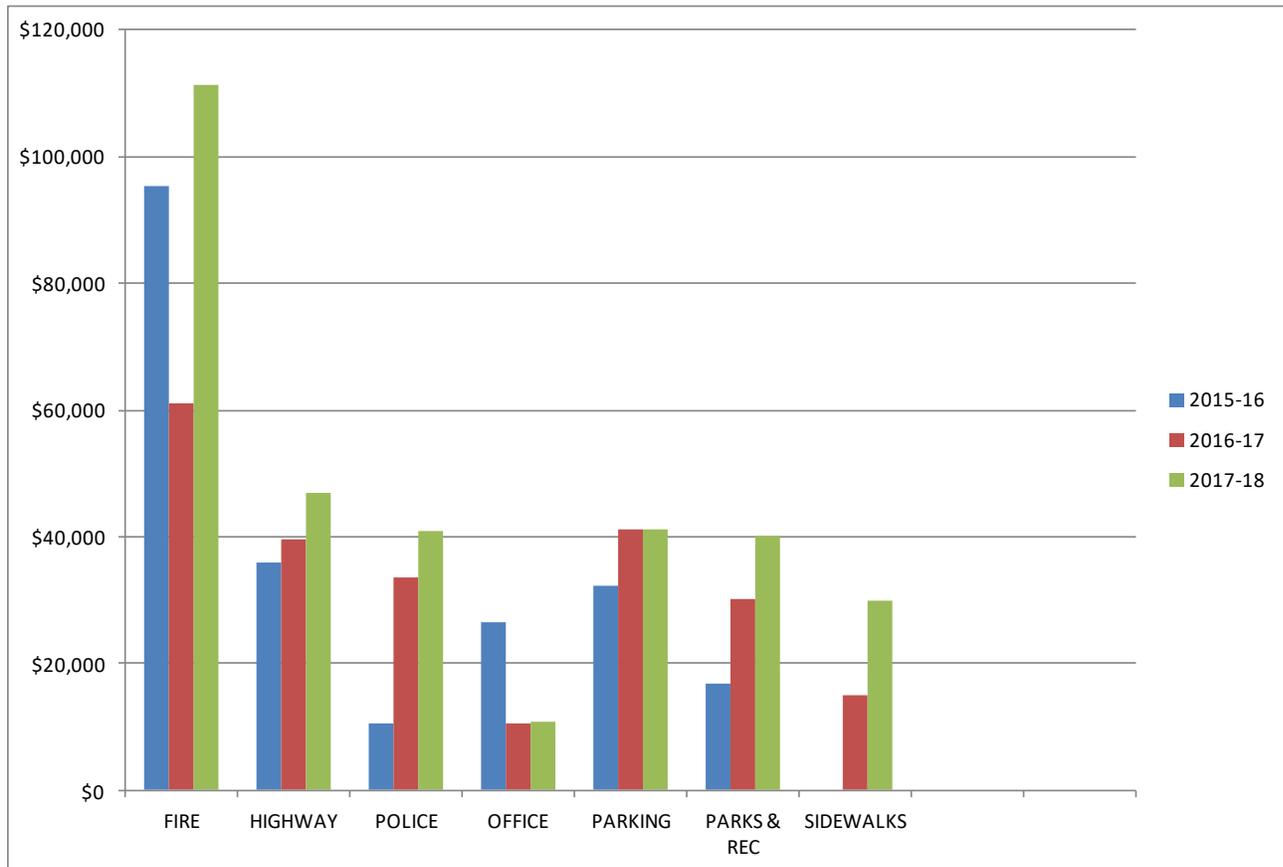
This pie chart shows by department how your tax dollars were spent. Within each department is also all the employee benefits by percentage and the long-term debt applicable to that department.

Getting back to the Fund Balance, this chart shows the last three years of Fund Balance. The second cluster is the recommended 25% of the subsequent budget. Three years ago, we were marginally below the recommended 25% and the past two years shows an increase due to additional revenue and holding the line on expenses.



The Water and Sewer Funds are self-funded through user fees and the fund balances in these two funds have increased as well, however these fund balances can be quickly depleted by a major event or need for costly repairs. The village has allocated \$250,000 from the Water Fund Balance to be applied to the \$3.75 mil Water Improvement project, should a Grant be awarded. A particular area of concern, however is our aging water and sewer infrastructure. We are not alone in this concern, as this is receiving much attention locally, regionally and globally. We are diligent in our pursuit to locate, repair and replace lines and pipes, as well as looking to the future for less costly, more efficient technology.

Separate but part of Fund Balance, are the balances in the Capital Accounts:



Three years ago the Village's operating fund was not in a position to budget transfers to the Capital Accounts, however in the past two years this has changed. As you see in the chart, the decrease in the Capital-Fire in 16-17 was the purchase of Scott Packs. Also, notice that three years ago was the establishment of the Capital Sidewalks account, which is now at \$30,000.

This year a proactive approach in managing cash as an asset was initiated. In January, the Village joined NYCLASS (New York Cooperative Liquid Assets Securities System) a short-term, highly liquid investment program designed specifically for public-sector funds. These accounts have yielded a much higher interest rate than the traditional savings accounts.

Our current 2018-19 budget and the 17-18 financial activity of the Village has been filed via the NYS AUD (Annual Update Document) with the NYS Comptroller's Office. This is public information, and anyone is encouraged to request copies for their review, by simply contacting the finance office. We continue our appeal of transparency.

So far since June 1st of the 2018-19 fiscal year, Crosmour Road and Drive and Violet Place have been paved. A Records Management Grant for digitizing records and bringing records/inventory up-to-date has been received. We will be updating the Village Code with the latest local laws, which will also be available on the website through e-code. An electric vehicle charging station is being installed here at the Village Hall parking lot and will be ready for use soon.

The formation of a Grant Committee for 2018-19 brings a new aggressive approach to grant applications for: Trees, Sidewalks, Parks, an ADA compliant lift at the Village Hall, Electric Vehicle charging stations and a major Water Improvement project, just to name a few. Four of these grants have already been awarded.

Consistency and stability of the finances affords the Mayor and Village Board the opportunity to focus on the pressing issues at hand. The Village's financial situation remains strong, with the approved 2018-19 budget in-line with 2017-18 expenditures. I foresee little change in revenue and expenses this coming year.