

Minutes

Audit & Control Committee

November 14, 2019, 8:35 a.m., Room 331

Gerace Office Building, Mayville, NY

Members Present: Chagnon, Nazzaro, Gould, Niebel

Member Absent: Muldowney

Others: Tampio, Ames, Abdella, Dennison, Cummings, Walsh, Caflisch, Carrow, Hayes, Narraway, Bentley, DeAngelo, Crow, Quattrone, Geise, Rice, Lis

Chairman Chagnon called the meeting to order at 8:35 a.m.

Approval of Minutes (10/17/19)

MOVED by Legislator Niebel, SECONDED by Legislator Nazzaro

Unanimously Carried

Privilege of the Floor

No one chose to speak at this time

Proposed Local Law Intro. 6-19 – A Local Law Continuing An Additional Mortgage Tax

Mr. Abdella: This is a continuation of an additional mortgage tax that we've had since 2005. The proceeds of this mortgage tax entirely come to the County. Other portions of the mortgage tax go to other places, cities, towns, and villages. In fact, there is a distribution this month of the mortgage tax to those parties. One thing of note is, the extension is not an even number of years. It goes through October 31, 2022 and that's just due to the State law being written, I think in an unintentional way. It authorizes us to extend it for up to 3 years but within those three years, you have to give State Tax and Finance 30 days' notice that you've adopted the law to extend it and then we need to allow a month for us to actually do that. So each time we do this, we can only extend it by 2 years and 10 months is what it works out to be. That is why that's what that is. Otherwise, it's simply extending what we've had for a number of years now?

Chairman Chagnon: Any questions?

Legislator Nazzaro: I just want to make sure, everything else remains the same?

Mr. Abdella: Yes.

Chairman Chagnon: Do we vote on this?

Mr. Abdella: We general have the committees do it. It's not required but there is no harm in it.

Legislator Niebel: The formalities.

Chairman Chagnon: O.k., we'll take a formality vote?

Unanimously Carried

Proposed Local Law Intro. 7-19 – Amending Local Law 7-90 Providing for a Management Salary Plan for County Officers and Employees

Mr. Abdella: In the 2020 budget there was included up to a 2% increase for managers. This local law would allow for that to be implemented in 2020. The practical affect is that the local law is increasing the entire range by the 2%. Some managers are at the top of their range, many managers are not. Those that are at the top of their range, would not be eligible for an increase if this local law was not adopted. I'll mention that in 2019, that no local law was adopted so those managers who were at the top of their range in 19', did not get an increase but this would make it available if the local law were adopted for those managers in 2020. Just for transparency, I will just mention that I happen to be one of the 9 managers who are at the top.

Mrs. Dennison: I'm here to answer what I think is going to be your next question is, is this increase included in 2020 budget? The answer is yes. As we discussed at the Administrative Services Committee meeting, our budget module allows departments to budget for salaries to go beyond the maximum set by the local law. So the 2020 budget includes what we call, we put in a mass increase which is a 2% increase for all managers regardless where they are in their range. The departments have the option to adjust individual salaries if they chose to but in general they did not, so the increases are already included in the 2020 budget.

Chairman Chagnon: That was clear in the Administrative Services minutes which we kindly got in time for this meeting. Any questions or comments on the proposed local law?

Unanimously Carried

Proposed Resolution – Amend Resolution 21-18 – Confirming User Charges: Portland Pomfret Dunkirk Sewer District

Mr. Cummings: The first one is for the Portland-Pomfret-Dunkirk Sewer District, some additions to the billing for the district. Our attorney, Kristen Wright, has worked with all the sewer districts and found working with South & Center that they had come up with an issue with a water leak, in talking with Tom, and no real way to adjust that if it didn't cost the district any

expense. So that is one part of the billing change in Section 6 of the billing. There are two paragraphs added, “C” and “D”. “D” being that portion that a bill could be adjusted if there is justification for it. We didn’t have that in our billing and also paragraph “C”, which is if one was omitted, a charge was missed, that the district could go back one year to recoup those funds. So those two paragraphs have been added in and that’s is what this one is for. And to bring up all the districts billing in line, make them all the same.

Chairman Chagnon: Any questions or comments? Imitation is the sincerest form of flattery.

Unanimously Carried

Proposed Resolution - Amend Resolution 125-18 – Confirming User Charges: North Chautauqua Lake Sewer District

Mr. Cummings: Again, this is pretty much the exact same thing as we did for PPD to bring our billing wording in line with South & Center but same thing, paragraph “C” and “D” in Section 5 of our billing has been added. We didn’t have that before so again, exactly the same thing to get them in line.

Chairman Chagnon: Any questions or comments?

Unanimously Carried

Proposed Resolution – Confirming User Charges: North County Industrial Sewer District No. 1

Mr. Cummings: For the Sewer Industrial district, there are two parts to this resolution. The first part being the exact same thing, to bring that sewer billing wording in line, those two paragraphs added in just like the other two districts. The other part for the Industrial Sewer district is, there is a rate increase that they are proposing to go from 35 cents per thousand gallons to 55 cents so a 20 cent increase for their sewer billing to keep them in the black as far as their revenue. That is what the board is proposing.

Chairman Chagnon: And we all received a memo from Kristen Wright giving some additional detail and background on this.

Legislator Nazzaro: I was just going to say, as we discussed in Public Facilities, nobody came to the public hearing.

Mr. Cummings: Correct, we had a public hearing and nobody from the district came. Now there are fourteen industrial users in that district. Big users like Purina and places like that. They were all sent letters, it was put in the paper, but nobody showed up, nobody sent an email letter or anything back to me about the public hearing that nobody attended.

Legislator Nazzaro: And the number of given Mr. Chairman, the total effect increase in revenues is about \$7,000.

Legislator Niebel: Scott, besides yourself, Kristen Wright, Brian was involved in this rate increase too?

Mr. Cummings: Brian was involved and they worked with Kathleen Dennison, their board, to come up with what they thought and then the board picked that number. Kathleen had given them a range of amounts that they should go to and that's the number they picked. Their board picked that 55 cents per thousand, a 20 cent increase.

Chairman Chagnon: Other questions or comments?

Unanimously Carried

Proposed Resolution - Amend Resolution No. 45-15 – Confirming User Charges: South & Center Chautauqua Lake Sewer Districts

Mr. Walsh: The tool that we are asking for in the resolution is for the Board of Directors of the South & Center and of course, now in the north, to have the discretion to reduce a water bill for unforeseen circumstance which arose. We had a building that was unoccupied, the water service was still on, there was a water leak in the building which transpired to about a 4 ½ million gallon leak in the building. The water did actually enter the sewer district and when the sewer bill was sent, the bill went from \$88.50 to a \$22,939 bill. At this point, it was clean water. The Sewer District evaluated this, it really cost the district very little money to clean, clean water unless (inaudible) circumstances, so with this discretion, the sewer district would have the tool to adjust the bill accordingly at the Sewer Board's discretion. Short version.

Chairman Chagnon: Any questions or comments?

Unanimously Carried

Proposed Resolution – Adjust 2019 Budget for Public Facilities Maintenance of Roads

Chairman Chagnon: I understand this resolution is redundant with the following proposed resolution.

Mr. Bentley: Yes.

Chairman Chagnon: So, you're suggesting that we take no action on this resolution?

Mr. Bentley: Yes, I think at Public Facilities they called it out of order so nothing would need to be done with it.

Chairman Chagnon: O.k., so we'll call it out of order.

Proposed Resolution - Amend 2019 Budget for Public Facilities Maintenance of Roads and Capital Highway Improvements

Mr. Bentley: This resolution proposes no use of fund balance, number one and what it's for is actually to pay for necessary road repairs that were greater than anticipated this year. Most of the money being moved is coming from the bridge program. That's the \$250,000. There were other line items that we had some extra money to pull from to help pay for that so we're almost at the end of the year balancing here a little bit here. So under the revenue account there was some miscellaneous refunds, stuff like insurance refunds and stuff like that that we also had available to us. This is just to proposed to move the money around. As we start off the budgets each year, we allocate some much to roads, so much to bridges but that's just kind of a guesstimate and then as we go through the year, what repairs need to be done to the roads versus the bridges, we are able to move the money back and forth as needed.

Chairman Chagnon: Any questions or comments? I have a question and I'm not sure who this is for but I hope Kitty is listening. This resolution proposes that we move money from a capital improvement for County bridge programs to be used for maintenance of roads. So we're moving money from a capital appropriation to a maintenance appropriation. What do you think?

Legislator Nazzaro: Still in the "D" fund.

Chairman Chagnon: Right.

Ms. Crow: Within the "D" fund, I think it's a little different than using like – I mean, you can move it up to the different accounts. I mean, you are doing it by amendment.

Chairman Chagnon: So you don't see any issue with moving money from a capital appropriation to a maintenance appropriation?

Ms. Crow: Not within the "D" fund. This capital is not affecting like the reserve for capital which, like if we were moving it from the "D" fund to the "H" fund, there would be more transactions involved or if it was originally appropriated from the reserve for capital, then there is more restrictions on keeping it in capital.

Chairman Chagnon: Right.

Ms. Crow: But within the "D" fund, it's a little different because it's really just local share that originally funded the 390 and 391 accounts.

Chairman Chagnon: Thank you for that. Steve, you are o.k., with this?

Mr. Abdella: Yes.

Chairman Chagnon: O.k., thank you.

Mr. Bentley: As always, I'm unique.

Chairman Chagnon: I'm not touching that one. O.k., other questions or comments on the proposed resolution?

Unanimously Carried

Proposed Resolution – Adjust 2019 Budget for Public Facilities Parks Division

Chairman Chagnon: And there is a proposed amendment, is it a proposed amendment? It hasn't been acted on so there is a proposed amendment to this proposed resolution.

Legislator Nazzaro: I just questioned where it says by, should it be Public Facilities and not Public Safety?

Deputy Clerk Ames: No. It should read Public Facilities.

Chairman Chagnon: So that's a typo so the by line should read Public Facilities and Audit & Control Committees.

Mr. Bentley: Do you want me to go over the proposed amendment or do you want me to go over the original first?

Chairman Chagnon: Please explain the original first and then the proposed amendment.

Mr. Bentley: This is for the Parks budget to do some balancing. The employee benefits increased due to the Parks realignment and all the Parks staffing changes that I think I mentioned in the past, that I have gone to improve the service response of the parks and increase the ability to do the in-house maintenance and other capital projects within the parks. So within that, our employee benefits went up a little bit. We're offsetting that from contractual engineers and contractual parks so instead of outsourcing stuff, we're keeping it in-house. So we're just kind of moving that money to pay for how we restructured it. So that is the original resolution.

Chairman Chagnon: And that original resolution was approved by Public Facilities?

Legislator Nazzaro: Correct.

Mr. Bentley: Since yesterday afternoon, I've been informed that there has been some depreciation.

Mrs. Dennison: Yes, there was. As you can see the original resolution proposes to move some contractual budget from Parks to benefits. But, (inaudible) department and I were not aware that there was a late or missing booking for vehicle purchase allocation. The third quarter charge for that was not booked until yesterday and so when that happened, we realized that there was not enough, there was not a budget surplus in the contractual category for Parks. In fact, with those additional charges for the vehicle purchase allocation, the Parks will need more budget than currently exists. So we're proposing to amend the resolution. Instead of decreasing

the appropriation in Parks contractual, we'd actually increase the contractual Parks appropriation and the balancing category would be a decrease in appropriations from the Jamestown Airport.

Mr. Bentley: So I think the net depreciation being charged was \$4,500? That's what came through the charge.

Mrs. Dennison: The depreciation itself is not quite \$4,500 but –

Mr. Bentley: Close and that's why you see the net \$2,500 plus the \$2,000 the other way. So, taking it out of the Chautauqua County airport, they had a little bit extra but again, this is a little bit of end of the year balancing and finding the money where we can so that we don't use local share.

Chairman Chagnon: Any questions or comments?

Legislator Nazzaro: It's not a use of fund balance.

Mr. Bentley: No use of fund balance.

Chairman Chagnon: So the first action before us then is to consider the proposed amendment to the proposed resolution.

Legislator Nazzaro: So moved.

Legislator Gould: Second.

Chairman Chagnon: Discussion on the motion to approve the amendment?

Unanimously Carried - amendment

Chairman Chagnon: Now onto the proposed resolution as amended, any further discussion?

Unanimously Carried

Proposed Resolution – Authorize Lease Agreement with Sam Kohler Enterprises, Inc. for Oil & Gas Production on Reforestation Property No. 9 in the Town of North Harmony

Chairman Chagnon: I understand this was amended in Public Facilities.

Mr. Bentley: This resolution is to allow the County to enter into a lease agreement for Sam Kohler to take over the property in producing rights on the reforestation property number nine. It's currently not producing anything, it's not producing any revenue, it hasn't really done anything for the last 5 or 6 years. The original lease has actually expired. GFS Specialist apparently hold the lease and the liabilities to close the wells if so required. Sam Kohler is

proposing to take over that full liability. The new lease will not allow any new drilling only to produce the existing assets and get them back running again. The terms of the lease in the resolution are allowing him to lease the property which is about 173 acres. The term is 10 years starting December 1st and in the lease we would propose that we would be able to do another 10 years upon legislative approval as well. That also means that he's got them running, we want them to keep running. Rent is basically a 12 ½% of royalty payments on the value of the gas and oil produced. This is standard in oil and gas terms (inaudible). In the even that he sits on the asset and does nothing with it, after one year he owes us basically \$10,000 if he paid quarterly thereafter to incentivize him to do something or shut the wells. So it's really an incentivize payment to do the right thing. There is a lot of protections there from environmental as well as ultimate closure of the wells as well, but we had him come into Public Facilities. Jay, you at least like him, right?

Legislator Gould: I liked the guy.

Mr. Bentley: Everything else, whatever I said is noise, but, that statement holds.

Legislator Niebel: And he doesn't like anybody.

Mr. Bentley: The other thing that was talked about at Public Facilities and the change that was in the last WHEREAS clause was we do have taxes that we pay on the reforestation property. As was discussed there, as legal pointed out and found for us, we cannot sell reforestation property but we can timber it and get oil and gas revenues or we can turn it over to the State. Those are our options. I like having the revenue so I'd rather keep it but to Jay's point that was made in Public Facilities, that revenue should first go to paying the taxes for those properties. So I think the compromise that we had because we also need money for the Parks, is that, any excess revenue from the oil & gas leases in total, everything should be put into an account, pay taxes first and then anything left over should go to the Parks. So, I think that Kathleen may have some additional ideas on how to do that but that is how the revenue structure is being proposed and thought of in Public Facilities.

Mrs. Dennison: I do have some additional ideas, some of which are going to be brand new to Brad and Chairman Hemmer. Late yesterday I talked with Todd Button because I wanted to make sure that what we talked about in Public Facilities and how I amended the resolution that that was possible and/or practical from an accounting standpoint. Because as Brad mentioned, what we talked about earlier in the week and the proposed amendment, we would put the revenue from this lease into the commissions account in Forestry and then if Forestry had a negative local share, in other words, a profit at the end of the year, that profit would be transferred to the capital project for park improvements. So, we can do that. But, Todd had another suggestion. He proposes that we set up a reserve for Parks and Forestry and that their reserve, we would take any timber revenues that we currently have that are kind of sitting in the capital project that would start the fund for the reserve and then at the end of each year, any profit or deficit would be adjusted to or from the reserve. That is consistent with how we do E911 surcharges and also what is worrisome is if we what we originally discussed, I think it kind of sets a dangerous precedence because it's saying, for any department, if you have a surplus,

you can designate how you are using that surplus. We might not want to do that for general operating departments.

Legislator Gould: That was my original idea.

Mrs. Dennison: A reserve?

Legislator Gould: Yes.

Mrs. Dennison: O.k., and then after thinking about this a little bit more, my suggestion is, we take the Parks and the Forestry departments and merge them and then create the reserve. so any surplus or deficit for Parks and Forestry operations would go into the reserve for capital improvements for the parks.

Mr. Bentley: So this would include timber sales now?

Mrs. Dennison: Yes.

Mr. Bentley: That we're previously only going to capital improvements.

Mrs. Dennison: Correct.

Mr. Bentley: So if there is a deficit, timber sales might go to pay taxes.

Legislator Nazzaro: Is that allowed?

Mrs. Dennison: Good question.

Mr. Bentley: Because right now the current resolution does not allow that. You'd be changing that resolution.

Mrs. Dennison: True.

Chairman Chagnon: That's going to require some additional thought and discussion.

Mrs. Dennison: Yes. After this came to light and it was late yesterday, I'm thinking maybe we might want to table this resolution so we can do a little more research on how the reserve will be structured.

Chairman Chagnon: This requires action because they are ready to go December 1st, right?

Mrs. Dennison: Right. I guess one possibility would be to –

Mr. Bentley: Can we set up the account without doing the timber sales?

Mrs. Dennison: Or could we do the original resolution.

Mr. Bentley: Can you set up reserve account with a zero balance and then as it comes through the oil and gas it gets funded through that.

Chairman Chagnon: Wouldn't it be possible to pass the resolution and then next month bring us a proposal for how we set up the reserve account to deal with it?

Mrs. Dennison: Well, it would be but I would say that we might – if we are doing that maybe we should go back to the original resolution – pass the original resolution which doesn't get into the details of having an excess in Forestry and what to do with it.

Legislator Nazzaro: I agree with the Chairman. If we, today, because we want to move forward, we want the intent of what Legislator Gould is saying which I totally support, that the proceeds from the oil and gas lease first go to pay the taxes and then to capital. As long as we define that I think the accounting piece of it, the financial piece, we can do at another meeting. I would be uncomfortable passing the original without having this language in there.

Chairman Chagnon: Agree.

Legislator Gould: Right.

Legislator Nazzaro: But next month we can – it will give you some time to research it. But we're setting its intent.

Chairman Chagnon: Other reserves can could be set up and so forth.

Legislator Nazzaro: The intent is that it is going to be used for taxes first and then for capital.

Mr. Bentley: In the interest of making it a little bit more complicated but a little bit easier, I'll make this – if that makes sense. With leaving everything else alone, only dealing with the revenue from this property, could we say that the revenue from this property will be used to pay the taxes, whatever (inaudible) is first and only this property's revenue goes to the Parks. The excess. So it's only this parcel instead of the whole –

Chairman Chagnon: We don't need to make that decision today. We're just dealing with this parcel right now with this resolution.

Mr. Bentley: O.k.

Mr. Abdella: As far as that amendment that had been made, if to preserve that thought, that concept that was being discussed, if it said, the revenue received from lessee will first, in other words, will first be used to defray the expense the County incurs for real estate taxes on reforestation properties and that's it. So that that concept is in there and then next month you can deal with the question of surpluses and how those monies would be allocated.

Chairman Chagnon: O.k., Jay, what do you think?

Legislator Gould: Sounds good to me.

Chairman Chagnon: Chuck?

Legislator Nazzaro: Sure.

Mr. Bentley: Do we need to say just oil and gas and not timber?

Mrs. Dennison: No, we would take out, like Steve said, it would just say, "WHEREAS, and I'm reading from the amended one, the revenue received from lessee will first be used to defray the expense the County incurs for real estate taxes on reforestation properties.

Chairman Chagnon: Then take out the rest of the underlined words.

Mrs. Dennison: Take out everything else up until, now therefore be it. Because we don't want to talk about, at this point, we don't want to talk about it going to capital, we just want it to be used for real estate taxes.

Chairman Chagnon: Does everyone understand that?

Legislator Nazzaro: I just have to ask a question. I'm looking at Brad's reaction to that.

Mr. Bentley: Let's see if you got my concern.

Legislator Nazzaro: Why can't we put in there, WHEREAS, the revenue received from lessee will first be used to defray the expense the County incurs for real estate taxes and any excess utilized for capital? Is that where you were going?

Mr. Bentley: Yes.

Legislator Nazzaro: You mean we're thinking a like?

Mr. Bentley: Yes, that's scary.

Legislator Nazzaro: Why can't we do that? That way the intent is still in there and then the accounting –

Mr. Bentley: Because if you don't have that in there, then it's going to the general fund.

Legislator Nazzaro: Correct, that was my thought.

Legislator Gould: It's a black hole.

Mr. Bentley: But it's the excess.

Mr. Abdella: The bottom line is, you can amend it next month any way you want. It doesn't matter what you said (cross talk)..

Mr. Bentley: But this way it wouldn't require us to come back again.

Mrs. Dennison: My concern with that change is that it still – like I say, I just think that it opens the door for other departments to say, if I have an excess, I want to stipulate how it's used.

Mr. Bentley: But they still have to come here.

Legislator Nazzaro: We can open the door or shut the door.

Mr. Bentley: I mean, it's already been done once with the timber sales. This is on reforestation property with the same concept so I'm not really broadening the, opening the door any wider than it's already been open.

Chairman Chagnon: Chuck, would you like to explain to all of us what your proposed amendment to this amended resolution is then.

Legislator Nazzaro: O.k., it would be what we just said Mr. Chairman, WHEREAS, the revenue received from lessee will first be used to defray the expense the County incurs for real estate taxes on reforestation properties and any excess, and then you are going to cross off the rest of the underlined, and any excess utilized for capital projects to benefit Chautauqua County Parks Department.

Ms. Crow: I have maybe a comment on that. As you may recall a few years back when we sold the Ashville building, we assigned the proceeds from the sale of that to the Parks. I might use that word assigned because then it's not a legal reserve with the kind of restrictions that come with a reserve but it would be assigned and it would show that as an assignment of fund balance so that way if it's not used in that year, it would still remain in the assigned fund balance for Parks.

Legislator Nazzaro: So which word are you going to replace?

Ms. Crow: Rather than say reserved, I would say, would be assigned for Parks capital improvements.

Legislator Nazzaro: (cross talk).. in there yet.

Mr. Bentley: Will be first to assign, because right now we –

Mrs. Dennison: No, it would be first used, reserved is gone.

Ms. Crow: First used for the real estate taxes and then any remaining be assigned. That way you don't have to determine what you are using it for right away.

Legislator Nazzaro: So instead of utilize, so replace Olivia, the only other change, the word utilize, replace it with assigned?

Chairman Chagnon: Assigned for capital projects to benefit –

Ms. Crow: Parks capital projects.

Mrs. Dennison: Olivia, could you read what you have please?

Mr. Bentley: Do you want me to read it?

Deputy Clerk Ames: Sure.

Mr. Bentley: WHEREAS, the revenue received from lessee will be first used to defray the expense the County incurs for real estate taxes on reforestation properties and any excess, will be assigned for capital projects to benefit the Chautauqua County Parks Department, now therefore be it.

Mrs. Dennison: Chautauqua County Parks.

Chairman Chagnon: Now we're striking the word department.

Mrs. Dennison: He wanted us to put the capital project number in there but we don't need it because we're not –

Legislator Nazzaro: Olivia, please strike department.

Chairman Chagnon: So you are making that as a motion Mr. Nazzaro?

Legislator Nazzaro: I make that as a motion to amend the resolution.

Legislator Niebel: Second.

Chairman Chagnon: Any other discussion on the motion to amend?

Unanimously Carried – amendment

Chairman Chagnon: Back to the proposed resolution as amended in Public Facilities and as amended in this committee, any further discussion on the amended resolution?

Unanimously Carried – as amended

Chairman Chagnon: Well, how long did that take Jay?

Legislator Gould: I think the whole thing took an hour between Public Facilities and here.

Mr. Bentley: If I was to tell ya I've been working on this deal for about 8 months, would that surprise ya?

Legislator Gould: No.

Mr. Bentley: There you go.

Legislator Gould: I certainly hope that he finishes this agreement that he has with us.

Legislator Nazzaro: He did have a lot of experience. I think he has, what, 130 wells?

Mr. Bentley: Yea, over a 100 wells and he's much younger than I am and this is his life.

Proposed Resolution – Adjust 2019 Budget for Public Facilities Airports Division

Chairman Chagnon: This one was amended?

Mr. Bentley: No. This one is due to increased benefit. We had a replace an account clerk at a higher than budgeted, insurance plan that was hired at the airports earlier in 19' so, this is to adjust that. Again, no use of fund balance to do that.

Chairman Chagnon: Any questions or comments on the proposed resolution?

Unanimously Carried

Proposed Resolution – Authorize Supplemental Agreement No. 2 w/ NYSDOT for Performance of Federal-Aid project PIN 5762.26, Dale Drive Shoulder Expansion

Mr. Bentley: This resolution is for the benefit of New York State DOT. They have requested that a resolution be made that shows the movement of design funds into the construction funds in the amount of \$19,445.42. This is a new requirement. They haven't done this in the past and I'm not sure if this is going to be ongoing but they did request a resolution to accompanying the reimbursement.

Chairman Chagnon: Questions or comments?

Unanimously Carried

Proposed Resolution – Amend 2019 Budget Appropriations – Information Technology Services

Mr. DeAngelo: Several months ago we were asked to find some savings in the 2019 budget and our departments were able to find close to \$200,000 in savings so that was a good thing resolutions were forwarded and finalized to do that. Unfortunately, we missed a revenue piece of that so we cut some expenses in our Print Shop because essentially we closed our Print

Shop and we overlooked the revenue side of that. So the way our Print Shop expenses work is, we used to purchase everything you would need for our Print Shop and then charge that back to the department as revenue. So, when we reviewed where we could cut expenses, we said, oh, we're not going to be doing Print jobs anymore, we'll cut those expenses out, there is a revenue side to it. So we felt that it would be better to adjust that now that we recognized it before the end of the year. So, that's why we see a decrease in the revenue account for A.1670 of \$65,000. That was the expenses that we had cut from the plan, months ago, and then unfortunately the use of fund balance to counter that.

The other piece to this is, again, related to those savings that we found months ago. We have some personal services and employee benefit savings that either by a typo or oversight, -

Mrs. Dennison: A typo on my part.

Mr. DeAngelo: They were just taken from the wrong account so all we're doing is decreasing the appropriations in the correct account and then increasing the account that they should not have been taken out of. So that is just a minor accounting error that we're fixing.

Chairman Chagnon: Any questions or comments on the proposed resolution?

Legislator Nazzaro: My only question would be, for 2020 we do not include any revenue, correct?

Mrs. Dennison: That's correct and actually how we found this was when we were reviewing the 2020 budget, as you recall, we decided to stop using the Print Shop department and when we took any transactions in the Print Shop and moved them into Office Services, and how I found this mistake was at looking at the amended budget for 2019, I saw that the Print Shop had an amended budget of negative local share of \$70,000 and I realized that that probably wasn't going to happen. So fixing that error but the short answer to your question is, we don't have this situation in 2020 because we don't have any activity in the Print Shop in 2020. Revenues or expenditures.

Legislator Nazzaro: Just wanted to confirm.

Chairman Chagnon: Other questions or comments?

Unanimously Carried

Proposed Resolution – Cancellation of Delinquent Tax Liens

Mr. Caflisch: This resolution is to cancel tax liens on property that the City of Jamestown has requested as part of redevelopment. There was considerable demolition expense on the properties so it would be my recommendation that we cancel the taxes. There is about \$5,800 in total for both properties to be cancelled.

Chairman Chagnon: I have a note here, Steve did you have some question about the WHEREAS clauses?

Mr. Abdella: I did but I'm satisfied, I'm good with it.

Chairman Chagnon: Any questions or comments from the committee? Jim, my only question which is really a hypothetical question but, what happens if the demolition and redevelopment doesn't proceed?

Mr. Caflisch: Well, I'm very, very confident that it will proceed because I know the timeline of sequence of events is going to happen here so I'm not concerned at all. If it didn't, the property would – City of Jamestown would figure something to do with it but, I'm very confident that this is going to go forward.

Legislator Nazzaro: You don't get the money back.

Chairman Chagnon: It doesn't hurt to ask. So my question really boils down to, we're not transferring any property, ownership of any property, we're just cancelling back taxes but the property still remains in ownership of the individual who is delinquent on the taxes.

Mr. Caflisch: Actually, it's the City that has the property –

Chairman Chagnon: The City now owns the property.

Mr. Caflisch: Yes. That's why we're cancelling the taxes on it.

Chairman Chagnon: So if it's not demolished and renovated, the City owns it so the City would not be paying any taxes on it.

Mr. Caflisch: Conceivably true but the demolition has occurred on at least one property that I'm aware of, I'm not sure of the other one, for sure.

Chairman Chagnon: Other questions or comments?

Unanimously Carried

Proposed Resolution – Distribution of Mortgage Taxes

Mr. Caflisch: I prepare the resolution from the information given to me by the County Clerk's office. I believe the revenues are higher on this one than they were last year at this time.

Chairman Chagnon: Thirty two percent higher.

Mr. Caflisch: So it's a good thing to have.

Chairman Chagnon: Yes, good news. Questions or comments on the proposed resolution?

Unanimously Carried

Proposed Resolution - Amend 2020 Budget Appropriations and/or Revenues – Public Defender

Mr. Rice: We had applied for a grant from the Department of Justice and received it and I guess there are some accounting issues that we have to deal with.

Mrs. Dennison: Yes, this is a grant that the County has had for many years. The way it's set up now, this grant is in a separate sub-department so we allocate a portion of the personal costs for one of the Public Defender's to this sub-department, Aid to Defense. Then the revenue goes in that sub-department. But the grant does not cover all of the costs for the Public Defender and it's my understanding that there are a number of Public Defenders that work on this particular endeavor.

Mr. Rice: Right.

Mrs. Dennison: So it really doesn't make sense for us to be allocating a portion of one individual. It's kind of an arbitrary allocation, it's not meaningful and it also creates extra accounting work that doesn't help the overall picture. Public Defender Barone called me because he was very concerned because we were allocating for the wrong person to the sub-department. So I said, look, I think we can solve this just by merging the two merging – dissolving the sub-department, putting all the revenues into the main department for the Public Defender, we still get the grant revenue and we'll still have to account for particular endeavors by particular Public Defenders to get the grant but we can do that even if they are all in the same department.

Chairman Chagnon: So this would save in accounting book but the justification for the grant by the Public Defender's office would still proceed as it has?

Mr. Rice: Right. The grant was to reimburse the County for attorneys who were working on violent felonies. We had the grant assigned to a misdemeanor attorney who wasn't handling anything of that nature. We have three attorneys who are handling violent felonies and rather than setting up the account for one of those attorneys, I believe that it was placed back into the general ledger.

Chairman Chagnon: Questions or comments on the proposed resolution?

Unanimously Carried

Proposed Resolution – Authorize Lease Agreement w/ Celebration Hall, LLC, for Office Space for the Chautauqua County Probation Department

Chairman Chagnon: I understand that this resolution was amended in Public Safety. Olivia, could you explain the amendment?

Deputy Clerk Ames: Sure. In the 3rd WHEREAS clause, when it refers to the proposed 2020 budget, it should be the adopted 2020 budget.

Chairman Chagnon: That was an amendment as opposed to it being treated as a typo?

Deputy Clerk Ames: That's correct.

Mr. Narraway: When we prepared our Raise the Age plan and submitted it to the State for funding, we included a line for rent to allow us to find space in the Mayville area which would let us provide staff to youth part and Family Court immediately should any youth come in to be arraigned. That's part of the Raise the Age plan, to provide immediate diversion services upon their arraignment. So this rent and the cost of this unit is entirely funded through a State grant.

Chairman Chagnon: Questions or comments? My only question and this might be a question for Kathleen, is, this rate of rent for \$10.98 per square foot, how does that compare with other rents that the County is paying in that same facility?

Mrs. Dennison: I do not know.

Mr. Narraway: In that immediate wing, there is only one other department located there and that's the Public Defender but I have no knowledge of their agreement.

Chairman Chagnon: O.k., but this is paid 100% by the State grant.

Mr. Narraway: Yes.

Chairman Chagnon: Just a curiosity question. So maybe Kathleen could get the answer to that curiosity question whenever you can get that for us.

Mr. Narraway: If there is a variance on it, it may well be that we require that they rehabilitate a bathroom to allow us to do drug testing for our clients that will be coming into there so it may be that that drove up the price a little bit but I'm just guessing.

Legislator Niebel: And utilities are included also, Tom?

Mr. Narraway: That's correct.

Legislator Niebel: That will affect it somewhat to.

Chairman Chagnon: Other questions or comments on the proposed resolution?

Unanimously Carried

Proposed Resolution – Authorize Execution for New York State Office of Homeland Security and Emergency Services Grant for Bomb Squad Initiative Program

Sheriff Quattrone: This resolution is a multi-year grant that we're renewing from October 1, 2019. It is included in the 2020 budget. It helps pay for multi-County, multi-agency bomb squad and training.

Chairman Chagnon: Other questions or comments on the proposed resolution?

Unanimously Carried

Proposed Resolution – Authorize Agreement with Chautauqua-Cattaraugus Erie II BOCES for School Resource Officers

Sheriff Quattrone: This resolution is another renewal of a contract that we have with Erie II BOCES which covers the north and south BOCES as well as their (*inaudible*) education in Cassadaga. Also included in the 2019 and 2020 budget.

Chairman Chagnon: Other questions or comments on the proposed resolution?

Unanimously Carried

Proposed Resolution – Authorize Agreement with Town of Stockton for Court Security Detail FY20

Sheriff Quattrone: This resolution again is a renewal of a contract with Town of Stockton for 2020 which has been included in the budget so no amendments needed.

Chairman Chagnon: Other questions or comments on the proposed resolution?

Legislator Niebel: Possibly to facilitate things for the Sheriff and for Audit & Control, all six of these next agreements begin January 1st and then December 31, 2020 and the rate for each one of these is \$31.15 per hour.

Sheriff Quattrone: And they are all renewals.

Chairman Chagnon: That's just information for us, not proposing any action.

Legislator Niebel: No, just possibly to facilitate things.

Chairman Chagnon: Alright, thank you. Other questions or comments?

Unanimously Carried

Proposed Resolution - Authorize Agreement with Town of North Harmony for Court Security Detail FY20

Sheriff Quattrone: As stated, it's a renewal for 2020 and no budget amendments needed.

Chairman Chagnon: Other questions or comments on the proposed resolution?

Unanimously Carried

Proposed Resolution - Authorize Agreement with Town of Ellery for Court Security Detail FY20

Sheriff Quattrone: Town of Ellery again is a renewal for 2020. It is included in the 2020 budget, no amendments.

Chairman Chagnon: Other questions or comments on the proposed resolution?

Unanimously Carried

Proposed Resolution - Authorize Agreement with Town of Mina for Court Security Detail FY20

Sheriff Quattrone: Town of Mina is another renewal for 2020. It's included in the 2020 budget and no amendments are needed.

Chairman Chagnon: Other questions or comments on the proposed resolution?

Unanimously Carried

Proposed Resolution - Authorize Agreement with Town of Kiantone for Court Security Detail FY20

Chairman Chagnon: Town of Kiantone again is renewing their contract for 2020. It's included in the budget and no amendments needed.

Chairman Chagnon: Other questions or comments on the proposed resolution?

Unanimously Carried

Proposed Resolution - Authorize Agreement with Village of Silver Creek for Court Security Detail FY20

Sheriff Quattrone: Village of Silver Creek is renewing their contract for court security for 2020. It's included in the 2020 budget and no amendments are needed..

Chairman Chagnon: Other questions or comments on the proposed resolution?

Unanimously Carried

Chairman Chagnon: Are you going to stick around?

Sheriff Quattrone: I have one more at the end. I would love it if –

Chairman Chagnon: We could move that one up?

Sheriff Quattrone: That would be great.

Chairman Chagnon: We have a late resolution that was inadvertently left out of the prefile, I guess. Along the same lines of the last several we did. This was reviewed by Public Safety but they took no action on it because of its late arrival. It is; Authorize Agreement with Town of Harmony for Court Security Detail FY20.

Chairman Chagnon: So Sheriff, before we begin review of this, could you explain to us why this is important that this be passed this month as opposed to next month?

Sheriff Quattrone: This is new contract with the Town of Harmony and they desire to get this started as soon as possible. It's two new Judges or a new Judge and a new Court Clerk there and they are concerned for their safety. Partly, I believe as a neighboring client or regular user of the court, that has most of their fear going.

Legislator Nazzaro: So it's a concern for safety?

Sheriff Quattrone: Yes, and we're trying to get – it's the safety and security for their court that we're trying to get this started with them and agreed upon in the contract with them starting as soon as possible.

Chairman Chagnon: So the Sheriff has requested that we take this late proposed resolution that would normally be discussed under "other" out of order and discuss it now while he's still here and we just talked about all the other similar resolutions so, is the committee in agreement to discuss this at this time?

(All agreed)

Proposed Resolution – Authorize Agreement with Town of Harmony for Court Security Detail
FY20

Chairman Chagnon: It's in the amount of \$4,000.

Sheriff Quattrone: This is a new contract with Town of Harmony, if I understood your first question. But this is a new contract with the Town of Harmony justices and town desire to get started as soon as possible with the same \$31.15 an hour.

Legislator Niebel: This agreement for Harmony would have been with these other five or six agreements, it just hadn't gone through the channels and signed by all of the necessary people.

Sheriff Quattrone: And it was not included in 2020 budget so we are asking for an amendment to that.

Chairman Chagnon: So this does increase the expenses and revenues in the 2020 budget by \$4,000.

Sheriff Quattrone: Correct.

Chairman Chagnon: And this was late getting into the prefile process so that's why it didn't get all the way through.

Sheriff Quattrone: And that was a confusion between North Harmony and Harmony.

Chairman Chagnon: So other questions or comments on the proposed late resolution?

Unanimously Carried

Proposed Resolution - FY2018 Hazardous Materials Grant Program

Mrs. Hayes: This grant was accepted last month and we have identified some things to use the funds for so we would like to increase the expenses and the revenue.

Chairman Chagnon: Other questions or comments on the proposed resolution? I have a question. Will this all be spend in 2019?

Mrs. Hayes: Yes. It's mostly one item.

Chairman Chagnon: Other questions or comments?

Unanimously Carried

Proposed Resolution - Emergency Management Preparedness Performance Grant for Fiscal Year 2019

Mrs. Hayes: This is to accept the LEMPG grant. There is a 50% in-kind match. It's already in the budget. This is used for personal and fringe.

Chairman Chagnon: Other questions or comments on the proposed resolution?

Unanimously Carried

Proposed Resolution - Amend 2019 Budget Appropriations and Revenues – Emergency Services – CME

Mrs. Hayes: That is for our on-line continuing medical education. In 2019, we had many more people sign up for it than expected so therefore we have increased costs but also increased revenue.

Chairman Chagnon: Other questions or comments?

Unanimously Carried

Chairman Chagnon: We also have a late arriving resolution from this department to amend the 2019 budget for State Homeland Security program grant award. You all have a copy of this in front of you.

Proposed Resolution - Amend 2019 Budget for State Homeland Security Program (SHSP) Grant Award

Chairman Chagnon: This was reviewed by Public Safety and passed by Public Safety.

Legislator Niebel: It was Mr. Chairman.

Chairman Chagnon: So Val, could you explain please?

Mrs. Hayes: This grant was accepted last year. We would like to appropriate the funds in order to purchase two interoperable radios for our Medical Directors. We would like to get that purchased this year.

Chairman Chagnon: Questions or comments?

Unanimously Carried

Proposed Resolution - Budget Modification for Actual Youth Bureau Allocations Received

Ms. Lis: This resolution first of all is budget neutral. Basically we budget our Youth Bureau based on the year before, how the revenues and expenses break down between – we have two departments, one is more programmatic and one is more administrated. So we always budget it the same and when it comes around, we actually do our resource allocation plan for the current year. We rearrange it so that the two match. Actually this year was really late, the State didn't send out the information. It looks, we should have done this before but it happened quite late.

Chairman Chagnon: Questions or comments? Val, I understand that this came late to you, my question is, will the 2019 appropriations be in line with these changes?

Ms. Lis: I don't quite understand that question because all we're doing is moving our expenditures and revenues between the two departments of Youth Bureau. In total, there is no difference.

Chairman Chagnon: Right but because you are moving the money between the two different departments, will those departments be fulfilling those appropriations in 2019? Those changes?

Ms. Lis: Oh, yes.

Chairman Chagnon: Because some of those plans are made early in the year and that's what prompted the question.

Ms. Lis: Right, and it's just that the paperwork to put this through to the State is finally – and I'm a little late on this because it really didn't cause any trouble. I could have probably done it a little sooner.

Chairman Chagnon: But they were anticipating these changes from the State and that's the way they have been acting in 2019.

Ms. Lis: It's not really changes from the State, it's how we decided to spend the money. We just didn't have that down in writing, signed by the County Executive, and all finalized.

Chairman Chagnon: O.k., alright, thank you. Other questions or comments?

Unanimously Carried

Proposed Resolution – Amend 2019 Budget for Additional Capital Project – Chadwick Bay Industrial Park Expansion

Mr. Geise: This resolution is asking to amend the budget, the 2019 budget, to add the expenditure of \$200,000 to purchase land in the north county adjacent to the Chadwick Bay Industrial Park. It's a project that the County Planning Board reviewed and highly recommended. We have right now, a real shortage of land, throughout the County, but especially in the north county. Our Industrial Parks are full but for a couple of maybe challenged properties in the south county. Certainly invest Buffalo/Niagara, and I'm on their real estate task force is identified that there is very little land available right now for development in industrial parks. We've been negotiating with property owners for a while and we finally reached an agreement and we really want to move to purchase this land this year because they've been fairly fickle and we want to get it now while we've reached the deal. It was not built into the budget in 2020, however, it was highly recommended by the Planning Board.

Chairman Chagnon: Last night this was discussed at Planning & Economic Development Committee and I explain that, when I first saw this, I was concerned because this project was not in the 2019 capital plan and it's not in the 2020 capital plan and it was proposing to use a significant portion of capital reserve. So, I spoke with the County Executive and yes, while he

was on vacation, I'll admit that, but he explained to me that the reason it was not placed in the 2020 budget was because of the desire by all parties to get this accomplished within 2019. That is part of the reason that there is no allocation of capital reserve funds in the 2020 budget because anticipation of this project utilizing capital reserve.

Legislator Nazzaro: If I heard correctly, it was also not in the 2019 capital budget that was put together, it was not identified there either.

Chairman Chagnon: Right. My understanding from discussions with the Planning Board is that this is something that the Planning Board has been talking about but they really got serious about talking about this late in 2018 and early 2019.

Ms. Crow: I would like to add too, when we develop the fund balance projections for the time we adopted the budget, we did show that we were planning to use this \$200,000 from the reserve so it's kind of already built into the – showing the reduction in the projections.

Chairman Chagnon: Thank you, that was key.

Legislator Gould: How much land?

Mr. Geise: Sixty acres.

Legislator Gould: Quite a lot.

Mr. Geise: Yes. Beautiful, perfect.

Chairman Chagnon: Other questions or comments?

Unanimously Carried

Proposed Resolution – Authorize Extension of Lease Agreement for Department of Planning & Development – Division of Economic Development at the BWB Center

Mr. Geise: This lease agreement or this authorization to provide or to reimburse, I guess, the IDA for space used by the Division of Economic Development. It's not something new. The only difference is, in prior years we also had the Planning Department that was in the BWB Center so we were getting that revenue. So this revenue is really basically for one office. We have Nate Aldrich who is working through the Division of Economic Development and just on the aside here, we also provide an office to the Watershed Coordinator in that space and also three offices for the Alliance members at a very discounted rate so, I think this is a reasonable request.

Legislator Nazzaro: I was going to say, the rate is very discounted.

Chairman Chagnon: And has been the same for several years.

Mr. Geise: Yea, it doesn't accurately reflect what that space actually costs, to be honest with you.

Chairman Chagnon: Other questions or comments?

Unanimously Carried

Proposed Resolution – Authorize Agreement with Small Business Development Center at Jamestown Community College

Mr. Geise: I am here on behalf of Courtney Curtolo who is the Director of the JCC Small Business Development Center. She is at a seminar and she said that she would be willing to come back and defend this and I said, no, I don't think there are any worries. The Small Business Development Center has been doing great work over there. They have half a dozen or more employees. I meet with Courtney quarterly to talk about their numbers and how many people they saw and it's quite incredible. I was showing this last night, the reports that we get on who they serve, the types of businesses, the sectors, male/female, I mean it goes on and on and how much money they were able to leverage by their activity. They help people. When we get requests and we get them all the time at the IDA, we work very closely with them, for start-up companies, first thing we do really, honestly, is send them over to the Small Business Development Center. They help them to develop business plans and get ready, get the financing in place and all that. So they really serve an incredible purpose in our County. This is unchanged from last year and it's in the budget.

Chairman Chagnon: Other questions or comments?

Unanimously Carried

Proposed Resolution – Authorize Agreement with the County of Chautauqua Industrial Development Agency for Industrial Development and Promotion

Mr. Geise: This is ongoing and not changed since last year. It's been this way for quite a long time. The County provides funding to the IDA for industrial, that should probably be business but it's Industrial Development and Promotion. It's everything from originating projects, projects that have to do with job creation or job retention. It could be capital improvements, it could be working with them to help leverage monies and bring in other funds to the deal so we're kind of ground zero for companies that are looking to expand or locate here. Just to give you an idea, last night I kind of went on about the IDA and we have three offices and 8 employees, and three business development managers, I spent a little time and I won't do that today but, suffice it to say that I think I'm very proud of what the IDA does. I guess having to do with this particular funding, I can point to and there is a lot more than this but some of the successful projects like Athenex, \$200 million dollar plus project, Wells, which took over Fieldbrook, \$87 million dollar investment there, Stannard(?) which is a new build and by the way, it's one of the first new build that we've had in our industrial parks, the Mason Industrial Park, in 5 years. Steve St. George just did a big expansion, we work with Empire State Development, the Hops facility that is being proposed for here to help them with developing a

feasibility study. We did a fiber project in Stoneman Industrial Park, the Ripley Gateway Center and I can go on and on but I think we're doing a very good job for the County.

Chairman Chagnon: Other questions or comments? Last night as Mark said, he gave the Planning & Economic Development Committee a detailed description of this and the next two resolutions, the actions of the IDA. He had his staff here and they gave us a very excellent presentation and it's an exciting presentation in terms of what they have accomplished and what they are working to accomplish. So congratulations for that Mark. No other questions or comments?

Unanimously Carried

Proposed Resolution – Authorize Agreement with County of Chautauqua Industrial Development Agency for Attraction and Development of Tourism Related Businesses

Mr. Geise: I talked about it last night in more detail but certainly I think that we all understand that we live in a beautiful place with a lot of assets, five lakes, 400 plus miles of snowmobile trails, ski resorts, and the list goes on and on. Certainly we also know that the tourism sector is an expanding sector in this County and something that we definitely need to continue to capitalize on. So we really work hard to help businesses that are tourism related. I can point to some of the successful businesses that we have been able to attract and help here. Give an example, the Harbor Hotel which is about a \$40 million dollar investment, the Double in Jamestown, the National Comedy Center, Webb's new build, Jamestown Brewery, Chadwick Bay Marina up in the Dunkirk, Lossen(?) Marina on the Chadakoin in Jamestown, we worked on that brochure, we spent about a year working on that. We've now distributed over 3,500 of those brochures out to dozens and dozens of not only businesses but attractors. So, I think that we have done a pretty good job here as well and we're going to continue to be proactive in trying to get more of those types of businesses to locate here.

Chairman Chagnon: O.k., and I will point out to the Committee that this proposed resolution was amended last night because the amount of \$75,000 in the RESOLVED clause is not in line with the 2020 budget. The amount in the 2020 budget is \$80,000, a \$5,000 increase.

Mr. Geise: It's because we're doing such a good job.

Chairman Chagnon: And so we amended it in Planning & Economic Development committee last night. Changed the amount to \$80,000.

Legislator Nazzaro: Was that your find Mr. Chairman?

Chairman Chagnon: I have to admit, yes that was my find. I knew that my friends on the Audit & Control Committee would be upset with me if I was adding money to a resolution but –

Legislator Niebel: We'll get over it.

Chairman Chagnon: O.k. So, other discussion on the proposed resolution as amended?

Unanimously Carried

Proposed Resolution – Authorize Agreement with the County of Chautauqua Industrial Development Agency for the Business Assistance Program

Mr. Geise: This resolution really has to do a lot with having available properties and working with site selectors and developers in making sure that we're not only responsive but that we have inventory of available properties and staying on top of that so that we can respond quickly and accurately. We maintain a data base that's called "Statebook" on our IDA website that we update and keep current. We've also worked with Orbitis to help us to update our website to add more bells and whistles. Also we contract with a young lady, Gretchen Lindell who does a great job of managing our website. Again, keeping a current – if you go to our website, you'll see something new on it, really every week. We also work very closely, I just want bring to your attention that, this \$59,000 that comes to the IDA, we pay out of that \$22,000 to the Small Business Development Center as well. So really, it's \$37,000 coming to the IDA. I would also add, we had a nice presentation, I think last night, from Prospect Hill, who is doing our brownfield development strategy. Again, we have green fields, right, which green fields obviously are sites that have not been built on prior and then we have brownfields. We have hundreds of brownfield sites that are attractive in the sense that they already have the infrastructure, they are already located in the right spot, they're zoned correctly so now we're really inventorying all those brownfield sites and it will become part of that database that we're maintaining at the County so that we can even be proactive about getting those sites out to those developers that are savvy in that world, like the (*inaudible*) of the world. So we do a lot with that money.

Chairman Chagnon: Any questions or comments?

Unanimously Carried

Other

Proposed Resolution - A Resolution Authorizing the Issuance Pursuant to Section 90.10 of the Local Finance Law of Refunding Bonds of the County of Chautauqua, New York, to be Designated Substantially "Public Improvement Refunding (Serial) Bonds", and Providing for Other Matters in Relation Thereto and the Payment of the Bonds to be Refunded Thereby

Chairman Chagnon: That brings us to other and we do have one other that has been brought to our attention by Kitty on bond refinancing which is something that we discussed last month or earlier this month at a special meeting, and asked the Director of Finance to pursue the opportunity for us. Kitty, could you give us the whole picture?

Ms. Crow: Right now we are in the process of issuing bonds for several capital projects that will be – those bonds will be issued in December so they brought to my attention, just

looking at all of our existing bonds on opportunity to refund, some from 2012, and doing them kind of both at the same time would be beneficial. Specifically yesterday we had our rating call with S&P and so we wouldn't have to do two rating calls, that would allow us to use the same rating for both of these transactions. The refinancing would be on the bonds that we issued for JCC, their third dorm. So it really won't impact the County so much, but it will be a savings to JCC because they paid a debt service on those bonds. The savings are net of any closing costs of approximately, in present value, \$111,000.

Chairman Chagnon: That is the net savings.

Ms. Crow: Yes, I did confirm with them that amount.

Legislator Nazzaro: A \$111,000?

Ms. Crow: Yes. The bonds would mature in 2032, which is 11 more years. So it's about a \$10,000 savings per year. I would guess that JCC will be happy. Anything to help out.

Chairman Chagnon: So these are net savings. You confirmed that and this is strictly to the benefit of JCC?

Ms. Crow: Yes. I didn't know at first, I just looked up earlier to confirm which bonds these were and so it is for that third dorm.

Legislator Nazzaro: It makes good financial sense. If we can help JCC out, this is the right thing to do.

Ms. Crow: The timing makes it good for us to do it along with the other bonds.

Chairman Chagnon: And Steve was kind enough to give us his opinion that the language in this proposed resolution was acceptable and consistent with industry standards and past practice.

Mr. Abdella: Yes.

Chairman Chagnon: Questions or comments on this proposed resolution? My only comment is, Kitty thank you for acting quickly in meeting our request. So, all those in favor?

Unanimously Carried

Legislator Nazzaro: You said this was going for the third dorm.

Ms. Crow: As you recall, we issued those bonds and the agreement is, they pay the debt services on those.

Legislator Nazzaro: O.k., thank you.

Chairman Chagnon: Any other, other, to come before the Committee?

MOVED by Legislator Gould, SECOND by Legislator Nazzaro to adjourn.

Unanimously Carried (10:05 a.m.)

Respectfully submitted and transcribed,
Olivia Ames, Deputy Clerk/Lori J. Foster, Sr. Stenographer