

**Budget and Capital Committee  
November 10, 2008  
Scott Heyman Conference Room  
3:30 p.m.**

**Approved 11-24-08**

Present: J. Dennis, K. Luz Herrera, P. Mackesey, M. Hattery, J. Dennis  
Staff: D.Squires, Finance Director; J. Mareane, County Administrator, N. Jayne, Executive  
Assistant to the County Administrator; M. Lynch, Public Information Officer; M. Pottorff,  
Chief Deputy Clerk of the Legislature  
Guests: J. Turner, C. Haynes, B. Taesch, TC3  
Legislator: D. Kiefer

**Call to Order**

Mr. Shinagawa called the meeting to order at 3:30 p.m.

**Changes to the Agenda**

The following resolutions were withdrawn from the agenda:

Budget Adjustment – Mental Health  
Budget Adjustment – Mental Health

**Approval of Minutes**

It was MOVED by Ms. Herrera, seconded by Mr. Hattery, to approve the minutes of: September 8, 10, 15, 23, 29, and 30; October 6, 14, 15, and 20, 2008. Ms. Mackesey referred to the October 14 minutes and said she would be interested in receiving a presentation on the alternative-to-incarceration programs as suggested by Ms. Chock. Mr. Hattery said he would prefer a presentation be given at an expanded committee level. Mr. Dennis, Vice Chair of the Public Safety Committee, will follow-up on this. A voice vote resulted as follows: Ayes – 5, Noes – 0. MINUTES APPROVED.

**Report from the Chair**

Mr. Shinagawa reported the public hearing on the proposed 2009 Tompkins County Budget and Capital Program will take place this evening. He referred to document prepared for the hearing entitled “2009 Legislative Tentative Budget Summary” prepared by Ms. Lynch.

**Report from the Finance Director**

Mr. Squires distributed a Contingent Fund Report; he highlighted items with projected budget overruns: Assigned Counsel Program, outside community colleges, and jail mandates (anticipated). He reported on sales tax and said the County had really good results through the first three quarters of 2008 and also noted it could have been more if it weren't for negative adjustments that had been made. He said he is expecting a large decline in the fourth quarter but said the first payment received in November for October was up from prior year by \$50,000. In conclusion, he anticipates by the end of the year the County's receipts will be above what was projected.

Mr. Squires said the largest single balance sheet for delinquent property taxes is for Lakeside Nursing Home and the bankruptcy trustee is recommending to the court that it liquidate the property, which means they would be ordered to sell off the assets. The receiver hasn't filed any plans with the court on how to continue to operate the facility. Mr. Squires said if this were to happen it would be good from a financial perspective for the County but very bad in terms of health and human services.

**Report from the County Administrator**

Mr. Mareane had no report.

There was a brief discussion of a joint Legislature/Department Head meeting for the purpose of broadening communication on various subjects. It was agreed that all Legislators would be welcome to submit topics for discussion to Chair Koplinka-Loehr who will work with County Administration on the development of an agenda. A draft agenda will be circulated for review and comment by all Legislators. It was agreed to hold this meeting on December 8<sup>th</sup> at 3:30 p.m. (This date was later changed to December 18).

**Report from the Public Information Officer**

Ms. Lynch had no report.

**RESOLUTION NO. - APPROPRIATION FROM CONTINGENT FUND - REPLACEMENT PAY – DEPARTMENT OF ASSESSMENT**

It was MOVED by Ms. Mackesey, seconded by Ms. Herrera, and unanimously adopted by voice vote, to approve the following resolution and submit to the full Legislature.

WHEREAS, the Department of Assessment has had two employees out on disability for greater than two months, and

WHEREAS, the Fiscal Policy of Tompkins County allows for replacement pay from the Contingent Fund, not including the first two months of absence, now therefore be it

RESOLVED, on recommendation of the Government Operations and the Budget and Capital Committees, That the Director of Finance is hereby authorized to make the following adjustment to his books for 2008:

FROM:	A1990.54400	Contingent Fund	\$20,332
TO:	A1355.51000577	Asst Real Property Appraiser	\$20,332

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**RESOLUTION NO. – APPROPRIATION FROM CONTINGENT FUND – TERMINAL-PAY REIMBURSEMENT – HEALTH DEPARTMENT**

It was MOVED by Mr. Hattery, seconded by Mr. Dennis, and unanimously adopted by voice vote, to approve the following resolution and submit to the full Legislature.

WHEREAS, the Health Department had a Public Health Sanitarian resign effective August 31, 2008, and

WHEREAS, the Fiscal Policy of Tompkins County allows for terminal-pay reimbursement from the Contingent Fund, now therefore be it

RESOLVED, on recommendation of the Health and Human Services and the Budget and Capital Committees, That the Director of Finance is hereby authorized and directed to make the following budget appropriation:

FROM:	A1990.54440	Contingent Fund	\$606
TO:	A4090.51000535	Public Health Sanitarian	\$439
	A4090.58800	Fringes	\$167

**SEQR ACTION:** TYPE II-20

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**RESOLUTION NO. – APPROPRIATION FROM CONTINGENT FUND – TERMINAL-PAY – REIMBURSEMENT - TOMPKINS COUNTY ADMINISTRATION**

It was MOVED by Ms. Mackesey, seconded by Mr. Hattery, and unanimously adopted by voice vote, to approve the following resolution and submit to the full Legislature.

WHEREAS, the Tompkins County Administration's Administrator retired effective March 26, 2008, and

WHEREAS, the Fiscal Policy of Tompkins County allows for terminal-pay reimbursement from the Contingent Fund, now therefore be it

RESOLVED, on recommendation of the Government Operations and the Budget and Capital Committees, That the Director of Finance is hereby authorized and directed to make the following budget appropriation:

FROM: A1990.54440	Contingent Fund	\$34,985.57
TO: A1230.51000253	Administrator	\$34,985.57

Note: Vacation	474.5 hours	\$25,519.84
Compensatory	120 hours	6,453.91
Personal	48 hours	2,581.56
Holiday	8 hours	430.26

**SEQR ACTION: TYPE II-20**

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**RESOLUTION NO. - AUTHORIZING THE ISSUANCE OF \$6,500,000 SERIAL BONDS OF THE COUNTY OF TOMPKINS, NEW YORK, TO PAY A PORTION OF THE COST OF RENOVATION AND RECONSTRUCTION OF AN OFFICE BUILDING**

MOVED by Mr. Dennis, seconded by Ms. Mackesey.

Mr. Squires said although this resolution provides the authority to borrow \$6.5 million, the construction estimate is under \$6 million. Ms. Herrera said she will support this resolution at this meeting but would like to see final construction figures. Mr. Dennis, member of the Health Department Building Committee, said he will see that the full Legislature receives that information.

A voice vote on approving the resolution and presenting to the full Legislature resulted as follows: Ayes – 5, Noes – 0. MOTION CARRIED.

WHEREAS, Tompkins County (the "County"), a local agency pursuant to the New York State Environmental Quality Review Act ("SEQRA"), ECL Section 8-0101, *et seq.*, and implementing regulations, 6 NYCRR Part 617 (the "Regulations"), having reviewed the impact of a capital improvement project consisting of the acquisition of a ground lease interest in approximately 5.4 acres located at 55 Brown Road in the Village of Lansing, New York, the purchase of certain improvements located thereon consisting of an approximately 33,054 square foot, two story office building, and the renovation and reconstruction of such improvements (collectively, the "Project"), upon the environment, previously determined by resolution dated September 10, 2007, that the Project will not result in any significant adverse environmental impacts, and

WHEREAS, it is now desired to authorize the undertaking and financing of the renovation and reconstruction of improvements located at 55 Brown Road in the Village of Lansing, New York, now therefore be it

RESOLVED, on recommendation of the Budget and Capital Committee, That the County Legislature of the County of Tompkins, New York, as follows:

Section 1. For the class of objects or purposes of paying a portion of the cost of a capital improvement project (the "Project") consisting of renovation, reconstruction, and upgrades to the existing facility located at 55 Brown Road in the Village of Lansing, New York, together with all related site

improvements, original furnishings, fixtures, equipment, machinery and apparatus required for such purposes, architectural fees, and all other necessary costs incidental to such work and the financing thereof, there are hereby authorized to be issued \$6,500,000 serial bonds of the County of Tompkins, New York, pursuant to the provisions of the Local Finance Law. The County is hereby authorized to undertake the Project.

Section 2. It is hereby determined that the maximum estimated cost of the aforesaid class of objects or purposes is \$6,500,000 and that the plan for the financing thereof is by the issuance of up to \$6,500,000 serial bonds hereby authorized to be issued pursuant to this bond resolution and the levy and collection of taxes on all the taxable real property in the County to pay the principal of said bonds and the interest thereon as the same shall become due and payable.

Section 3. It is hereby determined that the period of probable usefulness of the aforesaid class of objects or purposes is thirty years under subdivision 11(a)(1) of paragraph a. of Section 11.00 of the Local Finance Law. It is hereby further determined that the maximum maturity of the serial bonds herein authorized will exceed five years.

Section 4. Subject to the provisions of the Local Finance Law, the power to authorize the issuance of and to sell bond anticipation notes in anticipation of the issuance and sale of the serial bonds herein authorized, including renewals of such notes, is hereby delegated to the County Director of Finance, the chief fiscal officer. Such notes shall be of such terms, form and contents, and shall be sold in such manner, as may be prescribed by said County Director of Finance, consistent with the provisions of the Local Finance Law.

Section 5. The faith and credit of said County of Tompkins, New York, are hereby irrevocably pledged for the payment of the principal of and interest on such bonds as the same respectively become due and payable. An annual appropriation shall be made in each year sufficient to pay the principal of and interest on such bonds becoming due and payable in such year. There shall annually be levied on all the taxable real property of said County a tax sufficient to pay the principal of and interest on such bonds as the same become due and payable.

Section 6. Such bonds shall be in fully registered form and shall be signed in the name of the County of Tompkins, New York, by the manual or facsimile signature of the County Director of Finance and a facsimile of its corporate seal shall be imprinted or impressed thereon and may be attested by the manual or facsimile signature of the County Clerk.

Section 7. The powers and duties of advertising such bonds for sale, conducting the sale and awarding the bonds, are hereby delegated to the County Director of Finance, who shall advertise such bonds for sale, conduct the sale, and award the bonds in such manner as he or she shall deem best for the interests of the County; provided, however, that in the exercise of these delegated powers, he or she shall comply fully with the provisions of the Local Finance Law and any order or rule of the State Comptroller applicable to the sale of municipal bonds. The receipt of the County Director of Finance shall be a full acquittance to the purchaser of such bonds, who shall not be obliged to see to the application of the purchase money.

Section 8. All other matters, except as provided herein relating to such bonds including determining whether to issue such bonds having substantially level or declining annual debt service and all matters related thereto, prescribing whether manual or facsimile signatures shall appear on said bonds, prescribing the method for the recording of ownership of said bonds, appointing the fiscal agent or agents for said bonds, providing for the printing and delivery of said bonds (and if said bonds are to be executed in the name of the County by the facsimile signature of the County Director of Finance, providing for the manual countersignature of a fiscal agent or of a designated official of the County), the date, denominations, maturities and interest payment dates, place or places of payment, and also including the consolidation with other issues, shall be determined by the County Director of Finance. It is hereby determined that it is to the financial advantage of the County not to impose and collect from registered owners of such serial bonds any charges for mailing, shipping and insuring bonds transferred or exchanged by the fiscal agent, and, accordingly, pursuant to paragraph c of Section 70.00 of the Local Finance Law, no such charges shall be so collected by the fiscal agent. Such bonds shall contain substantially the recital of validity clause provided for in Section 52.00 of the Local Finance Law and shall otherwise be in such form and contain such recitals in addition to those required by Section 52.00 of the Local Finance Law, as the County Director of Finance shall determine.

Section 9. The temporary use of available funds of the County, not immediately required for the purpose or purposes for which the same were borrowed, raised or otherwise created, is hereby authorized pursuant to Section 165.10 of the Local Finance Law, for the capital purposes described in Section 2 of this resolution. The reasonably expected source of funds to be used to initially pay for the expenditures authorized by Section 3 of this resolution shall be from the County's General Fund. It is intended that the County shall then reimburse expenditures from the General Fund with the proceeds of the bonds and bond anticipation notes authorized by this resolution and that the interest payable on the bonds and any bond anticipation notes issued in anticipation of such bonds shall be excludable from gross income for federal income tax purposes. This resolution is intended to constitute the declaration of the County's "official intent" within the meaning of Treasury Regulation Section 1.150-2 to reimburse the expenditures authorized by this resolution with the proceeds of the bonds and bond anticipation notes authorized herein. Other than as specified in this resolution, no monies are reasonably expected to be, received, allocated on a long-term basis, or otherwise set aside with respect to the permanent funding of the objects or purposes described herein.

Section 10. The validity of such bonds and bond anticipation notes may be contested only if:

- 1) Such obligations are authorized for an object or purpose for which said County is not authorized to expend money, or
- 2) The provisions of law which should be complied with at the date of publication of this resolution are not substantially complied with, and an action, suit or proceeding contesting such validity is commenced within twenty days after the date of such publication, or
- 3) Such obligations are authorized in violation of the provisions of the Constitution.

Section 11. This resolution, which takes effect immediately, shall be published in full in The Ithaca Journal, the official newspaper of said County, together with a notice of the Clerk of the County Legislature in substantially the form provided in Section 81.00 of the Local Finance Law.

**SEQR ACTION:** TYPE II-20

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### **TC3 Capital Program Request**

While the Committee awaited the arrival of TC3 representatives, Ms. Jayne read the following email received from Mr. Marx, Commissioner of Planning and Public Works:

"I have received the PAR forms from the proposed capital expenses associated with projects at TC3. I must say that these types of requests undermine our efforts to carefully plan and budget for needed capital expenditures in the County. As you know we have many identified currently unfounded capital needs for records storage, office space for COFA, as well as improvements to the Public Safety Building. The future use of the Old Library for the Community Justice Center will be an issue we have to address and we have major unfunded needs for maintenance of existing buildings. We have tried to be very careful in bringing forward capital projects in a manner that allows them to be accommodated with the minimum possible impact on the tax levy. Projects that are inserted into the budget at the last minute and that have not been previously identified will make it extremely difficult to achieve that goal in the future. I urge extreme caution in agreeing to fund such projects that are not part of our current capital plan. I intend to prepare an update to the 20-year capital plan in 2009 to incorporated updated information on County projects and other anticipated needs."

Mr. Shinagawa summarized the two projects. The first is the classroom project that includes nine new classrooms that TC3 would like to have by the fall of 2009. Although this request came about suddenly, President Haynes believes there is a sizable amount of State aid available. Mr. Haynes will explain how he intends to use capital chargeback money to fund the project until the State aid comes in. Over the summer an electrical panel caught fire and caused a power outage during construction at the College; the second resolution will address replacement of the electrical system.

Mr. Squires said the College's position is that they have a fund balance that would allow them to do the classroom project without impacting the County having to borrow money for its share of the project. He said this is true based upon the College's cash flow; however, it puts at risk future payments

from the College to reimburse the County for the outstanding debt which the College is scheduled to make payment to the County on each year. It puts that money at risk, depending on whether there is any State assistance, because they would drain the entire fund balance. Mr. Squire said the College brings in \$.5 million in chargebacks and the College has pledged to reimburse the counties (Tompkins and Cortland) \$725,000 per year. Therefore, the chargebacks do not cover the commitment and is being draining down the balance on hand.

TC3 representatives arrived at this time.

President Haynes said there is no financial implication for the County in the Classroom project, but County approval is need for the project to move forward. He said he supports the use of chargeback funds for this project because a lot of the College's funding is coming from out-of-county students. He spoke of the electrical panel project and stated SUNY does have funding for emergency life-safety types of projects. The College has communicated with SUNY about this project and was advised TC3 would be eligible for 50% funding, provided approval was received from both sponsors.

Mr. Haynes said the College is feeling pressure from the increased enrollment and is expecting a surge next year because of the increased housing and the existing economy and layoffs in the area. He doesn't believe the classroom project can wait and has learned from SUNY that the College has up to 18 months to submit to the State for reimbursement. The reason for this abrupt request to the County is to enable the College to have the opportunity to lock in on State aid. He said he was informed that if these resolutions were delivered to SUNY by November it would be much easier to receive the funding.

Mr. Turner said the electrical panels that exist in the building were manufactured 20 years ago by a company that is no longer in business. There older they get the worse they get and they barely meet specifications. They are a liability for the College because they are a safety hazard and could cause multiple power outages in portions of the building. Mr. Shinagawa asked if the panels could be replaced incrementally over multiple years. Mr. Turner said that is possible but would result in higher costs.

Mr. Haynes said he understands the County's budgeting concerns and would be willing to work with the County on an actual timeline for the electrical panel project. The classroom project needs to move forward as soon as possible.

Mr. Squires asked Mr. Haynes what would happen if the State aid did not come through for the classroom project. Mr. Haynes said the project is a \$2 million of which \$800,000 is coming from State aid and the remaining from chargebacks. They have fund-raised money that would get the college through to 2009 when payments would have to be made. He said it would result in a couple of very tight budget years but believes the greater risk would be not to proceed with the project. By not moving forward with the project the College's chargeback funds that the College is expecting.

Ms. Herrera acknowledged TC3 has been visionary in getting international students and being there when there is a real need in times of a recession, however, said she is troubled by the speed by which this request has come forward because she has repeatedly said no to departments when they have requested funds. She asked that there be time allowed for further explanation and that a decision be made after the 2009 budget is adopted. She thinks doing so beforehand sends a bad message to departments.

Mr. Haynes spoke to the timeframe in which this needs to move forward and said SUNY needs resolutions from County sponsors in the month of November to have an excellent chance in receiving State aid. Any delay in that further jeopardizes funding.

Mr. Dennis asked Mr. Haynes to explain what impact these projects would have on the 2009 budget. Mr. Haynes said there is no financial impact on the County with the classroom project. Under the worst case scenario TC3 may have to adjust its payment schedule if State aid doesn't come through. On the electrical panel project, Mr. Haynes said if the County could agree to the project there could be an

understanding between the County and the College that the project wouldn't proceed until the County felt comfortable in proceeding.

Ms. Mackesey said she agrees the County has an obligation to help TC3, the problem is that it is coming at a difficult economic period of time. The County spends a lot of time preparing its Capital plan and a request at this late time creates "a wave" because of the request. She said she is not struggling with the County's commitment to TC3, but is taking all of the different issues at play at the present time and evaluating each.

Mr. Hattery spoke of the County's Capital Plan and said when a capital request comes in that is treated in a manner differently than others it is not fair to the County's other partners. He also said he believes there could have been further communication about the student population issue ahead of being presented with this request. Mr. Haynes said TC3 experienced an increased enrollment this fall and it took a couple of months to address that and this is the result. He said he will support the classroom project resolution if the Finance Director is comfortable with the chargeback funds

A suggestion was made that the electrical panel resolution be amended to include reference to when the project would begin. Mr. Haynes said SUNY requires a commitment by the sponsors by approval of the resolution language as presented. He would agree to work together with the County on proceeding with the project.

Mr. Haynes spoke again to the risk of not proceeding with the classroom project and said not being able to accommodate a couple hundred students will have a huge negative impact on the College's operating and capital funds.

**RESOLUTION NO. - ENDORSING TOMPKINS CORTLAND COMMUNITY COLLEGE CLASSROOM PROJECT**

MOVED by Mr. Hattery, seconded by Mr. Dennis. Mr. Shinagawa requested a one-page cost benefit summary and cash flow projects be sent to the full Legislature. A voice vote resulted as follows: Ayes – 4, Noes – 1 (Herrera). MOTION CARRIED.

WHEREAS, the Tompkins County Legislature and the Cortland County Legislature as sponsors of Tompkins Cortland Community College, recognize the need for additional classroom space within the Tompkins Cortland Community College campus to accommodate enrollment growth, and

WHEREAS, the College has created a plan for renovation of the existing facility that will create nine (9) additional classrooms, and

WHEREAS, the College estimates that all costs associated with renovating the existing facility to accommodate nine (9) additional classrooms will not exceed \$2 million, now therefore be it

RESOLVED, on recommendation of the Budget and Capital Committee, That the County sponsors do hereby approve the Tompkins Cortland Community College Classroom Project,

RESOLVED, further, That the College is hereby authorized to submit this project to the State University of New York for the State's fifty percent funding share,

RESOLVED, further, That the County sponsors hereby approve the undertaking of the Classroom Project and that Tompkins County's portion of the local share of said project shall be appropriated from the capital chargeback fund,

RESOLVED, further, That Tompkins Cortland Community College will submit to the State University of New York appropriate applications and information necessary for approval and funding of the Classroom Project,

RESOLVED, further, That certified copies of this Resolution be sent to the Cortland County Legislature, the Board of Trustees of Tompkins Cortland Community College, the Board of Trustees of the State University of New York, and the State University Construction Fund,

RESOLVED, further, That this Resolution shall become effective upon the adoption of a concurrent resolution by the Cortland County Legislature.

**SEQR ACTION: TYPE II-20**

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**RESOLUTION NO. - ENDORSING TOMPKINS CORTLAND COMMUNITY  
ELECTRICAL PANEL REPLACEMENT PROJECT**

MOVED by Mr. Dennis, seconded by Ms. Mackesey. Ms. Mackesey said while she has hesitation and concerns about the capital project she doesn't think the electrical panel project falls under the same category as building a new building. She thinks the County has an obligation to move forward and not put it off as it is a fundamental infrastructure and safety issue. Mr. Shinagawa said he will support resolution but project needs to be placed in the capital plan. Mr. Haynes was agreeable with this. He spoke of further infrastructure needs the College may have that will need to be addressed and said SUNY will be conducting a survey of needs soon. The College will also be undertaking two other projects, one is to lower energy consumption and the other is a cafeteria/food service project. No funding request will be made to the county for these projects. A voice vote on the resolution resulted as follows: Ayes – 4, Noes – 1 (Herrera). MOTION CARRIED.

WHEREAS, the Tompkins County Legislature and the Cortland County Legislature as sponsors of Tompkins Cortland Community College, recognize the need to replace obsolete electrical equipment which pose a health and safety threat as well as interruption of operations, and

WHEREAS, the College has created a plan for replacement of all obsolete electrical equipment, and

WHEREAS, the College estimates that all costs associated with replacing all obsolete electrical equipment will not exceed \$1.6 million, now therefore be it

RESOLVED, on recommendation of the Budget and Capital Committee, That the County sponsors do hereby approve the Tompkins Cortland Community College Electrical Panel Replacement Project,

RESOLVED, further, That subject to the approval of said Electrical Panel Replacement Project by the State University of New York and the appropriation of fifty percent State funding, this Legislature does hereby agree to secure funding for Tompkins County's portion of the local share for said project,

RESOLVED, further, That Tompkins Cortland Community College will submit to the State University of New York appropriate applications and information necessary for State approval and funding of the Electrical Panel Replacement Project,

RESOLVED, further, That certified copies of this Resolution be sent to the Cortland County Legislature, the Board of Trustees of Tompkins Cortland Community College, the Board of Trustees of the State University of New York, and the State University Construction Fund,

RESOLVED, further, That this Resolution shall become effective upon the adoption of a concurrent resolution by the Cortland County Legislature.

**SEQR ACTION: TYPE II-20**

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**Adjournment**

The meeting adjourned at 5:47

Respectfully submitted by Michelle Pottorff, TC Legislature Office