

**STEUBEN COUNTY AD HOC OFFICE SPACE COMMITTEE
STEUBEN COUNTY FINANCE COMMITTEE**

Joint Special Meeting

Monday, September 28, 2020

9:30 a.m.

*Legislative Chambers, 3rd Floor, Annex Building
Bath, New York*

****MINUTES****

COMMITTEE:	Robin K. Lattimer, Chair Brian C. Schu	Carol A. Ferratella, Vice Chair Gary D. Swackhamer	John V. Malter Scott J. Van Etten
	Gary D. Swackhamer, Chair Robert V. Nichols	Kelly H. Fitzpatrick, Vice Chair Gary B. Roush	John V. Malter
STAFF:	Jack K. Wheeler Mitch Alger Amy Dlugos Tina Goodwin Nate Alderman	Christopher Brewer Brenda Scotchmer Andy Morse Brooks Baker Yvonne Erway	Tammy Hurd-Harvey Jennifer Prossick Jennifer DeMonstoy Rob Wolverton
LEGISLATORS:	K. Michael Hanna Steven P. Maio Paul E. Van Caesele	Jeffrey P. Horton Frederick G. Potter	Hilda T. Lando Thomas J. Ryan
OTHERS:	Mary Perham		

I. CALL TO ORDER

Ms. Lattimer called the meeting to order at 9:33 a.m.

II. GENERAL BUSINESS

A. County Manager

1. **Financing Options for Phase II of Court and County Office Complex Renovations** – Mrs. Hurd-Harvey reviewed the financing options that she had sent out to the Legislators a week ago. At this point in time it is unknown if the Office of Court Administration (OCA) would consider reimbursing a portion of the interest costs were we to bond some or all of the estimated costs because we have already been reimbursed for actual construction. If we were to pay all cash, the net cost would be \$5,760,000. The next two options are bonding for \$6 million for either ten years at 1.25 percent or five years at 1 percent. The total bonding cost estimate for bonding \$6 million for ten years would be \$6,245,314 and assuming OCA reimburses us at 66 percent of interest, that estimate is \$6,217,907. The five year option would be \$6,006,200 total or \$6,136,608 if OCA reimburses us at 66 percent of interest. The final two options are bonding for \$3 million for ten years or five years. The \$3 million bond option for ten years total estimate is \$5,998,050 and with the OCA reimbursement of 66 percent of interest would be \$5,137,137. The \$3 million bond option for five years total estimate is \$5,920,500 and with the OCA reimbursement of 66 percent of interest would be \$6,110,0770.

Mr. Malter asked what are we making on our investments at this point? Mrs. Hurd-Harvey replied the banks are eager to keep our money. We have one T-bill remaining that fluctuates between .3 percent and .28 percent. Mr. Malter asked if we pay the project costs ourselves, what will be the OCA reimbursement? Mr. Wheeler replied OCA estimates between \$125,000 - \$150,000 per year for construction. This past year we requested \$140,000 and OCA seemed very comfortable with that. Mr. Malter commented the best way to go is to pay the cost ourselves. Mr. Van Etten, Mr. Wheeler and Mrs. Hurd-Harvey stated they all agreed.

Mr. Van Etten commented we would be better off paying the costs ourselves. The risk is would they do a modified plan. Mr. Wheeler stated he spoke with the attorney at OCA and the indication was that yes, we could do this, but we do not have that in writing.

Mr. Swackhamer asked when will the Jail bond be paid off? Mrs. Hurd-Harvey replied that will be paid in 2021.

Ms. Fitzpatrick commented the reason for considering is not necessarily because it is cheaper to pay out of pocket, but because of concerns as we move forward into the budget process. How much will we deplete our fund balance? Mr. Wheeler replied with the size of the fund balance and the fact that we are managing the loss of revenue by not filling vacancies and not doing some capital improvements, I think we will end up in a fair spot. I don't particularly have a cash concern. Mrs. Hurd-Harvey commented I don't either. We have never had to overtly worry about cash. Mr. Malter commented the fund balance has grown over the past five to six years that I have been here.

Mr. Maio asked what fund are we pulling the cash from? Mrs. Hurd-Harvey replied there is a capital project. Mr. Maio asked what is our fund balance? Mrs. Hurd-Harvey replied it is close to \$67 million.

Secretary's Note: Following the meeting, Mrs. Hurd-Harvey sent an email stating that the General Fund unassigned fund balance as of December 31, 2019 was \$71,863,734.

Mr. Van Etten commented when I first started the fund balance was in the \$40 million range. That is why you have it; for these types of situations. Given what the balance is and the fact that it would cost us \$160,000 to bond, it is more prudent to pay cash for the project.

Mr. Swackhamer asked is it still open to bond at any time? Mr. Wheeler replied it is, but the reimbursement from OCA would be at risk if we did decide to bond at a later date.

MOTION: TO ADJOURN MADE BY MS. FITZPATRICK. SECONDED BY MR. MALTER. ALL BEING IN FAVOR. MOTION CARRIES 6-0.

Respectfully Submitted by

Amanda L. Chapman
Deputy Clerk
Steuben County Legislature