

Finance & Rules Committee

June 29, 2021

Minutes

Members Present: Committee Chair Michael Montigelli, Legislators Robert Cantwell, William Johnson, Allen Drake, James Nabywaniec, Patrick Jareo, Board Chair Scott Gray

Others Present: Legislators Daniel McBride, John Peck, Jeremiah Maxon, and Anthony Doldo, County Administrator Robert Hagemann, Deputy Administrator Sarah Baldwin, County Attorney David Paulsen, JCC Executive Vice President and Treasurer Daniel Dupee, JCIDA/JCLDC CEO David Zembiec, Watertown Daily Times Reporter Alex Gault, Confidential Secretary Jill Jones

Chairman Montigelli called the meeting to order at 6:42 and offered privilege of the floor.

Attorney James Burrows, Conboy, McKay, Bachman & Kendall, as part of his work in representing towns in the North Country, addressed the Committee concerning the changes that the JCIDA is making to the Uniform Tax Exemption Policy (UTEP). He expressed support for the IDA and the important work they do. He said he also generally supports the UTEP and the IDA has put a lot of time and effort into amendments to the UTEP, however he expressed concern about a sentence, i.e. Section A 2 d. that was added to the document. "Any participation by the Agency in sponsoring a renewable energy project shall take into account whether a project sponsor enters into one or more host community agreements". He said the host community agreements do not impact the County, schools or the IDA but mean a lot to the towns that host the projects. The towns face burdens in hosting the projects (road use, decommissioning, etc.) and these agreements typically provide extra money so the towns can tackle those issues and they are not passed onto local tax payers. He said the IDA does not need to be involved with the host agreements and felt their involvement could negatively affect the towns. He said that he did not attend the public hearing on the UTEP, and recognized that it is ultimately a decision of the IDA to include the amendment, but hoped that the County could encourage the IDA to delete that language from the UTEP.

John Phillips, 735 Mill Street, Watertown, NY expressed his opinion that the new roundabout at the edge of the City of Watertown onto Route 11 will not fit City buses and 18-wheelers, and it should be changed back to the way it was except get rid of the crossover. He also said there are designated bike only lanes within the City of Watertown that should be designated for other things such as motorized wheel chairs and carts as they have no where to go and end up driving in the street.

The Committee approved the minutes of the May meeting, as written.

JCC Executive Vice President Dan Dupee made a power point presentation to the Committee regarding the 2021-2022 JCC Budget (copy attached for file reference). He said they

continue to work on their 2020-2025 Strategic Plan which has four main components: Pathways, Student Experience, Partnerships and Financial Sustainability. He noted that 69% of Jefferson County residents rate access to higher education as either excellent or good. He went over the various points of pride and accomplishments of JCC from the past year, as well as community involvement including the collaboration with Jefferson County Public Health Service and community partners in hosting the COVID-19 Vaccination Clinics at JCC; more than 17,000 shots were administered on campus.

He noted that the College maintained a less than 1% COVID-19 positivity rate on campus throughout the pandemic. He advised that 73% of JCC students are Jefferson County residents, and in Academic Year 2020-21, 491 degrees were conferred on 484 students. The anticipated 19% enrollment decrease from 2019-2020 to 2020-2021 was only 10% last fall; however the College is developing a Strategic Enrollment Plan, and they expect a draft of that plan to be ready in July. Dr. Dupee said the higher education marketplace is changing and the College will need to adjust accordingly to provide what is needed to attract students as well as keep up with the infrastructure on campus and with personnel, all with declining funding sources. The impact of those changes will be increased costs, more financial burden on students and more of a focus on outcomes.

With regard to their budget process, the College plans to increase their fund balance from 9% to 11 % and have already done so as their fund balance is currently at 12.7%; it was expected to increase significantly because of the stimulus dollars they received. They are not hiring people with the stimulus money, they are using it for one time costs or costs that have a three year or less life cycle, and they will also use it minimally to cover lost revenues. The College continues to work on their Capital Plan which goes with their Strategic Plan through 2025. The Capital Plan will be coming to the Board of Legislators in the next three to five months.

Dr. Dupee said the community colleges advocated for a floor funding model and an FTE rate increase from SUNY and received both, and with that they could either receive 98% of their budgeted 2020 State Aid amount/or \$50/FTE increase, whichever was higher, and they ended up with the 98%. The total projected budget for 2021-2022 is \$28.5 million, it includes \$2.8 million in stimulus funding, with no tuition increase, planned fund balance usage of \$638,012 and the sponsor share from Jefferson County will remain the same. The funding mix is: 23.1% State; 35.8% tuition and fees; 26% local share; 9.8% stimulus; 5.3% offset revenues. The plan for the Fall is to have students on campus, and offer classes through hybrid, hy-flex, online and face to face modalities. They are working on a Residence Hall quarantine plan and can not open the dorms 100%, as they still need one floor for quarantine, but they are hoping they will not need to use it. Dr. Dupee said they appreciate the commitment and support of Jefferson County and along with providing a high quality and affordable education for the community their mission is educate, inspire and empower.

JCIDA/JCLDC CEO David Zembiec addressed the Committee regarding proposed changes to the UTEP agreement and provided a copy to legislators. He said 90% of the changes are rewording as they put things in more plain language and easier to read with less legalese; and they also rearranged the order of things so it flows better with regard to tax abatements, sales tax,

and mortgage tax especially. The substantive changes are in the section dealing with renewable energy. He said they changed the policy previously to be in line with the County's policy concerning alternative energy under 25 megawatts. The changes now deal with how they calculate solar projects with a per megawatt fee, and a 2% escalator. The section spoken about earlier by Attorney Burrows concerning host community agreements was also added in that section, on the advice of their counsel. He said it is pretty standard language in UTEPs per their review of UTEPs throughout the State. It allows IDA to take things into consideration and have discretion in working with the local community, and is intentionally broad to allow them to weigh all the financial packages associated with a project. He said it also provides some level of consistency and maintains a level playing field in dealing with the developers and taxing jurisdictions to have everyone at the table understanding how the host community agreement plays into the whole big picture; that way the taxing jurisdictions are not jockeying against each other for a better deal. He said they did have a public hearing on the UTEP and prior to that sent out a letter to each taxing jurisdiction elected official, school district superintendents, and counties to make them aware of it. A few people asked for explanations, but no other comments were made at the public hearing. The IDA will formally be adopting the UTEP at their July 9th Board meeting.

Chairman Montigelli decided to deviate from the agenda and address the two JCC Budget resolutions first. He introduced a resolution Adopting the 2021-2022 Jefferson Community College Budget and entertained a motion for consideration. A motion was duly made by Legislator Drake seconded by Legislator Cantwell and there being no discussion, the Committee agreed to sponsor the resolution as presented.

Chairman Montigelli introduced a resolution Appropriation for the Conduct of Jefferson Community College for Fiscal Year 2021-2022 and entertained a motion for consideration. A motion was duly made by Legislator Johnson seconded by Legislator Jareo and there being no discussion, the Committee agreed to sponsor the resolution as presented.

Chairman Montigelli introduced a resolution Authorizing the Vacating of Judgment of Foreclosure for Owners of Certain Parcels of Real Property and Discontinuance of Foreclosure Proceeding and entertained a motion for consideration. A motion was duly made by Legislator Drake seconded by Legislator Johnson and there being no discussion, the Committee agreed to sponsor the resolution as presented.

Chairman Montigelli introduced a resolution Concurring in Settlement of Tax Certiorari Proceedings and Authorizing Refund of Taxes in Connection Therewith (WDC Carthage Associates) and entertained a motion for consideration. A motion was duly made by Legislator Nabywaniec seconded by Legislator Drake and there being no discussion, the Committee agreed to sponsor the resolution as presented.

Chairman Montigelli introduced a resolution Authorizing Use of Capital Chargebacks to Match State Aid in Relation to the Jefferson Community College Green Campus Entryway Project and entertained a motion for consideration. A motion was duly made by Legislator Jareo seconded by Legislator Nabywaniec and there being no discussion, the Committee agreed to

sponsor the resolution as presented.

Chairman Montigelli introduced a resolution Authorizing Sublease Agreement with Adams and Associates, Inc, dba Glenmont Job Corps Center and entertained a motion for consideration. A motion was duly made by Legislator Johnson seconded by Legislator Cantwell and there being no discussion, the Committee agreed to sponsor the resolution as presented.

Chairman Montigelli introduced a resolution Designation of Depositories for 2021 and entertained a motion for consideration. A motion was duly made by Legislator Nabywaniec seconded by Legislator Johnson and there being no discussion, the Committee agreed to sponsor the resolution as presented.

Chairman Montigelli introduced a resolution Amending the 2021 County Budget in Relation to Recycling & Waste Management and entertained a motion for consideration. A motion was duly made by Legislator Johnson seconded by Legislator Drake and there being no discussion, the Committee agreed to sponsor the resolution as presented.

The following General Services Committee sponsored resolutions were approved by the Committee on a motion by Legislator Jareo seconded by Legislator Nabywaniec and unanimously carried:

- ✓ Amending the 2021 County Budget in Relation to On-Call and Call-In Pay for District Attorney's and Public Defender's Offices
- ✓ Authorizing Agreement with the NYS Division of Homeland Security and Emergency Services in Relation to the Federal Domestic Preparedness Equipment Program and Amending the 2021 County Budget in Relation Thereto
- ✓ Amending the 2021 County Budget and Capital Plan in Relation to the Highway Department CHIPS Funding
- ✓ Amending the 2021 County Budget and Capital Plan in Relation to a County Bridge Account

The following Health & Human Services Committee sponsored resolutions were approved by the Committee on a motion by Legislator Jareo seconded by Legislator Cantwell and unanimously carried:

- ✓ Amending the 2021 County Budget to Allocate Additional State Aid for Community Services Programs and Authorizing Amended Agreements in Relation Thereto
- ✓ Amending the 2021 County Budget to Reappropriate Funding for Community Services Department
- ✓ Amending the 2021 County Budget Relative to Public Health Department Accounts
- ✓ Accepting Funding for New Epidemiology and Laboratory Capacity COVID-19 Local Health Department Allocation Funding and Amending the 2021 County Budget in Relation Thereto

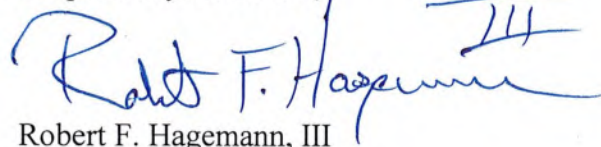
Legislator Nabywaniec said sales tax this quarter was up but was not sure how that can be maintained as private business is still struggling, particularly the auto industry. Auto dealerships have very little inventory and that is not expected to bounce back in the short term due to the shortage of certain components they need, and we may see a drop in our sales tax numbers

because of it.

County Attorney Paulsen wanted to make the Board aware that there is movement with the Opioid Lawsuit. He said New York State lawsuits moved forward with a test case in Suffolk County and there was a settlement with Johnson & Johnson, and there may be others. He just received word from the Cicala Law Firm that there is also movement with the Purdue Pharma bankruptcy and the County may have to make some decisions next week. He said they are trying to determine how much would be available in the pot of money for all of the municipalities in the lawsuit. If a settlement is accepted the money will be distributed to all the lawsuit participants. The Bankruptcy court will be making a decision on July 14, and the County will have to vote to accept the settlement proposal or not before that date. Attorney Paulsen anticipated having more definite information at the July 6th Board Session.

There being no further business of the Committee, on a motion by Legislator Johnson seconded by Legislator Cantwell and unanimously carried, the meeting was adjourned at 7:30 p.m.

Respectfully submitted,

A handwritten signature in blue ink that reads "Robert F. Hagemann, III". The signature is written in a cursive style with a large, stylized "H" and "M".

Robert F. Hagemann, III
Clerk of the Board