

**MANAGEMENT AND BUDGET COMMITTEE
THURSDAY, February 14, 2013 9:00AM**

**Committee Members: Jonathan Rouis, Chair, Cindy Kurpil Gieger, Vice Chair,
Kitty Vetter, Cora Edwards, Gene Benson**

AGENDA

PRESENTATIONS:None

DISCUSSIONS:

1. Investment Policy and Debt Policy – Ira Cohen, County Treasurer

RESOLUTIONS

AUDIT - None

COUNTY TREASURER –None

GRANTS- None

MANAGEMENT AND BUDGET –

1. To approve a Sullivan County Revolving Loan.
2. Accepting the recommendations of the Sullivan County Solid Waste/Recycling Fee Grievance Committee.

MANAGEMENT INFORMATION SYSTEMS –

3. To execute an agreement with Hudson River Healthcare, Inc. for data exchange with the Department of Community Services.
4. To execute and agreement with Open Door Family Medical Center, Inc. AKA Hudson Valley Care Coalition for data exchange with the Department of Community Services.

PUBLIC COMMENT



**COUNTY OF SULLIVAN
LEGISLATIVE MEMORANDUM**

TO: County Legislature

FROM: Luiz C. Aragon

Title: Commissioner

Department: Planning & Environmental Management

COMMITTEE WITH JURISDICTION

- Community & Economic Development Management & Budget Public Works
 Executive Personnel Veterans
 Government Services Planning, Environmental Management & Real Property
 Health & Family Services Public Safety

Check all that apply

SUBJECT OF RESOLUTION: Approve an Main Street Microenterprise Business Revolving Loan

PURPOSE OF RESOLUTION: Approve an Main Street Microenterprise Business Revolving Loan

DATE OF FIRST SUBMISSION: February 14, 2013

BRIEF DESCRIPTION: Approve an Main Street Microenterprise Revolving Loan for The Cyber Shack for \$15,000.

COSTS TO OTHER COUNTY PROGRAMS: None

Mandated Budgeted Budget Revision Necessary

FINANCIAL IMPACT:

Balance of

Projection:

	YR1	YR2	YR3	YR4
County Cost	\$	\$	\$	\$
State Funds	\$	\$	\$	\$
Federal Funds	\$	\$	\$	\$
Other	\$	\$	\$	\$
Total	\$	\$	\$	\$

If NONE check here:

**RESOLUTION NO. INTRODUCED BY THE MANAGEMENT & BUDGET
COMMITTEE TO APPROVE A SULLIVAN COUNTY REVOLVING LOAN**

WHEREAS, the Sullivan County Division of Planning & Environmental Management (“Division”) oversees the County Main Street Microenterprise Business Revolving Loan Funds funded through grants received from the New York Governor’s Office of Small Cities; and

WHEREAS, the Division has submitted the loan report to the Sullivan County Revolving Loan Fund Advisory Board; and

WHEREAS, the Advisory Board has considered such loan report and accompanying financial information and approved by majority the loan request listed below contingent upon certain conditions as outlined in the loan commitment letter.

<u>Borrower</u>	<u>Program</u>	<u>Amount</u>
Maurice Galant, The Cyber Shack	Main Street Microenterprise	\$15,000

NOW, THEREFORE, BE IT RESOLVED, that the Sullivan County Legislature hereby authorizes the Division to commence with the loan closing process and to have all the necessary documents executed to secure the loan in such form as approved by the County Attorney; and

BE IT FURTHER RESOLVED, that the Sullivan County Treasurer is hereby authorized to draw checks for the borrower in the amount indicated above.

**RESOLUTION OF THE MANAGEMENT AND BUDGET COMMITTEE
ACCEPTING THE RECOMMENDATIONS OF THE SULLIVAN COUNTY SOLID
WASTE/RECYCLING FEE GRIEVANCE COMMITTEE.**

WHEREAS, the Sullivan County Legislature (“Legislature”) Amended Local Law No. 7 of 2009 to Add a New Article VIII Establishing a Solid Waste Recycling Fee, and

WHEREAS, Local Law No. 7 of 2009 as amended provides for a Sullivan County Solid Waste/Recycling Fee Appeals Committee (“Committee”) to review written appeals from property owners, and

WHEREAS, the Committee wishes to report its recommendations to the Legislature, and

WHEREAS, the Committee has reviewed appeals and it recommends approving reduction/elimination of the user fee for properties detailed on the Recommended Approval List attached hereto as Appendix “A” and made a part hereof, and

WHEREAS, the Committee has reviewed appeals and it recommends denying reduction/elimination of the user fee for properties detailed on the Recommended Denial List attached hereto as Appendix “B” and made as part hereof.

NOW, THEREFORE, BE IT RESOLVED, that the Legislature acknowledges receipt of the Committee’s recommendations detailed on Appendix “A” and Appendix “B” and hereby ratifies said recommendations contained on Appendix A and B.

BE IT FURTHER RESOLVED, that the Legislature hereby authorizes the Sullivan County Treasurer, on behalf of the Committee to notify the property owners regarding approval/denial of their respective appeals.

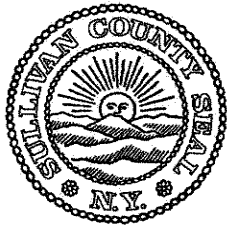
Moved by _____,
Seconded by _____,
and adopted on motion _____, 2012.

RECOMMENDED APPROVAL LI APPENDIX A

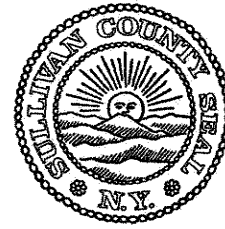
TOWN	SBL	CLASS COD	PRIMARY OWNER	ADDRESS	TWN ST ZIP	FEE	NEW	IMPACT
Bethel	25-1-13	330	Jesse & Irene Jakubowski	555 St Rt 55	Elfred, NY 12732	\$ 300.00	\$ -	\$ 300.00
Bethel	50-21-18	311	Gottfried Weissgerber	39 Stone House Rd	Somers, NY 10589	\$ 120.00	\$ -	\$ 120.00
Callicoon	20-1-35.2	210	Bernitt, Michael & Elizabeth	431 Bayer Road	North Branch NY 12766	\$ 300.00	\$ 120.00	\$ 180.00
Delaware	15-2-1	411	Charles E. Mills	PO Box 368	Callicoon, NY 12723	\$ 1,200.00	\$ 720.00	\$ 480.00
Highland	9-2-2	210	Mary Ellen Carney	104 Highland Lake Rd	Highland Lake NY 1273	\$ 300.00	\$ 120.00	\$ 180.00
Highland	13-7-4.7	331	1st National Bank of Jeffersonville	PO Box 398	Jeffersonville, NY 12748	\$ 300.00	\$ -	\$ 300.00
Liberty	35-1-17.1	311	Robin Ann Realty Co., Inc	One Cablevision Ctr	Liberty, NY 12754	\$ 120.00	\$ -	\$ 120.00
Liberty	44-1-34.2	322	Gerald Stalzer	36 Candlewood Lakd Road N.	New Milford, CT 066	\$ 120.00	\$ -	\$ 120.00
Mamakating	16-1-21	416	Blue Sky Homes, LLC	3832 State Rt 209	Wurtsboro, NY 12790	\$ 1,800.00	\$ 480.00	\$ 1,320.00
Mamakating	106-7-2	330	Mamakating Library	PO Box 806	Wurtsboro, NY 12790	\$ 120.00	\$ -	\$ 120.00
Thompson	110-1-3	417	Vila International Group	5118 71st St.	Woodside, NY 11377	\$ 1,800.00	\$ 480.00	\$ 1,320.00
Thompson	113-6-4	230	David Gillman	240 East Broadway	Monticello, NY 12701	\$ 480.00	\$ 360.00	\$ 120.00
Tusten	16-9-3.5	311	Shepperson, Morton	160-16 78th Rd	Flushing, NY 11366	\$ 120.00	\$ -	\$ 120.00
						\$ 7,080.00	\$ 2,280.00	\$ 4,800.00

RECOMMENDED DENIAL LIST APPENDIX B

TOWN	SBL	CLASS	COD PRIMARY OWNER	ADDRESS	TWN ST ZIP	FEE
Bethel	17.-1-3.1	483	Karin Loubal	PO Box 189	Damascus PA 18415	\$ 1,800.00
Bethel	40.-1-39.1	110	Harold Barber	PO Box 218	White Lake, NY 12786	\$ 120.00
Callicoon	20.-1-17.8	557	Commons Homeowners Assoc	PO Box 126	North Branch NY 12766	\$ 300.00
Fallsburg	14.-1-23	417	Cong Eitz Prei	230 Mountainview Dr.	Monroe, NY 10950	\$ 720.00
Fallsburg	22.-2-19	210	Charles Smyth	PO Box 93	Woodbourne, NY 12788	\$ 108.00
Forestburgh	33.-1-32.9	210	Tom Lemmerman	PO Box 458	Rock Hill, NY 12775	\$ 120.00
Highland	11.-1-52.3	210	David Greenberger	PO Box 133	Yulan, NY 12792	\$ 120.00
Liberty	21.-1-37.1	260	Camby, Sherry	23 Marling Lane	Pleasantville, NY 10570	\$ 120.00
Liberty	35.-1-17.2	312	Robin Ann Realty Co., Inc	One Cablevision Ctr	Liberty, NY 12754	\$ 120.00
Liberty	105.-5-11	210	Dara & Wm. Smith	62 Liberty Street	Liberty, NY 12754	\$ 120.00
Liberty	114.-7-3	312	Glenn Ertz	24 Jordan Ave	Liberty, NY 12754	\$ 120.00
Lumberland	12.-1-5.22	210	Richard & Kelly Birkenstock	179 Rio Dam Rd	Glen Spey, NY 12737	\$ 120.00
Mamakating	21.-1-1.3/25	270	Geraldine Ragusa	19 Laura Jean Ln	Wurtsboro, NY 12790	\$ 108.00
Mamakating	70.A-4-10.2	210	George & Geri Popet	PO Box 603	Westbrookeville, NY 12785	\$ 120.00
Thompson	110.-1-2	280	Vila International Group	5118 71st St.	Woodside, NY 11377	\$ 120.00
Tusten	10.-4-1	210	Arthur J Hawker	35 School St.	Narrowsburg, NY 12764	\$ 120.00
Tusten	16.-19-1	260	Tina Spangler	7 Macks Ln	Narrowsburg, NY 12764	\$ 120.00
Tusten	16.-19-2	210	Tina Spangler	7 Macks Ln	Narrowsburg, NY 12764	\$ 120.00



COUNTY OF SULLIVAN
LEGISLATIVE
MEMORANDUM



TO: County Legislature
 FROM: Joseph Todora
 TITLE: Director
 DEPARTMENT: Community Services

COMMITTEE WITH JURISDICTION

Check all that apply

- | | | |
|---|---|---|
| <input type="checkbox"/> Community & Economic Development | <input type="checkbox"/> Public Safety | <input type="checkbox"/> Health & Family Services |
| <input checked="" type="checkbox"/> Management & Budget | <input type="checkbox"/> Executive Committee | <input type="checkbox"/> Government Services |
| <input type="checkbox"/> Public Works | <input type="checkbox"/> Planning & Environmental Mgmt. | <input type="checkbox"/> Veterans |
| <input type="checkbox"/> Personnel | | |

SUBJECT OF RESOLUTION: Enter into an agreement with Hudson River Healthcare, Inc.
 PURPOSE OF RESOLUTION: New agreement between DCS and Hudson River Healthcare, Inc.
 DATE OF FIRST SUBMISSION: 2/1/13
 BRIEF DESCRIPTION: Agreement for data exchange between agencies.
 Costs to Other County Programs: None

- Mandated Budgeted Budget Revision Necessary

FINAL IMPACT:

Projection:

	Balance of			
	YR1	YR2	YR3	YR4
County Cost				
State Funds				
Federal Funds				
Other				
Total	\$0			

If NONE, check here:

Resolution No. _____

RESOLUTION INTRODUCED BY MANAGEMENT AND BUDGET COMMITTEE.

RESOLUTION FOR AN AGREEMENT WITH HUDSON RIVER HEALTHCARE, INC. FOR DATA EXCHANGE WITH THE DEPARTMENT OF COMMUNITY SERVICES.

WHEREAS, the Federal Government has passed the Patient Protection & Affordable Care Act; and

WHEREAS, a provision of the Patient Protection & Affordable Care Act allows states to develop and implement Health Homes; and

WHEREAS, New York State wishes to develop and provide Health Homes covering Medicaid Individuals with two (2) or more chronic conditions, one of which is a serious mental illness; and

WHEREAS, critical components of service delivery in a Health Home are shared medical records for Health Home members and care management services; and

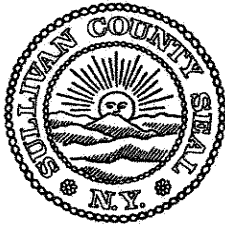
WHEREAS, the County of Sullivan, through the Department of Community Services (DCS), has a need to enter into an agreement with Hudson River Healthcare, Inc. for data exchange between agencies; and

WHEREAS, various New York State and other State approved providers are capable and willing to enter into an agreement with Hudson River Healthcare, Inc. for data exchanges between agencies for purposes of the Health Homes; and

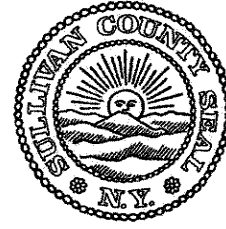
NOW, THEREFORE, BE IT RESOLVED, the Sullivan County Legislature authorizes the County Manager to execute an agreement between the Department of Community Services and Hudson River Healthcare, Inc.; and

BE IT FURTHER RESOLVED, the form of said agreement(s) be approved by the Sullivan County Attorney's Office.

Moved by _____,
Seconded by _____,
and adopted on motion _____, 2013.



COUNTY OF SULLIVAN
LEGISLATIVE
MEMORANDUM



TO: County Legislature
 FROM: Joseph Todora
 TITLE: Director
 DEPARTMENT: Community Services

COMMITTEE WITH JURISDICTION

Check all that apply

- | | | |
|---|---|---|
| <input type="checkbox"/> Community & Economic Development | <input type="checkbox"/> Public Safety | <input type="checkbox"/> Health & Family Services |
| <input checked="" type="checkbox"/> Management & Budget | <input type="checkbox"/> Executive Committee | <input type="checkbox"/> Government Services |
| <input type="checkbox"/> Public Works | <input type="checkbox"/> Planning & Environmental Mgmt. | <input type="checkbox"/> Veterans |
| <input type="checkbox"/> Personnel | | |

SUBJECT OF RESOLUTION: Enter into an agreement with Open Door Family Medical Center, Inc. A/K/A Hudson Valley Care Coalition.
 PURPOSE OF RESOLUTION: New agreement between DCS and Open Door Family Medical Center, Inc. A/K/A Hudson Valley Care Coalition.
 DATE OF FIRST SUBMISSION: 2/1/13
 BRIEF DESCRIPTION: Agreement for data exchange between agencies.
 Costs to Other County Programs: None

- Mandated Budgeted Budget Revision Necessary

FINAL IMPACT:

Projection:

	Balance of			
	YR1	YR2	YR3	YR4
County Cost				
State Funds				
Federal Funds				
Other				
Total	\$0			

If NONE, check here:

Resolution No. _____

RESOLUTION INTRODUCED BY MANAGEMENT AND BUDGET COMMITTEE.

RESOLUTION FOR AN AGREEMENT WITH OPEN DOOR FAMILY MEDICAL CENTER, INC. A/K/A HUDSON VALLEY CARE COALITION FOR DATA EXCHANGE WITH THE DEPARTMENT OF COMMUNITY SERVICES.

WHEREAS, the Federal Government has passed the Patient Protection & Affordable Care Act; and

WHEREAS, a provision of the Patient Protection & Affordable Care Act allows states to develop and implement Health Homes; and

WHEREAS, New York State wishes to develop and provide Health Homes covering Medicaid Individuals with two (2) or more chronic conditions, one of which is a serious mental illness; and

WHEREAS, critical components of service delivery in a Health Home are shared medical records for Health Home members and care management services; and

WHEREAS, the County of Sullivan, through the Department of Community Services (DCS), has a need to enter into an agreement with Open Door Family Medical Center, Inc. a/k/a Hudson Valley Care Coalition for data exchange between agencies; and

WHEREAS, various New York State and other State approved providers are capable and willing to enter into an agreement with Open Door Family Medical Center, Inc. a/k/a Hudson Valley Care Coalition for data exchanges between agencies for purposes of the Health Homes; and

NOW, THEREFORE, BE IT RESOLVED, the Sullivan County Legislature authorizes the County Manager to execute an agreement between the Department of Community Services and Open Door Family Medical Center, Inc. a/k/a Hudson Valley Care Coalition; and

BE IT FURTHER RESOLVED, the form of said agreement(s) be approved by the Sullivan County Attorney's Office.

Moved by _____ ,
Seconded by _____ ,
and adopted on motion _____ , 2013.

DGA Report for OMB Committee on 2/14/13

Submission:

- Submitted w/ OEM E-911 the NYS DHSES / OIEC - Public Safety Answering Points Grant Program - \$799,000.00 submission w/ funding will be used toward improvement of public safety communications operation with necessary upgrades for aging E911 telephony equipment. Grant will involve the acquisition of phone equipment, computers and software

Grant Application Submission in Development:

- SC DPW - NYS DEC - Recycling Coordinator Reimbursement / Municipal Waste Reduction and Recycling State Assistance Program – three year (2007 – 2010) 50% reimbursement of recycling coordinator salary and fringe costs – approximate total of \$124,950.51; and
- SC DPW / SCIA - NYS Assemblywoman Gunther’s Office / NYS Assembly Ways and Means Committee, and Granite Assoc. in addressing the DASNY – Community Capital Assistance Program for the additional \$100,000.00 in funding for the SCIA Renovation project. New Total Project Funding to \$175,000.00

Grants in Need of Regulatory Review: *Currently none.*

Program Administration:

- Working w / ACC, DPW and other County staff on the HEAL grant;
- Working w/ OA&C (*Audit*) and DPEM staff in reviewing funding disbursement packet requests for the various programs being administered within the division ;
- Pub. Safety / OEM – all 4th Quarter 2012 Reporting on four (4) SHSP, one (1) IECGP, and one (1) SICGP finalized and completed / submitted to NYS DHSES on time;
- Pub. Safety – participated in NYS DHSES Program Rep. meeting on 1/29/13 and discussed current status of grants and DHSES forecasts respective to funding and contract term extensions. Favorable visit outcome;
- SC DPEM - NYS Main Street Program project files have been assembled and DGA developed information for DPEM on monitoring and program administration responsibilities post project completion. All Barryville project files have been hand delivered to DPEM on 2/1/13 w/ project oversight / local program administrator responsibility details provided; and
- Follow-up on needed documentation from departments who has secured funding, etc.

Individuals Presenting at DGA for Assistance:

One (1) request for small business resources (*hand out material*) and one (1) request for housing rehab assistance resources (*hand out material*).

FONs Routed:

- Two (2) Arts; One (1) Economic Development; (1) Youth / Physical Education; (1) Literacy, and (1) Workforce Development; and One (1) Broadband Loans

ELB:

- Continuous calls from public/electricians requesting information on electrical licensing in Sullivan County including:
 - How to apply for master electrician test;
 - What's required to be eligible to obtain temp./reciprocal license;
 - Is a specific person licensed in County;
 - How do I find an electrician;
 - Many various other questions
- Assist applicants in filling out applications as needed by phone, or in person;
- Accept applications, schedule tests, receive fees and deposit with Treasurers office;
- Handle complaint calls about possible unlicensed electricians working in County including:
 - Obtain information from person, and fill out complaint forms accordingly;
 - Discuss/forward complaints to Dick Martinkovic. Dick decides action to take
 - If decided to investigate, I schedule with the ELB investigator to investigate site of complaint; and
 - Contact person who made complaint with outcome after investigation.
- Letters to various individuals requesting information (*e.g. – Non Sullivan County Contractor needed letter for Business in Monticello confirming who Sullivan County has Reciprocal License Agreements with*);
- Dept. (VG) has data entry work, filing and follow up request for information from electricians delinquent in license renewal.

Funding Activity and Award Chart:

- Information is being updated w / current funding details as provided by the respective Co. Dept. – and as DGA time permits

Other / Miscellaneous: *Not encompassing all tasks handled by DGA staff.*

- Attendance at various meetings as requested by OMB and Audit staff – i.e. – NYS CDBG MAP meeting;
- Initiating action in regard to brief time study request made by Legislator; and
- Met w/ OMB staff to review proposed final version of DGA Grants Admin. Manual. Next step w/b to share w/ Legislative body for feedback prior to routing manual and setting up meeting dates and times w/ Co. division / department heads.

February 14, 2013

Management and Budget Committee

Handout Resolution

**RESOLUTION NO. INTRODUCED BY MANAGEMENT AND BUDGET
COMMITTEE TO ADOPT AN INVESTMENT POLICY AND A DEBT
MANAGEMENT POLICY FOR SULLIVAN COUNTY**

WHEREAS, it is prudent for fiscal planning and stability to have written policies for investment and debt management, and

WHEREAS, an investment policy contains operating principals governing investment activities, and

WHEREAS, a debt management policy creates parameters for issuing debt and managing outstanding debt, and provides guidance to decision makers regarding timing and purposes for issuing debt, and

WHEREAS, the County Treasurer has presented and proposed written policies for investment and debt management, and recommends that the Sullivan County Legislator's review and adopt said policies, as maybe amended in the future, at least every five (5) years;

NOW, THEREFORE, BE IT RESOLVED, that the proposed written policies for Investment and for Debt Management, dated February 1, 2013, are hereby adopted, and

BE IT FUTHER RESOLVED, that the Sullivan County Legislature shall review and adapt written policies for Investment and Debt Management at least once every five (5) years.

Moved by:
Seconded by:

**SULLIVAN COUNTY
INVESTMENT
POLICY**

IRA J. COHEN, SULLIVAN COUNTY TREASURER

NANCY BUCK, DEPUTY COUNTY TREASURER

100 NORTH STREET

MONTICELLO, N.Y. 12701

February 1, 2013

SULLIVAN COUNTY INVESTMENT POLICY

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SULLIVAN COUNTY INVESTMENT POLICY

I - PURPOSE

The purpose of establishing an investment policy is to develop operating principles { which govern investment activity} within the guidelines of current legislation. The investment policy will enable the County to work within these guidelines to formulate investment objectives. The County Treasurer will be guided by the investment policy in managing the short and long term investments of the County's available cash.

OBJECTIVES

The County's three primary objectives are the preservation of principal (**safety**), the timely maturity of investments [and earnings] (**liquidity**) and competitive interest rates on investments (**yield**). In order of priority, the investment objectives as previously mentioned are as follows:

SAFETY: Investing in money market instruments is generally considered to be extremely safe, whether it is short term or long term in nature. Nonetheless, there are differences in safety associated with various securities. Therefore, consideration must be given to safeguard the investment of available funds. Such considerations would include:

1. FDIC coverage
2. Written third party collateral agreements with local Banking Depositories and Primary Dealers
3. Statutory guidelines which govern the types of investments allowed by local municipalities

LIQUIDITY: A major concern to the County Treasure is the ability to convert securities into cash to meet all operating requirements that may be reasonably anticipated. Cash flow projections developed for both capital and operational commitments is a basic tool used in the planning and timing of maturing investments to meet anticipated demands.

YIELD: Selecting investments that will return to the County the highest possible yield (interest rate) while conforming to the requirements of safety and yield.

SULLIVAN COUNTY INVESTMENT POLICY

II – SCOPE

The Investment Policy encompasses all moneys that become available for investment and or deposit by the County. The sources of available funds include proceeds from local tax receipts, revenues from State and Federal agencies, sales tax receipts, proceeds from certain bond and note issues, revenues from fiduciary accounts (trust and agency), and other miscellaneous revenues.

DELEGATION OF AUTHORITY

The authority to manage the investment program is granted to the County Treasurer who is the Chief Fiscal Officer of the County; as provided in the Sullivan County Charter. The County Treasurer shall carry out the established written procedures and controls for the operation of the investment program consistent with the County Investment Policy. No person shall engage in an investment transaction except as provided under the terms and conditions of this policy and the procedures established by the Chief Fiscal Officer. The Chief Fiscal Officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

SULLIVAN COUNTY INVESTMENT POLICY

III STANDARDS OF CARE! PRUDENCE & ETHICS

Prudence: in the investment process the Chief Fiscal Officer shall act as a responsible custodian of the public trust and shall avoid any transaction that might impair public confidence to govern effectively. The Chief Fiscal Officer shall act in accordance with written procedures as outlined in the County Investment Policy and exercise due diligence as an investment official. Investments shall be made with judgment and care, under prevailing circumstances, considering the probable safety of County revenues as well as the anticipated income to be derived from investments.

Ethics: The Chief Fiscal Officer shall refrain from any personal business activity that could conflict with proper execution of the investment program, or which could impair the ability to make impartial investment decisions.

INTERNAL CONTROLS

The County Treasurer is responsible for establishing and maintaining an internal control structure to provide reasonable assurance that deposits and investments are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with appropriate discretion and recorded properly, and are managed in compliance with applicable laws and regulations governing public funds.

SULLIVAN COUNTY INVESTMENT POLICY

IV – DESIGNATION OF DEPOSITORIES

Authorized Financial Dealer and Institution: Section 10 of New York State General Municipal Law requires the Sullivan County Legislature to designate one or more banks to secure the deposits of County funds and investments.

Exhibit A

Section 212 (3) of the County Law provides that the County Legislature shall designate one or more depositories within the County or in another county within the State, for the deposit of all monies received by the County Treasurer, and specify the maximum dollar limit which may be kept on deposit at any one time in each depository.

DEPOSITORY NAME	MAXIMUM
Provident Bank	\$25,000,000.
First National Bank of Jeffersonville	25,000,000.
Key Bank	50,000,000.
First Niagara Bank	25,000,000.
Catskill Hudson Bank	25,000,000.
M&T Bank	50,000,000.
TD Bank	25,000,000.
Chase Bank	50,000,000.
Citizens Bank	25,000,000.

SULLIVAN COUNTY INVESTMENT POLICY

V- COLLATERALIZING DEPOSITS

In accordance with the provisions of General Municipal Law, Section 10, all deposits of Sullivan County including certificates of deposit and special time deposits, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act shall be secured by the following alternatives:

1. By a pledge of "eligible securities" with an aggregate "market value", equal to the aggregate amount of deposits from the categories designated to the policy.
2. An irrevocable **letter of credit** issued in favor of the County for a term not to exceed ninety days by a bank (other than the bank with which the money is being deposited or invested) whose commercial paper and other unsecured short-term debt obligations (or, in the case of a bank which is the principal subsidiary of a holding company, whose holding company's commercial paper and other unsecured short-term debt obligations) are rated in one of the three highest rating categories (based on the credit of such bank or holding company) by at least one nationally recognized statistical rating organization or by a bank (other than the bank with which the money is being deposited or invested) that is in compliance with applicable federal minimum risk-based capital requirements. A letter of credit must be 102% of deposit plus interest.
3. A **Surety Bond** payable to the County for an amount at least equal to 100% of the aggregate amount of deposits and the agreed upon interest, if any, executed by an insurance company authorized to do business in New York State, whose claims-paying ability is rated in the highest category by at least two nationally recognized statistical rating organizations.

SULLIVAN COUNTY INVESTMENT POLICY

VI – PERMITTED INVESTMENTS

Section 11 of General Municipal Law expressly authorizes the Chief Fiscal Officer to invest moneys not required for immediate expenditure for terms not to exceed its projected cash flow requirements in the following types of investments:

1. Special time deposit accounts in an authorized banking depository or trust company secured in the same manner prescribed by General Municipal Law, Section 10.
2. Obligations of the United States of America
3. Obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America.
4. Obligations of the State of New York
5. Obligations issued pursuant to Local Finance Law Section 24 or 25 (RANS & TANS) of other municipalities, school districts or district corporation other than the County of Sullivan (with approval of the State Comptrollers Office).
6. Obligations of public benefit corporations; public housing authorities, urban renewal agencies and industrial development agencies.
7. Certificates of Deposit.

Two other types of investments are also permitted:

1. **Repurchase Agreements** are authorized subject to the following restrictions:
 - A. Repurchase Agreements must be entered into subject to a master repurchase agreement. (aka – PSA agreement)
 - B. No substitution of securities will be allowed
 - C. Securities owned by the County must be held by a 3rd party bank or trust company, acting as a custodian for the securities.
 - D. The custodian shall be a party other than the trading partner.
 - E. Obligations shall be limited to obligations of the USA and obligations guaranteed by agencies of the United States of America.
2. **Cooperative investments (CLASS and Public Financial Management/NYLAF** , subject to a written agreement

All investment obligations shall be redeemable on respective maturity dates as determined by the County Treasurer to meet expenditures for purposes for which the moneys were provided.

SULLIVAN COUNTY INVESTMENT POLICY

VII – SAFEKEEPING AND COLLATERALIZATION

General Municipal Law, Section 10, requires that all securities pledged to secure deposits be held by a Third Party Bank or Trust Company and be held pursuant to a written Custodial Agreement. The custodial agreement must acknowledge all the necessary provisions in order to provide the County with a perfected security interest, which includes the following:

1. The custodial agreement shall contain a security provision, which would provide that the collateral is being pledged by the bank or trust company as security for the public deposits. It shall also provide the conditions under which the securities may be sold, presented for payment, substituted or released and the events that will enable the local government to exercise its rights against the pledged securities.
2. The securities held by the authorized bank or trust company as agent of and custodian for the County, will be placed separate and apart from the general assets of the custodial bank or trust company, and will not, in any circumstances, be commingled with or become part of the security for any other deposits or obligations.
3. The custodian shall confirm the receipt, substitution or release of the securities held on behalf of the County.
4. The types of collateral used to secure County deposits must be in accordance with the most current legislation authorizing various types of collateral, and approved by the County
5. The County requires a margin of maintenance of 102% of the uninsured portion of deposits collateralized.
6. The County prefers written consent on part of the County Treasurer for release and substitution of securities affecting the County's custodial account.
7. The County requires a monthly update on third party collateral security.
8. The County requires that there be no sub-custodian.
9. The Custodian Bank must be a member of the Federal Reserve Bank.

**DEBT MANAGEMENT
POLICY
SULLIVAN COUNTY
TREASURER'S
OFFICE**

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February 1, 2013

DEBT MANAGEMENT POLICY SULLIVAN COUNTY TREASURER'S OFFICE

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I. INTRODUCTION

The following policies are enacted in an effort to standardize and support the issuance and management of debt by the County of Sullivan ("County"). Their primary objective is to establish conditions for the use of debt and to create procedures and policies that minimize the County's debt service and issuance costs, maintain the highest practical credit rating, and provide full and complete financial disclosure and reporting. The policies apply to all general obligation debt issued by the County.

Regular, updated debt policies are an important tool to insure the use of the County's resources to meet its commitments to provide needed services to the citizens of the County and to maintain sound financial management practices. These policies are therefore guidelines for general use, and allow for exceptions as appropriate and necessary on a case-by-case basis.

II. PURPOSE

The County recognizes that the foundation of any well-managed debt program is a comprehensive debt policy. A debt policy sets forth the parameters for issuing debt and managing outstanding debt. It provides guidance to decision makers regarding the timing and purposes for which debt may be issued, types and amounts of permissible debt, methods of sale that may be used and structural features that may be incorporated. The debt policy should recognize a binding commitment to full and timely repayment of all debt as an intrinsic requirement for entry into capital markets. Adherence to a debt policy helps to ensure that a government maintains a sound debt position and that credit quality is protected. Adoption of and compliance with a sound debt policy bestows significant benefits including:

The enhancement of the quality of decisions by imposing order and discipline; the promotion of consistency and continuity in decision making; the expression and demonstration of commitment to long-term financial planning objectives; and the enhancement of the County's profile and recognition and for fiscal responsibility by the rating agencies and the general public in reviewing the credit quality of the County.

III. CREDITWORTHINESS OBJECTIVES

- A. Management Practices: The County must institute and maintain sound management practices and continue to follow practices that will reflect positively on it in the rating process. Among these are: the County development of and adherence to long-term financial and capital improvement plans, management of expense growth in line with revenues and maintenance of an adequate level of operating reserves. Historically, the County has targeted a minimum unreserved, undesignated fund balance in its General Fund equal to at least 7% of the General Fund's budgeted expenditures. The Budget Officer and the elected CFO must work to assure, prepare and monitor adherence to the budget throughout the year.
- B. Credit Ratings: The County seeks to maintain the highest possible credit ratings for all categories of short and long-term general obligation debt that can be achieved without compromising delivery of basic County services and achievement of adopted County policy

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objectives. High credit ratings directly reduce interest expense to the county when issuing debt, benefiting the County's fiscal condition and reducing the cost of borrowing.

- C. Protection of Bond Rating: Credit ratings issued by the bond rating agencies are a major factor in determining the cost of borrowed funds in the municipal bond market. The concept of debt capacity, or affordability, recognizes that the County has a finite capacity to issue debt at a given credit level. It should be recognized however that there are no predetermined debt level/credit rating formulas available from the rating agencies. Many factors are involved. Determination of a credit rating by a rating agency is based on the rating agency's assessment of the creditworthiness of an issuer with respect to a specific obligation. The County meets its lawful responsibilities and conducts its ongoing business while maintaining the highest standards of financial management within four areas:

- (1) **Economic Base**: The County recognizes that its own fiscal health is directly related to the vigor, growth and robustness of its commercial environment. To that end as a matter of policy the County generally avoids entering into any operation which might compete with the private sector, and actively supports public and private organizations and agencies which foster balanced economic health in the private sector. Sullivan County has a local Industrial Development Agency ("IDA"). Under State law, IDA's offer negotiated tax incentives to attract business to their area. The County government maintains a close working relationship with prominent local business development organizations. The Sullivan County Partnership is the County's primary business marketer, providing recruitment and retention functions. Sullivan County also support a Not for Profit Organization to promote Tourism. The Chamber of Commerce of Sullivan County is the primary provider of business services, guidance and networking for its members. The County has contracts with and provides financial support for the Cornell Cooperative Extension. This balanced approach, combined with continued pro-active County Government participation and coordination, supports a broadly based view of the County's present and future prosperity, enabling County leadership to maintain the County's uniquely diverse quality of life which in turn supports the local economy.
- (2) **Debt Burden**: The County has established reserves and designated funds to bear the cost of the County's specific purposes and projects. The purpose of these reserves and designations is to provide additional structure and clarity to the debt management function. It also creates an efficient and effective system thereby reducing debt service costs and also reducing the need for additional future borrowings themselves. The regularity of the County debt management mechanism is a valuable component of the County's overall capital asset management function, and enables the County to reliably and accurately plan, balance and coordinate its financial management with its capital projects.
- (3) **Administration Management**: The conceptualization, refinement, adoption, review and improvement of formal policies and systems creates an ongoing process of institutionalizing financial decision-making according to proven best practices resulting in stability and reliability in financial management.

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- (4) **Fiscal Management:** Under State Law and the provisions of the Sullivan County Charter, the 9 elected members of the Sullivan County Legislature are collectively charged with the setting of County fiscal policy. Close relationships and cooperation between and among the Sullivan County Manager, the County Legislature and the County Treasurer ensure that financial decisions are carried out according to County policies. These policies are determined with the best advice, shared knowledge and expertise of the various County officials and their advisors.
- D. **Financial Disclosure:** The County is committed to full and complete financial disclosure, and to cooperating fully with rating agencies, institutional and individual investors, county departments and agencies, other levels of government, and the general public to share clear, comprehensible, and accurate financial information. The County is committed to meeting secondary disclosure as mandated by the SEC.
- E. **Capital Planning:** To enhance creditworthiness and prudent financial management, the County is committed to systematic capital planning, intergovernmental cooperation and coordination and long-term financial planning. Evidence of this commitment to systematic capital planning is demonstrated through the adoption and periodic adjustments of an annual capital plan as a component of the annual budget process as defined in the Sullivan County Charter.
- F. **Debt Limits:** The County will keep outstanding debt within the limits prescribed by New York State Law and at levels consistent with its creditworthiness objectives and its ability to make timely payments.
- G. **Bond Features:** Debt instruments issued by the County are general obligations of the County. Its full faith and credit, and unlimited taxing power are irrevocably pledged to the punctual payment of the principal of and interest on such bonds when due and payable. Principal of bonds is payable in installments, generally, the first of which is payable within two years of the date of issue.

IV. PURPOSES AND USES OF DEBT

- A. **Capital Financing:** The County will rely on internally generated funds and/or grants and contributions from other governments (i.e. federal, state and local) to finance its capital needs whenever available. Debt will be issued for a capital project when it is an appropriate means to achieve a fair allocation of costs between current and future beneficiaries.
- B. **Asset Life:** The County will consider long-term financing for the acquisition, maintenance, replacement, or expansion of physical assets (including land) only if they have a useful life of at least five years. Debt will be used only to finance capital projects and equipment, and to assist with cash flow, except in the case of an emergency. County debt will not be issued for periods exceeding the useful life or average useful lives of the project or projects to be financed, as prescribed by the Local Finance Law.

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- C. Cash Flow: The use of TANS, RANS, and BANS is discouraged unless absolutely necessary to maintain reasonable and workable Cash Flow. The discretion to sell notes to assist with cash flow shall be solely that of the County Treasurer, without further resolution of the Legislature

V. DEBT STANDARDS AND STRUCTURES

A. Debt Structuring:

1. Maturity Schedules: The term of County debt issues should not extend beyond the useful life of the project or equipment financed. Debt issued by the County can be structured using level debt or the 50% rule.
 2. Original Issue Discount or Premium: The County's bonds may be and frequently are sold at a discount or premium, in order to market its bonds more effectively, achieve interest cost savings or meet other financing objectives.
 3. Call Options and Refunding: A call option, or optional redemption provision, gives the issuer of a bond the right to prepay or retire a debt prior to its stated maturity. This option allows the issuer to achieve interest savings in the future through the refunding of the bonds. The County will include call options in its bond issues as may be prudent and appropriate and within acceptable market parameters, in order to preserve flexibility for future refunding. Refunding of existing debt shall be in the sole discretion of the County Treasurer, upon advice from the County's Financial Advisors, without further Resolution of the Legislature
- B. Refunding/Advance: A refunding is generally the underwriting of a new bond issue whose proceeds are used to redeem an outstanding issue(s). The County will consider and pursue refunding debt whenever an analysis indicates the potential for net economic benefit to the County from such refunding. The benefit is measured in terms of present value savings or substantial dollar amount savings. As a general rule, the present value savings of a particular refunding should exceed 5% of the refunded maturates or the dollar amount savings should not be less than \$200,000. An advance refunding is when the first call date is over 90 days after the closing date of the bond sale.
- C. Credit Enhancements/Bond Insurance: Credit enhancements are mechanisms that guarantee principal and interest payments. They include bond insurance and a line or letter of credit. Bond insurance is an insurance policy purchased by an issuer or an underwriter for either an entire issue or specific maturates, which guarantee the payment of principal and interest. This security provides a higher credit rating and thus, a lower borrowing cost for an issue, depending on the cost of the enhancement. Credit enhancements will be considered when the net debt service on the bonds is reduced by more than the costs of the enhancement.

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VI. DEBT ADMINISTRATION AND PROCESS

- A. Investment of Bond Proceeds: All general obligation and revenue bond proceeds shall be invested as part of the County's consolidated cash pool unless otherwise specified by the bond legislation (resolution) or indenture. Debt proceeds will be invested with two goals: 1) to assure the safety and liquidity of such investments and 2) to maximize investment yield. The investments will be consistent with those authorized by existing New York State law and by the County's Investment Policy.
- B. Interest Earnings: Interest earnings received on the investment of bond proceeds shall be used to assist in paying the interest due on bond issues to the extent permitted by law.
- C. Cost & Fees: All costs and fees related to issuance of bonds will be paid either out of bond proceeds or by the debt service fund.
- D. Methods of Sale:
1. Competitive Sale: With a competitive sale, any interested underwriter(s) is invited to submit a proposal to purchase an issue of bonds. The bonds are awarded to the underwriter(s) presenting the best bid according to stipulated criteria set forth in a notice of sale. Debt obligations are generally issued through a competitive sale process. The County and its financial advisor will set the terms of the sale to encourage as many bidders as possible. By maximizing the bidding, the County seeks to obtain the lowest possible interest rates on its bonds. The best bid is determined based on the lowest overall interest rate and the reputation and experience of the bidders. Bid's will be awarded on either a true interest cost basis (TIC) or net interest cost basis (NIC).
 2. Negotiated Sale: When certain market conditions seem favorable or when a negotiated sale will provide significant benefits to the County that would not be achieved through a competitive sale, the County may elect to sell its debt obligations through a negotiated sale. The determination to use the negotiated method can be made on an issue-by-issue basis, for a series of issues or for part or all of a specific financing program.
- E. Financing Team: The County employs outside financial specialists to assist it in developing a bond issuance strategy, preparing bond documents and marketing bonds to investors. The key players in the County's financing transactions include its financial advisor and bond counsel, the underwriter (on a negotiated sale) and the Treasurer and/ or Deputy Treasurer. Other outside firms, such as those providing paying agent/registrars, trustee, credit enhancement, auditing, or printing services, are retained as required.

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1. Financial Advisor: The financial advisor will advise and service the County on such issues as: timing of sale, sizing of the issue, structure of the issue, marketing refunding and any other advice related to the issuance of payment of debt.
 2. Bond Counsel: The County will retain external bond counsel for all debt issues. All debt issued by the County will include a written opinion by bond counsel affirming that the County is authorized to issue debt, stating that the County has met all state constitutional and statutory requirements necessary for issuance, and determining the debt's federal income tax status.
 3. Underwriter: The underwriter, under either a competitive or negotiated sale, contracts to purchase the County's bonds for that particular issue.
 4. Underwriter's Counsel: Under a negotiated sale, the County may pay the expenses of the underwriter's counsel.
- F. Compensation for Services: Compensation for the financial advisor, bond counsel, underwriter's counsel, and other financial services will be as reasonable as possible, given desired qualification levels, and consistent with industry standards.
- G. Other Service Providers: The County Treasurer shall have the authority to periodically select other service providers (e.g., escrow agents, verification agents, trustees, etc.) as necessary to meet legal requirements and minimize net County debt costs. These services can include debt restructuring services and security or escrow purchases.

VII. COMPREHENSIVE CAPITAL PLANNING AND FINANCING SYSTEM

- A. Capital Planning and Financing System: The County shall develop a capital planning and financing system for use in preparing a multi-year Capital Projects Plan for consideration and adoption by the County Legislature as part of the County's budget process. Each department shall submit annually, a request for capital projects to the County Manager and Treasurer for review and consideration by the Capital Planning Projects Committee. The Capital Committee includes, pursuant to the Charter, County Manager, involved members of the Legislature, and the County Treasurer. These requests are considered to prepare the Six-Year Capital Projects Plan. The Plan contains a description of the sources of funds and the timing of capital project expenditures for future operating and capital budgets.
- B. Debt Authorization: No County debt will be issued for other than funding of capital projects [and not until authorized by the Sullivan County Legislature] or cash flow (e.g. TANS, RANS, etc. in the discretion of the County Treasurer).

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VIII. LIMITATIONS ON COUNTY INDEBTEDNESS:

Pursuant to New York State Local Finance Law the County has the power to contract indebtedness for any purposes authorized by the Legislature of the State of New York, provided that the aggregate principal amount thereof shall not exceed amounts as prescribed by the law. In addition, indebtedness must be limited so that yearly payments are reasonably affordable.

IX. STRUCTURE AND TERMS OF COUNTY INDEBTEDNESS

A. Short-Term Debt and Interim Financing:

1. Bond Anticipation Notes: The County may issue short-term borrowing such as bond anticipation notes, know as BANS and BARNS when their use is judged to be prudent and advantageous. The County may elect to use BANS and BARNS to provide interim construction financing for its capital improvement program as a method of managing its available cash.
2. Tax and Revenue Anticipation Notes: Where their use is judged by the County Treasurer to be prudent and advantageous, the County Treasurer may choose to issue Tax Anticipation Notes (TANS) and Revenue Anticipation Notes (RANS) to fund internal working capital cash flow needs. TANS and RANS are typically sold in a competitive sale. Authorization is hereby granted giving the Treasurer discretion without further Legislative approval.

B. Long-Term Debt:

1. Serial Bonds: Serial bonds are those issues that have bonds maturing annually (or serially) in specified amounts. Generally, the County issues long-term debt in form of serial bonds.
2. Term Bonds: Term bonds are those issues that have a single stated maturity. Long term debt is used to finance capital projects pursuant to the Local Finance Law.

X. OTHER METHODS OF FINANCING

A. New York State Revolving Funds (Environmental Facilities Corporation):

1. Clean Water State Revolving Fund for Water Pollution Control
2. Drinking Water State Revolving Fund

B. Derivative Products: These include interest rate swaps, floating/fixed rate auction, or other forms of debt bearing variable interest rates.

C. Capital Leasing (Lease/Purchase Agreements): An option for the acquisition of a piece of equipment or package of equipment.

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- D. Certificates of Participation: This instrument provides an opportunity to local residents to purchase smaller pieces of the County's debt issues.

XI. MISCELLANEOUS

- A. Official Statement: The Official Statement is the disclosure document prepared by or on behalf of the County for an offering of securities. The County is ultimately responsible for the contents of the Official Statement. A Preliminary Official Statement is issued prior to the sale for the purpose of marketing the proposed debt issuance.
- B. Approval by the Sullivan County Legislature: The Sullivan County Debt Management Policy will be presented to and adopted by the Sullivan County Legislature as official County policy, by formal legislative resolution. The County Legislature also reviews, approves and formally adopts the County Investment Policy and other financial policies. Both policies should be revived and adopted at least every five (5) years.
- C. Modifications to Policy: These policies will be reviewed annually or as necessary by the County Treasurer and significant changes will be presented to the Sullivan County Legislature for their review and approval, as necessary, but at least within every five (5) years.