

Minutes

Public Facilities Committee

**April 19, 2021, 4:00 p.m.**

**Virtual Meeting via Zoom and Live-Streamed for public viewing**

Gerace Office Building, Mayville, N.Y.

Members Present: Hemmer, Davis, Nazzaro, Gould, Scudder

Others: Tampio, Ames, Dennison, Bentley, Chagnon, Panteli, Almeter, Cummings

Chairman Hemmer called the meeting to order at 4:02 p.m.

Approval of Minutes (3/15/21)

MOVED by Legislator Nazzaro, SECONDED by Legislator Davis to approve the minutes.

*Unanimously Carried*

Privilege of the Floor

Chairman Hemmer: Is there anyone here to speak to the privilege of the floor or any written comments?

Clerk Tampio: No, we have not received any comments for privilege of the floor.

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Proposed Resolution – Amend 2021 Budget Appropriations to Accommodate New Customer Billing Software for Chautauqua County Sewer Districts

Mr. Cummings: This resolution is when back in 2020, the sewer districts were asked to go off of the old AS400 sewer billing so this program and the sewer districts got together (*cross talk*) we wanted some software to (*inaudible*). So each of the districts has been asked to put their percentage of the cost into this program to cover everything. So, South & Center, North Chautauqua Lake, (*cross talk*). We did appropriate the funds last year in 2020, but we were not able to get the program up and running because (*inaudible*)... That's kind of where we are at. (*Inaudible*) purchasing the software and the yearly maintenance. Unless Kathleen has something else to add to it, but that's pretty much the gist of it.

Chairman Hemmer: The money is all in there but it's just locating it to the 2021 budget instead of the 2020.

Mrs. Dennison: We're adding it to the 2021 budget.

Chairman Hemmer: Any questions or comments on this?

Legislator Nazzaro: This is more for Kathleen, I see you adding the appropriations by \$39,154, can you explain that please?

Mrs. Dennison: That is the South & Center Sewer District has a contingency fund of, I believe its \$214,000 and the South & Center District is electing to use part of that (*inaudible*), take it out of contingency and put it into the operating budget. The other district, part of that amount is smaller are able to make changes (*inaudible*).

*(Recorder malfunction)- picked up at Legislator Nazzaro speaking*

Legislator Nazzaro: ..... that's not a lot.

Mrs. Dennison: And the contingency account budget for 2021 for South & Center is \$214,500. That's an amount that those two districts have had that in their budget for at least the last five years. I think probably going back even before that but at least through 2017, they've had that amount in their budget. Actually it goes back to 2014. I mean, it's been used in some years, it's not been used in other years.

Legislator Nazzaro: That's good and I was just unaware that they actually had a contingency fund. I know we put one into the general fund this year, but I was unaware that they sewer districts had one. I have no issue with it. I was just a little confused by the description.

Mrs. Dennison: Yea, it is a strange description. The reason that South & Center has had that fund for quite a few years is that in the event that they had some rather large unexpected, I don't want to say catastrophic failure but if they needed to do a large unexpected maintenance on the system and it was something that needed to be done right away, they wanted to have funds available so that they wouldn't have to wait a month to do the work because they might not be able to wait a month.

Legislator Nazzaro: O.k., thank you, I'm good.

Chairman Hemmer: That's for that question Mr. Nazzaro. It does sound like a good thing to have a little contingency in your budget? Anyone else have any questions on this one?

Mr. Cummings: The only thing that I am going to add Mr. Hemmer is at Audit & Control Thursday morning, Tom Walsh will be there to present that to Audit & Control.

Chairman Hemmer: Sounds good. It covers his district as well. All in favor?

*Unanimously Carried*

Proposed Resolution – Authorize Acceptance of Coronavirus Response and Relief Supplemental Appropriation Act 2021 (CRRSA) Grant to Defray Operating Costs for Chautauqua County Dunkirk Airport

Chairman Hemmer: I see that we have Mr. Bentley and Mr. Almeter here as well.

Mr. Bentley: I'll start and if there is any questions, Ron can chime in. I think we're going for the longest title, by the way. We're going to make Kathy read these in excruciating detail at the Legislature meeting. But, we were fortunate to receive this and the next one is for Jamestown, a grant offer from the Federal government to the FAA for Coronavirus that can go towards the airports operations. So these are \$13,000 each. We need a resolution that's approved by the Legislature so the FAA can obligate the funds. We need to get this to them by the end of April to do it so this is a little bit of a quick turnaround but we're able to do it through the regular process here. It's similar to the funding that we got last year as far as the operational and characteristics of it. The airport needs help through this and this will certainly help them.

Chairman Hemmer: It's good that they've provided this money. Any questions about this one?

Legislator Scudder: Ron, any strings attached to this with the Feds? Is it money we're getting or are we obligated, are there any hoops or strings or anything attached to this money?

Mr. Almeter: There are strings attached but they are not the usual strings that go with accepting funds for capital projects. These funds are earmarked for our operating budget and as a consequence, they don't carry the grant assurances and the payback responsibilities or the payback obligations that a capital project does, in terms of the useful life and amortizing the costs. They do carry with it however, the FAA's grant assurance obligations that the money be used for airport operations and can't be diverted to other non-airport uses.

Legislator Scudder: And that question was for both Ron so you don't have to answer it again for me, thank you.

Chairman Hemmer: That's great to get a double-duty question. Anyone else have a question on this one?

*Unanimously Carried*

Proposed Resolution – Authorize Acceptance of Coronavirus Response and Relief Supplemental Appropriation Act 2021 (CRRSA) Grant to Defray Operating Costs for Chautauqua County Jamestown Airport

Mr. Bentley: I'll say ditto, Jamestown airport.

Chairman Hemmer: O.k.. We already got Mr. Scudder's question answered so anyone else?

Mr. Almeter: I just wanted to point out that this, these two grants, were in the Federal legislation that was passed in late December 2020 and those funds were appropriated to the Department of Transportation, the FAA, to disseminate to the airports and our share is \$13,000 for each of the two airports. The most recent legislation that was passed for COVID relief and infrastructure includes additional money for the airports. But the FAA has not made those allocations yet. They were given the appropriation from Congress but they are still rolling out or (*inaudible*) which airports get what money. So these grants, the grants that we are proposing or seeking a concurrence to accept are for Federal legislation passed in December 2020. The more recent legislation will have additional funds and we'll do new resolutions to accept those grants when they are made available.

Legislator Nazzaro: I guess I have a question Mr. Hemmer: More for Kathleen, I believe, was this in the budget for 2021 or do we have to recognize this in 2021 as revenue?

Mrs. Dennison: That's a good question and I actually just sent Ron a chat with the same question. I think the answer and Ron can correct me if I'm wrong but I think the answer is, this is expected to be additional revenue and there is no planned increase in expense to go with it. Is that a true statement Ron?

Mr. Almeter: Yes and if you can allow us the discretion, I would propose that we – I suppose that we have to show it as increased revenue with this resolution but there will be another grant, additional revenue, that we'll treat the same way. So can we wait and do one adjustment to the budget or do we have to do a budget adjustment for each grant?

Mrs. Dennison: Technically we don't have to adjust the budget for revenues. You are just going to get more revenue, you'll be over, hopefully over budget in the revenue line associated with the Federal revenue. So, as I say, as long as you are not asking to spend more money attached to this new revenue, we don't have to amend the budget just to recognize more revenue. We can just receive it.

Legislator Davis: A question related to that. I don't know if this is for Kathleen or for Mr. Almeter, but it does state in, about the third paragraph down that these funds will be used for cost related to operations pursuant to COVID related cleanup, is that correct? So it would seem to me unless I'm reading it wrong that although we are accepting these funds that the money does have to be spent for cost related to operations, personal cleaning, sanitation, janitorial services, etc.. Is that correct?

Mr. Almeter: That's a good question and the language of the Federal legislation, the appropriation act was somewhat confusing in that respect. We've quoted it verbatim in the resolution. In the clarifying Q&A, back and forth with the FAA, they've indicated that as long as it's for operations, it doesn't have to expressly be COVID cleanup operations but any airport operations meet the criteria and the intent of the legislation. While it says COVID related, any airport operations meet the terms of the appropriations.

Legislator Davis: Thank you.

Legislator Nazzaro: Thank you Ron. I'm going to go back to Kathleen and put her on the spot again. So Kathleen what you are saying is, we do not have to do an amendment, we don't have to recognize a revenue unless there is expense related to the use of that revenue. So I'm assuming what you are saying is, we've already incurred the expenses or we've already budgeted the expenses, there is no new incremental expenses related to this revenue? Is that correct?

Mrs. Dennison: That is my understanding which I need Ron to confirm that but that's why we did not put a budget amendment into this resolution because it was not anticipated that there would be new additional revenues above and beyond the current budget.

Legislator Nazzaro: The way that I'm reading it, they came up with additional expenses related to this say whenever later in the year then at that time would we recognize the revenue? Like if all of a sudden Ron said, oops, we had to incur an additional \$10,000 in cleaning.

Mrs. Dennison: We could. Essentially what we're saying now is that we're going to accept the revenue. I mean, without a budget amendment, we're authorizing to accept the revenue and the expectation is that the local share hopefully will be less than what is in the budget because we have \$13,000 in revenue that we were not anticipating, however, the revenue from the airports, of course, there is some revenue that is not guaranteed so we're kind of taking, I think, a little more cautious stance that, obviously we want to accept this revenue. This revenue may be above and beyond the budget but it may be just able to get us to budget based on what other events happen with the expected revenue streams.

Legislator Nazzaro: So Kathleen, as we receive and this may be more for an Audit & Control question but as we receive various grants and funding from the government related to the pandemic, the coronavirus, are we sort of keeping a separate tab on this so we understand exactly what we're getting in additional revenue and whether or not those expense have already been incurred and we don't have to recognize it right now? I just want to keep a tabulation sheet on what we're getting.

Mrs. Dennison: Most of the COVID revenue streams, I mean, this stream is different than almost all the other ones. They are saying, here is this money, use it as you see fit. As Ron said, as long as it's for the airports, you can use it on whatever. You can use it just to defray regulation operating expense. Almost all the other COVID grants are expense reimbursements. So you've got to demonstrate that you spent the money and get the reimbursement or they're grants for new work that was not previously planned so it's new work with new expense attached to it. So with those grants that we have to track the expenditures to do with the revenue, we are tracking it. As I said, in this case, we don't have to demonstrate – it's not a one to one correspondence necessarily. So the tracking, as far as I understand from Ron, we don't have to track it in the same way. We just get the money

Legislator Nazzaro: O.k. I'll rely on you to keep this – if anything comes up material, obviously you'll keep us informed.

Mrs. Dennison: One example and I'm just looking, so from 2020 for example for the Jamestown airport, we got \$69,000. Kind of the same situation, we got the revenue, it was not tied to an obligation to spend a certain amount of money in a very particular way so we did not amend the budget for that. So, if you look at Federal income for the Jamestown airport for last year, there is no budget and there is an actual of \$69,000. The same thing for Dunkirk. There is no budget and there is actual revenue of \$30,000. It's kind of the same situation in that we knew that money was coming in but since it was essentially pretty much of, here's the money, do what you want with it, like I say, we did not amend the budget to increase expenditures to go with it. Just accepted the additional revenue. And in the case of Jamestown for example, the actual revenue did exceed budget, not by the whole \$69,000 so that \$69,000 helped make up for revenue shortfalls in other classifications. Then the same thing in Dunkirk. That the revenues were below budget, that \$30,000 helped soften the blow if you will. So we needed the revenue and it's probably a good thing that we didn't adjust the budgets upwards because we would not have made the budget for Jamestown and we would have missed it by more for Dunkirk.

Mr. Bentley: I agree. That's how I'm portraying it as well. It's money at this particular moment in time, we're obviously not over budget this early in the year, at least, I hope not and we can either use this money to cover revenue shortfall at the end of the year or if at the end of the year we do have some unanticipated expenditures, either related to COVID or just general airport operations, this money could potentially be used as the offset for either one of those scenarios. So, I think at this time we keep it conservative. We don't adjust the budgets for any additional expenditures at this time and have it be unexpected revenue.

Mrs. Dennison: The other comment I would add is, at this point if we were to adjust the budget, we would probably be increasing the revenue budget and making it a contribution to the general fund. Decreasing the use of general fund balance and I think that that would be a little bit aggressive at this point in the year. As Brad just indicated or suggested, if we're not confident enough that we really can (*inaudible*) at the end of the year necessarily reduce the local share of the airports by a combined total of \$26,000. We hope that will happen but that's a little bit aggressive.

Legislator Nazzaro: I just wanted to bring it up. I'm o.k. for now. I'm not proposing any changes. If these were larger amount or if we had more coming this way, I would want a discussion on whether we would adjust fund balance because what can happen and these are not huge amounts and I'm not implying anything here is that you would not just want this revenue not recorded because then at year end, things can get – when we start making all those yearend budget adjustments, these things can get lost in the shuffle but I'm not proposing anything now. I just wanted to understand whether we recorded it and again, if we started getting more of these and this is isolated then I would recommend hitting fund balance because I like to keep it separate. But I'm not proposing anything right now.

Mrs. Dennison: Yeah, and I agree that the dollar magnitude was part of our thinking on this is that, these particular grants are not huge in the grant scheme. If we had ones that are larger amounts, I agree with you, that we would be much more inclined to make an amendment so that we could recognize it and track it closely.

Legislator Nazzaro: Thank you.

Legislator Gould: Lately just in the last minute there are two received a copy of a CRRSA transmission letter. In these letters, one is for the Dunkirk airport and one is for the Jamestown airport. The Dunkirk airport is done, the grant won't be valid if it isn't applied for by April 22<sup>nd</sup>. While the Jamestown airport is April 30<sup>th</sup> which is good because that's two days after our Legislature meeting. How are you boys going to make the Dunkirk airport able to accept this grant?

Mr. Almeter: When the grant for the Dunkirk airport was offered, we immediately realized that we would need a special session of the Legislature to run that through the approval process. So I requested in writing from the FAA and extension to accept that Dunkirk grant to April 30<sup>th</sup> and that extension was granted in writing. So for both airports, we have a due date for accepting the grant of April 30<sup>th</sup>.

Legislator Gould: Thank you.

Chairman Hemmer: Thank you for the question Mr. Gould and thank you for the answer Mr. Almeter. Do we have any other questions on that? It's our little airport contingency fund. All those in favor?

*Unanimously Carried*

Other

Discussion – Recycling - Mr. Bentley and Mr. Pantelis

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

*Unanimously Carried (4:56 p.m.)*

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