



Office of the County Executive

MONROE COUNTY, NEW YORK

Cheryl Dinolfo
County Executive

February 13, 2017

To The Honorable
Monroe County Legislature
407 County Office Building
Rochester, New York 14614

OFFICIAL FILE COPY	
No. <u>170039</u>	
Not to be removed from the Office of the Legislature Of Monroe County	
Committee Assignment	
URGENT	-L

Subject: Accept the Assets and Liabilities of Monroe Security & Safety Systems Local Development Corporation Pursuant to an Order of Dissolution

Honorable Legislators:

I recommend that Your Honorable Body accept the assets and liabilities of Monroe Security & Safety Systems Local Development Corporation ("M3S") pursuant to an order of dissolution under New York State Not-for-Profit Law.

The County of Monroe issued bonds in October 2016 for the prepayment of its service contract obligation to M3S, and M3S used the prepayment proceeds to redeem its outstanding revenue bonds. Subsequent to the bond redemption the New York State Attorney General filed a petition with the State Supreme Court for the dissolution of M3S, to which the County agreed and the Court ordered. To implement the order of dissolution, the assets and liabilities of M3S must be transferred to the County. Upon such transfer, the Department of Public Safety and the Department of Environmental Services will perform all the functions previously contracted to M3S.

Assets to be transferred to the County are detailed in Attachment A, and include cash and capital assets such as a fiber network, P25 communications infrastructure equipment, security monitoring equipment, and mobile and portable radio equipment. Non-valued assets to be transferred include various permits, licenses, easements, and rights-of-way. Liabilities to be transferred to the County are detailed in Attachment B and include such items as accounts payable, and several purchase orders and contracts for goods and services to be received. M3S has sufficient cash and receivables to fully fund the liabilities being transferred and to fund capital projects for the scheduled replacement of communications and security equipment.

The specific legislative actions required are:

1. Accept the assets of Monroe Security & Safety Systems Local Development Corporation pursuant to an order of dissolution, to include cash, prepaid expenses, and capital equipment with a book value of \$56,212,071 into general fund 9001, a book value of \$5,350,000 into internal services fund 9020, and a book value of \$383,580 into capital fund 1812, as detailed in Attachment A, and other non-valued permits, licenses, easements, and rights-of-way.

2. Accept the assignment of Monroe Security & Safety Systems Local Development Corporation liabilities and commitments pursuant to an order of dissolution, to include accounts payable, purchase orders, and contracts for goods and services to be received, with a book value of \$71,326, into general fund 9001, as detailed in Attachment B.
3. Amend the 2017 operating budget of the Department of Public Safety by appropriating the sum of \$8,939,617 into general fund 9001, funds center 2406010000, Public Safety Communications, for the payment of liabilities and commitments totaling \$2,239,617 and for the provision for capital equipment totaling \$6,700,000.
4. Amend the 2017 operating budget of the Department of Environmental Services by appropriating the sum of \$150,000 into internal services fund 9020, funds center 8610010000, Fire Alarm/Security Maintenance, for the provision for capital equipment.
5. Authorize the County Executive to reappropriate any unencumbered provision for capital equipment balances in subsequent years budgets.

Environmental assessments were completed for this action and it was determined that there would be no significant effect on the environment.

Funding for these actions will be available in the 2017 operating budgets of the Department of Public Safety, general fund 9001, funds center 2406010000, Public Safety Communications, and the Department of Environmental Services, internal services fund 9020, funds center 8610010000, Fire Alarm/Security Maintenance, once the M3S assets are accepted. No additional net County support is required in the current Monroe County budget.

I recommend that this matter receive favorable action by Your Honorable Body.

Sincerely,



Cheryl Dinolfo
Monroe County Executive

CD:db

Attachment A**Assets of Monroe Security & Safety Systems Local Development Corporation****Accept into Fund 9001:**

Cash	\$8,939,617
Accounts Receivable:	
Monroe Ambulance	\$1,221
Town of Penfield	\$2,081
Prepaid Expenses:	
Brite Computers (net motion)	\$65,661
Simplex Grinell (fire alarm)	\$138
Harris Corp (emergency services)	\$4,000
Davis Ulmer (fire inspection)	\$13,264
Capital Equipment:	\$47,186,089
<i>Subtotal</i>	<i>\$56,212,071</i>

Accept into Fund 9020:

Cash	\$150,000
Capital Equipment	\$5,200,000
<i>Subtotal</i>	<i>\$5,350,000</i>

Accept into Capital Fund 1812:

Cash	\$383,580
<i>Subtotal</i>	<i>\$383,580</i>

Total of M3S Assets	\$61,945,651
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Attachment B**Liabilities and Commitments of Monroe Security & Safety Systems Local Development Corporation**

Accept into Fund 9001:

Accounts Payable:

Securitas	\$32,400
Barclay Damon	\$29,308
Frontier	\$2,996
Hutton Communications	\$301
Control Services	\$2,748
Technical Services Group	\$1,711
Simplex Grinell	\$1,862

Total of M3S Liabilities **\$71,326****Commitments (contracts / purchase orders):**

Securitas (security)	\$22,000 average monthly charge	Expires Dec 2017
Harris Corporation (project launch)	\$7,970,025 remaining	Expires Mar 2019
Pericle Communications (tower study)	\$36,000 remaining	Expires at project completion
Frontier (pole attachment)	\$1,498 monthly charge	Expires Sep 2017
Frontier (underground conduit)	included w/ pole attachment	Expires Sep 2017
RG&E (pole attachment)	\$1,629 annual charge	Expires Mar 2021
Village of Fairport (pole attachment)	2,904 annual charge	Expires May 2021
Simplex Grinell (DVT surveillance)	\$11,600 remaining	Expires at project completion
Brite Computers (net motion)	prepaid by M3S	Expires Apr 2019
Simplex Grinell (fire alarm)	prepaid by M3S	Expires Aug 2017
Brown and Brown (D&O tail insurance)	prepaid by M3S	Expires Feb 2023
Systems Access Agreement	no fee	Expires Dec 2025
Village of Spencerport (pole attachment)	no fee	Expires on 60-days' notice