

- Written confirmation of transactions for investments and wire transfers
- Development of a wire transfer agreement with the lead bank and third-party custodian

d.) Delivery vs. Payment

- 1.) All trades where applicable will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds. Securities will be held by a third-party custodian as evidenced by safekeeping receipts.

7.) Cash Budgeting

- a.) A cash budget is used to determine planned cash needs over the near future. The Director assesses the possibility of unexpected cash needs: as occasioned by slow revenue receipts, unexpected appropriations, or emergency expenditures. Based on these evaluations, the Director ascertains a probability of distribution of possible cash shortages.
- b.) The Director receives a cash budget at the beginning of each calendar year. The cash budget differs from the operating budget in that it is much less detailed. It only contains aggregates of forecasted cash expenditures and inflows for the period. A carefully prepared operating budget, controlled expenditures, and relatively stable and predictable revenues lend to a quite accurate cash budget.
- c.) The Director or his designee will prepare this document, taking into account expected cash disbursements and receipts throughout the year. The combination of receipts and disbursements determine the net effect on the cash position. This cash budget determines the timing and magnitude of projected cash needs and cash surpluses.

8.) Authorized and Suitable Marketable Securities

- a.) The Director manages these investments subject to oversight by the Mayor and Common Council. The Director may purchase, sell, and exchange investments on behalf of the City. The investment program is to be managed so that investments and deposits can be converted into cash when needed. Money may be invested at interest in any bank, savings and loan association, trust company, or any other investment firm in the form of certificates of deposit or other forms of time deposit that Common Council approves. At no time should the term of any investment exceed 18 months.
- b.) The City's investment officials are empowered by statute to invest in the following for and on behalf of the City of Cortland:

1.) U.S. Treasury Obligations

- This is the largest segment of the fixed-income securities market. Treasury securities are the safest and most marketable investments, but they yield the lowest return for a given maturity of all investment instruments. Treasury securities are classified as bills, notes, and bonds.
- The Director is authorized to invest in bills, notes, bonds and debentures (bond backed by the general credit of the issuer rather than a specific lien on particular assets) of the United States Treasury, the maturities of which are not more than 1 year from the date of purchase.
- All United States Treasury issue transactions will be conducted only with primary dealers from the list of Government Security dealers reporting to the Markets Reports Division of the Federal Reserve Bank of New York.

2.) Agency Securities

- These obligations of various agencies and corporations chartered by the federal government are guaranteed by the issuer. Principal issuers include federal land banks, federal home loan banks, federal intermediate credit banks, the Federal National Mortgage Association ("Fannie Mae"), the Governmental National Mortgage Association ("Ginnie Mae"), and the banks for cooperatives.
- Notes or bonds secured by mortgages insured by the Federal Housing Administrator, securities of national mortgage associations, and debentures issued by the Federal Housing Administrator (FNMA, GNMA, and FHMLC) are acceptable investments so long as the maturity dates do not extend more than 1 year from the date of purchase.

3.) Repurchase Agreements

- The repurchase agreement (repos) provides for the sale of short-term securities by the bank to the investor with the provision that the bank will repurchase the securities at a specified price at a specified future date.
- Repos are an acceptable investment as long as the security is negotiable, has a viable trading market, and can be easily marked-to-market daily by the City's trust banks; and further provided that

limitations as to exposure to any one issuer of the repurchase agreements and any one issuer of the underlying securities are not exceeded as described in this policy. The underlying security for any repurchase agreement must be at least the principal amount plus expected interest income on the security.

- The City may, at times, require a specific type of collateral to complete the repurchase transaction. Moreover, the Repo counterparty must be either a U.S. bank with a solid financial record, no long-term weaknesses and a sound credit rating, or be a current "Primary Dealer" in U.S. Government securities. Market value of the collateral must equal or exceed 102 percent of the amount of the repurchase price of the Repo. Collateral must be delivered to the City's custodian for safekeeping and the collateral must be marked-to-market daily to ensure adequate collateral coverage. Repo transactions shall be limited to maturities of not more than 60 days per transaction.
- The Director shall maintain a list of firms which are approved as counterparties. Such counterparties shall execute the City's Master Repurchase Agreement prior to being included on the list of approved Repo counterparties. The City may enter into Repo's only with firms which have been included on the list of Approved Repurchase Agreement Counterparties.

4.) Negotiable Certificates of Deposit

- A CD is the deposit of funds at a commercial bank for a specified period of time and at a specified rate of interest. Rates on CD's are quoted by money-market banks. Certificates of deposit and other evidences of deposit at financial institutions, bankers' acceptances, and commercial paper, must be rated in the highest tier (e.g., A-1, P-1, F-1, or D-1 or higher) by a nationally recognized rating agency and must be fully collateralized at 102%.
- The City may make a practice of investing only in the CDs of local banks located within the City. It shall be perfectly acceptable to support the local banks that benefit the City.

5.) Non-Negotiable Certificates of Deposit

- Non-Negotiable Certificates of Deposit shall not be permitted.

- 6.) Reverse Repurchase Agreements
 - Reverse repurchase agreements and securities lending from the City's portfolio shall not be permitted
 - 7.) Mutual Funds
 - The City is not authorized to invest surplus funds in mutual funds - regardless of whether or not the mutual fund has invested in government securities.
 - 8.) Banker's Acceptances
 - Banker's Acceptances shall not be permitted.
 - 9.) Commercial Paper/Corporate Securities
 - The City is not authorized to invest in commercial paper or corporate securities.
- 9.) Investment Procedures
- a.) Selection of Depository and Security of Deposits
 - 1.) City funds deposited in excess of the amount of federal insurance must be secured by collateral pledged by the bank or savings and loan in accordance with prevailing state statutes. The Common Council designates one or more official depositories from time to time as needed. The funds on deposit in this official depository are to be secured by deposit insurance, surety bonds, or other investment securities in an amount sufficient to protect the City.
 - 2.) In doing so, the Common Council, Director, and the City's employees are relieved of responsibility for any losses sustained by the City because of the default or insolvency of the depository. No security is required for the protection of funds remitted to and received by a depository acting as a fiscal agent for the payment of principal and interest on bonds or notes, when the funds are remitted no more than 60 days prior to the maturity date.
 - b.) Commercial Bank Interest and Fees
 - 1.) Because banks differ in their interest rates and charges, the City investigates all banks in the City to find the bank offering the best net return for the given level of activity

- 2.) Major investments are normally made with a single institution whenever possible since dispersal and decentralization of balances can result in a large number of accounts with individually small balances. Fractionalizing overall cash flows in this manner inhibits pooling of cash for investment purposes and restricts the range of investment possibilities to the individual characteristics of the separate funds and accounts.
- 3.) Before the City of Cortland invests any funds, a competitive bid is conducted, if market conditions and time permit. If a special maturity date is required, either for cash flow purposes or for conformance to maturity guidelines, bids will be requested for instruments which meet the maturity requirement. If no specific maturity is required, an analysis is conducted to determine which maturities and instruments would be required from financial institutions for various options with regard to term and instrument. The Deputy Director accepts the bid that provides the highest rate of return within the maturity required and within the parameters of this policy. If a financial institution consistently proves non-responsive, the institution may be dropped from the list of approved firms. Records are to be kept of the bids offered, the bid accepted, and a brief explanation of the decision which was made regarding the investment. These records are to be maintained over the life of the maturity.

10.) Banking Policy

The City's contract for banking services is awarded for a five-year period after local banks submit proposals. The Director and Deputy Director will evaluate the proposals and present to Common Council a summary of the proposals. Common Council then selects a bank and awards the bid.

11.) Safekeeping and Custody

a.) Delivery versus Payment

Securities purchased by the City of Cortland shall be delivered against payment and held in a custodial safekeeping account with the trust department of a bank insured by the Federal Deposit Insurance Corporation designated by the Director. Securities will be held by a third party custodian designated by the City and evidenced by safekeeping records.

b.) Repurchase Agreements

Securities purchased from and subject to resale to a bank, broker, or dealer under the terms and conditions of a master repurchase agreement shall be delivered to and held in a custodial safekeeping account with the trust department of a bank

insured by the Federal Deposit Insurance Corporation designated for this purpose by the Director.

12.) Diversification

- a.) In no case shall more than 10 percent of the portfolio, or \$2 million (whichever is greater) be invested in obligations of any one issuer except direct obligations of the U.S. Government or its agencies. Also, at appropriate times, the City may sell certain securities to meet cash flow needs or to obtain capital gains.
- b.) The City's investments shall be diversified by:
 - limiting investments to avoid overconcentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities),
 - limiting investment in securities that have higher credit risks,
 - investing in securities with varying maturities, and continuously investing a portion of the portfolio in readily available funds such as local government investment pools (LGIPs), money market funds or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations. The City shall adopt weighted average maturity limitations (which often range from 90 days to 18 months), consistent with the investment objectives.

13.) Maximum Maturities

- a.) To the extent possible, the City will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the maximum maturity of any instrument in the City's portfolio may not exceed 18 months from the date of acquisition by the City. In order to preserve liquidity and to lessen market risk, not more than 25 percent of the total portfolio may mature more than one year beyond the date of calculation. The maturity of non-negotiable time deposits may not exceed one year.
- b.) Reserve funds and other funds with longer-term investment horizons may be invested in securities not exceeding 18 months if the maturities of such investments are made to coincide as nearly as practicable with the expected use of funds. The intent to invest in securities with longer maturities shall be disclosed in writing to the legislative body.
- c.) Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in

readily available funds such as LGIPs, money market funds, or overnight repurchase agreements to ensure that appropriate liquidity is maintained to meet ongoing obligations.

14.) Reporting

a.) Methods

1.) The Director shall prepare an investment report at least quarterly, including a management summary that provides an analysis of the status of the current investment portfolio and transactions made over the last quarter. This management summary will be prepared in a manner which will allow the City to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report should be provided to the Mayor and Common Council. The report will include the following:

- Listing of individual securities held at the end of the reporting period.
- Realized and unrealized gains or losses resulting from appreciation or depreciation by listing the cost and market value of securities over one-year duration that are not intended to be held until maturity (in accordance with Governmental Accounting Standards Board (GASB) requirements).
- Average weighted yield to maturity of portfolio on investments as compared to applicable benchmarks.
- Listing of investment by maturity date.
- Percentage of the total portfolio which each type of investment represents.

b.) Performance Standards

1.) The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. A series of appropriate benchmarks shall be established against which portfolio performance shall be compared on a regular basis.

c.) Marking to Market

- 1.) The market value of the portfolio shall be calculated at least quarterly and a statement of the market value of the portfolio shall be issued at least quarterly. This will ensure that review of the investment portfolio, in terms of value and price volatility, has been performed consistent with the City's expectations. In defining market value, considerations should be given to the GASB Statement 31 pronouncement.

15.) Notice to Financial Institutions

The Director shall send annually the current edition of this investment policy to all institutions which are approved to handle City investments. The institution shall confirm in writing that the policy has been received, reviewed, and accepted by appropriate personnel. In the absence of such acceptance, business transactions will not be considered with the institution. Financial institutions are also required to send a copy of their Annual Financial Report to the Director on a timely basis after the institution's fiscal year has concluded.

16.) Collateralization

- a.) Although not dictated by state statute, the City requires all money deposited with a bank, savings and loan, savings bank, or credit union including checking accounts, NOW accounts, non-negotiable certificates of deposit, time deposits or similar type accounts provided by the financial institution in excess of the amount of federal insurance to be fully collateralized in accordance with the following:
 - 1.) All deposits shall be secured by collateral pledged by the depository institution and maintained in the possession of a custodial agent
 - 2.) The market value of the collateral pledged to secure City deposits shall equal at least 102 percent of the amount of the deposit plus accrued interest, minus the amount insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or the National Credit Union Administration.

- b.) The depository institution is required to furnish monthly, or upon demand by the Director, a detailed statement of all securities pledged as collateral showing par and market values of each. If at any time the market value of the collateral is less than 102 percent of the aggregate of all City deposits (including accrued interest), the depository institution shall immediately add sufficient securities to the pledged collateral to increase the market value of the collateral to at least 102 percent of the aggregate of all City deposits.
- c.) The Director shall select a bank or trust company, whose deposits are insured by the Federal Deposit Insurance Corporation, as a trustee to act as an independent holder of collateral pledged by depository institutions holding deposits of City funds, and shall enter into a written trust or safekeeping agreement with the trustee.
- d.) Alternatively, collateral pledged by the depository institution to secure City deposits may, with approval of the Director, be held by the same depository institution in trust for the City. Such arrangement shall be subject to execution of a trust agreement satisfactory to the Director. Failure by the depository institution to abide by any of these provisions governing the pledge and adequacy of collateral shall be cause for disqualification of the depository institution to receive and hold City funds.
- e.) The Director is responsible for analyzing and evaluating creditworthiness, capability and reputation of any depository for City funds or trustee holding collateral to secure City deposits.
 - 1.) Time and demand deposits of City funds shall be secured by the same types of collateral as allowed for securing deposits under New York law.
 - 2.) If any depository institution holding time deposits of the City fails to pay any deposit for deposits of any depositor, or any part thereof when due, then the Director shall have the option to demand delivery to the Director of any collateral pledges by the depository to secure City deposits.
- f.) Upon making such demand for delivery of pledged collateral, the Director may sell all or any part of the collateral in the manner determined to be reasonable. If there is an excess of proceeds after deducting expenses of the sale, or of collateral after satisfaction of the deposit and accrued interest, the excess must be returned to the depository institution or its successor in interest.

17.) Investment Policy

The City's investment policy shall be determined to be a management tool used by the Finance Department in all investment activities, and to that extent, represents the official policy for investment of City funds. The policy shall be reviewed on an annual basis by the Director and any modifications made thereto must be approved by Common Council.

OPERATING GRANTS

1. Policy Statement

It is the policy of the City of Cortland to seek grants for funding purposes. It is the responsibility of all departments to seek and evaluate supplemental grant funding consistent with the priorities of departmental business plans and service priorities of the City. Grant funding requires internal procedures to ensure effective and efficient use of grants. Adherence to this policy is required for all grants.

2. Procedure

a.) The grant procedure for the City of Cortland includes five (5) major processes:

- Grant Research
- Departmental Decision-making
- Internal Review and Grant Submission
- Post-award and Grant Administration
- Grant Close-out

3. Grant Research

a.) Departments shall research outside sources for funding opportunities through the use of multiple resources available through the City. Sources for researching grant opportunities include, but are not limited to the following:

- Internet Research
- Notification from state or federal agencies
- Classes and/or workshops
- Discussions with other agencies or jurisdictions
- Foundation

b.) Staff should use these resources to research and identify potential grants that match planned projects or programs in their department. Through thorough research departments should begin to plan for grant applications and in collaboration with the Finance Department, begin incorporating anticipated grant funding for planned projects or programs into their budgets during the annual budget process.

4. Departmental Decision-making

- a.) When a potential grant has been identified the department should carefully review the Notice of Funding Availability (NOFA) to determine if the grant is applicable to planned projects or programs. Other considerations while reviewing the NOFA include:
- Eligibility – Is the City and/or department eligible to apply?
 - Scope – Do the objectives/purpose/scope of the grant match objectives established by Common Council.
 - Deadline – Is there enough time to sufficiently complete the application prior to the deadline?
 - Staff availability – Are staff resources available to administer the grant project/program?
 - Continuation of Services – How will the program be funded if/when the grant expires?
 - Grant match requirements – If a match is required, a source must be determined and initial approval must be granted by Common Council in order to complete the application.
- b.) After reviewing the NOFA for these and any other considerations if the grant is applicable to a planned project or program the Department Head should request a meeting with the Director to discuss how the grant will integrate with the City's business plan. All pertinent information including the Grant and Project Summary information must be provided to the Director. Adequate time must be provided for review to meet deadlines for application. Applications will not be submitted prior to final review and approval by the Director.

5. Internal Review and Grant Submission

- a.) The Director shall review the Grant and Project Summary Form and provide input to the Department Head and department designee. This input shall be used to provide feedback including:
- Whether another department has applied for the same grant
 - Whether the opportunity to collaborate with other departments or community stakeholders exists.
 - Whether a department may have information or specific knowledge that may assist the applying department.
- b.) The applying department shall begin collecting the information required to apply for the grant while the internal review is being completed. The applicant may complete the grant application and if, applicable, address the feedback received from the Director. If needed, the Director shall be available to assist the applying department with the application. Upon completion of the application, the document and supporting materials shall be forwarded to the Department Head for their review and to the Director for final discussion and review.

- c.) After final review by the Director, the Department Head must sign all grant applications attesting to his/her approval of the grant application. The completed grant application will then be forwarded to the City Clerk who will, in turn, obtain other signatures, based upon the requirements by the grantor. Other signatures may include the Mayor, the Common Council, Director and other authorized parties.
- d.) A copy of the completed and signed grant application, along with all supporting materials, shall also be maintained in the City Clerk's office. All files relating to the grant will be copied including the NOFA, Grant and Project Summary Form, application and supporting material and any documentation that follows.

6. Post-award and Grant Administration

- a.) If the department receives the grant, a grant award letter should be received. The department shall inform the Director of the award and send copies of the letter and all grant related documents that follow. A grant agreement should also be received instructing the Department Head of the requirements and process to accept the grant funds and execute the agreement. Prior to completing the requirements, the Department Head will confer with the Director to coordinate the process.
- b.) Budget amendments will be processed by the Director once all award paperwork has been received.
- c.) The budget amendment shall then be brought to Common Council for their review and approval. If any funds are received prior to the budget amendment process, the Finance Department shall deposit the funds in the appropriate deferred revenue account.
- d.) Once the Common Council has approved the grant agreement, or if, Common Council approval is not required, the signature of the Director is required.
- e.) Once the grant agreement is approved and signed the Department Head is responsible for administration of the grant in accordance with the requirements of the agreement including any reporting or documentation that is required. All financial reporting will be completed by the Finance Department. The Finance Department will be the primary reporting source. All notifications must go directly to the Finance Department – not to the operational department. The Department Head shall continue to copy the Director with all reports and documentation relating to the grant.
- f.) Budget compliance is the responsibility of the Department Head. If a budget adjustment is needed it should be submitted by the Department Head to the Director. Expenditures shall be approved by the Director. The Department Head, in coordination with the Director, is responsible for determining if the expenditure is an eligible expense under the grant agreement.

- g.) At a minimum, the Director and Department Head shall examine its grant accounts on a monthly basis. This examination shall consist of the following:
- A review of financial activities within the specific budgetary accounts of the grant. This examination will involve a review of expenditure documentation such as invoices, procurement card receipts, etc. to ensure these amounts match expenditure activities within the appropriate accounts.
 - If applicable, a review of program income earned to determine that it has been recorded and expended per grant regulatory requirements.
- h.) If the project is completed prior to the agreement deadline the Department Head in coordination with the Director may move to close the grant. Otherwise as the expiration of the grant approaches, the department should consider the following:
- Have the project goals been attained and/or the grant requirements been met?
 - Is the project ready for final inspection and audit if appropriate?
 - Have all of the grant funds been spent?
- i.) If the answer to any of these questions is “no”, then the department may need to request an extension/amendment from the Grantor. It is the responsibility of the Department Head to ensure that all requirements of the grant are met, including time frames. The Director must be used as a resource in determining if an extension/amendment is needed and shall be the consultant if the situation arises.

7. Grant Close-Out

- a.) Grant close-out will involve coordination between the Department Head and the Director to follow the process for completing the financial reporting as required by the grant agreement. At times, the Grantor will send a “Close-out Package” specifying the reporting requirements. The grant agreement may also include additional close-out requirements that shall be reviewed. All requirements shall be followed in order to close-out the grant.
- b.) In order to close a grant (except an entitlement grant) the following conditions shall be met:
- All reimbursements have been received
 - Unused grant funds are returned to the granting agency. Unused matched funds are returned to the appropriate account.
 - The final report is filed with the granting agency.
 - All expenses must equal revenue at prior year-end.
- c.) Once the established conditions have been met, the Department Head in conjunction with the Director shall close the grant.

8. Grant Review

Annually the Finance Department will compile a list of all grants received by the City in the previous fiscal year including expenditures and reimbursements received. This information shall be provided to the Director for reference.

DEBT POLICY

1. Policy Statement

Issuing debt commits the City's revenues several years into the future, and may limit the City's flexibility to respond to changing service priorities, revenue inflows, or cost structures. A debt policy sets forth the parameters for issuing debt and managing outstanding debt and provides guidance to decision makers regarding the timing and purposes for which debt may be issued, types and amounts of permissible debt, method of sale that may be used and structural features that may be incorporated.

The City plans long- and short-term debt issuance to finance its capital program based on its cash flow needs, sources of revenue, capital construction periods, available financing instruments and market conditions. The Director oversees and coordinates the timing, issuance process and marketing of the City's borrowing and capital funding activities required in support of the capital improvement plan.

This debt policy recognizes a binding commitment to full and timely repayment of all debt as an intrinsic requirement for entry into the capital markets. Adherence to a debt policy helps to ensure that the City maintains a sound debt position and that credit quality is protected. Components of the debt policy are as follows:

The City will confine its long-term borrowing to capital improvements and follow a policy of full disclosure on every financial report and bond prospectus. In no case will General obligation debt be used for self- supporting enterprise activity. The City will use voter-approved general obligation debt to fund general-purpose public improvements that cannot be financed from current revenues.

2. Capital Planning

The City will have an annual capital planning process that outlines major projected capital expenditures over the next ten years. The capital budget identifies revenue sources and capital expenditures and projects this information for each of the ten years. This information is updated annually.

3. Financing Team

The City often 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 City's financing transactions include its bond counsel, the underwriter and underwriters counsel (on a negotiated sale), the Corporate Counsel and City representatives (the Director and other City representatives as may be appointed by the Mayor). Other outside firms, such as those providing paying agent/registrars, trustee, credit enhancement, auditing, or printing services, are retained as required. The financing team will meet at least annually to review the overall financing strategy of the City and make recommendations to the Mayor.

4. Term of Debt

Borrowings by the City shall mature over a term that does not exceed the repayment economic life of the improvements that they finance. General Obligation Bonds shall be issued with a term not to exceed 25 years; Revenue Bonds with a term not to exceed 30 years; and tax increment bonds with a term not to exceed 25 years. The City does not finance improvements with a probable useful life less than five years, using pay-as-you-go funding for such needs.

5. Call provisions

The City seeks to minimize the protection from optional redemption given to bondholders, consistent with its desire to obtain the lowest possible interest rates on its bonds. The City's bonds are generally subject to optional redemption. The City seeks early calls at low or no premiums because such features tend to refinance debt more easily for debt service savings when interest rates fall. The City will annually evaluate optional redemption provisions for each issue to assure that the City does not pay unacceptably higher interest rates to obtain such advantageous calls.

6. Interest rates

In most cases, the city will use fixed-rate debt to finance its capital needs; however, the City may issue up to 25% of its total debt portfolio in variable rate debt.

7. Method of Sale

The City will select a method of sale that is the most appropriate in light of financial, market, transaction-specific and issuer-related conditions.

8. Competitive Sales

General obligation debt obligations are issued through a competitive sale, according to state law. For these bonds and any other bonds that the City may deem necessary the City will set the terms of the sale to encourage as many bidders as possible. By maximizing bidding, the City seeks to obtain the lowest possible interest rates on its bonds. The following conditions may favor the use of a competitive sale:

- a) The market is familiar with the issuer;
- b) The issuer is a stable and regular borrower in the public market;
- c) There is an active secondary market with a broad investor base for the City's bonds;
- d) The issue has a non-enhanced credit rating of A or above or can obtain a credit enhancement prior to the competitive sale;
- e) The debt structure is backed by the issuer's full faith and credit or a strong, known or historically performing revenue stream;
- f) The issue is neither too large to be easily absorbed by the market nor too small to attract investors without a concerted sale effort;
- g) The issue does not include complex or innovative features or require explanation as to the bonds' security;
- h) The issue can be sold and closed on a schedule that does not need to be accelerated or shortened for market or policy reasons; and
- i) Interest rates are stable, market demand is strong, and the market is able to absorb a reasonable amount of buying or selling at reasonable price change.

9. Negotiated Sales

When certain conditions favorable for a competitive sale do not exist and when a negotiated sale will provide significant benefits to the City that would not be achieved through a competitive sale, the City may elect to sell its debt obligations through a private or negotiated sale. Such determination may be made on an issue-by-issue basis, for a series of issues, or for part or all of a specific financing program. The following conditions may favor the use of a negotiated sale:

- a.) Insure fairness by using a competitive underwriter selection process through a request for proposals where multiple proposals are considered;
- b.) Remain actively involved in each step of the negotiation and sale processes to uphold the public trust;
- c.) Insure that either an employee of the issuer, or an outside professional other than the issue underwriter, who is familiar with and abreast of the condition of the municipal market, is available to assist in structuring the issue, pricing, and monitoring sales activities;
- d.) Require that the financial advisor used for a particular bond issue not act as underwriter of the same bond issue;

- e.) Require that financial professionals disclose the name or names of any person or firm, including attorneys, lobbyists and public relations professionals compensated in connection with a specific bond issue;
- f.) Request all financial professionals submitting joint proposals or intending to enter into joint accounts or any fee-splitting arrangements in connection with a bond issue to fully disclose to the issuer any plan or arrangements to share tasks, responsibilities and fees earned, and disclose the financial professionals with whom the sharing is proposed, the method used to calculate the fees to be earned, and any changes thereto;
- g.) Review the “Agreement among Underwriters” and insure that it is filed with the issuer and that it governs all transactions during the underwriting period.

10. Refinancing

The City may undertake refinancing of outstanding debt under the following circumstances:

- a.) Debt Service Savings: The City may refinance outstanding long-term debt when such refinancing allows the City to realize significant debt service savings without lengthening the term of refinanced debt and without increasing debt service in any subsequent fiscal year.
- b.) Defeasance: The City may refinance outstanding debt, either by advance refunding to the first call or by defeasance to maturity, when the public policy benefits of replacing such debt outweigh the costs associated with new issuance as well as any increase in annual debt service.

11. Conduit Financings

Conduit financings are securities issued by a government agency to finance a project of a third party, such as a non-profit organization or other private entity. The City may sponsor conduit financings for those activities (e.g., economic development, neighborhood revitalization) that have a general public purpose and are consistent with the City’s overall service and policy objectives. Unless a compelling public policy rationale exists, such conduit financings will not in any way pledge the City’s faith and credit.

12. Credit Ratings

- a.) Rating Agency Relationships: The Deputy Director is responsible for maintaining relationships with the rating agencies that assign ratings to the City's various debt obligations. This effort includes providing periodic updates on the City's general financial condition along with coordinating meetings and presentations in conjunction with a new debt issuance.
- b.) Quality of Ratings: The City requests ratings prior to the sale of securities from each of the two major rating agencies for municipal bond issues: Moody's Investors Service and Standard & Poor's Corporation. The City may provide a written and/or oral presentation to the rating agencies to help each credit analyst make an informed evaluation. The City will make every reasonable effort to maintain its high quality credit ratings.

13. Rebate Reporting/Covenant Compliance/Reporting Practices.

The Director is responsible for maintaining a system of record keeping and reporting to meet the arbitrage rebate compliance requirements of the federal tax code. Additionally, general financial reporting and certification requirements embodied in bond covenants are monitored to ensure that all covenants are complied with. The City will comply with the standards of the Government Finance Officers Association for financial reporting and budget presentation and the disclosure requirements of the Securities and Exchange Commission.

14. Checklist of Debt Policy Considerations.

The City will observe the following GFOA checklist in determining the appropriateness of debt issuance:

- a.) How long is the capital planning period?
- b.) Have all non-debt sources of funds been considered?
- c.) How are borrowing plans reviewed internally?
- d.) What level of debt is manageable in order to maintain or improve the government's credit quality?
- e.) How much "pay-as-you-go" financing should be included in the capital plan?

- f.) How much short-term borrowing will be undertaken, including both operating and capital borrowings?
- g.) How much debt will be issued in the form of variable-rate securities?
- h.) How does the redemption schedule for each proposed issue affect the overall debt service requirements of the government?
- i.) What types of affordability guidelines will be established to help monitor and preserve credit quality?
- j.) What provisions have been made to periodically review the capital plan and borrowing practices?
- h.) What is the overlapping debt burden on the taxpayer?
- i.) How will the formal debt policies be integrated into the capital planning and funding process?

15. Debt Limit

- a.) The city will establish thresholds for the maximum amount of debt and debt service that should be outstanding at any one time.
- b.) Policies guiding the amount of debt that may be issued by a government help ensure that outstanding and planned debt levels do not exceed an amount that can be supported by the existing and projected tax and revenue base. Because of this, the City has developed distinct policies for general obligation debt, debt supported by revenues of government enterprises, and other types of debt such as special assessment bonds, tax increment financing bonds, short-term debt, variable-rate debt, and leases.
- c.) General Obligation Debt Affordability Measures:

The City examines four statistical measures to determine debt capacity and compares these ratios to other cities, rating agency standards and Cortland's historical ratios to determine debt affordability:

- 1. This is the only measure that is prescribed by state law, which provides that the City's general obligation debt cannot exceed 8% of the City's total assessed value (excluding tax anticipation notes and other indebtedness with a maturity of one year or less; bonds or other indebtedness of the City payable from taxes levied from special taxing areas; and self-supporting bonds or other debt.)
- 2. Total general obligation debt as measured against the population on a per-capita basis cannot exceed \$1,400.

3. Total annual general obligation debt service as measured as a percent of current General Funds budgeted expenditures cannot exceed 12%.
4. Total general obligation debt per capita as a percentage of per capita income cannot exceed 5.50%

d.) Enterprise Debt Affordability Measures:

The City's Revenue debt level shall not exceed a debt service coverage ratio of 1.20 times of the annual net pledged revenues to annual debt service. Additional bonds should not have a negative impact on the City's overall credit ratings.

e.) Tax Increment Debt Affordability Measures:

The City's Tax Increment debt level shall not exceed the current available revenues or revenues projected within the district from projects that have obtained a building permit.

ECONOMIC CONDITION ASSESSMENT

1. Policy Statement

Prudent fiscal management requires the creation of a system to assess the City's economic condition and be capable of detecting deterioration of that condition. Financial condition may be defined in a variety of ways. For purposes of this document, financial condition refers to the City's ability to provide services at the level and quality that are required for the health, safety, and welfare of the community, and that its citizens desire. The procedures set forth below are intended to supplement other methods of monitoring financial condition, such as cash flow analysis and forecasting of revenues and expenditures.

2. Coinciding with the annual release of the City's CAFR the Director shall assess the City's economic condition based upon the following indicators and report thereon. Said report shall include such trend analysis and projections as necessary to illustrate the directional path of the City's economic condition.

3. Financial indicators:

TITLE	RATIO	INDICATION	BENCHMARK
<u>Short-run financial position</u>	Unreserved general fund balance ÷ general fund revenues	A high ratio suggests larger reserves for dealing with unexpected resource needs in the near term.	Minimum of .35

<u>Liquidity</u>	General fund cash and investments - (general fund liabilities – general fund deferred revenues)	A high ratio suggests a greater capacity for paying off short-run obligations,	Minimum of 4.0
<u>Financial performance</u>	Change in governmental activities net assets ÷ total governmental activities net assets	A high ratio suggests that annual costs are being adequately financed and financial position is improving.	Minimum of .04
<u>Solvency</u>	Primary government liabilities – deferred revenues ÷ primary government revenues	A low ratio suggests that outstanding obligations can more easily be met with annual revenues.	Maximum of 1.3
<u>Revenues (A)</u>	(Primary government operating grants and contributions + unrestricted aid) ÷ total primary government revenues	A low ratio suggests a government is not heavily reliant on intergovernmental aid.	Maximum of 1.13
<u>Revenues (B)</u>	(Net (expense) revenue for governmental activities - total governmental activities expenses) x -1	A low ratio suggests basic government services are more self-sufficient through charges, fees, and categorical grants, and less reliant on general tax support.	Maximum of .425
<u>Debt Burden</u>	Total outstanding debt for the primary government ÷ population	A low ratio suggests less burden on taxpayers and greater capacity for additional borrowing.	Maximum of \$1,950
<u>Coverage (A)</u>	Debt service ÷ noncapital governmental funds expenditures	A low ratio suggests general governmental long-term debt can be more easily repaid when it comes due	Maximum of 1.70
<u>Coverage (B)</u>	(Enterprise funds operating revenue + interest expense) / interest expense	A high ratio suggests greater resource availability for repaying the debts of enterprise	Minimum of 50.00

<u>Capital Assets</u>		activities as they come due.	
	(Ending net value of primary government capital assets – beginning net value) ÷ beginning net value	A high ratio suggests a government is keeping pace, on average, with the aging of its capital assets and replenishing them.	Minimum of .049

CONTINGENCY PLANNING

1. Policy Statement

When emergencies or unexpected events occur, having a policy that can be applied, or at least serve as a starting point, for financial decisions and actions improves the ability of a government to take timely action and aids in the overall management of such situations. Policies on contingency planning are used as a general guide when an emergency or unexpected event occurs. A set of actions and strategies are identified for each type of situation. Examples of financial emergencies that require contingency plans are sudden and severe decreases in locally collected revenues or intergovernmental aid, and unexpected major capital maintenance requirements. Development of a contingency plan in advance of such situations may be viewed positively by the rating agencies when evaluating a government's credit quality. This can also help expedite relief efforts when an emergency does occur and allow the government to recover funds more quickly or more effectively in the event of a natural disaster

2. The following is a summary of the phase classifications and the corresponding actions to be taken.

- a.) Alert. An anticipated net reduction in available reserves or reduction in major revenue source(s) from 1% up to 9%. The actions associated with this phase would best be described as delaying expenditures where reasonably possible, while maintaining the "Same Level" of service. Each department will be responsible for monitoring its individual budgets to ensure that only essential expenditures are made.
- b.) Minor. A reduction in reserves in excess of 9%, but less than 23%. The objective at this level is still to maintain "Same Level" of service where possible. Actions associated with this level would be:
 - 1.) Implementing the previously determined "Same Level" Budget.

- 2.) Intensifying the review process for large items such as contract services, consulting services, and capital expenditures including capital improvements.
 - 3.) Closely scrutinizing hiring for vacant positions, delaying the recruitment process, and using temporary help to fill in where possible.
- c.) Moderate. A reduction in reserves in excess of 23%, but less than 50%. Initiating cuts of service levels by:
- 1.) Requiring greater justification for large expenditures.
 - 2.) Deferring capital expenditures.
 - 3.) Reducing CIP appropriations from the affected fund.
 - 4.) Hiring to fill vacant positions only with special justification and authorization.
 - 5.) Closely monitoring and reducing expenditures for travel, seminars, retreats and bonuses.
- d.) Major. A reduction in reserves of 50% to 100%. Implementation of major service cuts.
- 1.) Instituting a hiring freeze.
 - 2.) Reducing the temporary work force.
 - 3.) Deferring merit wage increases.
 - 4.) Further reducing capital expenditures.
 - 5.) Preparing a strategy for reduction in force.
- e.) Crisis. Reserves have been 100% depleted and potential for having a deficit is present.
- 1.) Implementing reduction in force or other personnel cost-reduction strategies.
 - 2.) Eliminating programs.
 - 3.) Eliminating capital improvements.
3. In the event that an economic uncertainty is expected to last for consecutive years, the cumulative effect of the projected reduction in reserves will be used for determining the appropriate phase and corresponding actions.

OPERATING BUDGET PREPARATION

1. Budget Calendar

- a.) To ensure adequate time is provided near the end of a given fiscal year to permit thorough review by the Common Council of the following year's budget proposal, a formal budget calendar containing intermediate milestones or deadlines will be adopted as follows:

- Monthly meetings of the Finance Department and Department Heads to Address Long-Term Capital Plan and Proposals for New or Changed Services – January-December
- Issuance of Budget Request Instructions and Forms by Director – June 1st
- Return of Completed Budget Request Forms by Department Heads to Director – August 15th
- Development of Initial Revenue Estimates by Director – August 1st
- Submission of First Draft of Budget Proposal by Director to Mayor September 15th
- Working Sessions with Common Council – October
- Presentation of Mayor’s Proposed Budget to Common Council– November 1st)
- Public Hearing on Proposed Budget - November
- Final Adoption of Approved Budget-December

2. Roles and Responsibilities

- a.) It is the responsibility of the Mayor to prepare and present to the Common Council the City’s annual budget to the Common Council. The proposed budget shall be aligned with the goals and objectives as stated by Common Council. The Common Council shall review, and if necessary revise, the proposed budget. Common Council shall also determine whether the proposed budget adequately addresses the priorities set forth in the City’s Comprehensive Plan. The Common Council has the final responsibility for adopting the budget and making the necessary appropriations.

OPERATING BUDGET IMPLEMENTATION

1. Department Head Authority

- a.) The underlying concept of the City’s management system is that departments are given maximum authority to manage their areas of responsibility. Departments are given broad authority to control their budgets and to make changes indicated to meet program objectives and to meet performance goals.
- b.) The City encourages departments to strive for excellence through use of the tools of quality, through creativity, and appropriate risk taking and productivity efforts. The City recognizes cost savings attributable to actions by departments by providing "incentive reallocations" of a share of year end savings to the departments. The incentive reallocations may be used at the discretion of the department for any purpose consistent with their mission and the City’s Code of Ordinances. If unused, the balance in the incentive reallocation account for the

department may be carried forward to succeeding budget years. Use of the incentive reallocation may not increase the base budget going forward.

2. Budgetary Control

- a.) The Director will be responsible for maintaining a budgetary control system to ensure adherence to the adopted budget. On a monthly basis, the Deputy Director will prepare summary reports that compare actual revenues and expenditures to budgeted amounts. The report will also compare targeted performance level and actual results. These reports will be sent to the Mayor and the Common Council and made available to the public to keep all informed of the City's operating performance. These same reports will be provided to all Department Heads to assist them in managing the day-to-day operations of the City.
- b.) Budgetary transfers
- Transfer of Funds in wages and salary accounts including taxes and benefits thereon within the same Department requires the approval of the Department Head, the Director and the Deputy Director.
 - Appropriations in non-wages and salary accounts including taxes and benefits thereon may be transferred within a Department with Department Head approval.
 - Appropriations may be transferred between one Department to another Department within the same fund with the approval of the Director
 - Appropriations may be transfer between one Fund to another Fund with the approval of Common Council. After transfers each fund affected must remain in balance as previously defined.

3. Appropriation Authority

- a.) For the operating budget the appropriations authority shall end at the end of the fiscal year. Any unspent or encumbered balances remaining at the end of the fiscal year shall lapse into the fund balance and become available for re-appropriation for the next fiscal year.

4. Budget Amendments

- a.) In certain circumstances, budget appropriation may be adopted after budget adoption. All budget amendments require Common Council approval.

CAPITAL BUDGET AND CAPITAL IMPROVEMENT PROGRAM

1. Policy Statement

- a.) It is the explicit policy of the City to provide necessary and required services to the citizens to Cortland in a fiscally responsible manner. In order to provide these services, the City must furnish and maintain capital facilities and equipment such as buildings, parks, heavy equipment, trucks, police patrol cars, and fire engines. The City, as part of its budget process, prepares and submits to the Common Council a Five-Year Capital Improvement Plan (CIP) beginning with the next fiscal year. The Five-Year Plan is a planning document and the Common Council is under no covenant to adopt this plan. This plan does not appropriate or fund these capital projects. However, the City's policy is to include as year one cost, those capital projects and purchases in the plan that will be appropriated through the next fiscal year's budget.
- b.) The purpose of this policy is to establish guidelines and requirements for the submission of an annual capital budget and the development and maintenance of a five-year CIP that will be City-wide in scope and administer the implementation framework for an adequate capital projects foundation to serve the citizens of the City of Cortland. The CIP is designed to balance the need for public facilities and infrastructure with the fiscal capability of the City to meet those needs. The CIP serves as a general planning guide for the construction of general purposes facilities and the acquisition of rolling stock and major equipment. The CIP process provides a framework for careful development of reliable capital expenditure and revenue estimates and the timely scheduling of short and long term debt issues.
- c.) It is the responsibility of the Director under the direction of the Mayor to prepare and submit to the Common Council, concurrently with the annual operating budget, the following for its approval and adoption:
 - Annual Capital Improvement Budget
 - CIP for the City of Cortland.

2. Purpose of the Capital Improvement Program

- It establishes a system of examining and prioritizing the needs of the City and assures that the most essential improvements are provided first.
- Provides a mechanism for coordinating and consolidating the City's departmental request, thereby preventing duplication of projects and equipment.
- Provides an important implementation device for growth management.
- Coordinates physical with financial planning, allowing maximum benefits from available funding sources.

3 Relationship between the Operating Budget and the Capital Improvement Plan

- a.) There are many features that distinguish the City's operating budget from the capital plan. The operating budget includes expenses that are generally of a recurring nature and are appropriated for one year only. It provides for the funding of all City services, but does not result in the procurement of physical assets of the City. Year to year changes in the operating budget are expected to be fairly stable, and represent incremental changes in the cost of doing business in providing services. Resources for the operating budget are taxes, licenses, fees, charges for services and grants.
- b.) The capital plan, on the other hand, includes one-time costs for capital projects that may last several years. The projects result in procurement or construction of major physical assets for the City. Resources for the capital plan can come from the same resources as the operating budget, but the more costly projects are mainly funded from bond proceeds. In addition, the capital plan is a forecasting device intended to assist management and is not intended to appropriate funds.
- c.) In spite of the differences, the operating and capital plans are closely linked. The most obvious connection is the fact that the operating budget assumes the cost of maintaining and operating new facilities or equipment that are built or procured under the capital plan.
- d.) Operational needs drive the capital budget. For example, police patrol cars and fire trucks have definite useful lives and are in constant use providing safety services. Streets and storm water systems require maintenance to ensure operational capabilities. Computers are the key component in the City's integrated information system.

4. Capital Budget and Capital Improvement Program (CIP)

- a.) Common Council, City management, City departments, neighborhood associations, civic and community organizations and organized citizen groups will have the opportunity to provide input to the CIP process.
- b.) Capital project financing will be derived from various funding sources including, but not limited to, bonds, short term loans, federal and state grants, impact fees, permitted revenues streams and enterprise and special tax assessments.
- c.) The CIP will comply with the laws of the State of New York and Generally Accepted Accounting Principles to ensure the legality of funds, procurement and proper accounting and fiscal management techniques.
- d.) A list of priority categories for the CIP will be established by Common Council from information furnished by the Director. This list will determine initial consideration of proposed projects from the CIP and provide a basis for evaluation and subsequent funding. Conformance with broad priority categories will aid in ensuring the worthiness of a capital improvement project in relation to factors such as public health, safety, welfare, impact on the operational cost of government services and correlation with the City's long-term plan.

- e.) Additions or deletions of projects in the adopted CIP shall be by resolution of Common Council.
- f.) Changes in the cost of a current year project of more than 10% or \$100,000 – whichever is less, advancing projects into the current year, or delaying them from the current year to a future year in the adopted CIP shall be handled pursuant to the budget amendment procedures set forth the City’s Code of Ordinances.
- h.) Change in the cost of a current year project that is less than 10% or less than \$100,000-whichever is less- of the project’s all-year’s budget can be adjusted with the approval of the Director. Common Council will be provided a quarterly report of all such administrative adjustments.
- i.) In addition to the capital budget and the CIP, an annual update will be prepared and incorporated into the City’s long-term plan. Specifically, the annual update will be provided for:
 - Public facilities related to standards for storm water management, parks and recreation facilities and arterial and collector roads
 - Revenue forecasts and analysis of financial capacity as related to the above-listed public facilities.

5. Definitions

- a.) For the purpose of the City of Cortland’s CIP:
 - 1.) A **capital project** is a set of activities, with related expenditures and schedule that includes one or more of the following:
 - a. Delivery of a distinct asset or improvements to an existing asset, which will become an asset owned by the City of Cortland and be recorded in the financial records as a capital asset under GAAP
 - b. Any contribution by the City to other governments or not-for-profit entities for the purpose of delivering a capital improvement. In situations where the improvement is not, nor will it be included in the CIP as a contribution.
 - c. Any engineering study or master plan necessary for the delivery of a capital project
 - d. Major repair, renovation, or replacement of existing facilities.

The cost and timing of each of the above capital improvements are to be identified in the CIP. The project scope, schedule, and costs are approved by Common Council. A Project Administrator is identified for managing each capital project.
 - 2.) A **major repair, renovation, or replacement capital project** is a project that is primarily intended to preserve or enhance the operational condition of the existing facility and may increase the capacity of the facility. Facilities undergoing major repair and replacement may include existing

buildings, roads for resurfacing purposes, and storm water infrastructure. A project will be consider a major repair project, renovation, or replacement capital project category if it has an estimated cost of \$100,000 or greater or extends the useful life of an asset by at least 5 years, or adds capacity or square footage to an existing facility, or will require more than a twelve month period to accomplish. A project that does not extend the useful life of the asset by at least 5 years, or does not add capacity or square footage to an existing facility and will be accomplished in less than twelve months will be included in the City's routine repair and replacement program.

- 3.) **The Capital Improvement Program** is the Council approved financial plan of capital projects. The CIP will include "new" capital projects and major repair, renovation, or replacement capital project. "New" capital projects include the acquisition of new capital facilities through either purchase or construction, or assets acquired through private/public partnerships. The CIP should include any new facility or any existing facility that is being changed to either extend the useful life by at least five years, increase the level of services to the community, or change the function of the facility.
- 4.) **Project costs** represent the purchase price or construction costs of a project, including other capitalizable costs incurred such as feasibility studies, cost-benefit analysis, site acquisition, legal and title costs, appraisal and surveying fees, architect and accounting fees, design and engineering services, initial fixtures and equipment, and transportation charges necessary to place the completed asset in its intended locations and condition for use.

6. City of Cortland Priority Categories for the Capital Improvement Program

- a.) The following criteria, which are not presented in any sequence, will be used to establish priority for making decisions related to capital projects to be funded in the CIP.
 - Projects that are necessary to conform to state or federal laws or court rulings
 - Projects that are eligible for restricted revenues such as state and federal grants
 - Projects that are necessary in carrying out the City's long-term objectives
 - Major repair and replacement capital projects
 - Projects that reduce future operating costs or improve effectiveness of operation of City services
 - Projects that are essential to the health, safety, and welfare of the community

- Projects that stimulate private investment or otherwise affect measurable neighborhood and economic improvement
 - Projects that involve interagency cooperation
 - Projects that will improve the cultural and recreational activities of the community
 - Projects that provide measureable environmental benefit
 - Projects that improve accessibility to City facilities to all citizens.
- b.) It is the policy of the City that capital projects be prioritized based upon standard established for each program. Within the prioritization process, capital maintenance of existing infrastructure will be given a higher priority than new construction. New constructions projects will be prioritized based upon standards established for each program, including such standards consistent with the City's long-range plan.
7. Pay-As-You-Go Funding of Capital Improvement Projects
- It is the policy of long-term policy of the City to annually fund an Equipment Replacement Reserve to provide pay-as-you-go funding in order to provide adequate funding for minor equipment and vehicle replacement, minor projections, rehabilitation and renovation of existing assets and front-end funding of other projects for which total project cost has not calculated.
8. Minimizing the Expense of Financing Capital Projects
- a.) It is the policy of the City that short and long term financing for capital projects be based on anticipated cash requirements so as to borrow only when funds are needed and to fully comply with federal tax code in regards to arbitrage rebates. That is, funds shall not be borrowed for future phases of a project if these funds will not be needed within the next 24 months and the City will incur additional and unreasonable interest expenses or operating impacts as a result of such action.
- b.) As necessary, the county will employ the use of bond anticipation notes, pay-as-you-go financing until an accurate project cost can be determined, and/or breaking a bond issue into phases.
9. Operating Impact of Capital Projects
- It is the policies of the City that all capital projects considered for funding by the City include information on the potential impact on maintenance, as well as any costs of operating the project. Such information will include any savings resulting from the project, as well as any new costs. The operating impact information shall be provided for the period covered in the City's 5-Year CIP. No capital project shall be funded unless operating impacts have been assessed and the necessary funds can be reasonably assumed to be available, when needed and without resorting to financing.

10. Use of Capital Project Appropriations

- a.) Appropriations for a capital project deemed not needed to complete that project should be appropriated in the following order.
 - 1.) In accordance with bond covenants, grant contracts, statutory provisions, or other legal requirements, maintain a contingency balance within each sub fund sufficient to allow completion of currently approved capital projects. This contingency balance being the sum of allocated funds for future capital projects, allocated funds for future land acquisition, and reserve for future capital outlay, shall be computed as follows:
 - On an all-years basis, the contingency balance for capital projects within any sub fund shall equal at least 10% of the sub fund's total all-years appropriation less sum of actual all-years expenditures, all reserves, and all-years appropriations for allocated funds for future land acquisition and future capital projects.
 - 2.) Once contingency balance requirements have been met, remaining capital project capital appropriations may be used to reduce outstanding debt within the applicable program if permitted by bond covenants and if doing so does not create an economic or financial loss
 - 3.) If the two requirements above have been met remaining funds may be used to initiate new projects
 - 4.) Depending on the original funding sources, if no unfunded needs currently exist, [and] if no other requirements are specified under bond covenants, grant contracts, statutory provisions or other legal requirements, excess funds shall be added to the Assigned Equipment Replacement Reserve.
- b.) Note that any time a project's budget is amended, either administratively or by action of Common Council, is submitted to reduce the total funding for a given project, the amount of the proposed reduction will be deemed to be "remaining" appropriations subject to this policy.
- c.) Appropriations associated with projects from allocations of a specific reserve (e.g. the Assigned Redevelopment Commission Reserve, the Assigned Land Acquisition Reserve), will be returned to the allocated funds account established for that purpose and will not be subject to these requirements.

11. Method of Funding Citizen-Initiated Localized Capital Project or Services

- a.) It is the policy of the City that it will use non-ad volorem assessments to fund the full cost of citizen-initiated capital projects or services that will benefit areas within the City that exceed current general services provided City-wide. These non-ad volorem will be imposed through a Municipal Service District (MSD) established by the City in accordance with New York State laws.
 - 1.) The area to be included with a MSD will be compact and amenable to the efficient and effective delivery of services.

- 2.) A fair and reasonable methodology can be developed to apportion the full cost of the capital project or service to those properties benefiting.
 - 3.) The citizen-initiated project or service is not the remediation of a tangible action of the City.
 - b.) This policy does not apply to the City's existing storm water fees or Tax Increment Financing Districts.
12. All submissions of proposed capital projects shall be submitted in a manner prescribed by the Director.

¹ The positional title "Director of Administration and Finance" is designated "Director". The title "Deputy Director and Administration and Finance" is designated "Deputy Director".

² A "*Nonexchange Transaction*" is defined as transaction in which the government either gives value (benefit) to another party without directly receiving equal value in exchange or received value (benefit) from another party without directly giving equal value in exchange.

CITY OF CORTLAND, NY
DEPARTMENTS OF ADMINISTRATION AND FINANCE and
INFORMATION TECHNOLOGY

INFORMATION TECHNOLOGY STRATEGIC PLAN AND
IMPLEMENTATION OF A CORE FINANCIAL AND
INFORMATION SOFTWARE PLATFORM

INTRODUCTION

Distribution of financial information is a critical component of all organizations, including government entities and is imperative for sustaining growth and productivity. Like many other cities, the City of Cortland faces constant demands from its residents, local businesses, and other organizations to supply additional services while improving existing services such as greater access to information and faster response time. To deliver these services, the various City departments require access to centralized financial information which is both user-friendly and cost effective.

The purpose of establishing a formal strategic plan for the IT Department is to provide a clear, comprehensive document to effectively communicate the vision for the City's financial technology infrastructure and its priorities, strategy and processes. Furthermore, this plan recognizes and demonstrates the connection between the City's mission Statement, Common Council's goals, objectives and informational needs.

The IT Department's Strategic Plan creates a framework that will assist in ensuring that individual departments and the City as a whole address the following financial informational objectives:

- Ensure hardware and software compatibility with other City systems
- Reduce duplicate systems;
- Eliminate duplicate work processes:
- Ensure the security of the City's network;
- Align City staff with operational goals; and,
- Promote efficiency and effectiveness in management of systems and data.

This is a working document and will be updated as requirements change and technology evolves.

CITY MISSION and COMMON COUNCIL GOALS AND OBJECTIVES

The IT Department's Strategic Plan is established with a clear understanding of the City's Mission, its core values, and strategic goals established by Common council. These are listed below and included within this plan to use as a guide to align the Department's System Strategic Plan with that of the City and Common Council.

MISSION STATEMENT

CORTLAND: The Heart of Central New York is Dedicated to Providing Efficient Services that Ensure a Safe Community, Promotes Pride in Neighborhoods, and Foster Sustainable Growth.

CITY OF CORTLAND'S COMMON COUNCIL CORE VALUES

Accountability - We are responsible for our own behavior and actions. The responsibility for providing service starts with each employee. We value decisions and actions which are based on factual information and logical and realistic thinking.

Resident Satisfaction - We believe that residents deserve service that is provided in a timely and thorough manner. We place a high value on following up and following through to completion with plans, projects, programs, and to inquiries and service requests from City residents, visitors, and fellow employees.

Communication - We value and expect the open and honest sharing of ideas, concerns, and problems at all levels of City government. Quality resident service requires a free-flowing exchange of information and the clear and effective written and oral expression and presentation of ideas and factual information throughout City government and with City residents.

Compassion - We believe that the concerns of City residents and employees are important. We believe it is important to listen carefully to others to fully understand their views before making decisions or conclusions, to appreciate and be sensitive to the feelings and needs of others, and to measure City own impacts on others. We will have respect and consideration for one another even if we disagree

Consistency - We strongly value fair and equal implementation of City services and policies to City residents of all ages, genders, cultural, and socioeconomic groups. We believe City policies and procedures should be enforced in a fair and equitable manner throughout City organization and community.

Creativity - We value and reward new and improved ways to provide quality resident service. We applaud critical thinking and suggestions for improvement in programs and services from all people who are involved with providing and supporting City services - elected and appointed officials, employees, residents, and suppliers. We believe that the best ideas surface when City employees, boards and commissions, and residents are encouraged to generate new ideas and create new opportunities in a risk-free environment, and those ideas are acknowledged.

Empowerment - We believe employees should be provided sufficient freedom to creatively and effectively make decisions necessary to resolve issues and improve resident services. We value motivation, initiative, and taking action to provide the highest quality of resident service, in a risk-free environment.

Honesty - We value people who are honorable in principles, intentions, and actions, and who are ethical and fair. We value truthfulness and credibility.

Professionalism - We value education, training, and personal attitudes that support the development, maintenance, and advancement of a competent resident-friendly oriented work force.

Self-Initiative - We value employees who take action to resolve issues and resident service problems in a proactive manner. We believe that all City employees, with their individual work styles and perspectives, are important resources for identifying and providing solutions, and performing and improving resident services.

Teamwork - We are all part of the same team with the same goals and objectives. We shall accept and work towards those goals as part of the team even though we may not personally agree with every aspect. We shall accept and collaborate with other members of a team regardless of our personal feelings toward them.

Vision - We have a responsibility to positively affect the future for City residents by what we do today. We value planning for our tomorrows to make a better community for those who follow us.

CITY OF CORTLAND'S 2012-2013 GOALS AND OBJECTIVES

GOAL: Promote Livable Neighborhoods—Ensure a balance mix of housing options that meet the diverse requirements of the City that promotes stable neighborhoods and ownership investment while accommodating College related needs and housing needs of special populations.

OBJECTIVES:

- Strong, Effective Home Owner and Neighborhood Associations Maintaining and Investing in Common Areas, Streetscapes and Public Spaces: Older Commercial Areas Redeveloped and Reused
- Emphasis on Home-Ownership and Home Maintenance
- Renovated, Modernized and Well-Maintained Older Housing Stock
- Develop policies for specific incentives for residential in-fill in blighted areas
- Well-Maintained, Replaced and Up-to-Date Neighborhood Infrastructure
- Protecting the Identity and Integrity of Neighborhoods
- Infill Consistent with Neighborhood Character
- Ensure that code enforcement efforts focus on efforts to help maintain neighborhoods and improve visual standards
- Residents Involved in and Taking Responsibility for Making the Neighborhood a Great Place to Live and Call Home
- Top Quality Community and Neighborhood Parks with Active and Passive Areas

GOAL: Promote Economic Development—Provide economic development to satisfy the needs of the community, including retail development and diverse job opportunities, and to assist in the fiscal stability of the City.

OBJECTIVES:

- Increase the retail shopping mix to meet community demand
- Pursue economic development that balances the pursuit of new net revenue with maintaining and enhancing the community's unique character and protects its natural resources and environment
- Develop a business attraction program to attract higher paid employment opportunities that will provide stable economic growth for the community
- Encourage business retention and expansion through programs which collaborate with local organizations, the State, schools, and colleges to provide technical assistance, employee training resources, and financial assistance
- Reduce need for increases in taxes through increased economic activity
- Pursue opportunities to promote Cortland as a destination for visitors
- Support the downtown as a vital commercial center and reduce potential for blight in the downtown core
- Provide residential uses in the downtown core, with emphasis on owner-occupied condominiums
- Promote the downtown as the vibrant social center for the community
- Address downtown parking needs by developing a comprehensive plan in cooperation with public and private downtown interests which addresses joint use and other creative methods to integrate parking downtown

GOAL: Promote the Image of Cortland—Improve and maintain the visual appearance and livability of the City

OBJECTIVES:

- Institute a campaign against littering and encourage public participation in volunteer efforts

- Create landscaped gateways and arterial roads. Improve entries points to Interstate 81 landscape standards. Promote, encourage and support neighborhood landscaping and garden creation
- Continue efforts to enhance the City’s urban forest by promoting the planting, proper care and maintenance of trees throughout the City
- Direct the City resources in such manners that promotes the image of the City as a well maintained and care for place where residents are proud to live and work
- Facilitate development and encourage capital investments towards cultural and recreational facilities, including the use of grants, contributions, in-kind services and other unique or appropriate one-time funding sources which may become available.

GOAL: Efficient Government—Ensure fiscal stability to meet short and long-term needs of the community, without reliance on increases in property tax rates

OBJECTIVES:

- Incorporate best practices from the public and private sectors as an element of conducting business
- To prudently govern all areas of discretionary spending, including personnel, benefit and pension costs, so that funds to provide services can be balance with the need to attract and retain quality personnel
- To conservatively govern the financial operations of the City, so that long-term liabilities are controlled as best as practicable for the benefit of the taxpayer
- To preserve General Fund resources for the core services of the City
- To adopt and adhere to comprehensive operating and budgetary fiscal policies
- To respect the residents and businesses of the City by keeping tax rates, fees and assessments as low as possible while still providing quality services that meet the needs of all that live and work within the City

GOAL: Communication and coordination—Promote enhance opportunities for dialogue and communication with Cortland residents and stakeholders through enhanced partnerships with residents, businesses, and with other public entities in the community and through support of expanded volunteer opportunities and efforts

OBJECTIVES:

- Collaborate with local and regional economic development organizations to cooperatively promote employment opportunities and retention
- Enhance communication and partnerships with citizens, local public agencies, and businesses
- Support community, civic and volunteer organizations in their efforts to expand their capacity
- Enhance participation opportunities for the Cortland in developing the City’s budget and long-term financial strategies
- Support work in the community to engage with cultural and ethnic minority communities
- Establish a “leadership academy” to build citizen awareness of Cortland’s history, government, neighborhoods and community partners

- Adopt amendments to the City's development regulations to make the permit process more timely, clear and predictable, e.g., administrative design review, planned actions, subarea plans, and other appropriate planning tools.
- Provide a business-friendly environment that attracts and retains both large and small businesses

GOAL: Demographics-- Adapt to changes in the demographics of the City population so that all residents of the City are fully included in their community and the cost to provide City services are shared equitably.

OBJECTIVES:

- Implement a system that tracks changes in the demographics of the City's populations and predicts future trends.
- Engage in discussions with Community health organizations, civic Organizations School and County government to develop programs that meet the needs of all residents.
- Structure the delivery of City services in such a manner that are responsive to the changing needs of the City's population
- Develop a long-range financial model that reflects anticipated changes in demographics

IT DEPARTMENT'S MISSION STATEMENT

To align the purpose and goals of City's IT Department with those of the City and Common Council and to position the Department as the unifying nexus between all departments within the City, the Department created the following mission statement:

To provide proven, state-of-the-practice information technologies in the most strategic, cost effective and efficient ways possible to support internal City operations and business activities with trained, self-motivated and capable professionals in an empowering environment.

GUIDING PRINCIPLES

The Department's mission statement is supported by the following guiding principles:

Principle 1 – Sustained success in the use of any technology can only be achieved through the ability to hire, train and retain the most knowledgeable, dedicated technical staff.

Principle 2 – Customers are first priority, and will always be treated in a timely and professional manner.

Principle 3 – New system acquisition will be accomplished through a standard process and will meet the standardization goals as established by the IT Department.

Principle 4 – Replacement of hardware, software and network infrastructure will be budgeted and scheduled to prevent obsolescence and reduced organization efficiency.

Principle 5 – Emerging technology will be evaluated by the IT Department to determine opportunities to enhance delivery of core services, increase organizational efficiencies, decrease cost, and support new Common Council priorities.

Principle 6 – Access to and availability of systems is crucial to the organization, and high system availability will be an on-going performance measure for the department.

Principle 7 - Customers will have efficient methods to request IT services and to provide feedback on services provided by the IT Department.

Principle 8 – Hardware and software (customized and off-the-shelf solutions) standards are established and updated by the IT Department and adhered to by all City Departments

Principle 9 – City Staff use IT resources in accordance with formally established policies.

Principle 10 – The City management will be consulted to review, discuss and agree on implementation priorities and schedule for new major systems, as needed, on an annual basis.

Principle 11 – Technology staff must think outside the box, constantly looking for new and creative ways to use technology to support organization goals and objectives.

Principle 12 – Staff will purchase and implement off-the-shelf software for major applications as opposed to developing custom software when off-the-shelf software or cloud providers can meet the majority of the City's functional, business fit and security requirements.

Principle 13 – Data integration and sharing throughout the organization is a key evaluation factor in selecting and developing applications.

Principle 14 – Systems support and application development are centralized within the IT Department, eliminating the need for departments to hire or convert existing staff within departments into technology specific positions to support hardware or database applications. This centralized approach enhances organization efficiency by eliminating potential for islands of information, promoting opportunity for data sharing between applications and maintaining adequate depth of support for systems.

IT DEPARTMENT'S CUSTOMERS

The IT Department recognizes that the services provided by the Department extend beyond the departments within the City. Businesses and citizens frequently use the City's website as an alternative avenue to gain access to information and services, as well as to become more involved in local government. Tactical plans include expended E-government applications and increase the numbers of customers using services directly provided by the IT Department. E-government is defined as the transformation of public-sector internal and external relations through Internet-enabled technologies to enhance communication and optimize government service delivery.

The IT Department provides services for the groups listed below:

Common Council – responsible for serving as the legislative and governing body of the City. Common Council adopts laws, ordinances, and resolutions stating City policy; holds public meetings on a variety of community issues; meets with groups and businesses; and attends local, county, regional, state and national meetings on issues that have municipal impact.

Mayor's Office – responsible for providing overall administration for the City in accordance with Common Council policies and issues. These responsibilities include preparing and executing the City budget; special projects management; overall coordination of capital projects; tracking municipal impacts of state and federal legislations; public information; and serving as key communicators with Common Council, citizens and staff.

Corporate Counsel - responsible for the general legal affairs of the City. This office provides legal representation and advice to the Common Council, the Mayor, the City's Boards and Commissions, the City Department Heads and other key City Staff regarding the legal implications of contemplated policy and administrative decisions. The office also prepares and reviews various ordinances, contracts and other legal documents; and conducts a variety of legal trainings and other educational programs designed to avoid lawsuits.

Finance Department - responsible for collecting, accounting and reporting financial information related to all City revenues and expenditures; issuing and managing City debt; collecting, auditing and enforcing City sales and use tax; administering benefits; collecting revenues, and managing investments.

Fire Department – responsible for emergency medical care and transport; emergency management; fire investigations; fire prevention services and planning; public education; facilitating City and community emergency preparedness; and various specialized services.

General Services Department - responsible for building operations and maintenance; City Clerk functions; employee training and development; environmental services; human resources; organizational support services; purchasing; and risk management.

Youth Bureau, Parks, and Recreation - responsible for acquiring, designing, constructing and maintaining parks, trails; pool and playgrounds; operating multiple recreation centers, and planning and implementing programs, sports leagues, senior activities and special events.

Police Department – responsible for enforcing all laws and ordinances; providing a safe environment for the residents, businesses and visitors to the community; protecting through patrol and traffic operations; case investigations; code enforcement activity; enhanced communications; animal control functions; interacting with the community to educate them on crime prevention, criminal activity, drug activity and awareness, traffic safety and pet ownership.

Public Works and Utilities – responsible for managing and maintaining water and wastewater treatment processes; maintaining street system and storm water infrastructure; maintaining water distribution systems and wastewater collection systems; overseeing environmental issues; and overseeing the development and implementation of water conservation programs.

TRENDS IN INFORMATIONAL TECHNOLOGY

The IT Department monitors trends in the technology field and purchase, evaluate and implement new technologies that have potential to enhance services to internal or external customers or improve organization efficiency. This document does not describe all trends and emerging technologies, but does highlight several key technology trends that may provide opportunities to improve services and efficiency within the City of Cortland. Some of the major trends and advances being tracked and explored within the IT Department include:

- Expanding capabilities of web based technology

Advancing web technologies will continue to provide opportunity for the City to enhance delivery of information and services to residents, businesses, other government agencies, economic development prospects and visitors. Video, blogs, wikis, RSS feeds, social networking and other web based services will be implemented as deemed appropriate and beneficial for the City in meeting objectives.

- Wireless Local Area Networks (WLAN)

Wireless network technology has helped the City to improve network performance and reliability between City facilities and eliminate most of the expense associated with leased data communication circuits. The IT staff is continuing to monitor advances in Wi-Fi, WiMax and 700 MHZ network technology, which has the potential to blanket the City with broadband wireless services. The City is prepared to provide prompt response and appropriate right of way agreements when the private sector determines that there is a solid business case for mesh network deployment within the City.

- Cloud Computing

Cloud computing is a method to increase capacity or add capabilities on the fly without investing in new infrastructure, training new personnel or licensing new software. Cloud computing includes any subscription-based or pay-per-use service that, in real time over the Internet, extends IT's existing capabilities. It has the potential to change the way in which the City's IT Department provides services during the coming years.

Cloud computing includes:

- **SaaS (Software as a Server)** delivers a single application through the browser to thousands of customers using a multitenant architecture. On the City side, it means no upfront investment in servers or software licensing; on the provider side, with just one app to maintain, costs for some apps may be lower compared to City hosting.

- **Utility computing** provides virtual servers that IT can access on demand. In future years, it could potentially replace parts of the existing the City's datacenter.
 - **Web services** in the cloud offer interfaces that enable developers to exploit functionality over the Internet, rather than delivering full-blown applications, such as APIs offered by Google Maps, ADP payroll processing, the U.S. Postal Service, and even conventional credit card processing services.
 - **Platform as a service** – In the future, the City may build custom applications that run on the provider's infrastructure and are delivered to City employees via the Internet from the provider's servers.
 - **MSP (managed service providers)** such as a virus and spam scanning service for e-mail
- Application integration and database consolidation

Application integration and database consolidation/standardization will help the City to further streamline operations and enhance services.

- Advanced Security

Increased need for security will help to accelerate two-factor authentication options and biometrics technologies. Decreasing prices for such technologies will create opportunities for more organizations to consider advanced authentication techniques. Technology advances in mobile data security products will also provide opportunity for enhancing protection of confidential information.

- Green Initiatives

The IT Department has the opportunity to assist departments in various green initiatives that have the potential to greatly enhance the City's green credentials. Common green initiatives include the use of e-documents, reducing travel and teleworking. IT can also provide assistance in evaluating and supporting the technology that others in the City may use to reduce energy consumption.

- Flash/Solid State Memory Advances

Flash memory is not new, but it is moving up to a new tier in the storage echelon. Flash memory is a semiconductor memory device, familiar from its use in USB memory sticks and digital camera cards. It is much faster than rotating disk, but considerably more expensive, however this differential is shrinking. At the rate of price declines, the technology is forecasted to see a more than a 100 percent compound annual growth rate during the next few years. As a result, this technology may become more strategic in City IT areas as it will offer a new layer of the storage hierarchy in servers and client computers that offer key advantages including reduced space requirements, energy efficiency, lower heat output, improved performance and ruggedness.

- **Mobile Technology and Application Advancement**

Capabilities, options and performance of mobile computing hardware continue to grow. Mobile hardware capabilities, combined with an ever increasing and useful choice of mobile based software applications and higher speed networks, will play an increasingly important role in streamlining organizational operations and provide the tools needed to help achieve established goals. In 2012, the IT Department evaluated and added several new mobile devices to the supported technology list, including the electronic tablets

- **Application Virtualization and System Management Appliances**

Application virtualization includes software technologies that improve portability, manageability and compatibility of applications by encapsulating them from the underlying operating system on which they are executed. A fully virtualized application is not installed in the traditional sense although it is still executed as if it were. While not new technologies, recent and developing advances in application virtualization and system management appliances may help the City to streamline deployment and management while reducing support costs associated with maintaining the large numbers of computers used for City operations.

SYSTEM SECURITY

Increased reliance on computer technology to support mission critical services, along with an escalating risk of computer infiltration and corruption by outside individuals, has necessitated a heightened focus on securing computer resources. A broad, multi-facility network and Internet connectivity have amplified security risk. The IT Department has been proactive in implementing multiple layers of protection for IT supported technologies. Without a comprehensive security plan and industry best practices in place, even the best systems can be compromised.

All City servers, located at City Hall, are physically secured in an environmentally controlled computer room with controlled access. Access is limited to IT staff and a limited number of other employees who require access to the room to perform their jobs. Multiple security tools, practices and procedures have been implemented during the last several years to protect the systems against unauthorized access and viruses. Some of these include:

- **Security Patches** – Security patches for operating systems, applications and databases are reviewed and installed on an ongoing and timely basis.
- **Security Policies** - Complete user and technical security policies are reviewed, updated and distributed on an annual basis.
- **Principle of Least Privileged (POLP)** – The City strives for best practices in the area of privileges and permissions. Users and technology staff are granted the minimal access rights needed to get their jobs done efficiently.
- **Cyber Security** - IT staff regularly reviews the Carnegie Mellon University CERT and SANS Internet Storm Center web sites and other resources to maintain current knowledge of cyber security alerts and product vulnerabilities. This information is used to fortify City systems against threats.

- Firewalls - The City uses firewalls to provide enterprise-class integrated network security services and to establish multi-layered defense for all City computer servers. The main firewall is placed between the internal network and the Internet. The main firewall interacts with content filtering software.
- Virtual Private Networking (VPN)-This VPN feature of the firewall allows a secured 128-bit encryption connection from the Internet to the City's internal network, providing a secure method for IT staff to access internal resources. Users are challenged for a password by the firewall and by the internal servers.
- Virus Protection and Detection - The IT Department has multiple levels of virus protection for internal systems. Electronic mail is initially screened and filtered for viruses through an outside service. Second, it is scanned through an anti-virus utility when it enters the City's gateway. When the email is routed from the email gateway to the Microsoft Exchange Server mailboxes, it is again scanned with anti-virus software. At each workstation, locally installed anti-virus software scans local files and removable media for viruses. Virus definition files are automatically updated continuously on the server and workstations. The City also deploys file and web reputation cloud services to enhance protection and greatly reduce the time required to protect city computers against new virus threats.
- Password Controls-City employee's access to the various software packages is controlled by the use of passwords and specific login menus that provide access only to the applications and services an employee is authorized to use.
- Windows Security of PC's-Windows security features are used to prevent non-administration staff from installing new programs on desktop computers.
- Disaster Recovery/Business Continuity-the City uses a software provided ASP system so that critical applications and virtual servers are replicated to this facility on a daily basis

TECHNOLOGY ACQUISITION PROCESS

The IT Department provides consulting, advisory and project management services to assist departments in learning how technology can support their goals, and to assist them as they plan for and deploy new technology projects. Departments, in collaboration with the IT Department, are required to consider and document several important aspects of a proposed technical project including: project scope, business need/justification for the project, project team members, on-going user and technical staff support requirements, training requirements and cost.

In most situations, departments contact Information Technology staff prior to initiating any purchases of hardware or software that exceeds \$100 in cost. All purchase orders containing computer hardware, software or related technology are forwarded to the IT Department for final review and approval. Compliance with standards and ease of integration with existing technology and data is achieved and enhanced through this approval process.

CORE FINANCIAL AND INFORMATION SYSTEM

The foundation of the City's information system is a software platform that permits all department, Common Council, vendors and residents access the system to fulfill their informational needs while operating in an environment consistent with the IT Department's Strategic Plan. The goal of implementing a core information software is to empower the Department's customer base by providing the following features:

City Government	Operating Departments	Finance Department	Residents
Reduces overall financial costs through strategic management resources	Increases organization-wide visibility into budget compliance and financial status	Reduce redundant data entry and creates a single source for financial data	Improves understanding of the City's mission and goals
Increases organizational flexibility to address business and legislative changes	Provides real-time insight into business processes for strategic decision making	Improves productivity, efficiency and responsiveness to Council, Departments, State and Residents	Increases satisfaction in City government program and services
Ensure accountability, transparency, and compliance with local, state and federal requirements	Reduce planning and budgeting cycle times	Decrease process time and enhances workflow for day-to-day tasks	Provides transparency into the City's operations and processes
Enables collaboration across organization boundaries	Optimize cash flow through performance measurement, analysis and forecasting		

The Finance and IT Departments is recommending the Munis Governmental Accounting software provided by Tyler Technologies as this core software system.
<http://www.tylertech.com/solutions-products/munis-product-suite>.

The flowing chart align the values, objectives and goals put forth by Common Council, the IT Department's guiding principles, service to the IT Department's customers, compatibility with future trends in technology and adherence to security standards.

COUNCIL'S CORE VALUES, GOALS AND OBJECTIVES	IT DEPARTMENT'S GUIDING PRINCIPLE	CUSTOMERS	TECHNOLOGY TRENDS	SECURITY	MUNIS FEATURES
Accountability; Communication; Resident Satisfaction & Incorporating best practices	New system acquisition; Emerging technology; Use of off-the-shelf software; and Centralized IT services	Common Council; Departments; Vendors; & Residents	Web based technology; Wireless networks; Cloud computing; Saas applications; Platform as a service	POLP; Cyber Security; Firewalls; VPN; Password access; Disaster recovery	45 years' experience in public sector; 10,000 governmental clients; capital resources. Council, Department and resident oriented dashboard financial reporting; Saas software; cloud based, real time off-site duplication.
Consistency; Teamwork; & Adhere to budgetary policies	Use of emerging technology; Data integration & sharing; centralization within IT Department.	Common Council; Mayor's office; & Department	Application integration; Application Advancement; Application virtualization & System management	VPN; Password access; Disaster recovery	User data organization; Comprehensive overview; snapshot presentation; VPN access; Central ribbon menu control; profile settings & Order viewing
Accountability; Self-initiative; Efficient Government; prudent governing	Ease of use; Data integration	Common Council; Finance; & Operating departments	Saas & Application integration;	POLP based work process Password	Command Center; Ribbon formatting; Excel & Word comparability; Scenario budgeting; & Work order processing; Transaction drill down: seamless integration
Accountability; Communication; Consistency; Teamwork; Govern	Use of technology to increase organizational efficiencies,	All Departments	SaaS; Application integration; use of Web technologies &	POLP; Cyber Security; Firewalls; VPN; Password	Controls budget adherence at the purchasing phase Electronic filing and

<p>discretionary spending; Govern financial operations; & Preserve General Fund resources</p>	<p>decrease cost & support Common Council priorities Use of of-the-shelf software Data integration and sharing</p>		<p>Platform as a service; database consolidation & Green initiatives</p>	<p>access; Disaster recovery</p>	<p>retrieval</p>
<p>Consistency & incorporating best practices</p>	<p>Enforces standardization goals; Access to critical information; of-the-shelf software; & centralization of IT functions</p>	<p>Common Council All Departments Residents Vendors</p>	<p>SaaS; Application integration; use of Web technologies & Platform as a service; database consolidation</p>	<p>POLP; Cyber Security; Firewalls; VPN; Password access; Disaster recovery</p>	<p>Reporting packages, Transaction drilldown; dashboard reporting; & vendor inquiry</p>
<p>Accountability; Consistency; Best practices & Efficient government</p>	<p>Enforces standardization goals; Access to critical information; of-the-shelf software; & centralization of IT functions</p>	<p>Common Council All Departments Residents</p>	<p>SaaS; Application integration; use of Web technologies; Platform as a service; database consolidation & Excel and Word compatibility</p>	<p>POLP; Cyber Security; Firewalls; VPN; Password access; Disaster recovery</p>	<p>Budgeting component that:</p> <ul style="list-style-type: none"> • Incorporates long-term perspectives • Establishes links to organizational goals • Focus budget decisions on results and outcomes • Involves and promotes communication among Council, Mayor's office & Departments

					<ul style="list-style-type: none"> Enables resident input into the budget process
<p>Accountability; Consistency; Best practices & Efficient government</p>	<p>Enforces standardization goals; Access to critical information; of-the-shelf software; & centralization of IT functions</p>	<p>Common Council All Departments Residents</p>	<p>SaaS; Application integration; use of Web technologies; Platform as a service; database consolidation & Excel and Word compatibility</p>	<p>POLP; Cyber Security; Firewalls; VPN; Password access; Disaster recovery</p>	<p>General Ledger, Project and Grant Accounting incorporating:</p> <ul style="list-style-type: none"> Automated due to/due from processing Update all balances in real time with each transaction Distributes allocations Perform real-time monitoring of available budget Record project detail in funds Track matching project fund amounts
<p>Accountability; Consistency; Best practices & Efficient government</p>	<p>Enforces standardization goals; Access to critical information; of-</p>	<p>Common Council All Departments</p>	<p>SaaS; Application integration; use of Web technologies;</p>	<p>POLP; Cyber Security; Firewalls; VPN; Password</p>	<p>Operational reporting that:</p> <ul style="list-style-type: none"> Accommodate annual,

	<p>the-shelf software; & centralization of IT functions</p>	<p>Residents</p>	<p>Platform as a service; database consolidation & Excel and Word compatibility</p>	<p>access; Disaster recovery</p>	<p>biennial and five year budgeting</p> <ul style="list-style-type: none"> • Multi-year budgeting of operating and capital projects • Build files from prior year or average of years • Use position and budget control to forecast the impact of salary and benefits costs • Capture department and program goals to link resources to expected results • Run statistical data to facilitate budgeting
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COST

The total five year cost of the Munis Software package, which includes conversion of account balances, training, and VPN installation will be \$229,380 of which \$4,000 is payable upon the installation of the VPN and the balance in 20 quarterly installments. At the end of the initial five year period the ASP arrangement can be renewed at the option of either the City of the software provider.

ALTERNATIVE SOFTWARE

The City has also looked at other providers of municipal accounting and budgeting software. Of these the City determined that a package developed by KVS Information System, Inc. headquartered in Williamsville, New York would be a suitable alternative to the Munis platform. However it must be noted that the KVS System lacks the Council and Department assessable financial dashboards present in the MUNIS system, which the Finance and IT Department find of value. In addition the KVS would cost \$129,853 over the first five years of use and \$140,000 more in upfront costs than the Munis software.

➤ Software accounting software purchase	\$ 41,464
➤ One time License Fee	\$ 37,338
➤ License Fee for Oracle Database software	\$ 41,838
➤ Printing software	\$ 4,340
➤ Implementation Support	\$ 14,998
➤ Conversion Service	\$ 4,800
▪ Total Upfront Cost	<u>\$144,778</u>
➤ Annual Software maintenance cost of \$19,191 for five years	\$ 95,955
➤ Annual Cloud Hosting Fee of \$23,700 for five years	<u>\$118,500</u>
 Total five year cost of the KVS software	 <u>\$359,233</u>

A slight cost advantage of the FVS system comes forth after the fifth year given that the City would own the KVS software and just be paying the annual maintenance and hosting fees of \$42,891 (adjusted for inflation) whereas in the Munis system the City would continue paying an ASP user fee of \$45,076 (adjusted for inflation) . Therefore assuming that the City would find the Software suitable for 10 years, which might not be a realistic assumption, the annual cost favor shifts in favor of KVS but not enough to offset the cost disadvantage of \$129,853 in the first years.

City Clerk

From: "Mack Cook" <mcook@cutland.org>
To: "Brian Tobin" <btobin@cutland.org>; "ward1" <ward1@cutland.org>; "ward2" <ward2@cutland.org>; "ward3" <ward3@cutland.org>; "ward4" <ward4@cutland.org>; "ward5" <ward5@cutland.org>; "ward6" <ward6@cutland.org>; "ward7" <ward7@cutland.org>; "ward8" <ward8@cutland.org>
Cc: "Sherrie Massmann" <cityclerk@cutland.org>; "lawdept" <lawdept@cutland.org>
Sent: Saturday, June 09, 2012 9:25 AM
Attach: CODE OFFICIALS AUTHORITY TO ENTER ON OR IN PRIVATE PROPERTY.pdf; Rental Unit Application.pdf; Self Certification.pdf; Warrant Application.pdf
Subject: Council Agenda--Revisions to the City's Rental Registration Law
Mayor and Member of Common Council,

On the June 19th Agenda revisions to the City's Rental Registration Law will be presented as a Local Law. The objective is to satisfied the Courts concern regarding the Constitutional issues in the '3-*Unrelated Case*' and seek the removal of the Temporary Retaining Order(TRO). Attached for Council's consideration are:

- Amendments to the Code to meet the constitutional constraints upon the Code Department registration and inspection of rental property.
- Revised Rental Registration Application
- Revised Self Certification Form
- Application for Administration Inspection Warrant.

Corporate Counsel will be forwarding additional information and revisions.

Respectfully submitted for your consideration,
Mack

STATE OF NEW YORK
CORTLAND CITY COURT
COUNTY OF CORTLAND

In the Matter of an Administrative Inspection
of _____ under the
control of _____ presently
located at _____ in the
_____ County of _____
by the _____

APPLICATION FOR ADMINISTRATIVE
INSPECTION WARRANT UNDER THE

To: Honorable _____
Justice of the _____

1. _____ (Name), _____ (Title), duly authorized by the _____ to act herein,
applies for an Administrative Inspection Warrant, pursuant to the applicable provisions of
statute, for:

- _____ (a) Entry upon the above captioned premises.
- _____ (b) Inspecting of such premises.
- _____ (c) Obtaining of materials described as _____ .
- _____ (d) Access to and the copying of any records relating to such premises and materials.

2. Upon information and belief, said _____ entry, _____ access to and copying of records,
_____ inspection, _____ obtaining of materials: _____ was last undertaken on _____ has
never been undertaken.

3. Pursuant to _____ and the statute law therein cited and authorizing the same, the
_____ of the _____ may enter and inspect any property, premise, or place for the
purpose of: _____ inspecting an actual violation of that [local law/ordinance],

_____ inspecting a suspected violation of that [local law/ordinance],

_____ ascertaining compliance or non-compliance with that [local law/ordinance].

Further, _____ provides that an authorized representative of the _____ shall have a right
to (a) enter any premises where a violation of that [law/ordinance] may have been committed; (b)
inspect such premises; (c) obtain materials from any person which may substantiate allegation of
such violation; and (d) have access to and copy any records relating to such alleged violation. To
the extent required by law, any information relating to the private concerns of persons which is
obtained in the course of inspection or obtaining of materials shall be kept confidential.

4. The People of the _____ through the _____ Board have established that the public has
a valid interest in the proper management of land use and in effective enforcement of the land
use laws and regulations of the _____. The public interest necessarily includes, but is not limited
to:

5. In order to safeguard the public interest as outlined in paragraph 4 above, and to ensure the effective enforcement of the land use laws and regulations of the _____ the _____ must:

6. Based on the statutory authority allowing _____ entry, to inspect, to obtain materials, access to and the copying of required records, and the public interest and necessity for said entry, inspection, obtaining of materials, access to and copying, there is sufficient justification for the issuance of an Administrative Inspection Warrant.

7. Upon information and belief, _____ (*Name*), in his capacity as _____ of the _____, in the course of his duties attempted to:

_____ the consent of _____. This _____ was controlled by _____, located at _____, in the City of Cortland, County of Cortland, State of New York. Permission to make the inspection was denied by _____ in the following manner:

8. Upon information and belief further attempts to _____ at this time would be to no avail and would result in a similar refusal by _____ as described in paragraph 7 above.

9. Upon information and belief said _____ will in the future continue to refuse the statutory right of _____ to _____ as set forth in paragraph 3 above, unless the court grants the Administrative Inspection Warrant requested herein.

10. The entry, inspection, obtaining of materials, access to and copying of required records requested herein will be undertaken during reasonable hours and the credentials of the employee or employees of _____ undertaking the same will be exhibited to persons in control of _____ located at _____ in the State of New York. Such entry, inspection, obtaining of materials, access to and copying of required records will be undertaken by _____ or other agent of _____ as soon as practicable after the issuance of the warrant herein requested but in no event later than ten (10) days after the issuance of the Administrative Inspection Warrant and will be completed with reasonable promptness.

11. When the entry, inspection, obtaining of materials, access to and copying of required records has been completed, a return shall be made to this court showing that it has been completed.

12. The authority in support of this application for the issuance of the Administrative Inspection Warrant requested herein is based on Section 2-b of the Judiciary Law, the provisions of the _____ set forth herein, and the decisions in the cases of *Camara v. Municipal Court of City and County of San Francisco*, 387 U.S. 523, *See v. City of Seattle*, 387 U.S. 541, and *Marshall v. Barlow's Inc.*, 436 U.S. 307.

STATE OF NEW YORK
CORTLAND CITY COURT
COUNTY OF CORTLAND

ss.:

_____ being duly sworn, deposes and says: I have read the foregoing application for an Administrative Search Warrant and know the contents thereof to be true except as to the matters stated therein to be alleged on information and belief, and as to those matters I believe it to be true.

Sworn to before me this _____
Day of _____, 20 _____

NOTARY PUBLIC

STATE OF NEW YORK
CORTLAND CITY COURT
COUNTY OF CORTLAND

In the Matter of an Administrative Inspection
of _____ under the
control of _____ presently
located at _____ in the
_____ County of _____
by the _____

APPLICATION FOR ADMINISTRATIVE
INSPECTION WARRANT UNDER THE

Index No.

To: Officers and Employees Charged with Land Use Enforcement

of the _____ Application having made and administrative probable cause shown
by _____, _____ of the _____ for:

- (a) Entry upon the above captioned premises.
- (b) Inspecting of such premises.
- (c) Obtaining of materials described as
- (d) Access to and the copying of any records relating to such premises and materials.

NOW, THEREFORE, pursuant to the provisions of _____ and the decisions of the
United States Supreme Court in *Camara v. Municipal Court of City and County of San*
Francisco, 387 U.S. 523, *See v. City of Seattle*, 387 U.S. 541, and *Marshall v. Barlow's Inc.*, 436
U.S. 307, you are hereby authorized to:

- (a) Enter upon any premises where a violation of the land use regulations of is alleged to have
been committed.
- (b) Inspect such premises.
- (c) Obtain materials as described above.
- (d) Have access to and copy any records relating to such premises and materials.

Said entry, inspection, obtaining of materials, access to and copying of records shall be
undertaken during normal business hours and as soon as practicable after the issuance of the
warrant herein requested but in no event later than ten (10) days after the issuance of the
Administrative Inspection Warrant and will be conducted with reasonable promptness.

The persons authorized to enter, inspect, obtain materials, have access to and copy
records shall state their limited purposes of _____

_____ and present to the owner, operator, or agent in control of _____ appropriate credentials
and a copy of this Administrative Inspection Warrant.

Any person who refuses the execution of this Administrative Inspection Warrant or impedes the inspector in the execution of this warrant shall be advised that such refusal or action constitutes a violation of Section 195.05 of the Penal Law, and that if such person persists and the circumstances warrant, he shall be arrested and the inspection shall commence or continue.

A return shall be made to this court showing that the inspection has been completed and the date thereof.

Justice of the _____ Court
Dated this _____ day of _____, 20__

STATE OF NEW YORK
CORTLAND CITY COURT
COUNTY OF CORTLAND

In the Matter of an Administrative Inspection
of _____ under the
control of _____ presently
located at _____ in the
_____ County of _____
by the _____

AFFIDAVIT

_____, (Name) an official of the _____, being duly sworn, deposes and says:

1. I am _____ of the. I have been employed by _____ to enforce its land use regulations and my responsibilities include: _____

2. In order to ensure credible and effective enforcement of the _____ and rules and regulations promulgated pursuant thereto, it is necessary and reasonable to conduct unannounced periodic inspections of the _____ including places and points where violations of the _____ are alleged to be or have been committed.

3. Upon information and belief and based on a review of evidence before me, _____ is believed to have committed a violation of Article _____, Section _____ of the

4. Upon information and belief, the above cited violation of _____ by _____ consists, in part, of _____

5. The premises to be inspected, described in paragraph 4 above, is located at _____ in the City of Cortland, County of Cortland and State of New York, and is specifically situated and described as follows:

6. Upon information and belief these premises [] have never been inspected [] were last inspected on _____

7. The has developed a routine inspection program for the purpose of ascertaining compliance or non-compliance with _____ .

8. On _____ (date) _____ , I attempted to conduct an inspection of the premises as described in paragraphs 4 and 5 above.

9. At that time, I stated the purpose of my inspection, the statutory authority under which I was conducting the inspection and presented my credentials, consisting of _____ , to _____ .

Following this identification process, I was denied the right to make the inspection or collect the materials. The denial consisted of _____

As a result of this denial, I left without making the inspection or collecting materials.

10. Upon information and belief, further attempts by the _____ to conduct an inspection or collect materials would be to no avail and would result in a similar refusal as set forth in paragraph 9 above.

11. I make this Affidavit in support of an application for an Administrative Inspection Warrant in relation to the alleged violation of _____ set forth in paragraphs 4 and 5 above and under the control of _____

Sworn to before me this _____
day of _____ , 20 _____

NOTARY PUBLIC

STATE OF NEW YORK
CORTLAND CITY COURT
COUNTY OF CORTLAND

In the Matter of an Administrative Inspection
of _____ under the
control of _____ presently
located at _____

ADMINISTRATIVE INSPECTION
WARRANT RETURN

in the City of Cortland, County of Cortland, by the _____ Index No.

To: Honorable _____

Justice of the _____

Pursuant to the Administrative Inspection Warrant issued to you over date of
_____, inspection as authorized in said warrant was made and
completed

on _____ (date) _____

by _____ (name) _____, _____ (title) _____

Attached is a copy of the Inspection Report dated _____ .

STATE OF NEW YORK
CORTLAND CITY COURT
COUNTY OF CORTLAND

ss.:

_____, being duly sworn, deposes and says that he has read the
foregoing inspection warrant return subscribed by him: that he knows the contents thereof; and
that the same is true to his knowledge.

Sworn to before me this _____
day of _____ 20____ .

NOTARY PUBLIC

STATE OF NEW YORK
CORTLAND CITY COURT
COUNTY OF CORTLAND

In the Matter of an Administrative Inspection of _____ under the
control of _____ presently
located at _____ in the
_____ County of _____
by the _____

DIRECTIONS
FOR FILING

INDEX NO.

The annexed return of the Administrative Inspection Warrant issued by me over date of
_____ has been returned to me.

I HEREBY DIRECT that the original warrant, the application for same, and the return be filed in
the _____ County Clerk's office.

Justice of the _____ Court

Absent a state statute to authorize administrative search warrants, a municipality must seek a search warrant from the local criminal court to enable a building inspector to inspect a private dwelling. To obtain the warrant in the instant case, the Town Attorney provided to the court a copy of the Town's Junk Ordinance, which provided for a penalty for violation of the ordinance, along with a notice of violation of the Town ordinance and a notice of violation of the State Building Code. The Court agreed with an opinion of the Attorney General that a village building inspector may apply for a search warrant, although a plain reading of the relevant statute indicates that only a police officer may execute such a warrant. Therefore, the Court determined that it would issue a warrant to any police officer having jurisdiction to enforce the local laws of the Town. In re Property Under Control of John Kun, 190 Misc. 2d 470, 738 N.Y.S.2d 549 (County Ct. 2002).

Self Certification Form

You must submit a separate Self Certification form for each unit



City of Cortland
Fire Department
Code Enforcement

Office Use Only:	Parcel Identification Number: _____
Date Application Received: _____	Temporary Rental Permit #: _____
Inspection Date: _____	Inspected By: _____
Rental Permit Approved: <input type="checkbox"/> Yes <input type="checkbox"/> No	
Rental Permit NOT Approved Details: _____	
If Yes, Rental Permit Number: _____	
Rental Permit Valid Until : _____	
Inspection Frequency: <input type="checkbox"/> 1 Year <input type="checkbox"/> 3 Year	
_____ Vacant Building	

PROPERTY ADDRESS: _____

APARTMENT OR UNIT NUMBER: _____

TENANT NAME (S): _____

GENERAL

1. Are all appliances working properly?
2. Are all chimney plate covers sealed?
3. Are all clothes dryers, which are vented indoors, filtered to capture lint?
4. Are all walls & ceilings in good condition, including closets: holes, cracks, deterioration, damage, or buckled areas, exposed lath, wallpaper peeling, paint peeling, mildew, water stains, water damage?
5. Are there any unsanitary conditions-health hazards: improperly stored trash, foul odors, etc.?"
6. Do all plumbing fixtures work properly?
7. Do all water & drainpipes work properly?
8. Do the hot water heater relief valves extend downward?
9. Is all repair work painted over?
10. Is an adequate, permanent, fixed form of heat provided to all habitable space? Portable heaters are prohibited.
11. Is an easily accessible shut-off valve provided in the gas piping in close proximity to, & ahead of, every gas appliance & outlet for a gas connection?
12. Is the cellar used for utility purposes only?)
13. Is trash stored in sturdy receptacles with tight fitting covers?

BATHROOMS:

1. Are faucets dripping?
2. Is tub caulk, deteriorated, missing or mildewed?
3. Is ventilation provided?

ALL STAIRCASES:

1. Are handrails & railings secure?
2. Are stairs, landings, & fire escapes clear of stored items & tripping hazards?
3. Do railings have missing spindles?
4. Have handrails?

DOORS:

1. Are all exit doors from dwelling units equipped with a locking device which is securable by means of a key from the outside & with a simple type of releasing device on the inside?
2. Are doors & doorways in good condition: doors, jambs, saddles, molding, hardware, etc.?
3. Are there hasp type locks & hardware on any doors?
4. Do all doors open & close easily?
5. In each dwelling unit housing 3 or more unrelated individuals, is each bedroom door equipped with a lock which is securable by means of a key from the outside with a simple type of releasing device on the inside?

COMMON HALL & CELLAR DOORS:

1. Are self-closers provided & operational?
2. Are self-closing doors kept in closed position?

SMOKE DETECTORS:

1. Are all smoke detector covers provided & closed?
2. Are all smoke detectors located to manufacturer's specifications?
3. Are all smoke detectors operative?
4. Are all smoke detectors secured to ceiling/wall?
5. If the building contains 3 or more dwelling units, are interconnected detectors installed in each common passageway on each floor & in the cellar or basement?
6. If the building is a 1 or a 2 family rental structure, is a smoke detector, which is clearly audible throughout the structure, installed in the cellar or basement?
7. If the dwelling unit is occupied by 3 or more unrelated individuals, is a smoke detector installed in each sleeping room?
8. If the structure contains a rooming house type occupancy or 2 or more dwelling units, is at least 1 detector, the alarm of which is clearly audible throughout the structure, installed in each common passageway on each floor?
9. Is a smoke detector provided in any owner occupied dwelling unit(s)?
10. Is there a smoke detector installed in each dwelling unit?
11. Is there a working Carbon Monoxide detector mounted near sleeping areas within each dwelling unit.

FIRE SAFETY:

1. Is a 5 lb. ABC fire extinguisher provided? Are all fire extinguishers charged?
2. Are all flammables on site stored in UL approved storage unit or fire rated enclosure?
3. Are all openings in ceilings & walls around, ducts, pipes, & wires sealed with a fire-resistive material?
4. Are basement & cellar stairways separated from stairways leading from upper stories, at the grade level story, by walls & ceilings having a fire-resistance rating of at least 3/4hour, & self-closing doors?
5. Are unused chimney flue pipe openings sealed?
Do all public halls, stairways, lobbies, & vestibules have walls & ceilings that have a fire resistance rating of at least 3/4 hour?
6. Does the interior finish in all enclosed exits have a flame spread rating of not more than 75?
7. If a garage is attached to a building containing 1 or 2 dwelling units, is it separated from the residential portion of the building by construction capable of preventing the passage of fumes & vapors & having a fire-resistance rating of at least 3/4 hour?
8. If a garage is attached to a building containing a multiple dwelling, is it separated from the residential portion of the building by construction capable of preventing the passage of fumes & vapors & having a fire-resistance rating of at least 1/2 hour?
9. If the building is of mixed occupancy, is the nonresidential space separated from the residential space by fire separations that have a fire-resistance rating of at least 1 hour?
10. Is there fire-rated construction provided to ceilings & walls to separate dwelling units?
11. Is any egress reduced or obstructed by stored items?
12. Is there an excessive amount of loose wallpaper or fabric being used as wall &/or ceiling covering?
13. Is there an excessive amount of stored combustibles anywhere?

ELECTRICAL:

1. Are all electrical receptacles working properly?
2. Are all stairs provided with electrical lights to allow safe ascent & descent?
3. Are any electrical receptacle covers missing or damaged?
4. Are electrical extension cords in use?
5. Are there any electrical switch plate covers missing or damaged?
6. Are there any exposed electrical wires?
7. Are there any open electrical junction boxes?
8. Do all lights and electrical switches work properly?

9. Do all tenants have access to panel boxes?
10. Is there clear access to electrical panel boxes?

EXTERIOR:

1. Are all barbecues removed from porches?
2. Are all exterior doors, windows, skylights, & similar openings weather tight?
3. Are all exterior stairs, porches, entrance platforms, fire escapes, & the railings thereon, maintained in a safe & sound condition?
4. Are there any cracked, broken, or missing windows?
5. Are there any deteriorated areas in the foundation or parging?
6. Are there any soffits or facias missing, damaged, or deteriorated?
7. Are there any unlicensed or unregistered vehicles on the site?
8. Is all exposed wood, which is not inherently resistant to deterioration, painted or otherwise protected?
9. Is all interior furniture removed from all exterior areas?
10. Is the garage accessible to tenants?
11. Is the lawn mowed?
12. Is the sidewalk clear of ice & snow?
13. Is there any paint peeling?
14. Is there any siding or clapboard missing, damaged, or deteriorated?

MINIMUM ROOM SIZES

Minimum Habitable Space Requirements

Space	Area in Feet		
	1-2 Occupants	3-5 Occupants	6 or more
Living Room	No Requirements	120	150
Dining Room	No Requirements	80	100
Kitchen	50	50	60
Bedroom-See Below or call the Building/Code Office for more detailed information Bedrooms for one person must be a minimum of 70 square feet Bedrooms for two or more persons must be a minimum of 50 square feet per person			