2013-2018 Capital Improvement Program

July, 2012

Adopted by the Monroe County Legislature

Submitted By
Maggie Brooks
County Executive

and
The Monroe County Planning Board
Linda A. Faubel, Chairperson

By Legislators Rockow, Hanna, Valerio, Colby, Drawe, Howland, Gumina and Yolevich

Intro. No. 233

RESOLUTION NO. 184 OF 2012

ADOPTING 2013-2018 CAPITAL IMPROVEMENT PROGRAM

BE IT RESOLVED BY THE LEGISLATURE OF THE COUNTY OF MONROE, as follows:

Section 1. The Legislature hereby adopts the proposed 2013-2018 Capital Improvement Program of the County of Monroe, as submitted by County Executive Maggie Brooks, in its entirety.

Section 2. This resolution shall take effect in accordance with Section C2-7 of the Monroe County Charter.

Planning and Economic Development Committee; May 21, 2012 – CV: 3-2
Public Safety Committee; May 21, 2012 – CV: 4-3
Recreation and Education Committee; May 22, 2012 – CV: 3-2
Transportation Committee; May 22, 2012 - CV: 4-3
Human Services Committee; May 22, 2012 – CV: 6-3
Environment and Public Works Committee; May 23, 2012 – CV: 4-3
Intergovernmental Relations Committee; May 23, 2012 – CV: 3-2
Ways and Means Committee; May 23, 2012 – CV: 7-4
File No. 12-0190

ADOPTION: Date: July 10, 2012

Vote: 18-11
(Legislators O'Brien, Andrews, Bauroth, Esposito, Gamble, Haney, Kaleb, J. Lightfoot, W. Lightfoot, Patterson and Wilcox voted in the negative.)

ACTION BY THE COUNTY EXECUTIVE

APPROVED: X VETOED: _____

SIGNATURE: Maggie Brooks DATE: 7/17/12

EFFECTIVE DATE OF RESOLUTION: 7/17/12

Planning Board

Monroe County, New York

Maggie Brooks
County Executive

Linda A. Faubel
Chairperson

March 22, 2012

Hon. Maggie Brooks, County Executive
110 County Office Building
39 West Main Street
Rochester, New York 14614

SUBJECT: PROPOSED 2013-2018 CAPITAL IMPROVEMENT PROGRAM

Dear Ms. Brooks:

I am pleased to report that the Monroe County Planning Board on March 22, 2012 completed its review, public meetings and ranking process for their recommended 2013-2018 Capital Improvement Program (CIP). This proposed Capital Improvement Program is submitted to you in accordance with Section C4-10 of Article IV and Section C5-7 of Article V of the Monroe County Charter.

The process used to review this capital program included direct discussion with County operating departments, citizens, and local government officials. The County Planning Board held three public information meetings and three Board meetings during the preparation of this proposed CIP. County departments and their staff are to be congratulated on what the Board considers a reasoned, well-planned six-year CIP. Public comments were given full consideration in evaluating project need and priorities.

The Board supports the goal of establishing a fiscally responsible capital program that maintains the community's infrastructure. The Board strongly urges the support of this CIP and its implementation.

Sincerely,

Linda A. Faubel

Linda A. Faubel, Chairperson
Monroe County Planning Board

LAF/pj
xc: Daniel M. DeLaus, Jr., Deputy County Executive
Judith Seil, Director, Department of Planning and Development

8100 CityPlace • 50 West Main Street • Rochester, New York 14614
(585) 753-2000 • *fax:* (585) 753-2028 • *www.monroecounty.gov*

CONTENTS

Summary 2013-2018 Capital Improvement Program 1

ADMINISTRATIVE SECTOR

Information Services 11

Planning and Feasibility Studies 13

HEALTH AND SOCIAL SERVICES SECTOR

Community College 17

Community Hospital 20

County Library System 23

PHYSICAL SERVICES SECTOR

Aviation 27

Environmental Services - Division of Pure Waters 37

Environmental Services - Fleet 42

Environmental Services - Geographic Information Services 43

Facilities Management 44

Parks 47

Transportation - Highways and Bridges 51

Transportation - Traffic Engineering 59

Water Authority 62

PUBLIC SAFETY SECTOR

Office of the Sheriff 67

Public Safety 69

SUMMARY
2013-2018 CAPITAL IMPROVEMENT PROGRAM

Monroe County's Capital Improvement Program for 2013-2018 totals $407,627,900. Of this amount, $265,846,900 or 65% is for non-self-supporting programs - those administered by departments such as Public Safety, Parks, Highways, Bridges and Traffic Engineering and the Office of the County Sheriff. Federal aid, state aid and local county revenues fund these. Also, $141,781,000 or 35% is for self-supporting programs - those administered by departments such as Environmental Services, the Airport, and the Community Hospital. Operating and capital costs associated with these functions are generally covered by district and user service charges. A summary of the six-year program is provided in Table 1 - Summary Table.

Year one of the 2013-2018 Capital Improvement Program totals $84,010,000. Of this amount, $58,954,000 or 70% is for non-self-supporting programs (of which the County contributes $37,445,000 or 64%), and $25,056,000 or 30%, is for self-supporting programs. County funding is 45% of the Grand Total for 2013.

Major objectives of Monroe County's 2013-2018 Capital Improvement Program are to provide public facilities necessary to stimulate private investment and enhance economic development in Monroe County. We continue to improve transportation facilities, our Public Safety operations, the County's Pure Waters program, and the County's park system. The approximately $407 million in the total 2013-2018 Capital Improvement Program consists of:

$ 96 million for Highways, Bridges and Traffic Engineering
$ 68 million for the Greater Rochester International Airport
$ 114 million for the Community College and Library System
$ 32 million for Pure Waters construction projects
$ 14 million for parks
$ 34 million for Water Authority projects
$ 7 million for projects at Monroe Community Hospital
$ 30 million for Facilities, Information Services, Fleet, GIS, and Planning and Feasibility
$ 12 million for County Sheriff and Public Safety Services
$ 407 million total program

The 2013 Capital Budget

The first year of the six-year Capital Improvement Program is adopted annually by the County Legislature in December as the capital budget for the ensuing fiscal year. The capital budget is the annual spending plan for capital improvements. In accordance with the County Charter, projects that are to be built in the first year of the six-year program are to be ranked on the basis of need in order of their relative priority. The County Planning Board, following their action on the recommended six-year program did this. Table 2 shows the projects listed in priority order. It should be emphasized that all projects are considered needed in 2013, even though their relative priorities are different.

Financing the County's Projects

There are three sources of funds for financing the County's capital projects. These are general County revenues, project revenues and aid (state and federal). General County revenues primarily consist of property and sales taxes. Project revenues are made up of: 1) special district charges such as Pure Waters assessments; and 2) direct user fees such as fees for airport users, water consumption, or health care at the community hospital. The citizens who use or directly benefit from a project or activity pay some or all of its cost when user fees are charged. The state and federal governments also provide grants-in-aid for specific projects.

Project Financing

Project costs are paid from current operating cash or borrowing. The federal and state governments distribute grants-in-aid for specific projects and in a few instances, private parties, special districts or local governments contribute towards a portion of the project costs. Issuing bonds, a form of borrowing, frequently raises money for capital projects, which are then repaid with interest over a period of years.

When using bonds, the County pledges its faith and credit and the repayment of the bonds legally has the first claim on all the County's general revenues such as property and sales taxes. Bond anticipation notes are issued by the County to borrow funds for the immediate costs of projects for which bonds have been authorized. They permit the County to delay the issuance of long-term bonds until state and federal aid is received and the actual cost of a project to the County is known. The notes then are generally converted to bonds. This helps the County keep its bonded debt at a minimum. The notes are generally issued for one year and may be renewed up to four times for a total of five years. Debt financing of capital projects permits beneficiaries of the facilities to share in their cost during the useful life of the facility and allows the County to undertake several projects immediately rather than delay construction until funds are available from the current operating budget.

Debt Capacity

In order to control the amount of debt which a county may incur, the New York State Constitution has established a debt limit equal to 7% of the five-year average full valuation of real property in the county. Debt related to water facilities improvements and certain other self-supporting items may be excluded from the limit. The economic realities of the ability to repay borrowed money are, however, more stringent and are independently judged by rating agencies such as Moody's Investor’s Service, Inc., Standard & Poor’s Rating Services and Fitch Ratings. If these agencies judge that the County’s ultimate ability to repay borrowed money has decreased, they lower the credit rating and the interest rate paid on funds borrowed in the future increases. Thus, it is important to manage the County's finances so as to maintain a good credit rating. Currently, Monroe County holds an “A3” rating from Moody's Investors Services, Inc., a “BBB+” rating from Standard and Poor’s Ratings Services and an “A-” rating from Fitch Ratings.

TABLE 1 - SUMMARY TABLE

PROGRAM AREA		Budget 2013	ANNUAL PROJECT COST 2014	2015	2016	2017	2018	Total Cost 6 Years
ADMINISTRATIVE SECTOR								
DEPARTMENT OF INFORMATION SERVICES - 2013-2018								
c = county funds	c	291,000	286,000	908,000	883,000	356,000	318,900	3,042,900
TOTAL		291,000	286,000	908,000	883,000	356,000	318,900	3,042,900
PLANNING AND FEASIBILITY - 2013-2018								
c = county funds	c	225,000	225,000	225,000	225,000	225,000	225,000	1,350,000
TOTAL		225,000	225,000	225,000	225,000	225,000	225,000	1,350,000
c=county funds	**c**	**516,000**	**511,000**	**1,133,000**	**1,108,000**	**581,000**	**543,900**	**4,392,900**
TOTAL ADMINISTRATIVE SECTOR		**516,000**	**511,000**	**1,133,000**	**1,108,000**	**581,000**	**543,900**	**4,392,900**
HEALTH AND HUMAN SERVICES SECTOR								
MONROE COMMUNITY COLLEGE - 2013-2018								
c = county funds	c	18,770,000	17,710,000	11,880,000	0	2,500,000	5,720,000	56,580,000
s = state SUNY	s	18,770,000	17,710,000	11,880,000	0	2,500,000	5,720,000	56,580,000
TOTAL		37,540,000	35,420,000	23,760,000	0	5,000,000	11,440,000	113,160,000
MONROE COMMUNITY HOSPITAL - 2013-2018								
e = enterprise fund	e	1,596,000	1,246,000	1,222,000	910,000	1,096,000	931,000	7,001,000
TOTAL		1,596,000	1,246,000	1,222,000	910,000	1,096,000	931,000	7,001,000
MONROE COUNTY LIBRARY SYSTEM - 2013-2018								
c = county funds	c	180,000	90,000	90,000	90,000	180,000	225,000	855,000
TOTAL		180,000	90,000	90,000	90,000	180,000	225,000	855,000
c=county funds	**c**	**18,950,000**	**17,800,000**	**11,970,000**	**90,000**	**2,680,000**	**5,945,000**	**57,435,000**
s = state funds	**s**	**18,770,000**	**17,710,000**	**11,880,000**	**0**	**2,500,000**	**5,720,000**	**56,580,000**
e = enterprise fund	**e**	**1,596,000**	**1,246,000**	**1,222,000**	**910,000**	**1,096,000**	**931,000**	**7,001,000**
TOTAL HEALTH/HUMAN SERVICES SECTOR		**39,316,000**	**36,756,000**	**25,072,000**	**1,000,000**	**6,276,000**	**12,596,000**	**121,016,000**
PHYSICAL SERVICES SECTOR								
DEPARTMENT OF AVIATION - 2013-2018								
e = enterprise fund	e	1,805,000	592,500	2,981,250	4,220,000	4,242,500	316,250	14,157,500
s = state funds	s	455,000	392,500	231,250	195,000	542,500	266,250	2,082,500
f = federal funds	f	9,740,000	9,215,000	8,787,500	7,825,000	5,415,000	11,067,500	52,050,000
TOTAL		12,000,000	10,200,000	12,000,000	12,240,000	10,200,000	11,650,000	68,290,000
PURE WATERS - 2013-2018								
d = district funds	d	5,175,000	4,275,000	2,075,000	4,725,000	4,500,000	11,250,000	32,000,000
TOTAL		5,175,000	4,275,000	2,075,000	4,725,000	4,500,000	11,250,000	32,000,000
ENVIRONMENTAL SERVICES/FLEET - 2013-2018								
c= county funds	c	515,000	722,000	968,000	364,000	430,000	577,000	3,576,000
TOTAL		515,000	722,000	968,000	364,000	430,000	577,000	3,576,000
GEOGRAPHIC INFORMATION SERVICES - 2013-2018								
c= county funds	c	0	0	216,000	216,000	216,000	0	648,000
TOTAL		0	0	216,000	216,000	216,000	0	648,000
ENGINEERING AND FACILITIES MANAGEMENT - 2013-2018								
c= county funds	c	4,050,000	2,575,000	2,250,000	3,025,000	4,500,000	4,275,000	20,675,000
d = district funds	d	0	0	0	0	0	1,000,000	1,000,000
TOTAL		4,050,000	2,575,000	2,250,000	3,025,000	4,500,000	5,275,000	21,675,000
PARKS - 2013-2018								
c= county funds	c	2,070,000	2,205,000	2,230,000	2,340,000	2,550,000	2,340,000	13,735,000
TOTAL		2,070,000	2,205,000	2,230,000	2,340,000	2,550,000	2,340,000	13,735,000

TABLE 1 - SUMMARY TABLE

PROGRAM AREA		Budget 2013	ANNUAL PROJECT COST 2014	2015	2016	2017	2018	Total Cost 6 Years
HIGHWAYS AND BRIDGES - 2013-2018								
c = county funds	c	8,444,000	9,460,500	9,105,500	11,541,000	11,480,000	12,577,000	62,608,000
f = federal funds	f	2,306,000	2,180,000	4,918,000	3,863,000	4,200,000	0	17,467,000
s = state funds	s	433,000	408,500	919,500	725,000	850,000	0	3,336,000
TOTAL		11,183,000	12,049,000	14,943,000	16,129,000	16,530,000	12,577,000	83,411,000
TRAFFIC ENGINEERING - 2013-2018								
c = county funds	c	1,800,000	1,900,000	2,325,000	2,425,000	2,050,000	1,950,000	12,450,000
TOTAL		1,800,000	1,900,000	2,325,000	2,425,000	2,050,000	1,950,000	12,450,000
WATER AUTHORITY - 2013-2018								
d = district funds	d	6,285,000	5,700,000	5,585,000	5,460,000	5,730,000	5,730,000	34,490,000
TOTAL		6,285,000	5,700,000	5,585,000	5,460,000	5,730,000	5,730,000	34,490,000
c = county funds	**c**	**16,879,000**	**16,862,500**	**17,094,500**	**19,911,000**	**21,226,000**	**21,719,000**	**113,692,000**
f = federal funds	**f**	**12,046,000**	**11,395,000**	**13,705,500**	**11,688,000**	**9,615,000**	**11,067,500**	**69,517,000**
s = state funds	**s**	**888,000**	**801,000**	**1,150,750**	**920,000**	**1,392,500**	**266,250**	**5,418,500**
d=district	**d**	**11,460,000**	**9,975,000**	**7,660,000**	**10,185,000**	**10,230,000**	**17,980,000**	**67,490,000**
e = enterprise fund	**e**	**1,805,000**	**592,500**	**2,981,250**	**4,220,000**	**4,242,500**	**316,250**	**14,157,500**
TOTAL PHYSICAL SERVICES SECTOR		**43,078,000**	**39,626,000**	**42,592,000**	**46,924,000**	**46,706,000**	**51,349,000**	**270,275,000**
PUBLIC SAFETY SECTOR								
OFFICE OF THE SHERIFF - 2013-2018								
c = county funds	c	1,100,000	1,000,000	950,000	1,450,000	5,250,000	500,000	10,250,000
TOTAL		1,100,000	1,000,000	950,000	1,450,000	5,250,000	500,000	10,250,000
PUBLIC SAFETY SERVICES - 2013-2018								
c = county funds	c	0	200,000	147,000	125,000	732,000	490,000	1,694,000
TOTAL		0	200,000	147,000	125,000	732,000	490,000	1,694,000
c = county funds	**c**	**1,100,000**	**1,200,000**	**1,097,000**	**1,575,000**	**5,982,000**	**990,000**	**11,944,000**
TOTAL PUBLIC SAFETY SECTOR		**1,100,000**	**1,200,000**	**1,097,000**	**1,575,000**	**5,982,000**	**990,000**	**11,944,000**
ALL SECTORS								
c = county funds	**c**	**37,445,000**	**36,373,500**	**31,294,500**	**22,684,000**	**30,469,000**	**29,197,900**	**187,463,900**
f = federal funds	**f**	**12,046,000**	**11,395,000**	**13,705,500**	**11,688,000**	**9,615,000**	**11,067,500**	**69,517,000**
s = state funds	**s**	**19,658,000**	**18,511,000**	**13,030,750**	**920,000**	**3,892,500**	**5,986,250**	**61,998,500**
d=district	**d**	**11,460,000**	**9,975,000**	**7,660,000**	**10,185,000**	**10,230,000**	**17,980,000**	**67,490,000**
e = enterprise fund	**e**	**3,401,000**	**1,838,500**	**4,203,250**	**5,130,000**	**5,338,500**	**1,247,250**	**21,158,500**
TOTAL ALL SECTORS		**84,010,000**	**78,093,000**	**69,894,000**	**50,607,000**	**59,545,000**	**65,478,900**	**407,627,900**

TABLE 2 - 2013 CAPITAL PROJECT PRIORITIES

CAPITAL PROJECTS	ESTIMATED 2013 PROJECT BUDGET	FUNDING SOURCE				
		FEDERAL FUNDS	STATE FUNDS	DISTRICT FUNDS	ENTERPRISE FUNDS	COUNTY FUNDS
Rehabilitate Taxiway "H"	1,500,000	1,425,000	37,500	0	37,500	0
Airfield Lighting Upgrade	1,000,000	950,000	25,000	0	25,000	0
Rehabilitate Taxiways A1, A3, and N	1,050,000	1,000,000	25,000	0	25,000	0
Bridge Preventative Maintenance	334,000	267,000	50,000	0	0	17,000
Combined System Tunnel System Imp.	2,700,000	0	0	2,700,000	0	0
Combined System Ped. Bridge Imp.	900,000	0	0	900,000	0	0
IBSC Pump Station & Interceptor Imp.	450,000	0	0	450,000	0	0
NWQ Pump Station & Interceptor Imp.	450,000	0	0	450,000	0	0
GCO Collection System Improvements	675,000	0	0	675,000	0	0
Equipment/Furnishings/Resident Care	439,000	0	0	0	439,000	0
EMAS System Improvements	2,000,000	1,900,000	50,000	0	50,000	0
General Aviation Apron Rehabilitation	200,000	190,000	5,000	0	5,000	0
Civic Center Complex Reconstruction	450,000	0	0	0	0	450,000
County Office Building Reconstruction	1,000,000	0	0	0	0	1,000,000
Water Main Rehabilitation	1,500,000	0	0	1,500,000	0	0
Faith 2 & 3 Renovations	*600,000*	*0*	*0*	*0*	*600,000*	*0*
Faith Elevator Control Modernization	*267,000*	*0*	*0*	*0*	*267,000*	*0*
North Ramp Improvements	2,000,000	1,900,000	50,000	0	50,000	0
Refurbish Passenger Loading Bridges	750,000	0	0	0	750,000	0
Spot Improvement Projects	500,000	0	0	0	0	500,000
Buildings and Structures	650,000	0	0	0	0	650,000
Twin Bridge Rd. Bridge over Oatka Creek	768,000	614,000	115,000	0	0	39,000
Storage Facilities Rehabilitation	2,615,000	0	0	2,615,000	0	0
Monroe Co. Jail/Correctional Facility Imp.	750,000	0	0	0	0	750,000
Heavy Equipment	1,500,000	1,425,000	37,500	0	37,500	0
General Improvements	600,000	0	0	0	0	600,000
County-wide Communications Infrastructure	291,000	0	0	0	0	291,000
Downtown Campus	*28,000,000*	*0*	*14,000,000*	*0*	*0*	*14,000,000*
Infrastructure Improvements	133,000	0	0	0	133,000	0
Environmental Compliance Projects	500,000	475,000	12,500	0	12,500	0
Hall of Justice Elevator Improvements	*2,000,000*	*0*	*0*	*0*	*0*	*2,000,000*
Long Pond Rd. Bridge over Round Pond Cr.	606,000	485,000	91,000	0	0	30,000
Traffic Engineering	500,000	0	0	0	0	500,000
Information Systems Upgrade	500,000	0	0	0	500,000	0
Milling/Resurfacing/Recycling	2,700,000	0	0	0	0	2,700,000
Culvert Replacement Program	1,200,000	0	0	0	0	1,200,000
Highway Rehabilitation Program	3,400,000	0	0	0	0	3,400,000
South Ave. - Elmwood Ave/Bellvue Dr. & Elmwood Ave. - Mt. Hope/South Ave. (City)	1,000,000	0	0	0	0	1,000,000
Sheriff's Shotgun and Rifle Replacement	350,000	0	0	0	0	350,000
Exterior, Site and Utility Improvements	157,000	0	0	0	157,000	0
Stone Road - Mt. Read Blvd. to Lynette Dr.	560,000	448,000	84,000	0	0	28,000
Hydrant Replacement Program	200,000	0	0	200,000	0	0
Valve Replacement Program	200,000	0	0	200,000	0	0
Residential Meter Replacement & Upgrade	1,450,000	0	0	1,450,000	0	0
Property Preservation Projects Phase 2	1,000,000	0	500,000	0	0	500,000
Property Acquisition	500,000	475,000	12,500	0	12,500	0
Utilities, Access and Site Improvements	650,000	0	0	0	0	650,000
Public Safety Building/Building 21	6,140,000	0	3,070,000	0	0	3,070,000
Alternative Energy	500,000	0	200,000	0	300,000	0
Equipment Traffic Engineering	146,000	0	0	0	0	146,000
Equipment/Vehicles Highways and Bridges	119,000	0	0	0	0	119,000

Italics Denotes a New Project

TABLE 2 - 2013 CAPITAL PROJECT PRIORITIES

CAPITAL PROJECTS	ESTIMATED 2013 PROJECT BUDGET	FUNDING SOURCE				
		FEDERAL FUNDS	STATE FUNDS	DISTRICT FUNDS	ENTERPRISE FUNDS	COUNTY FUNDS
Erie Station Rd. - W. Henrietta Rd. to Middle Rd.	84,000	67,000	13,000	0	0	4,000
Large Meter Replacement Upgrade Program	320,000	0	0	320,000	0	0
Parking and Loop Road	2,400,000	0	1,200,000	0	0	1,200,000
Preventative Maintenance Bridges/Rustic Rail	*531,000*	*425,000*	*80,000*	*0*	*0*	*26,000*
Equipment/Vehicles Parks	250,000	0	0	0	0	250,000
Planning and Feasibility	225,000	0	0	0	0	225,000
Powder Mills Park - Master Plan Imp.	770,000	0	0	0	0	770,000
City of Rochester Traffic Features	500,000	0	0	0	0	500,000
Library System Automation	180,000	0	0	0	0	180,000
Traffic Sign Retroreflectivity Upgrade	300,000	0	0	0	0	300,000
GRAND TOTALS	84,010,000	12,046,000	19,658,000	11,460,000	3,401,000	37,445,000

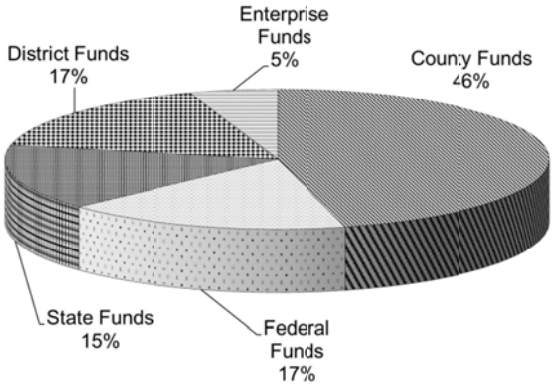
Italics Denotes a New Project

User Charges
Projects, activities and services for which the specific users or beneficiaries can be identified and to whom the benefits of the service can be confined, lend themselves to charging user fees. The products and services of the private sector of our economy are of this nature and are called 'private goods'. To the extent that a capital project has the characteristics of private goods, it becomes feasible to support an appropriate portion of its debt service and operating costs through direct charges to those who benefit from it. This permits the County to offer this service with little or no dependence on general tax support for the project, allowing more public monies to be allocated to other public services. Projects for the following are financed primarily by user charges without taxpayer support in Monroe County: the Airport; Water Authority; Monroe Community Hospital; the Pure Waters Division of the Department of Environmental Services; and the Solid Waste Division of the Department of Environmental Services.

Special Assessments
Projects, which benefit a specific group of properties, can have the financing and construction of these public improvements financed through special assessment arrangements. The costs of extending a water or sewer line can be assessed against the abutting properties rather than charged against the taxpayers as a whole. Special assessments are often paid in installments over a number of years and cover both the expenditure and the financing. This form of financing is rarely used in Monroe County.

Sources of Funding
The various sources of funding for the Capital Improvement Program can be found indicated in the Table 1 - Summary Table and in the graphic below titled 2013-2018 CIP Source of Funds.

2013-2018 CIP Source of Funds



Fiscal Policy and Debt Service
In preparing Monroe County's 2013-2018 Capital Improvement Program, great care was taken to insure sound fiscal management. This is necessary to assure:

1) That the County is able to finance approved projects as they reach implementation stage;

2) That the State constitutional debt limit is not exceeded;

3) That the County maintains a good credit rating so as to minimize the cost of borrowing funds for capital projects;

4) That the annual repayment cost for the debt incurred is kept within reasonable limits so as not to overburden County taxpayers.

Monroe County uses only a small portion of its State constitutional debt limit. The objective is to maintain an annual debt service burden that is clearly within the County's ability to pay.

In evaluating projects for inclusion in the CIP, two sets of criteria are used:

1) For projects to be funded by State, Federal and other aid or whose local costs will be financed by user charges, the criteria are:
   - the project is needed and appropriate; and
   - it can be financed with the aid or user charges and thus not entail a general County budget charge.
2) For projects to be funded in whole or in part with general County budget funds, the criteria are:
   - out of all the projects that need to be done, this project's priority is high enough to be funded; and
   - the aggregate annual cost of all approved projects should be kept within reasonable limits so as not to overburden County taxpayers.

All debt obligations shall be issued with extreme care including debt of those enterprises for which the County is contingently liable.

The County Administration's debt policy provides that debt shall be issued to finance capital projects where other funding sources are not immediately available. The debt will be structured in the most efficient manner to limit the impact on the taxpayer and will take payment of existing debt obligations into consideration as well as the total projected operating cost of the County. The use of cash capital through the operating budget will be utilized to finance projects with a short useful life or with costs estimated at $100,000 or less or for portions of the cost of other projects as financial and budgetary conditions permit without placing undue pressures on the taxpayers. The Monroe County Legislature included $100,000 in the General Fund and $3,300,000 in the Rochester Pure Waters District Fund in the 2012 County Budget for cash capital purposes. Debt may be issued for cash flow purposes if needed. Any and all debt issues will be structured and sold in accordance with sound debt management practices.

Capital Project Operating Cost Impacts
Article VII, Section A7-1, of the Monroe County Code requires that the Capital Improvement Program include "... the estimated effect of each capital project in the first two (2) years of the program upon operating costs of the county within each of the three (3) fiscal years following completion of the project." The Operating Budget impact (including debt service) is detailed under the heading "Estimated Annual Impact on the Operating Budget" included in the descriptions for each project.

Net County Debt Service Projections
The overall debt service impacts of the projects to be funded in whole or in part with general County budget funds is displayed in Table 3 - Net Debt Service Projection. Typically, these projects are related to County operations contained within the General, Road, Library, and Internal Service Funds.

Table 3 - NET DEBT SERVICE PROJECTION (000'S)

DEBT SERVICE PROJECTION	2013 ESTIMATE	2014 ESTIMATE	2015 ESTIMATE	2016 ESTIMATE	2017 ESTIMATE	2018 ESTIMATE
2013-2018 CIP DEBT:	$ 0	$ 4,100	$ 8,100	$ 11,500	$13,900	$16,800
AUTHORIZED BUT UNISSUED DEBT:	$ 5,300	$ 7,700	$ 7,700	$ 7,700	$ 7,700	$ 7,700
EXISTING DEBT:	$35,400	$33,200	$27,600	$25,400	$23,300	$17,700
TOTAL DEBT SERVICE PROJECTION:	$40,700	$45,000	$43,400	$44,600	$44,900	$42,200

Notes:

1) Debt that is offset by revenues from self-supporting areas such as the Airport, Pure Waters, Solid Waste (other than the Resource Recovery Facility), and Community Hospital is not included.

2) The above projections are based on numerous assumptions including future interest rates and actual timing of construction of projects. Deviations in any of the actual data from the assumptions used may materially alter actual results. Thus, actual results will vary over time from these projections. The principal assumptions are:

- Bonds will bear 6% interest.
- Projected expenditures may not occur in the year programmed in the Capital Improvement Program.