

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: **BUDGET - WESTMOUNT HEALTH FACILITY**

DATE: AUGUST 12, 2008

COMMITTEE MEMBERS PRESENT:

SUPERVISORS GERAGHTY
BELDEN
O'CONNOR
CHAMPAGNE
KENNY
SHEEHAN

COMMITTEE MEMBER ABSENT:

SUPERVISOR MERLINO

OTHERS PRESENT:

REPRESENTING WESTMOUNT HEALTH FACILITY:
BARBARA TAGGART, ADMINISTRATOR
BETSY HENKEL, COMPTROLLER
HAL PAYNE, COMMISSIONER OF ADMINISTRATIVE &
FISCAL SERVICES
JOANN MCKINSTRY, DEPUTY COMMISSIONER OF
ADMINISTRATIVE & FISCAL SERVICES
JOAN SADY, CLERK OF THE BOARD
SUPERVISOR SOKOL
SUPERVISOR STEC
SUPERVISOR TAYLOR
SARAH MCLENITHAN, LEGISLATIVE OFFICE
SPECIALIST

Mr. Geraghty called the meeting of the Budget Committee to order at 9:30 a.m.

Copies of the Westmount Health Facility 2009 Budget Request were distributed to the Committee members; *a copy of same is on file with the minutes.*

At the Committee members' request for clarification on the order of the Budget Request, Barbara Taggart, Administrator of the Westmount Health Facility, directed the Committee members to Schedule A, which clarified the Budget structure. She referred the Committee members to the right hand side of Schedule A which noted that the 2008 Departmental included total expenditures of \$7,234,383, while the 2009 Departmental expenditures totaled \$7,542,184, a difference of \$307,801.

Mr. Champagne questioned the increases and decreases in revenues and expenditures for each of the various program areas and Ms. Taggart advised that these figures fluctuated throughout the year. Mr. Geraghty pointed out that the Budget Summary Sheet stated that the 2008 Amended Budget included revenues of \$6,488,271, while the 2009 projected revenues were \$5,549,652 and he questioned the decrease. Ms. Taggart apprised that she was unsure of the reasons for the decrease in revenues, but noted that the 2008 Budget figures had been amended several times. She advised that she would research the figures to determine the reason for the decrease and report back to the Committee with her findings.

Mr. Belden inquired as to why expenses had increased and Ms. Taggart replied that she intended to review each expense for the benefit of the Committee. Beginning with the Personnel section, she referenced that the 2008 Amended Budget figure was \$3,174,206, while the 2009 Request was \$3,299,571, an increase of \$125,365. Ms. Taggart advised that she had calculated the 2009 Request based on the budget packet and the personnel changes approved as of January 1, 2008. She advised that the 2009 Equipment Code request was \$30,286, an increase of \$1,176 from the 2008 Amended Budget figure of \$29,110 period.

In reference to Contractual Allowances, Ms. Taggart stated the 2008 Amended Budget had included \$1,715,173, while the 2009 Budget Request included an appropriation of \$1,819,653, an increase of \$104,480, due to principle interest amounts that varied monthly. She noted that she had increased the 2009 Request for Employee Benefits to \$1,658,268, an increase of \$56,777 from the 2008 Amended Budget figure of \$1,601,491, as per the instruction of the County Treasurer. In summary, Ms. Taggart stated that the total 2009 Departmental Budget Request was \$7,542,184, as compared to the 2008 Amended Budget figure of \$7,234,383, a difference of \$307,801.

Mr. Belden asked if the increase in Personnel costs was due to the addition of employees and Ms. Taggart advised that the increase was the result of the 3.5% pay rate increase for employees within the bargaining unit, as well as the addition of two new positions and the reclassification of two maintenance positions.

Mr. Belden inquired about the upgrade of one part-time employee and Ms. Taggart apprised that upgrade pertained to the Van Driver position that was being upgraded to a Maintenance Worker position, the costs of which had been included in the 2009 Budget Request. She added that she had been instructed to include the costs of the LPN (Licensed Practical Nurse) pay rate increase that became effective as of March of 2008 in her 2009 Budget Request.

Mr. Stec entered the meeting at 9:45 a.m.

In reference to increases in the Equipment Code, Ms. Taggart informed the Committee that the budgeted figure was negotiable. Mr. Geraghty questioned whether the entire amount could be cut from the Budget Request, and Ms. Taggart replied in the negative, noting that funds were required to cover the costs of five electric beds (EF.60200.5802 210), 20 Wander Guards (EF.60200.5803 260), two full reclining wheelchairs (EF.73300.5803 260), one vacuum (EF.82400.5803 260) and one work station to be put towards the cost of a new file server (EF.83110.5830 220), as the warranty had expired on the current equipment.

It was the consensus of the Committee that \$11,141 would be allocated to the Equipment Code for the 2009 Budget Request.

Ms. Taggart referred the Committee to Schedule C to review the 2009 estimated revenues. She stated that interest budgeted for 2008 had decreased to an estimated \$500 to \$600 per month. Ms. Taggart noted that Gifts and Donations referred to Westmount's indirect costs from the County, which were offset by expenses. She advised that the private pay revenue seemed to be increasing due to the rising number of days that private patients were being boarded.

Ms. Taggart stated that due to the recent decreases in funding proposed by Governor Paterson, a reduction of \$22,000 had been included in Medicaid revenues. However, she added, the Schedule C document would be revised to reflect a 3.4% increase in Medicare revenues, increasing the daily reimbursement figure from \$293 to \$305, adding an additional \$12,000 to the \$293,000 that had originally been included in the 2009 Budget Request. She advised that an additional \$6,000 in revenue would be received through the HCRA Grant, totaling \$16,000 for the 2009 Budget Year; therefore, the total revised estimated revenues for the 2009 Budget Year were \$5,621,652.

Ms. Taggart recommended increasing the private pay rate from \$250 per day to \$265 per day, which would result in an additional \$54,000 in private pay revenue. Mr. Payne remarked that the proposed

increase would make the Westmount Health Facility the highest priced private pay facility in the area. Mr. Sokol added that the Facility was fully occupied and he did not feel that the \$15 increase would effect the number of residents therein. Mr. Payne noted that the rate increase would draw more funds from residents causing them to receive Medicaid benefits sooner and private pay funds would be directed to Westmount, rather than another facility. Mr. Belden asked if the same rates were charged for in-County and out-of-County residents and Ms. Taggart replied affirmatively.

Mr. Taylor entered the meeting at 9:57 a.m.

Mr. Champagne questioned why the rates were the same for both semi-private and private rooms and Ms. Taggart replied this had been a Committee decision which could be changed. Mr. Payne noted that although private rooms were offered, when individuals were in need of housing, they were given whatever bed was available, whether that be private or semi-private.

Mr. Geraghty asked what the reasoning was behind the \$970,000 decrease in revenues. Ms. Taggart remarked that this may be due to the amount of funds Westmount was scheduled to receive from the Inter-Fund transfers from the County. She added that in the 2008 Budget the Inter-Fund transfers had totaled approximately \$1,200,000 which the Treasurer's Office controlled. Mr. Payne remarked that only \$900,000 of the budgeted amount had been transferred in 2008 and a figure had yet to be determined for Inter-fund transfers in 2009. Mr. Payne asked Ms. Taggart if the fund balance was negative for 2008 and she replied affirmatively. She added that even after appropriations were applied to the Budget, there would still be a deficit.

Ms. Taggart informed the Committee that she had reviewed the contractual allowances for her Department and had some suggestions that would allow the total to be decreased by \$37,000. She said she would report back to the Committee on this matter at a later date.

Mr. Payne questioned whether billing a portion of the Maintenance Supervisors salary to Countryside for the shared services provided by this individual would make any difference in the 2009 Budget request and Ms. Taggart replied in the negative.

Mr. Sokol noted that through the reductions made at the meeting, the original 3.4% increase in the 2009 Budget Request had been decreased to a 1.5% increase.

There being no further business to come before the Budget Committee, on motion made by Mr. Sheehan and seconded by Mr. Belden, Mr. Geraghty adjourned the Budget Committee meeting at 10:04 a.m.

Respectfully submitted,

Sarah McLenithan
Legislative Office Specialist