

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: FINANCE

DATE: NOVEMBER 6, 2013

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COMMITTEE MEMBERS PRESENT:

SUPERVISORS CONOVER  
TAYLOR  
MONROE  
BENTLEY  
WOOD  
MERLINO  
FRASIER

OTHERS PRESENT:

KEVIN GERAGHTY, CHAIRMAN OF THE BOARD  
PAUL DUSEK, COUNTY ADMINISTRATOR  
JOAN SADY, CLERK OF THE BOARD  
FRANK THOMAS, BUDGET OFFICER  
SUPERVISORS DICKINSON  
GIRARD  
MASON  
MONTESI  
STRAINER

COMMITTEE MEMBERS ABSENT:

SUPERVISORS SOKOL  
KENNY

LLOYD COTE, ADMINISTRATOR OF WESTMOUNT HEALTH FACILITY  
KATE HOGAN, DISTRICT ATTORNEY  
MIKE SWAN, COUNTY TREASURER  
JEFFERY TENNYSON, SUPERINTENDENT OF PUBLIC WORKS  
DON LEHMAN, *THE POST STAR*  
AMANDA ALLEN, DEPUTY CLERK OF THE BOARD

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Mr. Conover called the meeting of the Finance Committee to order at 9:42 a.m.

Motion was made by Mrs. Wood, seconded by Mr. Bentley and carried unanimously to approve the minutes of the prior Committee meeting, subject to correction by the Clerk of the Board.

Copies of the meeting agenda were distributed to the Committee members and a copy is also on file with the meeting minutes.

Commencing the agenda review with Section III, Action Agenda, Mr. Conover announced Item 1 consisted of a request for transfers of funds as included in the agenda packet for Committee approval.

Motion was made by Mr. Taylor, seconded by Mrs. Frasier and carried unanimously to approve the requests for transfers of funds and the necessary resolution was authorized for the November 15<sup>th</sup> Board Meeting.

Mr. Conover advised Item 2 included a request from the County Treasurer for a new contract with Hay Group, Inc. for actuarial services for the term commencing January 1, 2014 and terminating December 31, 2016.

Motion was made by Mr. Merlino and seconded by Mrs. Wood to approve the request.

Mr. Conover inquired as to the purpose of the contract and Michael Swan, County Treasurer, explained his Office was required to perform an actuary analysis of employee benefits every other year. He added an RFP (*Request for Proposals*) had been released for the actuarial services, to which Hay Group, Inc. had responded with the lowest responsible bid. Mr. Swan concluded that they had reviewed the references provided by Hay Group, Inc., all of which had reflected this to be a good company to work with.

There being no further discussion on this item, Mr. Conover called the question and the aforementioned motion was carried unanimously, thereby authorizing the necessary resolution for the November 15<sup>th</sup> Board Meeting.

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Continuing to Agenda Item 3, Mr. Conover outlined a request from the Civil Service/Personnel Office, requesting a Contingent Fund transfer in the amount of \$5,523 for Novatime contract maintenance costs that were not included in the 2013 Budget.

Motion was made by Mr. Taylor, seconded by Mr. Monroe and carried unanimously to approve the request and the necessary resolution was authorized for the November 15<sup>th</sup> Board Meeting.

Mr. Conover apprised Agenda Items 4A and 4B consisted of referrals from the Community College Committee. Item 4A, he explained, included a request to authorize a resolution of intent to support the SUNY Adirondack Capital Improvement Plan for 2013 in the amount of \$1,831,105 with the source of funding to be 50% State funding and the remaining 50% from accumulated chargebacks.

Motion was made by Mrs. Wood and seconded by Mr. Monroe to approve the request.

Mr. Taylor questioned whether there would be sufficient chargebacks to fund the 50% of the cost and, speaking as Chairman of the Community College Committee, Mr. Strainer responded affirmatively, confirming that SUNY Adirondack believed they would have sufficient chargeback funding available to fund the cost, incurring no cost to either Warren or Washington County.

There being no further discussion on this item, Mr. Conover called the question and the aforementioned motion was carried unanimously, thereby authorizing the necessary resolution for the November 15<sup>th</sup> Board Meeting.

Mr. Conover noted Item 4B requested a letter of support for the NSTEM (*Nursing, Science, Technology, Engineering and Math*) Initiative, which he asked Mr. Strainer to explain. Mr. Strainer spoke about the power point presentation provided at the October 30<sup>th</sup> Community College Committee Meeting which had outlined the plans for a new NSTEM building which they hoped would bring the College up to speed with other facilities as many of the current buildings had been constructed in the 1960's and lacked modern amenities. He advised that through the new NSTEM building, SUNY Adirondack would partner with different groups to provide additional education opportunities, furthering the new trend of achieving bachelors degrees for nursing positions, as well as providing technical training for new area businesses, such as Global Foundries, which was not currently offered. Mr. Strainer said the letter of support would simply indicate that Warren County was supportive of the NSTEM concept and he noted that Washington County had voted unanimously in favor of the proposal at the October 30<sup>th</sup> joint meeting of the Warren and Washington County Community College Committees. He said the only down side to this initiative was the associated cost, but advised that at this point no funding from either Warren or Washington County was being sought; he added that SUNY Adirondack was seeking the letters of support in order to further their efforts to apply for \$10 million in grant funding from the State of New York for the NSTEM building construction. Mr. Strainer concluded that he was supportive of this initiative in light of the assistance it would provide to existing local business, the potential to draw new businesses to the area, and additional continuing education opportunities.

Mr. Thomas apprised of a comment made during the Community College Committee meeting by one Washington County representative that the NSTEM Initiative would complete the educational circle and provide a proactive, rather than reactive, approach to training for the jobs available.

A brief discussion ensued, during which Mr. Conover suggested that if the power point presentation was brief, SUNY Adirondack should be contacted and invited to present it at the upcoming November 15<sup>th</sup> Board Meeting so that the entire Board of Supervisors could be apprised of the project. Mrs. Sady indicated that she would contact SUNY Adirondack to make this inquiry, but noted that in the event that a representative was not available to make the presentation on November 15<sup>th</sup>, she had received a copy of the power point presentation and could email it to all members of the Board of Supervisors.

Motion was made by Mrs. Frasier, seconded by Mrs. Wood and carried unanimously to approve the request for a letter of support for SUNY Adirondack's NSTEM Initiative, and the necessary resolution was authorized for the November 15<sup>th</sup> Board Meeting.

Moving on, Mr. Conover advised Items 5A-D consisted of referrals from the County Facilities Committee, Airport, and he proceeded to outline them, as follows:

- 5A) Request to close Capital Project No. H244.9550 280, *Airport Obstruction Removal*, and return the remaining balance of approximately \$15,000 to the County Budget.
- 5B) Request to amend the County Budget to increase estimated revenues and appropriations in the amount of \$15,000 to allocate funds remaining in the aforementioned Capital Project No. H244.9550 280, *Airport Obstruction Removal*.

Motion was made by Mr. Taylor, seconded by Mr. Monroe and carried unanimously to approve Items 5A and 5B, as outlined above, and the necessary resolutions were authorized for the November 15<sup>th</sup> Board Meeting.

- 5C) Request to increase Capital Project No. H335.9550 280, *Runway 1 End Obstruction Removal*, in the amount of \$1,150,000 with the source of funding to be 90% FAA grant funding (\$1,035,000), 5% State funding (\$57,500) and 5% Local (\$57,500). The 5% Local Share is to be funded from Budget Codes A.892.00, *Reserve, Airport Repair and Projects*, (\$42,500) and A.9950 910, *Transfers, Capital Projects, Interfund Transfers*, (\$15,000).
- 5D) Request to establish Capital Project No. H346.9550 280, *Environmental Assessment Off Airport Obstruction Removal and Miscellaneous Airport Improvements*, in the amount of \$231,794, with the source of funding to be 90% FAA grant funding (\$208,615), 5% State funding (\$11,590) and 5% Local (\$11,590). The 5% Local Share is to be funded from Budget Code A892.00, *Reserve, Airport Repair & Projects*.

Motion was made by Mr. Merlino, seconded by Mr. Bentley and carried unanimously to approve Items 5C and 5D and the necessary resolutions were authorized for the November 15<sup>th</sup> Board Meeting.

Mr. Conover noted Agenda Item 6 consisted of a referral from the Criminal Justice Committee, *District Attorney*, requesting to renew the contract with Robert Lanthrop for the "Alive at 25" program for the term commencing January 1, 2014 and terminating December 31, 2014 at no cost to Warren County.

Mr. Conover questioned the purpose of the Alive at 25 program and Joan Sady, Clerk of the Board, explained this was for young people who had been ticketed for traffic infractions; she noted that the associated contract was paid by program fees charged to the participants.

Motion was made by Mr. Bentley, seconded by Mr. Taylor and carried unanimously to approve the request to renew the contract with Robert Lanthrop for the "Alive at 25" program as outlined above, and the necessary resolution was authorized for the November 15<sup>th</sup> Board Meeting.

Agenda Items 7A and 7B, Mr. Conover announced, included referrals from the Health Services Committee, *Westmount Health Facility*; he outlined them, as follows:

- 7A) Request to amend the County Budget to increase estimated revenues and appropriations in the amount of \$67,800 to reflect increases in Medicare Therapy revenues.
- 7B) Request to amend the County Budget to increase estimated revenues and appropriations in the amount of \$57,000 to reflect increases in Medicare Part A revenues.

Motion was made by Mr. Merlino, seconded by Mrs. Wood and carried unanimously to approve both Items 7A and 7B, as outlined above, and the necessary resolutions were authorized for the November 15<sup>th</sup> Board Meeting.

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Proceeding to Item 8, Mr. Conover presented a request from the Office of Community Services, *Mental Health*, to amend the County Budget to increase estimated revenues and appropriations in the amount of \$18,579 to reflect the receipt of State Aid funding.

Motion was made by Mrs. Wood, seconded by Mr. Bentley and carried unanimously to approve the request, thereby authorizing the necessary resolution for the November 15<sup>th</sup> Board Meeting.

Mr. Conover advised Agenda Item 9 included a referral from the Park Operations & Management (O&M) Committee, requesting to amend the County Budget to increase estimated revenues and appropriations in the amount of \$4,201.60 to appropriate funds from parking fees to reimburse the Village of Lake George for maintenance costs and parking services provided for 2013 events.

Motion was made by Mr. Monroe, seconded by Mrs. Frasier and carried unanimously to approve the request, thereby authorizing the necessary resolution for the November 15<sup>th</sup> Board Meeting.

Continuing to Agenda Item 10, referrals from the Public Works Committee, Mr. Conover announced Item 10A consisted of a request from the Department of Public Works (DPW) for a Contingent Fund transfer in the amount of \$12,399 for the purchase of a new plotter and software for the DPW Sign Shop in order to coordinate with the new computer equipment.

Mr. Monroe questioned the current total of the Contingent Fund and Paul Dusek, County Administrator, estimated it to be in the area of \$50,000.

Motion was made by Mr. Merlino, seconded by Mr. Bentley and carried unanimously to approve the request and the necessary resolution was authorized for the November 15<sup>th</sup> Board Meeting.

Mr. Conover advised Item 10B included a second DPW request, this one to decrease Capital Project No. H260.9550 280, *Alder Brook Rd Bridge*, in the amount of \$44,600.

Motion was made by Mr. Bentley, seconded by Mr. Merlino and carried unanimously to approve the request and the necessary resolution was authorized for the November 15<sup>th</sup> Board Meeting.

Agenda Item 10C referred to a request from the Parks, Recreation & Railroad Division to amend the County Budget to increase estimated revenues and appropriations in the amount of \$2,730 in order to pay for GIS services acquired in connection with the updating of maps for the Railroad's Vegetative Management Plan.

Motion was made by Mr. Bentley, seconded by Mr. Merlino and carried unanimously to approve the request and the necessary resolution was authorized for the November 15<sup>th</sup> Board Meeting.

Mr. Conover apprised agenda Items 11A and B included referrals from the Support Services Committee. Item 11A, he said was a request from the Board of Elections to rescind Resolution No. 195 of 1967 which established a petty cash fund for the Board of Elections. Mr. Conover asked for additional information on this request and Mrs. Sady advised the petty cash fund had been used for postage costs and was no longer necessary.

Motion was made by Mrs. Frasier, seconded by Mrs. Wood and carried unanimously to approve the request and the necessary resolution was authorized for the November 15<sup>th</sup> Board Meeting.

Agenda Item 11B, Mr. Conover announced, included a request from the Department of Weights & Measures to increase the petty cash fund for the Weights & Measures Department from \$50.00 to \$100.00. He noted this petty cash fund was used to purchase fuel samples for the Petroleum Sampling Program and had not been increased since 2004, regardless of the fact that fuel prices had risen

significantly since that time; he added that the State of New York provided reimbursements for expenditures associated with the Petroleum Sampling Program.

Motion was made by Mrs. Wood, seconded by Mrs. Frasier and carried unanimously to approve the request and the necessary resolution was authorized for the November 15<sup>th</sup> Board Meeting.

Mr. Conover noted that Agenda Items 12A and B consisted of requests from the County Administrator. He advised Item 12A consisted of a request to appropriate funds totaling \$2,700 from the Computer Reserve Fund to the County Administrator and Civil Service departmental budgets for the purchase of computers and related equipment/software.

Motion was made by Mr. Monroe, seconded by Mrs. Frasier and carried unanimously to approve the request and the necessary resolution was authorized for the November 15<sup>th</sup> Board Meeting.

Mr. Conover announced Agenda Item 12B included a request for a Contingent Fund transfer totaling \$8,200 to the District Attorney's Budget in order to appropriate funds for travel associated with the extradition of an inmate.

Motion was made by Mrs. Frasier and seconded by Mrs. Wood to approve the request.

A brief discussion ensued during which it was noted that the travel costs for extradition seemed exorbitant and it was assumed these costs included other legal fees. Mr. Dusek noted that he was unable to provide an explanation as to the costs, but advised that the District Attorney was traditionally very conservative in the way funds were expended; however, he added, in cases such as these when extradition was required, the County was responsible for the costs, regardless of the total. Mr. Monroe pointed out that although the actual Request for Transfer of Funds form listed the explanation for the transfer to be an appropriation of funds for travel and extradition of an inmate, two separate Budget Codes were listed for the appropriation which made the request seem inconsistent.

Due to the number of questions surrounding this request, Mr. Conover asked Mrs. Sady to exit the meeting and contact the District Attorney's Office for an explanation, and he suggested that the Committee continue with the agenda review while waiting for this additional information.

Mrs. Sady left the meeting briefly to contact the District Attorney's Office.

Proceeding to Agenda Item 13, Mr. Conover advised Finance Committee action was required on the following items as approved by the Personnel Committee: Item Nos. 2B-E.

Motion was made by Mr. Taylor, seconded by Mr. Merlino and carried unanimously to approve Personnel Agenda Items 2B-E and the necessary resolutions were authorized for the November 15<sup>th</sup> Board Meeting.

Mr. Conover announced Agenda Section IV consisted of items for discussion, specifically a request from Mr. Merlino to address the Committee with regard to present and future financial implications for budgets of small tax base towns in Warren County based on increasing expenses and diminishing revenues.

Privilege of the floor was extended to Mr. Merlino who distributed a handout pertaining to proposed adjustments to sales tax distributions in Warren County, a copy of which is on file with the meeting minutes.

Mr. Merlino began by noting that the document he had distributed consisted of two pages, one of which was printed on salmon-colored paper and the other on green paper. He advised that the salmon-

colored document was the same one he had distributed and discussed briefly at the October 18<sup>th</sup> Board Meeting, proposing that \$500,000 be removed from the total sales tax collections for re-distribution equally to the five towns receiving the lowest amount of sales tax revenues, in addition to their typical distributions. Mr. Merlino apprised that the green document reflected the percentage of sales tax distributed by town in 1985, as well as what the difference in the 2012 distributions would have been if the same 1985 percentage had been applied for that year. He admitted that while he understood such a change in appropriations would not have been possible, he was providing this information in order to illustrate the financial effects to each town if the same distribution rate was maintained.

Continuing, Mr. Merlino acknowledged that many Supervisors were resistant to a change in sales tax distributions, but he said he felt it was important for everyone to understand how unfair the current formulas used to determine these amounts were. He explained that the formula based sales tax distribution rates on the assessed value of each town, meaning that as the wealth of a town increased, so did the amount of sales tax revenues provided. Mr. Merlino stated that while he was glad to see the valuations of several towns increasing and he hoped that trend continued, he was dismayed to see that the increases in distributions for towns with higher values meant a commensurate decrease for those towns with lower assessed valuations.

Mr. Merlino pointed out that the Towns of Bolton and Queensbury maintained the highest assessed valuations for Warren County and received the highest sales tax distributions. Using those two towns as an example, he advised he had performed an informal review to determine the amount of taxes a resident from each area would pay in 2014 for a home with a \$200,000 assessed valuation. Mr. Merlino apprised that a Town of Bolton resident would be taxed \$800 (*County tax of \$698 based on \$3.49 per \$1,000 in assessed valuation; Town tax of \$102 based on \$.51 per \$1,000 in assessed valuation*) and a homeowner in the Town of Queensbury with the same property value would pay \$1,074 (*County tax of \$954 based on \$4.77 per \$1,000 in assessed valuation; Town tax of \$120 based on \$.60 per \$1,000 in assessed valuation*); meanwhile, he added, a resident in the Town of Lake Luzerne with a home valued at \$200,000 would pay \$1,766 (*County tax of \$846 based on \$4.23 per \$1,000 in assessed valuation; Town tax of \$920 based on \$4.60 per \$1,000 in assessed valuation*). Mr. Merlino stated that in each of the eight years he had served on the Board of Supervisors he had heard complaints from Town of Queensbury taxpayers that their taxes were too high, when in fact, they were actually lower than some other towns, and made lower still by increasing sales tax revenues which were used to offset property taxes, a benefit that the five towns receiving the lowest sales tax revenue distributions were not able to offer their taxpayers. He reiterated that growth in assessed value was a good thing, but he indicated that a solution had to be developed to restructure the sales tax distribution process in order to make it more fair to the towns with lower assessed values, otherwise the problem would only be exacerbated in future years.

Kate Hogan, District Attorney, entered the meeting at 10:15 a.m.

Mr. Merlino said that when he had presented this proposal in October, many Supervisors had been resistant to the idea, and comments had been made that the larger towns paid a considerable portion of the County's expenses and deserved to receive the same in return when the sales tax revenues were distributed. He stated that while he respected these opinions, he would submit that although the property he owned in the Town of Lake Luzerne carried four times the property value of his neighbors property, and commensurately a higher Town property tax amount, he did not feel that difference in value authorized him to receive more Town services simply because he paid a higher amount of taxes. Mr. Merlino apprised that Saratoga and Washington Counties employed different practices in determining how their sales tax revenues would be split amongst their respective towns and he felt it was time for Warren County to establish a Committee, or authorize the County Administrator, to research and consider this issue to determine whether a different, and more fair, distribution could be employed.

Mr. Conover noted that Ms. Hogan had joined the meeting and he reiterated to her the concerns some of the Committee members had cited relative to the amount of the transfer of funds she had requested. Ms. Hogan apologized that the request form did not properly clarify the expenditures and she explained that of the total \$8,200 request, \$3,200 would be used for the actual travel costs associated with the extradition of an inmate and the remaining \$5,000 was for expert witness testimony. With respect to Mr. Monroe's indication that the travel costs seemed fairly high, Ms. Hogan responded that each extradition required two Police Officers to bring the inmate back to Warren County. She added that extraditions were typically unplanned and happened at the last minute; she noted that once a warrant was filed for extradition, the state they were trying to extradite from typically required that the inmate be picked up within 10 days, causing the need for last minute flight arrangements which usually incurred the highest rates. With regards to the testimony costs, Ms. Hogan advised that a fee of approximately \$7,000 had been charged for expert testimony in relation to a recent child fatality case; she added that the \$5,000 requested was a low estimate of anticipated costs for expert testimony relating to a trial scheduled to begin on November 12<sup>th</sup>. Mr. Conover pointed out that the request form did, in fact, reflect the breakdown of cost outlined by Ms. Hogan and he indicated that adding a bit of verbiage to clarify that the funds would also be used for expert witness costs would answer all of the questions posed. Ms. Hogan apologized once again for the confusion and agreed that the request form could be amended without issue. *Note: Subsequent to the meeting, Ms. Hogan provided a detailed accounting of travel costs associated with the inmate extradition, a copy of which is on file with the meeting minutes.*

Mr. Conover called the question and the previous motion to approve the request for a Contingent Fund transfer totaling \$8,200 to the District Attorney's Budget in order to appropriate funds for travel associated with the extradition of an inmate and expert witness testimony costs was carried unanimously, thereby authorizing the necessary resolution for the November 15<sup>th</sup> Board Meeting.

There being no further business to come before the Finance Committee, on motion made by Mrs. Wood and seconded by Mr. Taylor, Mr. Conover adjourned the meeting at 10:24 a.m.

Respectfully submitted,  
Amanda Allen, Deputy Clerk of the Board