

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: FINANCE

DATE: MAY 6, 2015

---

COMMITTEE MEMBERS PRESENT:

SUPERVISORS: CONOVER  
TAYLOR  
MONROE  
WOOD  
KENNY  
MERLINO  
FRASIER

COMMITTEE MEMBERS ABSENT:

SUPERVISORS: SOKOL  
DICKINSON

OTHERS PRESENT:

MIKE SWAN, COUNTY TREASURER  
KEVIN B. GERAGHTY, CHAIRMAN OF THE BOARD  
MARTIN AUFFREDOU, COUNTY ATTORNEY  
PAUL DUSEK, COUNTY ADMINISTRATOR  
AMANDA ALLEN, CLERK OF THE BOARD  
FRANK E. THOMAS, BUDGET OFFICER  
SUPERVISORS BROCK  
BEATY  
GIRARD  
MCDEVITT  
SEEBER  
JEFFERY TENNYSON, SUPERINTENDENT OF PUBLIC WORKS  
LLOYD COTE, ADMINISTRATOR OF THE WESTMOUNT HEALTH FACILITY  
LARRY PALTROWITZ, LEGAL COUNSEL FOR WARREN COUNTY  
DAVID STRAINER, TOWN OF QUEENSBURY RESIDENT  
DON LEHMAN, *THE POST STAR*  
SARAH MCLLENITHAN, DEPUTY CLERK OF THE BOARD

---

Mr. Conover called the meeting of the Finance Committee to order at 10:09 a.m.

Motion was made by Ms. Wood, seconded by Mrs. Frasier 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 of same is on file with the minutes.

Commencing the Agenda review with Section III, Item 1, Mr. Conover addressed a request to authorize transfers of funds, as included in the Agenda packet for Committee approval.

Motion was made by Ms. Wood, seconded by Mrs. Frasier and carried unanimously to approve the request and the necessary resolution was authorized for the May 15, 2015 Board meeting.

Moving on to Agenda Items 2A-B, privilege of the floor was extended to Mike Swan, County Treasurer, to discuss the request to rescind Resolution No. 616 of 2014, as well as a request for a new contract with Maximums Consulting Services, Inc. Mr. Swan explained that it was necessary to rescind Resolution No. 616 of 2014, which awarded bid and authorized agreement with Tag Consulting Group for Indirect Cost Analysis for Warren County (WC- 057-14), because Tag Consulting Group had been unable to meet the specified insurance requirements. He continued, a new contract was required with Maximus Consulting Services, Inc. for the indirect cost analysis services for a term commencing January 1, 2014 and terminating December 31, 2017 with a three-year renewal option. He commented the previous experience he had with Maximums Consulting Services, Inc. had been positive.

Motion was made by Mr. Kenny, seconded by Ms. Wood and carried unanimously to approve Items 2A-B, as outlined above, and the necessary resolutions were authorized for the May 15, 2015 Board meeting.

Agenda Item 3A, Mr. Conover announced, pertained to a referral from the County Facilities Committee, *Buildings & Grounds*, requesting approval of the \$16.5 million serial bond for the Court Space Expansion Project. Martin Auffredou, County Attorney, advised that he would provide copies of the serial bond resolution, as well as the various SEQRA documents that were required in the resolution packets for the May 15, 2015 Board meeting. He explained that the SEQRA process was complete for and a negative declaration of no significance was required at the May 15, 2015 Board meeting in order to move forward with the project.

Mr. Conover asked whether Mr. Swan recommended moving forward with the \$16.5 million serial bond rather than doing several smaller serial bonds to finance the Court Space Expansion Project and Mr. Swan replied affirmatively. He stated he felt it was imperative to move the project forward as soon as possible so they could lock in a lower interest rate for the serial bond since it had been forecast that interest rates would be increasing within the foreseeable future. He noted although the serial bond was for \$16.5 million, they were not required to expend the full amount. He said he would be meeting with the representatives of CPL (Clark, Patterson Lee) and the Superintendent of Public Works to ensure that the \$8 million projected for the construction phase of the project was accurate or whether additional funding would be required.

Larry Paltrowitz, Legal Counsel for Warren County, advised he had prepared the resolution for the serial bond. He stated although the projected cost of the entire project was \$16.1 million would provide cushioning should some unanticipated costs come to fruition. He said while the \$16.5 million bond it was not permissible to exceed the amount of the bond, it was acceptable to expend less than \$16.5 million on the project. He said at some point it would be necessary to determine exactly how much funding was required to complete the project. He pointed out that since the County Treasurer was the Chief Fiscal Officer for the County he would be required to sign the bonds that were taken out for the project. He mentioned once a resolution was adopted approving the \$16.5 million serial bond for the project it was necessary to publish a Legal Notice of Estoppel. He continued, if there was no objection to serial bond within 20 days from the date of publication then they could proceed with the financing.

Mr. Auffredou questioned whether this type of arrangement would work for the type of financing that was being proposed for the project, which was to borrow the funding for the project in phases, and Mr. Paltrowitz replied affirmatively. He explained that the proposed resolution permitted the County to expend up to \$16.5 million on the project; however, he said, it was up to the County to determine how the funding was addressed over time.

Mr. McDevitt asked whether the interest rate for the \$16.5 million was locked in for the entire project to ensure the County achieved a lower rate and Mr. Paltrowitz replied in the negative. He explained that bidding would commence shortly to determine the initial amount of the bond and if any short term financing was required. He continued, there was no mechanism for altering an interest rate once it was determined. He said the combined net interest costs would be set once the bonds were sold.

Mr. McDevitt queried whether there was any advantage to bonding the project for the maximum amount of \$16.5 million in order to lock in a lower interest rate and Mr. Swan replied in the negative. He explained the amount of interest charged for the entire bond amount would far exceed the amount of interest accrued on the funding that was not being utilized; therefore, he said, he did not think it would be fiscally responsible for the County to move ahead with financing the project this way. He commented financing the project in phases allowed for more flexibility. He pointed out since only the interest payments were due on the bond for the first two years, the payments would be much lower, which he thought would assist the County with focusing their attention on other fiscal matters such as the financial issues relating to the Westmount Health Facility.

Mr. Auffredou reminded the Committee that matters relating to the environmental assessment and SEQRA documentation for the project would be brought forth at the May 15, 2015 Board meeting. He recommended that the Committee move forward with approving the \$16.5 million serial bond for the project.

Motion was made by Mr. Taylor, seconded by Mr. Kenny and carried unanimously to approve the request and the necessary resolution was authorized for the May 15, 2015 Board meeting.

Resuming the Agenda review with Item 3B, Mr. Conover addressed a referral from the County Facilities Committee, *Buildings and Grounds*, referring to a request for approval of revised Court Space Expansion Project plans and CPL Work Task 4-8, as well as to identify a source of funding for the costs associated with Task 4-8.

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

Jeffery Tennyson, Superintendent of Public Works, apprised the County Facilities Committee had reviewed and approved the new program plans at their April 28, 2015 meeting. He said some modifications had been made based upon comments provided by the OCA (Office of Court Administration). He reminded the Committee they had been working with the OCA throughout the design and concept process. He said he anticipated the OCA Facilities Capital Review Board would meet in the next few weeks to provide their formal approval of the concept plans and he requested approval of the Board of Supervisors to move forward with Tasks 4-8 as presented.

Paul Dusek, County Administrator, advised the proposed source of funding for the project would be the \$16.5 million serial bond; however, he noted, there would be some minimal initial costs the County would have to pay out of pocket. Mr. Tennyson interjected that his concern was when the funding would be available so that CPL could move forward with Tasks 4-8, and he apprised there was an immediate need to commence work on Task 4. He explained that the design development would be the next engineering task for the project, which he felt should move forward as soon as possible in order to prevent any delays. He stated that so far funding was from the reserve was used when circumstances such as this arose to ensure the project continued to move forward. He suggested a funding source be determined rather than wait for the bond to be in place to ensure that CPL could move forward without further delay into the design phase of the project.

Mr. Swan commented it would be a few months before the bonding was in place for the project. He said if they moved forward with the project prior to having the financing in place, a source of funding would need to be determined. Mr. Dusek surmised that the County could pay the costs out of their own pocket and be reimbursed once the financing for the project was in place; however, he said, he would research the matter further and have something in place to be presented for approval at the May 15, 2015 Board meeting.

Mr. Conover summarized the motion on the floor was to approve the revised court expansion plans, as presented and approve CPL work tasks 4-8 with the source of funding to be the \$16.5 million serial bond. He added that Mr. Dusek would provide details as to how any immediate costs to progress the project could be funded at the May 15<sup>th</sup> Board meeting.

Mr. Tennyson interjected it had just occurred to him that there would be some costs associated with making modifications for temporary measures until the project was finalized. He explained that the project would not be completed until after January 1, 2016; therefore, he said, modifications to the existing space were required in order to accommodate the additional Family Court Judge and their staff until the project was complete. He asked whether these costs would be covered under the bond and Mr. Paltrowitz replied that it was dependent upon what they were, as they would not be covered if they were not considered to be part of the construction. As an example, he stated the cost of placing a temporary trailer on site would not be covered by the bond.

Mr. Tennyson apprised that building modifications and engineering costs, such as for a hazard survey, would be incurred in order to accommodate the court staff while the construction advanced. He stated these costs had not been included as part of the \$16.1 million estimate for the project. He said he was unsure of how much the total cost would be for these building modifications; however, he advised, he would report back to the Committee once an estimate was available.

Mr. Paltrowitz announced that any modifications made on-site or surveys conducted that were required for the project could be included in the bond; however, he stated, the cost of relocating staff off-site or in temporary trailers would not be covered. He

said he would need more specific details as to what the modifications were and their associated costs in order to determine whether they could be included within the bond. He mentioned the reason he recommended a serial bond for \$16.5 million and not for the total estimated cost of \$16.1 million was to allow for some flexibility should any unanticipated costs come forward during the project. He added this prevented them from having to make any modifications to the serial bond. He reiterated if the modifications were not part of the original estimate of \$16.1 million then he would need specific details about the modifications and the associated costs in order to determine if they could be covered by the bond.

Mr. Dusek advised once they had a better understanding of whether the costs associated with these modifications could be included in the bond they could make a determination as to whether another source of funding was required, such as a separate bond to cover these costs. He said once the modification plans were finalized and an estimate was available Mr. Tennyson would bring forth the information to the County Facilities Committee to make a determination.

Mr. Girard stated as they moved forward with the project, existing areas would be renovated for use in a temporary capacity to house the displaced court staff while the construction was occurring. He commented he believed these modifications could be incorporated into the final design and covered by the bond; however, he said, he did not have the skill set required to make this determination. He commented he wanted to ensure they moved forward with the project in the correct way.

Mr. Tennyson apprised there would be some overlapping, as some of the modifications were required as part of the final project such as a hazard survey. He said he wanted to ensure that the project moved forward without having to redo areas needlessly. He stated the majority of the costs associated with the temporary measures were in support of the final project.

Mr. Conover mentioned that some of the court staff would need to be moved around until the project was complete. He said he felt the temporary modifications would support the final phases of the project. He commented communication between Messrs. Dusek, Tennyson and Swan was crucial in order for the project to move forward correctly. He pointed out although there was some flexibility with the serial bond, he felt they should be cautious since they were unsure of what the total cost of the modifications would be. He added he did not want any unpleasant surprises that would put a strain on the County Budget.

Mr. Dusek advised these details would all be worked through at the next County Facilities Committee meeting. He stated he felt some of the costs associated with the modifications would be covered under the bond and some would have to be paid by the County; but noted he did not believe these costs would be unmanageable. He commented that he agreed the best approach was to ensure the project progressed. He said he would keep the Committee apprised on how they proceeded with funding the required modifications.

There being no further discussion, Mr. Conover called the question and the aforesaid motion was carried by unanimous vote.

Agenda Item 4, Mr. Conover apprised, was a referral from the Criminal Justice Committee, *Probation*, requesting to amend the 2015 County Budget to reflect the receipt of unanticipated revenues and appropriations in the amount of \$2,500 for grant funding provided by Warren/Washington Victim Impact Panel in order to pay consultant Walter Joseph Lashway to facilitate three sessions for the remainder of the year.

Motion was made by Mr. Merlino, seconded by Ms. Wood and carried unanimously to approve the request and the necessary resolution was authorized for the May 15, 2015 Board meeting.

Mr. Conover advised Agenda Items 5A-B consisted of referrals from the Health Services Committee, *Westmount Health Facility*, which he proceeded to outline as follows:

- 5A) Request to amend the County Budget to appropriate funding in the amount of \$811,794 from the Westmount Health Facility Fund Balance to various budget codes within the Westmount Health Facility Operating Budget to cover operating expenses.

Motion was made by Mrs. Frasier, seconded by Mr. Taylor and carried unanimously to approve the request and the necessary resolution was authorized for the May 15, 2015 Board meeting.

- 5B) Pursuant to discussion at the last Health Services Committee meeting, County Treasurer to advise what additional appropriations would be required and when they would occur to continue the operation of the Facility beyond October 31, 2015.

Mr. Swan apprised he had not prepared anything for the meeting today, as he was unaware that any information had been requested from him, but said he could prepare something for the next Committee meeting. He stated generally, unless something drastic occurred, the operating costs for Westmount were the same every month; therefore, he advised, if the facility was not sold by October 31<sup>st</sup> of this year they would be able to anticipate how much funding per month was required in order to continue operations.

Mr. Conover questioned whether there were funds within the Westmount Fund Balance to assist with paying the operating costs for the facility if the sale was not finalized by October 31<sup>st</sup>, as there was uncertainty with regards to IGT (Intergovernmental Transfer) funding, and Mr. Dusek replied affirmatively. He said the County Surplus could be used if the funding in the Westmount Health Facility was fully expended to continue to operate the facility through the end of the year. He said he was hoping the sale would be finalized prior to the end of the year and he pointed out that based upon prior projections the County would be in a better situation financially over the next few years as long as the facility was sold before the end of 2015.

Moving along, Mr. Conover apprised Agenda Items 6A-C consisted of the following referrals from the Human Services Committee:

*Employment and Training-*

- 6A) Request to amend the 2015 County Budget to reflect the receipt of unanticipated revenues and appropriations in the amount of \$2,451 received through the Federal Trade Adjustment Act as reimbursement for the costs associated with training for two dislocated workers.

Motion was made by Ms. Wood, seconded by Mrs. Frasier and carried unanimously to approve the request and the necessary resolution was authorized for the May 15, 2015 Board meeting.

*Office for the Aging-*

- 6B) Request to amend the 2015 County Budget to reflect the receipt of unanticipated revenues and appropriations in the amount of \$40,000 in Federal Aid provided for the new BIP (*Balance Incentive Program*) Caregivers Support Program.
- 6C) Request to amend the 2015 County Budget to reflect the receipt of unanticipated revenues and appropriations in the amount of \$70,000 to return a budget transfer that was done in order to complete contracts for the Hamilton County Expanded In-Home Services for the Elderly Program.

Motion was made by Ms. Wood, seconded by Mrs. Frasier and carried unanimously to approve Items 6B-C, as outlined above, and the necessary resolutions were authorized for the May 15, 2015 Board meeting.

Continuing to Agenda Item 7, Mr. Conover read aloud a referral from the Occupancy Tax Coordination Committee, requesting to appropriate funding in the amount of \$68,702 from the Occupancy Tax Reserve, (A.881.00), to Budget Code A.6417 469, *Tourism Occupancy, Other Payments/Contributions*, to make the final distributions of 2014 Occupancy Tax collections to other municipalities.

Motion was made by Mr. Kenny, seconded by Mr. Merlino and carried unanimously to approve the request and the necessary resolution was authorized for the May 15, 2015 Board meeting.

Mr. Conover announced Agenda Items 8A-B pertained to the following referrals from the Public Works Committee, DPW:

- 8A) Request to increase Capital Project H351.9550 280, *CR 44 over Hudson River Bridge Painting Project*, in the amount of \$50,400 to include the 80% Federal share.
- 8B) Request to increase Capital Project H352.9550 280, *County Bridge Painting Project*, in the amount of \$54,400 to include the 80% Federal share.

Motion was made by Mr. Merlino, seconded by Mr. Kenny and carried unanimously to approve Items 8A-B, as outlined above, and the necessary resolution was authorized for the May 15, 2015 Board meeting.

Agenda Item 9, Mr. Conover apprised, pertained to a request from the Traffic Safety Board to amend the 2015 County Budget to reflect the receipt of \$4,320 in State STOP-DWI Association Crackdown grant funds.

Motion was made by Ms. Wood, seconded by Mr. Merlino and carried unanimously to approve the request and the necessary resolution was authorized for the May 15, 2015 Board meeting.

Mr. Conover reported Agenda Items 10A-B referred to requests/Items to be discussed by the County Administrator outlined the items as follows:

- 10A) Journal Report identifying transfers authorized by the County Administrator.

Mr. Dusek apprised the Journal Report listed the transfers approved by his Office, as required by the Committee. He indicated that most of the transfers listed were small, with the exception of some budgeting errors, which were not an uncommon occurrence for Departments with larger budgets. He noted the \$3,300 transfer for the Office for the Aging was made to purchase a new commercial dishwasher for one of the meal sites; the \$10,315.81 transfer within the Tourism Budget was to cover the cost of the new contract for social media; and the Westmount Health Facility transfer was based upon the needs of the facility. He commented he felt the reason most of the transfers were relatively small related to the fact that the budget process for the County was tight. He said having tight budgets assisted with ensuring there was better oversight and review of the County's finances.

- 10B) Discussion concerning Westmount Impact Bargaining negotiation terms of MOU, including fiscal terms. (A request will be made for an executive session).

Mr. Dusek advised there may be action taken after executive session depending upon the report provided by the County Attorney. Mr. Auffredou advised an executive session was necessary to discuss the impact bargaining negotiations with the CSEA (Civil Service Employees Association).

Motion was made by Mr. Taylor, seconded by Ms. Wood and carried unanimously to enter into executive session pursuant to Section 105(e) of the Public Officer's Law.

Executive session was held from 10:45 a.m. until 11:11 a.m.

Upon reconvening Mr. Conover announced no action was taken during the executive session.

Continuing with the Agenda review, Mr. Conover apprised Agenda Item 11 pertained to the following request/item to be discussed by the County Attorney:

- 11) County Attorney and Westmount Administrator to discuss Managed Long Term Care contract with Fidelis and required amendment.

Mr. Auffredou apprised that he had been working with Lloyd Cote, Administrator of the Westmount Health Facility, to ensure they had contracts in place with the two

agencies authorized by New York State to provide Medicaid Managed Care in Warren County prior to the effective date of July 1, 2015 in order to be eligible for reimbursement of the services provided. He said this meant patients eligible for Medicaid who were admitted to the nursing home after June 30, 2015 would be required to select one of the agencies that provided Medicaid Managed Care Coverage. He explained that Fidelis Care of New York was one of the agencies that would be providing this coverage to the residents of Warren County. He stated that a new agreement was not necessary with Fidelis Care of New York, as they had requested that their current Standard Ancillary Services Agreement with the County be amended to reflect incorporating new Federal and State clauses, as well as to provide for new reimbursement rates for intermediate care. He noted although he had contacted VNSNY, which was the other company authorized by New York State to provide Medicaid Managed Care Coverage to Warren County residents, he had received no response from them as of yet.

Motion was made by Ms. Wood, seconded by Mr. Taylor and carried unanimously to approve the request and the necessary resolution was authorized for the May 15, 2015 Board meeting.

Resuming the Agenda review, Mr. Conover stated that Item 12 consisted of a request for Finance Committee action on the following items as approved by the Personnel Committee: Personnel Agenda Items 2B, 4, and 5.

Motion was made by Mr. Taylor, seconded by Mrs. Frasier and carried unanimously to approve the request and the necessary resolution was authorized for the May 15, 2015 Board meeting.

Ms. Wood noted an item that was not included on the Finance Agenda but required approval from the Committee pertained to the request by the County Administrator to hire Temporary Assistance for the Mail Room up to 40 hours per week at an hourly rate not to exceed \$16.1087 per hour for a term not to exceed three months. She advised the Personnel Committee had already approved the request, but Finance committee approval was required, as well.

Motion was made by Ms. Wood, seconded by Mr. Merlino and carried unanimously to approve the request and the necessary resolution was authorized for the May 15, 2015 Board meeting.

In relation to the Westmount Health Facility, Mr. Taylor asked whether the County would be able to recoup the money they had previously loaned to the facility in order for it to continue to operate. Mr. Dusek replied they would be paid back through the proceeds from the sale if no other funding sources became available before then. He suggested the remainder of the proceeds of the sale be set aside to pay for future legacy costs associated with the facility.

There being no further business to come before the Finance Committee, on motion made by Mrs. Frasier and seconded by Ms. Wood, Mr. Conover adjourned the meeting at 11:20 a.m.

Respectfully submitted,

Sarah McLenithan, Deputy Clerk of the Board