

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: FINANCE

DATE: APRIL 5, 2019

| | |
|-----------------------------------|---|
| COMMITTEE MEMBERS PRESENT: | OTHERS PRESENT: |
| SUPERVISORS SOKOL | MIKE SWAN, COUNTY TREASURER |
| MERLINO | RONALD CONOVER, CHAIRMAN OF THE BOARD |
| DICKINSON | RYAN MOORE, COUNTY ADMINISTRATOR |
| STROUGH | MARY ELIZABETH KISSANE, COUNTY ATTORNEY |
| BEATY | AMANDA ALLEN, CLERK OF THE BOARD |
| FRASIER | FRANK THOMAS, BUDGET OFFICER |
| MCDEVITT | SUPERVISORS DIAMOND |
| GERAGHTY | DRISCOLL |
| BRAYMER | LEGETT |
| HYDE | MAGOWAN |
| | KEVIN HAJOS, SUPERINTENDENT OF PUBLIC WORKS |
| COMMITTEE MEMBER ABSENT: | DON LEHMAN, <i>THE POST STAR</i> |
| SUPERVISOR SIMPSON | THOM RANDALL, <i>ADIRONDACK JOURNAL</i> |
| | SARAH MCLENITHAN, DEPUTY CLERK OF THE BOARD |

Please note, the following contains a summarization of the April 5, 2019 meeting of the Finance Committee; the meeting in its entirety can be viewed on the Warren County website using the following link: <http://www.warrencountyny.gov/gov/comm/Archive/2019/finance/>

Mr. Sokol called the meeting of the Finance Committee to order at 10:17 a.m.

Motion was made by Ms. Braymer, seconded by Mr. Strough and carried unanimously to approve the minutes of the previous 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 meeting minutes

Commencing with the Action Agenda, Mr. Sokol requested approval of Item 1 which consisted of a request for transfers of funds as attached for Committee approval.

Motion was made by Mr. Geraghty, seconded by Mr. Strough and carried unanimously to approve the request and the necessary resolution was authorized for the April 19th Board Meeting.

Mr. Dickinson entered the meeting at 10:18 a.m.

Mr. Sokol advised Agenda Items 2A-B concerned the following Items/Requests to be Discussed by the County Treasurer:

- 2A) Request to amend an existing contract to change the name of the vendor from Hay Group Inc. to Korn Ferry due to a merger and to change the termination date for the contract to December 31, 2020.

Mike Swan, *County Treasurer*, apprised that this company handled the County’s actuary audits which were completed every other year and was a required audit that consisted of a review to ensure the

APRIL 5, 2019

proper amount of work was being done to save money. He explained they would still be dealing with the same people, as the only difference was the name of the company, as well as the termination date. He apprised the year that was being audited was 2019, but the work would not take place until 2020 and they would like the termination date to be changed to align with the when the work was being done.

Motion was made by Mr. Geraghty, seconded by Mr. Merlino and carried unanimously to approve the request and the necessary resolution was authorized for the April 19th Board Meeting.

- 2B) Request to authorize the Chairman of the Board to sign an agreement with NYCLASS which will allow the County Treasurer to invest County funds with NYCLASS.

Mr. Swan stated that he had been unaware at the time when he presented the original request for an agreement with NYCLASS that the Chairman was required to sign the original agreement nor was he aware that they were piggybacking off of another contract with another County in order to do this.

Motion was made by Mr. Merlino, seconded by Mr. Dickinson and carried unanimously to approve the request and the necessary resolution was authorized for the April 19th Board Meeting.

Continuing with the Agenda review, Mr. Sokol apprised Agenda Item 3 concerned a referral from the Economic Growth & Development Committee, *Planning*, regarding a request to establish Capital Project H383, *Schroon Lake Invasive Species Prevention & Control Program*, in the amount of \$386,334.

Motion was made by Mr. McDevitt, seconded by Mr. Geraghty and carried unanimously to approve the request and the necessary resolution was authorized for the April 19th Board Meeting.

Mr. Sokol advised Agenda Item 4 pertained to a referral from the Environmental Concerns & Real Property Tax Services Committee, *Real Property*, involving a request to appropriate funds in the amount of \$10,000 from the Environmental Testing Reserve Fund (A.893.00) to Budget Code A.1355 470, *Real Property Tax Services, Contract*, to cover the cost of paying the NYSDEC (*New York State Department of Environmental Conservation*) for clean up/tank removal on Town of Chester Tax Map Parcel No. 104.10-4-5 (*Thermo-Home, Inc.*)

Mary Elizabeth Kissane, *County Attorney*, apprised the question arose at the Environmental Concerns & Real Property Tax Services Committee meeting as to whether the amount should be \$10,000 or \$15,000, informing she had since clarified with NYS DEC that they were only seeking \$10,000 from the County. She added the language in the contract had also been cleaned up to ensure there was no confusion.

Mr. Swan stated the County was responsible for the first \$10,000 and any costs over that would taken care of the by the State. He said the NYS DEC would not commence with the clean up efforts until the County had committed to providing the \$10,000. Mr. McDevitt asked whether the state would be agreeable to the same kind of arrangement for other properties and Mr. Swan replied they County had committed \$15,000 to a property in the Town of Johnsbury that the NYS DEC had expended about \$170,000 to clean up.

Mr. McDevitt questioned whether it would be possible for the County to get NYS DEC to commit to a

APRIL 5, 2019

similar arrangement on the property located on Bay Road in the Town of Queensbury and Ms. Braymer

responded that Lexie Delurey, *Director, Real Property Tax Services*, had been working very hard on finding a solution for this property, as the NYS DEC had indicated the property was not in bad enough shape for them to take responsibility to clean it up. She added Ms. Delurey had been in touch with someone else at the State who believed there could be an additional funding stream elsewhere to pay for cleaning up this property. She said since there were no underground storage tanks which could potentially be leaking the NYS DEC was not interested in cleaning up the property.

A discussion ensued.

Motion was made by Mr. Geraghty, seconded by Ms. Braymer and carried unanimously to approve the request and the necessary resolution was authorized for the April 19th Board Meeting.

Mr. Sokol apprised Agenda Item 5 pertained to a referral from the Health, Human & Social Services Committee, *Public Health*, involving a request to amend the County Budget in the amount of \$1,500 to reflect additional funding from the Adirondack Health Institute's Population Health Improvement Program Healthy Community Design Project to benefit families participating in the WIC Program.

Motion was made by Mrs. Frasier, seconded by Mr. Strough and carried unanimously to approve the request and the necessary resolution was authorized for the April 19th Board Meeting.

Mr. Sokol advised Agenda Items 6A-F pertained to the following referrals from the Public Works Committee:

Public Works-

- 6A) Request to increase Capital Project H375, *Thirteenth Lake Road Culvert Replacement*, in the amount of \$813,700.
- 6B) Request to establish Capital Project H.384, *CR 11 over Finkle Brook Culvert Replacement*, in the amount of \$778,760.
- 6C) Request to establish Capital Project H385, *CR 32 over Bennie Brook Culvert Replacement*, in the amount of \$973,636.

Ms. Braymer asked for Kevin Hajos, *Superintendent of Public Works*, to expound on the aforementioned requests. Mr. Hajos stated these culvert projects were fully funded through the Bridge of New York Program. He added funding was also provided for two bridge projects that he would be bringing the requests forward next month.

Motion was made by Mr. Geraghty, seconded by Mr. Merlino and carried unanimously to approve the requests as outlined above and the necessary resolutions were authorized for the April 19th Board Meeting.

- 6D) Request to establish the following new Road Projects: D.5112.8302, *2019 CR #3 Warrensburg Road*, in the amount of \$327,787.64; D.5112.8303, *2019 CR #49 Coolidge Hill Road*, in the amount of \$384,748.03; and D.5112.8304, *2019 CR # 13, Glen Athol Road*, in the amount of \$420,000.

APRIL 5, 2019

Ms. Braymer questioned how much funding would be transferred from existing Road Projects and how much would be appropriated from the Unappropriated Surplus Fund Balance. Mr. Hajos apprised he had

presented a request for the 2019 Budget to include \$3.2 million for road projects, but the Budget Officer decreased this amount to \$2.5 million with the idea that if the total amount of sales tax collected for 2019 came in over budget, Mr. Hajos could return to Committee and ask for the funding that was removed from his initial request during the budgeting process. He informed of the \$1.8 million in the County Road Fund, there was about \$827,000 from previous road projects that could be transferred into existing road projects. He mentioned the prices they received from the contractors were higher than they had originally anticipated, as there was more work than had been estimated due to deteriorating conditions which occurred this winter. He added Item 6E pertained to a request to appropriate approximately \$547,000 from the General Fund Unappropriated Surplus to the County Road Fund to pay for the additional 2019 Road Projects.

A discussion ensued.

Motion was made by Mr. McDevitt, seconded by Mr. Beaty and carried unanimously to approve the request and the necessary resolution was authorized for the April 19th Board Meeting.

- 6E) Request to appropriate funds in the amount of \$547,000 from the General Fund Unappropriated Surplus to the County Road Fund to pay for the additional 2019 Road Projects and to authorize the appropriation of funds in the amount of \$502,000 from the General Fund Unappropriated Surplus to the DPW Road Machinery Fund to pay for the purchase of additional equipment.

Ms. Braymer asked whether these were roads that they had wanted to pay for out of the General Fund Unappropriated Surplus rather than including them in 2019 County Budget. Mr. Geraghty responded that these were the Road Projects that were deferred until they determined whether the amount of sales tax collected last year was greater than the amount budgeted. He added the same applied to the DPW Road Machinery Fund.

A discussion ensued.

Motion was made by Mr. Geraghty, seconded by Mrs. Frasier and carried unanimously to approve the request and the necessary resolution was authorized for the April 19th Board Meeting.

Mr. Diamond inquired how the allocation of these funds from the General Fund Unappropriated Surplus impacted the Multi-Year Plan provided by Ryan Moore, *County Administrator*. Mr. Moore stated that the forecast for 2018 assumed that the year would close out with a slightly higher balance in the General Fund Unappropriated Surplus than the prior year which the Treasurer's Office was working on finalizing, but he estimated that this was understated. He mentioned although he did not have the figures in front of him, he believed the forecast had included appropriating more than what was appropriated for Road Projects and Equipment expenses this year.

Parks, Recreation & Railroad-

- 6F) Request for a transfer of funds Contingent Account in the amount of \$7,500 to cover the cost of the utility bills for the County Railroad.

APRIL 5, 2019

Motion was made by Ms. Braymer, seconded by Mr. Merlino and carried unanimously to approve the request and the necessary resolution was authorized for the April 19th Board Meeting.

Moving along, Mr. Sokol stated Agenda Item 7 pertained to a referral from the Support Services Committee, *Board of Elections*, concerning a request to establish a Reserve Fund in the amount of \$84,000 to fund the future purchase of Election Equipment and authorizing the appropriation of funds in the amount of \$84,000 from the General Fund Unappropriated Surplus to provide funding for same.

Mr. Geraghty mentioned the State had provided some funding for early voting, but nothing for the machines. He stated he felt it was necessary for them to establish a Reserve Fund for the purpose of paying for this expense going forward.

Motion was made by Ms. Braymer, seconded by Mr. Geraghty and carried unanimously to approve the request and the necessary resolution was authorized for the April 19th Board Meeting.

Mr. Sokol advised Agenda Items 8A-C involved the following Requests/Items to be discussed by the County Administrator:

- 8A) Journal Reports of transfers approved by the County Administrator staff during February of 2019.

Mr. Moore stated a Journal Report of transfers that had been made was included within the Agenda.

- 8B) Request for transfer of funds in the amount of \$1,174.48 from Budget Code A.1910 470, *Unallocated Insurance, Ins- General Liability*, to Budget Code A.1910 470, *Unallocated Insurance, Contract*, and for a transfer of funds in the amount of \$7,825.52 from the Contingent Account, to Budget Code A.1910 470, *Unallocated Insurance, Contract*, to cover the cost of the agreement with OneGroup to provide property and casualty insurance consulting services.

Mr. Moore apprised last month a contract had been authorized with OneGroup to assist the County with the renewal of its property and casualty insurance in hopes that some savings would be realized. He said at the time he had indicated the County would pay for the cost of the contract by transferring funds from existing accounts to the Budget Code for Unallocated Insurance; however, he noted, it had since been determined that they were unable to transfer funds from his budget which were set aside for expenses relating to the former Westmount Health Facility because they needed to keep a contract in place for another year to continue to do the runout claims from the Facility. He said his proposal consisted of transferring the remaining funds from the Contingent Account to cover the cost of the contract. He estimated the balance of the Contingent Account following all of the appropriations that would be authorized at the April 19th Board Meeting would be about \$250,000.

A discussion ensued regarding the balance of the Contingent Account.

Motion was made by Ms. Braymer, seconded by Mr. Strough and carried unanimously to approve the request and the necessary resolution was authorized for the April 19th Board Meeting.

- 8C) Request to appropriate funds in the amount of \$11,365.01 from the Westmount Legacy Reserve to pay miscellaneous fees and expenses and to authorize payment to NYS OMIG/RAC due to overpayment of claims.

APRIL 5, 2019

Mr. Moore stated he believed the balance of the Westmount Legacy Reserve at the close of 2018 was around \$5 million. He stated the purpose of this request was to pay for Medicaid overpayments

associated with care that was provided to patients at the former Westmount Health Facility. He said they initially thought the overpayment was around \$30,000, but through the work of Tammie DeLorenzo, *Assistant to the County Administrator*, and former staff of the Westmount Health Facility who had remained employed by the County this amount was significantly reduced.

Motion was made by Mr. Geraghty, seconded by Mr. Strough and carried unanimously to approve the request and the necessary resolution was authorized for the April 19th Board Meeting.

Agenda Item 9, Mr. Sokol informed, pertained to a Request/Item to be Discussed by the County Attorney regarding a request to authorize a settlement agreement in the amount of \$6,465 to be paid in monthly installments of \$200 per month for skilled nursing services for a resident at the former Westmount Health Facility.

Ms. Kissane stated the request pertained to a settlement agreement with a former resident of Westmount Health Facility who was a private pay client.

Motion was made by Mr. Merlino, seconded by Ms. Braymer and carried unanimously to approve the request and the necessary resolution was authorized for the April 19th Board Meeting.

Concluding the Agenda review, Mr. Sokol advised Item 10 pertained to Finance Committee action which was required on the following items as approved by the Personnel & Higher Education Committee: Personnel & Higher Education Agenda Items 3A and 4.

Motion was made by Geraghty, seconded by Mr. Dickinson and carried unanimously to approve the request and the necessary resolution was authorized for the April 19th Board Meeting.

Mr. Sokol offered privilege of the floor to anyone present wishing to address the Committee on any matter.

Mr. Beaty inquired about the status on the collection of the \$500,000 that was erroneously billed pertaining to the former Westmount Health Facility, as he was aware that someone had been hired to work on attempting to obtain reimbursement from the State. Mr. Moore advised that Ms. DeLorenzo had worked tirelessly on this; however, he noted, he felt they had reached the point where pursuing this any further would be counterproductive with them spending money without getting any return. He explained there was a timeframe for disputing these payments that had long since past. He informed what occurred here was that when the County's operation of the former Westmount Health Facility was winding down, the State at the same time was tightening up the regulations for these claims and the County did not have the manpower or training to take care of these at that time. He remarked he believed they had gone down all avenues possible in an attempt to get the State to waive the time limitations, but he did not believe the County would be successful in obtaining these funds and all if not the vast majority of these funds would have to be written off against the Westmount Legacy Fund and not the Unappropriated Surplus Fund Balance. He informed he was working with the County Treasurer and County Attorney on developing a formal collection policy for the County, as there was currently nothing in place and he felt there should be. He said it was his plan to bring forward the issue

APRIL 5, 2019

pertaining to these funds once a formal policy was in place.

There being no further business to come before the Finance Committee, on motion made by Mr. Dickinson and seconded by Mr. McDevitt, Mr. Sokol adjourned the meeting at 10:48 a.m.

Respectfully submitted,
Sarah McLenithan, Deputy Clerk of the Board