

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: BUDGET

DATE: SEPTEMBER 9, 2009

COMMITTEE MEMBERS PRESENT:

SUPERVISORS GERAGHTY
BELDEN
O'CONNOR
KENNY
SHEEHAN
MERLINO
TAYLOR
STEC

OTHERS PRESENT:

FREDERICK MONROE, CHAIRMAN OF THE BOARD
HAL PAYNE, COMMISSIONER OF ADMINISTRATIVE & FISCAL SERVICES
JOANN MCKINSTRY, DEPUTY COMMISSIONER OF ADMINISTRATIVE & FISCAL SERVICES
RICK MURPHY, DEPUTY COMMISSIONER OF FISCAL SERVICES
JOAN SADY, CLERK OF THE BOARD
SUPERVISORS BENTLEY
PITKIN
SOKOL
STRAINER
TESSIER
THOMAS
VANNESS

COMMITTEE MEMBER ABSENT:

SUPERVISOR CHAMPAGNE

FRANK O'KEEFE, TREASURER
ROB LYNCH, DEPUTY TREASURER
TODD LUNT, DIRECTOR, HUMAN RESOURCES
JULIE PACYNA, PURCHASING AGENT
MARGARET SING SMITH, DIRECTOR, YOUTH BUREAU
PAT AUER, DIRECTOR, PUBLIC HEALTH
BRENDA HAYES, DIRECTOR, COUNTRYSIDE ADULT HOME
BUD YORK, SHERIFF
KATHY BAKER, FISCAL MANAGER, DEPARTMENT OF SOCIAL SERVICES (DSS)
DOUG HERSCHLEB, DIRECTOR OF SERVICES, DSS
MICHAEL JABAUT, DIRECTOR OF ADMINISTRATIVE SERVICES, DSS
ELLEN BUTZ, LARAC
ANNE SMOCZYNSKI, LARAC
DON LEHMAN, *THE POST STAR*
THOM RANDALL, *THE ADIRONDACK JOURNAL*
AMANDA ALLEN, SR. LEGISLATIVE OFFICE SPECIALIST

Mr. Geraghty called the meeting of the Budget Committee to order at 9:00 a.m.

Motion was made by Mr. Belden, seconded by Mr. Kenny and carried unanimously to approve the minutes from the August 12, 2009 Committee meeting, subject to correction by the Clerk of the Board.

Commencing the agenda review with Item 2, Mr. Geraghty announced that Ellen Butz, Director of LARAC (Lower Adirondack Regional Arts Council), was in attendance to address Committee.

Ms. Butz began by thanking the Committee and the Board of Supervisors for their past financial support. She explained that LARAC was a year-round organization which administered the arts initiative in Warren County and distributed funding for arts related events to the communities therein. Ms. Butz said that the arts initiative provided jobs for residents and attracted visitors to the area. She added that although she was aware of the difficult budgetary

situation the Board of Supervisors faced, it was important to promote all of the features the County had to offer, including the arts. Ms. Butz apprised that statistical surveys had shown cultural tourists to the area tended to stay in the area longer and spend more money during their visit; therefore, she said, contributions to the arts were a wise investment as every cent contributed would be returned to quality arts related events within Warren County communities.

Ms. Butz introduced Anne Smoczynski, who served as LARAC's Decentralization Coordinator and provided all of the administration for LARAC programs within Warren County. Ms. Smoczynski thanked the Committee for allowing her the opportunity to address them and distributed packets of information concerning cultural tourism statistics, past funding information and recipient commentaries respective to LARAC events and funding opportunities, which she highlighted for the Committee's benefit; *a copy of this information is on file with the minutes.* She stated that all of the initiatives funded by LARAC were components of the arts which were important to many organizations within the County and that was why she and Ms. Butz had come to the meeting to request that funding for LARAC be retained in the 2010 Budget. Ms. Smoczynski cited that during the prior year LARAC had received over \$85,000 in requests for grant funding and had been able to distribute \$37,000 to qualifying programs, a figure which would have been \$5,000 less without the County's contribution. She apprised that LARAC was different than the other entities the County provided funding for as all of the funds contributed were redistributed into the communities of Warren County through qualifying arts related programs and productions which drew visitors and revenues to the County. In closing, Ms. Smoczynski thanked the Committee for their past contributions and noted that her business card with contact information had been included in the packet distributed for anyone who wished to contact her with questions or concerns.

Mr. Belden thanked Ms. Butz and Ms. Smoczynski for their presentations but noted that 2010 was going to be a very difficult budget year for the County as they were facing a large deficit which would require employee layoffs. He said that in light of these issues, program funding would have to be decreased also in order to assist with the overall budget reduction. Mr. Geraghty said he too appreciated the presentations and noted that the requests to maintain funding for LARAC would be taken into consideration when developing the 2010 Budget. He added that although the County had a longstanding history of providing funding for LARAC, this was the first time the County had faced such a difficult budget situation.

Resuming the agenda review with Item 3, Budget Update, Mr. Geraghty apprised that the Treasurer's Office had recently provided a report entitled "Comparison 2010 Budget to 2009 Budget", a copy of which was included in the agenda packet. He noted that this report reflected initial budget figures and did not account for the subsequent reductions made through Departmental budget review. Mr. Geraghty advised that they continued to work on the budget in an effort to rectify the remaining \$3 million shortfall, but were nowhere close to providing a solution to offset the deficit. He said that although they were finding areas where small reductions could be made it seemed they were continually being advised of unforeseen increases in the 2010 Budget which overshadowed the decreases. Mr. Geraghty stated that although he had no information to present at the current meeting, they would continue to review the budget for reductions and would apprise the Committee of their efforts at the next meeting.

Mr. Geraghty announced that Agenda Item 4 pertained to a review of the Human Resources and Fleet Management 2010 Budget Requests. Privilege of the floor was extended to Todd Lunt, Director of Human Resources, to present the Human Resources Budget; copies of the 2010 Budget Request were distributed to the Committee members and a copy is also on file with the minutes.

Mr. Lunt presented the budget for Code A.1435, Human Resources, which included a 2010 Request of \$112,572 as compared to the 2009 Appropriation of \$116,123, a decrease of \$3,551. He then directed the Committee

members to the last page of the Budget Request which included an outline of the changes in budget codes as follows:

- 111 - Salaries: A 3.5% increase was included in this Code for the Administrative Assistant position which received a salary increase by virtue of union membership;
- 410 - Supplies: The 2009 Budget had included funding for supervisory training which had been removed from the 2010 Budget Request leading to a \$2,150 savings;
- 427 - Memberships: This code accounted for dues associated with Mr. Lunt's membership in the National Human Resources Association, as well as membership in the local Human Resources Association;
- 428 - Data Processing: The amount budgeted for this Code remained the same as the 2009 Appropriation figure and was necessary for internet services for Mr. Lunt and his one staff member;
- 444 - Conferences: The figure included for this Code also remained consistent with the 2009 Appropriation, and included funding for three conferences;
- 470 - Contract: The funding for this Code had been reduced by \$2,800 from the 2009 Appropriation as they had determined that per diem, substitute and less than part-time employees would no longer be covered under the MHNNet Employee Assistance Program (EAP).

Mr. Lunt concluded that a 3.2% savings had been achieved for the Code A.1435, Human Resources, 2010 Budget Request and he anticipated a \$4,000 return to the General Fund from the 2009 Appropriations for unexpended funds related to reductions in supervisory training and in the MHNNet membership during the current year.

Mr. Geraghty questioned whether there was a tracking procedure to determine the number of employees using the EAP and Mr. Lunt replied affirmatively, but noted that he had not brought this information to the meeting with him and preferred not to speculate on the actual statistics. He added that he would provide this information subsequent to the meeting. Mr. Lunt stated that this was a very important benefit to County employees, especially given the current economic situation.

Mr. Kenny said that when the Human Resources Department was initially introduced, he had not envisioned that an Administrative Assistant position would be included and he had thought that the Human Resources Director would be housed in the Civil Service Office allowing for the existing support staff to be shared. Mr. Lunt advised that the Civil Service Office had initially included three support staff members, one of which was the Keyboard Specialists position that was transferred to the Human Resources Department when it was established. He added that he had subsequently requested that the position be upgraded from a Keyboard Specialist to an Administrative Assistant in order to gain an employee with the increased experience befitting the Department. Mr. Lunt said that although it had initially been planned for the Human Resources Department to be housed in the Civil Service Office, it was later determined that the Departments would be housed separately until Rich Kelly, Personnel Officer, decided to retire, at which point Mr. Lunt and his staff member would move to the Civil Service Office.

Mr. Geraghty noted that both the Civil Service Office and the Human Resources Department would be moving to the new Human Services Building when it was completed and at that time the Departments would be located together. He added that there might be the potential for salary savings within the Human Resources Department as it was likely that the two Departments would be able to share the support staff currently in the Civil Service Office.

Proceeding, Mr. Lunt presented the budget for Code A.3621, Safety, which included a 2010 Request of \$2,700 as compared to the 2009 Appropriation of \$6,030, a decrease of \$3,330.

Mr. Lunt explained that AED (Automated External Defibrillator) units had been purchased for placement in County buildings in 2008, the batteries and pads for which would expire in 2010; therefore, he said, the costs for replacement of the expired items was included in the 2010 Budget Request, accounting for \$750 of the total. Mr. Lunt advised that the remaining \$1,950 of the 2010 Request accounted for costs associated with the Driver Training Program implemented in 2008 to fund the purchase of training manuals and re-certification for the five instructors, as well as for the training kit that had to be purchased annually. He noted that they were over a third of the way through the driver training program and once complete, they could decide whether or not to continue the program for future employees.

Mr. Geraghty questioned whether they were able to track savings associated with the driver training program and Mr. Lunt replied affirmatively, noting that Amy Clute, Self-Insurance Administrator, had been tracking the savings but he felt it was too early in the process to determine the actual savings attained. Mr. Geraghty then asked if they had been able to determine if the program had prevented employees from having accidents with their personal vehicles and Mr. Lunt replied in the negative. In response to Mr. Taylor's inquiry respective to the insurance savings attained by implementing the driver training program, Mr. Lunt replied that it was his understanding that the County was receiving the maximum discount available in connection with the driver training program.

Motion was made by Mr. Stec, seconded by Mr. O'Connor and carried unanimously to accept both the Human Resources, Code A.1435, and Safety, Code A.3621, 2010 Budget Requests as presented and refer same to the Budget Officer for further review.

Mr. Geraghty apprised that the Fleet Management, Code A.1610, budget was included in the agenda and reflected a 2010 Request of \$19,075 as compared to the 2009 Appropriation of \$20,400, a decrease of \$1,325. Subsequent to a brief review of the Request, Mr. Geraghty noted a drastic decrease of \$3,325 in Code A.1610 418, Insurance - General Liability, and an increase of \$2,000 in Code A.1610 441, Auto-Supplies & Repair. He also pointed out that a figure of \$12,000 had been included in the 2010 Request for Code A.1610 442, Automotive - Gas & Oil, which was the same amount reflected in the 2009 Appropriation, and he questioned why the amount had been carried forward in light of the fact that gasoline prices were currently lower than they had been when the 2009 Budget was developed. Mr. Belden replied that he did not think that the amount should be decreased as gas prices seemed to be slowly increasing and he said he thought the drastic decrease in insurance costs was suspicious and questioned whether this might be a typographical error.

Mr. Geraghty noted that Frank Morehouse, Superintendent of Buildings, had prepared the 2010 Budget Request and he suggested that Mr. Morehouse be summoned to the meeting to address these questions.

While awaiting Mr. Morehouse's arrival, Margaret Sing Smith, Youth Bureau Director, addressed the Committee and reminded them that they had reviewed her 2010 Departmental Budget Request on August 28th, at which time they had directed her to meet with Sheila Weaver, Commissioner of the Department of Social Services, as well as with the County Attorney, to determine whether the Youth Bureau Deputy Director position currently in place could be reclassified as an Administrative Assistant position to work part-time within the Youth Bureau and part-time within the Department of Social Services. Ms. Smith apprised that subsequent to these meetings it was determined that the position could be reclassified and shared between the Youth Bureau and Department of Social Services and the Youth Bureau 2010 Budget Request had been revised to reflect this change and resubmitted to the Budget Officer.

Mr. Belden requested clarification as to the number of staff that would be working within the Youth Bureau subsequent to the position reclassification and Ms. Smith replied that there would be two part-time staff working

within her Department, those being the Youth Bureau Director and the Administrative Assistant position that would be shared with the Department of Social Services. She added that each position would work 19 hours per week within the Department and would not receive benefits due to their part-time nature, while still allowing the Youth Bureau to submit for State and Federal reimbursements.

Discussion ensued.

Mr. Morehouse entered the meeting at 9:31 a.m.

Returning to the Code A.1610, Fleet Management, 2010 Budget Request, Mr. Geraghty questioned whether the \$375 figure reflected under Code A.1610 418, Insurance - General Liability, was accurate. Mr. Morehouse replied in the negative, noting that this was an error as the figure should be \$3,700. Mr. Geraghty noted that by correcting this figure it would raise the total of the Request to reflect an increase of \$2,000.

Mr. Morehouse stated that the only change in the 2010 Request over the 2009 Appropriation was for Code A.1610 441, Auto - Supplies & Repair, which he had increased by \$2,000 in light of the fact that 80% of the 2009 budget for this Code had been expended through the month of August. He added that they could reduce it to the 2009 Appropriation figure, although there was a chance that the budget could be exceeded.

Mr. Bentley asked how much of the 2009 budget had been expended for Code A.1610 442, Automotive - Gas & Oil, and Mr. Morehouse replied that approximately 57% of the budget had been used through the month of August. Mr. Morehouse then suggested that both Code A.1610 441, Auto - Supplies & Repair, and Code A.1610 442, Automotive - Gas & Oil, be reduced by \$1,000 each to offset the \$2,000 increase.

Subsequent to further discussion on the matter, motion was made by Mr. Taylor, seconded by Mr. Belden and carried unanimously to reduce Code A.1610 441, Auto - Supplies & Repair, by \$1,000 and Code A.1610 442, Automotive - Gas & Oil, by \$2,000.

Motion was made by Mr. Belden, seconded by Mr. Taylor and carried unanimously to accept the Fleet Management, Code A.1610, 2010 Budget Request, including the revision previously noted, and refer same to the Budget Officer for further review.

Resuming the agenda review Mr. Geraghty addressed Item 5 which pertained to the market value estimate for the Fairgrounds property. He advised that a written appraisal of the property had been provided by Mike Swan, Director of Real Property Tax Services, that reflected an estimated value of \$175,000, a copy of which was included in the agenda. Mr. Belden said that he felt the appraisal value was too low for the property and Mr. VanNess interjected that the property was within a flood plain which would decrease its value.

Since there seemed to be some disagreement amongst the Committee regarding the appraised value provided for the property, Mr. Geraghty questioned whether the Committee was in favor of commissioning an outside appraisal for the property.

Motion was made by Mr. Belden and seconded by Mr. Stec to hire an outside appraiser to provide an estimate of value for the Fairgrounds property.

Mr. O'Connor stated that he was opposed to hiring an appraiser to estimate the value of the property as he felt they would be paying for services only to get the same information that had already been received from Mr. Swan. Mr.

Merlino said that he agreed with Mr. O'Connor's statement and said that he did not feel that additional funds should be expended for information that was already received, especially in light of the current budget situation.

Following further discussion, Mr. Geraghty called the question and the motion to hire an outside appraiser to provide an estimate of value for the Fairgrounds property was carried by majority vote, with Messrs. Merlino and O'Connor voting in opposition, and the necessary resolution was authorized for the September 18th Board meeting.

Referring to the Comparison 2010 Budget to 2009 Budget report included in the agenda, Chairman Monroe stated that the report was discouraging because it did not reflect any of the efforts made to reduce the budget and he said that it would be more helpful to have a report that showed the budget reduction efforts made in 2009, as well as their anticipated effect on the 2010 Budget. He apprised that a report was regularly provided to the Towns showing the prior years budget and actual expenditures, as well as the percentage of the budget expended, and he felt that a similar report should be provided to the Budget Committee in order to monitor the current budget and determine how it might affect the following year's budget. Mr. Geraghty agreed and stated that a summary report reflecting Departmental revenues and actual expenditures, as well as the percentage received or expended, should be provided to the Budget Committee on a regular basis.

Mr. O'Keefe stated that a report had been provided to the Committee for the past three months which was a summary report reflecting potential budgetary issues. Mr. Geraghty responded that although the Committee was appreciative of the report that had been provided in the past, they now sought something more extensive that reflected the budgetary status of each Department on a monthly basis as previously outlined. Mr. O'Keefe advised that he and his staff would work to produce the report desired by the Committee.

Chairman Monroe stated that a considerable amount of controversial discussion had occurred amongst the Committees regarding the Kronos Timekeeping System proposed for the Human Services Building, and eventually all County buildings, and he felt that the Budget Committee should take a position on the issue.

Mr. Kenny responded that it was his understanding that a bid process would be used to determine the costs of a new timekeeping system on a County-wide basis to standardize the system used. Chairman Monroe countered that he thought the bid process would be solely for the system to be installed in the Human Services Building as the costs of the system were already included in the bond for the new Building and it was the popular consensus amongst the members of the Board of Supervisors that they should not spend any more money than had already been appropriated in the bond for the new building due to the budget situation. Therefore, he stated, it was his opinion that the Budget Committee should adopt the position that funds would not be expended to purchase a timekeeping system for the remaining County buildings.

Joan Sady, Clerk of the Board, noted that a resolution regarding the purchase of the Kronos Timekeeping System had been presented and tabled at the August 21st Board meeting.

Mr. Pitkin apprised that he had performed a brief internet search to determine the timekeeping systems available and had found that there was a routine competitor of the Kronos System that claimed to offer the system for half the price of the Kronos system. He added that in light of this claim, it was possible that a system for all County buildings could be purchased and installed for the amount already included in the bond for the Human Services Building. Mr. Pitkin said that he felt a bid process should be introduced to determine the County's options for timekeeping systems.

Discussion ensued.

When questioned as to why the bid had not been prepared for the timekeeping system, Hal Payne, Commissioner of Administrative & Fiscal Services, replied that Julie Pacyna, Purchasing Agent, had not had the opportunity to prepare the bid. Ms. Pacyna interjected that before she could prepare the bid, she required a scope of services to begin the process.

Motion was made by Mr. Stec, seconded by Mr. Belden and carried unanimously to authorize a bid process for a County-wide timekeeping system, as well as a system to be installed solely in the Human Services Building.

Mr. Payne said that they should consult with the Treasurer's Office to ensure that the timekeeping system chosen would not conflict with the payroll system being used and Mr. Geraghty suggested that this be included as part of the bid process to ensure that the bidder consulted with the Treasurer's Office to determine the compatibility of their timekeeping system with the current payroll programs used.

Mr. Bentley questioned what the total payroll for all County employees in one two-week payroll period was and Rick Murphy, Deputy Commissioner of Fiscal Services, replied that it was approximately \$1.4 million.

As there was no further business to come before the Budget Committee, on motion made by Mr. Stec and seconded by Mr. Belden, Mr. Geraghty adjourned the meeting at 10:03 a.m.

Respectfully submitted,
Amanda Allen, Sr. Legislative Office Specialist