

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: BUDGET

DATE: NOVEMBER 10, 2009

COMMITTEE MEMBERS PRESENT:

SUPERVISORS GERAGHTY
BELDEN
O'CONNOR
CHAMPAGNE
KENNY
SHEEHAN
MERLINO
TAYLOR
STEC

OTHERS PRESENT:

FREDERICK MONROE, CHAIRMAN OF THE BOARD
PAUL DUSEK, COUNTY ATTORNEY
JOANN MCKINSTRY, DEPUTY COMMISSIONER OF ADMINISTRATIVE &
FISCAL SERVICES
RICK MURPHY, DEPUTY COMMISSIONER OF FISCAL SERVICES
JOAN SADY, CLERK OF THE BOARD
SUPERVISORS BENTLEY
GIRARD
PITKIN
SIMMES
SOKOL
THOMAS
PAT AUER, DIRECTOR, PUBLIC HEALTH
LEISA GRANT, PRINCIPAL ACCOUNT CLERK, TOURISM DEPARTMENT
BRIAN LAFLURE, DIRECTOR, OFFICE OF EMERGENCY SERVICES
WILLIAM LAMY, SUPERINTENDENT OF PUBLIC WORKS
TODD LUNT, DIRECTOR, HUMAN RESOURCES
FRANK O'KEEFE, TREASURER
ROB LYNCH, DEPUTY TREASURER
JULIE PACYNA, PURCHASING AGENT
MIKE SWAN, DIRECTOR, REAL PROPERTY TAX SERVICES
SHEILA WEAVER, COMMISSIONER, DEPARTMENT OF SOCIAL SERVICES
LEN FOSBROOK, PRESIDENT, ECONOMIC DEVELOPMENT CORPORATION
JAMES SEELEY, EXECUTIVE DIRECTOR, CORNELL COOPERATIVE EXTENSION
DON LEHMAN, *THE POST STAR*
AMANDA ALLEN, SR. LEGISLATIVE OFFICE SPECIALIST
Please see attached sign in sheet for all other meeting attendees

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

Motion was made by Mr. Kenny, seconded by Mr. Belden and carried unanimously to approve the minutes from the October 14, 2009 Committee meeting, subject to correction by the Clerk of the Board.

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

Commencing the agenda review with Item 1, Mr. Geraghty introduced Christine McDonald, Library Director of the Crandall Library, who was in attendance to address the Committee respective to reductions in County funding to the Southern Adirondack Library System (SALS).

Ms. McDonald began by noting that she was accompanied by Rick Leonelli, President of the Board of Directors for Crandall Library, and Sandy Searlman, past Chairwoman of the Budget Committee for Crandall Library, as well as representatives of the Lake George-Caldwell and Hadley-Luzerne Public Libraries. She stated that they were very

grateful to Warren County for the financial support received since the 1970's, beginning with the CETA (Comprehensive Employment and Training Act) which allowed for the employment of two staff members who were still employed by Crandall Library as the Historian and head of the Children's Services Division. Ms. McDonald stated that in the 1980's funding had been attributed to the libraries through the Book Aid Program by way of the SALS. She said she was very pleased to report that Crandall Library had increased its usage by 40% in terms of circulation, with about 65% of the Library patrons being residents of Warren County. Ms. McDonald apprised that while Crandall Library retained a considerable portion of the funding attributed, it was important to note that their entire collection of materials was available for loan to all of the smaller SALS member libraries and their patrons. She added that in light of the recent economic crisis and failing job market, they had begun holding workshops to assist residents in developing resumes and cover letters to seek out employment and also offered free internet use for job searches, as well as to apply for unemployment benefits online. Ms. McDonald apprised that the book collection held by Crandall Library was vital and that each book funded by Warren County included a book plate reflecting the origin of funding and the year purchased to state their appreciation.

Ms. McDonald introduced Mr. Leonelli who began by thanking the Committee for their past and future support and stated that they were very understanding of the situation faced by the County in light of these tough economic times. He apprised that nine libraries benefitted from the County's financial support, with Crandall Library being only one of them and he noted that Crandall Library retained 60% of the funding attributed as they accounted for 75% of the circulation and usage amongst the nine libraries. Mr. Leonelli stated that he would like to continue a dialogue with the Committee that would acknowledge there would be some kind of cut, but with the possibility that the Crandall Library could share in the larger part of the funding reduction so that the smaller libraries would not suffer drastic cuts. He added that if there was the possibility of having some of the funding restored to the preliminary budgeting amounts, they would appreciate the opportunity to discuss the matter further.

Marie Ellsworth, of the Lake George-Caldwell Public Library, thanked the Committee for allowing her to address them on this topic and for the past financial support provided by Warren County. She noted that in troubled economic times residents increased their visits to public libraries due to the free resources available, such as the use of computer and research materials which were helpful in seeking employment and internet access which assisted in both seeking employment and applying for unemployment benefits. Ms. Ellsworth advised that in addition to free internet access, the library also offered books, dvds, videos and educational programs for pre-school children, for which they relied heavily on Crandall Library for financial aid. She apprised that the circulation at the Lake George-Caldwell Public Library had increased by 10% over the past year, which could be attributed to the declining economy. Ms. Ellsworth concluded her statement by thanking the Committee once again and stating that she hoped they could rely on the County's future support to further their efforts.

The final member of the library community to address the Committee was Cynthia Hedger, of the Hadley-Luzerne Public Library. Ms. Hedger also expressed her appreciation for past support provided by the County, which she said she hoped would continue. She explained that all funding received was figuratively placed in a big pot and then was distributed to the libraries based on a percentage attributed to each location. Ms. Hedger advised that if the Book Aid funding received from the County was reduced, it would lower the amount received by each location which would seriously affect the smaller library branches, thereby causing a reduction in the amount of books that could be purchased or programs offered. She said this funding was very important to the smaller libraries, such as Hadley-Luzerne Public Library, as it allowed for the purchase of a considerable number of books. Ms. Hedger confirmed prior statements that there was a growing number of residents seeking books and information that would assist them in their job search efforts and reductions in funding could affect the assistance available to these people. She said that she hoped the Committee would ultimately determine that no funding would be cut from the library program; however, she would be happy if they decided to restore a portion of what had been removed.

Ms. McDonald concluded the presentations by thanking the Committee for allowing them the opportunity to present their concerns on behalf of the library system and noted that if the Committee members had questions for any of the representatives they would be happy to answer them.

Mr. Geraghty stated that he was concerned about the amount of funding retained by Crandall Library as opposed to what was distributed to the smaller branches. He said that he had spoken with Mr. Leonelli after the cuts were made and had advised that if they could be guaranteed that the smaller branches would retain the same amount of aid and the reductions would only affect Crandall Library itself, the Budget Committee might be agreeable to restoring some of the funding. Mr. Geraghty noted that Crandall Library retained more than 60% of the \$50,000 previously granted by the County, leaving small contributions for the remaining systems. Ms. McDonald noted that the annual \$50,000 contribution made by the County represented 10% of the total library budget used to purchase books for the nine libraries included and Mr. Geraghty responded that he would take this into consideration when reviewing the matter to determine if it was possible to restore funding.

Moving on to Agenda Item 2, Discussion of the 2010 Budget, Mr. Geraghty announced that currently, the increased amount to be raised by taxes was \$5,999,169, as reflected in the documentation included in the agenda packet. He added that this figure constituted a 16.6% increase over the 2009 Budget. Mr. Geraghty said that he continued to review the individual Departmental budgets to determine if further reductions could be made and to review certain figures for accuracy; he added that he welcomed any suggestions from the Committee members for further budget reduction measures.

Mr. Kenny questioned whether any changes had been made respective to the suggestions for budget reductions forwarded to the Budget Officer, such as reductions in funding to Cornell Cooperative Extension and other organizations, and Mr. Geraghty replied that the funding amounts remained at the reduced amounts determined by the Committee and that no funding had been restored as of yet due to the large tax increase anticipated. Mr. Kenny noted that at a prior Committee meeting the suggested salary increase for the Emergency Services Coordinator position had been disapproved by the Committee and he questioned whether Mr. Geraghty had chosen to restore that funding through his power as Budget Officer and Mr. Geraghty replied that he had yet to make a decision as to whether the salary increase would be authorized.

Mr. Geraghty noted that the budget reduction process was very complicated as reductions in funding often led to reductions in revenues also. He said that he hoped to see a reduction in the amount contributed to the State Retirement System as the current figure budgeted was \$1.2 million more than the figure budgeted for 2009. In addition, Mr. Geraghty apprised although the health insurance figures had been reduced by recent plan changes, they had not achieved the savings initially anticipated and he thought they should contact the County's health insurance broker to discuss this issue. He stated that there was still time to review and reduce the budget; however, he said, he did not feel that a considerable savings would be achieved through this process, unless the Committee chose to do something dramatic.

Mr. Kenny asked if there had been any further consideration for reductions to the Sheriff's Road Patrol as it was one of the largest non-mandated areas funded by the County. He said that he appreciated the work the Road Patrol did for Warren County, but felt that some consideration should be given to the savings that could be attained by further reducing in this area. Mr. Geraghty replied that he would like the Committee to consider extending the Early Retirement Incentive program into 2010, as they expected two retirements to occur early in 2010 and he felt there was a possibility that more retirements would be tendered, thereby allowing them to reduce the Road Patrol by attrition, rather than layoffs. He added that it made more sense to reduce the Road Patrol workforce by attrition through retirements than to layoff the newer employees who had recently completed extensive training for their

positions at the County's expense. Mr. Geraghty noted that the Sheriff's Budget had been further reduced by \$370,000 and, as per the report received from the Treasurer, the Sheriff's Departmental overtime use was approaching maximum rates already due to position reductions.

Mr. Stec said that he was agreeable to extending the Retirement Incentive Program as he would prefer to eliminate positions through attrition rather than layoff of active staff. He noted that when they had previously instituted the Retirement Incentive Program they had expected six retirements from the Road Patrol but had only realized three so far, and the two Mr. Geraghty said were expected early in 2010 would total five expected retirements. Mr. Stec said he understood that it was preferable to reduce the workforce by attrition so as not to lose the County's investments in training new staff; however, he said, he thought it was the largest non-mandated portion of the budget and he felt it made sense to seek reductions there. He then suggested that they continue to review the differences between administration of the Warren County Jail as opposed to the Washington County Jail which was a similar size and being run for much less than the Warren County Jail as some savings might be attained in this area. Additionally, Mr. Stec stated that an extensive review of all mandated State programs should be performed to ensure that these programs were being operated at the lowest possible cost to the County.

Mr. Stec noted that a recent article in *The Post Star* had quoted Mr. Geraghty as saying he was hoping to hear from the State with regards to \$2million in funding the County hoped to receive in assistance with the Medicaid program and he questioned whether any further information was available on this issue. JoAnn McKinstry, Deputy Commissioner of Administrative & Fiscal Services, apprised that she had yet to receive any further information respective to this matter from the State but intended to contact other County Administrators throughout the State to determine if they had received any further indications on this issue and how they intended to proceed; she added that she intended to contact the State Comptroller's Office on the matter, as well. Mr. Stec questioned whether the \$2 million would be used to directly reduce the \$5.9 million 2010 Budget deficit and Mrs. McKinstry replied affirmatively; however, she said, she felt that the figure received would be less than the \$2 million indicated as the amount would account for nine months of the year.

Responding to Mr. Stec's statements regarding mandated programs, Mr. Geraghty said that the Department Heads were aware of the budgetary issues faced and he hoped that each had reviewed the programs offered by their Departments to ensure that they were being operated at the lowest possible cost to the County; he added that none of the Department Heads had contacted him with any indication that program expenditures could be reduced. As far as staffing at the Warren County Jail, Mr. Geraghty stated that the current level of staffing was appropriate to the needs of the facility and a future meeting was to be set up with the State Commission of Corrections to review staffing levels. He added that there were actually some vacant positions at the Jail which needed to be filled in order to alleviate the overtime costs that were being incurred. Mr. Geraghty noted that part-time positions had been reduced within the Jail; however, he said, this was causing increased overtime usage as regular full-time staff were being used to cover the work previously done by the part-time staff. He stated that the reduction in part-time staff was also causing concerns as to coverage for future special events and he noted that it might be necessary for event organizers to pay for patrols as necessary.

Discussion ensued.

Mr. Geraghty questioned whether the Committee was amenable to extending the Early Retirement Incentive Program and Paul Dusek, County Attorney, interjected that if the Committee was in agreement, he would have to meet with the Unions to negotiate the extension and subsequently would return to the Committee with his findings. Mr. Kenny noted that during the past negotiations there had been an up-front cost to the County to implement the

Program and Mr. Dusek added that the cost had been \$17,000.

Motion was made by Mr. Kenny, seconded by Mr. Stec and carried unanimously to extend the Early Retirement Incentive Program for six months and to authorize Mr. Dusek to negotiate the extension with the appropriate Union representatives, and the necessary resolution was authorized for the November 20th Board meeting.

Mr. Stec said that although he felt Mr. Geraghty had done an exceptional job in reducing the budget given the obstacles faced in the form of increases in uncontrollable costs, he felt that a \$6 million budget increase was far too high. Mr. Geraghty reminded the Committee that there were large costs to be reviewed which he did not feel were entirely accurate, such as those included for retirement costs and the Burn Plant, and the allocations for both could possibly be reduced, consequently reducing the amount of the budget deficit. Mr. Stec noted that the receipt of State funding in relation to the Medicaid program would also help to further reduce the deficit.

Mr. Geraghty stated that he had studied the various Departmental Tables of Organization numerous times in an attempt to appropriately reduce it to the best of his ability. He said that if the Committee desired additional employee layoffs, they would need to advise him of specific positions they felt could be eliminated.

As alternate means of budget reduction, Mr. Stec stated that they should contact the Sheriff's Office to obtain further information regarding the Road Patrol to determine the number of patrols and routes currently being implemented on each shift to see if reductions were appropriate. In addition, he said that each of the Department Heads should be directed to review all of the mandated programs offered to ensure that they were being operated at bare minimum standards; he added that through this review they might identify further positions to be reduced.

Mr. Pitkin announced that the various school systems had recently been advised that the State would be reducing their funding by 16% for 2010 and he said that they should keep in mind that due to the deficit at the State level, it was unknown how much State funding would be withdrawn from the County. He added that because the County did not have a fund balance to rely on, it was very important that they be careful in the way funds were expended so as not to create a larger deficit for 2010.

Chairman Monroe noted that the decision had been made to acquire a bond anticipation note in the amount of \$600,000 to cover the costs of Capital Projects for 2010 and he questioned whether the \$600,000 initially included in the budget had been removed, to which Mrs. McKinstry replied affirmatively. Chairman Monroe then noted that although the \$2 million in FMAP (Federal Medical Assistance Percent) would help the budget situation, it was dangerous to rely on these funds to balance the budget as the funding would only be received for one year and would not be available for the 2011 Budget. For this reason, he added, it was important to practice a multi-year budgeting strategy.

Mr. Sokol asked if it was possible to approach the Union once again to determine whether they would be agreeable to altering the current contract to reduce the hours of each employee to 35 per week for the 2010 budget year. He said that if a 35-hour work week were implemented for one year, the County would save upwards of \$4 million, meaning that there would be no further position reductions and the employees would retain all benefits. Mr. Sokol stated that he found it unbelievable that the Union would not agree to this for just one year in order to avoid numerous layoffs. Chairman Monroe pointed out that the Voluntary Furlough Program had been extended to allow employees to take time off unpaid, thereby reducing their salaries in an effort to assist the County budget situation without affecting any Union contracts. Mr. Pitkin noted that giving up the paid lunch hour given to some County employees was a way in which the hours worked could be easily reduced to 35 per week. Mr. Stec noted that it

might be possible to increase the use of the Voluntary Furlough Program by more widely advertising its availability, and the ability to forego a paid lunch hour, to County employees. He added that this was a worthy issue to review further as the potential savings would greatly assist to close the budget gap.

Mr. Sheehan stated that there were some Department Heads who were against the Voluntary Furlough Program because it would lead to overtime costs being incurred to cover the duties of the employee on furlough. He said that although there were State regulations in place that required certain portions of the County to be open for the full work week, except during stated holidays, it might be prudent to disregard the State regulations and close for a half day to save salary and operation costs. Mr. Stec agreed, stating that the State might be willing to bend the rules regarding the hours of operation due to the budget situation as this was favorable to the County stating that it intended to discontinue certain mandated programs due to a lack of funding. Mr. Taylor said that these suggestions made a lot of sense as the recession would not last forever and it was not helpful to strip the workforce down so far that they were not effective. He added that alternate methods should be determined to assist the budget situation rather than reducing the Road Patrol as the primary function of the government was to protect the citizens.

Discussion ensued.

Mr. Dusek apprised that he intended to schedule an immediate meeting with the Labor Management Committee, himself and the Union representatives to discuss whether a reduction in hours worked was feasible, as well as the prospect of extending the Early Retirement Incentive Program.

Mr. Geraghty noted that the agenda included the tentative tax rates for each Town if the budget were to be adopted in its current state and he asked each of the Committee members to review this information.

As there was no further business to come before the Budget Committee, on motion made by Mr. Taylor and seconded by Mr. Stec, Mr. Geraghty adjourned the meeting at 9:41 a.m.

Respectfully submitted,
Amanda Allen, Sr. Legislative Office Specialist