

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: FINANCE

DATE: MARCH 12, 2014

COMMITTEE MEMBERS PRESENT:

SUPERVISORS CONOVER
TAYLOR
SOKOL
MONROE
WOOD
KENNY
MERLINO
FRASIER
DICKINSON

OTHERS PRESENT:

MIKE SWAN, COUNTY TREASURER
KEVIN GERAGHTY, CHAIRMAN OF THE BOARD
PAUL DUSEK, COUNTY ADMINISTRATOR
MARTIN AUFFREDOU, COUNTY ATTORNEY
JOAN SADY, CLERK OF THE BOARD
FRANK THOMAS, BUDGET OFFICER
SUPERVISORS BEATY
BROCK
SEEBER
AMY BARTLETT, FIRST ASSISTANT COUNTY ATTORNEY
MICHAEL COLVIN, DIRECTOR, INFORMATION TECHNOLOGY
LLOYD COTE, ADMINISTRATOR, WESTMOUNT HEALTH FACILITY
GRETCHEN STEFFAN, COUNTY HUMAN RESOURCES DIRECTOR
JEFFERY TENNYSON, SUPERINTENDENT OF PUBLIC WORKS
BUD YORK, WARREN COUNTY SHERIFF
DON LEHMAN, *THE POST STAR*
AMANDA ALLEN, DEPUTY CLERK OF THE BOARD

Mr. Conover called the meeting of the Finance Committee to order at 11:26 a.m.

Motion was made by Mrs. Frasier, seconded by Ms. Wood 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 meeting minutes.

Commencing the agenda review with Section II, Action Agenda, Mr. Conover advised Item 1 requested approval of transfers of funds, as included in the agenda packet for Committee approval.

Motion was made by Mr. Monroe, seconded by Ms. Wood and carried unanimously to approve the transfers of funds requested and the necessary resolution was authorized for the March 21st Board Meeting.

Continuing to Item 2, Mr. Conover outlined several requests from the Treasurer's Office, as follows:

- 2A) Request to fill vacant position of Accountant, (*Annual Salary \$65,000*) due to resignation. This is a non-Union, position that is not mandated and receives no reimbursement; there will be no impact to the 2014 Budget as this is a budgeted position.
- 2B) Request to fill vacant position of Junior Accountant (*Annual Salary \$56,000*) due to promotion. This is a non-Union position that is not mandated and receives no reimbursement; there will be no impact to the 2014 Budget as this is a budgeted position.
- 2C) Request to fill vacant position of Accounting Technician (*Grade 19, Annual Base Salary \$41,881*) due to promotion. This is a Union position that is not mandated and receives no reimbursements; there will be no impact to the 2014 Budget as this is a budgeted position.
- 2D) Request to fill vacant position of Account Clerk #1 19 hours (*Grade 4, Annual Base Salary pro-rated to \$13,320*) due to resignation. This is a Union position that is not mandated and receives no reimbursements; there will be no impact to the 2014 Budget as this is a budgeted position. The County Treasurer has advised this position will not be filled immediately to allow funding for possible temporary staffing (*Item 5E*).

- 2E) Request for a new contract with Heber Associates Inc. to obtain temporary staffing to help with accounting functions during maternity leave and while training new staff members.

Mr. Conover reported that Items 2A-E had already been reviewed and approved by the Personnel Committee at the meeting held earlier that morning. Mike Swan, County Treasurer, noted that during the Personnel Committee meeting he had advised the salaries for the Accountant and Junior Accountant would be lowered to \$61,600 and \$50,000, respectively.

Motion was made by Mr. Sokol, seconded by Mr. Kenny and carried unanimously to approve Items 2A-D, to include the revised salaries for the Accountant and Junior Accountant positions. *Note: the resolutions for these items will be sponsored by the Personnel Committee.*

Motion was made by Mr. Taylor, seconded by Mr. Dickinson and carried unanimously to approve Item 2E, as outlined above, and the necessary resolution was authorized for the March 21st Board Meeting.

Mr. Conover advised Agenda Item 3 pertained to a referral from the Budget Committee, recommending the appropriation of an additional \$1 million from the General Fund Unappropriated Surplus to the DPW Budget for County Road improvements. He noted this matter had been thoroughly discussed at the last Budget Committee meeting, which most of the Finance Committee members had attended.

Motion was made by Ms. Wood, seconded by Mr. Monroe and carried unanimously to authorize the appropriation of an additional \$1 million from the General Fund Unappropriated Surplus to the DPW Budget for County Road improvements and the necessary resolution was authorized for the March 21st Board Meeting.

Moving on, Mr. Conover addressed Agenda Item 4, consisting of referrals from the County Facilities Committee. He said Items 4A-C pertained to Airport business, as follows:

- 4A) Request to close Capital Project No. H330.9550 280, *Airport Terminal Roof*, and return the estimated remaining balance of \$58,530.70 to Budget Code A.892.00, *Reserve, Airport Repairs & Projects*. Sokol/Dickinson

Motion was made by Mr. Sokol, seconded by Mr. Dickinson and carried unanimously to approve the request and the necessary resolution was authorized for the March 21st Board Meeting.

- 4B) Request to establish Capital Project No. H348.9550 280, *Airport Equipment Building Repairs*, in the amount of \$58,530.70 with the source of funding to be a transfer from Budget Code A.892.00, *Reserve, Airport Repairs & Projects*.

Motion was made by Ms. Wood and seconded by Mr. Taylor to approve the request.

Mr. Monroe questioned what type of repairs would be completed and Ms. Wood advised one of the buildings required cement work and window replacement; she added that the remaining funds from Capital Project No. H330.9550 280, *Airport Terminal Roof*, which they had just authorized to be closed, would be used to fund the new Project.

There being no further discussion on the matter, Mr. Conover called the question and the aforementioned motion was carried by unanimous vote, thereby authorizing the necessary resolution for the March 21st Board Meeting.

- 4C) Request to amend the County Budget to increase estimated revenues and appropriations in the amount of \$58,530.70 to provide the necessary funding to establish the aforementioned Capital Project No. H348.9550 280.

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 March 21st Board Meeting.

Mr. Conover announced Items 4D-E pertained to the Buildings & Grounds Division, and the items were reviewed, as follows:

- 4D) Request for a transfer of funds in the amount of \$4,512.58 from the Contingent Account to Budget Code A.1640 470, *Municipal Center, Contracts*, to cover the cost of upgrading indoor and outdoor signage at the Municipal Center Building to meet Americans with Disabilities Act compliance codes.

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 March 21st Board Meeting.

- 4E) Request to determine a source of funding to construct a 75' x 50' equipment and vehicle shelter building at an estimated cost of \$120,000 for the Office of Emergency Services.

Mr. Taylor recalled County manpower would be used to do some of this work and he questioned how much of the project cost this would cover. Jeffery Tennyson, Superintendent of Public Works, responded that assistance from the Highway Division personnel would be provided which he estimated the value of this work to be in the neighborhood of \$20,000 to \$30,000; however, he added, in order to maintain proper accounting procedures, and in accordance with Highway Law, this cost would be charged to the County, creating a revenue to the Highway Division.

Mr. Conover stated that because this was not a budgeted expense for 2014, the only available source of funding would be the General Fund Unappropriated Surplus account; he also noted additional unanticipated costs likely to be incurred in 2014 relating to additional staffing for the Correctional Facility and the expansion of the Court space. Mr. Monroe questioned whether the construction was necessary for this year or if it could be postponed and included in the 2015 Budget.

Mr. Conover asked if this expense had been initially included in the 2014 Budget and then removed, and Paul Dusek, County Administrator, replied in the negative, explaining that this building proposal had been under discussion for some time but the initiative had been accelerated due to the winter weather, requiring emergency equipment to be cleared of snow, which was time consuming and delayed response to emergency events. Mr. Dusek noted that other sites had been considered in an attempt to meet the storage needs, but all were determined to represent a disadvantage in terms of trying to get the equipment to where it was needed; he added that the site proposed at the Municipal Center Campus reflected a centralized location. Mr. Dusek said that although a need to house the equipment had been determined, they were not obligated to undertake the proposed construction project at the current time. He continued that two options available were either to appropriate funds from the General Fund Unappropriated Surplus to construct the shelter building in 2014, or they could choose to delay the construction for a future year when the expense could be included in the County Budget. Mr. Dusek stated that there were sufficient Unappropriated Surplus funds to sustain this expense, but advised the expenditure would limit their ability to fund other similar expenses for the remainder of the year.

Mr. Monroe stated he felt there were other more critical issues to be addressed, such as the need for additional funding to support the invasive species eradication effort, as invasive species posed the potential for tremendous negative impacts on real property, sales tax and occupancy tax revenues. He commented that he would not be in favor of using Unappropriated Surplus funding for this expense when it could easily be delayed for inclusion in a future budget.

Ms. Seeber apprised that she served on the Public Safety Committee and said this issue had not been discussed at that level since the beginning of the year, although she was aware the issue had been pending for some time. She said she had met independently with Brian LaFlure, Fire

Coordinator/Director of the Office of Emergency Services, when touring the individual Departments and had been apprised of the need for the shelter structure, although the anticipated cost had been less than what was presented today. Ms. Seeber stated that she believed there was a need for this structure based on her conversations with Mr. LaFlure, but again, questioned the discrepancy in cost and suggested it might be better to refer the matter back to the Public Safety Committee for review.

Mr. Conover noted Mr. Swan's discomfort with the current minimum Fund balance level and his feeling that the limit should be raised; he added that Mr. Swan would be introducing this issue at an upcoming Finance Committee meeting with a request to increase the minimum limit which would decrease the amount of funding available for expenditures such as this one.

Mr. Merlino commented that the shelter was well worth the expense as in an emergency situation every minute counted; however, he noted, they were nearing the end of the winter season and he suggested they might be able to get by and possibly wait another six months before making a decision on the expenditure in hopes that the budget situation would be better, allowing the structure to be built before the next winter season arrived.

Motion was made by Mr. Merlino, seconded by Mr. Taylor and carried unanimously to table the request to determine a source of funding for the proposed Office of Emergency Services shelter building.

Resuming the Agenda review with Item 5, referral from the Health Services Committee, *Public Health*, Mr. Conover presented a request to amend the County Budget to reflect the receipt of unanticipated revenues and appropriations in the amount of \$1,432 in association with a cost of living adjustment received for the Rabies Grant.

Motion was made by Mr. Dickinson, seconded by Mr. Sokol and carried unanimously to approve the above referenced request and the necessary resolution was authorized for the March 21st Board meeting.

Mr. Conover advised Item 6 included referrals from the Human Services Committee, *Employment & Training Administration*, which were addressed, as follows:

- 6A) Request to amend the County Budget to increase estimated revenues and appropriations in the amount of \$32,365 to reflect the receipt of Federal Trade Adjustment Act funding for the training of seven displaced workers.

Motion was made by Mrs. Frasier, seconded by Ms. Wood and carried unanimously to approve the request, as outlined above, and the necessary resolution was authorized for the March 21st Board Meeting.

- 6B) Request to amend the County Budget to increase estimated revenues and appropriations in the amount of \$11,421 to reflect the receipt of National Emergency Grant funds for the on-the-job training services provided for one displaced worker.

Motion was made by Mr. Dickinson, seconded by Ms. Wood and carried unanimously to approve the request and the necessary resolution was authorized for the March 21st Board Meeting.

Agenda Item 7, Mr. Conover announced, included a referral from the Invasive Species Sub-Committee. Privilege of the floor was extended to Martin Auffredou, County Attorney, who would address the Committee regarding authority to increase the allocation for the five boat wash stations from \$100,000 to \$112,731.

Mr. Auffredou reminded the Committee members that Warren County had been awarded State grant funds in the amount of \$482,050 for invasive species eradication efforts in Lake George and he noted

these funds were being used to further the mandatory boat washing program for Lake George, which they hoped to have in place by May 15, 2014. Mr. Auffredou pointed out that Resolution No. 47 of 2014 had authorized the advancement of \$200,000 in County dollars in anticipation of grant funding, \$100,000 of which was being provided to the Lake George Park Commission for start-up and administrative expenses and the other \$100,000 being allocated for the purchase of five boat washing stations. He advised the bid documents had been prepared and released for the wash station purchases and the lowest responsible bidder had been Industrial Pressure Washers, LLC who had submitted a bid of \$112,731, which was \$12,731 more than the \$100,000 previously advanced. Because of this discrepancy, Mr. Auffredou said, Julie Pacyna, Purchasing Agent, had released purchase orders for four boat washing stations at a total of about \$90,000. He continued that an additional \$12,731 was needed in order to purchase the fifth boat washing station required, and he advised the SAVE Group had come forward and committed to providing the funding necessary for the purchase. Mr. Auffredou said he was seeking authorization to amend prior Resolution Nos. 47 and 73 of 2014 to authorize the advance of an additional \$12,731 to complete the boat washing station purchases with the anticipation of receiving reimbursement from the SAVE Group by a contribution to the program so that there would be no cost the County.

Mr. Monroe asked if an agreement should be secured with the SAVE Group and Mr. Auffredou advised he intended to do this in order to confirm the SAVE Group would not have any ownership interest in the program, but stated they needed to advance this additional funding as quickly as possible in order to complete the purchase and have the unit in place prior to May 15, 2014.

Subsequent to a brief discussion, motion was made by Mr. Monroe, seconded by Mr. Dickinson and carried unanimously to authorize amendments to Resolution Nos. 47 and 73 of 2014 to provide an additional \$12,731 to complete the purchase of a fifth boat washing station in anticipation of reimbursing grant funds from the SAVE group, and the necessary resolution was authorized for the March 21st Board Meeting.

Agenda Item 8, Mr. Conover apprised, consisted of a referral from the Park Operations & Management Committee requesting to amend the County Budget in the amount of \$29,108.24 to make payment on outstanding property tax bills for the Lake George Environmental Park property.

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

Mr. Monroe explained that part of the tax bill had been for 2009 property taxes because the property was conveyed to Warren County and the Village of Lake George after the taxable status date of March 1, 2009, and the remainder was for the Lake George sewer. He commented that he believed the property tax portion of the bill would be a capital expense as the obligation to pay was incurred due to the land purchase and was not related to operation and maintenance of the Park. Mr. Swan agreed with the opinion that the purchase was not an operation related expense. Mr. Monroe commented that he believed sufficient funding was available in the Park Operations & Management budget, but stated that for proper accounting purposes it should be funded as a capital expense.

Following further discussion, Mr. Dusek advised that if capital funding was available and this cost could be considered a capital expense it would be better to pay the invoice in that manner because it would leave any surplus operations & maintenance funding intact. He said he would ask the Treasurer's Office to review this matter and make payment from capital funds if they were able to, but if not, they would advance the resolution to appropriate funds from the Park Operations & Maintenance budget.

Mr. Tennyson pointed out that the Festival Space projects were all grant funded and this expense would not be; therefore, he continued, they would need to go back to the capital project used for the original property purchase and funds from other grant reimbursed projects could not be used.

Messrs. Dickinson and Monroe amended their motion and second to indicate the invoice should be paid using capital funds, if eligible, or otherwise paid from the Park Operations & Maintenance budget.

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

Continuing to Item 9, Mr. Conover presented the following items referred by the Public Safety Committee, *Sheriff & Communications*:

- 9A) Request to amend the County Budget to increase estimated revenues and appropriations in the amount of \$37,750 to reflect the receipt of grant funding from the Governor's Traffic Safety Committee (*GTSC*).

Motion was made by Mr. Dickinson, seconded by Mr. Merlino and carried unanimously to approve the request and the necessary resolution was authorized for the March 21st Board Meeting.

- 9B) Request to amend the County Budget to increase estimated revenues and appropriations in the amount of \$41,636 to reflect the carryover of 2011, 2012 and 2013 grant funding from the Law Enforcement Terrorism Prevention Program (*LETPP*).

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 March 21st Board Meeting.

Mr. Conover apprised Agenda Item 10 included a referral from the Public Works Committee requesting to amend the County Budget to increase estimated revenues and appropriations in the amount of \$1,381.35 to reflect an increase in sewer rents and taxes for the term commencing October 16, 2012 and terminating March 1, 2014, payable to the Washington County Treasurer by March 1, 2014.

Mr. Tennyson commented this was a pass-through expense paid through the DPW budget; he explained that they received the expenses from Washington County and then billed them to the users of the Industrial Park Sewer facility.

Motion was made by Mr. Monroe, seconded by Mr. Dickinson and carried unanimously to approve the request to amend the County Budget, as outlined above, and the necessary resolution was authorized for the March 21st Board Meeting.

Mr. Conover advised Agenda Item 11 consisted of requests /items to be discussed by the County Administrator, which were addressed as follows:

- 11A) Request to appropriate funds totaling \$118,711 from the Vehicle Reserve Fund to various Departmental budgets to purchase vehicles.

Motion was made by Mr. Dickinson, seconded by Ms. Wood and carried unanimously to approve the request and the necessary resolution was authorized for the March 21st Board Meeting.

- 11B) Request to appropriate funds in an amount not to exceed \$10,000 from the Computer Reserve Fund to the Information Technology Department budget for the purchase of computers and related equipment.

Motion was made by Mr. Dickinson, seconded by Mr. Taylor and carried unanimously to approve the request and the necessary resolution was authorized for the March 21st Board Meeting. **Note: Subsequent to the meeting it was determined the actual appropriation amount would be \$9,450.84.**

- 11C) Request to terminate coverage on railroad crossings at an approximate savings of \$4,476.

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

Mr. Dusek explained that the Railroad Operator carried sufficient coverage on the railroad crossings to cover the associated liability needs, as confirmed with both the operators insurance carrier and the County's insurance broker, meaning that the coverage the County carried was a duplication. He noted that the coverage cancellation would be backdated to the beginning of 2014 and the entire premium returned; he added that they were looking at the 2013 coverage to determine whether any funds might be returned for that term, as well.

There being no further discussion, Mr. Conover called the question and the aforementioned motion was carried by unanimous vote, thereby authorizing the necessary resolution for the March 21st Board Meeting.

Privilege of the floor was extended to Mr. Auffredou to address Agenda Items 12A-B, which consisted of items to be discussed by the County Attorney.

Mr. Auffredou stated Item 12A included a request for approval to execute documents and receive Warren County's share of proceeds for the sale of the Hartford Landfill property. He explained that in the 1990's there had been some litigation between Warren and Washington Counties related to the Hartford Landfill, through which Warren County had incurred some substantial costs. He further explained this litigation was resolved in 1999 and pursuant to terms of the settlement a lien security interest had been granted wherein Warren County had obtained a lien on the Hartford Landfill property which consisted of approximately 485 acres. Mr. Auffredou stated that Washington County was to pay a total of \$710,000 to Warren County in two installments, which they had done. He continued that through the real property lien agreement, Washington County was provided with the ability to sell the Hartford Landfill property after a period of time through public auction, keeping Warren County apprised of the situation. Mr. Auffredou stated that Washington County had sold the property and under the lien agreement, Warren County was to receive 50% of the net proceeds received. He clarified the sale price was \$400,300, meaning Warren County would receive net proceeds of \$200,150. In order to receive these funds, Mr. Auffredou advised Warren County would need to execute a release of the lien interest, which he had prepared and presented to the Washington County Attorney and the attorney for the purchasers, both of whom had approved the document. He clarified he was requesting authorization for a resolution indicating that upon receipt of Warren County's net share of the proceeds from the property sale (\$200,150) the Chairman of the Board would execute the release of real property lien security interest and it would be recorded in the Washington County Clerk's Office, bringing to an end the matter of the Hartford Landfill property for Warren County. Mr. Auffredou noted that Warren County would be receiving a refund of \$1,200 from a pilot agreement with Washington County for property taxes paid to the Town of Hartford.

Following a discussion on the history of the Hartford Landfill property, motion was made by Mr. Monroe and seconded by Mr. Merlino to approve the request and the necessary resolution was authorized for the March 21st Board Meeting.

Mr. Conover noted that Item 12B requested an executive session to discuss pending litigation matters and he suggested addressing this item at the close of the meeting after the remainder of the Agenda had been reviewed.

Continuing to Agenda Item 13, Mr. Conover advised Finance Committee action was required on the following items as approved by the Personnel Committee: Item No. 1, 3A, 5 and 6, as well as action taken in response to a request made by Mr. Tennyson for a reorganization of positions within the DPW Division.

Motion was made by Mr. Merlino, seconded by Mr. Dickinson and carried unanimously to approve the

aforementioned items addressed by the Personnel Committee and the necessary resolutions were authorized for the March 21st Board Meeting.

Concluding the agenda review, Mr. Conover returned to Item 12B, requesting an executive session to discuss pending litigation pertaining to the matter of Phillion v. County of Warren and the Warren County Sheriff's Office.

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

Executive session was held from 12:10 p.m. until 12:44 p.m.

Upon reconvening, Mr. Conover announced that no action had been taken during the executive session.

There being no further business to come before the Finance Committee, on motion made by Mrs. Frasier and seconded by Mr. Merlino, Mr. Conover adjourned the meeting at 12:45 p.m.

Respectfully submitted,
Sarah McLenithan, Secretary to the Clerk of the Board
Written by Amanda Allen, Deputy Clerk of the Board