

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: FINANCE

DATE: MARCH 2, 2017

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COMMITTEE MEMBERS PRESENT:

SUPERVISORS SOKOL  
SEEKER  
DICKINSON  
MERLINO  
STROUGH  
FRASIER  
MCDEVITT  
SIMPSON  
GERAGHTY  
VACANT

OTHERS PRESENT:

RONALD CONOVER, CHAIRMAN OF THE BOARD  
MARY ELIZABETH KISSANE, ASSISTANT COUNTY ATTORNEY  
AMANDA ALLEN, CLERK OF THE BOARD  
FRANK THOMAS, BUDGET OFFICER  
SUPERVISORS BROCK  
LEGETT  
MACDONALD  
JOANN MCKINSTRY, ASSISTANT TO THE COUNTY ADMINISTRATOR  
MIKE SWAN, COUNTY TREASURER  
DON LEHMAN, *THE POST STAR*  
SARAH MCLENITHAN, DEPUTY CLERK OF THE BOARD

COMMITTEE MEMBER ABSENT:

SUPERVISOR BEATY

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Please note, the following contains a summarization of the March 2, 2017 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/2017/finance/>

Mr. Sokol called the meeting of the Finance Committee to order at 10:40 a.m.

Motion was made by Mr. Simpson, seconded by Mrs. Frasier 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 the Agenda review, Mr. Sokol offered privilege of the floor to anyone present wishing to address the Committee on any matter. There being no response, he moved on to Agenda Item 2, which requested approval of the transfers of funds as attached for Committee approval.

Motion was made by Mr. Simpson, seconded by Mr. Strough and carried unanimously to approve the request and the necessary resolution was authorized for the March 17<sup>th</sup> Board Meeting.

Continuing with the Agenda review, privilege of the floor was offered to Mike Swan, *County Treasurer*, to review the Tobacco Settlement. Mr. Swan provided a brief overview of the Tobacco Settlement which originated from the early 1990's when the U.S. Government was successful with their lawsuit against the Tobacco Companies due to their rising health care costs associated with people that smoked. He said as a result of this lawsuit the tobacco companies were required to pay a percentage of their profit into a trust and then the trust distributed these payments to the States. He informed New York State was one of the only States that decided to share these funds with the Counties. He stated in 2001 through NYSAC (*New York State Association of Counties*) the following options were presented to the Counties: receive your portion of the cash settlement every year going forward; opt to try and sell bonds to be provided with some funding up front and receive the settlement; do a bond for the entire amount and take the money up front. He apprised that Warren County had decided to set aside 25% of the settlement money to purchase a bond to be provided with a portion of the funds up front with the guarantee to receive the remaining 75% from the settlement. He mentioned the total amount bonded in 2001 was \$4,845,000 of which \$4 million was allocated toward the cost erecting the Public Safety Building (Jail), \$35,500 was allocated to costs associated with the Municipal Center Expansion which was being considered at that time and the remaining \$809,000 was set aside to construct a building to house the Tourism Department; however, he noted, in 2002 those funds were transferred to the cover costs associated with the Municipal Center Expansion Project. He stated in 2005 through

NYSAC it was determined to do another set of bonds on the settlement money following which Warren County bonded another 25% which meant 50% of the settlement funds were allocated to the County and the remainder was allocated to pay for the bonds. He said the amount bonded at that time was \$925,000 was also allocated to pay some of the debt associated with the construction of the Public Safety Building. He stated due to some concerns expressed regarding the bonds the Counties that did the bonds established Corporations. He said the name of the Corporation established in Warren County was Warren Tobacco Assets Security Corporation. He informed this was a private Corporation established under New York State Laws that had a Board of Directors, Officers, a budget, Corporate Attorney, annual meetings and annual audits. He stated the trust money paid about \$45,000 on an annual basis for management fees. He emphasized that the Corporation was a separate entity from the County to ensure the County was not liable if the amount of the settlement money allocated to pay the bond back was insufficient. He pointed out this was in fact occurring in some Counties because the amount of settlement money provided every year was dwindling due to less people smoking.

A lengthy discussion ensued.

Proceeding with the Agenda review, Mr. Sokol apprised that Agenda Items 4A-B concerned the following referrals from the County Facilities Committee, *Airport*:

- 4A) Request for a transfer of funds in the amount of \$15,000 from the Contingent Account to cover the cost of legal fees and closing costs associated with Runway 30 Land/Easement acquisition.
- 4B) Request to increase Capital Project H325, *Avigation Easement-Runway 30*, in the amount of \$15,000.

Mr. Swan inquired why the County was paying the legal fees for the seller and Mr. Geraghty replied the explanation provided to him was that the Attorney's agreed to hold off on collecting their fees in order to get the closing done. Mary Elizabeth Kissane, *Assistant County Attorney*, informed that the seller's attorney had covered a portion of the County's cost because of a shortage within a specific budget code which was why it was necessary to reimburse them for an expense the County was liable for.

Motion was made by Mr. Dickinson, seconded by Mr. Strough and carried unanimously to approve the aforementioned requests and the necessary resolutions were authorized for the March 17<sup>th</sup> Board Meeting.

Moving along, Mr. Sokol advised that Agenda Items 5A-B pertained to the following referrals from the Criminal Justice & Public Safety Committee:

- 5A) *Office of Emergency Services*- Request to amend the County Budget in the amount of \$3,911.60 to carry over unused funds from FY15 Hazmat Grant Program.

Motion was made by Ms. Seeber, seconded by Mr. Dickinson and carried unanimously to approve the request and the necessary resolution was authorized for the March 17<sup>th</sup> Board Meeting.

- 5B) *Sheriff*- Request to amend the County Budget in the amount of \$9,670.22 to reflect the receipt of insurance recovery payment from a motor vehicle accident.

Motion was made by Mr. Merlino, seconded by Mrs. Frasier and carried unanimously to approve the request and the necessary resolution was authorized for the March 17<sup>th</sup> Board Meeting.

Continuing with the Agenda review, Mr. Sokol stated that Agenda Items 6A-B pertained to the following referrals from the Park Operations & Management Committee:

- 6A) Request to appropriate funding in the amount of \$5,821.97 from Budget Code A691.07, *Deferred Revenue Gaslight Village Parking Fees*, to Budget Code A.1625 470, *Gaslight Village Property*, and reimbursement to the Village of Lake George for various maintenance and turf treatments at the Charles R. Wood Park Festival Space.

Ms. Seeber inquired whether the County reimbursed the Village for 50% of the cost of the maintenance for the property and Mr. Dickinson replied that the County was responsible for 62% of the cost and the remaining 38% was the Village's responsibility. Amanda Allen, *Clerk of the Board*, interjected that 100% of these costs were covered through revenue derived from parking fees.

Motion was made by Mrs. Frasier, seconded by Mr. Dickinson and carried unanimously to approve the request and the necessary resolution was authorized for the March 17<sup>th</sup> Board Meeting.

- 6B) Request to authorize refund to Lake George Fishing Alliance King George Fishing Derby the \$250 partial security deposit submitted for an event scheduled for the Festival Commons which was subsequently cancelled.

Motion was made by Mr. Strough, seconded by Mrs. Frasier and carried unanimously to approve the request and the necessary resolution was authorized for the March 17<sup>th</sup> Board Meeting.

Proceeding with the Agenda review, Mr. Sokol advised Agenda Items 7A-E pertained to the following referrals from the Public Work, *DPW*:

- 7A) Request to increase Capital Project H365, Request to increase Capital Project H365, *Bay Road (CR7) Pavement Preservation Project*, in the amount of \$1,001,275 to include Federal and State funding for the construction and construction inspection phases of this project.
- 7B) Request to increase to increase Capital Project H272, *Harrington Road over Mill Creek Bridge Project*, in the amount of \$124.94 to reconcile capital project funding shares with final project costs.
- 7C) Request to decrease Capital Project H351, *CR 44 over Hudson River Bridge Painting Project*, in the amount of \$200,326 to reconcile capital project funding shares with NYSDOT State-Local Supplemental Agreement No. 1.
- 7D) Request to decrease Capital Project H321, *Lanfear Road (CR 76) Bridge Project*, in the amount of \$59,944.44 to reconcile capital project funding shares with final project costs.
- 7E) Request to close Capital Projects H319, *Hicks Road Reconstruction*; H344, *Warren County Bikeway Improvements*; and H345, *Warren County Bikeway Connections*, all of which are now complete.

Motion was made by Mr. Geraghty, seconded by Mr. McDevitt and carried unanimously to approve the aforementioned requests and the necessary resolutions were authorized for the March 17<sup>th</sup> Board Meeting.

Continuing with the Agenda review, Mr. Sokol informed Agenda Item 8 pertained to a referral from the Support Services Committee, *Weights & Measures*, regarding a request to amend the County Budget in the amount of \$1,374.22 to reflect the receipt of insurance recovery funds to pay for repairs from a motor vehicle accident.

Motion was made by Mr. Strough, seconded by Mr. Merlino and carried unanimously to approve the request and the necessary resolution was authorized for the March 17<sup>th</sup> Board Meeting.

Moving along, Mr. Sokol stated that Agenda Item 9 pertained to a referral from the Tourism Committee regarding a request to establish a new Budget Code for Enhanced Promotion and authorize an appropriation of \$400,000 from various budget codes to this code to account for additional promotion authorized in the 2017 County Budget.

Mr. Dickinson questioned where the funds originated from and Mr. Merlino replied that the funding was allocated within this years budget from Occupancy Tax. He explained a separate account was required in order to track what the funds were used for.

Motion was made by Mr. Merlino, seconded by Mrs. Frasier and carried unanimously to approve the request and the necessary resolution was authorized for the March 17<sup>th</sup> Board Meeting.

Moving along, Mr. Sokol informed that Agenda Items 10A-C pertained to the following Requests/Items to be Discussed by the County Administrator:

- 10A) Journal Report of transfers approved by County Administrator staff since the last meeting.

Mr. Geraghty pointed out that the agenda packet included a reporting of the transfers approved by the County Administrator's Office since the last meeting. He noted this was an informational item which required no action.

- 10B) Request to appropriate funds in the amount of \$42,500 from the Westmount Legacy Reserve Fund to the Public Nursing Home Budget to pay certain Legacy costs that were not included in the 2017 County Budget.

JoAnn McKinstry, *Assistant to the County Administrator*, advised that the funds were required to pay for legal fees and software programs that had not been budgeted for. Mr. Swan informed that the Westmount Legacy Reserve had been established to cover expenses such as these.

Motion was made by Mr. Simpson, seconded by Mr. Strough and carried unanimously to approve the request and the necessary resolution was authorized for the March 17<sup>th</sup> Board Meeting.

- 10C) Request to appropriate funds in the amount of \$147,000 from the Vehicle Reserve Fund to various budget codes to purchase vehicles.

Motion was made by Mr. Dickinson, seconded by Mr. Geraghty and carried unanimously to approve the request and the necessary resolution was authorized for the March 17<sup>th</sup> Board Meeting.

Proceeding, Mr. Sokol announced Agenda Item 11 pertained to Finance Committee action which was required on the following items as approved by the Personnel Committee: Personnel & Higher Education Agenda Items 2C-F and 3.

Motion was made by Mrs. Frasier, seconded by Ms. Seeber and carried unanimously to approve the request and the necessary resolution was authorized for the March 17<sup>th</sup> Board Meeting.

Concluding the Agenda review, Mr. Sokol pointed out Section V of the agenda included one Finance-related pending item, as follows:

**Finance -**

- 1) Finance Committee tabled discussion on a referral from the Criminal Justice & Public Safety Committee to determine a source of funding to reimburse the City of Glens Falls in the amount of \$36,061.21 for costs associated with the lateral transfer of a City Officer to the Sheriff's Office when this situation occurs. (02.02.17)

Mr. Sokol inquired whether the Committee wanted to move forward with the request from the Mayor and Mr. Geraghty replied that he thought they had decided not to move forward with the request at the last meeting; Mr. Merlino apprised the matter had been tabled for further discussion as there were many concerns expressed including whether it would set a precedent if it was approved. Mr. Geraghty stated he did not think they should move forward with the request, as there was a law in place that required the County to reimburse the City for training expenses at a pro-rated basis if they hired one of their officers within a three year timeframe following completion of that training.

Mr. Simpson pointed out that numerous nurses, Corrections Officers and Road Patrol employees were lost to other agencies and he was comfortable with the law in place that required reimbursement if a transfer occurred within three years of training.

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Ms. Seeber advised she felt they should always work toward improving collaboration between municipalities; however, she noted, she was not in favor of moving forward with this request, as she felt they would be setting a precedent. She pointed out this could prove costly not only for the County but also for those that the County may request reimbursement from.

Mr. MacDonald proposed as an alternative for the County to adopt a Local Law which would increase the three year requirement to five years, as he felt this was an appropriate compromise.

A lengthy discussion ensued following which a motion was made by Mr. McDevitt and seconded by Mr. Dickinson to accept Mr. MacDonald's suggested compromise; however the motion failed due to the lack of majority vote required.

There being no further business to come before the Finance Committee, on motion made by Mrs. Frasier and seconded by Mr. Dickinson, Mr. Sokol adjourned the meeting at 11:21 a.m.

Respectfully submitted,  
Sarah McLenithan, Deputy Clerk of the Board