

Budget Hearing
Administrative Services Committee
Audit & Control Committee
Tuesday, October 1, 2019 – 9:00 a.m.
Gerace Office Building, Mayville, N.Y.

Members Present: A.S.: Scudder, Starks, Davis, Muldowney, Proctor
A.C.: Chagnon, Niebel, Gould, Nazzaro, Muldowney

Others: Tampio, Dennison, J. Hansen, Crow, various others listed

Chairman Scudder called the meeting to order at 9:00 a.m.

Chairman Scudder: Kathleen, do you have anything for us?

Mrs. Dennison: In your binder, we first have tentative binder, at the top with the black tab. This is the publically released document that is on the internet. For our purposes today the only sections that (*inaudible*), would be the first one, operating budget because the summary of the tax rate and the results for all those different funds. The capital budget tab, I don't specifically see that on the agenda today, capital projects, I thought it was today, but it's tomorrow, sorry. So we won't be using that but we will refer to the fiscal status tab, (*inaudible*) section on fund balances. So, the rest of the information in the tentative budget is all at the classification level, the high level, so generally we will not be using that information but we'll be going through individual departments in the sections behind that. They are in order by organization number. Start with a summary of local share, positions – local share for each department, positions, and then a page for each of the sub-departments within each organization with results by classification and commentary. So, we're suggesting that department heads walk through that summary document, talk about each of their departments and then the line item detail is behind that so if you have questions about individual accounts, you can refer to the line item detail. There is also in the front of the binder a report of actual results for the last 12 months. July 18' through June of 19', (*inaudible*) would be adopted 19' budget and the proposed 20' budget. Then there is also the projection of fund balance revenues and appropriations through 2024. That is in front of the binder.

Just a couple of comments on the budget itself. We have the overall highlight that there is no change in the tax rate. There is a use of general unobligated fund balance of just over a million dollars. Just a couple comments on wages and benefits. The base pay figures include an increase for contracts that are settled for 2020. Those contracts would be DSAC, the Sheriff Deputies union, Sheriff's Lieutenants' union, and the part time Deputies union. There is also a 2% increase for managers. The base pay does not include an increase for CSEA 6300 or for the Correction Officers. A couple of comments on health insurance. We are seeing this year in the A, D, and DM funds, a one million dollar increase in health insurance costs in the 2020 budget compared with the 2019 budget. That is driven by a 6% increase, general overall increase rates of 6% but also a change in elections. Some employees that elected a high deductible when they had kind of the introductory opportunity in 2018, they were in the high deductible in 18', so the 19' budget is based on those people in the high deductible plan. Some of them migrated to the traditional PPO plan. So we have an increase in premiums for those individuals. Just to give you

kind of a reference to last year's budget. In the 19' budget, the health insurance costs actually dropped \$700,000 from the 18' budget. So this year, instead we have a million (*inaudible*) and Kitty is going to talk more about health insurance. But we also have an increase in the health insurance surcharge of almost \$500,000. Then just one kind of bookkeeping note on retirement. You'll see if you look at the line item detail that for 2020, we opted to budget the retirement in one account rather than budgeting it in all of the different plans and tiers. So, it looks a little different when you look at the detail but again, it's just to streamline the budgeting but also how we are recording the actual results when we go into 2020. Any questions on any of that?

Chairman Scudder: On those two groups that didn't get the increase, are we under contract with them or they've expired?

Ms. Crow: Yes. The Corrections union contract expired at the end of 2017 so we've been out of contract with them for 2018 and for this year 2019. The reason for – that has been out of contract a little longer than what would be normal and it wasn't for any – it was because they changed their - they were represented by CSEA and then they changed representation to CCSEA, so they reorganized a bit so there was a delay in getting started in negotiations. Then we got to impasse and then came back to the table and they declared impasse again and we went to mediation but that is very close to coming before the Legislature, that contract. And CSEA as well. We've been negotiating right along but we have been out of contract.

Chairman Scudder: Both have been out since 17'?

Ms. Crow: No. The Correction unit agreement expired at the end of 2017, CSEA expired at the end of 2018.

Legislator Niebel: I have a question. Kathleen, the overall property valuation increased from this year to 2020, 2.72 or there about?

Mrs. Dennison: Correct.

Legislator Niebel: That's unusually high isn't it? The figures that I have seen in the past have been 1.5, 1.7, this is quite a bit higher than past years.

Mrs. Dennison: It is higher than the recent past, yes. That figure is from the Real Property Tax Department, same methodology as usual.

Legislator Niebel: And they get that from the State.

Ms. Crow: Way back when I first started, we were on a trend of about 3% increase a year.

Legislator Niebel: That was years ago Kitty but more recently, last four or five years, it's traditionally been under 2%.

Ms. Crow: You are right, it has been so we're starting to see better growth so that is good news.

Chairman Scudder: O.k., thank you Kathleen. That brings us to Finance.

Finance (Crow)

Ms. Crow: We're on tab 21. I think you all are already there. I note, Jim Caflisch is at a conference so he is not able to be here today so hopefully I can answer all the questions on his respective department under the overall Finance umbrella. But if there is anything that I need to follow up with on his area, I will do that afterwards.

The first page here under tab 21, these are essentially our administrative department. Finance, Real Property Tax and Insurance Administration. That increase over those three departments is \$362,000 mainly due to some changes we're making in that purchasing area. So if you flip to the next page, you will see the FTE's. There are three new positions that are included in the 2020 budget, under Finance, for specifically purchasing as well as increasing one part time position to full time to the Insurance office. The idea is, we already passed resolution this year to amend the budget for transitioning one of the purchasing agents from the DPF over under Tracy France, the Purchasing Manager in the Finance Department. That's one of the three which has already been amended into the 2019 budget. Then the 2020 budget proposes to add two other purchasing – staff one additional purchasing agent and a purchasing clerk. Then the insurance position is increased to full time so that we can centralize. We've already amended the budget in 2019 for that as well. That would be to centralize the - whenever we have a new vendor that we're issuing an agreement or contract with, we have to have certificates of insurance for that vendor. They expire annually so there's - right now all the departments are kind of handling that on their own and when there are questions, it's kind of a back and forth in a very inefficient process, I think. Most departments if you ask them about it, they will be glad to be giving up that responsibility. So the Insurance office would be handling those transactions directly with the vendors and maintaining that and more proactively making sure the renewal certificates are up to date.

Legislator Chagnon: Could you give us a listing, probably not off the top of your head, but where the offsets are to these three and a half FTE's.

Ms. Crow: The one offset is a reduction in the DPF because that position in its totality, moved from DPF to Finance. That was done in the 2019 budget as an amendment last month. Then the other two purchasing specific titles, what I did was, we looked at the total number of purchased orders and contracts by department for all 2018 and then I took the incremental costs of the new positions and came up with an allocation based on their total number of purchase orders and contracts. So, we did in some cases, in the bigger departments, there was an offset to their personnel and other departments were the allocation or proration of the cost was left, we put it in their contractual line item. While we budgeted it budget neutral, we do anticipate that we will see some savings over time for better negotiated pricing especially in simple things like, office supplies. Right now each individual department is putting in their own orders for regular office supplies so if we are on a more regular basis purchasing in bulk, we anticipate that we could get some better pricing for bulk order. Also, kind of pulling in some of the credit card

purchases where they might not be purchasing at the place where they should be where we have the best pricing. So we did not budget for any net savings. We do anticipate that there will be incremental savings over time but for this budget, we budgeted it neutral. But I can give you the schedule where we made the adjustments in the other departments.

Legislator Chagnon: Kitty, I appreciate that and I'm in support of this activity, the concept. What I specifically would like to see is the FTE impact. So if we're adding 3 ½ FTE's here, to be budget neutral, I would assume that there would be 3 ½ less FTE's somewhere else, but, I would like to see that information.

Ms. Crow: O.k.. Like is said, we did a combination of reductions in FTE's in other departments or a reduction in their contractual costs but we can show you where we put the offset. Because for example, the smaller department don't have a full time equivalent to reduce for this change.

Legislator Niebel: Kitty, I think what the Chairman is getting at is, there is only, really, you are only accounting for one offset and that is in Public Facilities, right, because that person is coming up to Finance.

Ms. Crow: That's one. We did an offset I think in the Sheriff's Department.

Mrs. Dennison: Right. There is an offset in Public Facilities, there is also full FTE offset in the Sheriff's organization.

Legislator Niebel: Does it say that back here in the (*inaudible*)?

Mrs. Dennison: I can't remember if it says in the comments because that was a late change.

Legislator Niebel: I didn't see it but possibly it's there.

Mrs. Dennison: I can't guarantee that it's in the comments but in the County Executive's reduction, the purchasing agent change was done from the very beginning. The reduction in the Sheriff's FTE was (*cross talk*).

Legislator Niebel: O.k., one from the Sheriff's Department, one from Public Facilities. Is there another 1 ½ some place?

Ms. Crow: No because we can't take like a .1 FTE out of the Law Department and .1 FTE out of the Legislature department because they are not going to reduce a whole FTE to make up this change. Every single department spends a little bit of time doing purchasing themselves. What we did in lieu of that is to reduce their contractual costs to say, they are going to see savings in the things that they are purchasing.

Legislator Niebel: I saw that Kitty in the comments but as far as actual offsets to the 3 ½ people that we are adding to Finance, there isn't, there is two possibly.

Ms. Crow: Correct.

Legislator Niebel: And these other possible decreases.

Legislator Chagnon: But then there are savings resulting from the activity. If the Law Department, you don't take away one tenth of an FTE, then you would expect that there personnel costs would go down by the equivalent of 1 FTE and if it's not, then we're adding personnel cost.

Ms. Crow: We are. We are adding incremental personnel costs, offset by other personnel costs everywhere, plus, contractual costs everywhere.

Legislator Chagnon: That is what I would like to see. The FTE impact.

Legislator Niebel: Basically right now Pierre, there is just two. One in Public Facilities and one in the Sheriff's Department.

Legislator Chagnon: It sounds like it.

Legislator Nazzaro: And these folks actually –

Ms. Crow: (*Cross talk*) from HHS or did we put it all in contractual?

Mrs. Dennison: There are nonspecific reductions in HHS.

Ms. Crow: FTE?

Mrs. Dennison: There are no specific FTE reductions other than those two. The contractual savings that were implemented in the budget for all of the departments, total of \$116,000. So those are the savings that Kitty is referring to, in lieu of an additional 1 ½ people, we have a contractual savings of \$116,000.

Ms. Crow: As an example, we had a conversation with HHS. They can't identify right now – it may end up being that they will be able to reduce personnel over time but they can't say right now it's going to be a half of this person. So, we put it in their contractual line item but the real savings might end up – as they have retirements and they are no longer have purchasing handled by three or four different people in their department, they might be able to shift responsibility but we won't know that until we actually implement over there and we're not going to be -

Legislator Niebel: How did you arrive at the \$116,000 decrease in contractual?

Ms. Crow: Because we took up the total cost of what the positions will be for the purchasing department and then I looked at the total number of purchase orders and contracts that are done by each individual department to prorate the cost of the new purchasing staff.

Legislator Nazzaro: So really that \$116,000 is going to be hard to measure if that's actually achieved. I mean, the two positions that the DPF is actually housing, is actually under you. Did the Sheriff person –

Mrs. Dennison: The Sheriff has had some attrition in their accounting staff.

Legislator Nazzaro: The \$116,000, I know what you are saying, it's hard to – you really are not going to save that one FTE because you might have .1 here, .2 whatever here.

Ms. Crow: Exactly.

Legislator Nazzaro: So to make the budget, I don't want to say incorrectly, but to balance this budget, to justify the three FTE's, then we reduce contractual across the other departments by \$116,000. I don't know how that is related to an FTE, contractual because the employees were performing the work, what does that have to do with contractual?

Ms. Crow: Its essentially a place holder. Rather than arbitrarily either reducing their personnel cost by a fraction, we can do it that way if it makes it more – I mean, we can certainly take a fraction because the way I had come up with, what it would be in terms of FTE's for each individual department and a dollar amount. In the bigger departments where we thought it could actually be a whole full time position or even just say a half time position, we did that. But I'll send you the schedule of the allocation that I've prepared and then the net changes that we made in the individual departments so you'll have both of those.

Legislator Niebel: Kitty, I don't disagree with the policy. I think that it is a good policy because years ago, we used to have central purchasing, many years ago. It was decentralized, departments started doing it, I think that it makes sense to have it in Finance where you guys can do it. There is more experience and hopefully –

Legislator Nazzaro: Checks and balances.

Legislator Niebel: Exactly. But as far as an offset of 3 ½ FTE's, there is two and then the other is I think more (*cross talk*)...

Ms. Crow: On the half time Insurance person, so that is a different allocation because the position in Insurance that goes from part time to full time, that is allocated back out to all departments through the liability insurance allocation. It's an administrative cost of the Liability program. When we get to go over the Liability fund, we can talk about that more but that .5 FTE increase in Insurance, does directly get charged back to all County departments.

Legislator Niebel: We can exclude that and then we're back to the three where there really only an offset of two.

Chairman Scudder: Bottom line is that there is \$116,000 showing that.

Legislator Chagnon: Terry, to the half person you're taking personnel work out of the departments and you are centralizing it in Finance. Then you are charging the department back for their insurance subsidy. So they still have people in their department that are doing less work. That is where the FTE thing –

Chairman Scudder: And then they are getting charged for it.

Legislator Chagnon: And then they are getting charged for it.

Legislator Niebel: I saw that in the comments. The decrease in (*inaudible*)...

Legislator Nazzaro: So realistically, just to spring it up realistically here, you are adding one and a half – the overall budget, you are adding 3 ½ here but Countywide, 1 ½ is offset just to make the budget work, really, is what it is. It's a balancing –

(*Cross talk*).....

Ms. Crow: So that we can make it budget neutral because we can't, at this time, specifically identify where exactly – whether a department will be able to reduce staff because they will now see that they really have that much less work or through attrition, they will be able to reduce staff or have the staff focus on the work that they really should be doing instead of doing purchasing work.

Legislator Nazzaro: We can beat this to death but at the end of the day, we're adding 1 ½ FTE's.

Legislator Chagnon: Correct.

Legislator Nazzaro: Because realistically, you are not going to cut any FTE's in these departments. The smaller departments are, they are still working their standard work week. I mean, that's o.k., I totally support the concept but I think that we have to be realistic in what we're doing here, or honest.

Mrs. Dennison: Can I just make one comment that Janelle brought to my attention. The cost of purchasing when it's centralized, it will eventually be charged out as part of the indirect cost allocation plan which is a big mouthful but it means that that charge to some departments like Social Services, they can get reimbursement for those services if it's charged to them through the cost allocation plan. So there may be a benefit there.

Ms. Crow: But they should be getting that reimbursement already for their existing staff but yeah, ultimately it will show up as well in the cost allocation plan.

Chairman Scudder: O.k., moving right along.

Ms. Crow: I'm going to skip over to the next page which is just a summary of the three departments to move onto the page where the top left is A.1310. This is the Finance Department.

We've already talked about the changes in the personnel costs. We did have a contractual increase. As you may recall, we brought on a firm Three Plus One that helps monitor our liquidity and helps us to identify available cash to optimize our investment returns. So the additional cost for Three Plus One is in our 1310 but the interest earnings is recorded in 1310.9999, but we do see a net increase overall for the added benefit in terms of if you look at the cost for the Firm and the returns that we're getting.

Legislator Chagnon: Do you have an estimate of that Kitty?

Ms. Crow: I think that I had it in the notes in the other department but I believe it's net about \$4,000 (*inaudible*) because that's on our shorter term fund. We will need to do some borrowing next year so I have and typically during the year, we do see some, when we have a particular inquiry or things that we need to reach out to our bond counsel so that there are some fees usually every year for that which I had not included in last year's budget. Our postage increased a little bit. I had, when we changed over to doing all of our vendor payments electronically, I had anticipated our postage cost would go down but what I kind of, I think, forgot to consider is that we do a lot of mailing related to occupancy tax so that's really the bulk of our postage cost in Finance. So we did see reduction in the area for not mailing out checks to vendors as much as we have had in the past.

We had some changes in the accounting for bank fees and interest. So our bank fees are booked here and then the corresponding interest is booked in the 1310.9999.

Legislator Chagnon: That has gone up a lot from previous budgets.

Ms. Crow: The summary of all of these changes is close to \$23,000 here but there is offsets in other places. There are changes in the accounting for our bank fees so as we get down into some of the other departments, the offsets are there.

The benefits, the net increase there, related to the purchasing positions, the revenues down below – one change we made in this year's budget is that we used to record the occupancy tax revenue in the Finance Department and then share some of that with the Law Department. So it would be recorded in Finance and then we send it over to the Law Department. We cut out the middle man here and now we're just recording it directly in the Law Department. So it's a reduction in the revenue here but you will see the same increase revenue in the Law Department budget.

There is no change but I just note in case you were wondering what the sale of property is. That's our rent that we received from the CSTAC every year for the space that they leased at the airport for their board meetings.

We had a fairly aggressive budget for our rebates in 2019 so I did reduce that. We did see an increase over the 2018 actual receipts but it was not as high as budgeted for 2019 so I did drop that revenue down some.

I'll move onto the Real Property Tax Department.

Real Property Tax Department (*Crow*)

Ms. Crow: That's account 1330. This is all of the Real Property Tax Department staff. Not too much change here. They did have an increase in their software maintenance costs mainly

due to the 2019 budget was set to low so the actual costs have been greater. Adjustments in the health insurance are just related to increases and changes in elections.

Legislator Chagnon: Under the operating budget tab, it lists all the property tax exemptions. Most of them have a listing of the statutory authority. Several of them say, statutory authority not defined. What does that mean?

Ms. Crow: I'm not sure but I will find out.

Legislator Chagnon: Something I hadn't noticed in years past but since I slept on my budget book last night, -

Mrs. Dennison: I will send an email to Mr. Caflisch now. I don't know if he's available to check but I'll do it now and maybe we'll be able to get an answer.

Ms. Crow: If you are going to do that, copy Kim on there and she might know as well.

Legislator Chagnon: Obviously the implication is that, many of our properties are exempt because of State law. If there is no statutory authority defined, are we properly giving an exemption for that property? Or is that decision that we made locally just allowed to be exempt. So, that's the implication.

Legislator Niebel: You (*inaudible*).....

Legislator Nazzaro: Something has to guide that.

Legislator Chagnon: Right but it says not defined. What does that mean?

Ms. Crow: Or if it's just simple there was nothing entered in that field and so it was blank and it reports out, not defined. I don't know, we'll find out.

Legislator Gould: Can we go back a little bit to 1310.2500? On accounting and related services, that is quite a large figure and it has been for all the other departments that we've seen. Is there any way that that could be done in-house? What is that?

Ms. Crow: For example, the expenses there are our auditors, bond counsel, the fiscal advisors for when we issue our bonds and also in there this year are the fees to Three Plus One, the firm I mentioned that reviews the liquidity for us to provide us better insight to where we should be maximizing our investment earnings.

Legislator Gould: I noticed that was a large figure of some of the departments that we had yesterday and they would be covering the auditors and the kind of stuff you just mentioned.

Ms. Crow: That account is for, like, I don't know if it was HHS or Mental Hygiene, but yes, they do also have costs for audits that they have to have done. For example, like relating to

their cost allocation plan so that would be the proper place for them to record that as if it was an accounting related item.

On A.1710, which is the Insurance Administration office so that the work done in that office is administering the Worker's Comp plan and the County's Liability program. Again, we increased a part time position to full time handle all of our insurance certificates. Everything here is offset through either the CS fund, the liability fund, which gets charged back to all County departments or it's allocated to the Worker's Comp fund which is offset by all the Worker's Comp plan participants. So this department will have no local share.

Legislator Chagnon: Kitty, since we're taking the part time person to full time in this department, why did the overtime go up?

Ms. Crow: I believe – I mean, the \$500? Is that what you are looking at?

Legislator Chagnon: Yes.

Ms. Crow: I was looking at probably, most likely, I project based on the current projections but we do have somebody that will be on maternity leave next year so we made the new person to work additional hours to keep up with the work in the office. Any other questions on the administrative departments?

Legislator Nazzaro: Again, like on Insurance administration, just a point. So you increase the part time to full time, but then you allocate it to the various departments and I realize that some of those departments you get reimbursed but really you're still – I understand why you allocate it but really you're still adding a ½ FTE.

Ms. Crow: Yes.

Legislator Nazzaro: You are adding the cost but at the end of the day, you're adding a ½ FTE.

Ms. Crow: That's true.

Legislator Nazzaro: It looks budget neutral for the Insurance Administration but it's not truly budget neutral.

Ms. Crow: Departments still had their goals to meet within their own departments knowing that that was an increase cost to their department.

Mrs. Dennison: I would just add that, yes, it is an increase in an FTE but it is a huge step forward for productivity and as we've already discussed, the departments down the road, once they don't have to do this work anymore may not fill a position in the future.

Legislator Nazzaro: I don't believe that to be honest with you. I believe what you said but I don't believe that it is going to happen.

Ms. Crow: I mean, this is a big change for the organization and I'll be quite frank in saying there are unknowns. We started with DPF as kind of the guinea pig and we've kind of been trudging along to work out a new process and identify efficiencies that we can better utilize the software that we have. There could be additional software that could make this even that much more efficient but we're not proposing to purchase that software just yet. There was some pressure to even reduce the overall budget due to savings. I did not think that that was responsible at this point because until we have a little better experience and really know where we see the savings, it was my recommendation just to budget, budget neutral. I'll keep you updated as we move forward but it is a big project for me right now.

Mrs. Dennison: It's a work in progress.

Legislator Chagnon: Kitty, I have noticed in several of the departments but it's in Real Property Tax as well, that now we're budgeting over scheduled hours. What is that?

Ms. Crow: Over scheduled hours are when and correct me if I'm wrong, but, some departments are only on a 35 hour work week, so if they work hours over 35, it's not over time because you are not going over 40 so it's gets recorded as over scheduled hours. So it's over their schedule but it's not over time.

Legislator Starks: So it's like 37 or 38 hours.

Ms. Hansen: A lot of times you won't see any actual in there because in order to get it coded to that VL(?), they have to notify payroll and nobody does that. It's just that you have to put it in the budget and that's why you see actual occurred budget but not actual (*cross talk*).

Legislator Niebel: It's at the same pay rate though.

Ms. Crow: The actual gets recorded in the 1100 account but budgetarily we're able to capture it as a separate line item.

Mrs. Dennison: And everything that Kitty and Janelle said is true but the reason we now see a budget in that line in most cases is that we calculated the cost for managers of the actual number of days that they work in a year. Because in the past, Steve Abdella was a crusader for this that the budget module, the way it was set up, it calculated managerial pay for only 260 days. Managers typically work in, for example in 19', managers worked 261 days and in 2020, they will work 262 days. So we have been under budgeting forever for managers. So we calculated the actual cost that would be incurred. In the salary line, the budget module, the way it's set up, it will only calculate 260 days. So the budget for the over scheduled hours is the extra two days, cost (*inaudible*) two days that managers will work.

Legislator Chagnon: And that shows up in over scheduled hours.

Mrs. Dennison: It will not. The actual as Kitty and Janelle just mentioned, the actual cost will be in base (*inaudible*) pay.

Legislator Chagnon: But you are budgeting it in –

Mrs. Dennison: In over scheduled hours. There are, in the past, I think there is a couple of departments that used to budget over scheduled hours. The County Clerk has used that in the past because they have a 35 hour work week and (*inaudible*) would have expense in that area. As we said earlier, so they would use that line in their budget but the actuals always end up in base pay because technically very difficult to separate them out. So they would budget for it to get the hours to ensure that they had the money to cover those extra hours. As I say, historically you would have seen it in the Clerk and I think there is one other department that used to it.

Ms. Hansen: There was usually a couple of departments.

Mrs. Dennison: Yeah, maybe two departments but used it but the reason you see it in almost every department now is that managerial factor.

Ms. Crow: Would you like to go to miscellaneous?

Chairman Scudder: Doe anyone want to take a break, we're a little ahead? If not, let's keep going.

Ms. Crow: That will take you to the last half, 99 Miscellaneous.

Miscellaneous (*Crow*)

Ms. Crow: You might need to take a break in the middle of this one. There is a lot here. The roll up here is not really helpful so if you don't mind just moving on, the FTE's are not changing. There is one department in this grouping that is an allocation from the Real Property Tax Department and we'll talk about that when we get to that department budget. So if we want to start with 1310.9999. This department includes a lot of what we call a Countywide revenues like sales tax. The first row there under revenues is the property tax and then the non-property tax items, that includes our sales tax which was budgeted at a \$1.6 million dollar increase. OTB revenue has been trending down a little bit and that was reduced \$30,000. There is a change here. You may recall earlier this year we had a budget amendment related to the Town of Carroll no longer having their sales tax applied to their warrants so this is the change between the non-property tax items and the real property tax. That was about \$550,000, so now there is only one town that is still electing to have it applied to their warrant and the remaining amount is \$50,000.

Legislator Chagnon: Before you leave this area, to the point that Terry raised earlier, the 2020 budget reflects a 2.7% increase in real property taxes. The increase in 2019 was 4 ½% from 2018 actual to 2019 projected in 4 ½%.

Ms. Crow: The valuation?

Legislator Chagnon: That is the property taxes and since our tax rate actually went down, the valuation must have gone up 4 ½% or more.

Ms. Crow: I'm not following your question.

Legislator Niebel: Next year it goes up 2.7% and last year, my recollection was (*inaudible*).

Mrs. Dennison: The valuation increase you are saying?

Legislator Niebel: The property valuation.

Mrs. Dennison: I looked it up and actually last years' increase was 2.21. I thought that it was lower too but 2.21

Legislator Chagnon: But the property taxes collected increased by 4 ½%.

Mrs. Dennison: In 2018?

Legislator Chagnon: In 2019.

Ms. Crow: From 18' to 19'?

Legislator Chagnon: Yes.

Ms. Crow: That's because of this change in the Town of Carroll. Because previously they had \$550,000, their sales tax applied to their tax warrant so it would show up in two different classifications. So that is why it looks like – because in the Real Property Tax line, like you see the amended amount was \$61,305,000 was the adopted budget and the amended budget was \$61,861,000 because now we're recording that \$550,000 as property tax and not (*cross talk*)..

Legislator Chagnon: On the non-property tax action, then what the \$1.6 million dollars in sales tax increase, that amounts to a 6.6% increase in sales tax?

Ms. Crow: In a way, yes. Budget over budget.

Legislator Chagnon: Thank you.

Ms. Crow: On to other Real Property Tax items. We looked at – this is one of those areas where we've had adjustments at the end of the year and in this category is where we have our kind of the foreclosure related items so we have the interest and penalties on real property tax and the sales on the tax acquired property so it's the net of the auction. If you are looking at the detail revenue account R105.1000, our budget has not been reflective of the real loss that we have been trending. But then conversely, the interest and penalties have been trending down so I took the two year average of those two accounts and that's what I included into the budget. Which does reflect a net decrease in this revenue but it is based on those factors and it is one of those harder items to budget because it all comes down to what happens in the tax sale and the properties that are in the tax sale. So it is a bit hard to project so what I did was take the two year average for those two revenue line items.

Legislator Chagnon: Kitty, which two years did you average?

Ms. Crow: I think that I took 17' and 18'.

Legislator Chagnon: O.k., because the average of 18' and 19' is \$2.228,000.

Ms. Crow: Yeah, I don't know if that 2019 has everything recorded yet in that report there. It only goes through June.

Legislator Chagnon: I used your projection.

Ms. Crow: Oh, o.k.. I mean, we can look at that a little further. I'm just letting you know what was included.

Legislator Chagnon: Yeah, could you look at that a little further?

Ms. Crow: Yes. It's an area where I will say would tend to be on the conservative side just because we can see fluctuations there. I mean, back in 2015, our interest and penalties was \$3.3 million and in 2018 we recorded \$2.8 million. We had a loss of \$183,000 in 2015 and a loss of \$540,000 in 2018 and the other revenue account – these two revenues are tied to each other.

The departmental income, that is our cost allocation plan charges. Those we mentioned earlier. It's kind of what I think of in the private sector is the general administrative costs that the County bears for and specifically for our enterprise funds. That gets billed out to the enterprise funds so the cost of processing payroll and processing accounts payable, and HR, the County Executive's office time and things like that, are allocated. An allocation plan is developed. We have an auditor that does that report for us based on a lot of different factors and allocation methodologies. So that revenue back to the County is recorded here. That would reflect in that increase to the enterprise funds of that. This can go up and down year to year because it's based on the actual cost of those general and administrative costs.

The use of money in property. These are short-term earnings. This is where I mentioned earlier the cost for the Three Plus One firm that is monitoring our liquidity and helping us identify better opportunities for investments and short-term fund. So net of their expense and the incremental revenue here we're ahead about \$4,000.

The fines and forfeitures, we did have some unusual fines collected in 2018 but we have nothing projected for this year and I reduced the budget down to a \$1,000.

The miscellaneous category, that's just for year to year it can be different, but I'm not budgeting anything there.

The New York State aid line item. This is where the Tribal Compact funds are typically recorded. We had included \$725,000 in the 2019 budget. We are not including that revenue in 2020. It is still certainly an unknown and I'm sure you are all aware of that. Additionally under this category are the transfer of - sorry. We also saw as you know, the NRG Pilot, the State has been subsidizing the loss of that Pilot. It's over a 7 year period. I think we're in year 3 or 4 so that subsidy reduces every year. I think that was about \$145,000 compared to last that it was reduced.

The interfund transfers. This is where we see the transfer from the electric plant as well as the landfill. I'll start with the landfill. That's a little easier. We have \$483,000 so the transfer

from the landfill to the general fund, is done somewhat in arrears. This would be based on the 2018 actual results at the landfill and then we are allowed to bring over from the landfill the net profit from out of County waste. That was \$483,000 which was quite significant compared to some of the revenues in this category in prior years. I will say that this revenue can fluctuate year to year so to the extent that we are using now \$483,000, this is no guarantee that this is a recurring revenue and therefore if we're using it to offset recurring expenditures that I consider it a risk in the budget. Because if we don't have any net – if we breakeven at the landfill this year, that will impact future year budgets that we won't have that revenue. I just want to make sure you are all aware of that.

The energy plant revenue that is recorded here, in the 2019 budget we had included – at the time we were developing the 2019 budget we had anticipated – we were close to an agreement to have somebody take over the energy plant and the structure of that agreement was that we would have a million dollars at signing of the contract and we would have had that million dollars come in, in 2019 and then we would be able to transfer that over, some of that over as a net profit to the general fund. To date, we do not have that – that agreement had somewhat fallen through so we are renegotiating with another entity. We're not projecting any transfer of profit (*cross talk*) from the energy plant from this year. If we were to do that, it would strictly be taking from the energy plant fund balance which I would not recommend in the context in that we still have outstanding debt service on the energy plant. So that would be a risk in this year's budget. Like I've said, we've been talking again with another firm and negotiations are ongoing. The structure of that deal still is to have a minimum million dollar annual income so that is included in the 2020 budget. I'm sure they will talk more about it at Public Facilities as well but I would again, on this item as well, say that I consider this area to be a risk in the 2020 budget. There is, at this point, no guarantee we're going to have an agreement, we're optimistic but I want you all to be aware of what this represents.

Legislator Chagnon: So Kitty, looking at the detail, you show that interfund transfer for the first line, .1000, is –

Ms. Crow: Can you tell me what page or account you are on?

Legislator Chagnon: I'm not page 2 of 7 on the detail. Interfund transfers, first line goes down \$319,000, and that includes \$483,000 in this year's budget that was not in last year's budget, correct?

Ms. Crow: Yes.

Legislator Chagnon: And it does not include \$750,000 that was in this year's budget. Is that why it's going down?

Ms. Crow: Correct. The transfer from the energy plant was budgeted in the –

Legislator Chagnon: So the transfer from the energy plant was in this line as \$750,000, now for the next year's budget it's in the following line as a million dollars.

Ms. Crow: Correct. Going up.

Legislator Chagnon: O.k., so you just separated that out?

Ms. Crow: Yes.

Legislator Nazzaro: So that is definitely a risk item.

Ms. Crow: I would consider that a risk. Back onto the summary. The 1355, tax assessment, it's a little bit hard to project but this would be legal fees if there is challenges on assessments. We've typically budgeted kind of a standard \$25,000 because you never know. Sometimes it's higher, sometimes it's lower. The last couple of years we've come in under that \$25,000 amount so we did reduce it to \$15,000. If we see any big challenges come up, we'll certainly let you know if we think we might exceed that amount but, I think it's a safe place holder for now.

Account 1362, this represents our pre-foreclosure costs. There is a little bit additional in for additional searches, legal costs, and postage. Jim bases his budget on the actual number of searches that need to be completed. Then he did increase the departmental income here. This the service charge applied to the parcels going into foreclosure and (*inaudible*) a bit more going into foreclosure that would increase those fees.

Account 1364, this includes our post-foreclosure expenses. We did stop doing our own newspaper advertisement that now is done by the auctioneer so it's part of the auctioneers responsibility to post any newspaper advertisements.

Account 1955, this is where our Pilot payments are recorded. We did have a slight increase here that is mainly due to a couple of the new hotels as well as the Wind Farm Pilot payment. Rich Dixon at the IDA prepares that schedule for us so if you need a copy of that, I can provide that.

The municipal sales tax, that is just where we record the sales tax that we receive and then pass onto the municipalities as their share so we're required to record that as expense and a revenue.

Account 1989, this is where we have an allocation of some staff from the Real Property Tax office to this department. This is where we capture the expenses for processing tax bills for municipalities and then they are billed back.

Account 2490, Community College tuition. We've budgeted based on our new potential payment terms with JCC along with our community college chargebacks that we pay. So the net change budgetarily was a reduction of \$58,900.

The Fire Service loan grant, those are just the loan payments on those grants.

Account 9730, our debt service. There is an increase based on our existing debt service schedule so one of our issues, the principal payments kick in next year so we do see an incremental increase in our debt service next year.

The mortgage tax receipts are dedicated revenues to offset the debt service. Our trends, while they have been upward the last couple of years, seem to be tapering off some. I did reduce that based on our current projections so I reduced it about \$50,000.

The departmental income. Between this line item and the sale of properties (*inaudible*) maybe be aware, the changes at UPMC, we're moving out of this Star Flight operations so you will see a change in the Sheriff's budget as well. We've been negotiating with them in terms of the sale of the helicopters. The net change were fine it's just that where we record that revenue will change because once they are sold, we will reserve those proceeds to pay off the debt

service. We're not able to pay the debt early so we'll just reserve that and pay the debt service each year. Whereas before, they used to reimburse us the debt service. So it's just changing where we are recording that revenue.

Legislator Chagnon: So Kitty, this may not be a fair question for you but, the outstanding debt service on the helicopter at the end of this year will be a little over a million and a half dollars. So do we expect the sale of the helicopters to meet or exceed that?

Ms. Crow: This budget reflects that we will not be at a loss, that we would – a lot of those negotiations are being handled by the Law Department but we are hopeful that the proceeds will be enough for the remaining debt service. That is our goal in the negotiations.

Legislator Chagnon: And since the bonds can't be paid off early, then any shortfall would be reflective in the bond payments over the remaining life of the bonds? Let's say for example that we sold the helicopters for only a million dollars. We'd be at a \$500,000 shortfall, that wouldn't be reflected all in the year of the sale.

Ms. Crow: No, it would be that once we get to the year where we don't have any reserve left, the County would be responsible still for the remaining debt service.

Legislator Chagnon: O.k., thank you.

Ms. Crow: Then we get New York State aid. We do get interest subsidy on the court project. That's budgeted just based on schedule.

The interfund transfers. This is just were we transfer over to the D and DM funds. Essentially we don't directly apply property taxes to those funds but we collect all the property tax and the general fund and then this is basically the share of property tax that is offsetting in the D and DM fund.

Interest/earnings –

Legislator Niebel: Kitty, could we go back to account 1989, tax rolls (*inaudible*) and processes. For 2019, actual it's -

Ms. Crow: I'm sorry Terry, what account number are you on.

Legislator Niebel: Over at the top of page 3 of 7, 1989. The actual amount, \$17,862 for 2019. Why was that so low compared to some of these others?

Ms. Crow: We don't charge that out until after we – it's just a timing issue.

Legislator Niebel: It will be higher it's just that –

Ms. Crow: Yeah, we're still projecting. It just depends on when we process the bills for the school districts or other municipalities that have us do that for them.

I was scaring myself and saying, why is our interfund transfer under interest/earnings going down so much but that is because, as you may recall, in the 2019 budget we used a lot of

capital reserve to transfer out for capital project so it does look like a significant decrease but you see here that the net local share is zero here. We're not using any reserve for capital in the 2020 budget. This just represents our investment income which is dedicated to capital projects so the expense is just that transfer over to the H fund where the capital project is funded. Then the interest earnings is all recorded here as the revenue. Our (*inaudible*) 2020, I keep saying this but it is kind of true that a lot of these revenues sometimes are hard to project especially like investment income because our – we have to book our investment income based on market value so even though we do expect to get, when we hold our investments to maturity, so we are guaranteed the full return but the market value can be greater or lower than that at any given time based on economic factors. So, the way we budgeted here is simply by taking our fund balance (*inaudible*) at a 2% return. We are seeing an increase this year so far.

Legislator Chagnon: Based on market value.

Ms. Crow: Yes, based on market values.

Mrs. Dennison: I have a response from Mr. Caflisch. He said the designation of statutory authority not defined is not new. It's just that the status of those particular properties is not in the library of definitions. He said it probably includes transitional properties and his example is that some State land property in Land Banks could fall into this category. Their status is just not on the list of (*inaudible*) that they could be identified.

Legislator Chagnon: So does that mean that their exemption is questionable?

Mrs. Dennison: I don't know.

Legislator Chagnon: Or temporary. That is the implications that I was referring to Kathleen.

Mrs. Dennison: I will follow up with that question.

Chairman Scudder: I wonder how many properties that have bids. Is it 10 or 300?

Legislator Chagnon: It's not 300. I've (*inaudible*) 10 or 20. I didn't count them up.

Chairman Scudder: Anything else on miscellaneous? O.k., let's take a short break.

Ms. Crow: I don't know if you want to do the Liability and Worker's Comp because that might not take as long as going over the fund balances and then we do the fund balances when we get back from the next break.

Chairman Scudder: I would definitely consider whatever your recommendation would be seeing that you are more in tune with this. So what do you want to do?

Ms. Crow: I'm suggesting that we do the shorter topics. I'm happy to do whatever you want. (*cross talk*).

Chairman Scudder: O.k., let's go to 98, Liability.

Liability (Crow)

Ms. Crow: The CS fund is where we record all of our liability insurance premiums and the allocation from the County Insurance administrative office. It's fairly straightforward. We have a variety of different insurance premiums. Each one has kind of its own unique methodology in terms of how we allocate it to the departments. From auto liability, general liability, medical malpractice, cyber security, things like that. Then we take our current year premiums and apply a 4% increase on those premiums to come up with a projected cost for the next year. Then the net after our interest/earnings to that fund is allocated back to County departments so that's what that revenue is for the CS fund.

Legislator Chagnon: Looking at the detail of the expense, it looks like the expense increase of \$101,000 is comprised of accounting and related service increase of \$42,000?

Ms. Crow: And that is for the half time person that is allocated – the incremental increase of a half time person allocated from A.1710.

Legislator Chagnon: O.k., and then legal services of \$45,000. Oh, that's judgment and claims, sorry. I jumped ahead.

Ms. Crow: In legal services, we did have a change from 2019 to 2020. We did include an amendment for this in this year's budget. We have a change in how we are – we used to internally do investigations for say something like harassment complaints with employees acting as an investigator. We had set a designated employee who might act as an investigator on a complaint. The Law Department and HR have been working together to find a more appropriate solution for those types of things that could become a liability to the County and we have a firm on retainer for those services. We thought that this was the most appropriate place to record this expense. So that is recorded here now and it is allocated out ultimately to departments are part of their liability program.

Legislator Chagnon: So, the \$101,000 increase, the note says, insurance premiums and administrative costs. The insurance premiums only went up \$60,000 so the vast majority of that is administrative cost.

Ms. Crow: Correct and I apologize, my comment was meant more descriptive of what the expenses are in this category. I should have been more specific as to just the increases.

Legislator Chagnon: And then they legal services, this approach would take burden off the County Attorney.

Ms. Crow: Well, right now the burden is not necessarily directly on the County Attorney. As I mentioned, we've had a model where we've had a handful of different employees outside of their regular job as designated investigators. So if a complaint comes, sexual harassment or other

harassment claim were to come in, we would pull from this handful of employees to go out and investigate their co-workers.

Legislator Starks: How frequently does that happen?

Ms. Crow: That probably is a question that you would want to ask Jessica or Steve more directly. We thought that this – because these types of complaints could ultimately be a liability to the County, we thought this would be the appropriate place to budget for these expenses.

Legislator Davis: So you were hiring outside mediators?

Ms. Crow: I don't manager this particularly so I think when Jessica is here, when we go through HR, she might be the better person to field specific questions and/or Steve Abdella when he is here. Between the two of them they are working with the firm that will now handle these.

Legislator Chagnon: And with the new sexual harassment legislation, there is a need for better investigations because probably we'll be seeing more claims.

Ms. Crow: Some things are handled at the department level but things where we think could become a liability is when we're going to engage this first.

Legislator Gould: How much is the retainer?

Ms. Crow: Maybe I shouldn't say specifically a retainer, we have a contract with this firm. So when we need to use them, we would –

Legislator Gould: We use them otherwise it's zero.

Ms. Crow: Yes, we only pay for what we use. There is not a set amount.

Legislator Gould: You said retainer and that's why I asked the question.

Ms. Crow: Unless there are other questions on the liability program, if we back up a few tabs to tab 43.

Self-Insurance (Crow)

Ms. Crow: This is the Worker's Comp plan. The appropriations here did go up some. The revenue, we did see a little bit of an adjustment down because I brought – I take that back. So our administrative costs come over from the County's Admin department and we did that resolution last month, I guess it was, to appropriate the Worker's Comp plan administrative costs. So, the Worker's Comp plan, the County administers the plan for the plan participants which are all of the municipalities in the County who participate in this plan. So the towns, cities, villages, fire departments are participants so the Worker's Comp plan is billed back to them. This here represents the County's – the total cost of the plan including the claims, experience, the administrative, we have to have an actuary that does an annual report on our outstanding

liabilities for our financial statements. Excess Worker's Comp insurance, all of those things are capture here, that expense, and then charged back to the plan participants. There are some interest/earnings applied here as well as other refunds that are revenues here. So then the net expense after those two revenues are applied are what becomes the Worker's Comp plan budget. It did go up approximately \$80,000 from the prior year. We've had pretty steady budgets. In 2015, 16', and 17', the budget was \$5.2 million. For 18' and 19' we were able to reduce it to \$5 million a year but have seen a little bit of a trend upward so I did increase the plan budget \$80,000.

Legislator Chagnon: Several departments have a charge for Worker's Comp surcharge. What is that?

Ms. Crow: It's just how mechanically have to do the budget. So every County employee has a Worker's Comp code attached to their position. So through the position budget module, it calculates the worker's comp associated with that specific title at a specific rate. But then, whatever the difference between what the system calculates and what the County's actual cost is, we budget for it in the surcharge line so that in total, we have to budget for what the County's total bill is for the plan. It's just a mechanism that we use to be able to budget the full amount.

Legislator Chagnon: O.k.

Mrs. Dennison: The surcharge also includes some adjustment for experience in individual (*cross talk*)...

Ms. Crow: The total charge to them is how the total amount is calculated. But this is not specific to the surcharge or not.

Legislator Chagnon: And then the refund of prior year expense.

Ms. Crow: Sometimes if we are – if we paid out a claim but then later something was adjusted, it comes back to us as a refund. Those trickle in year to year, every year, so we do budget for that as a revenue.

As far as, I will say, you wouldn't see it necessarily reflected here in the MS fund but when we allocate back out to County departments, for example, the County's share of the overall plan is \$2.3 million dollars. So some of that gets calculated when we calculate each position and that shows up in the regular Worker's Comp line. Then, whatever else is left over, like if the system only calculates \$2 million dollars, we still have to budget for \$300,000 somewhere and that is what we put in the surcharge line so that we have the total amount. I will also call out that we have less this year left over in reserve for former County Home employees. So, of the County's total amount that the County has to pay for, we had a reserve set aside for County Home employees who had Worker's Comp claims. So those claims are trending – they will eventually roll off but we do still have some. So each year, the amount of reserve that is covering part of the County's total cost is reducing. So by the end of – the change from what we used in reserve in 2019 to 2020, reduced, and by the end of 2020, we do not anticipate any reserves left over but we also hope that there will be fewer claims associated with the former County Home

employees. But there could be a little bit still coming through is where we would just – the County would be taking the burden of those cost if they are still remaining claims outstanding.

Chairman Scudder: How long do they have – I mean, is there a time frame on making the claims or are they still like in the process of –

Ms. Crow: These claims are claims that have already been made and we're still paying against those claims.

Chairman Scudder: But there is no new claims coming in?

Ms. Crow: No.

Legislator Starks: Can there be?

Ms. Crow: No. The Health Insurance, I would wait for Jessica. While I prepare all the financials for that, she is responsible for the administration of the Health plan. But the fund balances.

Fund Balances (Crow)

Ms. Crow: I guess maybe briefly we can talk about, that would be under the fiscal status tab. I can talk about some of the other fund balances and then on the return talk about more specific, more to do with the general fund balance.

I'll just do a quick rundown on the Schedule 1 under the fiscal status tab.

Chairman Scudder: We have about 5 minutes, if you can get through Human Resources.

Ms. Wisniewski: I probably could.

Ms. Crow: So on the fiscal status tab, the first page there is Schedule 1. The very front of your book under the tentative budget section. The A fund, general fund balance, we did propose to use a little more than a million dollars in the tentative budget. Nothing from the D fund which currently has a deficit and we'll talk more about that when we talk about the projections.

The DM fund, we are proposing to use \$627,000 from the DM fund which would leave little in the DM fund.

The energy plant we talked about. This \$387,000 is based on current operations that we would be running at a \$387,000 loss for next year so that would come out of the fund balance but then we may get the million dollars if we are able to finalize the agreement. So this could change a bit. It's just contingent on what happens with the new entity. But we do have some fund balance there to cover a loss should nothing change in terms of the current operations.

The landfill, Kathleen, maybe you can help me remember, we did put the debt service in there and that is what this \$470,000 is the –

Mrs. Dennison: That is the projected use of fund balance in the landfill. Yes there is some debt service expense in thereof, I believe, \$200,000. But keep in mind too, with the landfill, it

generally operates close to a loss because there is a (*inaudible*) depreciation in there. That is the current anticipated loss for the landfill.

Ms. Crow: Then the next three there or the next two are the sewer districts and then the sewer and water district. I'm sure they will talk more about what their budgets are and how that is reflected here in terms of their fund balance.

The Health Insurance fund is showing, I guess we'll talk more about that – assuming that we'll have a gain there which – there are a couple of specific things going on there that we'll talk about when we go through the Health Insurance fund.

Then the Worker's Comp, as you saw, there was no – that is budget neutral so there is no use of fund balance. It shows a negative \$4.4 million dollars and that is because that is showing – if we were to close down the plan today, that would be our outstanding liability so that is net of our liability.

Legislator Chagnon: In the 2019 tentative budget, it showed that as \$2.9 million.

Ms. Crow: In the Worker's Comp plan there was an increase in the IB&R, the way it was recorded and so I believe that –

Legislator Chagnon: That was the result of an audit?

Ms. Crow: We changed third party administrators and the way they reported the IB&R and then our actuary reported the IB&R, there was – in our opinion, potentially some duplication so that made it look greater but, we did negotiate it down. I shouldn't say negotiate but we talked through it and they adjusted their figures some but it still ended up as a net increase in the liability.

(emergency drill was initiated so break in action)

Mrs. Dennison: If I could go back to the "EL" fund, the environment, when we were talking about debt service. I'm sorry, I misspoke earlier, we've gone back and forth on the debt service budget for the landfill but currently we do not have that service expenses built into the budget. So the operating loss is the result of just the regular activities and we'll go into more detail on that obviously when we go through the landfill budget.

Legislator Chagnon: Kathleen, why do we have such a negative balance in the "EL" fund?

Mrs. Dennison: These fund balances are some of the good fund balances which include capital assets and so in the "EL" fund, the balance sheet is a negative fund balance because there is a big liability from closed landfills. That drives the (*inaudible*)...

Legislator Chagnon: That does not include the (*inaudible*)....

Mrs. Dennison: Correct.

Legislator Chagnon: So the total balance sheet for –

Mrs. Dennison: For the “EL” fund is –

Legislator Chagnon: Potentially positive?

Mrs. Dennison: I believe the fixed assets are approximately \$15 million dollars.

Ms. Crow: We had gone through Schedule 1. It just says fund balances on your agenda but I assume that you want or I don't know if you do or not, if you wanted to go through the projections which is an insert in the book. If you want to do that now, I would be happen to walk through. There are some things that I would like to point out but I don't know if you would rather have that as part of the Audit & Control meeting on Friday or part of this committee.

Legislator Nazzaro: What I would like to understand and we talked briefly, we have our audit report showing at the end 2018, the unassigned fund balance, or the general fund, is just over \$9 million dollars. Which is about 4% of the general fund expenditures. Then on here we are showing \$13 and I know there was an amount of, I think, \$4.5 million owed to the what, DM fund? No, there is an interfund transfer.

Ms. Crow: To the “D” fund.

Legislator Nazzaro: So, what I just want to get my arms around and I know we'll talk a lot more in Audit & Control is, what truly is our undesignated fund balance because we are, the proposal in the tentative is to use just over a million of that. I'm very concerned that we're just getting too low.

Ms. Crow: If you go to the projections, which is what I was asking if you wanted to go through the projections, they all build off of each other so it would be important to understand it later, picture a little bit how it all is working. But, the first page lists out the various assumptions used in the 5 year model for projecting the out years of expenses and revenues. I'm not going to necessarily go all the way through this list unless you have specific questions but it takes into consideration mainly the 2020 budget and then projects forward. I will be clear that the way the model is calculating, it's calculated based on an assumption that the tax rate stays flat, the valuation grows at a 2% each year and therefore what any net operating gain or loss, is what would be our deficit, you know, or shortfall, or surplus. So, if you get to page 3, top row, is the operating surplus/deficit. So if you're just – assuming the tax rate is going to stay flat, you're assuming that you are not using any fund balance and then you are assuming a 2% increase in the valuation, we would project 2021, to be short \$2.5 million dollars. So that means we would have to either have identified additional revenues, use fund balance, or find other reductions in order to balance our budget. But I just want you to understand how the model is set up. So by 2024, we're projecting a shortfall of \$4.2 million dollars. Again, that is assuming – if our goal is to keep the tax rate flat and our goal is not use any fund balance, we have to find some other way to make up \$4.2 million in 2024. Assuming all of the projections, in terms of expenses and revenues, come to fruition. I mean, there are assumptions for each revenue and expense as well.

Legislator Chagnon: I don't know that you have gotten yet to Chuck's question but –

Ms. Crow: That's the next page.

Legislator Chagnon: Chuck's question was, in the Schedule 1, it shows the general fund, unassigned, balance at the end of 2018, at \$13.6 million and the audit show it at \$9.1 million.

Ms. Crow: Yes. On the next page in the projections is a sheet that had the Schedule of fund balance. The detail of the fund balance that relates to our financial statement. So the total general fund balance starts out with all of the fund balance and then identifies things that are restrictions and reserves of fund balance until you get to about the middle of the page where it says, unassigned general fund balance. On here, I'm showing that it's \$12.4 million dollars. Now, what is not included in here is that, on the financial statements, the auditors included the due to, to the "D" fund on the financial statement as obligation, to the tune of about \$4.5 million dollars. That is not included here because, part of this projection in 2019, I'm going to talk about, is how we are going to address \$1.7 million dollars of that, which is the true deficit in the "D" fund. The remaining deficit has to do with the point and time of cash receipts at the end of 2018 from where our reimbursements came in after that. So, we had revenues that came in after the end of 2018 that were associated with expenses that happened in 2018 and therefore that was showing at the very end of 2018 we had a deficit of \$4.5, roughly, million dollars. One point seven of that we know is a true deficit. Since the end of 2018, we received the revenue to – that was reflected as a short-fall at 2018 for the (*inaudible*) the reimbursements that we were expecting. So as of like today, we would be showing basically a \$1.7 million deficit in the "D" fund.

Legislator Chagnon: And you said that \$1.7 was being addressed?

Ms. Crow: I'm going to talk about that next. So half a million dollars of that is we did receive notification for the extreme weather funding debt, we will receive about a half a million dollars in 2019 that we are going to apply straight to the fund balance for 2019 in the "D" fund so that reduces to about \$1.2 million dollars in the "D" fund. So, what these projections contemplate is that, if you go down just under the subtotal for non-spendable, you have the row that's called Self Insurance and in 2018, the ending reserve for Self Insurance, which is essentially the "CS" fund balance, our liability insurance fund balance, is \$3.2 million dollars. Now, for those of you who might remember when we had the fire in Dunkirk and we lost facilities there and we had an insurance claim, we received the insurance recoveries and we used them to offset the things that we had to replace but we still ended up with a net \$1.5 million dollars in that we've just kept in this reserve since then. We can – these aren't budgetary items, these are things that would just show as restrictions on our fund balance that is why it's reflected on this sheet only. They are not budgetary accounts so they are not in a line item in the budget for you to look at. The only place you are looking at is on here, on paper. So what this would show is that we would be using \$1.2 million dollars from that reserve to transfer to offset the "D" fund balance. So between a half a million dollars and the \$1.2 million dollars the "D" fund balance would be net zero.

Legislator Chagnon: That's why the Self-Insurance drops from \$3.2 to \$1.5.

Ms. Crow: Yes.

Legislator Chagnon: Thank you.

Ms. Crow: So now we are also showing that it drops – it actually drops down a total of \$1.7 million dollars, \$1.2 of it is to offset the “D” fund shortfall, another \$500,000 is just being brought into the general fund and it gets captured as undesignated fund balance so that is essentially increasing our undesignated fund balance by about a half a million dollars.

Legislator Chagnon: Right.

Ms. Crow: And then we’re using a million dollars in the tentative budget.

Legislator Nazzaro: What would be helpful, at least to me, and hopefully the others, can you take the column here, that has 2018 preliminary unaudited and replace it with audited numbers now that our audit is finished? I mean, because I want to deal with audited numbers and it’s projected – in this projection, it would just help me.

Ms. Crow: What is is going to do Chuck is that in 2018, I would show that - I can do what you want and it will –

Legislator Nazzaro: I have one other question. When you show on your projections, undesignated general fund balance, I didn’t print the entire audited financial because there is like 114 pages to it –

Ms. Crow: The hard copies are in your in-boxes. I put it in there yesterday.

Legislator Nazzaro: Then I’ll go grab it. In the – o.k., on the audited financials, isn’t the general fund, the “A” fund, “D” fund, and “DM” fund all considered undesignated?

Ms. Crow: They are all considered, yeah.

Legislator Nazzaro: And I think that’s the difference. They are reported as un –

Ms. Crow: They have separate column in the financial statements but yeah, they are distinct funds.

Legislator Nazzaro: In here are you rolling those all together?

Ms. Crow: This is just the “A” fund.

Legislator Nazzaro: Well that’s where I think there is a disconnect.

Ms. Crow: No, because on the financial statement in the column for the “A” fund they are showing that they’ve never shown the, due to, other funds on the financial statements. This is the

first that they have done this. Because there hasn't been a shortfall in the "D" or "DM" fund before.

Legislator Nazzaro: I'll pull the statements. I just want to make sure that when we look at what is available as undesignated fund balance, that, we're all using the same number. I mean, I just want to make sure we're using the same number.

Chairman Scudder: The actual number.

Legislator Nazzaro: The actual number. Again, now that we have the 2018 audit and you said that you would do it, I would like to see that actual numbers put in there, not what you're going to project and then what I want to understand is when we talk about the fund balance should be 5%, recommended, minimum of 5% of what, total revenues? Shouldn't we be including the "D" and "DM" funds because those are –

Ms. Crow: No, I mean, our policy is specific to the A fund. So when I adjust this, what you are going to see is that you are going to see an additional (*cross talk*) here, in 2018 that says, due to, and it's going to be \$4.5 million in 2018 and then in 2019, I'm going to show that as a zero because of the things like just said we're going to do. Because we've received the revenue in the "D" fund for the reimbursable expenses and so that is no longer a due to anymore and then we're going to reduce - we're going to transfer over the \$1.2 million to the "D" fund so then that would further reduce the due to. So in 2018, you see a due to of \$4.5 and then 2019 you are going to see a due to as zero. So the remainder of the remaining years will be the same.

Legislator Nazzaro: So what you are saying is, when you are done with all that, just replacing the 2018 we've audited, when I see the 2019 it's going to be the same number?

Ms. Crow: Correct.

Legislator Nazzaro: This would give me the comfort level because I want to do by due diligence and make sure I'm looking at the right numbers. Thank you.

Ms. Crow: In order to make this happen too, in 2019, we would propose a budget – we have to be in agreement I assume, we'll propose a budget amendment that would show the transfer of \$1.2 million from "A" to "D" as an interfund transfer. So we're talking about it now so if want to discuss that further, is that really what we want to do? Is there something else that we would – I mean, we are recommending it from a financial standpoint that that would be the responsible thing to do to address the "D" fund deficit and this is our proposed solution to do that. Other choices could be to reduce proposed road work for next year, things like that, to reduce what we are spending on transportation. That would be an alternate solution.

Legislator Nazzaro: My concern Mr. Chair is like in the audited financials, and we all know this, we've all been here, it says in the economic factors in preparing this year's budget, the auditor, our independent auditors where the report comes to us says, in addition to having to replace 2018 use of fund balance in the 2019 budget, the cost of operations continue to rise, sales tax revenue is dependent on economic factors, it can materially fluctuate from budget which is

derived from historical data. So they are giving us the warning that be very cautious with using the fund balance. I'm just very concerned that we're dipping now to sort of danger point in the fund balance where we have all these other unknowns that we'll talk about in Audit & Control, I know we will but some of them you have already talked about, like the million dollars for the energy, and we have the CSEA contract and all these other big ticket items. Then as Kitty and I were talking during the break, you have the tax cap, the tax levy's going up, so you have that whole puzzle that we have to try and put together.

Ms. Crow: That last page on the projections just shows you the calculation of how the tax cap, the (*inaudible*) is calculated and that is based on the change in the levy, not the change in the rate. So the formula that the State developed is, you have a limitation in how much you can increase the levy and that's what is capped at 2%. There are other factors that go into that calculation that can change from year to year so it's not always exactly 2% because if you didn't increase it to the full 2% allowed in the prior year, you can carry some over each year. So right now, for 2020 based on what our level is, our proposed levy is \$718,000 less than we we would be allowed to raise it under the tax cap without voting to override the tax cap.

Legislator Nazzaro: And the amount that we're under in 2018 and 19', you can't roll that.

Ms. Crow: The amount of rollover that is allowed is already included in this calculation. Just as another note, remember too, this fund balance projection and the tax cap calculation are based on, we have found a solution to the operating deficit that is projected. I mean, that still needs to be contemplated so that deficit that we're projecting by 2024 is not reflected as the use of fund balance and it's not – this is showing that we may not even be able to raise taxes in one incremental – by 2024, if we're still keeping the rate flat, we'd only be able to increase it \$1.3 million dollars whereas we have over a \$4 million dollar projected deficit. So you would have to override the tax cap if we change nothing between now and then.

Mrs. Dennison: So what Kitty is saying is that, all of these tax cap numbers, assume that there is a solution to a \$4 million dollar deficit that it's not associated with a tax increase.

Ms. Crow: Or use of fund balance.

Mrs. Dennison: Or use of fund balance so obviously that's a big question mark.

Legislator Nazzaro: And we have to be careful of – again, this is still early, is that if we're going to start considering raising the tax rate, if you wait too long, if you want until 2024, you can't make it up – I mean, it's just that we have to be cautious or be aware that if we don't do something this year, then it's going to be harder next year, next year, and if you wait until 2024, then –

Chairman Scudder: Lowering taxes is always a good thing but it's not always the best thing for the future.

Legislator Nazzaro: I know that we're going to have a lot of discussion on this. Since we're talking about fund balance and the projections I –

Chairman Scudder: Well we have total control over the fund balance though, right? There is no State minimums or they don't –

Ms. Crow: No.

Chairman Scudder: That's just a guideline.

Ms. Crow: Between 5 and 15% is not an official directive by the Comptroller's office. They don't really have a specific directive regarding what your fund balance should be but we've adopted a policy ourselves that says, that is where we want to be.

Chairman Scudder: But we're – it's ours.

Ms. Crow: Correct.

Legislator Nazzaro: I think the interesting thing is when you look at some of the graphs that our auditing firm gives us during the audit process, it shows that and I've been here. I've voted for all these budgets so it's not that – compared to some of the other neighboring counties, we are in good fiscal shape but we're not in as good fiscal shape as we have previously been because we're spending more than we're collecting. That's the bottom line. We're spending more than we're getting. We're reducing taxes and we're using fund balance and the one time shots, sale of the County Home and things like that, you are not going to have those.

Chairman Scudder: O.k., moving right along.

Health Insurance (Crow)

Ms. Crow: This would be tab 96. I finally had time to put together a little visual because the way the health insurance - this is just to kind of give you an overview of in general, how the expenses are captured and then what revenues come into the "M" fund and where they come from. The "M" fund, that is where we capture all of our expenses for the health plan. That includes our medical plan, pharmacy – medical plan we are fully insured, we are self-insured for the pharmacy, dental, and vision as well as we have a small plan for chiropractic. Then we have our County administrative costs. So, the box there to the left in department A.1710, sorry that's (*inaudible*).. I was thinking of the liability. Jessica's department so the Insurance office under HR, 1430, 1430 BENE, that should say, it's in the top left box where it says, A.1710, it should say A.1430 BENE. That is one of the sub-departments under HR that includes the administration for health insurance benefit. So the costs for that sub-department are charged over here to the "M" fund and then that shows up as a revenue in that BENE department. Then the total cost for the plan is paid for kind of by three groups. One is by the employee share for active employees, one is by the employer share for active employees, and then the employer share for retirees and then the retiree share. So, those groups over on the right are showing you how we pay for what's budgeted for in the "M" fund. So just kind of an overview and can redo it later but – any question on that bottom right picture Bob?

Also on a high (*cross talk*).. different components of the overall health plan are medical plan expense is expected to be – we budgeted for a 6% increase on the medical, a 1 ½% increase

on the pharmacy and then the dental and vision is kind of - dental, vision, chiropractic, admin costs are added in there so overall, the combined percent increase for the total plan is about 5.2%. The medical plan which is the largest component is budgeted at a 6% increase, based on most recent updates. We do feel that is attainable, we don't have the final, final rates yet but we don't expect it to be any more than that so we think we have a good number there at 6%.

Ms. Wisniewski: This morning we were seeing confirmation and haven't had a chance to speak to you yet but we did receive the rate sheets this morning for the 6%. We have to show that to George and again, that just came through today so that confirms the 6% in the medical.

Ms. Crow: So that's just as a high level and –

Legislator Nazzaro: And in dollars what does that – I know at the beginning you said like a million overall but –

Ms. Crow: That's just an overview on the percent increases that we included so if you want to go to the "M" fund in the summaries here, so kind of moving to – first, I'm going to have you go a couple of pages in to the first department that is M.1910, administration. This is the cost of, oh, another typo. It's so embedded in my head because we used to have all the insurance administration in 1710 and I still keep forgetting to say 1430 BENE but the note there should say allocation from A.1430.BENE and that's the Insurance office under the HR department. So those costs are what's charged from HR benefits to the "M" fund for administration of the plan as well as our third party administrator fees from Guardian who administers the dental and vision plan for us.

Then the next page, the 1930, this includes all of those combined premium costs for medical, dental, vision, the premiums that we pay basically for active employees. So that total for 2020 is \$16.6 million which is a \$279,000 increase. That is based on a point and time census of the elections when we initialize the budget roughly. If there is any other changes in terms of elections, that might occurred as we are doing iterations of the budget. It's not tied in that specifically but it's based on those elections.

Legislator Chagnon: That's almost a \$650,000 increase from 2019 projected.

Ms. Crow: Yes. The 2019 projected – the projected number is based on our actual elections this year so the 2020 includes full benefits for the full year for all positions, I guess, would probably be that so in 2019, her projections could be based on whether someone had a family of two, or single, or family of three, so that changes throughout the year. So what we budgeted for - there is a lot of factors that can go into what our actual costs are. People's elections changed during the year, new hirers come on board, the new hirers only have the option for the high deductible plan across all of our unions so the budget assumes that what everyone had elected in June of 2019 is what they will elect for 1/1/2020.

Legislator Nazzaro: Could you provide us with a number what – because a lot of people, we've heard it several times during the budgets that people were in the high deductible flipped back to the PPO plan, can we get a cost of what that net in this budget? In other words, if they were to stay in the same plan that they had, because that was a big discussion when we

approved contracts and we did other things and I for one was very concerned that people would flip back, take advantage of the free ride for one year and then flip back. So i would like to know, what does that cost? Is it a half a million dollars, \$200,000, you must have that statistic.

Ms. Crow: We can get something. We've talked before about the census and how many people, what the change in the elections were. It does get a little dicey because sometimes people - (*inaudible*) to do a one to one thing because people opt out, people change whether they had single or family but we can –

Legislator Nazzaro: Just for the ones who were in the high deductible and then flipped back –

Ms. Wisniewski: Are you talking about those who were on the PPO in 17', chose the high deductible in 18' and then switched back in 19'?

Legislator Nazzaro: Exactly.

Ms. Crow: We'll have to do that on an individual basis because we just can't look at the total number of who elected high deductible and – we'll have to look at that – again, like I said, we'll have to do individually because it's not a net change in elections because we have new hires electing the high deductible plan.

Legislator Nazzaro: Right, but I think Jessica just worded better than I did, the ones that were in the PPO, went to the high deductible and back. Not new hirers, none of that.

Ms. Crow: We can do that. I'm just saying it would have to be looked at on an employee by employee basis. It can't just be, run a report and see the total elections.

Ms. Wisniewski: I am sure you are talking about 6300?

Legislator Nazzaro: Yes. The only reason for that is I'm trying to quantify my mind when we talk about health insurance went up a million dollars. You have the 6% premium increase, you have other factors that caused this to go up.

Ms. Crow: This went up \$279,000 from the prior year budget. You are right, but also keep in mind if you are looking at it in aggregate across all of the departments, we have incremental positions budgeted as well from 19' to 20'.

Mrs. Dennison: That million dollar increase is looking at the health insurance budget expense line for "A", "D", and "DM" funds, for those operating departments. So that premium went up a million dollars. So as Kitty is mentioning, I mean, there are a lot of different factors in there so it does include the impact of additional people, some additional FTE's, most of which are funded, but there are additional FTE's, there are changes in elections and there is a change in selection of plan.

Legislator Nazzaro: That all rolled into one.

Mrs. Dennison: All rolled into one (*cross talk*) attribute to that million dollar change. As I mentioned, it isn't really the complete picture because some of that million dollar expense is funded but just a (*inaudible*)....

Ms. Wisniewski: And the financial individuals at this table may know this question but I'm just want to ask you Chuck, are you looking at, like let's say for example, if they had stayed on the PPO all three years, they didn't go PPO, high deductible, PPO, and they went PPO, PPO, PPO, how much what would have cost versus what, saving money that they went in the middle of the year to HDHP, because even with it being fully funded, there was money that was saved. So I'm kind of questioning what cost you are looking at?

Ms. Crow: Actually if you are comparing to what they would have other wised chosen, they would have other wised been on the PPO, so there would have been a net savings over, it wouldn't cost us anymore than it did. It would have cost us more.

Legislator Nazzaro: I don't want to make this complicated but I guess I'm just trying to understand, o.k., if those who were on the PPO that went on the high deductible, if they would have stayed on the high deductible, this year, they were in the high deductible, whatever they were in, if they were to have stayed in that but now they went to the PPO product, because the first year they got covered, they had no out of pocket costs, correct?

Ms. Wisniewski: Right.

Legislator Nazzaro: New hirers have to go into the high deductible, so what was that additional cost to us because the expectation was, we hoped that they would stay on the high deductible.

Ms. Crow: But more of them did stay on the high deductible than what back to the PPO so I believe the figures will still show a net saving but we'll come up with something for you.

Legislator Nazzaro: I'm not trying to make a lot of extra work, I'm just trying to get a handle on this.

Ms. Crow: I think it won't be too much, I just want to be – a lot of people did stay on it more so than those that went back and for that one year they were on it, they did save the County money.

Legislator Davis: Can those people that stayed on it, still flip for next year?

Ms. Wisniewski: We're currently in negotiations for 6300 but yes, currently, they can.

Legislator Muldowney: So they still are?

Ms. Wisniewski: For 2020, currently, unless whatever happens in negotiations before then.

Legislator Nazzaro: Because unlike the Sheriff's union, is that the one, they all went to – didn't one bargaining unit –

Ms. Crow: The deputies.

Legislator Nazzaro: Yeah, they all went into the high deductible. They can't flip back.

Ms. Crow: Since we have implemented the plan, it had very – even when all of the bargaining units had a choice, once they were on the high deductible plan, the majority of them stayed on the plan once they were on it. So, we have had good retention. So the fact that anybody chose it two years in a row, that would tell me that they are most likely to stay on it because now they are building their health savings account, they see the value in being on that plan, and they are going to stick with it. So I think there is little risk for further people to flip back. If they did it would be because they would be disgruntle.

Ms. Wisniewski: It's difficult to compare the different unions as well because as you know, DSAC(?) was able to get something in return for that. We also, in 6300, it was an uphill battle. I don't want to get to involved in the conservation but I'm saying it's definitely a strong presence of years that PPO was better or I don't want the high deductible and fighting that and being able to show them that we're not trying to undercut them in any more of way but it's a benefit for both the employees and the County.

Legislator Nazzaro: I what's important is this type of discussion so in the future budgets that we're just aware that there is an impact. It's one of those risks, I guess. It's one of those items you put on the list saying, this could happen, (*cross talk*) –

Chairman Scudder: (*Cross talk*) switch back. They probably won't, but they could.

Ms. Crow: Still on account 1930, the revenue in the departmental income there is what we bill back to departments for County sponsor. I'll refer to this as expenses that are fully paid by the employer. There is no employee share to these expenses and therefore it's just the cost that is allocated back to the departments for wellness benefits, our broker, our EAP provider, telemedicine, and flexible spending account administration. We will those fees back to the County department.

Legislator Chagnon: Why did that drop so much Kitty?

Ms. Crow: Well some of it is – I'll have to look at the detail on that. I don't recall off the top of my head. I know for example, some of the flexible spending account costs have come down over the years because with more people on the health savings account, they can't have both, the flexible spending account and a health savings account. So the administration of the flexible spending has gone down significantly. I'll follow up on that because I think there is more to it than that.

Legislator Chagnon: It's budget neutral in total.

Ms. Crow: Yes, in total.

Legislator Chagnon: Just a curiosity question so don't spend a lot of time on it.

Ms. Crow: Under M.9060.9999, this is where we record the revenue from the employer and employee contributions for the active employees. This budget is kind of little disjointed in the sense that some things are budgeted in - expenses are budgeted in one place, the revenues in another place so it's a little bit hard to follow. This is just the offset revenue from the employer and the employee for premiums for the specific elections. Our rebates are trending upward. We did receive significant rebates on the pharmacy in 2018. Currently projecting about \$500,000 this year. I've tried to keep this budget kind of flat because it really is - it just kind of depends on what medications somebody might be using in any given year that we get these refunds on. So they can fluctuate. Jessica has been working with a consultant we have on the pharmacy so we feel pretty good about increasing that to \$600,000 for next year.

Then 9089.8000, this is what gets charged out to County departments as the health insurance surcharge which is the cost for the retiree benefit plan. So, we have the premiums for the retiree benefits and the FICA/Medicare, that's for on the cash out payments. I did increase the amount for retiree cash outs. It just keeps going up. We've been trending about \$200,000 increase year over year in our actual expenses. So, I based the 2020 budget on that trend. So budget to budget is more a significant increase than \$200,000 but I'm basing it really on what our actual trend is. We hope, I've been saying this probably, it seems like the last, at least four years, that we hope that the retiree trend is going to start to fall but we're still seeing an incremental increase in the number of retirements each year. I mean, at some point it's going to have to drop off but we know our current demographic is at retirement age. A lot of our employees are at retirement age and we're continuing to see a high turnover for retirement. Then the revenue there again, is the employer and the retiree contributions for the retirement benefit.

Legislator Nazzaro: I may have zoned out but the pharmacy costs, I know we're self-funded for that.

Ms. Crow: We've had pretty good trends on the pharmacy and we're budgeting for 1 1/2% increase.

Legislator Nazzaro: Did you already say that?

Ms. Crow: Yes.

Legislator Chagnon: So on the detail, it shows that the telemedicine cost is \$40,000 for next year but it was only zero in the 2019 budget.

Ms. Crow: That was a negotiated item that was included in the 2019 budget as part of negotiations but the budget had already been adopted. It does say that they have to meet a certain minimum of participation for that to be renewed. They did meet it so it is included in the budget for next year.

Legislator Chagnon: Thank you.

Human Resources (*Wisniewski*)

Ms. Wisniewski: If it's o.k. with everyone, I will start with the local share summary. The local share summary, if you look at the local share, overall you will see a decrease in the adopted budget from 2019 to the 2020 budget of \$15,789. I'll go through if you go to the next for position account summary. There wasn't any changes except for a .05 that was increased in the BENE, benefit department. It was a very small percentage change in the allocation of how much was being – what percentage of the day or annual percentage with health insurance. It has been a lot, especially with negotiations with myself and Eric in working on insurance. But again, it's a small amount in the change of the FTE but other than that, there hasn't been any extra people or less people in the office.

I'd like to go through each sub-department. The first one is the 1430. You'll see the .1's and the .8's, they are an increase because of incremental steps and the managers 2% and also retirement and health insurance. However, we did look at the .4's, contractual, and you'll see a negative \$31,047. We were hoping that we would be able to add a part time position so we really tried to cut as much as we could with .04 but fortunately that was not approved at the County Executive level. But either way, we still have a good amount. Sixteen thousand eight hundred of that \$31,000 is a transfer of the 60% of the police physical costs to the Sheriff's department. I want to make note of that just to say it's not technically a cut in the overall budget but it would be in HR. It's something that was a cost incurred by HR that I didn't feel over the last couple of years, should be something that we incur. I think that when there is a turnover and new hirers that the Sheriff's administration should incur those fees so we did ask budget to be able to transfer that to a HR. Because as you know, we do not have much revenue that comes in so we're looking to cover that going forward. But the other bigger piece is, all the .4's if you look at the individual lines, have been cut. One big one being a newspaper advertisement. We've really have been trying to focus on Indeed.com(?) so you can do that for free. There is a lot more administration to it in having to keep at it every couple of days to clear it out and send notifications to the applicants. But we've been able to cut newspaper costs. Not that we don't want to support the local newspapers but unfortunately it's a very expensive cost to do so (*inaudible*).

Legislator Chagnon: Jessica, how do you come up with the amount of 60% to be transferred to the Sheriff?

Ms. Wisniewski: The cost in total is, the municipalities, we pay for the physicals as well as the County's and we looked at 2018 and what percentage of the total cost was municipality versus the County. Unfortunately we can't do anything about paying for the municipalities physicals but we felt with the County's at minimum, we could move those into the proper account.

Legislator Chagnon: You moved all of the Sheriff's related expenses to the Sheriff?

Ms. Wisniewski: Yes.

Legislator Chagnon: Got it, thank you.

Ms. Wisniewski: With the approval afterwards.

Mrs. Dennison: The Sheriff gracefully accepted that expense but as Jessica pointed out, it's not a net savings to the County because there is an increase in the Sheriff's budget. Just a transfer.

Ms. Wisniewski: And then we put just a small amount, \$6,000, of revenue that we anticipate because we are seeing a lot of turnover within the County and that means more exams, more hiring. The exams and fees, we're going to see an increase in revenue with those who are taking those exams. Overall in the 1430, with the increases and increment steps, and retirement health insurance, we're still at a negative \$17,800.

If you go to the next, the 1430.BENE, again the .1's and the .8's increased for the increment steps, the managers 2% that was budgeted and health insurance but we were able to shave a little bit off the .4's based on having a full year of history at this point for health insurance. It's not much because the budget wasn't really that much to begin with but, \$8,000, so we shaved about \$2,400 off what we anticipated using in 2020. Any questions?

The lastly the 1430.COEM, this is only the 6300 Union President salary and benefits. It appears that he had an increase in his .1 and .8. I think that was due to an accounting function not because he received an increase.

Mrs. Dennison: He's at the highest step but now we're budgeting it for it day by day and so mathematically number of days change so there is a little bit more money in 2020.

Ms. Wisniewski: And I think he has more longevity.

Legislator Niebel: This is Steve?

Mrs. Dennison: Yes.

Ms. Wisniewski: Any questions? I did hear that you may have some questions about the harassment.

Legislator Starks: I'm curious, how frequently would our employees perform investigations?

Ms. Wisniewski: Employees perform?

Legislator Starks: In the past, there was designated employees that would do investigations. How frequently did that come up that there was a concern? I realize the Legislature changed but I'm just curious.

Ms. Wisniewski: We have a spreadsheet of all of this so I'm pretty sure about the numbers that we have of each one that was filed. And it was in between 12 to 15 every year, previously. Last year it was about 5 and this year so far has been 4. The reason for the drop in so many was, one; when someone filed a harassment complaint it was and I have used this example maybe in here but I've definitely used it with other folks, that you have someone say, she flipped

on the light, I'm flipping it off and they are going like this in the hallway. That is ultimately and that is what was investigated. It didn't matter what it was about, you had employees that were going out and investigating those. That is not what the State is claiming is harassment. Yes, it has to be discriminatory in nature -

Legislator Starks: That was my other question. How many of those investigations were found to be founded?

Ms. Wisniewski: Only one in the last several years. It was earlier this year.

Legislator Chagnon: So now we're going into 2020 and we're hiring a firm to do investigations for liability?

Ms. Wisniewski: We've already had in 19' and the end of 18', we had a firm that were investigating these and the only one they investigated was, there was a sexual harassment complaint, there was an age and discriminatory (*cross talk*).

Legislator Starks: If the claim met the definition anyway.

Ms. Wisniewski: Right, not the light switching, no. What I would do with those is, most of the time I would sit down with that person who filed and talk through it and then discuss it with if it had to be George dealing with the situation. If it didn't rise to that level, I would talk to the department head, manager, or supervisor and say, you need to speak to your employees and handle the discord that is going on between your employees and your staff. And that doesn't need to go to the level of investigation. As we can see, it can be very costly when we do these types of things but unfortunately if we don't do it properly and don't spend the money, we could be in higher courts with this and be fined a lot more than what it cost to investigate it.

Legislator Chagnon: So Jessica the question arose because in 2018, we had no expense for this, claims investigation. In 2019 through half year, we're at \$19,000 and we're projecting \$45,000 for next year. So you are anticipating an increase in the usage of this claims investigation?

Ms. Wisniewski: Only if there's a – that meet the definition of now our new harassment policy, the training. If it meets that, then yes, there would be an outside firm that comes in to do the investigation. Prior to that, even (*inaudible*) the higher level, the lower level claims, we had employees going in and I found when I came in that that wasn't the proper way to be conducting investigations. One, they weren't trained properly and two; confidentiality reasons.

Legislator Chagnon: So you implemented the claims investigation service in 2018, so your experience since then has not been dramatic but you are budgeting for \$45,000 for next year?

Ms. Crow: I prepared that budget so I can speak to that a little bit more. What you are seeing in the actual is not – we did an amendment already this year to this DS fund for some of

this expense. So some of the costs have been incurred since the cutoff that you see in the actual here so they are closer to what we're budgeting for, for next year.

Legislator Chagnon: O.k., thank you.

Chairman Scudder: O.k., thank you very much.

Mrs. Dennison: Additional clarification on tax exemption. At the fire drill, I was able to talk to Assistant Director of Real Property Tax, Kim Meleen, she said that most of the properties –there is a specific statute that guarantees them tax exemption. The ones that say, statutory authority not defined are ones that don't have a specific statute. Examples would be government buildings like this one, churches or properties owned by the Land Bank. So she and then Jim Caflisch responded also that the only reason that that designation would change is that the property is sold to a private entity and then it would become taxable.

Legislator Chagnon: So there is no statutory authority for exempting churches or government buildings?

Mrs. Dennison: Yes. I asked her twice. I said, churches, there is no law that says churches are tax exempt, so why are there? She said, no, they just have to submit a letter describing a reason for their tax exemption.

Clerk Tampio: It's up to the local authority.

Chairman Scudder: Does that mean, some are and some aren't?

Legislator Chagnon: We don't have to exempt them?

(cross talk).....

Legislator Gould: How do we know they are still in business then?

Chairman Scudder: Drive by on Sunday morning.

Clerk Tampio: The assessors *(inaudible/cross talk)*... Do you want me to get ahold of Jon DeAngelo and ask him to come this afternoon after the Legislature and that will back it up a little bit?

Chairman Scudder: Sure, so we're going to go right to Board of Elections?

Clerk Tampio: Yes. I'll contact Jon.

Committee recessed for lunch – (12:23 p.m. and reconvened at 1:31 p.m.)

Board of Elections (*Abram, Green, Sanderson*)

Chairman Scudder: Alright, welcome Board of Elections. What do you have for us?

Mrs. Dennison: We have been suggesting to departments that you walk us through the local summary. The budget summary essentially. You should all turn to tab 41.

Chairman Scudder: The (*inaudible*) we have in front us is what we have been talking about.

Ms. Sanderson: The summary, o.k..

Chairman Scudder: Unless we have questions off the page, we expect accurate, precise information.

Ms. Sanderson: Would you like to begin with the FTE's?

Legislator Gould: Yes.

Ms. Sanderson: You can see that we are going up 1.1. That is due to our additional part time, seasonal part time, election staff due to the Presidential year, of extra elections, primaries, we will need additional staff to help carry that out.

Legislator Gould: It says part time but yet it says full time.

Mr. Green: You have to talk to Finance about that, they put all those part times and then come up with one full time.

Mrs. Dennison: Janelle I think could probably best explain that.

Ms. Hansen: It's a bunch of partials that just add to 1.01 together.

Legislator Nazzaro: And that's based on 1950 hours?

Ms. Hansen: It's based on the number of hours that they provide us.

Mr. Green: The 1950 is what a full time person is?

Legislator Nazzaro: Yes, so an FTE is equivalent to 1950 hours.

Ms. Hansen: Some departments are 35, some are 30, some are 40, so it just depends.

Mr. Green: We're a 35 hour –

Legislator Nazzaro: So 1860 or whatever it is.

Mr. Green: What always throws our FTE's off is we have a whole bunch of people that are contractors. Those people as you walk in on election day and they are your election inspectors and we treat them in the County, we give them 1099's, they are contractors but they are not contractors. They are employees in every inch of the way but it's a way for the County to handle those election inspectors. Then, election inspectors, sometimes because minimum wage has increased, for one reason, their hours have increased, we have early voting and we got more hours which brings us to this year, they move up into being a classified employee. So when they are in that 1099 section, they don't show up. They show up as being a contractor. Does that make sense? It doesn't really make sense to me.

Chairman Scudder: So we're not actually adding a person, we're just increasing –

Mr. Green: There are no more people. No new faces are coming to work at the Board of Elections. We'd like some.

Ms. Hansen: They are kind of backwards from other departments. They give me a dollar amount that they need to have (*cross talk*). So I take that dollar amount and turn it into a partial FTE. So their FTE's really fluctuate based on hours more than anything.

Mrs. Dennison: And as Norm said, the election inspectors are budgeted as contractors, not as personnel.

Mr. Green: On election day, as you can imagine, we have about 500 and some people who work for us. We are the biggest department in the County one day of the year.

Mrs. Dennison: So I think Donna if you just move onto walking us through the summary which there is just one page for the Board of Elections because it's just one department. A.1450.

Ms. Sanderson: We have a slight increase in personal services again, that would be just because of additional hours that the full time staff will be putting in or any staff that is on payroll due to the Presidential and the extra primary year. Our equipment is going down \$110,000 because last year we did – we budgeted for 9 new machines to be placed out some of our older machines that are now 11 years old. We have now moved that money to the capital plan. Every year we'll purchase another 9 machines to replace our supply. That moves us down to the contractual. We have an increase of \$81,555 there. The majority of that cost is due to our inspector pay as we once explaining. We will be adding on additional inspectors this year to be able to help with the Presidential election. Minimum wage is going up another 70 cents, I do believe so that was taken into consideration.

Mr. Abram: The primaries have been expanded. It will no longer be noon to 9. It will be 6 a.m. to 9 for all primaries in New York State starting in 2020 which is an additional obviously hours to be spent on paper costs across the County and then this scenario could potentially create longer days or longer times, I should say.

Ms. Sanderson: This takes us down to the employee benefits. That kind of speaks for itself. That's the increase in retirement cost, employment cost, we also – we placed a full time

staff person and brought someone new in. That takes us down to the revenues. We have an increase of our shared services. The Board of Elections provides services to the villages of Chautauqua County, along with our school districts. We'll move down to the New York State aid. This year we did utilize our grant that we have for HAVA, Help Americans Vote Act, for some of the purchase of the machines, to help with some of that cost. That's us in a nutshell.

Mr. Green: During the last day of the budget before it rolled up, we had a \$55,000 cut in election inspector pay. The truth is, you can cut all you want but the State law tells us how many election inspectors that we need to have at poll sites as Terry can tell you. You can say, hey, I'm going to cut \$50,000, we can't suddenly say, oh gee, you're poll site and mine is only going to have two election inspectors. That is not within our ability to make that decision nor would we in good conscientious have that situation there. So, that cut that came down at the last moment on the last day of the last hour, it was a big cut because we can't do it.

Mrs. Dennison: Some of the, what Commissioner Green is talking about, the County Executive in the final phases of changes, we did reduce the election inspector pay by \$55,000. There is the upside of the – upward pressure on election inspector pay because there is an increase in minimum wage and there will be expanded hours but we are hoping that there could also possibly be some economies if we look at how the staffing was done for the election inspectors. There are some districts that could possibly could be (*inaudible*) or combined.

Mr. Green: We get punished for being efficient in the past, we've already made economies. Fredonia being a perfect example. You have five election districts, State law says you'll have four election inspectors for every election district and that would be 20 election inspectors. We have (*inaudible*) with 20 since Terry left. We run usually at 14 or 15, so we've already met the economies. To suggest that hey, we have new economies, you can't run below – you're in an election, we appreciate your service, we can't run below what we have now. We already made the cuts. To sit back and say to us, oh gee, we want you to make more cuts, we would if we could but we can't so we don't.

Mrs. Dennison: Can any of the districts, like Fredonia, multiple election districts, can any of those election districts be combined into -

Mr. Green: No, we did that in 2009.

Mr. Abram: We went from 88 poll sites to 50.

Mr. Green: When Terry was there it was 134 election districts. We're now down to 99 election districts. Went to 88 poll sites, went down to 50 poll sites. When we combine a poll site, Town of Harmony, when we combined your poll site, we had four out at the highway building, town offices, and we had four down at the fire hall and now we're at the church. That would be 8 people right. Well, we would put 6 there, as you know.

Chairman Scudder: I think we put five.

Mr. Green: Every time we combine, we do it. Can we have one big super poll site for all of Chautauqua County, no. You have to have 29 – your minimum amount of poll sites is technically 29. You have to have one inside of every jurisdiction in Chautauqua County. We're at 50 then you talk about the cities, are we going to have one full size in the city. Not too bad (*inaudible*)..., there isn't a single place that has that much parking in the city, in the City of Jamestown or Dunkirk. Don't know where this place would be with all of these parking spaces. We've been doing it all along and the answer is and I hope that you recognize this, we haven't done it with fanfare, we haven't put out press releases but we have been cutting our election inspectors – we're below what we're legally required to have right now because Brian and I said, hey, we're going to use common sense. Fredonia is our best example. Fredonia, we sit there and we don't run with 20 poll sites, net 20 election inspectors, never have, but State law says we're supposed to. Now in the case of again, Mina, hey, the truth is, you are a pretty small town, it's a pretty slow poll site but there is a minimum level. People do need to go to the restroom, we're kind of funny that way in the United States, so you need four election inspectors. The cut is not sustainable. What is going to happen is, if we continue that \$55,000 cut on election inspectors, what is going to happen is, next year, we're going to be over \$50,000 if we have all the elections we expect to have. And next year, we definitely can't be short. Chautauqua County is going to do a very poor job of turning out to vote this election. That is what history says, but, they are not going to do a poor job next year. For the President, they are coming out to vote. That's an election that everybody knows and understands so it's not a year where we can sustain cuts.

Chairman Scudder: Do you think the early voting will relieve some of the traffic, or who knows?

Mr. Green: I think so, he thinks not.

Mr. Abram: I think people are creatures of habit. I think it will be maybe the flavor of the month the first year maybe, but I think in general people like going to the poll site and seeing the familiar faces and doing their routine. I think voters vote. Do I think it will take the pressure off. Not to the degree that I would hope so. I hope that I'm wrong, I hope at the Mall, in our office area, and the down at the Fairground turns out to be a bonanza. It would be awesome for election day to basically maybe do some of the things that could turn into the economy of scale and not hire as many people on election day. Do I see it? Hopefully I'm wrong but I don't see enough of an influence of early voting to change the dynamic of election day here in Chautauqua County.

Mr. Green: We're a hard department. I mean, our budget is tested after the budget has been adopted basically. It's right there at the same time so is early voting going to do what we hope is going to do? We'll tell you December 31st which will be too late as you have already adopted your budget.

Legislator Niebel: One of the things that the Board of Elections has done in the last few years and actually they have done it quite well, they've taken on more school districts, more villages, that's an added expense to the Board of Elections. The only question I have is, and you've appeared before the Legislature last month Norm, as far as early voting, it is covered this year but not next year in the 2020 budget as far as additional State aid, correct?

Mr. Green: We don't know. As you know, the State adopts their budget next year.

Legislator Niebel: I know.

Mr. Green: So we won't know until next year what is covered for next year.

Legislator Niebel: But as of right now –

Chairman Scudder: But there is nothing (*cross talk*).

Mr. Abram: Correct.

Legislator Chagnon: How much additional aid was that for this year?

Mr. Abram: Two grants, \$195,000.

Legislator Chagnon: One ninety five?

Mr. Green: Two different grants. That includes, one tenth of it is for purchase of equipment. We're going to electronic poll books.

Legislator Chagnon: So, that's done.

Mr. Abram: A \$110,000 sounds like a lot of money but when you are buying poll books for each election district, you buy 110 of them at \$1,000 apiece.

Mr. Green: Well, it takes a little more than \$1,000.

Mr. Abram: In a general sense, that one grant will catapult Chautauqua County into electronic poll books, full blown as of 2020.

Legislator Niebel: But the other \$85,000 was for early voting.

Mr. Abram: Early voting, trying to do things that are necessarily, obviously from the additional cost.

Mr. Green: So the future electronic poll books, talking about efficiencies is, Fredonia is always our best example because that is our five districts, you'll be to go to a table and sign in. our hope is, we're going to have ballots on demand, you are going to be able to sign in at that table, all your names will be in there and hopefully the efficiencies are coming. We're working at it.

Legislator Gould: What is the penalty if the State catches you cheating on the number of people you have working?

Mr. Green: Well, we have been cheating now for 10 years and we haven't been -

Legislator Gould: What happens if they catch you?

Mr. Green: What happens is –

Legislator Gould: Take away some of your finances?

Mr. Green: No, they are not taking away anything. There is no (*inaudible*) stick out there. If we are on the front page or the newspaper on the day after the election and one of our answers was, we weren't at the legal limit, well then, we're in trouble but we're willing to do what we're supposed to do to make sure that that doesn't happen. That we're not in the newspaper but there is no penalty. If we want to have 10 people working in Fredonia and last year, I will tell you the truth, you both know this, we got caught. We go skinny. We could have used a couple more inspectors that last election. Where we successful? Yea, we were successful but not as successful as we want to be but that's what we're going to do in Chautauqua County. I want to challenge you to go out there and talk to other counties and find out if they are doing efficiencies that we're doing. All we're asking is, don't take way our resources to allow us to do efficiencies if we've already been productive in what we're doing and we're ahead of other counties as far as their spending goes. Challenge you to bring it back to us. We know, we're confident that we've been frugal, when you have given us money, we're not out there just blowing the money away. I apologize for getting on my soapbox.

Legislator Gould: If you are cheating a little and there is no penalty and you are not getting caught, you can cheat a lot then.

Mr. Abram: We do. We push the efficiencies to the levels that we know we can get away with, in a general sense, like Norm was using the examples. You take a Stockton when they were together, there was 8 people all hanging on top of each other in this very small area, we realized really quickly that we could go with five. We've done this enough to know that five will be comfortable in Stockton at a certain spot, in a certain way. Again, like Norm said, we don't do jus labor when it comes to efficiencies. It's how many machines do you need, how much equipment needs to be shipped, all the things that are necessary to run these poll sites like a little business on that day. There is a continuous evaluation and we produce the ballots that will match the closest amount of what is going to be used versus the overages which other counties, obviously, have 60, 70, 80% that they are throwing out the next day. So, behind the scenes, there are a lot of efficiencies, not just labor costs. There is cost that we have been trimming back and back and farther. I would like to have more super poll sites and where they are and what's the location is the next spot because they are just not there for us. But as far as labor costs and pushing the envelope of efficiencies, it should be a law that allow the Commissioners to make management decisions, that don't you to the law that you've voted. We do the best we can but we're not going to give Mina less than 4 because like Norm said, just out of human need, 2 Republicans and 2 Democrats, someone has to go on break, someone has to go to the bathroom. We understand the management, we can't cut any farther, I don't believe. Not with labor.

Mr. Green: Our next time we're actually going to be able to look at serious efficiencies in 2022 and that's when the Legislature redraws its line and when you redraw your lines, we're going to be looking at – we already have our eyes on election districts. We want to combine and

you are not legally allowed to combine at this point and time because of the census. The census, Federal law does not allow us to combine and election district three years before the census goes out. It makes sense, you are doing the senses for political purposes and drawing political lines. So in 2022, we're already discussing what is going to happen. I would hope that the next time that we do a better job (*inaudible*) Board of Elections so that we don't have lines that could have been better lines and that's in 2022, four years away.

Chairman Scudder: Any other questions or concerns? Everybody's good? Do you have anything else for us?

Mr. Green: Thank you for having us.

County Clerk (*Barmore, Mihalko, Sweeney, Henry, Calhoun*)

Clerk Barmore: In case you don't know me which I don't think there is anybody that doesn't know me but I'm the County Clerk, Larry Barmore. Kathy Sweeney, she's our Senior Audit Clerk. She puts the whole budget together and makes it work year after year and I'm really proud of her, she does a great job. My Deputy, Kie Mihalko, she kind of doubles as office manager and she is currently overseeing the DMV as Director Supervisor. Barb Lucariello retired last year. Michelle Henry, our Records Management Coordinator and County Historian, and Bob Calhoun, he's our Director of Weights and Measures. I guess if you want an overview of the budget that would be Kathleen.

Mrs. Sweeney: Overall our FTE's are the same. We don't have any changes in any of our departments. County Clerk, our personal services are down a little. We have a girl who's on maternity leave and she's going to come back part time for 3 months so we are going to be able to save a little there. Contractual down a little bit because of the centralized purchasing and just other (*cross talk*) that we have made. Employee benefits are down, just lower rates and our full time to part time employee that helped there. Our revenue, we did reduce that a little, just the current trend, we're just not – maybe you can add to that.

Clerk Barmore: People are buying houses like crazy but our deed recording is down. Don't ask me why.

Deputy Clerk Mihalko: People are combing parcels more.

Legislator Chagnon: If you look at the detail on your permits, they are going up \$9,000 and last years to this year's budget to \$15,000 next year and then your fees are going down by (*inaudible*)

Mrs. Sweeney: Our permits are - we have abstract companies that have computers in our office and are networked into our computer so they are able to access our records and that is why that is up because we have companies that are adding computers.

Clerk Barmore: Plus, I increased their rent and it's still way to low and they complain so we'll see where we go from there.

Deputy Clerk Mihalko: We'll go to the DMV. We always have changes in staff and vacancies in the DMV. We do have somebody who has been here a longer time who is going to retire next year. We have a little bit more there. We made reductions to kind of offset those increases and we have an increase in health insurance elections also. People are adding spouses and (*inaudible*) having children but adding spouses. Other than that, we kind of kept a lot of the DMV the same. There is really not much change there.

Legislator Chagnon: You have a payroll allocation in this budget that you didn't have in the previous one.

Deputy Clerk Mihalko: I'm sorry, what's that?

Legislator Chagnon: You have a payroll allocation in this budget of \$54,050 that you didn't have before.

(cross talking)

Clerk Barmore: Oh, you are talking under the Clerk and not the Motor Vehicles?

(many responded, no)

Mrs. Dennison: I will look at the details.

Legislator Chagnon: We can go on while Kathleen is researching that.

Mrs. Dennison: Do you have any other questions for the Clerk?

Deputy Clerk Mihalko: Do you have any questions for the DMV? We kind of went down on our vacation buy back, went down on our longevity because we had that longer term employee who is not going to be here anymore. We cut where we could.

Legislator Starks: This is just a curiosity question. At a meeting months and months ago, Larry mentioned that when you renew your registration in person rather than on line, what is the significance of that for you? Because ever since then I always go in person.

Deputy Clerk Mihalko: We get a cut whereas if you do it online the State gets the whole thing.

Legislator Starks: What is the cut?

Clerk Barmore: It's 12.7% when you do it locally but the State has come up with this program where and they don't even really tell us the numbers, they give us a percentage of the online renewals. They have a certain number that they come up with as a threshold and you get nothing to that point and once you go over that, then they give us a portion of the renewals on line but I think it's only amounts to \$7 or \$8,000 a year.

Mrs. Sweeney: We don't start getting it until about June because you have to get to a certain threshold.

Legislator Starks: When like when people pay in person, then you get your cut.

Clerk Barmore: We get 12.7%. It's been that way for, as long as I have been here and was that same amount for as long as Sandy was here. I don't know when they changed it last time. We've been trying to get our Legislators to get us an increase. The Association has been asking for 25% for years knowing full well that we'll never get 25%, but maybe if we ask for enough, they will give us 15% which would be 2.3% higher than we're getting now. That's quite a bit of money. Going back, say 10 years, the DMV used to bring in a whole lot more money than it cost to operate. As payrolls and insurance have increased in costs every year, we've gotten to the point now where we're almost at a breakeven point. We make a little more than what it costs us but not major amounts like we used to. So we really need an increase.

Legislator Starks: Thank you. Ever since you said that, I always go in person and I was just curious as to how much that –

Clerk Barmore: Whenever anybody gets mad at me for anything, they call me on the phone and say, I'm sick of you guys, I'm going to renew online, just to pay back. That is always the threat I get, you know. If the lines are too long or if they can't find a parking space without paying a quarter or something, they get mad and they call me.

Mrs. Dennison: The payroll allocation is the turnover savings. There are six departments, Countywide, where we applied the turnover savings as we were discussing yesterday about Social Services. County Clerk is one of the six, so we put that in as kind of a lump sum reduction (*cross talk*)... personal services and its employee benefits. There is also a turnover savings in account 8900 which would show up in your benefits classification.

Clerk Barmore: We had a Supervisor resign at the DMV in Jamestown this year and it was a long time filling that vacancy and it's a high paying job compared to the regular clerks. As Kie said, we have a lady on maternity leave right now and she's off in the last four months of this year and then she's scheduled to come back part time for three months in 2020 and then go back to full time come April.

Mrs. Dennison: And for the committee members that didn't hear this conversation yesterday that turnover savings, we distributed it based on a look at 2018 actuals, looking at what the departments, how much they actually spend as a percentage of their budgeted personal services amount. So the Clerk's department was one that, it popped up as one that did have some vacancies throughout the year and some periods of time where they were not fully staffed.

Mrs. Henry: For Records Management, there is not much to report. There is just still two of us in the Records department. Had a couple increases in insurance and other than that, our budget is pretty much the same. We're doing more and more scanning for the departments. We now have 34 different digital offices that are set up for departments to send us their closed files

or whatever for scanning. So, we're serving more and more departments every year, just the two of us.

Chairman Scudder: O.k., Weights and Measures.

Mr. Calhoun: We have a slight increase in employee benefits. Have a pretty good savings because we're (*inaudible*) our vehicles and that should be at least a few more years before we have to worry about another purchase. Slight deduction in our revenues. We've lost a few businesses and are gaining some so I will tell you at the end of next year. We might be back to where we were. Other than that, it's pretty much business as usual.

Clerk Barmore: Family Dollar is keeping us afloat with the unit pricing law. I was at the Jamestown City Council meeting last night because I was pleading our case for getting some parking meters removed in front of our Jamestown DMV. We knew that when we moved to that DMV that the parking lot was kind of cramped but it's a whole lot bigger than the one we didn't have when we were on Pine Street. I've been there first thing in the morning, I've been there in the middle of the day, I've been there at the end of the day, it's just human nature. There is 10 parking spots between across the street and on our side of the street, but you have to put a quarter in the meter and all 10 of those parking spots will be totally empty and someone with a crew cab, one on, dully wheeled pick-up truck, will try and squeeze into a 6 foot wide space in that parking lot just so they don't have to put a quarter in the meter. It's just human nature. We're having at least one accident a week down there. Last week we had two in the same 15 minute period. Two cars sideswiped each other and then a car ran into the building. So, I went down and spoke to the City Council last night to see if they would be willing to remove those parking meters because they sit empty all day long anyways. They are not going to lose any revenue and perhaps with free parking on the street, people would stop trying to squeeze into that small parking lot. But they are thinking about it so we'll see how we make out. But yeah, they brought up the Dollar General last night which they are going to put up between Scott and Crescent Streets in Jamestown.

Legislator Nazzaro: Another one is going up?

Clerk Barmore: Between Scott and Crescent. It will be the 23rd Dollar General in Chautauqua County and we get \$1,000 from each one of them every year to participate in the unit pricing exemption so it helps.

Legislator Nazzaro: How many file exemptions?

Clerk Barmore: How many?

Legislator Nazzaro: I mean, you say that all the Dollar Generals do but how many –

Mr. Calhoun: We have about 105 stores.

Clerk Barmore: I mean, every Crosby store participates, your big department stores like Wal-Mart, K-Mart, but of course K-Mart is going out. Your Family Dollars, Dollar Trees, CVS, Rite-Aid –

Mr. Calhoun: Wegman's, Wal-Mart.

Clerk Barmore: I mean, we even have Big Lots on board now. So you put the price on the shelf, you don't have to mark each individual item. But, that makes work for us but Bob has gotten very efficient. We go in, we check the items to make sure their within 98% or better efficiency and if they are, they can continue on in the program. If they fall below that rate, then they've got 60 days to get their store in line or else they will lose their exemption and have to go back and mark all their merchandise for the next year and they don't want to do that. So they're rather anxious to cooperate with us.

Chairman Scudder: O.k., Historian.

Mrs. Henry: For the Historian, not much to report. My revenue is down a little bit just because it's really hard to predict how many people are going to choose to come here or pay me to assist them. So, we still continue to have a lot of people from all over the world who contact us for historical information. Had a guy fly in from Australia last week. Always happy to have them come in and visit or happy to help them by email, whatever works for them.

Chairman Scudder: Anybody have any questions?

Legislator Gould: 1410, 1411.4190, other supplies. Why have we had no other supplies in 17', 18', and 19' and in 2020 we're looking at almost \$2,000. What are the other supplies?

Clerk Barmore: Well, if you look under office supplies you see it used to be \$6,000 which was reduced to \$4,000. I can't tell you the reason for it but we just made \$6,000 in two different categories. Kathleen can tell the reason for it I guess.

Mrs. Dennison: Other supplies is where we record the expense for equipment that cost less than \$1,000 (*cross talk*)... So it's for replacement PC's, and/or printers and those are replaced on a schedule for I.T. So it is likely that they haven't been replaced since 2016 or before.

Legislator Gould: Why weren't they done before? That would be my next question.

Mrs. Dennison: We're usually looking like a four year life span for the equipment.

Legislator Gould: I thought they were staggered.

Deputy Clerk Mihalko: We have to replace every single one of our County computers for the DMV's next year because they are all bumping up to Windows 10 and I.T. says the computers that we have, that we (*inaudible*) I have no idea how long. They are not going to work anymore. They are already starting not to work. That is kind of why we –

Clerk Barmore: I think that all the departments have done this but we used to buy all of our copy machines for all of our departments and we found out that we can lease them cheaper than we can buy a service agreement for a copy machine that we own. So that's what we've done. We've gone to leasing all of our copy machines now. We don't own any of them anymore and that way when they quit working, they have to replace them for us.

Chairman Scudder: Any other questions? If not, thank you.

County Executive (*County Executive Borrello & J. Borrello*)

Chairman Scudder: We're starting out with FTE's.

Legislator Chagnon: You brought Jen to take the blame for this, didn't you?

County Executive Borrello: Yes, she is my human shield right now. Kathleen, are you starting us off here or how would you like to do this?

Mrs. Dennison: The Chairman indicated that we're asking the departments to walk through essentially your summary document. (*Cross talk*). any commentary you have on the budget by classification.

County Executive Borrello: So FTE's, you will see that we have a slight increase, .14. when Jen joined the staff, Carm was actually a .86 and now Jen is a full 1.0. I will point out with her permission, by the way, that budgetary impact is pretty nil because she's not taking health insurance so it's a relatively small impact. That's the only change in the FTE. No change in bodies per say, just a slight change in the appropriation. Any questions on that?

As far as the summary sheet, you will see that the biggest increases are, the first line, \$9,549. That was the 2% management increase that was built into the budget. Last year we had built up to a 3%, this year we cut that back, Countywide, in management. The County Executive's salary increases, that is an estimate based on whatever the consumer price index, the rate of inflation might be. That's done by statue, that was passed by the Legislature a few years back so that's, I guess, out of our control, so to speak. The other large piece there, \$8,333 is due to the estimated 6% increase in our health insurance costs. That's kind of the summary. Not a real big budget as far as line items go. Kathleen, anything else of note?

Mrs. Dennison: No.

County Executive Borrello: Last year we moved Deb Zahn, who is our Compliance officer, into the County Executive budget to essentially eliminate this aid, 1230. Compliance so that now she just falls under the County Executive's office so it's not a separate department anymore technically, so just an accounting change to eliminate one more sub-department. That is why you see all zeros there. She's basically zeroed out and moved into the County Executive's budget. Any questions?

Legislator Chagnon: Your shared services communications fixed, increase 47%. I'm in the detail, page 2 or many. The last contractual line.

Mrs. Dennison: Is that account 4240?

Legislator Chagnon: No, 5910.

Mrs. Dennison: The 5910, as it applies Countywide, those are the line charges for desk phones and so it's based on the -comes from the I.T. department, based on the number of lines in the department. Jon DeAngelo can probably explain it a little bit better than I can but he said that with the implementation of all the new phone systems, there has been adjustments in the number of lines and fax lines, realignment of lines. So you will see some larger than normal changes. Some departments have gone up, some have gone down.

Legislator Chagnon: So the bottom line is, it's Jen's fault.

Chairman Scudder: I think that's all that we have for you.

County Executive Borrello: Thank you all very much, good luck with the rest of your hearings.

Legislature (*Clerk Tampio & Chairman Wendel*)

Clerk Tampio: We're number one. I'm looking at the FTE page and it shows a very tiny reduction and that's due to the payroll allocation of my time to the North Chautauqua County Water District. Also, when Lori took over the part time stenographer position, she is working a little bit less hours than the previous person occupying that position. So it equates to the .16. There are the same number of bodies, just a little bit allocated differently.

So for Legislature, we don't see the relatively small change in the personal services. I just want to get the detail of that. So the Legislature board, 1010, everything pretty much the same. Very similar in the .4's and .8's. The .8's may change a little bit next year as it depends upon who's elected to what position and what they elect when that happens as far as if they are in the pension system and so on. We saw a little bit of reduction. We took out the meals for management from last year which was \$800 which has been eliminated for 2019 and we kept \$100 in there for 2020 in case there was someone attending like the InterCounty meetings and so on. Likewise, we reduced the training and registration which was \$1,000 this year. It has gone down to \$500.00 and that's used for when someone attends a NYSAC conference or any of the conferences. Then the other amounts pretty much stayed the same. Any questions on that?

Then we get to the Clerk of the Legislature. Slight reduction in the personal services, .1's. Again, because of the payroll allocation. Ten percent of my base salary and benefits are now charged to the Water District. We expect our printer, our main printer in the office, its service contract has expired because the unit has aged out. They no longer say they can get parts for replacement. So we're anticipating that we'll have to replace that and then similar to what the County Clerk's office said, I checked with Jon DeAngelo and asked his opinion about whether it's more economical to purchase a new unit or lease a new unit and he suggested leasing. So, the amount that we put in there for that was for a lease. We'll wait as long as we can before we have to do that. The other changes we have in the .4's, we added – many things have remained the same. We did under other supplies and computer software, the Chairman's computer needs replacement and he is requesting that it be a laptop. So, it's very similar in pricing, overall

pricing in what we would have to pay for a PC, so, pending that we have the same Chairman that will be the election for next year. All the other .4's are very similar.

Legislator Gould: What are over scheduled hours?

Clerk Tampio: Again for management.

Mrs. Dennison: We discussed this earlier today I think that, over scheduled hours in the budget for 2020 is a factor for correcting a budget for managers.

Legislator Gould: I remember.

Clerk Tampio: Then you will see in employee benefits we have a reduction of \$10,921. Since Lori's retirement, when we no longer have that pension cost and again, some of that is reduced because 10% of my benefits allocated to the Water District. Any questions on those?

Up to 1162.1120, Unified Court Conflict Administration. You see this year, 2019 projected we have \$30,000 in there. That's pending the hiring of the Conflict Administrator which that process has been initiated but not completed at this point. Contractual, that \$700,000 includes for this year, includes our estimate of total cost we anticipate estimated from the Assigned Counsel for Family Court and Criminal Court. For 2020, we had to base that upon, help me with that Kathleen, about its related to the grant that we'll be getting for –

Mrs. Dennison: Yes, it's our understanding of the grant related to the Hurrell hearing settlement is that the cost, the local share cost of Assigned Counsel should not exceed the amount budgeted for 2019. So, we have, as Kathy indicated, calculated in the budget, budget cost for the person, the Assigned Counsel Administrator, and so there are certain costs associated with that. But overall the local share should not exceed \$524,000. So, we have a cap on the amount of Assigned Counsel expenses that we will have to incur and that cap comes out to \$529,000.

Clerk Tampio: But a portion of that contractual, will be covered by the grant because they are for office supplies for the Administrator and well, the computer we expect to purchase out of 2019, but we had some money in there for office supplies and other supplies. You will see in the 2020 tentative, the salary line, you have \$90,780 and that is the budgeted item. That does not mean that's what the salary will be set at. That's up to the Legislature to set that and the associated .8 benefits, that's assuming that they had a family insurance policy and so on so that may be less too. We won't know until we hire this person. But, we did have discussions with attorney's at the office of Indigent Legal Services about the possibility of, if we go over budget for the Assigned Counsel for criminal court, there is the possibility we may recoup some of those costs through the grant. But that is not a certainty. We'll have to wait and see. So this Assigned Counsel is able to manage the assigned counsel for both Criminal and Family court, but, the grant cannot cover any expenses associated with Family Court for just the assigned counsel. I'm just talking about the Administrator. More to come on that. So it is hoped, of course, that when you have many more Public Defender's because of this grant also that your Assigned Counsel budget should decrease or the actual expense should decrease. That is the hope. So we hope to come in under budget or at budget. Any other questions?

The last one is 1320, the Internal Audit.

Legislator Nazzaro: You wiped it out.

Clerk Tampio: I did not. I will explain it. Our department (*inaudible*) Chairman, we established the budget at \$100,000, just like this year. You'll see our amended budget was higher and that's because our contract overlapped between the two fiscal years for the first section of the internal audit. So yes, our Department Head put in \$100,000. Later it was requested that we reduce that amount and spoke to several Legislators and they advised us to reduce it to \$50,000 and then upon the Executive review, the Executive eliminated it entirely so it's set at zero.

Chairman Wendel: But as we see, I'm welcome to increasing that. It's the one thing that we found, we haven't found, I don't believe I'm speaking to the choir here but, some of the internal audits so far hasn't brought back a lot of reduction of cost savings but I think there are other areas that we want to look at and I think that we'll find savings in those areas. So I think the Internal Auditors are necessary part of our budget, unless anybody speaks otherwise.

Legislator Nazzaro: I think, this is the first year we tried or last year maybe, and it does have value. Freed Maxick who did the audits, I think did a good job. Remember we had a risk assessment done and also this it stemmed from the State Comptroller's report from a couple three years ago saying we should be doing this. We did a risk assessment so, I think to protect ourselves, we agreed, and I look at Pierre and P.J. and myself, o.k., we need to maybe change the scope of it. I am working with, actually reached out to Danny, now that I'm back from my trip, there are some other areas I think we can get more bang for our buck. One of those areas is to really look at, for those who were here yesterday, not to go into a lot of detail, but, I think one area we need to look at is, are we getting, in DSS, properly reimbursed for the different programs that we have to administer? Not saying anything is wrong, but there is a lot of – it's very complicated, none of us, at least I'm not, an expert in this. Everyone is learning so I think that we need to make sure we're getting a little more bang for our buck through these audits so we're changing the focus. But also too, I think going way back remember we used to have a County Comptroller. We haven't had that in years so we really need that check and balance. Where we get the \$50,000 from, I'm not sure. We sort of said, o.k., let's narrow it down. Fifty thousand does not go far, it really doesn't but understand we're in a tight budget. I think that it is important to keep the program going.

Mrs. Dennison: If I could just make a comment on why he eliminated that item, the County Executive under suggestion quite honestly from me and Director Crow is that, fortunately the audits so far have not found serious deficiencies. I think that speaks well of the County departments that in general the findings were not (*cross talk*) and while the program we thought it does have value, we feel it's a luxury that can't be afforded if you want to keep the tax rate flat.

Legislator Chagnon: Recognize that I just want to reinforce something that Chuck was saying. If you look back at 2018 results, we came up several million dollars short of revenue in Social Services. In 2019, we're going to come up at least a million and a half short of revenue in Social Services. So it appears that we have looking at the glass being half full, an opportunity

there that we would need some specific technical help with because we don't have the expertise to figure out what's working right and apparently after many discussions, our Social Services department doesn't have that expertise either. That's why we have been discussing and pursuing bringing in technical expert to look at what has gone wrong. Do I really believe it's going to bring us \$3 million dollars? No, but, for \$50,000 we might find a significant opportunity.

Mrs. Dennison: Is there enough left in the 19' budget to undertake that opportunity for that analysis for Social Services? I thought we were starting on that already this year?

Clerk Tampio: I believe there was \$39,000 is going to be left after the money was taken out.

Mrs. Dennison: How much Kathy?

Clerk Tampio: I thought that it was \$39,000. I think \$15,000 of that is allocated for the financial review of investments. So there's – (*cross talk*)....

Legislator Nazzaro: And I think just to piggyback on what Pierre had said and P.J., we have spent quite a bit of time, thanks to Pierre's lead, on looking at the 2019 budget challenges and we have not – with different department managers, and it became apparent to us during that discussion that there really needs to be a better understanding of these reimbursements. Some of the comments made and I won't elaborate, said, o.k., there is a gap there. There is something that we need to understand further.

Chairman Wendel: I think this is one of the biggest budget items we have, is DSS. I think in hindsight, maybe it could be argued that we should have started their first but at this point we didn't but I think these audits have been proven valuable and I think this is one stone that we really can't leave unturned in my opinion. There are ways to generate those gaps and find where we can make that up, I think is money well spent. Again, I think you could argue but I think like Pierre, the glass is half full, not half empty. There is an opportunity there and we should take advantage of that but I think we need to look into it.

Legislator Niebel: I think that it is a good investment. Money well spent.

Legislator Chagnon: So to get to the \$50,000 we would potentially need to have \$26,000 into the tentative budget. Am I understanding that correctly?

Clerk Tampio: Well, I wanted Kathleen to check and make sure how much money is actually left in there. I don't think the \$15,000 has been spent yet, has it?

Legislator Nazzaro: What was that \$15,000 again for?

Clerk Tampio: For the review of your investments. I'm not sure where that is because Kitty is managing that.

Legislator Nazzaro: Oh yeah, because Pierre and I met with Kitty for (*inaudible*), so we had started that, right?

Legislator Niebel: Do you think \$50,000 is enough?

Legislator Nazzaro: Probably not. Like I said, I reached out and I'm not sure – I want to know if our current – the current from who did the other audit has the expertise to do that and that is what they are looking into. Knowing the price of these types of services, it seems like a lot of money and it is a lot of money, I'm not downplaying that but, it doesn't take a lot to go through that amount of money.

Legislator Niebel: Considering some of the shortfalls that Social Services had, last year we were using and I mentioned this to Pierre earlier, 37% I think just as a general figure for their revenue reimbursement and they should have been using 35 or 36%. They said that last year. They have adjusted that this year, I guess, but, how are they arriving at that? This is something I think that an internal audit could help establish.

Legislator Nazzaro: I agree Terry. When we had our discussions earlier on this, the point is too, how do we know that, o.k., when we submit a reimbursement, we want to validate and this helps everyone, that we're doing it properly and properly allocating the expenses, properly reporting it and making sure – they are going to pay us – if they find a mistake that doesn't help us, they are going to identify, the State, and say this is incorrect.

Legislator Starks: The audit looks at invoice –

Legislator Nazzaro: Well, that audit did not. The audit we did was based on a risk assessment and it was five departments. It identified high level in those departments, where there was and I gave a report on each one in Audit & Control.

Legislator Starks: We need to know why we're not getting the reimbursement, like was it incorrectly filled out or are we missing information or are we not (*cross talk*).....

Legislator Chagnon: And in some cases, the denial might not be legitimate. Maybe we should go back and challenge some of those things.

(*cross talk*).

Legislator Chagnon: And there were a couple of those where, you know, Chuck who knows a whole lot more about this than I do, can you challenge that?

Chairman Wendel: I mean, if we go back to – one of the problems we found with the Fly Car was they got a denial, o.k., well challenge it. There is a reason why that denial was put out and they found out that there were some mistakes they were making. This goes back to when the Fly Car started, so by changing and understanding those reimbursements, digging in deeper, it gave them a better understanding and they were able to generate more revenue than what they thought. So again, it's just that you want to find out the answer.

Chairman Scudder: You could have a policy of one employee, I'm not, one person could be costing us hundreds of thousands of dollars just because we never did it that way, I don't feel like doing that. I mean, we get a bill from Blue Cross & Blue Shield and my wife calls and they go alright, let's go half. And you go, what was that all about just because you challenged it.

Chairman Wendel: Again, it's a big department. If it hasn't been done, I don't see why – it's not a challenge to them, it's just that these are places we're finding big shortfalls. Let's look into it. It's not critical. I mean, it's critical to the point where we need to look at it but -

Chairman Scudder: Or maybe the realization is we shouldn't be expecting these revenues.

Legislator Chagnon: Right.

Chairman Scudder: Like you said, 37, maybe you are supposed to be at 28 or something.

Legislator Chagnon: Either way.

Chairman Scudder: At least will know where we are at.

Legislator Chagnon: Exactly.

Clerk Tampio: Kathleen has the correct answer for how much is left in the internal audit.

Mrs. Dennison: The bottom line is, the remaining budget this year is \$67,000. That is after paying everything owed to Freed Maxick but before the \$15,000 commitment for the analysis of the investments.

Legislator Chagnon: So \$52,000.

Mrs. Dennison: Yes.

Legislator Nazzaro: So my expectation is that, unless we have to go to a full blown RFP, we need to hear back is that we might be able to start this year. That was my plan or our plan. Pierre (*inaudible*) take the lead on -

Clerk Tampio: If you don't, you can accrue the money for next year. (*cross talk*)...

Chairman Scudder: You say if you begin it now, in 2019 –

Legislator Nazzaro: So we can encumber so there is about \$50,000 left. So then if you encumbered that and then another \$50,000, that brings it to \$100,000. I'm not going to say that it's going to cost a \$100,000, but you had asked Terry, is \$50,000 is enough. Those fees usually run around \$175 an hour. They are not inexpensive.

Legislator Niebel: I think it's well worth it.

Legislator Chagnon: That would mean we'd put another \$48,000 in the 2020 budget. Is that what you are suggesting?

Legislator Nazzaro: Yes.

Legislator Chagnon: I would certainly support that. We'd be looking for a motion from the Administrative Services Committee.

Chairman Scudder: Well, we have two committee people here. I'm not allowed to make a motion.

Legislator Starks: I will make that motion.

Legislator Proctor: I will second it.

Chairman Scudder: All in favor?

Unanimously Carried to add \$48,000 to 2020 budget.

Clerk Tampio: So that would be \$48,000 to the 2020 budget.

Legislator Nazzaro: We're encumbering the \$52,000.

Clerk Tampio: Right.

(cross talk)...

Legislator Chagnon: I think that will be money much better spent than *(inaudible)* general at risk. We didn't find any major issues as was said earlier. As Chuck and I talked, this is pivoting and going in a different direction where we know we've had a problem.

Chairman Wendel: Changing the scope.

Legislator Proctor: Was DSS audited and they didn't find anything?

Legislator Chagnon: A general risk audit. This is for specifically *(inaudible)* reimbursements. People that understand the reimbursement process as well.

Legislator Proctor: So it would be a different auditor? You couldn't piggyback it?

Legislator Nazzaro: We're going to define the scope.

Legislator Chagnon: Chuck has had a lot of experiences. He's retired so he has a lot of time to help.

Chairman Scudder: Anything else for the Legislature? Alright Kathy, you can leave.

Information Technology (*Jon DeAngelo*)

Chairman Scudder: O.k., start with the FTE's here.

Mr. DeAngelo: Pretty sure that everybody is familiar with how we do business. Is there anybody new on the committee?

Legislator Proctor: I am, but don't worry about it, I can assume, I think.

Mr. DeAngelo: When it comes to our FTE's, we are actually down over a position and a half and that is because we eliminated the switchboard operator position this year.

Chairman Scudder: So there is no one behind all those papers and everything anymore?

Mr. DeAngelo: No, well there is somebody but she works for Finance. We replaced the position with an automated call attendant which seems to be going fairly well. We are consistently adjusting it. Of course, it's not a human being, so it's not perfect but we're getting used to it. There was that and then we also closed the Print Shop pretty much completely. Our one half time, part time individual wanted to finally fully retire. We did look for a replacement but we really couldn't find anyone part time with that skill set so we went out for bid for services and now these are outsourced to Jamestown Rubber Stamp Company. They are doing a great job for the departments. They can do frankly more than we can do and they are very cost competitive. Then they are doing, not only printing, but, signage, awards, all kinds of things.

Chairman Scudder: Rubber stamps.

Mr. DeAngelo: Rubber stamps, tee shirts so again, that is an adjustment to the departments so they are getting used to it so we're in transition which is difficult for some, a little easier for others but overall it's going pretty well. We will still print ballots in-house which is a huge savings for us and as of right now, we're still printing taxes also in-house. There is a cost to maintaining the machine down there but that is pretty much a savings when we count in the savings for ballots and taxes. That is where we see a drop in personnel. Any questions on that?

Legislator Niebel: Jon, as far as the ballots, who actually prints those? Board of Elections or do you have Watson to come in and do ballots?

Mr. DeAngelo: No, Board of Election staff prints those. If something happens to their printer we have the backup printer and David might come in and help operate that one.

Legislator Niebel: Do you contract with him?

Mr. DeAngelo: Yes. He just basically a substitute right now. We can move onto the budget if you would like. I will start with Office Services. Our Office Services department includes our courier and our mailroom and mail processing. We don't anticipate any staffing changes in that department so we only see an increase in wages and health insurance based on

step increases. Nothing to significant there. Again, no changes in services so we don't anticipate a large contractual change in expenses or revenue. We know that postage is going up a little bit next year. They really don't tell us exactly how much but we see usage going down a little bit so the budget is going to be, I'm anticipating, pretty flat budget. Out of all of our contractual expenses, the large, over \$300 of that is postage that we then charge back to the departments as we process their mail.

We did have to get a new vehicle this year. We had an accident. Our courier was rear-ended out in Fredonia so that was an unexpected expense which is why you see an amended budget for \$22,549 there. That was for a replacement vehicle. Any questions on Office Services?

O.k., onto Communications. Again, we see here in detail the elimination of the switch board operator in both the .1's and .8's. The bulk of our communications is what it costs to run our phone system, our paging phones, and that's about it. Last year we updated, we finalized a project – well, I shouldn't say finalized, the Landfill has yet to get their new phones but, everywhere else has new phones. We're on a single system and we're seeing some cost savings. However, I'm in year one of that transition so I'm not exactly sure how much to – I didn't want to overestimate our savings but I do anticipate some savings down the road. So no real significant changes in what it's costing us this year. Although over the past four or five years, it has been a reduction pretty significantly. We're doing a lot more work on the phone system in-house and relying a lot less on our outside contractor so that is a good thing. Any questions?

Next department is our Print Shop. Like I said, the Print Shop is pretty much closed now. In years to come, Kathleen and I can talk about the viability of those account at all in the future. What we do still though is bulk paper purchases so my department does process bulk paper. That's all our standard 20 pound white, 8 ½ x 11. We buy that by the pallet off of New York State contract and then as departments request it, we get it out to them. So that is something that we still do which is why we see contractual funds and some shared service revenue in there. Pretty much evens out. Like I said, we do still maintain our high volume printer down in the Print Shop. It's not a high cost but we do like to keep it serviced so that when we are getting close to tax time, we make sure that printer is in proper working condition and ready to do what we have to do. So again, the Print Shop really, a drop in cost just because we are no longer doing those services in-house.

Onward to our larger department which is Information Technology which is all of our computers, printers, servers, applications, all of that. Again, I don't see any staffing changes in the coming year. The .1 and .8 increases are just step increases overall and health insurance increase. I was able to carve out a little bit of money in contractual. What we do is, we have some enterprise software and hardware solutions that contractually come up every about three years. So I try and rotate those so we don't get hit big in one year that we can spread them out and it just so happens that next year there is not one of those coming due. So I was able to lower some of our maintenance cost on our hardware and software. That is why we see a drop in the .4's there of \$37,748. The increase, a very small increase, in our revenue which is what we essentially charge HHS and then in turn get reimbursed for. I'm not sure how that reimbursement works that would be a Kathleen question but we have an agreement with the Health Department and the Social Services Department where we charge for our services and they in turn get reimbursed. So that is where that revenue comes into play there. Then some of our old equipment we sell to get rid of. We have a lot of it so we sell that so that is why you see sale of property which is just a small number. We'll put stuff on eBay if we have some old computers that we

need to – our staff can't use. We use all the parts and pieces we can but some of them get so old that we just throw them out there. Questions on I.T.?

The last department is our GIS department. Here we see a contractual drop that we're putting in for next year. One of the reasons we're doing this is, we had an employee that was, I think, 90% Tax Department, 10% my department that worked in GIS. He took a position in Erie County unfortunately because he was great and really helped us with our GIS. So, Tax Department filled that spot with somebody so I'm contracting with him still for his services. His services are \$58.00 a hour versus our contract with our big company which is about \$260.00 an hour. So, I'm anticipating some savings. Not that he can do everything. We're still going to need that other company but he'll be able to do things like, upgrade our parcel viewer for us at a much lower cost than us going through Burgett(?) Associates which is a higher cost consultant firm. That is why you see a drop in some contractual costs for GIS. The revenue is very minor. We get request sometimes for our data. It's very unpredictable. Over the past couple of years, we're getting a lot of wind companies, gas companies, asking for our GIS data. We didn't get any and then believe it or not yesterday I got one for some data. I don't know what outfit the guy is from but it's going to cost us about \$261.00 to produce that and we'll charge him back for that and that's revenue to us. But those come far and few between. So that's our GIS. It's unmanned right now but we do rely on our contractors. Like I said, the one individual who lives in Buffalo now is still going a good job for us.

So, overall, I think it's a modest, if my numbers are right, a .2% increase in local share which is frankly about the best I can do. We run extremely lean downstairs. We have few people doing a lot of work for all the departments so even though we are a small budget number relative to some others, I feel like we touch everybody in some way, shape, or form. So we work very closely with all the departments which is critical to the operation of the County. Any questions or concerns?

Legislator Gould: 1680.4700, training, registration, and (*inaudible*), in 2017, there was about \$5,000, 18' it was \$1,000, our actual was \$100.00 in 19', adopted as \$12,000 and in 2020 it's \$17,000. Could you talk about that a little?

Mr. DeAngelo: I can talk specifically about 2019. We're trying to schedule some server training and the way that works is, basically I do my whole tech staff that generally costs for a trainer to come down here for 5 days, instead of sending the whole staff up to Buffalo, it costs around \$9 and \$12,000. That hasn't happened yet but I'm trying to figure out the best training for the staff. So what I do is, I get a list of trainings from the trainer, send it to them, the staff, and let them say, o.k., this is the best fit for us. I anticipate doing that this year. So that is the 2019 explanation. The 2020 explanation is more of the same. I will say that there are a couple of Microsoft technologies that are going out of date next year so that we are being forced into newer technologies, newer versions of Microsoft that frankly, we're not so familiar with downstairs, so we do anticipate spending some of those training dollars next year. I also have a younger staff downstairs now that I feel need some soft skill training so I'd like to make sure they are getting that as well as the hardcore technical training.

Legislator Gould: That is the cheapest trainer you can find huh? Six thousand to \$12,000?

Mr. DeAngelo: Yes. I will find the cheapest I can, trust me. I absolutely will. We do most of our training, the staff here. We don't send people away any longer, so we'll do web-x training from their computers. I do like to get them away from their desks so I might put them in an office somewhere just so they are not being interrupted. We absolutely will look for the least expensive, most effective trainer that we possibly can. There is not a lot of -

Legislator Gould: I just seems expensive for a week.

Mr. DeAngelo: I agree, it's not cheap. I think worth mentioning is a few months ago the County Executive did ask for some savings in the 2019 budget and our department was able to lend a hand in that effort so if you notice some of the amendments, they should be on there. I've been trying to hold off on some staff. I have one opening right now that I'm holding off just because of the test hasn't been given. I hate to put somebody on the spot and then have to bounce them out before civil service does their job so we are able to notice some savings there.

Legislator Gould: I was just curious.

Mr. DeAngelo: No, that was a great question and I agree, it's not cheap training. Think of it this way, it would be more expensive if I had to send them up there, hotel for four nights.

Legislator Gould: Well, it depends on what hotel you were in.

Mrs. Dennison: I have a question. Jon brought this up and I think it's something that we should have – about the Print Shop, we should have investigated earlier between the two of us, he pointed out that really the Print Shop as its own department, doesn't need to exist anymore.

Legislator Chagnon: Under Office Services?

Mrs. Dennison: Yes, this would be the time to make that amendment if it's just by paper

Ms. Hansen: Will they still be doing that for centralized services?

Mrs. Dennison: Will they still be buying paper?

Ms. Hansen: Or will that go through (*cross talk*)...

Mrs. Dennison: Somebody is still going to be buying bulk paper. It just seems like we could move it to Office Services. And then move the cost of the paper and we're still doing chargebacks to departments.

Ms. Hansen: I just didn't know if it would still go through Purchasing.

Mrs. Dennison: The Purchasing Department may still buy it but it still needs to be charged somewhere. The expense is going to have to live somewhere.

Legislator Chagnon: It has to be stored and delivered.

Mr. DeAngelo: The logistics of that, I'm sure would still (*cross talk*)...

Mrs. Dennison: Even with centralized purchasing the Purchasing department will make the buying decision but they are going to charge it somewhere.

Ms. Hansen: I know that we talked about office supplies and stuff so I didn't know if that would –

Mrs. Dennison: (*Inaudible*) will still charge out appropriately so I would recommend to the committee that we propose an amendment to move these amounts out of department 1670 and into department 1610, Office Services.

Mr. DeAngelo: That's fine. Like I said, if you want to do that now, that's completely fine, next year, whatever.

Legislator Starks: I propose the amendment to move the whole paper over to Office Services.

Legislator Proctor: I will second it.

Chairman Scudder: I think that is a great idea. All those in favor?

Unanimously Carried (To move whole paper purchase over to department 1610 from department 1670)

Chairman Scudder: O.k., thank you Jon.

County Attorney – Abdella

Chairman Scudder: We've been starting with the FTE change. Where do you want to start Steve?

Mr. Abdella: Maybe we'll do it a little differently because I've had some developments that I (*inaudible*). So maybe what I will talk about first quickly is revenue and then our .4's and then get to the personnel piece.

No significant changes on either of those categories. We get revenues from some outside sources. The Land Bank, CTASC, which is the Tobacco Securitization Corporation that was formed many years ago. We perform legal services for those entities and also we get an allocation from the County Legislature because we perform as the Legislature counsel. Also, because Real Property Tax can charge a certain set fee against every delinquent parcel for administrative costs including legal fees, we get a revenue from Real Property Tax. In any event, our revenue shows a 1% increase. That has been pretty stable over time.

Then on our .4, contractual, we're showing a \$726.00 decrease. That's just flat. We go in each year and analyze our relatively modest office expenses which includes our legal research, books, and other things related to that. Those are revenues and the .4 could be stable but happy to answer any questions on those two items.

Legislator Chagnon: Steve, the note confused me a little bit because at the bottom where the revenue is, notes as 15% of 1st Assistant time, will still allocated to DHHS, the 2020 local share would be \$115.00 less. So, in other words, 15% of the 1st Assistant Attorney time is not being charged to DHHS but is it being charged to other agencies or districts of the County?

Mr. Abdella: So really that comment was meant solely for local share but the way this spreadsheet worked, it just bounced up to appearing as if it's a comment for total revenue. That was just a global comment on local share. But, that relates to my discussion of personnel so I can get to that but really the revenue line, that comment was not really germane to.

Legislator Chagnon: The nature of my question is, if your 1st Assistant is spending 50% of their time with DHHS then shouldn't there be more charge from other districts or agencies?

Mr. Abdella: That allocation to another department does not appear in the revenue line as the budget is presented. So, the change, which I will tell you about in a minute, had no impact on our revenues. Our revenues are essentially identical to last year other than, same entities, just going up slightly.

Mrs. Dennison: You are asking does the department have a greater ability to earn revenue now that 15% of that person is no longer working for Social Services?

Legislator Chagnon: Right.

Mrs. Dennison: I think the answer is no.

Mr. Abdella: No. I think that relates to the overall story of our department which I will just briefly describe a little bit.

Historically, we've been working in recent years with five attorneys and two support staff. We previously had three support staff but we did get rid of one of those positions some years ago now which was accompanied by us moving from being a 35 hour department to a 40 hour department. Nonetheless, two support staff for five attorneys is low as we could possibly go given vacations and sick time and other leaves that come up. But aside from that what happened at the first of this year was, Kurt Gustafson who was our 1st Assistant County Attorney for 20 years and did virtually all of our labor employment work, left the County to take a position with BOCES. A higher paying position. It's difficult for us to compete. We then did lose one of those two, I'm going to call them paralegals. They are not in that title, we lost one of our paralegals to OCS, the Office of Court Administration, who took a job in Jamestown. Again, a better paying job and in a department of our size, I mean, I can't understand what a blow it is to lose that collective experience and have it go out the door and not only have it take a period of months to refill the positions, but then you have, in part, new people coming in but then also existing people being assigned work they've never done before. So, 2019, especially the first 7 or 8 months, I will say was probably the most difficult year I've had as County Attorney just trying to cover the work with two people missing and that level of experience and expertise going out the door. So what I'm proposing in the 2020 budget was increasing my time from 80% to 90% time and what I've told some Legislators, the leadership that I had the conversation with, to virtually have me go full time because it's just necessary. I'm pulling back from other private practice

engagements that I've had in order to do this. I need to do it partly because of the demands of the work but partly the new assignments and the new employees and 80% time just doesn't give me the luxury of being what I call a true manager and administrator in the department. Being able to mentor people and spend time with them. It's just a matter of me trying to just get the work done much less bring these people along. I have the luxury of having involvements in County governments since 1988 but, I expect to be here a while longer but, I need to start developing others in the office with that experience in all areas of what, not just what I do, but what others do. So, in any event, and we have been a department who has been unable to say no. I mean, we've added revenues in which we've wanted to do to help with our bottom line on a year to year basis. I mean, we took on the Land Bank work, we've taken on all of the district work, there is an indirect cost allocation that the County gets the benefit of but we generally haven't really staffed up for some of these new tasks but that is partly why things are proposed as they are.

So what we've tried to do to address these difficulties is three things and Raise the Age is one of them, which I'll get to in a minute. Be increasing my time by 10% but then also relinquishing this DHHS work, 15% of Kristen Wright's time to DHHS legal, and no longer be allocating having DHHS pay for that 15% of Kristen Wright's time. I think monetarily that, depending what DHHS did with their budget, ends up being somewhat of a wash for the County as a whole and that's what my note was relating to was, we've lost that allocation but DHHS no longer has to pay it out to the Law Department either. So our budget was showing a 3% increase but absent that allocation we're actually, overall, showing a .02% local share decrease.

Mrs. Dennison: So Steve's department goes up by a .15 FTE, but HHS has a decrease.

Mr. Abdella: Right: So we were showing .25 of an FTE as an increase. Ten percent of that was the increase of my time from 80% to 90% and then the other 15% was the DHHS work. Not reflected in that FTE increase was the increase in assisting County Attorney for Raise the Age. It was decided to have Raise the Age be shown as a separate department, onto itself. So, our increases in the year 2019, in our Family Court Attorney's time, did not show in our budget, it showed in the Raise the Age budget. So, in 2019, we had our Family Court Attorney time going from 55% eventually up to 85% to account for the start of the Raise the Age with the 16 year olds which began October 1st of last year and then for 2020, I was proposing to have that increased from 85% as a total, to 100% of which 45% was Raise the Age, 55% are preexisting under 16 year old Family Court prosecutorial work. The Raise the Age department, I believe, was showing, not just for us, but, what matters here is us, the entire amount of that 45% is being State reimbursed which has been what we've been told would be the case by the State. So, our budget, I guess the highlights of our budget before what I'm going to get to in a minute that happened in the last three days. On the personal side showed increases in my time, a relinquishment of that DHHS work, which theoretically could be a wash for DHHS, but, reflected us bringing in a younger attorney and a younger new staff person, a legal secretary/paralegal which would allow us to bring in essentially a flat budget notwithstanding my increase in time. But that was predicated on Raise the Age being entirely funded by the State. So the story that I unfortunately need to tell there is that for the past really, I almost want to say 18 months, between 12 and 18 months, the County has been working with OCFS on our Raise the Age plan. It's gone through many drafts and included in every version of that plan was, the County Attorney's office and they progressive increase in our percentage of our Family Court attorney's time, to account for us, first taking on the 16 year old prosecutions and then taking on

the 17 year old prosecutions. We received guidance from OCFS in how to calculate the County Attorney expense and I used that, actually different calculations, I engaged actual emails and phone calls with OCFS about that and we got basically (*inaudible*) approval of our estimate and budgeted accordingly. In fact, that sort of agreement verbally came in when our call was, I think about a version three of the OCFS plan. It eventually became up to 7 versions but they had no comment on our piece during versions three through seven. I mean, everything looks fine.

Mrs. Dennison: So what Steve is trying to say is, the budget in 19' and currently the 2020 budget assumes that the State will reimburse us for 45% of an attorney and we just found out last week that that is not the case. The reimbursement will be zero for the County Attorney's efforts in this endeavor.

Mr. Abdella: So what we learned after 12 to 18 months of working with them was, in essence they had changed their mind with regard to County Attorney offices and in their view, it ought to be viewed that there is a corresponding reduction in the District Attorney's staffing needs due to the County Attorney taking on most of the 16 and 17 year old prosecutions. Just a point of information, the DA's still have the ability to ask the court to have them keep certain 16 and 17 year old prosecutions if it's a very serious crime, such as a homicide or rape, or something of that nature. So there are still a small number of 16 and 17 year old cases that the DA's office will retain. But in this two paragraph email from the representative from OCFS, that I ended up seeing on September 19th, they said, we're not going to – sorry for all your efforts, we changed our minds, we're not going to pay for that. I've heard from other County Attorney's in the State, they received a similar notification. So where that brings us is, -

Mrs. Dennison: Steve and I looked at, we did a re-look at his 19' staffing. That is kind of a separate issue but as far as the 2020 budget is concerned, right now we are allocating to the Raise the Age department, salary expenses of \$32,987 so that expense is coming out of Steve's department and going to Raise the Age and benefits of \$7,632, based on the information that we know have, we think we have to move that expense back into the County Attorney's budget and remove the reimbursement for that expense. So, the short unfortunate story is that we would like to propose increasing appropriations or increasing the local share by \$40,619. Steve can comment on this more than I can but, based on the discussions that we've had with the District Attorney, we really don't think that it is realistic that the District Attorney can reduce his budget because he's relieved of this work. Given the other changes in the law, the District Attorney will discuss with you. There are new burdens coming upon his office so to expect for him to reduce his budget by this amount, I don't think is realistic.

Legislator Chagnon: Could you give me those numbers again?

Mrs. Dennison: The wage change, the current wage allocations to the Raise the Age department is \$32,987 and fringes are \$7,632.

Legislator Chagnon: That's what is in the 2020 budget.

Mrs. Dennison: In 2020, yes. So the expenses are removed from the County Attorney's department, placed in the Raise the Age department and currently, the revenue budget for Raise the Age, we (*inaudible*) these items and we now know that that is not going to happen.

Legislator Chagnon: We also need to change the Raise the Age budget by removing these expenses and removing the corresponding revenue.

Mrs. Dennison: Correct.

Mr. Abdella: Just for a little more background as far as, how did we arrive at 45%. OCFS's analysis, in the figures they supplied us as to expected caseloads, they actually felt that we needed 44% of an additional attorney to handle the 16 year olds, alone, and double that, 88% of an attorney to handle both the 16 and 17 year olds. We thought that was high, ourselves, and so not wanting to ask for what we thought was high until it actually materialized and (*cross talk*) difficult to hire part time attorneys without benefits. The initial proposal was, we were going to try it at the 45% level which is 1% above what they think we needed for 16 year olds, alone, but try that for both the 16 and 17 year old caseload. There is a push by our County and others to divert as many of these cases away from the Family Court system as we can. I mean, we want to trend it lower but, in essence, that 45% is half of what they were projecting we would need, a little over half, to handle both the 16 and 17 year old. So I don't want to recommend trying to cut that any lower to handle the full 16 and 17 year old caseload because we're already at about a little over half (*inaudible*).

Legislator Chagnon: Where is the Raise the Age budget?

Mrs. Dennison: It's in Social Services. It's in section (*cross talk*), it's 6123.RTA. Administrative Services committee, you would not have that section. It's in the tentative budget.

Legislator Chagnon: In Social Services, what's the department number?

Mrs. Dennison: 6123.RTA.

Legislator Chagnon: O.k., got it.

Mrs. Dennison: We should probably also comment that New York State also determined that Public Defender's time would not be reimbursed by the same rationale. There should be savings in the District Attorney's office would offset (*inaudible*) work done by the Public Defenders. In the 2020 budget, we did not put in any Public Defender time into the RTA department. We did in 19' but they have not actually hired people to do that work. They have a lot of attorneys they have to hire just because of the Hurrel settlement so in 2020, there are no adjustments needed because (*inaudible*) as it relates to the Public Defender. We don't believe there will be any changes in 2019 required because of this change related to the Public Defender's department.

Legislator Starks: Can I ask a question (*inaudible*) my heart with the 16 and 17 year olds? Are there things that the Department of Social Services or other departments are doing to help be proactive with our youth that are on the path of having to be part of Raise the Age?

Mrs. Dennison: Yes, there was quite a lengthy discussion yesterday about Persons in Need of Supervision so Social Services has assumed responsibility for that program.

Legislator Starks: Is there an increase in PINS then?

Mrs. Dennison: Monetarily there is not an increase in PINS. They absorbed that work into their department without an increase in people. But I would say there is an increased focus on those efforts to do exactly what you are asking to divert people before they need Raise the Age services.

Legislator Chagnon: So (*cross talk*) cost that were being transferred from the County Attorney to Raise the Age is going in as .1's and .8's?

Mrs. Dennison: Correct.

Legislator Chagnon: So we would need a budget amendment resolution to reduce the County Attorney's .1's by \$32,987, increase, and increase the .8's by \$7,632 and reduce the Raise the Age .1's by \$32,987 and the .8's by \$7,632 and to reduce the Raise the Age revenue by \$40,619.

Mrs. Dennison: Yes.

Legislator Starks: Do you need a motion for that? If Kathy has those notes all correctly, can I make a motion to what Pierre said?

Clerk Tampio: What was it, reduce the Raise the Age revenue?

Legislator Chagnon: Revenue.

Clerk Tampio: What was the amount, \$40,619.

(*Cross talk*)

Chairman Scudder: Can we amend the other –

Clerk Tampio: I don't see why you can't make that motion. The final decisions are going to be made by Audit & Control on Friday.

Legislator Chagnon: And we have on the floor of the Legislature when we adopt the overall resolution. You are just making the recommendation.

Chairman Scudder: O.k., so we'll make a motion according to everything that Pierre said.

Legislator Starks: And what Kathy wrote down.

Chairman Scudder: We have a motion. Is there a second?

Legislator Proctor: Second.

Chairman Scudder: All in favor?

Unanimously Carried

Legislator Chagnon: Steve, while you were talking about OCFS, when we were talking with Social Services yesterday, they mentioned that they have been concerned that our OCFS placements into a secured facilities have been too high. We are, I'm not going to say exactly like they did but essentially what they were saying is, we're too quick to recommend OCFS placements into secured facilities rather than keeping those youth local, in families, and in situations like that, and Foster homes. They were indicating that that involved the County Attorney's office and Probation making those recommendations to the judges. So they thought that was something that we should speak with the County Attorney about. I hope this isn't news to you.

Mr. Abdella: No. I can get back to you. First of all, I'm not sure the statistics actually bear that out. I certainly appreciate and respect their enthusiasm for wanting to try and avoid certain secured detention as much as possible because it's a huge cost to the County.

Legislator Chagnon: Yes, that was the nature of the discussion.

Mr. Abdella: It's difficult to generalize about it because it's really on a case by case basis. The judge has the ultimate say.

Legislator Starks: Do we have enough alternate options for these kids, locally? Like, is that the reason why they are feeling they are getting sent away, we don't have enough approved Foster settings or other approved local settings that the option we have is to send them away?

Legislator Chagnon: I don't know the answer to that but in the discussion yesterday what really caught my attention is that, they made a comment that I didn't write down but, they said a few years back, the total State had like 35 kids in OCFS secured facilities and 16 of them were from Chautauqua County.

Legislator Starks: Oh, that's high.

Legislator Chagnon: I was like, what?

Chairman Wendel: I would beg to differ with that. That we had half the juvenile detentions in the State, I could never believe that, sorry. We work in that field, I can't see that.

Legislator Starks: And P.J. knows why this hurts my heart but, could that be why? Do we not have a lot of local options for these kids? What's available is to send them out to the more expensive setting.

Mr. Abdella: I may need to get back to you but I mean, there is both secure and non-secure detention. But the first goal is to find a family member or members who are able to supervise. The last resort is going beyond the family to sometime with secure and non-secure institutional setting. So it's only when there's simply no body available as far as support for these children, that you place them in that sort of circumstance. But, what's getting them into secured detention is frankly, off the charts violent tendencies. Now some of that needs care but when someone is throwing an ax at their grandmother (*cross talk*)...

Chairman Wendel: I hate to say it but most of our kids nowadays and I can't speak to all of them but I can, and probably you can first hand, our children are more violent now than they've ever been. I think that is unfortunate as we look forward. It's not a matter of, I can't speak to it, maybe we do have fewer alternatives, but I just know from my own, had to take a kid to the hospital who is 6 years old. Bit me 8 times and ready to grab a gun from a cop and stab somebody in the ear because that is the quickest way to their brain. I mean, violence tendencies of children are scary and it's unfortunate.

Legislator Starks: Bigger questions than you have answer for today.

Legislator Chagnon: My intent today was, from the Audit & Control committee, we're certainly not experts in this field. They raised a concern that they felt was costing the County taxpayers an inordinate amount of money and said, we should discuss this with others. So, I thought it's worthy of starting the discussion.

Mr. Abdella: Absolutely.

Legislator Nazzaro: I agree, that number, 16 out of 35.

Legislator Chagnon: That is what they said.

Legislator Nazzaro: They did and they have said it before.

Mr. Abdella: I think in East Ferry itself in Buffalo, holds more than 35 people and that is not even including New York City, Rochester, or Syracuse (*cross talk*)... We do not have any secured detention facility in our own County. That would be an expense to build one and so there has been nervousness with the Raise the Age as to whether we, any 16 or 17 year olds that we need secured detention for will be able to be accommodated. I mean, thus far, we're o.k., but that is another thing that makes us nervous. But, I will get back to you with more specifics.

Legislator Chagnon: Thank you. That's all that I have.

Chairman Scudder: Anybody have anything for the good of the body?

MOVED by Legislator Starks, SECONDED by Legislator Proctor to adjourn.

Unanimously Carried (4:46 p.m.)

Respectfully submitted and transcribed,
Kathy Tampio, Clerk of the Legislature/ Lori J. Foster, Sr. Stenographer