

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: **FINANCE**

DATE: **MARCH 10, 2010**

Committee Members Present:

Supervisors Stec
 Goodspeed
 Belden
 Taylor
 VanNess
 Kenny
 Conover

Committee Members Absent:

Supervisors Bentley
 Merlino

Others Present:

Fred Monroe, Chairman of the Board
Joan Sady, Clerk of the Board
Paul Dusek, County Attorney
JoAnn McKinstry, Deputy Commissioner of
 Administrative & Fiscal Services
Kevin Geraghty, Budget Officer
Supervisor Pitkin
Supervisor Thomas
Frank O'Keefe, Treasurer
Richard Murphy, Deputy Commissioner of
 Fiscal Services
Rob Lynch, Deputy Treasurer
Todd Lunt, Director, Human Resources
William Lamy, DPW Superintendent
Jeff Tennyson, Deputy Superintendent of
 Environmental/Engineering Services
Julie Pacyna, Purchasing Agent
William Montfort, Commissioner, Board of
 Elections
Sheila Weaver, Commissioner, Department of
 Social Services
Don Lehman, *The Post Star*
Thom Randall, *Adirondack Journal*
Nicole Livingston, Deputy Clerk

Mr. Stec called the meeting of the Finance Committee to order at 2:00 p.m.

Motion was made by Mr. Belden, seconded by Mr. Goodspeed and carried unanimously to approve the minutes of the February 10, 2009 Committee meeting, subject to correction by the Clerk of the Board.

Copies of the Finance Agenda were provided to the Committee members, and a copy of same is on file with the minutes.

Commencing the Agenda review, Mr. Stec stated Item 1 were the requests for Transfer of Funds which were attached for Committee approval. He noted that Supervisory Committee approval had been obtained as necessary.

Motion was made by Mr. Belden, seconded by Mr. VanNess and carried unanimously to approve Item 1 as outlined above. The necessary resolution was authorized for the next board meeting.

Mr. Stec advised Items 2A through C were referrals from the Budget Committee, Administrative & Fiscal Services. Item 2A, he said, was a request for a transfer of funds in the amount of \$50,000 from the Contingent Fund A.1990 469 to increase appropriations for Cornell Cooperative Extension due to an oversight during the 2010 Budget process.

Motion was made by Mr. Taylor, seconded by Mr. Belden and carried unanimously to approve Item 2A as outlined above, and the necessary resolution was authorized for the next board meeting.

Mr. Stec noted Item 2B was a request to amend the 2010 County budget to decrease estimated revenues and appropriations in the amount of \$10,000 to reflect a correction due to an oversight during the 2010 Budget process.

Motion was made by Mr. Kenny, seconded by Mr. Goodspeed and carried unanimously to approve Item 2B as outlined above, and the necessary resolution was authorized for the next board meeting.

Mr. Stec added that Item 2C was a request to amend Resolution No. 454 of 2009, to extend the contract with Integrys Energy Services of New York, Inc. from April 15, 2010 through December 31, 2011 in order to obtain a new lower rate for the remainder of 2010 and 2011.

Motion was made by Mr. VanNess, seconded by Mr. Belden and carried unanimously to approve Item 2C as outlined above, and the necessary resolution was authorized for the next board meeting.

Mr. Stec stated Item 3 was a referral from the Community College Committee, requesting authorization of the agreement between the Board of Trustees and the Faculty Association of Adirondack Community College (ACC).

Motion was made by Mr. Taylor, seconded by Mr. Goodspeed and carried unanimously to approve Item 3 as outlined above, and the necessary resolution was authorized for the next board meeting.

Mr. Stec apprised Items 4A and B were referrals from the County Facilities Committee. Item 4A, he said, was a request to amend Resolution No. 422 of 2009 to increase the contract amount from \$12,000 to \$22,255. He noted that the amount of \$10,255 would be reimbursed by NYSERDA (New York State Energy Research Development Authority).

Motion was made by Mr. VanNess, seconded by Mr. Belden and carried unanimously to approve Item 4A as outlined above, and the necessary resolution was authorized for the next board meeting.

Mr. Stec reported that Item 4B was requesting the issuance of a serial bond prior to the bid acceptance for the demolition of the former Department of Social Services Building.

Motion was made by Mr. Kenny, seconded by Mr. VanNess and carried by majority vote, with Mr. Goodspeed voting in opposition, to approve Item 4B as outlined above, and the necessary resolution was authorized for the next board meeting.

Mr. Stec advised Items 5A and B were referrals from the County Treasurer. He stated that Item 5A was a request to establish Capital Project No. H304.9550 280-Time Management System, in the amount of \$66,732 to implement a County-wide time management system, with the source of funding to be transfers from Capital Project No. H108.9550 280-Computerization Effort in the amount of \$50,000; and A.9950 910-Transfers Capital Projects in the amount of \$16,732.

Motion was made by Mr. VanNess and seconded by Mr. Belden to approve the request as presented.

Mr. VanNess commented that Frank O'Keefe, County Treasurer, had mentioned the possible use of Tobacco Securitization Funds in the amount of \$16,732 and he asked Mr. O'Keefe to elaborate. Mr. O'Keefe apprised in the event that the funds were not available in the A.9950 910 Transfer-Capital Projects code, the funding could be transferred from the Tobacco Securitization Fund. Mr. Stec suggested that the motion be amended to allow the Treasurer's Office the flexibility to utilize the Tobacco Securitization Fund if necessary. Mr. Conover requested that the Treasurer's Office also provide a performance report of the system on a quarterly basis. Mr. O'Keefe acknowledged the request.

Mr. VanNess amended the motion to include the authorization for the Treasurer's Office to utilize funds from the Tobacco Securitization Fund if necessary and Mr. Belden seconded the amended motion. Mr. Stec called the question and the motion was carried by majority vote, with Mr. Goodspeed voting in opposition, to approve item 5A as outlined above. The necessary resolution was authorized for the next board meeting.

Mr. Stec added that Item 5B was a request for a new contract with Novatime for a County-wide Time and Attendance System for a term commencing May 1, 2010 and terminating December 31, 2010, for a total amount not to exceed \$86,380, with the source of funding to be as follows: \$66,732 to be transferred from Capital Project No.

H304.9550 280-Time Management System; and \$19,648 to be transferred from Capital Project No. H263.9550 280-Human Services Building.

Motion was made by Mr. Taylor, seconded by Mr. Kenny and carried unanimously to approve Item 5B as outlined above, and the necessary resolution was authorized for the next board meeting.

Mr. Stec asserted Items 6A and B were referrals from the Health Services Committee, Health Services. He noted Item 6A was a request to amend the 2010 County budget to increase estimated revenues and appropriations in the amount of \$14,521 to reflect a contract deficit reduction in the WIC Supplemental Foods grant funding. Mr. Stec remarked Item 6B was a request to amend the 2010 County Budget to increase estimated revenues and appropriations in the amount of \$51,432 to reflect receipt of Bioterrorism grant funds.

Motion was made by Mr. Belden, seconded by Mr. Kenny and carried unanimously to approve Items 6A and B as outlined above, and the necessary resolutions were authorized for the next board meeting.

Mr. Stec apprised Items 7A and B were referrals from the Human Services Committee. He noted that Item 7A was referred from the Employment & Training Administration, requesting to amend the 2010 County budget to increase estimated revenues and appropriations in the amount of \$1,032 to reflect receipt of Federal funds.

Motion was made by Mr. VanNess, seconded by Mr. Conover and carried unanimously to approve Item 7A as outlined above, and the necessary resolution was authorized for the next board meeting.

Mr. Stec added Item 7B was referred from the Office for the Aging, requesting to amend the 2010 County budget to increase estimated revenues and appropriations in the amount of \$9,153 to reflect receipt of 100% reimbursed funds for HIICAP (Health Insurance Information Counseling & Assistance Program).

Motion was made by Mr. Taylor, seconded by Mr. VanNess and carried unanimously to approve Item 7B as outlined above, and the necessary resolution was authorized for the next board meeting.

Mr. Stec expounded Items 8A through C were referrals from the Planning & Community Development Committee, Planning & Community Development. He reported that Item 8A was a request to amend the 2010 County budget to increase estimated revenues and appropriations in the amount of \$300,000 to reflect receipt of amended grant award from the NYS Housing Trust Fund under the HOME Program; and establishing

codes within the budget for such.

Motion was made by Mr. Conover, seconded by Mr. Taylor and carried unanimously to approve Item 8A as outlined above, and the necessary resolution was authorized for the next board meeting.

Mr. Stec advised Item 8B was a request for a new contract with Furniture Pro Corporation for the installation of bathroom partitions and countertops at the Lake Luzerne Senior Center as part of the CDBG Project, commencing March 19, 2010 and terminating September 30, 2010. Mr. Stec added Item 8C was a request for a new contract with Buffalo Hotel Supply, Inc. for the purchase, delivery and installation of kitchen equipment at the Lake Luzerne Senior Center as part of the CDBG Project, commencing March 19, 2010 and terminating September 30, 2010. He noted that Mr. Merlino had informed that the termination date for both contracts should be May 30, 2010, as opposed to September 30, 2010.

Motion was made by Mr. Belden, seconded by Mr. Taylor and carried unanimously to approve Items 8B and C with the termination dates for the contracts to be May 30, 2010 and not September 30, 2010 as outlined above, and the necessary resolutions were authorized for the next board meeting.

Mr. Stec asserted Items 9A through C were referrals from the Public Works Committee, DPW. Item 9A, he said, was requesting a source of funding to complete the Woolen Mill and Tannery Road Bridge Projects for approximately \$1.95 million, as per the attached.

Motion was made by Mr. VanNess and seconded by Mr. Belden to approve the request as presented.

William Lamy, DPW Superintendent, explained this action was needed to establish cash flow for the projects while awaiting the Federal and State reimbursements. Mr. Stec questioned the desire of the Committee relative to the source of funding. Paul Dusek, County Attorney, interjected that in the past, bond counsel had recommended that Bond Anticipation Notes (BAN) be obtained because of the flexibility of such, as opposed to a Revenue Anticipation Note (RAN). Mr. VanNess suggested that the Committee authorize the issuance of a bond, to be determined by the Treasurer's Office whether it be a BAN or a RAN. Mr. Geraghty requested that the two rates be compared prior to a decision being made in order to ensure that which ever bond offered the lowest rate was obtained.

Following discussion, Mr. Stec called the question and the motion was carried unanimously to authorize the issuance of short term borrowing to complete the Woolen Mill and Tannery Road Bridge Projects for approximately \$1.95 million.

Mr. Stec added Item 9B was requesting a source of funding for payment of an invoice received from Siemens Building Technologies, Inc. in the amount of \$9,350 for a comprehensive energy audit, project design and contract preparation for the DPW Shop located in the Town of Warrensburg.

Mr. Dusek requested that this item be tabled because a question had arisen as to whether or not the terms of the letter of credit were followed by Siemens.

Motion was made by Mr. Belden, seconded by Mr. VanNess and carried unanimously to table Item 9B as outlined above.

Mr. Stec commented Item 9C was request to amend the 2010 County budget to increase estimated revenues and appropriations in the amount of \$448 to reflect receipt of payment from the Town of Horicon for Calcium Chloride.

Motion was made by Mr. Belden, seconded by Mr. Kenny and carried unanimously to approve Item 9C as outlined above, and the necessary resolution was authorized for the next board meeting.

Mr. Goodspeed exited the meeting at 2:10 p.m.

Mr. Stec apprised Item 10 was a referral from the Social Services Committee, requesting to amend the 2010 County budget to increase estimated revenues and appropriations in the amount of \$284,851 to reflect receipt of Homeless Prevention Rehousing Program contract funds.

Motion was made by Mr. VanNess, seconded by Mr. Taylor and carried unanimously to approve Item 10 as outlined above, and the necessary resolution was authorized for the next board meeting.

Mr. Stec remarked Item 11 was a referral from the Real Property Tax Services Committee, requesting the Finance Committee to consider rescinding Resolution No. 172 of 2010, which rejected bids for the County Fairground property and reconsidering the offer made by Mr. Emerson in the amount of \$61,500.

Motion was made by Mr. Belden and seconded by Mr. VanNess to approve the request as presented.

Mr. VanNess questioned if this would have to go back out to bid and Mr. Dusek replied in the negative, noting this would not award the property, it would only rescind the previous resolution and provide the Committee the opportunity to reconsider whether or not the award would be made. Mr. Dusek added there were some legal issues associated with this, as to the ability to transfer the property and the adequacy of

consideration, which he was in the process of researching. Joan Sady, Clerk of the Board, advised that the matter would be referred back to the Public Works Committee.

Following discussion, Mr. Stec called the question and the motion was carried unanimously to rescind Resolution No. 172 of 2010 as outlined above. The necessary resolution was authorized for the next board meeting.

Mr. Stec said Items 12A through C were matters requested from Paul Dusek, County Attorney, to discuss with the Committee. He stated Item 12A was a discussion regarding the Town of Queensbury Home Development Corporation Tax PILOT and the effects on Warren County.

Mr. Dusek expounded the John Burke Apartments located in the Town of Queensbury, was a low income apartment complex that was forty years old and was in need of repair. He added that a company, known as the Housing Development Fund Company, had approached the Town and expressed an interest in purchasing the complex and renovating the structures. Under the New York State Private Housing Law, he said, they could also ask the Town for a PILOT (Payment in Lieu of Taxes) to alter the normal tax arrangements on that property. He further stated that the Company had requested that the Town freeze the taxes on the property at the 2010 rates and hold them the same for thirty-one years. He noted that the Town had requested the assessment of the property be revised, resulting in an upward increase for the year 2010. Mr. Dusek clarified that the taxes would be subject to a HUD calculated formula that would be done each year to slightly modify the amount that ranged in percentages from 2½% to 5½%. He concluded that the Town of Queensbury would be holding a Public Hearing on Monday, March 15, 2010 at 7:00 p.m. Discussion ensued and Mr. Dusek reiterated that this item was presented as an informational piece only and no action was necessary.

Mr. Dusek asserted Item 12B was discussion concerning a Town and County invoice to DPW for extra work. He explained that the DPW had repaired the Heath Road Bridge and had bid out certain components of the project and used the provider that was used through the contract for miscellaneous guide rail work. He summarized the problem was that the company that performed the work had not bid the particular style of guide rail work that was needed and legally, everything on a project was required to be bid. Mr. Dusek advised that a justification for the expenditure could be made by either considering it a change order to their main guide rail contract or from the standpoint that it was a public emergency, both of which were legal justifications.

Motion was made by Mr. Belden, seconded by Mr. Taylor and carried unanimously to declare the work performed on the Heath Road Bridge a public emergency; thereby constituting a change order to the main guide rail contract. The necessary resolution was authorized for the next board meeting.

Mr. Dusek apprised Item 12C was relative to the Hudson River Black River Regulating District Assessment Challenge. He stated that the Hudson River Black River Regulating District had assessed Warren County in the amount of \$300,000 with expected payment due by July 1, 2010. He added that an administrative hearing was approaching and there were additional counties being assessed which included Saratoga, Albany, Rensselaer and Washington Counties. He said this was a new assessment and they used to assess power generating companies. Mr. Dusek reported that he had met with attorneys representing the aforementioned counties regarding this issue, as well as the attorneys for the Hudson River Black River Regulating District. He opined that the County should challenge this assessment in the administrative hearings. He recommended the authorization of an administrative challenge to the assessment, as well as follow up legal action if necessary due to his belief that the benefit roll was not properly constructed. He further suggested that should this matter enter into litigation, all the attorneys representing the previously listed counties join together to hire an attorney, similar to the practice during the APA (Adirondack Park Agency) litigation, to share the cost for such. Mr. Dusek noted that this would require two separate actions by the Committee, one being to authorize the challenge, as well as any legal proceedings that may be necessary following that; and the other being to authorize an attorney to represent the County for this and to cap the County's exposure at a maximum of \$20,000.

Motion was made by Mr. VanNess, seconded by Mr. Belden and carried unanimously to authorize Warren County to challenge the Hudson River Black River Regulating District Assessment. The necessary resolution was authorized for the next board meeting.

Motion was made by Mr. Belden, seconded by Mr. VanNess and carried unanimously to authorize the hiring of an attorney, along with Saratoga, Albany, Rensselaer and Washington Counties, to represent the County in the challenge of the Hudson River Black River Regulating District Assessment and to cap the County's exposure at a maximum of \$20,000. The necessary resolution was authorized for the next board meeting.

Mr. Stec noted Item 13 was the Current Aged Receivable Report, as of February 28, 2010 which was attached for review. He also pointed out the Response to the Budget Analysis Report from the County Treasurer as prepared by JoAnn McKinstry, Deputy Commissioner of Administrative & Fiscal Services, that was distributed for the Committees review, a copy of which is on file with the minutes.

Mr. Stec concluded the Agenda review, and stated Item 14 was a request for Finance Committee action which was required on the following items that were approved by the Personnel Committee: Item Nos. 2D, 4A, 5, 6D, 9B and 9C. He noted that a source of funding was requested for Item 2D, creating the position of Keyboard Specialist, part-

time not to exceed 20 hours per week, Grade 3, annual base salary of \$23,390 for the Department of Veterans' Services. He recommended that the source of funding be from the Contingent Fund. (Please note: Transfer of Funds from Contingent Fund to A.6510 130 ((Veterans Service-Salaries-Part-Time)) in amount of \$16,000 was authorized for the period March 22, 2010 to December 31, 2010.)

Motion was made by Mr. Belden, seconded by Mr. VanNess and carried unanimously to approve Item 14 as outlined above, and the source of funding for Item 2D be transferred from the Contingent Fund. The necessary resolution was authorized for the next board meeting.

Mr. Stec remarked another item that was approved by the Personnel Committee and required Finance Committee approval was Item 15, appointing Paul Dusek as the Commissioner of Administrative & Fiscal Services, effective April 1, 2010 at an annual salary of \$129,000 for the years 2010 and 2011.

Motion was made by Mr. VanNess, seconded by Mr. Belden and carried by majority vote, with Mr. Stec abstaining, to approve Item 15 as outlined above. The necessary resolution was authorized for the next board meeting.

There being no further business to come before the Committee, on motion made by Mr. Conover and seconded by Mr. Belden, Mr. Stec adjourned the meeting at 2:45 p.m.

Respectfully submitted,

Nicole Livingston, Deputy Clerk