

Minutes

Audit & Control Committee

October 17, 2019, 8:35 a.m., Room 331

Gerace Office Building, Mayville, NY

Members Present: Chagnon, Nazzaro, Muldowney, Gould

Member Absent: Niebel

Others: Tampio, Ames, Bentley, Reynolds, Dennison, Caflisch, Crow, Griffith, Brinkman, McCoy, Keller, Carrow, Abdella, Rice, Sanderson, Stearns, Kneer, Borrello, McCord, Quattrone, Wisniewski, Pinkoski

Chairman Chagnon called the meeting to order at 8:35 a.m.

Approval of Minutes (09/19/19)

MOVED by Legislator Nazzaro, SECONDED by Legislator Gould

Unanimously Carried

Privilege of the Floor

No one chose to speak at this time

Proposed Resolution – Close Capital Projects and Amend 2019 Budget – Landfill

Mr. Bentley: Good morning. This resolution is to close the phase two project that was initiated in 2020. This work is being completed now in conjunction with the phase four construction of the cell, so we're moving the money from that account into the overall master account because the works is being done by the same contractor. In addition, over the years we've added some improvements to the gas collection system so that we can have more efficient methane collection for the power plant and environmental affects as well. In addition there's quantities that were estimated originally in the project when we were doing it, as you can imagine with a project that big estimating quantities can be off and it was off a little bit, so we need an additional \$900,000 to pay those bills. I think I may have misled Mr. Nazzaro in Public Facilities- we do need that money this year and it needs to be done now. We will be getting those invoices in a couple months, so this is something that we do need to have to pay our bills.

Chairman Chagnon: So I'll understand it- the additional work has been done from the original scope of the project and the estimates have been updated from the original scope of the project that's being closed?

Mr. Bentley: Yeah and you guys probably have more history than I do at this point because the original project started in 2007-2008 and has gone through various changes to the project costs through various amendments up and done. In 2018 it was decreased by \$16 million, so there's a lot of history but when we decreased it it was only to account for the future costs for completing the cell construction and the engineering costs. I think there was some history that maybe wasn't accounted for that still needs to be paid for for internal costs and such.

Chairman Chagnon: O.K.

Legislator Nazzaro: During the Public Facilities meeting- and that's why Kathleen came up, I'm sure- I just had a question about why the accounting didn't balance and Kathleen explained this has not been uncommon for enterprise funds, but I did want to know why it was \$900,000 difference and should we adjust the EL fund balance for use of that or should we change the increase in appropriation amount to the real (*inaudible*) and I guess with your permission I would just like Kathleen to explain why this is as it is.

Mrs. Dennison: I did do some research and found that – the short answer is historically, yes, most of the enterprise funds are in a way unbalanced. The background is- specifically for the landfill, the last time we amended a resolution it was resolution 107-18 and that one was unbalanced. We just changed the appropriations and did not indicate how that change would affect the fund balance or use of funds. The main reason that the resolutions have been unbalanced- a couple of reasons- one is that most of the enterprise capital projects are established when the budget is adopted and they're typically- when we do the budget we're assuming that the projects are funded primarily with user fees. The landfill one is a little different because obviously with bigger projects there's potentially some bonding involved, but looking back at a lot of enterprise capital projects in the sewer districts they're established by the budget, they are funded by user fees, so when we actually put the budget into our accounting system we only put in an appropriations budget- you look at these capital projects and there's no revenue line. It's not like in the H fund and the capital projects fund- all of those projects they have the appropriations and then they have the corresponding revenue, whether it be interfund transfer or it's federally funded or state funded. Most of the enterprise funds don't have that revenue component because the assumption is that they'll be paid by user fees, they're using their own funds, they're not typically getting funding from some other source, so there is a historical precedent, if you will, for having the projects themselves be unbalanced and to some extent having the resolutions be unbalanced as well. The main reason that we established budgets for these capital projects in the enterprise funds is to establish a funding source or a funding authorization for the appropriations and also to track the cost of the project, so we establish a maximum amount for the project, we establish a budget and a project number so we can track the expenditures associated with that project to ensure that they fall under a certain (*inaudible*) but we don't really treat those capital projects in the same way from an accounting standpoint as other capital projects because during the course of the project the work is- essentially the fund balance is kind of adjusted at each year end because as a project progresses at the end of each

calendar year if there were expenditures, there was construction in progress, that gets moved into an asset category and the fund balance is kind of adjusted as part of those yearend transactions. So, that's kind of a long winded answer.

Legislator Nazzaro: Thank you for that. At the end when you said readjust the fund balance- my concern was to make sure the balance sheet was properly stated at the end of the year so when we looked at the overall financial picture of all the county funds that it was properly projected on the balance sheet. In Public Facilities Mr. Gould and I said that if you were good with it then we would be good with it, but hearing that the balance sheet would be properly reflected-

Mrs. Dennison: Because there is that yearend adjustment for all of the enterprise funds to look at what's been expended on capital improvements, what's been depreciated and there's a balancing act that goes with that and the balancing is adjusted to or from the fund balance.

Legislator Nazzaro: O.K., thank you.

Chairman Chagnon: I'm good with this. This has been a long standing practice for the county government for enterprise funds, which I'm very familiar with, so I'm fine with this.

Legislator Nazzaro: O.K.

Mrs. Dennison: And maybe just one other point as Brad mentioned- this project in 2018 we did reduce the budget by \$16,513,445 and just to give a little background information on that we came to that reduction because Director Pantelis had two contractor estimates for the work and we took those two in combination and that was used for the total budget for the project and we reduced the budget in the County system to match that. It looks like in the past at one point there was a \$18 million dollar budget that kind of got put into the accounting system twice, so that's why the budget was much larger than it needed to be, but we did obviously reduce too far because the cap was just those two contractor estimates and did not take into account other miscellaneous charges associated with the capital project including time of our engineers and other minor things like that. There were definitely some other expenses that are part of the project that were not properly anticipated when we amended the budget last year.

Chairman Chagnon: O.K., other questions or comments? All those in favor please say aye. Opposed?

Unanimously Carried

Proposed Resolution – Adjust DPF Building and Grounds Accounts

Mr. Bentley: This resolution's for moving funds within buildings and grounds to pay for a spreader because we're going to go to all salt for the parking lots out in Mayville. It was discussed in Public Facilities- the brine that we previously used on the parking lots is really no longer available. The testing by the New York State DEC to be able to use brine is very stringent and I was actually at the town and village highway association meeting and I asked how many

towns still use brine or at least planning to and there was five and I asked how many have had the test results to get the brine approved for use and there was one town. So, one source so far has been able to get approved for it and the other four towns are struggling and they're not sure what they're going to do at this point. So, that's why we decided to go to salt. The spreader costs about \$5,000, so we're going to fully maximize the use of our equipment budget in buildings and grounds and we had some additional funds in personnel services that we'd like to move over to pay for that spreader so that we can make the parking lot safe for the winter conditions.

Chairman Chagnon: O.K., Kathy pointed out that there was a typo correction in Public Facilities on the increase appropriation account number.

(Cross-talk)

Mrs. Dennison: I made the mistake and I caught it.

Chairman Chagnon: O.K., is there any questions or comments on the proposed resolution? All those in favor say aye. Opposed?

Unanimously Carried

Proposed Resolution – Adjust D.5112 Capital Improvement Account – Funded Roads

Mr. Bentley: This resolution's for the Cassadaga wind farm. They have submitted their permit request to use county roads for the construction of the Cassadaga wind farm. After engineering reviews and surveys and looking at our roads of the impacts that they're going to cause to the county roads and coming up with a cost assessment for what it will take to repair/replace those roads at the end of the project - it was a little over \$2.4 million. They have paid the fee for the permit. They're aware of the requirements to stay on only those roads that are in the permit and they are not allowed to go off those county roads and if they do they will be subject to additional costs and/or suspension of the permit. We understand that this is going to be an impact for some of those residents and we want to make sure the county is doing our part to minimize those impacts as much as possible and make sure the restoration of those roads is as good as or better when it's done because we do expect them to beat the roads up pretty heavily and the roads will basically be back in new condition when we get them repaired or replaced. So, that's- this money is here to bring those permit fees and put it into the funded roads program so that that money is actually reserved for those roads and not somehow gone somewhere else. This is protecting that money for that particular use.

Chairman Chagnon: O.K., questions or comments on the proposed resolution? All those in favor? Opposed?

Unanimously Carried

Proposed Resolution – Amend 2019 Budget for Road Salt

Mr. Bentley: So, a lot of history here- a lot of questions and if I could indulge the Audit & Control Committee I do have some additional information I would like to present. So, obviously the cost of salt is going up from \$68/ton to \$76/ton and the budget for 2020 is approximately \$2.3. I've been asked a number of times by a number of legislators and members of the public about the possibility of using sand. So, I actually had the opportunity at the town and village highway association meeting to query a number of the town folks to figure out what that means and how they do their jobs and what are the impacts besides the savings of the sand and what other costs do they incur to have to maintain the roads. So, it was interesting. I got a wide variety of responses. I'll say that each town is kind of unique and use maybe a different mix. Interestingly enough Pierre, for the town of Ellery they have four snowplow runs- two of the runs they use 100% salt and the other two- so, near the lake they use 100% salt and I think one of the reasons is they are worried about silt sand going into the lake because it's going to get on the roads and it's close to the lake and you're actually going to put sediment into the lake- on the hills and intersections they use a salt/sand mix. They have to broom the roads every year, they have to cut the shoulders- there's a lot of repairs. That might work well for a town but my concern is I have 550 miles of roads that I have to broom and I have one broom that goes out there and it would probably take me all year with one broom. So, if we're going to propose to do this on our roads there's probably going to be an ask for more equipment and maybe more resources to run that equipment. In the cities I will not be able to use any sand mixture because that'll get in the catch basins and will plug up their system, so I'll have to set up our trucks- some of our trucks will be 100% salt and some trucks will have to be set up to do a mix, so now if a truck breaks I can't change one truck to another, so it's going to reduce my ability to address (*inaudible.*) So, there's true cost to the savings, so I did a rough number- I wanted to figure out how much money we were trying to chase here from a savings perspective- let's say it's \$2.4 million. If I go with three parts salt and one part sand, so 25% sand- out of that \$2.4 million its \$600,000. Sand costs something; I do have to pay for it and interestingly enough people told me well the quality of the sand matters. You can't just buy the cheapest sand out there because the cheap sand congeals and doesn't spread, so you actually have to have the right sand. So, let's say that costs me \$100,000. If I have to buy another piece of equipment or hire another person in addition to the labor cost to go out to sweep 550 miles of roads. I think I'm chasing my tail on this one a little bit if we're going to do this on county roads. So, I asked the question that I think you guys should all know the answer to. I asked the town of Ellery superintendent if he thinks the county should use sand on their roads and his answer was no and this is a guy who's been doing this for a long time. He's not new to the game and I have a lot of respect for him and for him to come out and say yeah you shouldn't do it that was meaningful to me. So, I wanted to provide that additional insight in addition to what provided at Public Facilities. I actually want to consider it because I think it is a cost savings from a material standpoint but I think the downstream impacts are quite large and we wouldn't know- and on top of that will be the impacts to the roads conditions. We're going to have roads that won't be as bare as quickly, so we're going to be driving on hard packed snow and I think that could impact school children, employees, businesses in general, so we're chasing a small dollar amount that could have a potentially large impact on public safety. My opinion and based on my research on this, I would not recommend trying to go to a sand mixture for the county.

So, with that backdrop I do need more salt to fill the barns so that we can actually maintain our road safety. I'm asking for an additional \$500,000. If anyone did the match from the DPF count you know that I (*inaudible*) the tonnage probably times 76 and I'm asking for a

little bit more, but as we all know there's not exact science to- if you look at a pile there's probably some- I want to make sure I have enough, so depending on the weather I may be back later in the year. So, as we talked about- we do use salt- this is just to fill the barns and we can't wait until January 1st if we have an early winter to buy additional salt because if we run out that's never a good thing.

Chairman Chagnon: Questions? Comments?

Legislator Gould: My turn. I pushed for a sand mixture but with the research you've done on it now even though the salt is very bad for our environment because it gets in the waterways, it gets in the soil I will support this today.

Mr. Bentley: Thank you.

Legislator Gould: So, I'm going to change my vote from the last committee to this committee to support filling the salt barns. I will support it today, but I won't give up.

Mr. Bentley: Thank you. I understand.

Chairman Chagnon: Other questions or comments? Brad I will support this resolution if you agree with me to investigate the improvements that have been made in the road treatment around Lake George. Wayne County and one of the towns there has now adopted a new program for maintaining the roads with salt and I would like to investigate that with you to see if that presents some opportunities to reduce our salt usage, which they have demonstrated has been very successful in reducing their salt usage. If you agree to work with me on this, I'll support this.

Mr. Bentley: I will. I want to make a point that we've actually reduced the amount of salt- I have to correct something because I found out additional information as well. I talked to my neighbor George Spanos about this and I wanted his input as well, he has a lot of experience and he reminded me that even though we've been using 30,000-35,000 tons a year not that long ago we were putting brine down on the roads, which is also salt but that was free, so that substituted the need for buying salt. So, if you think about how much brine we used and how much salt we're using today we've actually probably reduced what we've used. I think that's due to a number of factors. We have equipment on our plow trucks that the drivers can control the rate that gets spread on the road due to conditions. If we're having a two foot snow storm we're not putting down salt, we're plowing. If it's icy conditions they will adjust the rate accordingly to make sure that there's enough salt there so we don't go sliding off the roads. I think through some technology changes over the years and in consideration of what we were using for brine on the roads, we've actually probably have reduced the amount of salt we've used on the roads, but I'm looking to save money, so anything we can do-

Chairman Chagnon: O.K., any other questions or comments? All those in favor please say aye? Opposed?

Unanimously Carried

Proposed Resolution – Amend 2019 Budget for Jury Room Renovations in the Chautauqua County Courthouse and Carpet Replacement in Part 1 Hearing Rooms 103, 104, & 105 in the Mayville Municipal Building

Mr. Bentley: This resolution is to account for the request by the courts as a fully refundable project to basically replace the carpets in there. I think there's some humidity issues and the carpets been in there for a while, so they've requested to replace it and the courts pay for it in full.

Legislator Nazzaro: No local share?

Mr. Bentley: No local share.

Chairman Chagnon: O.K., questions or comments on the proposed resolution? All those in favor please say aye? Opposed?

Unanimously Carried

Proposed Resolution - Authorize Early Voting Aid to Localities Grant Award from the New York State Board of Elections

Ms. Sanderson: Good morning.

Ms. Stearns: We are looking for approval for the grant that is intended to help us cover the expenses related to early voting this year. That would include our electronic poll books, printers that go along with those poll books and expenses such as that.

Chairman Chagnon: O.K., questions? Is this the second grant you've received in this regard? This is a 2019 grant?

Ms. Stearns: Correct.

Chairman Chagnon: Very good. Any other questions or comments? All those in favor please say aye. Opposed?

Unanimously Carried

Proposed Resolution - Quit Claim Deeds

Mr. Caflisch: Good morning.

Chairman Chagnon: This one was amended in Administrative Services to accept the highest offers.

Mr. Caflisch: That's correct. We had multiple offers on two parcels. These are parcels that did not sell at our auction this year and some parcels that didn't sell last year, so we put them up for RFP and the offers came in and I made the recommendation they accept the highest offers on the two parcels that had multiple offers.

Chairman Chagnon: O.K., so both of the offer amount total and the taxes owing total was reduced?

Mr. Caflisch: Correct because when we put them together we didn't know which ones would be accepted, so we just had them all there.

Chairman Chagnon: O.K. So, the total now for offer amount is \$19,954 and the total for taxes owing is \$58,222.04.

Mr. Caflisch: Correct.

Chairman Chagnon: So, the reason that there were duplications is at the time you put the resolution together you didn't know which one-

Mr. Caflisch: Well, it's always- I give the offers to the legislature for their consideration because I can't make that decision.

Chairman Chagnon: So Administrative Services decided to accept the highest offers?

Mr. Caflisch: Yes.

Chairman Chagnon: Got it. Questions or comments on the proposed resolution? All those in favor please say aye. Opposed?

Unanimously Carried.

Proposed Resolution - Authorize Acceptance of the 2020 Stop Violence Against Women (VAWA) Grant Program

Ms. Kneer: This is a resolution to accept our grant funds on our domestic violence prosecution. We've had this grant for about six years and there is no cash contribution to the county. It funds a partial ADA with benefits and a part time deputy sheriff.

Chairman Chagnon: O.K., the second whereas says that the local match requirements will be provided by a third party. Whom is the third party?

Ms. Kneer: Well, it goes between-

Legislator Gould: I can't hear you.

Ms. Kneer: I think I'll have to get back to you with that question.

Sheriff Quattrone: I do not know.

Chairman Chagnon: Alright. Any other questions or comments on the proposed resolution? All those in favor please say aye? Opposed?

Unanimously Carried

Proposed Resolution - Haz Mat Grant Program FY2018

Mr. Griffith: Good morning. This is a resolution to accept the \$94,000 federal hazardous materials grant which will be spent later on- spent through August 2019 to August 2021. There is no local share.

Chairman Chagnon: Questions or comments on the proposed resolution? All those in favor please say aye? Opposed?

Unanimously Carried

Proposed Resolution - Fiscal Year 2019 Hazardous Materials Emergency Preparedness (HMEP) Grant Program

Chairman Chagnon: I understand that this proposed resolution has been amended. A copy of the amended resolution is on the table for you this morning.

Mr. Griffith: This is a \$15,516 (*inaudible*) grant funded by the U.S. Department of Transportation pipeline hazardous material. This will be used for training in hazmat materials. For the County there is no local share.

Chairman Chagnon: O.K. Questions? Comments on the proposed resolution as amended? All those in favor please say aye. Opposed?

Unanimously Carried

Proposed Resolution - Mental Health HEALing Communities Study

Ms. Brinkman: Good morning. We have partnered with Columbia University to work with them to better understand the dynamics behind opioid addiction and for the work that we will be doing with them over the annualized amount is \$191,300. The amount in this resolution is for that amount which we anticipate spending in this fiscal year for the 2019 budget. So, we're asking- there is no local share.

Chairman Chagnon: This is incorporated in your 2020 budget?

Ms. Brinkman: Yes.

Chairman Chagnon: Questions or comments on the proposed resolution? All those in favor please say aye? Opposed?

Unanimously Carried

Proposed Resolution - Mental Hygiene Health Resources and Services Administration (HRSA) RCORP-Implementation Grant

Ms. Brinkman: We're excited that we were chosen as one of only three entities within the state of New York and a relatively small number across the nation to receive this grant. It is \$1 million over a three year period and again, it's to address addiction and this \$83,000 that we're asking is for the 2019 budget and it has been put in the 2020 budget and there is no local share.

Chairman Chagnon: O.K., any questions or comments on the proposed resolution? All those in favor please say aye? Opposed?

Unanimously Carried

Proposed Resolution - Mental Health SAMHSA Expansion Grant/Tapestry

Ms. Brinkman: Again, as you heard at the budget meeting, we're very excited to once again- this is our third time that SAMHSA has chosen to invest in Chautauqua County to continue the transformation of our child serving system. This time we're going to be focusing on young children between zero and eight and our college age students because both of these populations are showing increasing mental health needs, so the resolution you have in front of you is the amount that we anticipate spending in 2019 and it is included in our 2020 budget and no local share.

Chairman Chagnon: O.K., questions? Comments?

Legislator Muldowney: I just want to comment that I do appreciate you recognizing (*inaudible*) the opioid addiction and it's proven that you're out getting grants and recognizing the issues and I just want to thank you for your hard work and knowing that this (*inaudible*) for the problem that we have.

Ms. Brinkman: Thank you. I think we've built a wonderful collaborative partnership with providers and community agencies and consumers and family members across our county and HRSA work has brought those together to help direct the work that the county is doing. It's not just us a county entity, but it's all of our partners working together that I think is making an impact on this problem.

Chairman Chagnon: Pat, clearly the collaboration that you have developed in that regard is impressive locally and statewide and now nationally as well because before us today you've presented nearly \$6 million in grant funding for Chautauqua County- very impressive.

Ms. Brinkman: Thank you.

Chairman Chagnon: Other questions or comments? All those in favor please say aye. Opposed?

Unanimously Carried

Proposed Resolution – Acceptance of New York State OASAS Funds for Alcoholism and Substance Abuse Prevention and Treatment

Ms. Brinkman: This is sort of (*inaudible*) but at least it's the manifestation of the reality that another one of our initiatives to serve the addition population has come to fruition. A number of years ago we worked with UPMC Chautauqua to apply for residential funds and they were successful. At the time it was rapid turnaround funding and it hasn't turned out to be very rapid, but the positive news is that facility has opened at UPMC Chautauqua. They have residents that are in the program as we speak and the idea is that these individuals will be in longer term treatment so that their prognosis when they're reintegrated back into the community is more positive. So these dollars are dollars that come to the county that are to float UPMC Chautauqua to be able to provide those services to our residents and it's a very exciting accomplishment all around with all of the partnerships that have made this happen. So, again, this is no local share.

Chairman Chagnon: And another \$700,000 per year.

Legislator Muldowney: I toured the facility a number of years ago and it really is a nice facility. Is there a waiting list- is there such a thing?

Ms. Brinkman: This is a new program. You probably toured the inpatient program and since that time the inpatient mental health and drug and alcohol inpatient have moved to the main campus-

Legislator Nazzaro: Above the emergency room.

Ms. Brinkman: Yes and it's a beautiful facility and then the Jones Hill facility has been renovated, at least one area of it, to provide the residential services for individuals for whom inpatient and then outpatient isn't enough. I'm sure the hospital would be happy to give any of you a tour of the facility if you're interested. I would also invite you- if you're interested in hearing more about in an expanded version of what the county and our partners are doing relative to addiction we are having a conference on the 29th of October and it's going to look at what's been accomplished through the initial HRSA grant and then look at the strategic plan going forward and we have a wonderful key note speaker from Maine- a police chief that's coming in to talk about how he has revolutionized the way law enforcement work with those who have addiction problems, so I think it will be a very exciting opportunity.

Chairman Chagnon: I'll be there.

Ms. Brinkman: Good.

Legislator Muldowney: Where is it?

Ms. Brinkman: It's going to be at the new hotel in-

Chairman Chagnon: Chautauqua Harbor Hotel.

Ms. Brinkman: Yes, thank you.

Chairman Chagnon: O.K., questions or comments?

Unanimously Carried

Proposed Resolution – Accept Grant Funding from the New York State Department of Agriculture and Markets to Update the Chautauqua County Agriculture and Farmland Protection Plan

Ms. Keller: Good morning. So, last October the Legislature authorized- passed a resolution to authorize the submission of a grant for farm land protection planning grant through the New York State Department of Agriculture and Markets. This past September we were notified that we have received the award in the amount of \$50,000 from New York State Agriculture and Markets. This grant will allow us to update the County's agriculture and farmland protection plan. It will allow us to put in new updated information and explore new challenges that agriculture has faced and investigate solutions to keep agriculture economically viable in our county. As I said, the grant is for the amount of \$50,000 and will be matched with \$20,000 in kind in staff work from both Cornell Cooperative Extension of Chautauqua County and our office and the remaining \$30,000 will be from the Chautauqua Region Community Foundation. This resolution before you will allow us to enter into an agreement accepting the funding from New York State Ag and Markets.

Chairman Chagnon: Questions? Comments? Congratulations on receiving the grant. All those in favor please say aye? Opposed?

Unanimously Carried

Proposed Resolution – Environmental Assessment of Projects for 2020 2% Occupancy Tax Projects

Mr. McCoy: Good morning. This resolution is to accept the environmental review for the three additional projects that were recommended during our last legislative session. Each of those are (*inaudible*) actions were in the context of SEQRA and the recommendation is that they have no significant environmental impacts and therefore they should be given a negative declaration.

Chairman Chagnon: O.K., questions or comments on the proposed resolution? All those in favor please say aye. Opposed?

Unanimously Carried

Proposed Resolution - Authorize Advance of Funds to Chautauqua County Soil & Water for WQIP Projects – Jamestown Riverwalk Restoration and Silver Creek Dam Removal

Chairman Chagnon: Good morning Cassie.

Ms. Pinkoski: Good morning.

Mr. McCoy: I was approached late September by our friends at Soil and Water regarding two water quality improvement program grants. They were concerned about their ability to sustain these projects due to cash flow concerns and we are here to request an advance, if you will, to help those projects be implemented.

Chairman Chagnon: Cassie, last night at the Planning & Economic Development committee meeting we talked about the feasibility of getting a 25% advance on the grant. Where do you stand with that?

Ms. Pinkoski: We submitted that request with our lady in Albany who is our contract manager, so we're just waiting for that to come through.

Chairman Chagnon: O.K.

Ms. Pinkoski: She said- Dave asked me to reach out to her, so we did and she said that we are eligible for that 25%- the paperwork I had to fill out was pretty minimal and she was going to do the rest, so that's where we are right now.

Chairman Chagnon: O.K. Last night we talked about the possibility of having rolling submittals for grant reimbursement. Do you plan on doing that through the process of this grant?

Ms. Pinkoski: Yeah. What brought it up was the Riverwalk grant because we put the bid out for the construction, planting, and then a herbicide treatment and when we got the bid back for the construction, which we hope to accomplish this year, it was higher than any funds that we have sitting in our (*inaudible*) so we can't pay it and then get reimbursed, so that's when Dave reached out to see what we can do about getting that done this year and reimburse- usually when we have- our grants in the past they've been multiple smaller scale projects so we could do them and be reimbursed but it was a big cost and the same with the Silver Creek dam removal. It's going to be a onetime project and it's going to be costly. We just want to make sure that we can get the projects done.

Chairman Chagnon: What we talked about last night is that the amount of the expenditure of funds is substantial but that's not going to be necessarily all out at once or all out for long periods of time because of your rolling submission of reimbursement requests and the possibility of 25% upfront. So, we talked about in the contract that the County Executive will be proposed

to develop with Soil & Water that that would be taken into consideration and after the meeting last night talking with Don McCord, he said that his department has some experience with this with another arrangement that was made similarly, so he said the templates in place to help the County Executive and the County Attorney put this in place. Last night I extracted a commitment from the County Attorney to make sure that this was done properly.

Ms. Pinkoski: I must say that the stuff for this year for the Riverwalk the construction is around – it's less than \$100,000 and then the planting will be put off until the spring and that came in around \$75,000, so we should be able to reimburse through the winter before the next phase.

Chairman Chagnon: Good. George?

County Executive Borrello: I'd just like to make a comment- the Silver Creek dam is one of many dams throughout the state that has deferred maintenance and it's a situation that could become very dangerous and I really want to applaud Soil & Water for pursuing this because there are dams like this in almost every community in the state and they worked hard to get the funding to get this dam removed in Silver Creek and it's been a long time coming and it's really a major accomplishment. If you recall what happened back in 2009 with the flood in Silver Creek which wiped out the trailer park and the DPF building and caused a lot of damage, something on that scale could happen again with the condition of that dam. This is really quite an accomplishment and I just wanted everyone to know that once again Soil & Water and working with our Department of Planning & Community Development and Dave's assistance have done an amazing job of bringing that grant funding here.

Chairman Chagnon: Thank you.

Ms. Pinkoski: I will say we also have DPF putting in in-kind of some services-

(Cross-talk)

Chairman Chagnon: O.K., other questions or comments on the proposed resolution? All those in favor please say aye. Opposed?

Unanimously Carried

Proposed Resolution - Authorize Agreement with Cassadaga Valley Central School
District for School Resource Officer

Sheriff Quattrone: Cassadaga Valley Central School is interested in having a school resource officer. They have approved it in their budget last year. We would like it to start November 1st if possible and run through August 31st of 2020. Looking at the modifications to our budget for 2019 would be a total of \$12,926 and in increase in revenue of the same amount from the school.

Chairman Chagnon: O.K. This has been incorporated into your 2020 budget?

Sheriff Quattrone: That's correct.

Chairman Chagnon: Questions or comments on the proposed resolution?

Mrs. Dennison: I don't have a comment on this resolution, but now that the Sheriff is back at the table I'd like to make a comment about the VAWA resolution if I could.

Chairman Chagnon: O.K.

Mrs. Dennison: I wasn't thinking quickly enough at that time. I have been involved in the past in doing claims for that grant both for the Sheriff's organization and in cooperation with the District Attorney. The grant has never used third party services before but it is- the grant does require a 25% match and in the past it's been provided by local staff. So, I believe the resolution is just to give the option to use third party services if they are helpful, but in general it's always been Chautauqua County staff in-kind services.

Chairman Chagnon: O.K. Thank you for that clarification. Any other questions or comments on this proposed resolution? All those in favor? Opposed?

Unanimously Carried

Proposed Resolution - Approving Labor Contract with Chautauqua County Sheriff
Employees' Association (CCSEA)

Ms. Wisniewski: Good morning. This is the CCSEA collective bargaining agreement. It is mainly full time and part time corrections, but I do want to state that it has dispatch and cooks and pilots when we have them in this unit as well. It's about 128 employee's total. The contract did expire December 31, 2017. Before the expiration in the fall of 2017 they were in the midst of a change of union representation, so they went from CSEA 6323 to CCSEA and then by the time everything was approved we sat and met with them March 2018 and then we did meet monthly for 2018 and it led to an impasse at the end of the year. They did change leadership for their side as the negotiator and we resumed in April of 2019 and then we did have this tentative agreement with the mediator in August of this year. So, the tentative agreement- the main points that came out of the negotiations- the main thing was wages. So, for 2018 the first year that we were out of contract we agreed to a onetime payment of \$900 for full time members in 2018 and a onetime payment of \$450 for part time members in 2018 that are still employed. I have- when we met with Administrative Services on Tuesday they had a few questions about this- if someone was hired in November of 2018, what does that mean for them? So, we didn't necessarily get into the weeds- it was kind of one of the final things we signed off on. I have since spoken with the union leadership and to clarify that our intent all along, and we're currently getting new language to make sure that this is what will happen going forward, is that they had to be on payroll January 1, 2018 to get this bonus. So, anyone that was hired January 2, 2018 and on will not receive this bonus. For full-time, for \$900, you were there January 1, 2018 and it does include retirees. So, if someone retired that year or since then but was employed they will receive the \$900. For part-time, again they have to be employed January 1, 2018 but they do also have to be currently

employed now for the part timers to receive their \$450. For 2019 we agreed to a 2% retroactive wage and then for 2020, 2021, 2022 and 2023 the remaining of the contract is 3% and I'll touch base on the insurance and why we agreed to the 3%. A few other financial aspects is the longevity increments. They were previously having \$40 for quite some time and we increased that to \$50 for each service year with the County. That's only after they have been with the county for ten years continuously. Good attendance bonus- right now they receive \$115 quarterly if they have perfect attendance throughout the quarter. We did increase that to \$200 quarterly and it was for mutual reasons. One, the union wanted to increase it. Two, the Sheriff's office, even the previous administration when we were negotiating last year, had stated that since they implemented the good attendance bonus they found that less people were calling off and of course when you think about something like that when people are calling off then you're having to schedule more overtime employees and with the funds and morale we thought that it would be a continued good bonus for them to have and to continue to reach for.

Chairman Chagnon: Jessica, it says good attendance- it really means perfect attendance?

Ms. Wisniewski: It means perfect. They cannot miss one day, that's just the phrase-

Chairman Chagnon: I understand.

Ms. Wisniewski: They can't have one date of sick time accruals being used.

Chairman Chagnon: Thank you.

Ms. Wisniewski: The physical fitness bonus- so in their current contract they do have the wellness screening and they can also participate in the physical fitness bonus but they have to pass it to get the \$500. The thing previously was that it was or- you could do one or the other. We did agree tentatively that they would be able to do both. It's still the same parameters of participating in the wellness, but they have to pass the physical fitness bonus and the Sheriff's Office does believe that to take this physical fitness bonus and to pass it is a good thing for the department to make sure that they are physically fit and able to do the job.

Health insurance; effective 1/1/20 the high deductible will be the only plan option. So, no going back to anything. This will be the only option going forward. The PPO will still be an option until 1/1/20, but after that only high deductible. The first year the county will be responsible for 100% of the premium and deductible. This is the first year that they have received this. As we know 6300 did have a stipulation in their previous contract to pay one year and they have asked for the same thing. After the first year the employee share of the deductible will be 10% of the total plan cost for the elected level of coverage. What that means is what the premium cost plus the deductible in full- they'll pay 10% of that cost.

Legislator Nazzaro: What are the current deductibles?

Ms. Crow: For single its \$2,600 and for either family plan its \$5,200.

Legislator Nazzaro: Thank you. So you would add those two numbers together. If you're on a family coverage the deductible is \$5,200 and if the premium for the high deductible-

Ms. Crow: A little over \$10,000, yeah.

Legislator Nazzaro: Let's just round it- it would be \$15,000. \$10,000 for the premium and \$5,000 for the deductible their share-

Ms. Wisniewski: They're responsible-

Legislator Nazzaro: Their share in 2020 would be \$1,500?

Ms. Wisniewski: Correct. It would be their responsibility to make that up should they reach that much of their-

Legislator Nazzaro: And if the premium went up to \$12,000- I know this year we're at a 6% increase- is there any cap on what they pay?

Ms. Wisniewski: There's no cap.

Legislator Nazzaro: If the premium went up 50%, which is not acceptable, but if it did they would still share the 10%?

Ms. Crow: Yeah and that's one reason we did like this calculation because they do have some tie into premium increases as well. So, it's not giving a fixed amount of the deductible that it is tied to premium increases. There's a shared responsibility.

Legislator Nazzaro: O.K., thank you.

Chairman Chagnon: And deductible increases as well.

Ms. Crow: Yeah, I mean if we- the deductibles haven't been changed, but if there was-

Ms. Wisniewski: If there ever was, yes. Effective 1/1/20 all part-time employees will no longer become eligible for health insurance benefits after reaching 1040 hours. For those of you that don't know, the part-time employees when they reach 1040 the remainder of the year they are eligible for health insurance. With the Affordable Care Act its law that if they reach approximately 1560 hours a year they would get full coverage the following year. So, the Sheriff's Office was paying double. They were having to meet the law for the 1560, but they were also having to give an extra benefit of the 1040 hours and we were able to negotiate that to where they'll no longer be receiving insurance for the remainder of the year after 1040 hours.

Legislator Nazzaro: Do you do the 12 month lookback period?

Ms. Crow: Yes.

Ms. Wisniewski: Yes, for the ACA.

Ms. Crow: Administratively I'll just add that this is very helpful to the county because onboarding people for sometimes one month of coverage in December when they reach 1041 hours – you know, onboarding and then taking them off at the end of the month is a lot of keeping track of peoples hours and things like that, so we're very happy that they agreed to-

Legislator Nazzaro: Does the County have in any of the departments what you call casual or- like after somebody retires and comes back to work, when you do the look back period if you look back and they are on the payroll and they met the ACA requirements in the look back period then you have to offer them health insurance. Do we monitor that to make sure we're-

Ms. Crow: We have standard reports that are available that we look at to know who's reaching that- getting close to that threshold.

Legislator Nazzaro: Right because that is a big cost to any business whether it's the County or any private business that you can get the full benefits of the insurance by going on casual- that's the term we used to use or whatever you want to call it when you're called in then you're eligible for insurance because you're doing the lookback.

Ms. Crow: Right.

Legislator Nazzaro: I just wanted to make sure we monitor that to make sure we're not expending unnecessary costs that we don't need to.

Ms. Crow: Yeah. There is a standard report in our financial system that provides us- we can run it any time and it gives us real time data.

Sheriff Quattrone: When we're getting close- well in advance so we can stop those hours.

Legislator Nazzaro: You read my mind. That's where I was going, Sheriff. Thank you.

Ms. Wisniewski: Lastly, the retirement- because of the change 1/1/2020 all future retirees will only have the HDHP option. So, if they retire and they chose to take the insurance the only option is the high deductible health plan. The sick leave credit and service credit benefit we did have to increase the duration of the benefit to keep the parity with the current benefit. The formula is- pertains to the premiums. If you think about for example someone taking a cash out currently it's the PPO premium cash out with how many years- months of service that are eligible. Going forward we had to increase the duration of that to just equal out the lower HDHP premium amount for the cash out. Basically it would be pretty much- Kitty has the numbers to show you after this- pretty much it will just expand the time further for the employee so the duration is longer.

Ms. Crow: The duration is longer but the cash out amount is equivalent so that their benefit is not necessarily reduced. It stays relatively the same.

Chairman Chagnon: What duration are you referring to?

Ms. Crow: When they retire the length of health insurance that they're eligible for is based on two factors; sick time- accrued sick time that they have at the time of requirement and their years of service. So, those two items factor into the calculation of how many months of health insurance coverage they get at retirement. We've added a factor that one week of sick time now equals a greater number of months of health insurance than it did before, but the total cost is the same because now we're paying for the high deductible plan versus paying for the PPO plan for the retirees.

Chairman Chagnon: This duration will extend beyond the term of this contract?

Ms. Crow: Yeah.

Chairman Chagnon: And that makes sense for the employees that are retiring in the near future because they will have been under the PPO for many years, but at some point in time in the future the employees that are retiring will have spent the majority, if not all, of their time of service under the high deductible plan, so that would be addressed in future contracts?

Legislator Nazzaro: Why would this even apply to anyone newly hired?

Ms. Crow: Until there's any different change in the benefit we're saying from now going forward, just like active employees, they only have the option for the high deductible plan. For retirees- the same thing. If they take the insurance- they can take the insurance or they can take the cash out of the value. So, if they take the insurance they're going to be taking the high deductible health insurance, which to us is a lot less expensive than the PPO along with if they take the cash out it's based on the calculation of the high deductible plan and-

Chairman Chagnon: To make it comparable.

Ms. Crow: Also keep in mind, and I'll talk about it when we go over the financials, that if people are retiring a little bit sooner because they have more health insurance benefit when they do retire we're getting some turnover in savings when that happens sooner than it otherwise would have.

Legislator Nazzaro: Would that bullet that you're talking about- if I was hired- if somebody was hired July of 2020 they are obviously in the high deductible plan from the get-go this should not apply to them because they've never- they should-

Ms. Crow: How their retirement benefit is calculated is the same as anyone. After 1/1/20 anybody retiring from this unit until anything changes in the contract again their benefit would be calculated this way. Think about it- somebody coming onboard next year they have to get to retirement age to retire, so that's like 15-20 years from now.

Chairman Chagnon: That would be addressed in future contracts.

Legislator Nazzaro: But I know when somethings in contracts it's very hard to remove it once it's in there. So, again, we can have- maybe I'm just not understanding it- for new hires after 1/1/20 their calculation should be based on the cost of the high deductible plan-

Ms. Crow: It is.

Ms. Wisniewski: The opening statement was there was (*inaudible*), there was a mediator, there was a lot of trying to get around it, but I can honestly say there was not going to be any agreement to lower the amount of retirement for anyone. They were at least going to make sure it stayed the same. They were not going to lessen their retirement, especially those sitting at the table-

Legislator Nazzaro: I'm talking about the new hires.

Ms. Crow: For the new hires going forward, if nothing changes in the contract a new hire comes onboard they will only have the option for the high deductible and when they retire they will only have the option for the high deductible plan.

Ms. Wisniewski: I think I see what you're saying. Are you saying that maybe a separate-you guys before hire and then after-

Legislator Nazzaro: Yeah I think there's a concern there-

Ms. Crow: This is what we negotiated in-

Legislator Nazzaro: Right, but I'm bringing up a concern if I'm accepted to approve an agreement I want to make sure- because our job is not to negotiate, our job is to vote it up or down and I think- I'm concerned about that.

Ms. Wisniewski: I think that-

Legislator Nazzaro: I see that you're a little bit concerned about that too-

Ms. Wisniewski: No, no, I'm just saying I understand what you're saying. That's all I was saying- being in it for a year and half we did what we could and I'm not going to say if we did propose- I can't say if we did propose that or not-

Legislator Nazzaro: O.K., thank you.

Ms. Wisniewski: The last one is effective upon ratification that is expiring 2023 is the accrued sick leave days. They will be credited at 100%. So, as part of their retirement the service leave credit right now is 25% that can be utilized toward their retirement. We have agreed that 100% can be used up until the end of the contract and it will sunset back to 25%.

Ms. Crow: They can accrue their sick time- right now, if this wasn't here, they could- if they have accrued sick time greater than 180 days they would only use 25% of that balance over

180 days towards their calculation of sick time credit. This provision allows them to use 100% of that time, so it's somewhat of an incentive for them in this contract term to retire. They would have a little more sick time that would be converted to months of health insurance for their retirement. Now, there's probably five people that have accrued sick time over this limit, so it's not a- we don't see this as a significant financial impact and it is sunseted at the end of this contract.

Legislator Nazzaro: The first 180 days- do they get any credit? 100% credit?

Ms. Crow: Yes.

Legislator Nazzaro: So, again, you just said it but I just want to recap it- over 180 you get 25% towards the calculation, so now, there's no cap on what you can accrue? So, if I had- is it possible for an individual to have 300 sick days?

Ms. Crow: There's a limit to how much they can accrue each year.

Legislator Nazzaro: O.K., so-

Ms. Wisniewski: There is no cap.

Legislator Nazzaro: That's the answer, thank you. There's no cap, so you can get 100%, so this provision- I have an issue with it because what it's doing is benefiting a few- you just said there may be five or six, so-

Ms. Crow: But there's other things that it helps us with-

Legislator Nazzaro: I know it's on your cost sheet- there is no assignment of cost to that.

Sheriff Quattrone: Actually, it would benefit many, not necessarily financially, but by doing this it encourages many of these senior officers not to call in sick which reduces the amount of forced overtime. Many of those younger guys are getting the benefit of not having to work 16 hours straight. That's probably our biggest morale defeater, if you will, is these guys are continually having to work overtime. So, I do see a benefit to many of the officers plus it's a financial benefit because we're not having to pay that overtime if these guys are still working.

Legislator Nazzaro: One other question on this- so, let's say someone retires in 2024 and they've accrued that 100% above the 180 but they didn't – this sunsets on 12/31/23 so if they retire after that are they going to have that benefit of this calculation or does it go back?

Ms. Wisniewski: It goes back to the original 25%.

Legislator Nazzaro: If they've already been credited-

Ms. Crow: This doesn't change how they accrue sick time-

Legislator Nazzaro: It's the amount-

Ms. Crow: It only changes how much of it they can use toward their benefit, but how they accrue sick time-

Legislator Nazzaro: No, it's not how they accrue, but it's a big cost of what they have. I mean because the formula based on the years of service is how much they have for future health insurance-

Sheriff Quattrone: It may be an incentive for someone to retire prior to 2023.

Legislator Nazzaro: O.K., thank you for bearing with me, Mr. Chairman. I listened to this during Administrative Services so I was able to think about this a little more instead of just at this meeting

Chairman Chagnon: O.K., Kitty you have something to add?

Ms. Crow: Overall we're highlighting the main points as Jessica said, but I think there was roughly 22 actual sign offs and other things that were non-financial, but I focused here on the financial items for you. So, each gray bar there shows you what the cost increase or decrease is over the term of the contract. You can see there the total cumulative wage costs, the incremental costs for the increase in the longevity, the wellness and PT bonus and the good attendance bonus. Under health insurance- there's two rows there and that first category is because the people who were already on the high deductible plan- the way we've calculated in the past- the new calculation starts out kind of a little bit higher than the current calculation, so I am showing that as a cost increase offset by the cost decrease of all of the number- I think in this unit we had maybe 30% on the high deductible plan currently, so that's 70% of their membership that's going to be converting to the high deductible plan and those savings are shown there. That first year is higher because as a reminder in 2020 the agreement is to fully fund their deductible for that one year. The opt out calculation was increased. It was previously \$1,000, \$2,000 and \$3,000 based on the level of coverage and now that's 25% of the high deductible premium. The dental and vision plans changed slightly which are a smaller incremental cost, but administratively that does save us in administration because a couple of the benefits related to dental and vision require a little additional administration. I'm not showing a savings for that. Then the elimination of the benefits for the part-time employees over the 1040 hours. Now, this estimate of savings is probably on the low side. We'll probably see more than this because I estimated based on about 10 people reaching that, but there's closer to fifteen- I think fifteen so far this year. Again, a lot of administration goes into keeping track of those peoples hours, onboarding them to health insurance, taking them off of health insurance- so, again there are savings related to that administrative burden going away. The retirement- having the high deductible only for retirees right away we'll start seeing savings because anybody who's retiring beginning 2020 they'll only have the option of the high deductible plan. The history has been about three retirees at any given time, so that's showing that cost savings- those will be ongoing savings beyond this contract. The increase in the sick converted that we've talked about and the duration of the benefit- those aren't really going to impact us during this contract term but they will to the extent that somebody retires sooner because they want to use that accrued sick time

and for the fact that because they have a longer benefit time when they do retire that they might retire sooner than they otherwise would have. In those out years we'll get that turnover savings sooner than we otherwise would have. So, overall you can see by year what the contract costs would be. I will talk about- I've addressed with the other committees we've presented to that based on our most recent sales tax payment which we received the beginning of last week, which is our single largest payment of each year, we've had healthy good trends in our sales tax and we've been projecting a surplus all along and based on that most recent payment our projected surplus is greater even if the remaining payments come in right at budget for the rest of the year we would still see enough of a surplus to cover the impact of the cost of the retro wages that would be paid out in 2019 and then also we would be able to provide an amendment to the 2020 budget to offset the increase to 2020 with sales tax, which would provide recurring revenues to go along with recurring expenses.

Chairman Chagnon: The impact on 2019 is the total of the 2018 and 2019 column?

Ms. Crow: Correct.

Chairman Chagnon: Other questions or comments?

Legislator Nazzaro: I have a comment. First of all, I know this has been a challenging and long negotiation so I appreciate all your efforts on both sides. Just a couple of questions- when I look at this- its simple math- in the unit- this is a correction officer-

Sheriff Quattrone: Corrections and dispatchers.

Legislator Nazzaro: Thank you. So, you have 100 full times and 28 part times according to this sheet- roughly if I convert that to FTE's – I'll make up a number of 114 FTE's. So, my question is the average cost per FTE? What is the average salary of a corrections officer and dispatcher for the County?

Ms. Crow: I can look it up on my computer over there if you just give me a minute.

Legislator Nazzaro: I'm just trying to calculate this based on what's the average increase per person because we have a lot of moving parts. It's hard. You have wages going up, health insurance costs going down, changes in some other calculations- instead of trying to isolate each once I'm trying to come up with an overall calculation. What I first – for example, you show the average and your net increase per year for this contract of \$488,000 per year. Correct? So, if you have 114 FTE's that's an average cost of \$4,285 per employee. I just wondered what percentage does that represent because we can't just look at each component. We have to look at the entire package and where I do get a little concerned is in the out years in 2023- well, in 2022 the cost per year is \$725,000 and the cost in 2023 is almost \$1 million if I'm reading this right-

Ms. Crow: Because that's a cumulative calculation.

Legislator Nazzaro: Well, no. No, that's just for the year because you're saying for the total contract-

Ms. Crow: Yeah because it's taking- when you start in year one that wage increase goes on to all four years and the next year for all three years-

Legislator Nazzaro: Just to finish my point, the total cost of the contract over six years is \$2.9 million or \$488,000 per year, so the average cost per year per employee is \$4,285. In 2023 the average cost per employee is \$8,715. So, I'm just asking these questions because our job as Audit & Control is to say we've got to have balanced budgets, we've got to be able to afford this. So, what's the average-

Ms. Crow: Well, simply gross wages is about \$45,000 is the average and a lot of people work over-time and they have other premiums and things and that's not included in that number.

Legislator Nazzaro: About \$45,000, so per employee roughly over the contract is about a 10% increase?

Chairman Chagnon: Over six years.

Legislator Nazzaro: Each year because the average- anyone can challenge what I'm trying to say-

Chairman Chagnon: I'm trying to.

Legislator Nazzaro: I'm looking at this- it says average net increase per year is \$488,000. Again, average per year- that represents a \$4,285 increase average per FTE. So, if your average FTE is \$45,000 that's not quite 10%. Am I doing that right? I'm not just looking at-

Chairman Chagnon: But that's the average over six years of cumulative effect.

Ms. Crow: Yeah.

Legislator Nazzaro: But is that-

Chairman Chagnon: \$488,000 is the average over six years of cumulative effect.

Legislator Nazzaro: But isn't the total cost of the contract \$2.9 million?

Chairman Chagnon: Right, with cumulative effect.

Legislator Nazzaro: True, but I'm just saying- O.K., if you take 2023 by itself-

Chairman Chagnon: With a cumulative effect of the prior five years-

Legislator Nazzaro: It still comes out to \$4,285 per employee-

Chairman Chagnon: Yes.

Legislator Nazzaro: It's still roughly 10% per year.

Chairman Chagnon: No, not per year.

Ms. Crow: I don't think we've-

Chairman Chagnon: Because you have a rolling cumulative effect.

Legislator Nazzaro: The way I would have to calculate it is to say- I can work with Kitty on this-

Chairman Chagnon: I think that's a good suggestion.

Legislator Nazzaro: But I just want everyone to understand who votes on this- I'm not saying I'm against it- we need to understand the impact of this contract and any other contracts that we approve or that we have pending- what is the affect going to be on the county's financial plan.

Ms. Crow: I can talk about the projections as it relates to this if that's helpful.

Legislator Nazzaro: I want to keep the meeting moving, but I think it's-

Ms. Crow: I mean, in the context of our projections we- yes, for 2020 we know what we have right now in the 2020 budget and as I mentioned we can amend that based on the sales tax if that's what- if this contract is approved. In the out years of our projections there are wage and benefit increases and the projections are based on all the people who are on the PPO plan going up 6% every year as well as an average wage on the- on the point one costs personnel costs a project of 3% increase each year. So, factoring this- this wage increase is a little bit higher, but the health insurance is a little bit lower than a 6% increase on the PPO plan every year that this is within our projections for the out years.

Legislator Nazzaro: You're saying this contract does not alter the projects that you provided during the budget hearings?

Chairman Chagnon: Not substantially.

Ms. Crow: Yes.

Legislator Nazzaro: I'll talk offline just so I am comfortable with the percentage impact per employee because it's a complicated agreement and there's a lot of moving parts and you just can't say- you've got to look at all the-

Ms. Crow: And we haven't talked about- maybe Jessica and the Sheriff want to elaborate a little bit more on why we want to keep a competitive wage in this unit. It's very important to us and for recruitment purposes.

Sheriff Quattrone: I'll only take three minutes. First of all, I would like to complement both Kitty and Jessica. They worked tirelessly on this. When I look at who this union is representing it's our beginning point in the criminal justice system and often the end point in the criminal justice system. They're our unsung heroes. Our dispatchers bear the brunt of it when they're taking those calls and I would encourage anybody to sit in there for a shift or two and try to do their job. I don't want to do that. Our corrections officers- we forget what they go through each and every day and the stress and the toll that builds on them and as we start losing them because they just can't put up with it anymore I truly don't even know that this salary is worth what some of them have to go through. I'd just encourage you to take that into consideration and the hard work that they do for us in keeping this county safe.

Chairman Chagnon: I have a question and a comment. The question is that it indicates that a tentative agreement was reached on August 8th? What transpired between August 8th and the creation of this proposed resolution?

Ms. Wisniewski: There was a mediator at the time of the last meeting that we had and it was very quick- the mediation wasn't quick but at the very end it was quick like alright we're just going to sign off on something, hence why we had some more conversations about 2018 and since then it's just been getting everything on paper that was agreed upon and the intent and with all of- especially the financial pieces there was a lot of back and forth between myself and Chuck DeAngelo on getting those sign offs done.

Chairman Chagnon: O.K. When it says a tentative agreement was reached there was further discussion and work to clarify and finalize that tentative agreement.

Ms. Wisniewski: Right.

(Cross-talk)

Ms. Crow: Their membership- they have a window where they have to have their vote and things like that. Their vote was last Wednesday.

Chairman Chagnon: They have to explain it to their membership and then they have to have a meeting and discuss-

Ms. Wisniewski: That alone was at least three weeks.

Ms. Crow: The vote was last Wednesday and we were able to get the resolution to you on Friday.

Chairman Chagnon: Thank you. My comment for the committee that you'll recall during our budget deliberations we talked about the risks that are embedded within the 2020 budget. This is one of them that we were thinking of at the time. This is not one of the larger ones, but this is one of them. So, this potential risk is now clearly quantified in front of us.

Legislator Nazzaro: The only other comment- I understand we're going to have an additional adjustment to increase the funding for this contract and is going to be offset by the sales tax revenues- this is separate from this contract. I just want to put up the caution flag as a risk- we're fortunate that the sales tax is coming in higher. The economy has been strong. The risk is that everything goes in cycles and the economy is not going to be strong forever. We will at some point we will go into a recession. It's an eight year cycle normally and we're riding that cycle out. I am concerned about increasing the sales tax revenues for 2020 based on 2019 because we don't know if that trend will continue especially after the presidential elections next November and with all the other factors going on with the trade-. The caution flag is we cannot count on sales tax revenues going up year after year because the economy will flatten out and we will go into a recession at some point.

Ms. Wisniewski: I would just like to say quickly that our goal going into was to really focus on health care costs because of the – as we see constantly the increases and really to remove the PPO and unfortunately it is an uphill battle to be able to do this and they know that there's savings and that to a point they can crunch some numbers too and know that they want a piece of that pie. I was very pleased we were able to get to the high deductible without having that other option of going back to the PPO and also the 1040 to be able to remove some of that health insurance cost because we'll just see that it's just going to continue to increase. So, that was really our focus as to what we could do in that realm.

Ms. Crow: Regarding the sales tax and we can talk about it in the next resolution or maybe later in the meeting, but I think that even though the sales tax can be increased based on current trends I still feel like it's a realistic projection and not overly optimistic in any means.

Chairman Chagnon: Alright. Any other questions or comments on the proposed resolution?

Unanimously Carried

Proposed Resolution - Consider 2020 Tentative Budget, with the Changes Listed Below, and Present Same to the County Executive for His Consideration and Action

Mrs. Dennison: Given that the preceding resolution was passed, we do have some changes to the resolution that's in your packet and if you agree we suggest that we amend that resolution by substitution.

Chairman Chagnon: O.K., and do you have a copy for us?

Mrs. Dennison: I do. This is the proposed substitution and also an update on the budget scenarios based on these new numbers.

Chairman Chagnon: Thank you.

Mrs. Dennison: I'll walk you through what has changed from the original resolution. I'd also like to suggest a change to the amended resolution. The first change is under increased appropriations personal services jail- that is the new amount and that amount includes the additional cost for the contract you just approved. It has gone up by \$492,220. The next change in the version that you have does not apply to the new contract. There is a split in the mental hygiene appropriations. In the original version there was an increase in contractual costs of \$1.25 million and upon further review I found that there- the new cost associated with their grants- there's a small component that's equipment, so the point four appropriations has been split into two lines. One line for equipment, so there's an equipment appropriation increase of \$3,500 and then the contractual costs are now \$1,246,500.

Chairman Chagnon: Kathleen can you go back to the jail- the increase was how much? \$492,000?

Mrs. Dennison: \$492,220.

Chairman Chagnon: That's what I'm looking at and-

Ms. Crow: The point eights will have a decrease. You'll see that in the next section.

Chairman Chagnon: I'm thinking ahead. Sorry.

Mrs. Dennison: It is increased by \$492,000 to the new total of \$510,001 because the other change that was in there originally was to add an operations assistant in the jail.

Chairman Chagnon: I understand. That just didn't sound right with what we just heard.

Mrs. Dennison: O.K., so again, a change in the amount in personal services jail and a split in the amount of the contractual costs for mental hygiene into equipment and contractual. The new total for increased appropriations is what you see on the page but total based on those changes to \$2,067,826. The next change is a decrease- there's an additional line in the decrease in appropriations because the benefit cost for the jail is decreasing. There is an additional line for that's A.3150.8- employee benefits jail and that's a decreased appropriation of \$133,174 and then of course a new total.

The next change is the addition of the increased revenue for sales tax. So, there are two lines added A.1310.9999.R111- non property tax items- sales tax increased revenue of \$232,020. One line below that- increase in R111.0CTY – non property tax items – sales tax- county share increase in revenue of \$131,478 and then a new total.

The next changes are in- there are no changes to the decrease revenue accounts. We have a new line to increase the use of the reserve fund balance-tax stabilization. It was not in the original resolution.

Ms. Crow: In reviewing that after our last meeting the county attorney and I talked and in his view since the levy is increasing greater than 2.5% we will be able to utilize this reserve, so we're proposing that to you today as a use of that reserve. It will get us off of our financial statements- we can only do it if the levy is going up greater than 2.5%, so if that will be the

outcome of next week's vote we would be able to use that additional \$100,000 out of the tax stabilization reserve.

Legislator Nazzaro: So actually, we could have used that even before any amendments because the levy was going up 2.7%?

Mrs. Dennison: Correct.

Ms. Crow: We came to that realization after your last Audit & Control meeting. When Steve and I were talking after that meeting he pointed out that-

Legislator Nazzaro: And that doesn't require any- does that require any change in the vote? It's still a simple majority?

Mr. Abdella: You do have to have a two-thirds vote. So, if it's embedded in the budget then that would mean that we would need a two-thirds vote to pass the budget. I think one time in the distant past because there wasn't certainty that there would be a two-thirds vote on the main budget, the main budget was voted upon first without that, it passed and then there was immediately a following resolution to decide to utilize the tax stabilization fund and that required a two-thirds vote to amend the budget that had just been adopted.

Chairman Chagnon: And I think there's some logic to that because until you've adopted the budget you don't know whether you're qualified for the use of the tax stabilization fund.

Mr. Abdella: If we know based on the final amendments that this use of \$100,000 is reducing the levy from some percentage to not less than 2.5% it could be part of the package because you know ahead that-

Chairman Chagnon: But you don't know that that budget is going to be adopted. It could be rejected and further modified, which could then potentially put you out of qualification-

Mr. Abdella: We would certainly have to be cognizant. I guess if there's any doubt we could separate it out.

Legislator Nazzaro: We have to have fourteen legislators?

Clerk Tampio: Thirteen.

(Cross-talk)

Ms. Crow: The other thing you could do is if you just want to use it- however you want to proceed there's not a wrong way.

Chairman Chagnon: So, we have a decision to be made before we adopt this amended resolution and the decision is whether we incorporate the use of the tax stabilization reserve into our budget amendment, which will require a two-thirds approval of the budget or whether we

keep it separate. My feeling is that if our intention is clearly to utilize it we probably should incorporate it in the resolution and deal with the vote of the legislature as appropriate.

Legislator Nazzaro: I agree with your recommendation to incorporate it within the budget (*inaudible*) especially as Kitty said it gets it off the books and it's only \$100,000, so let's clean it up and number two, we're going to be using no use-

Mrs. Dennison: No general fund.

Legislator Nazzaro: No general fund balance to balance this budget, which is a very positive point.

Chairman Chagnon: Structurally balanced.

Ms. Crow: I would say that should there be discussion this next week on this- what we did is once we realized that this could be utilized that's what we offset it by reducing the amount of general fund balance so it could be flip flopped if necessary. Next week you could take that out and then show an increase in the general fund balance of the same amount. So you can just keep that in mind.

Legislator Nazzaro: I might add that by doing scenario four that based on the projections and the calculations that we're maintaining the undesignated fund balance at 5.1% of revenue which meets the financial plan that these legislatures approved.

Chairman Chagnon: Anything else to go over with us before we deal with the amended proposed resolution?

Mrs. Dennison: Yes. One comment and then one change- as Legislator Nazzaro indicated with the new amendment by substitution, no use of general fund balance and a little decrease in the use of the DM fund balance. What I would like to suggest is I realized this morning in the substituted resolution- the original resolution had an increase in cost for jail employee benefits and now we have a decrease and right now I don't have those netted and I think it would be preferable to do that because we've got an increase in appropriations and then a decrease in appropriations in the same classification. I would like to suggest in the substituted resolution that we strike under increased appropriation accounts- we strike out the line A.3150.8- the \$18,315 and then we would adjust in the decrease appropriation section the employee benefits- the jail. Right now it's \$133,174. If we net those two the decrease would be \$114,859 and then we would have changes in the totals. The increased appropriations would be \$2,049,511 and the decrease in appropriations would become \$1,116,260.

Chairman Chagnon: O.K., anything else? Any further discussion from the committee on the resolution as amended by substitution? All those in favor? Opposed?

Unanimously Carried

Discussion - Bond Issuance in December/Projects Included – Fn. Director Crow

MOVED by Legislator Gould, SECONDED by Legislator Nazzaro to adjourn.

Unanimously Carried (10:50 a.m.)

Respectfully submitted and transcribed,
Kathy Tampio, Clerk/Olivia Ames, Deputy Clerk/Secretary to the Legislature