

Minutes

Administrative Services Committee

TUESDAY – February 16, 2021, 5:00 p.m.

Virtual Meeting via Zoom

Gerace Office Building, Mayville, NY

Members Present: Scudder, Davis, Starks, Vanstrom, Muldowney

Others: Tampio, Ames, Dennison, Sanderson, Button, Crow, Carrow, Riley, DeAngelo, Chagnon, Abdella, Stearns

Chairman Scudder called the meeting to order at 5:20 p.m.

Approval of Minutes (01/19/2021)

MOVED by Legislator Starks, SECONDED by Legislator Davis

Unanimously Carried

Privilege of the Floor

Clerk Tampio: We have not received any comments.

Chairman Scudder: Thank you. We will close the privilege of the floor.

Proposed Resolution – Amend 2020 Budget for Year End Reconciliations – County Executive

Mrs. Dennison: I will speak this evening on behalf of the County Executive. We are proposing to increase the budgeted benefits in this department but offsetting that by a decrease in personal services contractual costs and also an increase in revenue. So, it is self-balancing. The main reason that the department is over budget in benefits is that PJ has kids and George Borrello did not. We had budgeted this based on George Borrello being in the position, so it was health insurance for two and the current County Executive has a family 3 plan. So, that's why the overage there. The department did do a nice job in keeping its contractual costs down in the COVID era, a lot of savings in travel and travel related expenditures. The department is receiving some anticipated revenue from FEMA because there were additional costs for overtime by the department when responding to the pandemic issues. So, again, self-balancing within the department.

Chairman Scudder: Thanks for that explanation, Kathleen. Any questions, comments, concerns? All in favor say aye. Opposed?

Unanimously Carried

Proposed Resolution - Amend 2020 Budget for Year End Reconciliations – Law Department

Mr. Abdella: Yes, Mr. Chairman, I think similar to some other departments that you'll encounter, we had greater than expected employee benefits costs that I believe were related to collective bargaining changes. We did, however, have monies in other accounts to offset that and self-balance. So, you can see the adjustments for the \$9,127 in the resolution before you.

Chairman Scudder: O.k., good.

Mrs. Dennison: Mr. Chairman? If I could just add a couple of comments as the County Attorney mentioned, there are some county wide variances that you'll see based on changes in the collective bargaining agreements that were not incorporated into the current budget. You just got a communication from Finance Director Crow about health insurance in general, but we're seeing these variances mostly in some of the smaller departments because the budget did not account for changes in the collective bargaining agreements. One of those changes being that in 2020 CSEA members their high deductible is fully funded by the County and that was not anticipated. Am I missing anything, Kitty?

Ms. Crow: Additionally, those departments where a greater number of employees had been in the PPO plan and then were switched over to the high deductible- those departments you'll see- some departments have a large surplus variance and other departments might have an increase because a greater majority of their employees were already on the high deductible plan. So, that was kind of the essence of the communication I sent out so that rather than worrying department to department (*inaudible*) insurance you could see the cost of the plan in total and how it played out over time.

Chairman Scudder: Is that something that we received?

Ms. Crow: I just emailed it this afternoon- I sent it out this afternoon.

Chairman Scudder: O.k. Any questions, comments from the legislators? All those in favor please say aye. Opposed?

Unanimously Carried

Proposed Resolution - Amend 2020 Budget for Year End Reconciliations – Information
Technology Services

Mr. DeAngelo: Hi everybody. So, pretty much the same could be said for us. We did go a little over in point one's. I don't have a complete explanation of why in 1680, but we did go over a little bit. I know we had a little more vacation sellback than I anticipated-

Mrs. Dennison: Well, the other thing Jon, if I could interject is that in 2020 we talked about health insurance on the last resolution, but wages also- there were unbudgeted increases in

the CSEA wages because the contract that affects 2020 was not settled until after the budget was created.

Mr. DeAngelo: Right. O.k., so that would make sense of why it was larger than I had thought it should have been. So, outside of that we were pretty good overall. We were able to find some savings primarily in our point four of our IT account. We purposefully put off some communications and equipment maintenance expenses because we didn't- because this is such a strange year and we were being asked to be fiscally responsible, so we purposefully put some of those off so we would have a little extra. So, we were able to cover the overages and appropriations with coming under significantly in our contractual of 1680. Everything else was within \$5,000-\$7,000, so very close to being on. Any questions for me?

Chairman Scudder: Does anyone have any questions for Jon? Any questions or comments? All in favor? Opposed?

Unanimously Carried

Proposed Resolution - Amend 2020 Budget for Year End Reconciliations – Human Resources

Ms. Riley: Well, we're in the same boat as legal and IT. We were over on wages and benefits due to contractual items that were agreed upon after the budgets were approved. So (*inaudible*) wasn't signed until March of the following year, so it was way after the fact. So, we were over with the high deductible 100% funding for all union employees versus just the new hires, so we were over there. We were able to find some money from some other- because we were over a substantial amount, but were able to reconcile with some other accounts leaving us with a deficit of \$4,250, which ultimately we would be getting that hopefully from the sales tax account that would then balance our budget.

Chairman Scudder: Great.

Mrs. Dennison: I'd just like to add a comment that the Human Resources Department- the COVID amendments reduce the personal services quite a chunk in A1430.1 because of the anticipation that we wouldn't be doing exams and we wouldn't need as many monitors. So, that did occur, but what we did not properly anticipate in the COVID amendment was that there were the unbudgeted wage increases because of the contract. So, if you look at HR's point ones verses their adopted budget, they're actually under the adopted budget, but over the amended budget.

Chairman Scudder: O.K., any other questions, comments, concerns? All in favor say aye. Opposed?

Unanimously Carried

Proposed Resolution - Amend 2020 Budget for Year End Reconciliations – Board of Elections

Ms. Sanderson: Good afternoon everybody. This is Donna and Laurie is also on the line. You have a resolution in front of you to amend our 2020 budget. Due to the COVID-19 and (*inaudible*) executive order from the governor in regards to elections resulted in our point ones being over budget due to having to add temporary staff to assist with absentee voting. Also, we had received grant funding, which we had put into the point fours rather than the point ones. The point two's we are over because the equipment purchases were not anticipated, but were necessary to assist with the absentee ballots. (*Inaudible*) but the budget was amended into the contractual cost instead of the equipment. At the time we were awarded the grant it was not known exactly where we were going to need those costs. We were able to reconcile our budgets within our budget.

Chairman Scudder: O.K. Any questions, comments, concerns regarding the Board of Elections?

Legislator Vanstrom: They did a really good job this year and it was really tough. I can't even imagine what they went through, so I have to say kudos to the Board of Elections in Chautauqua County. Congratulations.

Mrs. Dennison: I would just like to echo that sentiment. There were so many changes and challenges with the Board of Elections budget. A lot of grants. They worked with me very closely to get them all recorded. At the end of the day, the local share for the Board of Elections is under the amended budget by \$40,000.

Legislator Muldowney: That's great.

Chairman Scudder: Great job. All in favor say aye? Opposed?

Unanimously Carried

Proposed Resolution - Amend 2020 Budget for Year End Reconciliations – County Clerk

Mrs. Dennison: It looks like I'm up for this one. In the County Clerk's department we're seeing a lot of the same effects that there were adjustments necessary to the health insurance because of the changes that were not included in the budget. The department came very close to self-balancing. We are proposing to use \$14,989 from sales tax revenue. I should also point out that in the Clerk's department we were- the revenues were under budget, so unfortunately there were not any surplus revenues within the Clerk's organization to balance its budget. The positive news is that the negative variances in their revenues, especially in the DMV fees were a lot less than we thought they would be. In other words, it's not good news, but it's not as bad as we thought it would be. I just wanted to point that out that the DMV fees were significantly under budget, but better than we expected at earlier points in the year.

Chairman Scudder: So they were less negative?

Mrs. Dennison: Yes.

(Cross-talk)

Mrs. Dennison: Well, it doesn't quite come to a positive in this case. It's just less of a negative. As you can see, there are a lot of ups and downs within the Clerk's organization.

Chairman Scudder: Alright. Questions or comments on this one? All in favor say aye. Opposed?

Unanimously Carried

Proposed Resolution - Amend 2020 Budget for Year End Reconciliations – Health Insurance Fund (M Fund)

Ms. Crow: Just a couple of amendments here and just to refresh your memory, the M fund is where we pay all of the health insurance related costs from there that gets charged out to all the departments. So, the first amendment there with the *(inaudible)* that has to do with mainly our categorization of our- in 2020 we introduced a health reimbursement account for those who aren't eligible for contributions to a health savings account. So, it just created an extra line item, but the total amount budgeted was not *(inaudible)* but we had- that is just offset by what we charge to the departments. So the \$174,000 is just kind of a re-categorization of the HRA expenses separate from the HSA employer contribution and again, offset by the revenue. The *(inaudible)* is related to kind of the net of retiree expenses that were over our budget and again, that is offset by revenue back to the departments to cover the cost of the retiree plan benefit.

Chairman Scudder: O.K., seems simple enough. Anyone else? Any questions? Concerns? All in favor say aye. Opposed?

Unanimously Carried

Proposed Resolution - Amend 2020 Budget for Year End Reconciliations – Debt Service

Ms. Crow: There's really two items going on in this resolution. One is the- we'll start out with the sale of equipment revenue and the use of the fund balance. As you may recall, when we did the 2021 budget and then last year we sold the Starflight helicopters and we reserved that revenue to pay our remaining debt service on the helicopters. Well, in the 2020 budget we had included it as a revenue, but it should really be a use of fund balance like we did with the 2021 budget. So, this is just to amend the budget to reduce the revenue and increase the use of fund balance because the revenue that we received from the sale of the equipment is *(inaudible)* in our fund balance as a designation. So, that's the \$292,000. The other correcting adjustments are related to the JCC dorm bond that we issued on the behalf of JCC. They pay the debt service on this and they pay it directly. They don't pay us and then we pay the debt service. They just pay the bank directly, but when I had done the 2020 budget I didn't include either the expense or revenue, but Todd corrected me that that was the incorrect accounting, so that happened the end of last year, but the 2020 budget was already adopted, so we knew we would have to make this amendment. It doesn't change our bottom line, it just shows the accounting of the expense and

the reimbursement from JCC offsetting that debt service. The 2021 budget has now been corrected for this. So, there will be no adjustment on this item next year.

Mrs. Dennison: For both items, correct?

Ms. Crow: Yes, for both items.

Chairman Scudder: Alright, it makes sense to me, so I assume it makes sense to everyone else? Any questions, comments, concerns? All in favor say aye. Opposed?

Unanimously Carried

Proposed Resolution - Amend 2020 Budget for Year End Reconciliations – Finance

Ms. Crow: This resolution addresses the main administrative finance departments; Real Property Tax, Insurance Administration, and a couple of the accounts under miscellaneous. The majority of- well, half of the increases were resulting from the contract that we had already talked about- the benefits and wages. The two point four increases- one in the Property Tax Department for \$25,000 and that was related to an unplanned maintenance on our Real Property Tax software and in 1362- the \$12,000 increase was related to additional searches that we had to conduct in 2020. Aside from the fee for the searches increasing \$10, we also did 600 more searches in 2020 than we did in 2019. So, that accounted for that \$12,000 but really all of that is offset by fees, so you'll see that corresponding revenue of \$12,500 down below. Again, we were able to offset over a variety of accounts where we had not spent. (*Inaudible*) and some additional revenues that we had over a variety of accounts.

Chairman Scudder: O.K. Any questions? Comments? Concerns? All in favor? Opposed?

Unanimously Carried

Proposed Resolution - Amend 2020 Budget for Year End Reconciliations – Community College Tuition

Mrs. Dennison: There's been a lot of discussions among the legislature and JCC about a funding model and JCC has been talking with us for quite some time and proposing that we pay them a guarantee minimum amount of money rather than the current structure where it's based on the number of students. So, that ceiling model was not completely agreed upon when the budget was developed, so the 2020 budget does not incorporate that funding model. In 2020 we did agree at the end of the year to use that floor and ceiling model, so that JCC now has a guaranteed minimum contribution, or had for 2020 of \$4,182,234. So, when using that expense plus the other expenditures that we pay to other community colleges, the actual did exceed the budget for 2020. So, we are making this increase to our community college tuition expenses. There is no revenue in that sub-department, so the only way to balance the amendment is by increasing our sales tax budget, but we do, at this time, have a considerable surplus of funds in our sales tax over the amended budget.

Chairman Scudder: And how much would that be, Kathleen?

Mrs. Dennison: The surplus in the sales tax?

Chairman Scudder: Yes.

Mrs. Dennison: It's upwards of \$3 million. The surplus.

Legislator Davis: Mr. Chairman, just a brief question about that. With regard to that excess of sales tax revenue, is that something that you foresee continuing to be the trend given the fact that the office of the State Comptroller has been pulling sales tax monies back for hospitals and nursing homes that have been struggling in the state?

Ms. Crow: I can talk to that. So, that was a onetime withholding of funding for distressed hospitals, so yes, that's already taken into consideration. The 2020 results were very close to our 2020 adopted budget. You might remember in the middle of the year we amended the budget to reduce expenses and revenue based on our projections at that time. We were fortunate enough to come in closer to our adopted budget, so in the 2021 budget takes into consideration our trend through the year into 2021. I would not expect a similar surplus other than if sales tax receipts trend upward because the economy is doing better and people are spending more. If spending stays about the same as it is right now, I would expect to meet our budget with the exception of we did not incorporate the withholding for distressed hospitals, which for 2020 was about \$413,000.

Chairman Scudder: That was our responsibility? Just for the County?

Mr. Button: No.

Ms. Crow: The \$413,000 was our withholding for Chautauqua County- no, you're right. I'm sorry. Our portion was \$260,000 or something close. Does that sound right, Todd?

Mr. Button: Yeah.

Ms. Crow: So, the \$413,000 was inclusive of all the- what gets shared across all the municipalities. So, they also saw a part of that withholding when we dispersed the sales tax received.

Chairman Scudder: Have we seen any- when do we start getting the last quarter of 2020 sales tax reported to us? Have we already seen that?

Mr. Button: The last one came in today.

Chairman Scudder: Were we up or down?

Ms. Crow: The tax payment was about what we were expecting – had been projecting, but I didn't calculate how much it was down from last year's payment. The \$3.6 million surplus that Kathleen mentioned is inclusive of that final payment.

Chairman Scudder: O.K.

Legislator Starks: May I ask a quick question?

Chairman Scudder: Yes ma'am.

Legislator Starks: Thank you. You had mentioned payments to other community colleges. Did we have an increased number of students attend community college outside of Chautauqua County this year as compared to others, or is it just a fluctuation?

Mrs. Dennison: We did not have an (*inaudible*) change in students attending colleges outside of Jamestown. The main reason for the fluctuation is that, as I said, when we developed the 2020 budget it did not incorporate the floor and ceiling model and in general we've been seeing a decrease in the number of students, so our budget was on the lower side expecting that the number of students would continue to decline.

Legislator Starks: I was just hoping they weren't going to other counties.

Chairman Chagnon: Mr. Chairman, if I could just add a little bit more to this?

Chairman Scudder: Yes.

Chairman Chagnon: Christine's question prompted this thought that when we negotiated this floor and ceiling model it was aimed at giving some stability to the community college in terms of their funding given that their enrollment goes up and down. This was something that was being driven states wide by the community colleges in the SUNY system state wide. So, when we agreed to this model that we agreed to, it is significantly less than what the community college- what our community college was asking for, but it was agreeable to them. Prior to COVID-19 hitting, we saw what we had hoped for was an increase in enrollment at Jamestown Community College- something we hadn't seen in many years, but by giving them some incentive by having a floor and a ceiling they were really focusing on their enrollment and they actually saw an increase in enrollment and then COVID-19 hit and the bottom fell out. So, we're hopeful that going forward with this floor and ceiling model, it will give stability to the college and also incentivize them to really focus on increasing their enrollment.

For further information, we are also going to be adopting a resolution for their 2021 floor and ceiling model, which is actually going to be less than what they got in 2020. So, not dramatically less, but recognizing that the increase that we had agreed to probably doesn't make sense in the environment that we're operating in with COVID-19 right now.

Legislator Starks: Thank you.

Chairman Scudder: Thanks Pierre. Lisa?

Legislator Vanstrom: I don't think I understand what's happening right now. I understood the floor and ceiling model that we did last year. I understood that and I know they were trying to bump up the enrollment. I understood that. All their classes are pretty much all online, because I'm living with a JCC student right now, but I don't understand. I understand what Pierre just said that we're going to be coming up with a new formula for this coming budget, but are they asking for extra money because they lacked the basic tuition from the enrollment depreciation? I'm missing something here. I'm clearly missing what they're asking for.

Chairman Chagnon: This is what we agreed to as their floor. Prior to COVID-19, after the budget being adopted this was the new model that we agreed to and we adopted as a legislature, but it was after the budget was adopted. So, now we're making the budget adjustment to be in conformance with the floor and ceiling model that we adopted and agreed to.

Legislator Vanstrom: Thank you, Pierre.

Chairman Chagnon: Did I do O.K. Kathleen?

Mrs. Dennison: Yes. I wanted to, if I could, make a comment further to Legislator Stark's question. I just want to make sure for the record that I modify what I said before. The payments to other community colleges actually has gone up. I have figures from 2018, 2019, and 2020. It was 93,000 in 2018, 107,000 in 2019 and 115,000 in 2020. So, it has gone up.

Legislator Starks: Hopefully this incentivizes JCC to keep focusing on their enrollment and our kids attend here.

Mrs. Dennison: I just wanted to clarify that, as I said before, all being due to JCC is not entirely true. Like I said, there has been a small increase in the expenditures to other colleges, but the bulk of the adjustment in the budget is due to the floor and ceiling model.

Legislator Starks: Thank you for clarifying and I hope JCC continues on their positive track.

Chairman Scudder: I'll agree with that. O.K., any other questions or comments? All in favor? Opposed?

Unanimously Carried

Proposed Resolution - Application for Credit of Real Property Taxes for 2021 (Nobles)

Mr. Button: This is a correction that came to us. The property owner had a parcel that was assessed at I think \$130,000. He had it split into three pieces and this piece- the assessor did not do the math to make sure that 1 plus 2, plus 3 equals 4. So, there was basically a double assessment of the \$132,000. So, that's what prompted this correction here.

Chairman Scudder: O.K. everybody get that? Makes sense? All in favor say aye. Opposed?

Unanimously Carried

Proposed Resolution - Application for Credit of Real Property Taxes for 2021
(City of Dunkirk)

Mr. Button: This one caught my eye when it came across my desk for the reason that the request for the adjustment was basically asking to negate the entire tax bill and it referenced a PILOT agreement and I didn't recall ever seeing any PILOT revenue referencing- this is for the Clarion Hotel up in Dunkirk. So, I started asking around and I checked with the IDA first and Rich Dixon knew about it, but said I had to talk to the City of Dunkirk. Low and behold this is a PILOT agreement that was initiated originally way back in 1983 I think it was, between the city only and the hotel, so the city carries the PILOT. They're the only ones that get any revenue from it. It's been renewed several times and Richard Morrisroe did send me a copy of the PILOT for our records, which I forwarded down to the IDA as well. I did see in (*inaudible*) that agreement has actually expired as of June of 2020 and has not yet been renewed. So, somebody might be interested in that, I don't know. At any rate, the assessor did take the PILOT exemption off the property a little early, which prompted this tax bill, so we do need to negate it, but-

Chairman Scudder: You said the PILOT did expire in June of 2020?

Mr. Button: June 30th of 2020, I believe was the last expiration of that. According to Rich Dixon, he said this was negotiated back when the cities could do their own deals before the IDA had to do them all. So, this one's been around for a long time.

Legislator Muldowney: Yeah. The city has their own IDA. They never gave it up.

Chairman Scudder: Do they still have it?

Legislator Muldowney: Yeah.

Chairman Scudder: Thank you for that explanation. Any other questions, comment, concerns? All in favor say aye. Opposed?

Unanimously Carried

Proposed Resolution – Approve Corrective Action Plan (CAP) for Submission to Office of the State Comptroller (OSC)

Mr. Abdella: I'm happy to speak to that. I think in your packet you received a number of things. You received a copy of the comptrollers report and then attached to the agenda were two items; the letter that the County Executive wrote to the comptroller in reaction to their draft report and then the key part for tonight is the Legislature adopting the proposed corrective action plan that is attached at the end of the agenda. Just some general comments and then I could talk more specifically, this is a process we've gone through before with other audits that are undertaken by the comptroller. This happens with all municipalities. The comptroller did go and

do an audit of all of the ethics boards of most counties in the state in a similar cycle as to what happened to ours. They came out with findings that were pretty universal. I think something to comment on is if you look at the reports you'll find that in many instances the comptroller is referring to although not required by law we suggest that the ethics board do these various things. Many of these recommendations that were made by the comptroller are not so much recommendations as to things that are required specifically by law or regulation, but there best practice is that they're suggesting that we incorporate into our practices. Nonetheless, it's still called a corrective plan suggesting that you're perhaps correcting something that wasn't being done properly before, but as I stated, many of these are items where they are suggesting what I would call a best practice or a better practice and not actually specifically required. As you look through our corrective action plan it basically lays out what the audit recommendation was from the comptroller and then provides what the plan is to address that audit recommendation. I'm happy to run through those 8 real quick if you'd like, or respond to any comments or questions.

Chairman Scudder: I think we'll just respond to comments and questions. Is that O.K. with you, Steve, or did you want to-

Mr. Abdella: I'll just say a few words more that our ethics board and its process- they take this very seriously and they spend many volunteer hours. If you looked at the first audit recommendation it's suggesting that ethics board members complete training on the provisions of the law relating to conflicts of interest in ethics. Well, technically yes, I guess it's correct that they've never formally received something you would call a training. As referenced in some of our responsive material, they are working with our office on a frequent basis and as you know from the past frequently tweaking local law because they are actively looking at the law. So, I'll just say they are already pretty knowledgeable about the law, whether or not they have had a specific training exercise. A couple of the items relate to how things get posted in our county (*inaudible.*) We find that our employees don't really look at physical bulletin boards anymore and some of these laws requiring or recommending postings still think in terms of it has to be a posting on a wall as opposed to a posting on a county policy and procedure internal intranet site. So, we're responding in that regard. The last thing I'll mention is just that they are suggesting again as a best practice heightened review by the ethics board of the disclosure stated in terms of trying to identify whether vendors that the county uses have any relationship with an employees (*inaudible*) and officers who file the disclosure statements. So, we already had certain ways that was identified in the past, but we're going to add more ways in which lists can be compared between the answers put on the disclosure form as far as relationships and comparing that to a list of vendors. So, that's kind of a summation and whether Chairman Chagnon or anyone else want to add anything specific and we could answer your questions on this as well.

Chairman Scudder: Anybody have any questions? I'm just glad we're willing to accept the encouragement of (*inaudible.*) That's how I see it. Alright. All in favor say aye. Opposed?

Unanimously Carried

Other

Chairman Scudder: Is there anything to be discussed under other? I would just like to end it with one comment. Todd, thank you for your direction over the last months. We appreciate it.

Legislator Muldowney: Yes, nice job.

Mr. Button: Thank you. I appreciate it.

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

Unanimously Carried (6:09 p.m.)

Respectfully submitted and transcribed,
Kathy Tampo, Clerk/Olivia Ames, Deputy Clerk